SKILL ASSESSMENT

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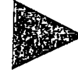
1

Developing Self-Awareness

SKILL DEVELOPMENT OBJECTIVES

Increase personal awareness of your:

- SENSITIVE LINE
- EMOTIONAL INTELLIGENCE
- PERSONAL VALUES AND MORAL MATURITY
- LEARNING STYLE
- ORIENTATION TOWARD CHANGE
- CORE SELF-EVALUATION

SKILL **ASSESSMENT** 

DIAGNOSTIC SURVEYS FOR SELF-AWARENESS

Self-Awareness Assessment

Step 1: Before you read the material in this chapter, please respond to the following statements by writing a number from the rating scale below in the left-hand column (Pre-assessment). Your answers should reflect your attitudes and behavior as they are now, not as you would like them to be. Be honest. This instrument is designed to help you discover how self-aware you are so you can tailor your learning to your specific needs. When you have completed the survey, use the scoring key at the end of the chapter to identify the skill areas discussed in this chapter that are most important for you to master.

Step 2: After you have completed the reading and the exercises in this chapter and, ideally, as many of the Skill Application assignments at the end of this chapter as you can, cover up your first set of answers. Then respond to the same statements again, this time in the right-hand column (Post-assessment). When you have completed the survey, use the scoring key at the end of the chapter to measure your progress. If your score remains low in specific skill areas, use the behavioral guidelines at the end of the Skill Learning section to guide further practice.

Rating Scale

1 Strongly disagree
2 Disagree
3 Slightly disagree
4 Slightly agree
5 Agree
6 Strongly agree

Assessment

Pre-	Post-	
______	______	1. I seek information about my strengths and weaknesses from others as a basis for self-improvement.
______	______	2. When I receive negative feedback about myself from others, I do not get angry or defensive.
______	______	3. In order to improve, I am willing to be self-disclosing to others (that is, to share my beliefs and feelings).
______	______	4. I am aware of my personal learning style and how I learn best.
______	______	5. I have a good grasp of what it means to be emotionally mature, and I demonstrate that capability.
______	______	6. I have a good sense of how I cope with situations that are ambiguous and uncertain.
______	______	7. I have a well-developed set of personal standards and principles that guide my behavior.
______	______	8. I feel in charge of what happens to me, good and bad.

___ ___ 9. I seldom, if ever, feel angry, depressed, or anxious without knowing why.

___ ___ 10. I am conscious of the areas in which conflict and friction most frequently arise in my interactions with others.

___ ___ 11. I have a close personal relationship with at least one other person with whom I can share personal information and personal feelings.

ASSESSMENT

Emotional Intelligence Assessment

Please reply to each item below by selecting the one alternative that is most likely to be your response. Think about the way you usually respond to these kinds of situations, not the way you would like to respond or the way you think you should respond. No correct answers exist for any of the items, and your scores will be most useful if you provide an accurate assessment of your typical behavior. Mark only one answer per item.

1. When I get really upset, I . . .
   a. ______ Analyze why I am so disturbed.
   b. ______ Blow up and let off steam.
   c. ______ Hide it and remain calm.
2. In a situation in which a colleague takes credit in public for my work and my ideas, I would probably . . .
   a. ______ Let it slide and do nothing in order to avoid a confrontation.
   b. ______ Later—in private—indicate that I would appreciate being given credit for my work and ideas.
   c. ______ Thank the person in public for referencing my work and ideas and then elaborate on my contributions.
3. When I approach another person and try to strike up a conversation but the other person doesn't respond, I . . .
   a. ______ Try to cheer up the person by sharing a funny story.
   b. ______ Ask the person if he or she wants to talk about what's on his or her mind.
   c. ______ Leave the person alone and find someone else to talk to.
4. When I enter a social group I usually . . .
   a. ______ Remain quiet and wait for people to talk to me.
   b. ______ Try to find something complimentary I can tell someone.
   c. ______ Find ways to be the life of the party or the source of energy and fun.
5. On important issues I usually . . .
   a. ______ Make up my own mind and ignore others' opinions.
   b. ______ Weigh both sides, and discuss it with others before making a decision.
   c. ______ Listen to my friends or colleagues and make the same decision they do.
6. When someone that I do not particularly like becomes romantically attracted to me, I usually . . .
   a. ______ Tell that person directly that I am not interested.
   b. ______ Respond by being friendly but cool or aloof.
   c. ______ Ignore the person and try to avoid him or her.

7. When I am in the company of two people who have diametrically opposing points of view about an issue (for example, politics, abortion, war) and are arguing about it, I . . .
   a. ______ Find something upon which they can both agree and emphasize it.
   b. ______ Encourage the verbal battle.
   c. ______ Suggest that they stop arguing, and calm down.
8. When I am playing a sport and the game comes down to my last-second performance, I . . .
   a. ______ Get very nervous and hope that I don't choke.
   b. ______ See this as an opportunity to shine.
   c. ______ Stay focused and give it my best effort.
9. In a situation in which I have an important obligation and need to leave work early, but my colleagues ask me to stay to meet a deadline, I would probably . . .
   a. ______ Cancel my obligation and stay to complete the deadline.
   b. ______ Exaggerate a bit by telling my colleagues that I have an emergency that I can't miss.
   c. ______ Require some kind of compensation for missing the obligation.
10. In a situation in which another person becomes very angry and begins yelling at me, I . . .
   a. ______ Get angry in return. I don't take that from anyone.
   b. ______ Walk away. It doesn't do any good to argue.
   c. ______ Listen first, and then try to discuss the issue.
11. When I encounter someone who has just experienced a major loss or tragedy, I . . .
   a. ______ Really don't know what to do or say.
   b. ______ Tell the person I feel very sorry and try to provide support.
   c. ______ Share a time when I experienced a similar loss or tragedy.
12. When someone makes a racist joke or tells a crude story about a member of the opposite sex in mixed company, I usually . . .
   a. ______ Point out that this is inappropriate and not acceptable, and then change the subject.
   b. ______ Ignore it so I don't cause a scene.
   c. ______ Get really upset and tell the person just what I think of what he or she said.

The Defining Issues Test

This instrument assesses your opinions about controversial social issues. Different people make decisions about these issues in different ways. You should answer the questions for yourself without discussing them with others. You are presented with three stories. Following each story are 12 statements or questions. Your task after reading the story is to rate each statement in terms of its importance in making a decision. After rating each statement, select the four most important statements and rank them from one to four in the spaces provided. Each statement should be ranked in terms of its relative importance in making a decision.

Some statements will raise important issues, but you should ask yourself whether the decision should rest on that issue. Some statements sound high and lofty but are largely gibberish. If you cannot make sense of a statement, or if you don't understand its meaning, mark it 5—"Of no importance."

For information about interpreting and scoring the Defining Issues Test, refer to the scoring key at the end of the chapter. Use the following rating scale for your response.

Rating Scale

1	Of great importance	This statement or question makes a crucial difference in making a decision about the problem.
2	Of much importance	This statement or question is something that would be a major factor (though not always a crucial one) in making a decision.
3	Of some importance	This statement or question involves something you care about, but it is not of great importance in reaching a decision.
4	Of little importance	This statement or question is not very important to consider in this case.
5	Of no importance	This statement or question is completely unimportant in making a decision. You would waste your time thinking about it.

The Escaped Prisoner

A man had been sentenced to prison for 10 years. After one year, however, he escaped from prison, moved to a new area of the country, and took on the name of Thompson. For eight years he worked hard, and gradually he saved enough money to buy his own business. He was fair to his customers, gave his employees top wages, and gave most of his own profits to charity. Then one day, Ms. Jones, an old neighbor, recognized him as the man who had escaped from prison eight years before and for whom the police had been looking.

Should Ms. Jones report Mr. Thompson to the police and have him sent back to prison? Write a number from the rating scale on the previous page in the blank beside each statement.

_______ Should report him
_______ Can't decide
_______ Should not report him

Importance

______ 1. Hasn't Mr. Thompson been good enough for such a long time to prove he isn't a bad person?
______ 2. Every time someone escapes punishment for a crime, doesn't that just encourage more crime?
______ 3. Wouldn't we be better off without prisons and the oppression of our legal system?
______ 4. Has Mr. Thompson really paid his debt to society?
______ 5. Would society be failing what Mr. Thompson should fairly expect?
______ 6. What benefit would prison be apart from society, especially for a charitable man?
______ 7. How could anyone be so cruel and heartless as to send Mr. Thompson to prison?
______ 8. Would it be fair to prisoners who have to serve out their full sentences if Mr. Thompson is let off?
______ 9. Was Ms. Jones a good friend of Mr. Thompson?

______ 10. Wouldn't it be a citizen's duty to report an escaped criminal, regardless of the circumstances?

______ 11. How would the will of the people and the public good best be served?

______ 12. Would going to prison do any good for Mr. Thompson or protect anybody?

From the list of questions above, select the four most important:

______ Most important
______ Second most important
______ Third most important
______ Fourth most important

The Doctor's Dilemma

A woman was dying of incurable cancer and had only about six months to live. She was in terrible pain, but was so weak that a large dose of a pain killer such as morphine would probably kill her. She was delirious with pain, and in her calm periods, she would ask her doctor to give her enough morphine to kill her. She said she couldn't stand the pain and that she was going to die in a few months anyway.

What should the doctor do? (Check one.)

______ He should give the woman an overdose that will make her die
______ Can't decide
______ Should not give the overdose

Importance

______ 1. Is the woman's family in favor of giving her the overdose?

______ 2. Is the doctor obligated by the same laws as everybody else?

______ 3. Would people be better off without society regimenting their lives and even their deaths?

______ 4. Should the doctor make the woman's death from a drug overdose appear to be an accident?

______ 5. Does the state have the right to force continued existence on those who don't want to live?

______ 6. What is the value of death prior to society's perspective on personal values?

______ 7. Should the doctor have sympathy for the woman's suffering, or should he care more about what society might think?

______ 8. Is helping to end another's life ever a responsible act of cooperation?

______ 9. Can only God decide when a person's life should end?

______ 10. What values has the doctor set for himself in his own personal code of behavior?

______ 11. Can society afford to let anybody end his or her life whenever he or she desires?

______ 12. Can society allow suicide or mercy killing and still protect the lives of individuals who want to live?

From the list of questions above, select the four most important:

______ Most important
______ Second most important
______ Third most important
______ Fourth most important

ASSESSMENT

The Newspaper

Rami, a senior in high school, wanted to publish a mimeographed newspaper for students so that he could express his opinions. He wanted to speak out against military build-up and some of the school's rules, such as the rule forbidding boys to wear long hair.

When Rami started his newspaper, he asked his principal for permission. The principal said it would be all right if before every publication Rami would turn in all his articles for the principal's approval. Rami agreed and turned in several articles for approval. The principal approved all of them and he published two issues of the paper in the next two weeks.

But, the principal had not expected that Rami's newspaper would receive so much attention. Students were so excited by the paper that they began to organize protests against the government, hair regulation, and other school rules. Angry parents objected to Rami's opinions. They phoned the principal telling him that the newspaper was unpatriotic and should not be published. As a result of the rising excitement, the principal wondered if he should order Rami to stop publishing on the grounds that the controversial newspaper articles were disrupting the operation of the school.

What should the principal do? (Check one.)

_______ Should stop it
_______ Can't decide
_______ Should not stop it

Importance

______ 1. Is the principal more responsible to the students or to the parents?
______ 2. Did the principal give his word that the newspaper could be published for a long time, or did he just promise to approve the newspaper one issue at a time?
______ 3. Would the students start protesting even more if the principal stopped the newspaper?
______ 4. When the welfare of the school is threatened, does the principal have the right to give orders to students?
______ 5. Does the principal have the freedom of speech to say no in this case?
______ 6. If the principal stopped the newspaper, would he be preventing full discussion of important problems?
______ 7. Would the principal's stop order make Rami lose faith in him?
______ 8. Is Rami really loyal to his school and patriotic to his country?
______ 9. What effect would stopping the paper have on the students' education in critical thinking and judgment?
______ 10. Is Rami in any way violating the rights of others in publishing his own opinions?
______ 11. Should the principal be influenced by some angry parents when it is the principal who knows best what is going on in the school?
______ 12. Is Rami using the newspaper to stir up hatred and discontent?

From the list of questions above, select the four most important:

_______ Most important
_______ Second most important
_______ Third most important
_______ Fourth most important

Source: *Adapted from Rest, 1979.*

The Learning Style Inventory

This inventory will be more helpful to you if you think about situations in which you are presently learning. These may be situations at school, at work, at home, or in some other context. Take a few minutes to think about these situations and make note of your answers to the following questions: Where are you learning? What are some important things that you have learned in the past year? How do you approach new learning opportunities?

In the following assessment instrument you are asked to complete 12 sentences that describe learning. Each has four endings. To respond to these sentences, consider some of the recent learning situations you have just written about. Then rank the endings for each sentence according to how well you think the ending describes the way you learned. Write *4* next to the sentence ending that describes how you learn *best*, and so on down to *1* for the sentence ending that seems *least* like the way you learned. Be sure to rank all the endings for each sentence unit. Do not make ties. (Remember: 4 = best; 1 = worst.)

EXAMPLE: When I learn:

a. __2__ I am happy
b. __4__ I am careful
c. __1__ I am fast
d. __3__ I am logical

1. When I learn:
   a. ______ I like to deal with my feelings
   b. ______ I like to think about ideas
   c. ______ I like to be doing things
   d. ______ I like to watch and listen

2. I learn best when:
   a. ______ I listen and watch carefully
   b. ______ I rely on logical thinking
   c. ______ I trust my hunches and feelings
   d. ______ I work hard to get things done

3. When I am learning:
   a. ______ I tend to reason things out
   b. ______ I am responsible about things
   c. ______ I am quiet and reserved
   d. ______ I have strong feelings and reactions

4. I learn by:
   a. ______ feeling
   b. ______ doing
   c. ______ watching
   d. ______ thinking

5. When I learn:
   a. ______ I am open to new experiences

ASSESSMENT

b. _______ I look at all sides of issues
c. _______ I like to analyze things, break them down into their parts
d. _______ I like to try things out

6. When I am learning:
   a. _______ I am an observing person
   b. _______ I am an active person
   c. _______ I am an intuitive person
   d. _______ I am a logical person

7. I learn best from:
   a. _______ observation
   b. _______ personal relationships
   c. _______ rational theories
   d. _______ a chance to try out and practice

8. When I learn:
   a. _______ I like to see results from my work
   b. _______ I like ideas and theories
   c. _______ I take my time before acting
   d. _______ I feel personally involved in things

9. I learn best when:
   a. _______ I rely on my observations
   b. _______ I rely on my feelings
   c. _______ I can try things out for myself
   d. _______ I rely on my ideas

10. When I am learning:
   a. _______ I am a reserved person
   b. _______ I am an accepting person
   c. _______ I am a responsible person
   d. _______ I am a rational person

11. When I learn:
   a. _______ I get involved
   b. _______ I like to observe
   c. _______ I evaluate things
   d. _______ I like to be active

12. I learn best when:
   a. _______ I analyze ideas
   b. _______ I am receptive and open-minded
   c. _______ I am careful
   d. _______ I am practical

Source: *Copyright, 1999 by David A. Kdb, Experience Based Learning Systems, Inc. All rights reserved.*

Locus of Control Scale

This questionnaire assesses your opinions about certain issues. Each item consists of a pair of alternatives marked with *a* or *b*. Select the alternative with which you most agree. If you believe both alternatives to some extent, select the one with which you most strongly agree. If you do not believe either alternative, mark the one with which you least strongly disagree. Since this is an assessment of opinions, there are obviously no right or wrong answers. When you have finished each item, turn to the scoring key at the end of the chapter for instructions on how to tabulate the results and for comparison data.

This questionnaire is similar, but not identical, to the original locus of control scale developed by Julian Rotter. The comparison data provided in the scoring key comes from research using Rotter's scale instead of this one. However, the two instruments assess the same concept, are the same length, and their mean scores are similar.

1. a. Leaders are born, not made.
   b. Leaders are made, not born.
2. a. People often succeed because they are in the right place at the right time.
   b. Success is mostly dependent on hard work and ability.
3. a. When things go wrong in my life, it's generally because I have made mistakes.
   b. Misfortunes occur in my life regardless of what I do.
4. a. Whether there is war or not depends on the actions of certain world leaders.
   b. It is inevitable that the world will continue to experience wars.
5. a. Good children are mainly products of good parents.
   b. Some children turn out bad no matter how their parents behave.
6. a. My future success depends mainly on circumstances I can't control.
   b. I am the master of my fate.
7. a. History judges certain people to have been effective leaders mainly because circumstances made them visible and successful.
   b. Effective leaders are those who have made decisions or taken actions that resulted in significant contributions.
8. a. Avoiding punishing children guarantees that they will grow up irresponsible.
   b. Spanking children is never appropriate.
9. a. I often feel that I have little influence over the direction my life is taking.
   b. It is unreasonable to believe that fate or luck plays a crucial part in how my life turns out.
10. a. Some customers will never be satisfied no matter what you do.
    b. You can satisfy customers by giving them what they want when they want it.
11. a. Anyone can get good grades in school by working hard enough.
    b. Some people are never going to excel in school no matter how hard they try.
12. a. Good marriages result when both partners continually work on the relationship.
    b. Some marriages are going to fail because the partners are just incompatible.
13. a. I am confident that I can improve my basic management skills through learning and practice.
    b. It is a waste of time to try to improve management skills in a classroom.

14. a. More management skills courses should be taught in business schools.
    b. Less emphasis should be put on skills in business schools.
15. a. When I think back on the good things that happened to me, I believe they happened mainly because of something I did.
    b. The bad things that have happened in my life have mainly resulted from circumstances outside my control.
16. a. Many exams I took in school were unconnected to the material I had studied, so studying hard didn't help at all.
    b. When I prepared well for exams in school, I generally did quite well.
17. a. I am sometimes influenced by what my astrological chart says.
    b. No matter how the stars are lined up, I can determine my own destiny.
18. a. Government is so big and bureaucratic that it is very difficult for any one person to have any impact on what happens.
    b. Single individuals can have a real influence on politics if they will speak up and let their wishes be known.
19. a. People seek responsibility in work.
    b. People try to get away with doing as little as they can.
20. a. The most popular people seem to have a special, inherent charisma that attracts people to them.
    b. People become popular because of how they behave.
21. a. Things over which I have little control just seem to occur in my life.
    b. Most of the time I feel responsible for the outcomes I produce.
22. a. Managers who improve their personal competence will succeed more than those who do not improve.
    b. Management success has very little to do with the competence possessed by the individual manager.
23. a. Teams that win championships in most sports are usually the teams that, in the end, have the most luck.
    b. More often than not, teams that win championships are those with the most talented players and the best preparation.
24. a. Teamwork in business is a prerequisite to success.
    b. Individual effort is the best hope for success.
25. a. Some workers are just lazy and can't be motivated to work hard no matter what you do.
    b. If you are a skillful manager, you can motivate almost any worker to put forth more effort.
26. a. In the long run, people can improve this country's economic strength through responsible action.
    b. The economic health of this country is largely beyond the control of individuals.
27. a. I am persuasive when I know I'm right.
    b. I can persuade most people even when I'm not sure I'm right.

28. a. I tend to plan ahead and generate steps to accomplish the goals that I have set.
    b. I seldom plan ahead because things generally turn out OK anyway.

29. a. Some things are just meant to be.
    b. We can change anything in our lives by hard work, persistence, and ability.

Tolerance of Ambiguity Scale

Please respond to the following statements by indicating the extent to which you agree or disagree with them. Fill in the blanks with the number from the rating scale that best represents your evaluation of the item. The scoring key is at the end of the chapter.

Rating Scale

1 Strongly disagree
2 Moderately disagree
3 Slightly disagree
4 Neither agree nor disagree
5 Slightly agree
6 Moderately agree
7 Strongly agree

_____ 1. An expert who doesn't come up with a definite answer probably doesn't know too much.
_____ 2. I would like to live in a foreign country for a while.
_____ 3. There is really no such thing as a problem that can't be solved.
_____ 4. People who fit their lives to a schedule probably miss most of the joy of living.
_____ 5. A good job is one where what is to be done and how it is to be done are always clear.
_____ 6. It is more fun to tackle a complicated problem than to solve a simple one.
_____ 7. In the long run it is possible to get more done by tackling small, simple problems rather than large and complicated ones.
_____ 8. Often the most interesting and stimulating people are those who don't mind being different and original.
_____ 9. What we are used to is always preferable to what is unfamiliar.
_____ 10. People who insist upon a yes or no answer just don't know how complicated things really are.
_____ 11. A person who leads an even, regular life in which few surprises or unexpected happenings arise really has a lot to be grateful for.
_____ 12. Many of our most important decisions are based upon insufficient information.
_____ 13. I like parties where I know most of the people more than ones where all or most of the people are complete strangers.
_____ 14. Teachers or supervisors who hand out vague assignments give one a chance to show initiative and originality.
_____ 15. The sooner we all acquire similar values and ideals the better.
_____ 16. A good teacher is one who makes you wonder about your way of looking at things.

Source: *Tolerance of Ambiguity Scale, S. Budner (1962), "Intolerance of Ambiguity as a Personality Variable," from* Journal of Personality, *30: 29–50. Reprinted with the permission of Blackwell Publishing, Ltd.*

ASSESSMENT

Core Self-Evaluation Scale (CSES)

Below are several statements with which you may agree or disagree. Using the response scale below, indicate your level of agreement or disagreement with each statement.

Rating Scale

1 Strongly disagree
2 Disagree
3 Neutral
4 Agree
5 Strongly agree

_____ 1. I am confident I get the success I deserve in life.
_____ 2. Sometimes I feel depressed.
_____ 3. When I try, I generally succeed.
_____ 4. Sometimes when I fail I feel worthless.
_____ 5. I complete tasks successfully.
_____ 6. Sometimes, I do not feel in control of my work.
_____ 7. Overall, I am satisfied with myself.
_____ 8. I am filled with doubts about my competence.
_____ 9. I determine what will happen in my life.
_____ 10. I do not feel in control of my success in my career.
_____ 11. I am capable of coping with most of my problems.
_____ 12. There are times when things look pretty bleak and hopeless to me.

Source: *Judge, Erez, Bono, and Thoreson, 2003. Courtesy of Personnel Psychology.*

Key Dimensions of Self-Awareness

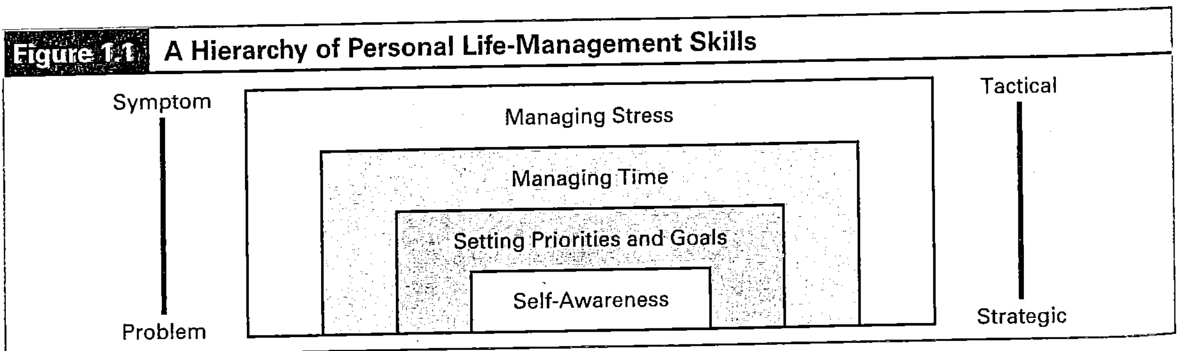
For more than 300 years, knowledge of the self has been considered to be at the very core of human behavior. The ancient dictum "Know thyself" has been variously attributed to Plato, Pythagoras, Thales, and Socrates. Plutarch noted that this inscription was carved on the Delphic Oracle, that mystical sanctuary where kings and generals sought advice on matters of greatest importance to them. As early as 42 B.C., Publilius Syrus proposed: "It matters not what you are thought to be, but what you are." Alfred Lord Tennyson said: "Self-reverence, self-knowledge, self-control, these three alone lead to sovereign power." Probably the most oft-quoted passage on the self is Polonius' advice in Hamlet: "To thine own self be true, and it must follow as the night the day, thou canst not then be false to any man."

Messinger reminded us: "He that would govern others must first master himself." **Self-awareness** lies at the heart of the ability to master oneself, but it is not sufficient. While self-management depends first and foremost on self-awareness, as illustrated in Figure 1.1, other self-management skills are closely linked to and build upon self-awareness. Developing self-control, for example, and clarifying priorities and goals, help individuals create direction in their own lives. Effectively managing time and stress make it possible for individuals to adapt to and organize their surroundings.

This chapter centers on the core aspects of self-management and serves as the foundation for the following chapter on stress and time management. Moreover, as Figure 1.1 illustrates, when problems arise in personal management, the easily recognized symptoms are often time pressures or experienced stress. However, those symptoms are often linked to more fundamental problems with self-awareness and out-of-balance priorities so we begin with a focus on enhancing knowledge of oneself.

Despite the research cited above, students of human behavior have long known that knowledge of oneself—self-awareness, self-insight, self-understanding—is essential to one's productive personal and interpersonal functioning, and in understanding and empathizing with other people. A host of techniques and methods for achieving self-knowledge have long been available—including group methods, meditation techniques, altered consciousness procedures, aromatherapy, assorted massages, physical exercise regimens, and biofeedback. A 1993 *New England Journal of Medicine* article estimated that Americans alone spent approximately $12 billion on such therapies in 1990, and *Forbes* magazine estimated the figure at more than $15 billion in 1995. In this chapter we do not summarize those various approaches to enhanced self-awareness, nor do we espouse any one procedure in particular. Instead, our objective is to help you understand the importance of self-awareness if you are to be a successful manager—or a successful individual—and to provide you with some powerful self-assessment instruments that are related to managerial success. Our emphasis is on scientifically validated information linking self-awareness to the behavior of managers, and we try to avoid generalizations that have not been tested in research.

Figure 1.1 A Hierarchy of Personal Life-Management Skills



The Enigma of Self-Awareness

Erich Fromm (1939) was one of the first behavioral scientists to observe the close connection between one's self-concept and one's feelings about others: "Hatred against oneself is inseparable from hatred against others." Carl Rogers (1961) later proposed that self-awareness and self-acceptance are prerequisites for psychological health, personal growth, and the ability to know and accept others. In fact, Rogers suggested that the basic human need is for self-regard, which he found to be more powerful in his clinical cases than physiological needs. Brouwer (1964, p. 156) asserted:

> *The function of self-examination is to lay the groundwork for insight, without which no growth can occur. Insight is the "Oh, I see now" feeling which must consciously or unconsciously precede change in behavior. Insights—real, genuine glimpses of ourselves as we really are—are reached only with difficulty and sometimes with real psychic pain. But they are the building blocks of growth. Thus, self-examination is a preparation for insight, a groundbreaking for the seeds of self-understanding which gradually bloom into changed behavior.*

There is little question that the knowledge we possess about ourselves, which makes up our self-concept, is central to improving our management skills. We cannot improve ourselves or develop new capabilities unless and until we know what level of capability we currently possess. Considerable empirical evidence exists that individuals who are more self-aware are more healthy, perform better in managerial and leadership roles, and are more productive at work (Boyatzis, 1982; Cervone, 1997; Spencer & Spencer, 1993).

On the other hand, self-knowledge may inhibit personal improvement rather than facilitate it. The reason is that individuals frequently evade personal growth and new self-knowledge. They resist acquiring additional information in order to protect their self-esteem or self-respect. If they acquire new knowledge about themselves, there is always the possibility that it will be negative or that it will lead to feelings of inferiority, weakness, evilness, or shame. So they avoid new self-knowledge. As Maslow (1962, p. 57) notes:

> *We tend to be afraid of any knowledge that would cause us to despise ourselves or to make us feel inferior, weak, worthless, evil, shameful. We protect ourselves and our ideal image of ourselves by repression and similar defenses, which are essentially techniques by which we avoid becoming conscious of unpleasantness or dangerous truths.*

We avoid personal growth, then, because we fear finding out that we are not all that we would like to be. If there is a better way to be, our current state must therefore be inadequate or inferior. The realization that one is not totally adequate or knowledgeable is difficult for many people to accept. This resistance is the "denying of our best side, of our talents, of our finest impulses, of our highest potentialities, of our creativeness. In brief, this is the struggle against our own greatness" (Maslow, 1962, p. 58). Freud (1956) asserted that to be completely honest with oneself is the best effort an individual can make, because complete honesty requires a continual search for more information about the self and a desire for self-improvement. The results of that search are usually uncomfortable.

Seeking knowledge of the self, therefore, seems to be an enigma. It is a prerequisite for and motivator of growth and improvement, but it may also inhibit growth and improvement. It may lead to stagnation because of fear of knowing more. How, then, can improvement be accomplished? How can management skills be developed if the self-knowledge necessary for the development of those skills is resisted?

THE SENSITIVE LINE

One answer relies on the concept of the **sensitive line**. This concept refers to the point at which individuals become defensive or protective when encountering information about themselves that is inconsistent with their self-concept or when encountering pressure to alter their behavior. Most people regularly experience information about themselves that doesn't quite fit or that is marginally inconsistent. For example, a friend might say, "You look tired today. Are you feeling okay?" If you are feeling fine, the information is inconsistent with your self-awareness. But because the discrepancy is relatively minor, it would not be likely to offend you or evoke a strong defensive reaction. That is, it would probably not require that you reexamine and change your self-concept.

On the other hand, the more discrepant the information or the more serious its implications for your self-concept, the closer it would approach your sensitive line, and you would feel a need to defend yourself

against it. For example, having a coworker judge you incompetent as a manager may cross your sensitive line if you think you have done a good job as a manager. This would be especially true if the coworker was an influential person. Your response would probably be to defend yourself against the information to protect the image you hold of yourself.

This response is known as the **threat-rigidity response** (Staw, Sandelands, & Dutton, 1981; Weick, 1993). When individuals are threatened, when they encounter uncomfortable information, or when uncertainty is created, they tend to become rigid. They hunker down, protect themselves, and become risk averse. Consider what happens when you are startled or suddenly shocked by something unexpected. Physically, your body tends to become rigid in order to protect itself. It tightens up to safeguard stability. Similarly, individuals also become rigid—psychologically and emotionally—when they encounter information that is a threat to their self-concept. They tend to redouble their efforts to protect what is comfortable and familiar (Cameron, 1994; Cameron, Kim, & Whetten, 1987; Weick & Sutcliffe, 2000). They rely on first-learned or most reinforced behavior patterns and emotions. When discrepancies in the self-image are encountered, in other words, the validity of the information or its source is denied, or other kinds of defense mechanisms are used to ensure that the self-concept remains stable. Crossing the sensitive line creates rigidity and self-preservation.

In light of this defensiveness, then, how can increased self-knowledge and personal change ever occur? There are at least two answers. One is that information that is verifiable, predictable, and controllable is less likely to cross the sensitive line than information without those characteristics. That is, if an individual can test the validity of the discrepant information (for example, if some objective standard exists for evaluating the accuracy of the information), if the information is not unexpected or "out-of-the-blue" (for example, if it is received at regular intervals), and if there is some control over what, when, and how much information is received (for example, if it is requested), the feedback is more likely to be heard and accepted. The information you receive about yourself in this chapter possesses those three characteristics. You have already completed several self-assessment instruments that have been used extensively in research. Their reliability and validity have been established. Moreover, they have been found to be associated with managerial success. Therefore, as you analyze your scores and seek honestly to understand more about your underlying attributes, you can gain important insight that will prove to be very useful.

A second answer to the problem of overcoming resistance to self-examination lies in the role other people can play in helping insight to occur. It is almost impossible to increase skill in self-awareness unless we interact with and disclose ourselves to others. Unless one is willing to open up to others, to discuss aspects of the self that seem ambiguous or unknown, little growth can ever occur. **Self-disclosure**, therefore, is a key to improvement in self-awareness. Harris (1981) points out:

> *In order to know oneself, no amount of introspection or self-examination will suffice. You can analyze yourself for weeks, or meditate for months, and you will not get an inch further—any more than you can smell your own breath or laugh when you tickle yourself.*
>
> *You must first be open to the other person before you catch a glimmering of yourself. Our self-reflection in a mirror does not tell us what we are like; only our reflection in other people. We are essentially social creatures, and our personality resides in association, not in isolation.*

As you engage in the practice exercises in this chapter, therefore, you are encouraged to discuss your insights with someone else. A lack of self-disclosure not only inhibits self-awareness but also may affect adversely other aspects of managerial skill development. For example, several studies have shown that low self-disclosers are less healthy and more self-alienated than high self-disclosers. College students give the highest ratings for interpersonal competence to high self-disclosers. Individuals who are high self-disclosers are liked best, and excessive or insufficient self-disclosure results in less liking and acceptance by others (see, for example, Covey, 1989; Goleman, 1998b; Kelley, 1999).

Some of the exercises in this chapter will require you to discuss your experiences with others. This is because involving others in the process of self-understanding will be a critical aspect of your personal growth. These interactions, of course, should be sincere, honest, and motivated by self-understanding and self-improvement. Never should the information you share or receive be used to judge or wound another person. Maintaining a trusting relationship with someone with whom you can share is a critical prerequisite to self-understanding.

The enigma of self-awareness can be managed, then, by exercising some control over when and what kind of information you receive about yourself, and by involving others in your pursuit of self-understanding. The support and feedback individuals receive from others during the process of self-disclosure, besides helping to increase feedback and self-awareness, helps information contribute to greater self-awareness without crossing the sensitive line.

Understanding and Appreciating Individual Differences

Another important reason for focusing on self-awareness is to help you develop the ability to diagnose important differences among others with whom you interact. There is considerable evidence that an individual's effectiveness as a manager is closely related to his or her ability to recognize, appreciate, and ultimately utilize key, fundamental differences among others. This topic is commonly discussed in the management literature under the subject of "managing diversity." The diversity literature has progressed through a series of stages, beginning with a plethora of statistics demonstrating the extent to which, and the specific ways in which, the workforce is becoming more diverse. This was followed by evidence-based arguments touting the merits of a diverse group of workers contributing to the performance of a work group (Cox, 1994). The primary sources of diversity discussed in this literature are gender, age, culture, and ethnicity.

In this chapter, and throughout the book, we use broader, more inclusive, and less ambiguous terminology that is more conducive to skill development. Whereas it is difficult, for example, to understand all the ramifications of "managing diversity," it is not difficult to be sensitive to certain important differences that affect the way you manage others. In other words, this chapter has two objectives: (1) to help you better understand your own uniqueness as an individual—to become better equipped to manage yourself—and (2) to help you diagnose, value, and utilize the differences you find in other people.

Self-knowledge will help you understand your own taken-for-granted assumptions, trigger points, sensitive line, comfort zone, strengths and weaknesses, and so forth. This knowledge is useful for all of us, not because we can or should change fundamental dimensions of ourselves, but because it helps make our interactions with others more effective and insightful. It also helps us gain a more complete understanding of our potential for contributing value in our future career roles and our special strengths relative to others. It is not unusual for many of us to feel intimidated at times, for example, by heroic or luminary figures whose success is attributed to charisma, intelligence, or style. We feel we are somehow diminished and less able because of what we see in others. Self-knowledge allows us to recognize our own special gifts and strengths and to capitalize on our talents.

Diagnosing fundamental differences in others is, similarly, an important part of being an effective manager. Being aware of, and empathetic toward, the different perspectives, needs, and inclinations of other people is a key part of emotional intelligence and interpersonal maturity. Most people, however, have a tendency to interact with individuals who are like themselves, to choose similar people to work with them, and to exclude others who seem to be different (Berscheid & Walster, 1978). The history of human warfare and conflict testifies to the fact that differences are usually interpreted as frightening or threatening. However, although fostering similarity seemingly makes it easier to interact with other people, especially in a work setting, it also reduces creativity, complex problem solving, and the likelihood that working colleagues will challenge the perspective of the authority figure. Research on organizational failure has repeatedly demonstrated that a lack of diversity in the composition of key decision-making bodies makes it difficult for them to recognize changes in their environment and to respond in appropriately new and novel ways (Cameron, Kim, & Whetten, 1987).

One key to helping individuals feel comfortable discussing ways in which they are different is by sharing a commitment to focusing on *differences* not *distinctions*. We observe differences; we create distinctions. Differences help us understand potential sources of misunderstanding between people and give us clues for how we can work together more effectively. Distinctions create social barriers between people for the express purpose of creating (or reinforcing) advantages and disadvantages. When someone discounts the opinion of a coworker, for example, on the grounds that the person is "a member of the old boys' club," "from marketing," "a woman," or "doesn't have a college degree," he or she is creating a distinction that is not only potentially hurtful on a personal basis but ineffective for the organization.

The creation of such distinctions destroys trust among people, even if the distinctions refer to individuals who are not present. If you were to apply distinctions that belittled someone in another group, for example, that action plants a seed of mistrust in the minds of

people who are present regarding what distinctions you may be privately using to discount them. The point is, recognizing differences is not the same as evaluating distinctions. One is helpful; the other is hurtful. Moreover, when others feel that self-disclosing information could be used against them—that is, they could be placed on the disadvantaged side of a distinction—they will be reluctant to participate in any self-discovery process, especially one that requires them to share information about their personal characteristics.

To repeat, self-awareness and understanding differences cannot occur without self-disclosure, sharing, and trusting conversations. Self-knowledge requires an understanding and valuing of differences, not the creation of distinctions. We encourage you, therefore, to use the information you discover about yourself and others to build, grow, and value both of you in your interactions.

Important Areas of Self-Awareness

Of course, an innumerable quantity of personal dimensions is available to explore if one is to develop in-depth self-awareness. For example, numerous aspects of cognitive style have been measured; authors have identified more than a dozen "intelligences" (ranging from social and practical to cognitive and creative); literally thousands of personality factors have been investigated in the psychological literature; the mapping of the human chromosome has raised the possibility that hundreds of physiological differences may be crucial in understanding behavior; gender, age, cultural, ethnic, and experience differences all develop individually over time. It is impossible, of course, to accurately select the few best or most central aspects of self-awareness because the alternatives are just too numerous. On the other hand, we focus here on five of the most critical areas of self-awareness that have been found to be key in developing successful management. They are: emotional intelligence, personal values, learning style, orientation toward change, and core self-evaluation. These areas represent a limited set of factors, of course, but they have been found to be among the most important predictors of various aspects of effective managerial performance—including achieving life success, performing effectively in teams, competent decision making, life-long learning and development, creativity, communication competency, job satisfaction, and job performance (Allan & Waclawski, 1999; Atwater & Yammarino, 1992; Goleman, 1998b; Judge et al., 2003; Parker & Kram, 1993; Sosik & Megerian, 1999).

Research on the concept of **emotional intelligence**—the ability to manage oneself and to manage relationships with others—has been identified as among the most important factors in accounting for success in leaders and managers (Boyatzis, Goleman, & Rhee, 2000; Goleman, 1998a). In particular, self-awareness has been identified as a crucial aspect of emotional intelligence, and it is more powerful than IQ in predicting success in life (Goleman, 1995). One study, for example, tried to identify differences between star performers and average managers in 40 companies. Emotional intelligence competencies, including self-awareness, were *twice* as important in contributing to excellence as cognitive intelligence (IQ) and expertise (Goleman, 1998a). In a study of a multinational consulting firm, superior performing partners were compared to average performing partners. Superior performers—who had significantly higher emotional intelligence and self-awareness scores—contributed more than twice the revenues to the firm and were four times more likely to be promoted than those with low self-awareness and emotional intelligence (Boyatzis, 1998).

Personal values are included here because they are "the core of the dynamics of behavior, and play so large a part in unifying personality" (Allport, Gordon, & Vernon, 1931, p. 2). That is, all other attitudes, orientations, and behaviors arise out of an individuals' values. Two major types of values are considered: *instrumental* and *terminal* (Rokeach, 1973). We present research findings that relate personal development in these two types of values to successful managerial performance. The assessment instrument that assesses your values development is discussed, along with information concerning the scores of other groups of people. You will want to compare your scores with individuals who are close to you, as well as with successful managers. Some comparison data is provided for that purpose. Because this discussion of values development is connected to ethical decision making, the implications of managerial ethics are also discussed in this section.

A third area of self-awareness is **learning style**, which refers to the manner in which individuals gather and process information. A discussion of the critical dimensions of learning style is presented, based on the assessment instrument that you completed to assess your own style. Empirical research linking learning style to managerial behavior is discussed, and your scores are compared to other successful managers in a variety of organizations.

Fourth, a discussion of **orientation toward change** focuses on the methods people use to cope with change in their environment. In the twenty-first century, of course, all of us will be faced with increasingly fragmented, rapidly changing, tumultuous conditions (Peters, 1987). It is important that you become aware of your orientation toward adapting to these conditions. Two important dimensions—*locus of control* and *intolerance of ambiguity*—have been measured by two assessment instruments. Research connecting these two dimensions to effective management is discussed in the sections that follow.

Finally, **core self-evaluation** is a recently developed construct that captures the essential aspects of personality. More than 50,000 studies have been conducted on what has been referred to as "the Big Five" personality dimensions—neuroticism, extroversion, conscientiousness, agreeableness, and openness—but an underlying factor has been found to account for the effects of these personality dimensions. It is referred to as core self-evaluation (Judge et al., 2003), and we provide an instrument that assesses your core self-evaluation. Some important research on this construct is explained in this chapter relating to how scores correlate with success at work and in life. By analyzing your scores, you not only learn about your underlying personality dimensions, but you also will learn about how they are associated with other important behaviors such as motivation, problem solving, creativity, life satisfaction, and work performance.

These five areas of self-awareness—emotional intelligence, personal values, learning style, orientation toward change, and core self-evaluation—constitute the very core of the self-concept. Emotional intelligence identifies the extent to which people are able to recognize and control their own emotions, as well as to recognize and respond appropriately to the emotions of others. Values identify an individual's basic standards about what is good and bad, worthwhile and worthless, desirable and undesirable, true and false, moral and immoral. Learning style identifies individual thought processes, perceptions, and methods for acquiring and storing information. It determines not only what kind of information is received by an individual, but how that individual interprets, judges, and responds to the information. Orientation toward change identifies the adaptability of individuals. It includes the extent to which individuals are tolerant of ambiguous, uncertain conditions, and the extent to which they are inclined to accept personal responsibility for their actions under changing conditions. Core self-evaluation identifies the general personality orientation that guides behavior. It uncovers levels of self-esteem, self-efficacy, emotional stability, and self-control that have important effects on individuals' happiness as well as managerial effectiveness. Figure 1.2 summarizes these five aspects of self-awareness, along with their functions in defining the self-concept.

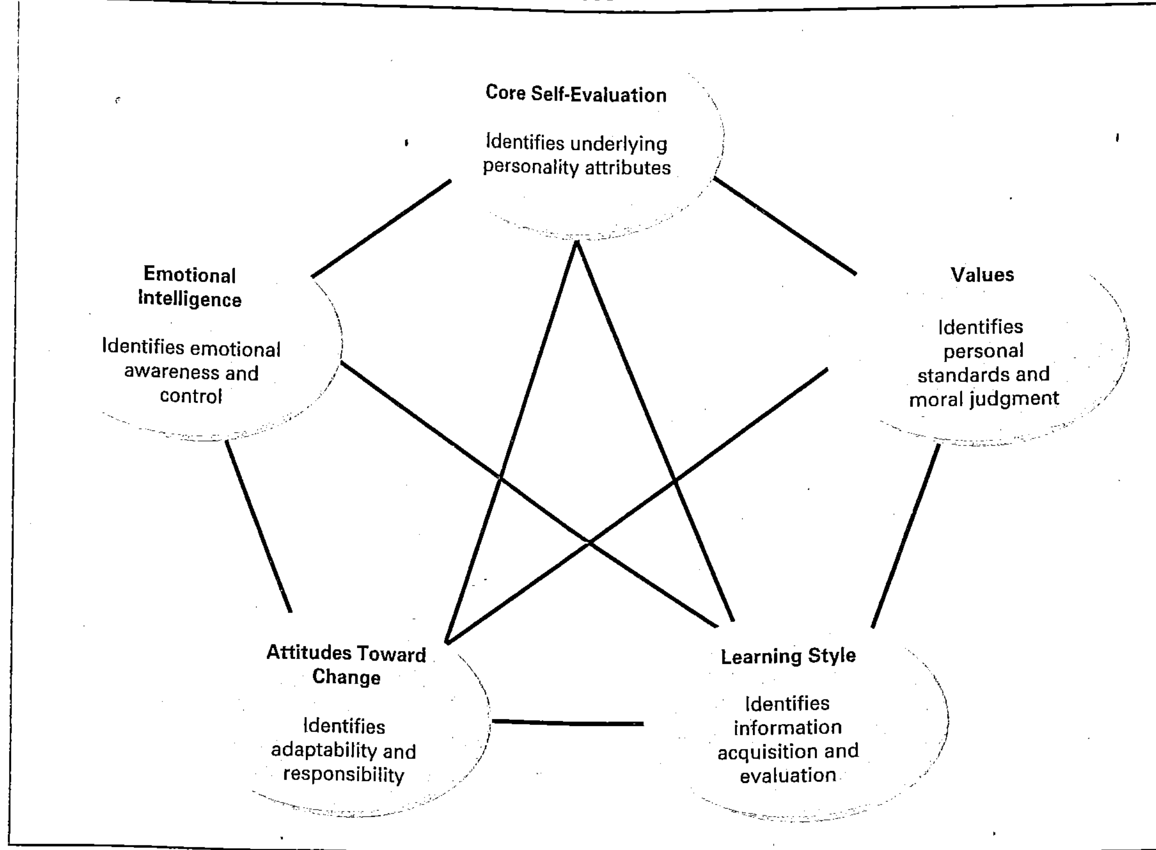
Again, many other aspects of self-awareness could be considered in this chapter, but all these aspects of the self are related fundamentally to the five core concepts discussed here. What we value, how we feel about ourselves, how we behave toward others, what we want to achieve, and what we are attracted to all are strongly influenced by our emotional intelligence, values, learning style, orientation toward change, and core self-evaluation. These are among the most important building blocks upon which other aspects of the self emerge.

On the other hand, if you want to do a more in-depth analysis of multiple aspects of self-awareness, instruments such as the Strong-Campbell Vocational Inventory, the Minnesota Multiphasic Personality Inventory, the Myers-Briggs Type Indicator, the Stanford-Binet Intelligence Test, and a host of other instruments are available in most college counseling centers or testing centers. Be careful, however, of the multiple assessment instruments you can find on numerous Web sites. Most are not reliable or valid. On the other hand, no one, it should be emphasized, can get too much self-knowledge.

EMOTIONAL INTELLIGENCE

Emotional intelligence has become a very popular topic that, unfortunately, suffers from the problem that almost all trendy concepts encounter. Its meaning and measurement have become very confusing and ambiguous. Emotional intelligence has come to encompass almost everything that is noncognitive—including social, emotional, behavioral, attitudinal, and personality factors—so the extent to which it can be adequately measured and predictive of outcomes remains cloudy. Since the publication of Daniel Goleman's book *Emotional Intelligence* in 1995, interest in the concept of emotional intelligence has mushroomed (even though the concept was introduced in 1990 by Salovey and Mayer). More than 500 books have been published on the topic, and scores of consulting companies and executive coaches now advertise themselves as experts in helping others develop emotional intelligence. The number of instruments available to assess emotional

Figure 1.2 Five Core Aspects of Self-Awareness



intelligence is voluminous (more than 100), although only three or four have been scientifically validated and used in any systematic investigations.

In particular, only Bar-On's *EQ-I* measure (Bar-On, 1997)—a self-report instrument that defines emotional intelligence as an array of noncognitive skills; Salovey's *Multifactor Emotional Intelligence Scale* (Salovey & Mayer, 1990)—a behavioral assessment that defines emotional intelligence as "a form of social intelligence that involves the ability to monitor one's own and others' feelings and emotions, to discriminate among them, and to use this information to guide one's thinking and action"(p. 185); and Goleman and Boyatzis' *Emotional Competence Inventory* (Boyatzis et al., 2000)—a 360-degree assessment that defines emotional intelligence as "the composite set of capabilities that enable a person to manage himself or herself and others," (p. 344) have been scientifically validated. The trouble is, each of these instruments is far too lengthy to be included in this text, and each is protected under copyright. Virtually all other instruments, including the one included in this book, are designed merely to provide a general estimate of particular dimensions of emotional intelligence, and extensive research has not yet been published.

As you can tell by the widely differing definitions associated with the three major assessment instruments described above, the concept of emotional intelligence has been defined as embracing almost everything. A scan of the scientific and popular writing on emotional intelligence confirms this conclusion—almost everything and anything is defined as an aspect of emotional intelligence. Our colleagues Richard Boyatzis and Daniel Goleman, for example—two of the chief researchers in the field of emotional intelligence—explicitly include all capabilities that help people manage themselves and others. These include, for example, leadership, influence, conflict management, communication, self-confidence, and teamwork. Other scholars limit emotional intelligence to a much narrower set of factors. Mayer, Caruso, and Salovey (1998) for example, reduce emotional intelligence to the ability to adequately diagnose and react to emotions.

One way to clarify this problem of multiple definitions is to differentiate between *emotional intelligence*

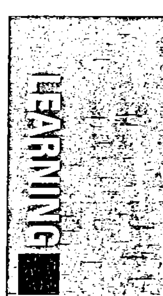
and *emotional competence.* Emotional intelligence refers to the ability to diagnose, understand, and manage emotional cues. Emotional competence refers to the noncognitive capabilities and skills—including social skills—that affect human functioning. The first definition is the one we have adopted in this chapter because the remainder of this book is focused on helping you develop competency and capability in skills that some would include under the emotional competence umbrella. That is, the management skills covered in this text—which have been well-researched and found to predict the success of managers and leaders—are sometimes included in discussions of the impact of emotional intelligence. In this regard, we agree that they are critical. These noncognitive skills and abilities are, in fact, among the most important factors in explaining why some people succeed as leaders and managers and others do not.

On the other hand, a much narrower treatment of emotional intelligence limits it to *emotions,* not to social or interpersonal skills. This is the position we adopt in this chapter. We will help you assess, in an in-depth and rigorous way, other social and behavioral skills throughout the remainder of the book. It is important to point out that a certain degree of emotional *intelligence* is necessary in order for people to develop emotional *competencies* (i.e., social and behavioral competencies), so this aspect of self-awareness is an important prerequisite to your developing other management skills.

Emotional intelligence, then, refers to: (1) the ability to diagnose and recognize your own emotions, (2) the ability to control your own emotions, (3) the ability to recognize and diagnose the emotions displayed by others, and (4) the ability to respond appropriately to those emotional cues. These abilities are not in-born but can be developed and improved. Unlike IQ, for example, which remains relatively constant over a lifetime, emotional intelligence can be enhanced with practice. With concerted effort, people can change their levels of emotional intelligence. The instrument you completed in the Pre-assessment section assesses these four dimensions, and we briefly explain them below.

One of our acquaintances, who now readily admits having made progress in developing emotional intelligence, had a great deal of difficulty recognizing and diagnosing her own emotions. When something seemed to go wrong and she was asked, "Are you upset?", she would invariably deny her feelings—"No, I'm fine." She had never learned to accurately diagnose her own emotional state. This ability is simply the capacity to identify and label your own emotions. Try, for example, to identify the emotion you are feeling right now. Can you label it? Emotionally intelligent people are able to get in touch with and accurately *diagnose* their own internal feelings.

Emotionally intelligent people are also able to *regulate* and control their emotions. They are less likely to blow up and lose control, less likely to experience debilitating depression and anxiety, and more likely to manage their own emotional states than those with less emotional intelligence. Think of how you behave in a sporting event, for example, when the officials make a bad call; when someone gets angry at you and berates you; when you are criticized for something you did; or, alternatively, when you receive special accolades and recognition. Emotionally intelligent people remain in control of their emotions, whereas less emotionally intelligent people lose control. This ability does not mean being bland or even-tempered all the time—emotionally intelligent people may display a wide range of emotions and intensity. Instead, it means that a person can control his or her emotions so that they are not unrestrained.



Emotionally intelligent people are also able to accurately diagnose and empathize with the feelings of others. They are sensitive to what others are experiencing, and they can share in those feelings. Empathy refers to the ability to understand and connect with others' feelings. It does not mean sympathizing or adopting the same feelings, and it is not based on a memory of having experienced the same emotions. If someone has experienced a tragedy or loss, for example, emotionally intelligently people can empathize, share in, and understand those feelings even if they have never experienced something similar. They need not be depressed themselves, for example, in order to understand the depression of others.

Emotionally intelligent people also *respond* appropriately to the emotions of others. Their responses match the intensity of the emotions other people feel, and they support and encourage emotional expressions. That is, if others are excited and happy, they do not remain aloof and withdrawn. They endorse the expression of emotions in others, rather than suppressing or censoring those emotions. On the other hand, they are not merely manipulated in their feelings and responses by the emotions of others. They don't respond merely on the basis of others' feelings. Rather, they remain in personal control of their responses. They advance a sense of caring for, and acceptance of, the other person by means of their emotional responses.

One reason emotional intelligence is so important is that general competency levels seem to have deteriorated over time. Whereas average IQ points have

increased almost 25 points over the last 100 years—people tend to be smarter now than 100 years ago—emotional intelligence scores have actually declined (Goleman, 1998a). Think, for example, of the amount of litigation, conflict, disrespect, and divorce that characterizes our society. Less emphasis is placed on emotional intelligence development now than in the past. This is a problem because emotional intelligence has strong predictive power regarding success in management and in work setting—much stronger, in fact, than IQ scores. For example, it is estimated that IQ accounts for only about 10 percent of the variance in job performance and in life success (Sternberg, 1996), but by adding emotional intelligence (EQ) to the equation, we can account for four times more variance.

For example, a study was conducted of 450 boys who grew up in a small town in Massachusetts. Two thirds of the boys lived in welfare families and one third had IQ scores below 90. They were followed over 40 years, and it was found that IQ had almost nothing to do with life success. Emotional intelligence, on the other hand, was the most predictive factor (Snarey & Vaillant, 1985). Another study of 80 PhDs in science who attended the University of California at Berkeley in the 1950s found that what accounted for life success 40 years after graduation was mainly emotional intelligence scores. Emotional intelligence was four times more important than IQ in determining who had achieved in their careers, were evaluated by experts as being highly successful, and were listed in sources such as *Who's Who* and *American Men and Women of Science* (Feist & Barron, 1996). A study of workers followed over 20 years found that employees who were better at empathizing with others—that is, demonstrating a key aspect of emotional intelligence—were more successful in their work, as well as in their social lives (Rosenthal, 1977).

Emotional intelligence has also been found to be an important predictor of managerial success. In a study of managers on three continents, for example, 74 percent of successful managers had emotional intelligence as their most salient characteristic, whereas this was the case in only 24 percent of the failures. A study at PepsiCo found that company units headed by managers with well-developed emotional intelligence skills outperformed yearly revenue targets by 15 to 20 percent. Those with underdeveloped skills underperformed their targets by about the same amount (Goleman, Boyatzis, & McKee, 2002). A McBer study comparing outstanding managers with average managers found that 90 percent of the difference was accounted for by emotional intelligence. In a worldwide study of what companies were looking for in hiring new employees, 67 percent of the most desired attributes were emotional intelligence competencies (Goleman et al., 2002). In a study of highly emotionally intelligent partners in a consulting firm, in which they were compared to partners with average emotional intelligence, 41 percent of the high emotional intelligence group had been promoted after two years whereas only 10 percent of the low emotional intelligence partners had been promoted. More importantly, high emotional intelligence partners contributed more than twice as much revenue to the company as did the low emotional intelligence partners (Boyatzis, 1982). The point should be clear: effective managers have developed high levels of competency in emotional intelligence.

The Emotional Intelligence Assessment instrument that you completed in the Pre-assessment section provides an evaluation of your competency in the four general areas of emotional intelligence—emotional awareness, emotional control or balance, emotional diagnosis or empathy, and emotional response. Of course, a fully accurate and valid measure of these factors would require an instrument many times longer than the one included here, so this assessment merely provides a glimpse or an incomplete evaluation of your emotional intelligence capability. Your scores should help you identify areas of strength but also motivate you to pursue the development of your emotional intelligence. This may effectively be done by consciously practicing emotional diagnosis, control, and response in yourself and others, but, especially, it may also be significantly enhanced by learning, and improving the skills discussed in this book. They are, according to a variety of writers (e.g., Goleman, 1998b; Boyatzis et al., 2000), critical components of the broad definition of emotional intelligence.

VALUES

Values are among the most stable and enduring characteristics of individuals. They are the foundation upon which attitudes and personal preferences are formed. They are the basis for crucial decisions, life directions, and personal tastes. They help define our morality and our conceptions of what is "good." Much of what we are is a product of the basic values we have developed throughout our lives.

The trouble with values, unfortunately, is that they are taken for granted, and people are often unaware of them. Unless a person's values are challenged, the values being held remain largely undetected. People especially are not aware that they hold some values as being more

important than others. This unawareness leads to actions or behaviors that are sometimes contrary to values, or even to confusion about values. Until people encounter a contradiction or a threat to their basic values, they seldom articulate their values or seek to clarify them.

The values held by each of us are affected by a variety of factors, and a number of ways have been used to measure and describe values. We point out several ways in this chapter—each of which has been widely used in research and in management circles. The first is a framework for describing the broad, general value orientations that characterize large groups, such as nationalities, ethnic groups, industries, or organizations. Much research has been done, for example, on identifying the differences in values that arise across cultural groups. The point of this research is to identify ways in which nationalities differ from one another, since almost all managers now face the need to manage across national boundaries. In your own life, it is likely that you will interact more and more with individuals who do not share your birth country, and knowing something about their value orientations will help your interactions be more effective. It has been discovered that values differ systematically across national cultures, and these differences are a strong influence in predicting the values each of us hold ourselves. At least some of our values are affected significantly by the country and culture in which we are raised.

Cultural Values

Trompenaars (1996; Trompenaars & Hampden-Turner, 1998) identified seven value dimensions upon which significant differences exist among national cultures. Data are based upon 30,000 managers in 55 countries, and results show that certain cultures emphasize some values more than others do. Table 1.1 identifies Trompenaars' seven dimensions, and we provide examples of countries that represent each of the value dimensions. No national culture emphasizes one of

LEARNING

Table 1.1 Cultural Values Dimensions

VALUE DIMENSIONS	EXPLANATION	EXAMPLE OF COUNTRIES WITH DOMINANCE
Universalism	Societal rules and norms are valued.	United States, Switzerland, Norway, Sweden
Particularism	Individual relationships are valued.	Korea, Venezuela, China, Indonesia
Individualism	Individual contributions are valued.	United States, Nigeria, Denmark, Austria
Collectivism	Team contributions are valued.	Mexico, Indonesia, Japan, Philippines
Affective	Showing emotions is valued.	Iran, Spain, France, Switzerland
Neutral	Unemotional responses are valued.	Korea, Ethiopia, China, Japan
Specific	Segregating life's roles is valued	Holland, Sweden, Denmark, United Kingdom
Diffuse	Integrating life's role is valued.	China, Nigeria, Singapore, Korea
Achievement	Personal accomplishment is valued.	United States, Norway, Canada, Austria
Ascription	Inherent attributes are valued.	Egypt, Indonesia, Korea, Czech Republic
Past and Present	Past is tightly connected to future.	France, Japan, United Kingdom
Future	Future is disconnected but valued.	United States, Holland
Internal	Individual control is valued.	United States, Canada, Austria, United Kingdom
External	Control comes from outside forces.	Czech Republic, Japan, Egypt, China

Source: *C. Hampden-Turner and F. Trompenaars, (1998) "Riding the waves of culture." Reprinted with the permission of McGraw-Hill Companies.*

these dimensions to the exclusion of another, but there are clear differences in the amount of emphasis placed on each dimension.

The first five dimensions of the model refer to how individuals relate to other people. For example, some countries (e.g., the United States, Norway, Sweden, Switzerland) emphasize a value of **universalism**, in which other people's behavior is governed by universal standards and rules—e.g., do not lie, do not cheat, do not run a red light, even if no one is coming the other way. General societal rules govern behavior. Other countries (e.g., Korea, China, Indonesia, Singapore) hold a value of **particularism**, in which the relationship with an individual governs behavior—e.g., is the other person a friend, a family member, a relative? To illustrate the differences, consider your answer to this question: *You are driving in a car with a close friend who hits a pedestrian while going 40 miles an hour in a 25-mile-an-hour zone. There are no witnesses, and your friend's lawyer says that if you'll testify that he was only traveling 25 miles an hour, he'll get off. Will you lie for him?* People in universalistic cultures are more likely to refuse than people in particularistic cultures. For example 97 percent of the Swiss and 93 percent of North Americans (Canada and the United States) would refuse to testify, whereas 32 percent of Venezuelans and 37 percent of South Koreans would refuse.

A second value dimension differentiates cultures that value **individualism**—an emphasis on the self, on independence, and on uniqueness—versus **collectivism**—an emphasis on the group, the combined unit, and on joining with others. Individualistic values hold the contributions of individuals to be most valued, whereas collectivism values team contributions. In general, individual responsibility dominates much more in Western cultures than in Eastern cultures. For example, consider your answer to this question: *What kind of job is found most frequently in your organization, one where everyone works together and you do not get individual credit, or one where everyone is allowed to work individually and you receive individual recognition?* Eastern Europeans (e.g, Russia, Czech Republic, Hungary, Poland) average above 80 percent in agreeing that individual credit is received, whereas Asians (e.g., Japan, India, Nepal) average below 45 percent. (The United States score is 72 percent.)

A third value dimension refers to the display of feelings in public. It identifies an **affective** versus **neutral** orientation. Cultures with high affective values tend to show emotions openly and to deal in emotional ways with problems. Loud laughter, anger, and intense passion may all be displayed in the course of a business negotiation, for example. Cultures with neutral values are more rational and stoic in their approach to problem solving. Instrumental, goal directed behaviors rather than emotions dominate interactions. For example, *if you became very upset at work or in class—say you feel slighted, offended, or angry—how likely would you be to display your feelings openly in public?* Managers in Japan, Ethiopia, and Hong Kong, for example, average 64 percent, 74 percent, and 81 percent respectively in refusing to show emotions publicly. On the other hand, 15 percent of Kuwait managers, 18 percent of Egyptian managers, and 19 percent of Spanish managers would refuse. (The United States score is 43 percent.)

A fourth dimension—**specific** versus **diffuse**—describes the difference between cultures that segregate the different roles in life so as to maintain privacy and personal autonomy compared to cultures that integrate and merge their roles. Cultures with specific values separate work relationships from family relationships, for example, whereas diffuse cultures entangle work and home relationships. People with specific values may seem hard to get to know because they keep a boundary between their personal lives and their work lives. People with diffuse values may seem too forward and too superficial because they seem to share personal information freely. Interestingly, diffuse cultures have lower turnover rates among employees and higher degrees of loyalty to an employer because work and personal relationships are more intertwined. To illustrate the difference, how would you respond to this question: *Your boss asks you to come to her home to help her paint her house. You don't want to do it since you hate painting. Would you refuse?* More than 90 percent of the Dutch and Swedes would refuse, whereas only 32 percent of the Chinese and 46 percent of Nigerians would refuse. (In the United States, 82 percent would refuse.)

A fifth value dimension differentiates cultures that emphasize an **achievement** orientation versus an **ascription** culture. People tend to acquire high status based on their personal accomplishments in some cultures, whereas in other cultures status and prestige are based more on ascribed characteristics such as age, gender, family heritage, or ethnic background. Who you know (ascription) versus what you can do (achievement) helps identify the difference on this value dimension. For example, the following statement helps highlight achievement versus ascription value differences: *It is important to act the way you are, to be consistent with your true self, even if you do not accomplish the task at hand.* Only 10 percent of managers from Uruguay, 12 percent from Argentina, and 13 percent from Spain disagree with the statement, whereas 77 percent of

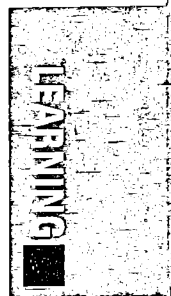
Norwegians and 75 percent of managers from the United States disagree.

A sixth value dimension relates to how people interpret and manage time. It distinguishes the emphasis placed on the past, present, or future in various cultures. Some cultures, for example, value past and tradition more than future; other cultures place more value on the future than the past. What you have achieved in the past matters more in some cultures than where you are headed in the future. Time differences also exist regarding short- versus long-time horizons. For example, some people are oriented toward very short time horizons where they think in terms of minutes and hours (a short-time horizon). Other people think in terms of months or years (a long-time horizon). Complete the following brief exercise, for example, to get a sense of your own time horizon. *Use the following scale and give a number to each of the following statements: My past started ______ ago, and ended ______ ago. My present started ______ ago and ended ______ from now. My future will start ______ from now and will end ______ from now. Use this rating scale: 7 = years, 6 = months, 5 = weeks, 4 = days, 3 = hours, 2 = minutes, 1 = seconds.*

By way of comparison, people in the Philippines averaged 3.40 on the scale, Irish managers averaged 3.82, and Brazilians averaged 3.85. On the other hand, managers in Hong Kong averaged 5.71, Portugal averaged 5.62, and Pakistan averaged 5.47. (People in the United States averaged 4.30.)

The seventh and final value dimension focuses on internal and external control. We will discuss this value dimension in more detail later in the chapter. It differentiates cultures that presume that individuals are in control of their own destinies from those that presume that nature or external forces control much of what happens. For example, some countries emphasize the value of individuals inventing or creating things themselves (internal control), whereas other countries emphasize the value of taking what already exists or has been created elsewhere and then refining or improving it (external control). Two statements that illustrate this difference are the following: *(1) What happens to me is my own doing. (2) Sometimes I feel that I do not have enough control over the directions my life is taking.* More than 80 percent of managers from Uruguay, Norway, Israel, and the United States agree with the first statement, whereas less than 40 percent of Venezuelans, Chinese, and Nepalese agree.

Throughout this book we will refer back to some of the differences that have been discovered among various cultures. We encourage you to begin using these dimensions to raise your awareness of individual differences around you. Because virtually every manager will be faced with the opportunity to interact with and manage individuals born in other cultures, being aware of value differences, and being able to diagnose and manage those differences, is an important prerequisite for success in the twenty-first century. Of course, stereotyping people based on their national culture, or overgeneralizing based on trends such as those reported here, can be dangerous and misleading. None of us would like to be pigeonholed based on a general country profile. These dimensions, as you will see, are most useful for increasing sensitivity and helping with diagnosis rather than to place people in categories.



Like countries, organizations, too, have value systems, referred to as an **organizational culture.** Research has found that employees who hold values that are congruent with their organization's values are more productive and satisfied (Cable & Judge, 1996; Cameron & Quinn, 2006; Nwachukwu & Vitell, 1997; Posner & Kouzes, 1993). Holding values that are inconsistent with company values, on the other hand, is a major source of frustration, conflict, and nonproductivity. Being aware of your own priorities and values, the values of your organization, and the general value priorities of your country, are important if you expect to achieve compatibility at work and in a long-term career (Fisher, Macrosson, & Yusuff, 1996; Lobel, 1992). We will not spend time here discussing the various models available for assessing organizational culture. If you are interested in this topic, see Cameron and Quinn (2006).

Personal Values

Rokeach (1973) argued that the total number of values people possess is relatively small and that all individuals possess the same values, but in different degrees. For example, everyone values peace, but some make it a higher priority than others. Two general types of values were identified by Rokeach, and independent priority ratings have been found to exist for each type (that is, the two sets of values are largely unrelated). One general type of values is labeled instrumental, or means-oriented; the other type is terminal, or ends-oriented.

Instrumental values prescribe desirable standards of conduct or methods for attaining an end. Two types of instrumental values relate to morality and competence. Violating moral values (for example, behaving wrongly) causes feelings of guilt, while violating competence values (for example, behaving incapably) brings about feelings of shame.

Terminal values prescribe desirable ends or goals for the individual. There are fewer of them, according to Rokeach, than there are instrumental values, so the sum total for all individuals in all societies can be identified. Terminal values are either personal (for example, peace of mind) or social (for example, world peace). Rokeach has found that an increase in the priority of one personal value tends to increase the priority of other personal values and decrease the priority of social values. Conversely, an increase in the priority of one social value tends to increase the priority of other social values and decrease the value of personal values. Individuals who increase their priority for "a world at peace," for example, would also increase their priority for "equality" while decreasing their priority for "pleasure" or "self-respect." People tend to differ, in other words, in the extent to which they are self- versus others-orientated in their values. Table 1.2 lists the 18 terminal values "judged to represent the most important values in American society" (Rokeach, 1973, p. 29).

In one study of 567 managers in 12 nations, the instrumental values "broadminded," "capable," and "courageous" were held in the highest esteem by managers from all 12 nations, but significant national differences were found on 75 percent of the values (Bigoness & Blakely, 1996). Another study of 658 Egyptians, 132 Americans, 43 Africans, and 101 Arabs found significant national differences on both instrumental and terminal values, with Egyptians being least like Americans (Elsayed-Elkhouly & Buda, 1997).

In a national study of 1,460 American managers, Schmidt and Posner (1982) assessed which of these values were most important in the workplace. Using Rokeach's instrumental values list, they asked managers to identify those that were most desired in the workplace. "Responsible" and "honest" were by far the most desired values in employees (over 85 percent of the managers selected them), followed by "capable" (65 percent), "imaginative" (55 percent), and "logical" (49 percent). "Obedient," "clean," "polite," and

Table 1.2 Terminal and Instrumental Values

TERMINAL VALUES	INSTRUMENTAL VALUES
A comfortable life (a prosperous life)	Ambitious (hard-working, aspiring)
An exciting life (a stimulating, active life)	Broadminded (open-minded)
A sense of accomplishment (lasting contribution)	Capable (competent, effective)
A world at peace (free of war and conflict)	Cheerful (lighthearted, joyful)
A world of beauty (beauty of nature and the arts)	Clean (neat, tidy)
Equality (brotherhood, equal opportunity for all)	Courageous (standing up for your beliefs)
Family security (taking care of loved ones)	Forgiving (willing to pardon others)
Freedom (independence, free choice)	Helpful (working for the welfare of others)
Happiness (contentedness)	Honest (sincere, truthful)
Inner harmony (freedom from inner conflict)	Imaginative (daring, creative)
Mature love (sexual and spiritual intimacy)	Independent (self-reliant, self-sufficient)
National security (protection from attack)	Intellectual (intelligent, reflective)
Pleasure (an enjoyable, leisurely life)	Logical (consistent, rational)
Salvation (saved, eternal life)	Loving (affectionate, tender)
Self-respect (self-esteem)	Obedient (dutiful, respectful)
Social recognition (respect, admiration)	Polite (courteous, well-mannered)
True friendship (close companionship)	Responsible (dependable, reliable)
Wisdom (a mature understanding of life)	Self-controlled (restrained, self-disciplined)

Source: *Rokeach (1973). Reprinted with permission.* *Copyright © 1973 by The Free Press. All rights reserved.*

"forgiving" were the least important, being selected by fewer than 10 percent of the managers.

Different groups of people tend to differ in the values they hold. For example, in other studies, business school students and professors tend to rate "ambition," "capability," "responsibility," and "freedom" higher than people in general. They tend to place lower importance than people in general on concern and helpfulness to others, aesthetics and cultural values, and overcoming social injustice. In a study that compared highly successful, moderately successful, and unsuccessful managers, highly successful managers gave significantly higher scores to values relating to economic (for example, a comfortable life) and political values (for example, social recognition) than less successful managers.

Compared to the population in general, managers place substantially more value on "sense of accomplishment," "self-respect," "a comfortable life," and "independence." The instrumental value managers held highest for themselves, in fact, was "ambition"; their highest held terminal value was "sense of accomplishment." In other words, personal values (rather than social values) and those oriented toward achievement predominate among managers (Bilsky & Schwartz, 1994; Cable & Judge, 1996; Cavanaugh, 1980; Clare & Sanford, 1979). In the population in general, one study found that "openness to experience"—that is, a combination of a positive emphasis on broadmindedness, imagination, freedom, and self- direction coupled with a negative emphasis on recognition, obedience, and conformity—was the dominating value held by most people (Dollinger, Leong, & Ulicni, 1996). Interestingly, no gender differences have been found on the Rokeach instrument (Johnston, 1995).

These value preferences may explain why business students and even managers themselves have been criticized for being too self-centered and impatient for personal achievement and promotion (see Introduction). A balance of personal values and social values, such as justice and helpfulness, may characterize a more adaptable manager in the future.

Simply esteeming certain personal and achievement-oriented values does not mean, of course, that one will be a successful manager. On the other hand, it is clear that values do affect individual behavior. For example, sharing values among team members, as well as compatibility of instrumental and terminal values among team members, was found to be associated with significantly more effective teams (Fisher et al., 1996). More importantly, several authors have argued that the behavior displayed by individuals (that is, the means used to achieve their valued ends) is a product of their level of **values maturity** (e.g., Kohlberg, 1969; Kohlberg & Ryncarz, 1990). Individuals differ in their level of values development, according to these authors, so different sets of instrumental values are held by individuals at different stages of development. People progress from one level of maturity to another, and as they do, their value priorities change. Individuals who have progressed to more mature levels of values development possess a qualitatively different set of instrumental values than individuals who are at less mature levels. This theory of values maturity or moral development has received a great deal of attention from researchers, and research findings have some important implications for self-awareness and managerial effectiveness. Therefore, we shall discuss in some detail this notion of values maturity.

Values Maturity

Kohlberg's model is the best known and most widely researched approach to values maturity. It focuses on the kind of reasoning used to reach a decision about an issue that has value or moral connotations. The model consists of three major levels, each of which contains two stages. Table 1.3 summarizes the characteristics of each stage. In brief, the stages are sequential (for example, a person can't progress to stage 3 before passing through stage 2), and each stage represents a higher level of maturity. Kohlberg uses the terms *preconventional*, *conventional*, and *postconventional* to describe these three levels. In the following discussion, we have chosen to use different terms that capture the dominant characteristics of each stage.

The first level of maturity, the *self-centered level*, includes the first two stages of values development. Moral reasoning and instrumental values are based on personal needs or wants and on the consequences of an act. For example, something could be judged as right or good if it helped an individual obtain a reward or avoid punishment and if the consequences were not negative for someone else. Stealing $50,000 is worse than stealing $500 in the self-centered level because the consequences (that is, the losses) are more negative for someone else.

The second level, or *conformity level*, includes stages 3 and 4. Moral reasoning is based on conforming to and upholding the conventions and expectations of society. This level is sometimes referred to as the "law and order" level because the emphasis is on conformity to laws and norms. Right and wrong are judged on the basis of whether or not behaviors conform to the rules

Table 1.3 Classification of Moral Judgment into Stages of Development

Level Basis of Moral Judgment	Stage of Development
A *PRECONVENTIONAL LEVEL (SELF-CENTERED)*	1. *Punishment and Obedience*
Moral value resides in external factors, and consequences, not persons or relationships.	Right is determined by avoiding punishment and not breaking an authority's rules.
	2. *Individual Instrumental Purpose and Exchange*
	Right is meeting one's own immediate interests, and what is fair or equal for others.
B *CONVENTIONAL LEVEL (CONFORMITY)*	3. *Mutual Interpersonal Expectations, Relationships, and Conformity*
Moral value resides in duty, maintaining social contracts, keeping commitments.	Right is being concerned about others' feelings and maintaining trust by keeping expectations and commitments. The Golden Rule is relevant.
	4. *Social System and Conscience Maintenance*
	Right is doing one's duty to society and upholding the social order.
C *POSTCONVENTIONAL (PRINCIPLED)*	5. *Prior Rights and Social Contract or Utility*
Moral value resides in commitment to freely selected standards, rights, and duties.	Right is upholding the rights, values, and contracts of others in society; moral behavior is freely chosen.
	6. *Universal Ethical Principles*
	Right is guided by internal, universal ethical principles. When laws violate principles, the laws are ignored.

Source: *Adapted from Kohlberg (1981).*

of those in authority. Respect from others based on obedience is a prized outcome. Stealing $50,000 and stealing $500 are equally wrong in this level because both violate the law. Most American adults function at this level of values maturity.

Third is the *principled level.* It includes the final two stages of maturity and represents the most mature level of moral reasoning and the most mature set of instrumental values. Right and wrong are judged on the basis of the internalized principles of the individual. That is, judgments are made on the basis of a set of principles or core values that have been developed from individual experience. In the highest stage of maturity, this set of principles is comprehensive (it covers all contingencies), consistent (it is never violated), and universal (it does not change with the situation or circumstance). Thus, stealing $50,000 and stealing $500 are still judged to be wrong, but the basis for the judgment is not the violation of laws or rules; rather, it is the violation of a set of comprehensive, consistent, universal principles developed by the individual. Few individuals, according to Kohlberg, reach this highest level of maturity on a consistent basis.

In short, self-centered individuals view rules and laws as outside themselves, but they obey because, by doing so, they may obtain rewards or avoid punishment. Conformist individuals view rules and laws as outside themselves, but they obey because they have learned and accepted those rules and laws, and they seek the respect of others. Principled individuals examine the rules and laws and develop a set of internal principles that they believe are morally right. If there is a choice to be made between obeying a law or obeying a principle, they choose the principle. Internalized principles supersede rules and laws in principled individuals.

To understand the different levels of values maturity, consider the following story used by Kohlberg (1969):

> *In Europe a woman was near death from a special kind of cancer. There was one drug that the doctors thought might save her. It was a form of radium that a druggist in the same town had recently discovered. The drug was expensive to make, but the druggist was charging ten times what the drug cost to make. He*

paid $200 for radium and charged $2,000 for a small dose of the drug. The sick woman's husband, Heinz, went to everyone he knew to borrow the money, but he could get together only about $1,000, which was half of what it cost. He told the druggist that his wife was dying and begged him to sell the drug at a lower price or let him pay later. But the druggist said, "No, I discovered the drug and I'm going to make money from it." So Heinz grew desperate and began to think about breaking into the store to steal the drug for his wife.

Now answer the following questions in reaction to the story:

YES	NO	
______	______	1. Would it be wrong for Heinz to break into the store?
______	______	2. Did the druggist have the right to charge that much for the product?
______	______	3. Did Heinz have an obligation to steal the drug for his wife?
______	______	4. What if Heinz and his wife did not get along? Should Heinz steal the drug for her?
______	______	5. Suppose Heinz's best friend were dying of cancer, rather than Heinz's wife. Should Heinz steal the drug for his friend?
______	______	6. Suppose the person dying was not personally close to Heinz. Should Heinz steal the drug?
______	______	7. Suppose Heinz read in the paper about a woman dying of cancer. Should he steal the drug for her?
______	______	8. Would you steal the drug to save your own life?
______	______	9. Suppose Heinz was caught breaking in and brought before a judge. Should he be sentenced to jail?

For individuals in the self-centered level of maturity, stealing the drug might be justified because Heinz's wife had instrumental value: she could provide companionship, help rear the children, and so on. A stranger, however, would not have the same instrumental value for Heinz, so it would be wrong to steal the drug for a stranger. Individuals in the conformity level would base their judgments on the closeness of the relationship and on law and authority. Heinz has an obligation to steal for family members, according to this reasoning, but not for nonfamily members. A governing principle is whether or not an action is against the law (or society's expectations). Principled individuals base their judgments on a set of universal, comprehensive, and consistent principles. They may answer any question yes or no, but their reasoning will be based on their own internal principles, not on externally imposed standards or expectations. (For example, they might feel an obligation to steal the drug for anyone because they value human life more than property.)

Research on Kohlberg's model of values development reveals some interesting findings that have relevance to managerial behavior. For example, moral judgment stories were administered to college students who had earlier participated in Milgram's (1963) obedience study. Under the guise of a reinforcement-learning experiment, Milgram's subjects had been directed to give increasingly intense electric shocks to a person who was observed to be in great pain. Of the respondents at the principled level (stages 5 and 6), 75 percent refused to administer the shocks (i.e., to hurt someone), while only 12.5 percent of the respondents at the conformity level refused. Higher levels of values development were associated with more humane behavior toward other people.

It should also be noted that Kohlberg's model has been criticized by Carol Gilligan (1979, 1980, 1982, 1988) as containing a male bias. In her investigations of moral dilemmas among women, Gilligan indicated that women tend to value care, relationships, and commitment more highly than do males. The Kohlberg model, which tends to emphasize justice as the highest moral value, is more typical of males than females, she claimed. Whereas Gilligan's criticisms are somewhat controversial among researchers, they are less relevant to our discussion here because of our emphasis on the development of internalized principles for guiding behavior, whatever their basis. For our purposes in this chapter, the debate about whether justice is a male value and caring is a female value is largely beside the point.

Becoming more mature in values development requires that individuals develop a set of internalized principles by which they can govern their behavior. The development of those principles is enhanced and values maturity is increased as value-based issues are confronted, discussed, and thought about. Lickona (1976, p. 25) notes, "Simply increasing the amount of

reciprocal communication that occurs among people is likely to enhance moral development."

To help you determine your own level of values maturity, an instrument developed by James Rest at the University of Minnesota's Moral Research Center was included in the Assessment section. It has been used extensively in research because it is easier to administer than Kohlberg's method for assessing maturity. According to Kohlberg (1976, p. 47), "Rest's approach does give a rough estimate of an individual's moral maturity level." Rather than placing a person on one single level of values maturity, it identifies the stage that the person relies on most. That is, it assumes that individuals use more than one level of maturity (or set of instrumental values), but that one level generally predominates. By completing this instrument, therefore, you will identify your predominant level of values maturity. To determine your maturity level, refer to the self-scoring instructions in the Appendix at the end of this chapter. An exercise in the Skill Practice section will help you develop or refine principles at the stage 5 and stage 6 level of maturity.

ETHICAL DECISION MAKING AND VALUES

In addition to its benefits for self-understanding, awareness of your own level of values maturity also has important practical implications for **ethical decision making.** By and large, the American public rates the honesty, integrity, and concern for moral values of American business executives as abysmal. A large majority of the public indicates that they think executives are dishonest, overly profit-oriented, and willing to step on other people to get what they want (Andrews, 1989; Harris & Sutton, 1995; Lozano, 1996). Although nine out of 10 companies have a written code of ethics, evidence exists to support public perceptions that these documents are not influential in assuring high moral conduct.

In December 2001, Enron, the seventh largest U.S. corporation at the time, declared bankruptcy. Tragically, a once great company has become a synonym for managerial greed and corporate fraud. The Enron debacle spawned more than 30 major pieces of legislation designed to clamp down on financial loopholes exploited by Enron executives, as well as numerous books and articles criticizing Enron-like unethical business practices (Elliott & Schroth, 2002; Mitchell, 2002).

While Enron was arguably one of the largest corporate scandals in U.S. history, it is hardly the only lapse of ethical judgment staining the image of business. Martha Stewart's insider trading transaction, for example, netted her less than $50,000 in personal wealth but cost her firm billions of dollars in lost stock value. Ford Motor Company refused to alter the dangerous gas tank on the Pinto in order to save $11 per car. It cost Ford millions of dollars in lawsuits and cost many people their lives. Equity Funding tried to hide 64,000 phony insurance claims, but went bankrupt when the truth came out. Firestone denied that its 500-series tire was defective, but eventually took losses in the millions when the accident reports were publicized. A. H. Robins knew of problems with its Dalkon Shield for years before informing the public. The billion dollars set aside for lawsuits against the company was dwarfed by the actual claims, and the company filed Chapter 11. E. F. Hutton, General Dynamics, General Electric, Rockwell, Martin Marietta, Tyco, Lockheed, Bank of Boston, Dow Corning, and a host of other firms have also been in the news for violating ethical principles. One cartoon that seems to summarize these goings-on shows a group of executives sitting at a conference table. The leader remarks, "Of course, honesty is one of the better policies."

Corporate behavior that exemplifies unethical decision making is not our principal concern here. More to the point is a study by the American Management Association that included 3,000 managers in the United States. It reported that most individual managers felt they were under pressure to compromise personal standards to meet company goals (Harris & Sutton, 1995). Moreover, most individuals have encountered someone else violating ethical standards, but in a majority of cases, nothing is reported. For example, in a survey of federal employees asked whether they had observed any of the following activities in the last year, more than 50 percent answered yes to seeing: stealing funds, stealing property, accepting bribes, sexual harassment, ineligible people receiving funds, deficient goods or services, use of position for personal benefit, taking unfair advantage of a contractor, serious violation of the law. More than two thirds did not report what they saw. As an illustration, consider the following true incident (names have been changed). How would you respond? Why?

> *Dale Monson, a top manufacturing manager at Satellite Telecommunications, walked into the office of Al Lake, the head of quality control. Dale was carrying an assembled part that was to be shipped to a customer on the West Coast. Dale handed Al the part and said, "Look Al, this part is in perfect shape electronically, but the case has a gouge in it. I've seen engineering and they say that the mark*

doesn't affect form, fit, or function. Marketing says the customer won't mind because they are just going to bury the unit anyway. We can't rework it, and it would cost $75,000 to make new cases. We will only do 23 units, and they're already made. The parts are due to be shipped at the end of the week." Al responded, "Well, what do you want from me?" "Just sign off so we can move forward," said Dale. "Since you're the one who needs to certify acceptable quality, I thought I'd better get this straightened out now rather than waiting until the last minute before shipping."

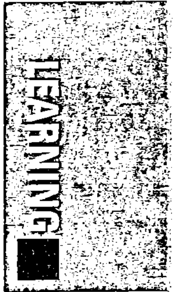
Would you ship the part or not? Discuss this with your class members. Generate a recommendation for Al.

This case exemplifies the major values conflict faced over and over again by managers. It is a conflict between maximizing the economic performance of the organization (as indicated by revenues, costs, profits, and so forth) or the social performance of the organization (as indicated by obligations to customers, employees, suppliers, and so forth). Most ethical tradeoffs are conflicts between these two desirable ends: economic versus social performance (Hosmer, 2003). Making these kinds of decisions effectively is not merely a matter of selecting between right and wrong alternatives or between good and bad choices. Most of these choices are between right and right or between one good and another. Individuals who effectively manage these kinds of ethical trade-offs are those who have a clear sense of their own values and who have developed a principled level of moral maturity. They have articulated and clarified their own internal set of universal, comprehensive, and consistent principles upon which to base their decisions. It is seldom the case, of course, that a manager could choose economic performance goals every time or that he or she could choose social performance goals every time. Trade-offs are inevitable.

It is not a simple matter, on the other hand, to generate a personal set of universal, comprehensive, and consistent principles that can guide decision making. According to Kohlberg's research, most adults have neither constructed, nor do they follow, a well-developed set of principles in making decisions. One reason is that they have no model or example of what such principles might be. We offer some standards against which to test your own principles for making moral or ethical choices. These standards are neither comprehensive nor absolute, nor are they independent of one another. They simply serve as reference against which to test the principles that you include in your personal values statement.

- ❑ *Front page test:* Would I be embarrassed if my decision became a headline in the local newspaper? Would I feel comfortable describing my actions or decision to a customer or stockholder?
- ❑ *Golden rule test:* Would I be willing to be treated in the same manner?
- ❑ *Dignity and liberty test:* Are the dignity and liberty of others preserved by this decision? Is the basic humanity of the affected parties enhanced? Are their opportunities expanded or curtailed?
- ❑ *Equal treatment test:* Are the rights, welfare, and betterment of minorities and lower status people given full consideration? Does this decision benefit those with privilege but without merit?
- ❑ *Personal gain test:* Is an opportunity for personal gain clouding my judgment? Would I make the same decision if the outcome did not benefit me in any way?
- ❑ *Congruence test:* Is this decision or action consistent with my espoused personal principles? Does it violate the spirit of any organizational policies or laws?
- ❑ *Procedural justice test:* Can the procedures used to make this decision stand up to scrutiny by those affected?
- ❑ *Cost-benefit test:* Does a benefit for some cause unacceptable harm to others? How critical is the benefit? Can the harmful effects be mitigated?
- ❑ *Good night's sleep test:* Whether or not anyone else knows about my action, will it produce a good night's sleep?

In the Skill Application section of this chapter, you may want to consider these alternatives when constructing your own set of comprehensive, consistent, and universalistic principles. You should be aware, however, that your set of personal principles will also be influenced by your orientation for acquiring and responding to the information you receive. This orientation is called learning style.



LEARNING STYLE

Each of us is constantly being exposed to an overwhelming amount of information, and only part of it can be given attention and acted upon at a time. For example, right now you have information entering

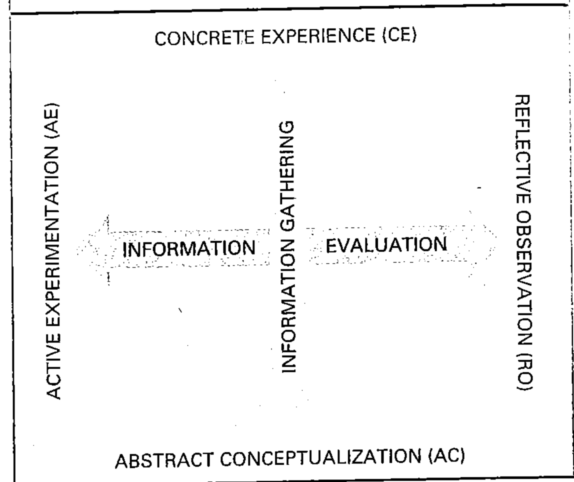
your brain relating to the functioning of your physical body, the attributes of the room in which you are sitting, the words on this page, the ideas and memories that spring to mind as you read about self-awareness, long-held beliefs, recollections of recent events, and so on. Of course, not all of this information is conscious, otherwise your brain would become overloaded and you would go insane. Over time, we all develop strategies for suppressing some kinds of information and paying attention to other kinds. These strategies become habitual and ingrained, and they result in a particular kind of learning style for each of us.

Learning style refers to the inclination each of us has to perceive, interpret, and respond to information in a certain way. Learning style is based on two key dimensions: (1) the manner in which you gather information, and (2) the way in which you evaluate and act on information. An abundance of instruments exist to measure different dimensions of cognitive and learning styles (see Eckstrom, French, & Harmon, 1979; Sternberg & Zhang, 2000), but we are focusing here on the most fundamental dimensions of learning. We use the most widely employed assessment instrument to measure learning style. This instrument has been used in more than 1,000 studies of managerial and leadership behavior, and it has been shown to be an excellent predictor of learning and information processing styles.

One of the main reasons we focus on learning style is that, to be successful, everyone must be constantly learning. In the twenty-first century, it is clear that knowledge will be the most important sustaining competitive advantage. Because the half-life of knowledge is approaching three years (half of everything you know will be outdated in approximately three years), and the amount of knowledge available to the average person doubles about every three years, learning is a prerequisite for a productive life. If people stop learning, they quickly become outdated and out of touch. Constant, lifelong learning is a key requirement, therefore, to successful living, not to mention successful management.

You completed the Learning Styles Instrument (LSI) in the Pre-assessment section of this chapter. In order to help you interpret your scores and be clear about their relevance, you will want to know something about the theory of learning style and learning cycles. This theory was developed and refined by David Kolb and his colleagues at Case Western Reserve University. It assumes that when individuals encounter information, they are more inclined to concentrate on and learn from certain kinds of inputs more than others. In addition, individuals are inclined to react to that information in different ways as they

Figure 1.3 Model of Learning Style Based on Two Dimensions



try to understand and interpret it. Figure 1.3 illustrates two dimensions of learning: the information-gathering dimension, which distinguishes *concrete experience (CE)* from *abstract conceptualization (AC)*, and the information-response dimension, which distinguishes *reflective observation (RO)* from *active experimentation (AE)*.

Let us first consider the information-gathering dimension. Some people are more inclined to take in information through direct experience. They learn by tangible, concrete, sensual encounters. The perceptible, felt qualities of information are easiest to capture, so they tend to immerse themselves in situations in order to learn from them. We would describe these individuals as having an inclination toward **concrete experience**. They learn best through experience and involvement.

On the other hand, some people tend to take in information best that is abstract, symbolic, or theoretical. They learn most effectively when they encounter ideas and theories and then have a chance to think about them logically and analytically. They are more likely to learn from information that they can rationally examine or intellectually explore. We would describe these individuals as having an inclination toward **abstract conceptualization**. People who are inclined to learn from concrete experience are likely to interact with people to get their information, whereas abstract conceptualizers are more likely to get their information from books.

The second dimension of the learning model refers to strategies for interpreting, evaluating, and responding to information. Differences on this dimension arise from

reliance on a particular problem-solving pattern. For example, after encountering information, some people are inclined to examine it from different perspectives, to ruminate about it, and to explore the various meanings that might be present. They are inclined to observe and scrutinize information or to engage in **reflective observation.** Quick judgments are avoided, and pondering and reflecting about the information is typical.

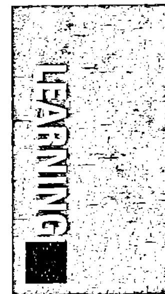
On the other hand, some people are inclined to act immediately on the information they receive. They respond by being proactive, by testing out the new information, or by applying it to an immediate problem or situation. They experiment to investigate the implications and utility of the information. By actively applying it, they can form alternative hypotheses about it. We would describe these people as having an inclination toward **active experimentation.**

Each orientation or inclination represents a choice. It is almost impossible, for example, to simultaneously drive a car (concrete experience) while analyzing the properties of the motor and its torque (abstract conceptualization). Similarly, thoughtfully examining implications of information (reflective observation) is opposite from taking immediate action to test out the usefulness of information (active experimentation).

Research on these cognitive dimensions has found that no matter what type of problem they face, most individuals use their preferred learning style to approach it. They prefer, and even seek, decision situations and problem types that are consistent with their own learning style (for example, individuals scoring high on AC and AE prefer problems with a step-by-step method of solution). In one study, for example, managers who were more RO and AC (lower-right part of Figure 1.3) than AE and CE (upper-left part of Figure 1.3) implemented more computer-based systems and rational procedures for decision making. Managers in another study defined identical problems differently depending on their different learning styles (e.g., some thought the problem required action, while others thought it required thoughtful analysis). Another study found that differences in learning style led to significantly different decision-making processes in managers (see Chenhall & Morris, 1991; Henderson & Nutt, 1980; Ruble & Cosier, 1990).

Figure 1.4 provides you with a scoring profile upon which you can plot your scores from the LSI. On the figure, find the point on the vertical CE axis that corresponds with your score. Do the same for your RO score, your AC score, and your AE score. By plotting your scores on each axis of the figure and joining those points together, you will have produced some kind of "kite-shaped" profile. This profile identifies your learning style. It is compared to about 1,500 practicing managers and graduate students in management school. Your scores are compared to a large data set that has emerged from hundreds of studies using this learning style instrument.

In Figure 1.4, the lines connecting the hash marks represent approximately 20 percentile points. For example, if you scored 32 on the CE dimension, you would be between the 60th and 80th percentiles. In other words, between 60 and 80 percent of people would have lower scores than you on this dimension. If you scored 19 on the RO dimension, you would be at about the 20th percentile. Approximately 80 percent of the people would score higher than you on this dimension.

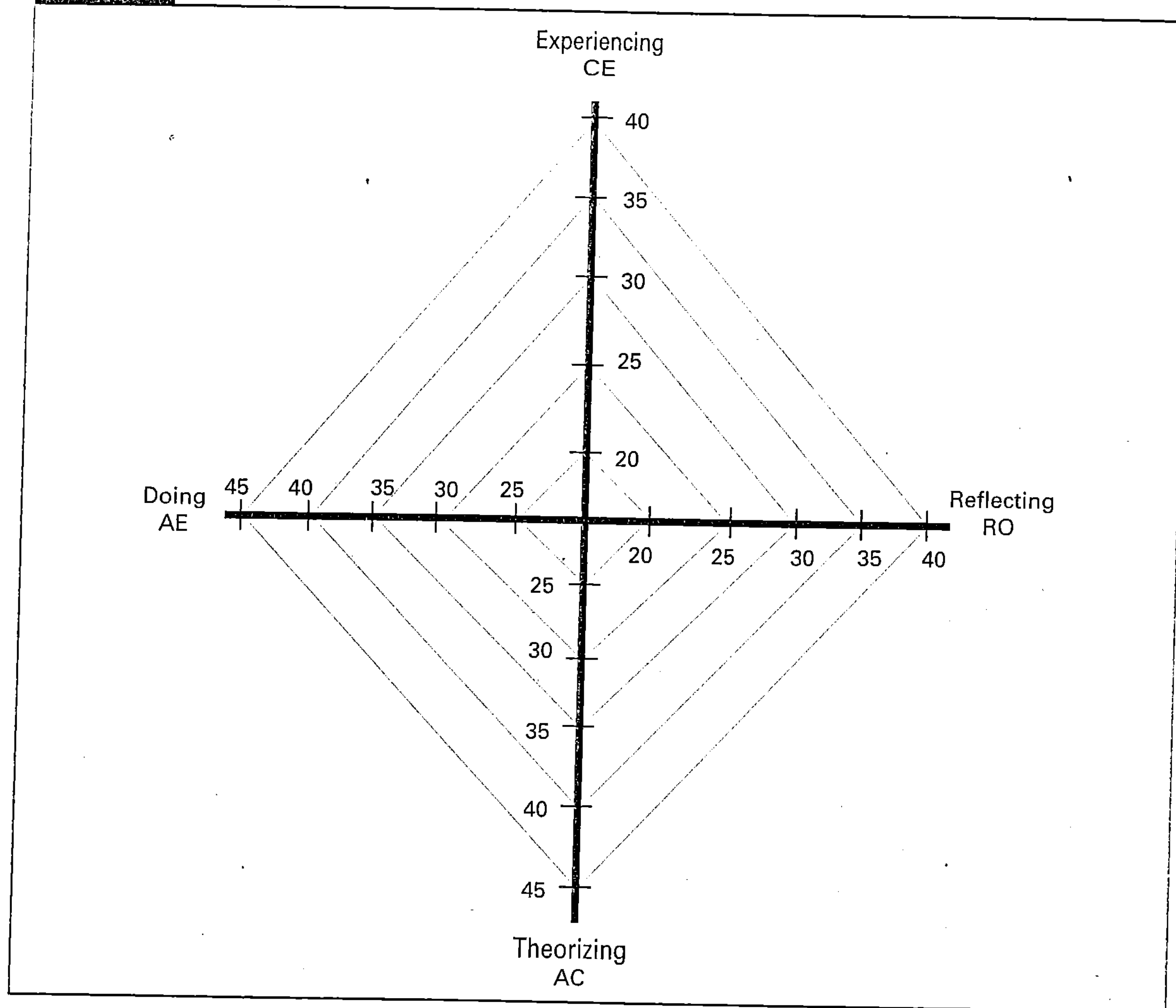


Using your plot, you can now identify your particular preference or inclination toward learning. The quadrant in Figure 1.4 that takes up the largest area in your "kite" profile is your strongest learning style. Research over the last 30 years has identified four common types of learners that encompass the vast majority of people—diverging, assimilating, converging, and accommodating learning styles (Kolb, 1984; 1999).

Diverging The **diverging** learning style has dominant scores on the concrete experience (CE) and reflective observation (RO) dimensions. People with this learning style are best at viewing concrete situations from many different points of view. It is labeled diverging because these individuals perform better in situations that require idea generation and the creation of alternative perspectives. They excel at creative, inventive activities with problems that can be viewed from a variety of perspectives. People with this style like to gather lots of information and engage in brainstorming, they are inductive thinkers, and they usually have very broad-based interests. Research shows that these people tend to be imaginative and emotional, tend toward specializing in the arts, and prefer working in groups so as to hear a broad array of different opinions. In college, divergers tend to major in the arts, history, political science, English, and psychology. They tend to select careers in social services (e.g., psychology, nursing, public policy) and in arts and communication (e.g., theater, literature, journalism), and they prefer jobs in which personal interactions predominate (Kolb, Boyatzis, & Mainemelis, 2000).

Assimilating The **assimilating** style has dominant scores on the reflective observation (RO) and the abstract conceptualization (AC) dimensions. People with this learning style are best at processing a wide

Figure 1.4 Scoring the LSI



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range of information and putting it into a concise, cohesive, logical form. They are less inclined toward acquiring information by interacting with people and more interested in thinking through abstract ideas and concepts. They excel at inductive reasoning and organizing material into a consistent whole. They find it more important to have a theory with logical soundness than practical or utilitarian value. Research has shown that assimilators are inclined toward information and science careers, and they prefer lectures, readings, analytical models, and thinking time as their learning activities. In college, assimilators tend to major in economics, mathematics, sociology, and chemistry. They tend to select careers in the information sciences and in research fields (e.g., educational research, law, theology), and they prefer jobs in which information gathering predominates (e.g., research and analysis) (Kolb et al., 2000).

Converging The **converging** style has dominant scores on the abstract conceptualization (AC) and active experimentation (AE) dimensions. People with this learning style are best at finding practical uses for ideas and theories. They are problem solvers and decision makers who prefer to deal with technical tasks and prescribed problems rather than social or interpersonal issues. They excel at the practical application of ideas and at problems that have one correct answer. Research has suggested that these individuals are inclined toward careers in technology and engineering. In formal learning situations, they prefer simulations, laboratory assignments, and practical application problems. In college,

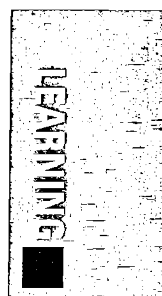
convergers tend to major in physical sciences, engineering, and computers. They tend to select careers in technology fields (e.g., engineering, computer science, medical technology), economics, and environmental science, and they prefer jobs that have a technical problem-solving emphasis (Kolb et al., 2000).

Accommodating The **accommodating** style has dominant scores on the active experimentation (AE) and concrete experience (CE) dimensions. People with this learning style are best at hands-on experience. They enjoy carrying out plans and involving themselves in new and challenging experiences. They tend to act on gut feeling more than on logical analysis, and they have an inclination toward solving problems by interacting with other people rather than performing their own systematic critique. They excel at activities in which risk taking and adaptation are required, such as in entrepreneurial endeavors. Research has found that accommodators are inclined toward careers in marketing and sales and managerial roles. In formal learning situations accommodators prefer to work with others to accomplish assignments, to establish goals, to engage in field projects, and to test out various approaches to a problem. In college, accommodators tend to major in business and management. They tend to select careers in business (e.g., management, finance, marketing) and in organizational administration (e.g., government, public service, educational administration), and they prefer jobs that have a leadership or executive component (e.g., task accomplishment and decision making) (Kolb et al., 2000).

These descriptions of style are general, of course, and your learning style is not the only factor that is relevant in selecting a path for your future. A great deal of variety exists among people in various college majors, job types, and career choices, so do not interpret your scores on the LSI as determining your destiny. On the other hand, your learning profile can help you identify the ways in which you learn best, the types of learning activities you are likely to prefer, and the ways in which you will have the easiest time assimilating and responding to information. It may also help you determine the kinds of people you want to work with you as you build an effective learning team (see Chapter 9 in this book).

Another important aspect of Kolb's learning model is explaining how we can use each of the four dimensions in sequence to improve learning. The four types of learning depicted in Figure 1.5 describe a learning cycle that has proven to be successful in improving learning. Research has confirmed that if this learning process is followed, people learn more effectively, retain learning for longer periods, and develop more effective behavioral skills (Kolb & Kolb, 1999). The stages in the learning cycle are as follows.

When a person has an experience (step 1, CE), little learning occurs unless some kind of reflective observation accompanies it (step 2, RO). Organizing the information and interpreting its meaning is an important step in learning from experience. This step is followed by forming theories about the information, relating it to other experiences that may be similar, and drawing conclusions about the relevance and usefulness of the experience (step 3, AC). Generalizing from the specific experience allows it to be applied or to have meaning in more than a single idiosyncratic situation. Finally, testing out the conclusions, generalizations, or theories that were formulated helps identify their applicability (step 4, AE).



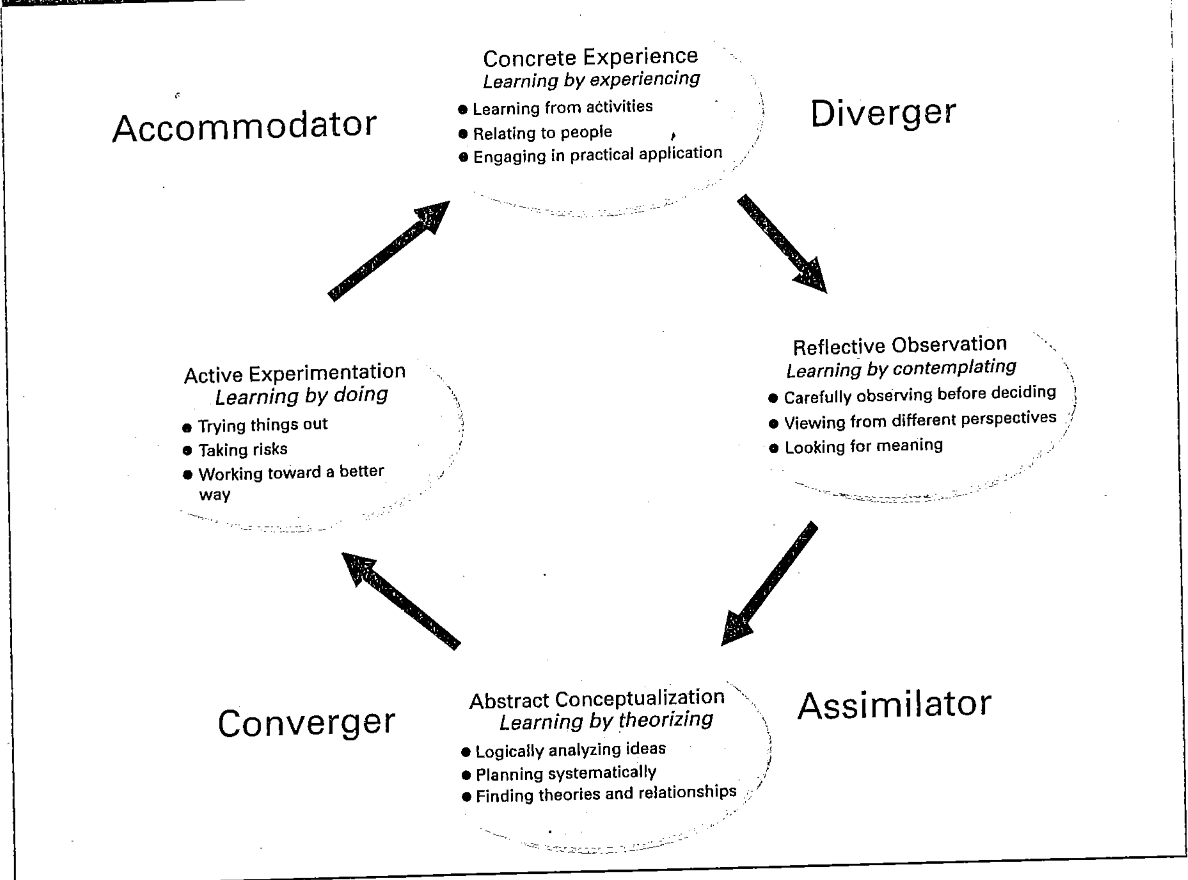
Experimenting with the learning in new situations, in other words, leads to another concrete experience (step 1), and the cycle begins again. A person may enter the learning cycle at any point, of course, not just at the CE step. The point is to engage in all four steps in the learning process in order for learning to be most effective.

Most schools overemphasize the reflective observation (RO) and abstract conceptualization (AC) steps in the learning process in that most concentrate a great deal of their learning activities in the classroom. Most colleges and universities, in fact, exhibit a bias toward admitting people who score high on those learning styles (as recorded on ACT, SAT, or GMAT exams). Moreover, focusing a curriculum entirely on the case study method, for example, or on experiential exercises to teach students about effective management and leadership, has been shown to be much less effective than having learning activities that represent each of these four steps (see Kolb & Kolb, 1999). The best management skills curriculum, for example, has opportunities for action learning and student experimentation (CE and AE), as well as class discussion, readings, and examinations (RO and AC).

ATTITUDES TOWARD CHANGE

In order to capitalize fully on the strengths of your own learning style, you also should be aware of your orientation toward change. This is important because, as the environment in which managers operate continues to become more chaotic, more temporary, more complex, and more overloaded with information, your ability to process information is at least partly constrained by your fundamental attitude about change.

Figure 1.5 The Learning Cycle



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Almost no one disagrees with the prediction that change will increase in the future, both in pace and scope. The challenge of students and managers at the beginning of the twenty-first century is to prepare for a world that cannot be predicted by the experiences of the past. This condition, according to Peter Drucker (father of modern management), occurs no more frequently than every 200 to 300 years. The last times such conditions were encountered were at the dawn of the Renaissance and the outset of the industrial revolution. The world changed dramatically, unpredictably. The patterns of the past could not be used to predict the trends of the future. Dramatic, transformational change occurred. Similarly, graduates of management schools will face an environment in the decades ahead unlike one that any person has ever experienced before.

As pointed out earlier, both the half-life of knowledge and the amount of knowledge available to people are changing at incredible speeds. Even the half-life of most information technologies is now less than one year. (Consider how up-to-date your current computer is, regardless of how recently you purchased it.) It is estimated that in a decade, for example, personal computers will become anachronistic as etching on molecules replaces etching on silicon. It is predicted that computers as small as a pencil head will be implanted in the body to govern, for example, heart rate, or in eyeglasses to display the name of every person you pass by on the street.

Educated people who read the *Wall Street Journal*, *New York Times*, or *Herald Tribune* are now exposed to more information in one day than a person was exposed to in a lifetime in the eighteenth century. Most of the world's population has never known a world without a computer, remote control, unlimited TV channels, and satellite transmission, yet the population group that is growing the fastest and that controls most of society's wealth is over 60 years old and have just encountered the information revolution in the last half of their lives. Alarmingly, a large majority of the world's population can only dream of having access to current information technology, and even a majority of the U.S.

population cannot afford a computer. Hence, we face a real danger of perpetuating technological apartheid both in the United States and throughout the world.

In business organizations, no manager at the beginning of the twenty-first century would boast of being stable, constant, or maintaining the status quo. Even now, stability is interpreted more as stagnation than steadiness, and organizations not in the business of major transformation and revolution are generally viewed as recalcitrant. The frightening uncertainty that has always accompanied major change is now superseded by a fear of staying the same.

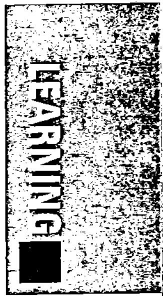
All this is to say that the environment of the twenty-first century will be characterized by turbulence, gigantic change, rapid-fire decisions, and chaos. No one will have time to read and analyze a case study. E-business has changed the rules of the game. For example, it is now possible for competitors in almost any business to emerge on the Internet within 24 hours. No one can predict the competitive environment anymore. Customers are no longer geographically constrained, and the standards for servicing them have changed completely. Speed to market and competing against time have begun to dominate the traditional competitive advantages learned in business schools. Rapid decision making, mostly without the benefit of adequate information and careful analysis, is becoming the norm.

In the midst of this chaotic pace of change—what some refer to as "permanent white water"—being aware of your own orientation toward change is an important prerequisite for successfully coping with it. Two dimensions of change orientation particularly relevant for managers are discussed on the following pages.

Tolerance of Ambiguity

The first important dimension is **tolerance of ambiguity**, which refers to the extent to which individuals are threatened by or have difficulty coping with situations that are ambiguous, where change occurs rapidly or unpredictably, where information is inadequate or unclear, or where complexity exists. Stimulus-rich and information-overloaded environments (for example, air traffic control towers) are examples. Regardless of their cognitive style, people vary in their aptitude for operating in such circumstances.

People differ in the extent to which they are "cognitively complex" or in the extent to which they can cope with ambiguous, incomplete, unstructured, dynamic situations. Individuals who have a high tolerance of ambiguity also tend to be more cognitively complex. They tend to pay attention to more information, interpret more cues, and possess more sense-making categories than less complex individuals do. Research has found that cognitively complex and tolerant individuals are better transmitters of information, more sensitive to internal (nonsuperficial) characteristics of others when evaluating their performance at work, and more behaviorally adaptive and flexible under ambiguous and overloaded conditions than less tolerant and less cognitively complex individuals. Managers with higher tolerance-of-ambiguity scores are more likely to be entrepreneurial in their actions, to screen out less information in a complex environment, and to choose specialties in their occupations that possess less-structured tasks. They also cope more effectively with major organizational change, downsizing, and role stress and conflict (Armstrong-Stassen, 1998; Haase, Lee, & Banks, 1979; Teoh & Foo, 1997; Timothy, Thoresen, Pucik, and Welbourne, 1999).



It also should be pointed out, however, that individuals who are more tolerant of ambiguity have more difficulty focusing on a single important element of information—they are inclined to pay attention to a variety of items—and they may have somewhat less ability to concentrate without being distracted by interruptions. However, for the most part, in an information-rich environment, tolerance of ambiguity and cognitive complexity are more adaptive than the opposite characteristics.

In the Skill Assessment section of this chapter, a Tolerance of Ambiguity Scale (Budner, 1962) assesses the extent to which you have a tolerance for these kinds of complex situations. In scoring the Tolerance of Ambiguity Scale (see the scoring key at the end of the chapter) three different subscale scores are assessed. One is the *novelty* score, which indicates the extent to which you are tolerant of new, unfamiliar information or situations. The second subscale is the *complexity* score, which indicates the extent to which you are tolerant of multiple, distinctive, or unrelated information. The third subscale is the *insolubility* score, which indicates the extent to which you are tolerant of problems that are very difficult to solve because, for example, alternative solutions are not evident, information is unavailable, or the problem's components seem unrelated to each other. In general, the more tolerant people are of novelty, complexity, and insolubility, the more likely they are to succeed as managers in information-rich, ambiguous environments. They are less overwhelmed by ambiguous circumstances.

It is important to note that cognitive complexity and tolerance for ambiguity are not related to cognitive

intelligence, and your score on the Tolerance of Ambiguity Scale is not an evaluation of how smart you are. Most important, individuals can learn to tolerate more complexity and more flexibility in their information-processing abilities. The first step toward increasing tolerance is becoming aware of where you are now by completing the Skill Assessment section. Then the Skill Analysis and Skill Practice sections of this chapter, along with discussions such as the one in the chapters on problem solving and creativity, provide ways to improve your tolerance for ambiguity and your cognitive complexity. It is also interesting to note that a positive correlation exists between tolerance of ambiguity and the second dimension of orientation toward change discussed here, internal locus of control.

Locus of Control

The second dimension of orientation toward change is **locus of control**. It is one of the most studied and written-about aspects of orientation toward change. Locus of control refers to the attitude people develop regarding the extent to which they are in control of their own destinies. When individuals receive information about the success or failure of their own actions, or when something changes in the environment, they differ in how they interpret that information. People receive reinforcements, both positive or negative, as they attempt to make changes around them. If individuals interpret the reinforcement they receive to be contingent upon their own actions, it is called an **internal locus of control** (that is, "I was the cause of the success or failure of the change"). If they interpret the reinforcement as being a product of outside forces, it is called an **external locus of control** (that is, "Something or someone else caused the success or failure"). Over time, people develop a "generalized expectancy" about the dominant sources of the reinforcements they receive. Thus, they become largely internally focused or largely externally focused with regard to the source of control they perceive in a changing environment.

Over 10,000 studies have been done using the locus of control scale. In general, the research suggests that managers in North America have a far greater tendency to have an internal locus of control than, say, Middle Eastern and Far East managers (Trompenaars, 1996). In Japan, for example, an external locus of control has been associated with high levels of stress and violence among teenagers, presumably due to less emphasis on self-control (Tubbs, 1994). In American culture, internal locus of control is associated with the most successful managers (for reviews of the literature, see Hendricks, 1985; Spector, 1982). For example, people with an internal locus of control are more likely to (1) be attentive to aspects of the environment that provide useful information for the future, (2) engage in actions to improve their environment, (3) place greater emphasis on striving for achievement, (4) be more inclined to develop their own skills, (5) ask more questions, and (6) remember more information than people with an external locus of control.

In the management literature, individuals who have an internal locus of control are less alienated from the work environment, more satisfied with their work, and experience less job strain and more position mobility (promotions and job changes) than do individuals with an external locus of control (Bernardi, 1997; Coleman, Irving, & Cooper, 1999; Newton & Keenan, 1990; Seeman, 1982). A study of leadership and group performance found that internals were more likely to be leaders and that groups led by internals were more effective than those led by externals (Anderson & Schneider, 1978; Blau, 1993). Internals also were found to outperform externals in stressful situations, to engage in more entrepreneurial activity, to be more active in managing their own careers, and to have higher levels of job involvement than externals (Bonnett & Furnham, 1991; Boone & Brabander, 1997; Cromie, Callahan, & Jansen, 1992; Hammer & Vardi, 1981; Kren, 1992). Differences have also been found regarding how power and authority are utilized by externals and internals (see Chapter 5: Gaining Power and Influence). External leaders tend to use coercive power and threat, whereas internal leaders rely more on persuasion and expertise as a source of power (Sweeney, McFarlin, & Cotton, 1991). Moreover, internals both demonstrate and are more satisfied with a participative management style than externals are (Judge, Erez, Bono, & Thoreson, 2002).

A study of locus of control among top executives found that the firms led by internals engaged in more innovation, more risky projects, more leadership in the marketplace, longer planning horizons, more scanning of the environment, and a more highly developed technology than external-led firms did (Miller, Kets de Vries, & Toulouse, 1982). In summarizing the results of this massive array of research on locus of control, the conclusion is consistent: in American culture, people are handicapped by an external locus of control.

On the other hand, research also has found that an internal locus of control is not a panacea for all management problems. Internal locus of control is not always a positive attribute. For example, individuals with an external locus of control have been found to be more

inclined to initiate structure as leaders (to help clarify roles). Internals are less likely to comply with leader directions and are less accurate in processing feedback about successes and failures than are externals. Internals also have more difficulty arriving at decisions with serious consequences for someone else (Coleman, et al., 1999; Rothenberg, 1980; Wheeler & Davis, 1979).

It is important to note that locus of control can shift over time, particularly as a function of the position held at work, and that external locus of control does not inhibit individuals from attaining positions of power and influence at the top of organizations. Therefore, no matter what your internal–external score, you can be a successful manager in the right setting, or you can alter your locus of control. Research has shown that people who interpret information about change as if they are in control of it, and who perceive themselves to be in charge of their own performance (and hence able to control outcomes related to that performance), are more likely to be effective managers in most circumstances in our culture.

The Locus of Control Scale in the Skill Assessment section helps you generate a score showing the extent to which you have an internal or external locus of control. The scoring key and some comparison information are located at the end of the chapter.

In summary, two key attitudes toward change—tolerance of ambiguity and locus of control—have been found to be associated with success in management roles. Knowing your scores on these two factors can help you capitalize on your strengths and enhance your potential for management success. While substantial research exists associating some positive managerial behaviors with internal locus of control and tolerance of ambiguity, possessing these orientations is neither an assurance of success as a manager nor a solution to the problems that managers face. By knowing your scores, however, you will be able to choose situations in which you are more likely to feel comfortable, perform effectively, and understand the point of view of those whose perspectives differ from yours. Self-understanding is a prerequisite to self-improvement and change.

CORE SELF-EVALUATION

Every person has a distinct personality. This concept of *personality* refers to the relatively enduring combination of traits that makes an individual unique and at the same time produces consistencies in his or her thoughts and behaviors. We are all aware of the differences in personalities among the people around us. These differences are manifest in certain kinds of behaviors, attitudes, emotional reactions, and thought patterns. Collectively, we refer to these unique patterns as a person's personality. Usually, personality refers to a "trait" of individuals inasmuch as it is relatively enduring and stable, even though it may be changed and developed through conscious effort. There is much disagreement about how much of our personality is learned as opposed to being biologically or genetically determined. Some explanation for what makes us unique can certainly be attributed to the genetic predispositions we bring with us when we are born. Yet, a sizable portion of our behavioral make-up is learned and can be changed. We focus in this chapter on factors over which we have some control and can change if we determine to do so.

In the field of personality psychology, there has been a gradual convergence around a few major dimensions of personality. A review of the literature in 2001, for example, found that more than 50,000 studies had been conducted on just three attributes of personality—self-esteem, locus of control, and neuroticism or emotional stability (Bono & Judge, 2003). More than 100 studies a month are published on the topic of self-esteem alone! It has become popular in psychology to refer to the "Big Five" personality attributes as being the most important aspects of personality, although there is no scientific evidence that such a conclusion is merited. These Big Five attributes are the most researched, however, and they include *extroversion* (the extent to which people are inclined toward gregariousness and being outgoing instead of quiet and reserved), *agreeableness* (the extent to which people are friendly and affable as opposed to being disagreeable and aggressive), *conscientiousness* (the extent to which people are careful, task oriented, and orderly as opposed to being disorganized, flexible, and unreliable), *neuroticism* (the extent to which people are emotionally fragile, negative, and fearful as opposed to being optimistic, positive, and emotionally stable), and *openness* (the extent to which people are curious and open to new ideas as opposed to being rigid or dogmatic). Individuals tend to differ on these five attributes, and scores on these five factors have been used to predict a variety of outcomes including behavioral performance, life success, job satisfaction, interpersonal attraction, and intellectual achievement.

Timothy Judge and his colleagues have found, however, that differences in scores on these Big Five personality attributes can be explained by a more foundational personality factor. It is referred to as core self-evaluation, or the fundamental evaluation each person has developed about himself or herself. According to Judge and colleagues (2003), core evaluations influence people's

appraisals of themselves, the world, and others, but these evaluations operate subconsciously. For the most part, people are not aware of their own core self-evaluations. Yet, when people respond to certain cues—including personality surveys, behavioral signals, or mental stimuli—their responses are determined to a nontrivial extent by this deeper and more fundamental self-appraisal. In fact, core self-evaluations have been found to predict individuals' scores on the Big Five personality attributes as well as a variety of other unique personal differences. Most people are not aware of the influence that their core self-evaluations have on their perceptions and behaviors, so the assessment instrument at the beginning of this chapter will be very useful in helping you identify your own core self-evaluation.

Core self-evaluation is sometimes referred to as overall positive self-regard—or the extent to which people value themselves and feel proficient as individuals. It is comprised of four components: (1) *self-esteem*, or the extent to which people see themselves as capable, successful, and worthy (Harter, 1990); (2) *generalized self-efficacy*, or the sense of one's ability to perform capably across a variety of circumstances (Locke, McClear, & Knight, 1996); (3) *neuroticism*, which is reversed-scored, or the tendency to have a negative outlook and pessimistic approach to life (Watson, 2000); and (4) *locus of control*, which has been discussed earlier, referring to a person's belief's about the extent to which he or she can control his or her own experiences (Rotter, 1966). Whereas these four personality traits have been studied separately in psychology, it has been discovered that there is a great deal of overlap, and, in combination, they create a single, powerful factor that lies at the core of personality (Judge et al., 2002, 2003). This factor is called a "latent" attribute that lies at the foundation of personality manifestations.

The commonalties among the four factors that make up core self-evaluation are not difficult to understand. That is, when people view themselves in a positive way, or when they possess high self-esteem, they also tend to feel capable of performing effectively across a variety of situations (generalized self-efficacy), they feel in control of their circumstances (locus of control), and they feel emotionally stable (the opposite of neuroticism). Each of these factors by itself has a slightly different meaning, of course, but the overlap and shared meaning among them is the thing being measured by the Core Self-Evaluation Survey. In other words, core self-evaluation assesses the extent to which you possess positive self-regard, or that you feel valuable, capable, stable, and in control. The instrument you completed in the Pre-assessment section captures the commonality among these four factors rather than their unique meaning. That is, your scores reflect your own core self-evaluation rather than any one of the components by themselves.

Of course, we have all met people who are self-centered, braggarts, or narcissistic. They seem to possess an abundance of positive self-regard, and we might be tempted to think of them as having very high scores in core self-evaluation. However, these people also are likely to be insensitive to their abrasive impact on others. When threatened, they emphasize winning or getting their way. They tend to look in the mirror more often than others, spend more time thinking about themselves and the impressions they convey, and work to make themselves look good or be in the spotlight. They tend to be manipulative in their relationships with others. They are, in a word, selfish people. This is not the same as having a positive core self-evaluation. Rather, a positive core self-evaluation implies sensitivity to others and to the environment so that relationships with others are strengthened rather than weakened, developed rather than destroyed. As summarized in Figure 1.6, strong, confident people are better able to lead, to manage, and to form supportive relationships with others.

Evidence for this fact comes from the studies of the relationships between core self-evaluation and the effectiveness of individuals at work. A great deal of research has been conducted using this Core Self-Evaluation Survey, and its validity has been established in a variety of settings (Judge et al., 2003). Research findings indicate that individuals with high core self-evaluations tend to be more satisfied with their jobs. One explanation for this result is that people are more satisfied with their jobs when they are performing more rewarding work and when they have more complex and challenging work. As it turns out, people with higher core self-evaluation scores tend to select more challenging jobs and they tend to find the work in which they are engaged to be more intrinsically fulfilling. Their work is simply more rewarding and more stimulating to them.

In addition to job satisfaction, core self-evaluation is also strongly related to job performance. That is, people who score higher in core self-evaluation tend to perform more successfully at work as employees and as managers (Judge & Bono, 2001). One reason for this result is that high core self-evaluation scores are strongly associated with motivation, and motivated people (as you will see in Chapter 6) tend to perform better. Similarly, people with higher core self-evaluation

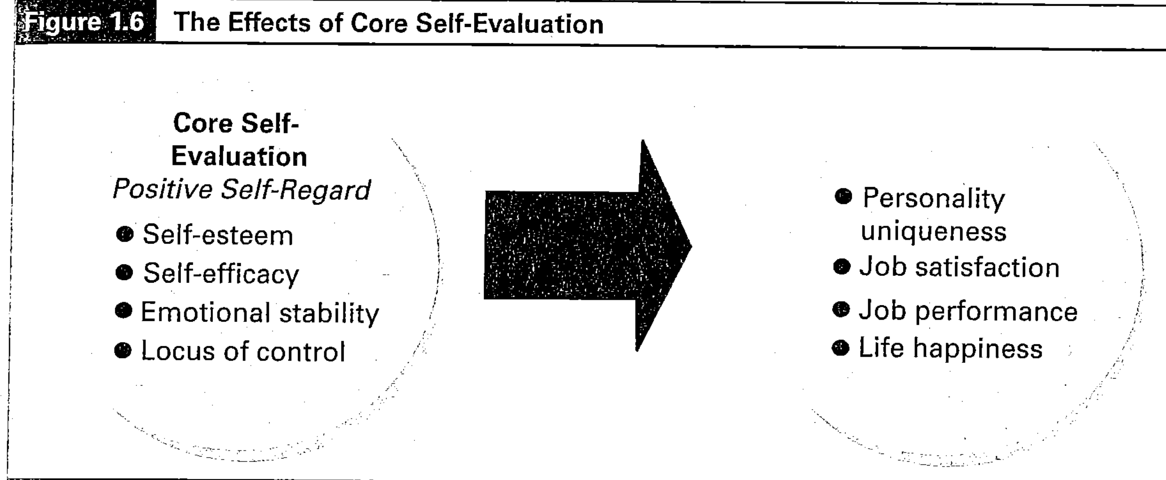


Figure 1.6 The Effects of Core Self-Evaluation

scores tend to have higher levels of task motivation (a desire to accomplish a task), persistence (the inclination to spend the time needed to accomplish a task), productivity in the task itself (producing more output), goal setting (establishing goals for themselves), goal commitment (commitment to accomplishing a goal), and activity level (energized work behavior) (Erez & Judge, 2001). They tend also to be more effective at overcoming obstacles and challenges, in solving problems, and in adapting to organizational change. People with high core self-evaluation scores have also been found to have higher levels of life satisfaction and personal happiness and lower levels of personal stress on the job and experienced strain (headaches, backaches, and somatic symptoms). Higher salary levels, less career plateauing, and more organizational commitment have also been found to be associated with higher core self-evaluation scores.

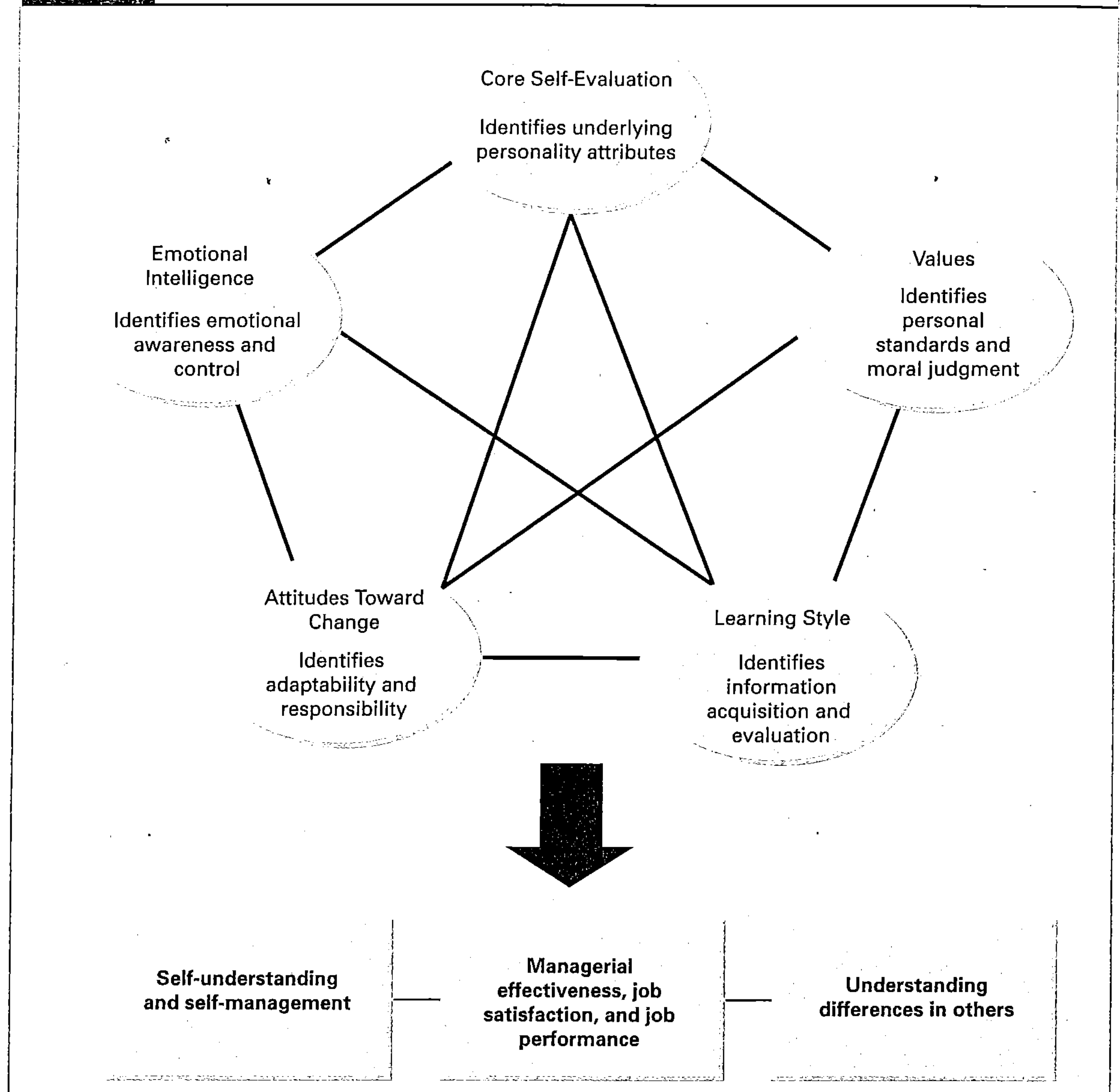
In summary, core self-evaluation scores tend to be a very important predictor of personality differences, job satisfaction, job performance, and life happiness. When people have developed a positive self-regard—when they feel valuable, capable, stable, and in control—they tend to function better at work, in relationships, and in life. Developing management skills and acquiring the competency to perform effectively in work settings is one way to enhance feelings of positive self regard.

Summary

Corporate America increasingly has begun to discover the power of developing self-awareness among its managers. Each year, millions of executives complete instruments designed to increase self-awareness in companies such as Apple, AT&T, Citicorp, Exxon, General Electric, Honeywell, 3M, and the U.S. Army. An awareness of how individuals differ in their emotional maturity, values priorities and values maturity, learning style, orientation toward change, and personality has helped many companies cope better with interpersonal conflicts, botched communications, breakdowns in trust, and misunderstandings. For example, after requiring his top 100 managers to undergo self-awareness training, the president of the computer reservations company of Hilton Hotels and Budget Rent-a-Car stated:

> *We had some real morale problems. I realized I had a mixed bag of people reporting to me and that this training could help us better understand each other and also understand how we make decisions. We wouldn't have made it through [a recent company crisis] without self-awareness training (Moore, 1987).*

Not only does self-awareness training assist individuals in their ability to understand, and thereby manage, themselves, but it also is important in helping individuals develop understanding of the differences in others. Most people will regularly encounter individuals who possess different styles, different sets of values, and different perspectives than they do. Most work forces are becoming more, not less, diverse. Self-awareness training as discussed in this chapter, therefore, can be a valuable tool in helping individuals develop empathy and understanding for the expanding diversity they will face in work and school settings. Self-awareness is a key component of and a prerequisite for successful management. The relationship between the five critical areas of self-awareness and these management outcomes is summarized in Figure 1.7.



Most of the following chapters relate to skills in interpersonal or group interaction, but successful skill development in those areas will occur only if individuals have a firm foundation in self-awareness. In fact, there is an interesting paradox in human behavior: we can know others only by knowing ourselves, but we can know ourselves only by knowing others. Our knowledge of others, and therefore our ability to manage or interact successfully with them, comes from relating what we see in them to our own experience. If we are not self-aware, we have no basis for knowing certain things about others. Self-recognition leads to recognition and understanding of others. As Harris (1981) puts it:

> *Nothing is really personal that is not first interpersonal, beginning with the infant's shock of separation from the umbilical cord. What we know about ourselves comes only from the outside, and is interpreted by the kind of experiences we have had; and what we know about others comes only from analogy with our own network of feelings.*

Behavioral Guidelines

Following are the behavioral guidelines relating to the improvement of self-awareness. These guidelines will be helpful to you as you engage in practice and application activities designed to improve your self-awareness.

1. Identify your sensitive line. Determine what information about yourself you are most likely to defend against.
2. Use the seven dimensions of national culture to diagnose differences between your own values orientation and that of individuals from other cultures, age categories, or ethnic groups.
3. Identify a comprehensive, consistent, and universal set of principles on which you will base your behavior. Identify the most important terminal and instrumental values that guide your decisions.
4. Expand your learning style, your tolerance of ambiguity, and your internal locus of control by increasing your exposure to new information and engaging in different kinds of activities than you are used to. Seek ways to expand and broaden yourself.
5. Enhance your emotional intelligence by consciously monitoring your own emotional responses and by practicing the diagnosis of others' emotional cues.
6. Develop a healthy core self-evaluation and positive self-regard by consciously capitalizing on your personal strengths, and by highlighting and building on your successful accomplishments.
7. Engage in honest self-disclosure with someone who is close to you and accepting of you. Check out aspects of yourself that you are not sure of.
8. Keep a journal, and make time regularly to engage in self-analysis. Balance life's activities with some time for self-renewal.

SKILL **ANALYSIS**

CASES INVOLVING SELF-AWARENESS

Communist Prison Camp

To understand the development of increased self-awareness, it is helpful to consider the opposite process, that is, the destruction of self-awareness. Understanding the growth process is often enhanced by understanding the deterioration process. Hence, in the case below, a process of psychological self-destruction is described as it occurred among prisoners of war during the Korean War. Consider how these processes that destroy self-awareness can be reversed to create greater self-awareness. The setting is a prisoner-of-war camp managed by the Communist Chinese.

In such prisons the total regimen, consisting of physical privation, prolonged interrogation, total isolation from former relationships and sources of information, detailed regimentation of all daily activities, and deliberate humiliation and degradation, was geared to producing a confession of alleged crimes, the assumption of a penitent role, and the adoption of a Communist frame of reference. The prisoner was not informed what his crimes were, nor was he permitted to evade the issue by making up a false confession. Instead, what the prisoner learned he must do was reevaluate his past from the point of view of the Communists and recognize that most of his former attitudes and behavior were actually criminal from this point of view. For example, a priest who had dispensed food to needy peasants in his mission church had to "recognize" that he was actually a tool of imperialism and was using his missionary activities as cover for exploitation of the peasants. Even worse, he had used food as blackmail to accomplish his aims.

The key technique used by the Communists to produce social alienation to a degree sufficient to allow such redefinition and reevaluation to occur was to put the prisoner into a cell with four or more other prisoners who were somewhat more advanced in their "thought reform" than he. Such a cell usually had one leader who was responsible to the prison authorities, and the progress of the whole cell was made contingent upon the progress of the least "reformed" member. This condition meant in practice that four or more cell members devoted all their energies to getting their least "reformed" member to recognize "the truth" about himself and to confess. To accomplish this they typically swore at, harangued, beat, denounced, humiliated, reviled, and brutalized their victim 24 hours a day, sometimes for weeks or months on end. If the authorities felt that the prisoner was basically uncooperative, they manacled his hands behind his back and chained his ankles, which made him completely dependent on his cellmates for the fulfillment of his basic needs. It was this reduction to an animal-like existence in front of other humans which constituted the ultimate humiliation and led most reliably to the destruction of the prisoner's image of himself. Even in his own eyes he became something that was not worthy of the regard of his fellow man.

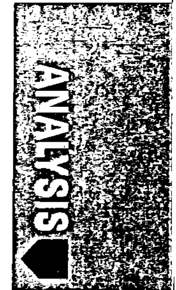
If, to avoid complete physical and personal destruction, the prisoner began to confess in the manner desired of him, he was usually forced to prove his sincerity by making irrevocable behavioral commitments, such as denouncing and implicating his friends and relatives in his own newly recognized crimes. Once he had done this he

became further alienated from his former self, even in his own eyes, and could seek security only in a new identity and new social relationships. Aiding this process of confessing was the fact that the crimes gave the prisoner something concrete to which to attach the free-floating guilt that the accusing environment and his own humiliation usually stimulated.

A good example was the plight of the sick and wounded prisoners of war who, because of their physical confinement, were unable to escape from continual conflict with their interrogator or instructor, and who therefore often ended up forming a close relationship with him. Chinese Communist instructors often encouraged prisoners to take long walks or have informal talks with them and offered as incentives cigarettes, tea, and other rewards. If the prisoner was willing to cooperate and become a "progressive," he could join with other "progressives" in an active group life.

Within the political prison, the group cell not only provided the forces toward alienation but also offered the road to a "new self." Not only were there available among the fellow prisoners individuals with whom the prisoner could identify because of their shared plight, but once he showed any tendency to seek a new identity by truly trying to reevaluate his past, he received again a whole range of rewards, of which perhaps the most important was the interpersonal information that he was again a person worthy of respect and regard.

Source: *Schein, 1960.*



Discussion Questions

1. What specific techniques were used to bring about the destruction of self-awareness among the prisoners?
2. What opposite processes could be used to create the reverse process, that is, a strengthening of the self-concept?
3. Assume that you are charged with the orientation of a cohort of new managers in your organization. How would you help them understand their own strengths and inclinations and how they could best contribute to the firm?
4. What mechanisms do people use, and what mechanisms could the prisoners of war have used, to resist a change in their self-concepts?
5. What could be done to reform or rebuild the self-awareness of these prisoners? What can be done to help individuals without self-awareness to improve that skill?

Computerized Exam

Graduate business school students were all required to take a one-credit-hour current events course. Like other courses in the business school, the final exam was administered on a computer. From a memory bank containing 350 questions, the computer was programmed to select 40 questions for each student, flashing them on the screen one at a time. Students could take the exam any time after the course began in January, whenever they felt ready.

Unfortunately, problems arose. When the test was computerized, a "skip feature" was added to the computer program. This feature was designed so that students could pass over a question they didn't want to answer immediately. The question, theoretically, would return to the screen at a later time, simulating the way in which students skip over and then return to questions on a written exam. However, the skip feature didn't work correctly. Instead of recycling skipped questions back to the student, the computer simply threw them out. Thus, the skip feature became a way for students to avoid any questions they couldn't answer.

Another snafu in the program was that when a certain number of questions were skipped during the exam—apparently between six and ten—the computer automatically ended the test. Scores were immediately flashed to the student and recorded in the computer memory. Scores were calculated on a percentage basis, only counting the questions that the student answered. Skipped questions were not counted as correct or incorrect. Therefore, a student who answered ten questions, nine of them correctly, and skipped enough other questions to trigger the automatic computer shutoff, received a score of 90 percent.

Knowledge of the skip command apparently was widely distributed well before the end of the term. One person estimated that at least half the students knew about it. Upon review, 77 out of 139 members of the graduating class answered fewer than the required 40 questions when they took the exam. When questioned, some students said that they didn't realize that a programming error had occurred and didn't keep track of how many questions were asked in total. Others argued that "it is like filling out an income tax form. People hire accountants all the time to find loopholes that they can use. That is not illegal, even if the government doesn't advertise the loopholes. The commuter program allowed for this loophole, and we did what we did."

1. *If you were one of the students in the class:*
   a. Would you tell the instructor about the programming error before the end of the term?
   b. Report the names of the other students you knew who cheated?
   c. Admit that you cheated?
2. *If you were the instructor for the course, which of the following would you do?*
   a. Flunk the 77 students who did not complete 40 questions.
   b. Require the 77 students to retake the exam, but let them graduate.
   c. Require all 139 students to retake the course since no student reported the problem, a violation of the student ethical code.
   d. Change the computer program, but do nothing to the students.
   e. Select another alternative.
3. *What is your rationale for the decisions you made in questions 1 and 2 above? Discuss your rationale with your colleagues.*
4. *What level of values maturity is displayed? What ethical principles are applied?*

Decision Dilemmas

For each of the five scenarios below, select the choice you would make if you were in the situation.

1. A young manager in a high-technology firm was offered a position by the firm's chief competitor for almost double her salary. Her firm sought to prevent her from changing jobs, arguing that her knowledge of certain specialized manufacturing processes would give the competitor unfair advantage. Since she had acquired that knowledge through special training and unique opportunities in her current position, the firm argued that it was unethical for her to accept the competitor's offer. What should the young manager do?

   ______ Accept the offer

   ______ Reject the offer

2. A consumer advocate organization conducted a survey to determine whether Wendy's hamburgers were really any more "hot and juicy" than any other hamburgers. After testing a Big Mac, a Whopper, a Teen Burger, and a Wendy's Hot and Juicy, each hamburger brand received approximately the same number of votes for being the juiciest. The consumer group advocated that Wendy's not advertise its hamburgers to be the juiciest. The company indicated that its own tests showed different results and that the image of the burger was the important thing, not the test results. Should the advertisements cease or not?

   _______ Cease to advertise

   _______ Continue to advertise

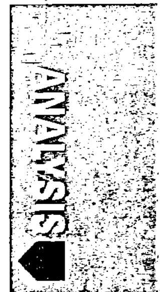
3. After several profitable years, the Bob Cummings Organic Vitamin Company was made available for sale. Bob's movie and TV appearances precluded him from keeping track of a large company, and it became apparent that, if present trends continued, the company would either have to expand substantially or lose a large share of the market. Several firms were interested in purchasing the company for the asking price, but one firm was particularly aggressive. It sponsored several parties and receptions in Bob's honor; a 35-foot yacht was made available for his use during the summer; and several gifts for family members arrived during the holidays. Bob's wife questioned the propriety of these activities. Was it appropriate for Bob to accept the gifts? Should he sell to that firm?

   _______ Proper to accept

   _______ Not proper

   _______ Should not sell

   _______ Should sell



4. John Waller was hired to coach football. After two seasons, he was so successful that he was named coach of the year by UPI, *Sporting News*, and ESPN. He was also very vocal about the need to clean up cheating in college athletics, especially among competitor schools in his own conference. He heard rumors about inappropriate alumni gifts to some of his own athletes, but after confronting those involved, he received assurances that the rumors weren't true. At the beginning of the next season, however, he received conclusive evidence that seven of the starters on his team, including an All-American, had received financial benefits from a wealthy booster. What should Waller do?

   _______ Kick them off the team

   _______ Suspend them for several games

   _______ Warn them but do nothing

5. Roger's company had been battered by competition from Asian firms. Not only were Asian products selling for less money, but their quality was substantially higher. By investing in some high-technology equipment and fostering better union–management relations, Roger was relatively certain that the quality gap could be overcome. But his overhead rate was more than 40 percent above that of the competitor firms. He reasoned that the most efficient way to lower costs would be to close one of his older plants, lay off the employees, and increase production in the newer plants. He knew just which plant would be the one to close. The trouble was, the community was dependent on that plant as its major employer and had recently invested a great deal of money for highway repair and

streetlight construction around the plant. Most of the work force were older people who had lived in the area most of their lives. It was improbable that they could obtain alternative employment in the same area. Should Roger close the plant or not?

_______ Close the plant

_______ Do not close

Discussion Questions

Form a small group and discuss the following questions regarding these five scenarios:

1. Why did you make the choices you did in each case? Justify each answer.
2. What principles or basic values for decision making did you use in each case?
3. What additional information would you need in order to be certain about your choices?
4. What circumstances might arise to make you change your mind about your decision? Could there be a different answer to each case in a different circumstance?
5. What do your answers tell you about your own emotional intelligence, values, cognitive style, attitude toward change, and core self-evaluation?