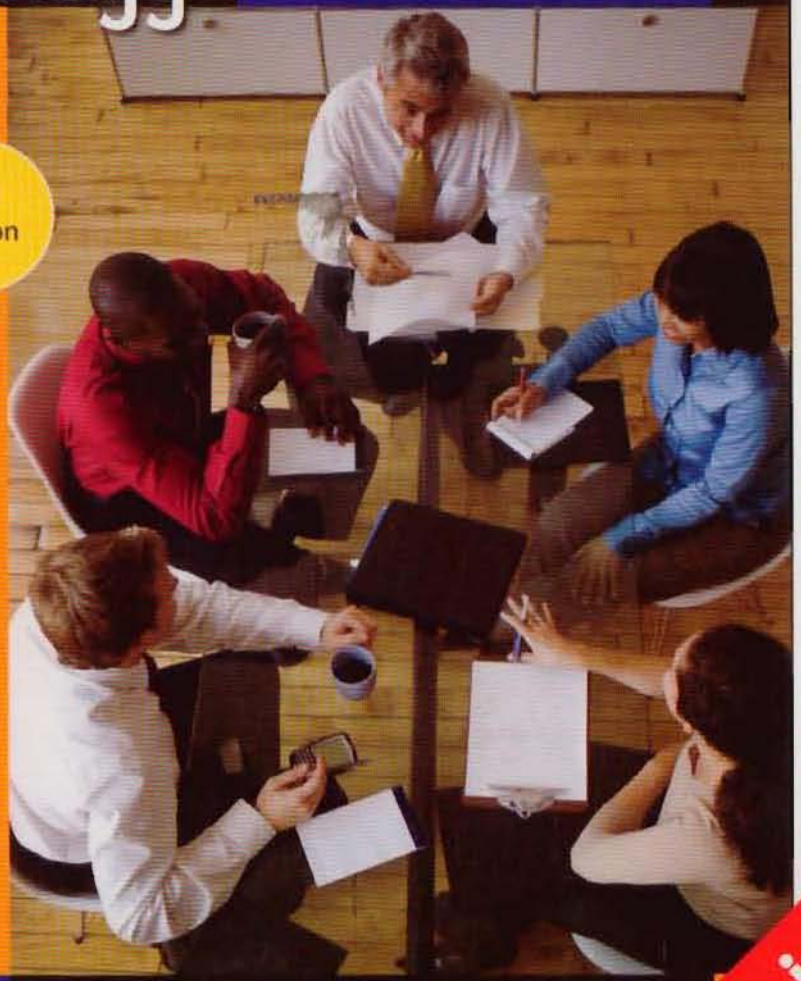
INTERNATIONAL EDITION

Industrial/Organizational Psychology

AN APPLIED APPROACH

6th Edition



MICHAEL G. AAMODT

Not for Sale in the United States

CONTENTS

Preface xv

Chapter 1 Introduction to I/O Psychology 1

The Field of I/O Psychology 2
Differences Between I/O and Business Programs 2
Major Fields of I/O Psychology 4
Brief History of I/O Psychology 5
Employment of I/O Psychologists 9
Educational Requirements and Types of Programs 11
Career Workshop: Getting into Graduate School 12
Research in I/O Psychology 12
Why Conduct Research? 13
Considerations in Conducting Research 14
Ethics in Industrial/Organizational Psychology 30
On the Job: Applied Case Study: Conducting Research at the Vancouver (British Columbia) International Airport Authority, Canada 31
Chapter Summary 31
Questions for Review 32

Chapter 2 Job Analysis and Evaluation 33

Job Analysis 34
Importance of Job Analysis 34
Writing a Good Job Description 36
Employment Profile 37
Preparing for a Job Analysis 42
Conducting a Job Analysis 47
Using Other Job Analysis Methods 54
Evaluation of Methods 62
Job Evaluation 64
Determining Internal Pay Equity 65
Determining External Pay Equity 66
Sex and Race Equity 69
Career Workshop: Negotiating Salary 71
On the Job: Applied Case Study: National Board of Veterinary Medical Examiners 72
Focus on Ethics: Compensating CEOs and Executives 72
Chapter Summary 73
Questions for Review 74

Chapter 3 **Legal Issues in Employee Selection** **75**

The Legal Process 76

Resolving the Complaint Internally 76

Career Workshop: What to Do If You Feel You Are Being Discriminated Against at Work 77

Filing a Discrimination Charge 78

Outcomes of an EEOC Investigation 78

Determining Whether an Employment Decision Is Legal 80

Does the Employment Practice Directly Refer to a Member of a Federally Protected Class? 80

Employment Profile 85

Is the Requirement a BFOQ? 89

Has Case Law, State Law, or Local Law Expanded the Definition of Any of the Protected Classes? 90

Does the Requirement Have Adverse Impact on Members of a Protected Class? 91

Was the Requirement Designed to Intentionally Discriminate against a Protected Class? 92

Can the Employer Prove That the Requirement Is Job Related? 93

Did the Employer Look for Reasonable Alternatives That Would Result in Lesser Adverse Impact? 94

Harassment 94

Types of Harassment 95

Organizational Liability for Sexual Harassment 96

Family Medical Leave Act 98

Affirmative Action 99

Affirmative Action Strategies 99

Reasons for Affirmative Action Plans 100

Legality of Preferential Hiring and Promotion Plans 101

Consequences of Affirmative Action Plans 105

Privacy Issues 105

Drug Testing 106

Office and Locker Searches 107

Psychological Tests 107

Electronic Surveillance 108

Appendix: Canadian Employment Law by Province 108

On the Job: Applied Case Study: Keystone RV Company, Goshen, Indiana 109

Focus on Ethics: The Ethics Behind Workplace Privacy 109

Chapter Summary 111

Questions for Review 111

Chapter 4 **Employee Selection: Recruiting and Interviewing** **113**

Job Analysis 114

Recruitment 114

Media Advertisements 115

Career Workshop: How to Respond to Newspaper Advertisements 119

Situation-Wanted Ads 120

Point-of-Purchase Methods 120

Recruiters 121

Employment Agencies and Search Firms 123

Employee Referrals 124

Employment Profile 125

Direct Mail 126

Internet 127

Job Fairs 129

Incentives 130

Nontraditional Populations 130

Recruiting "Passive" Applicants 131

Evaluating the Effectiveness of Recruitment Strategies 131

Realistic Job Previews 133

Effective Employee Selection Techniques 134

Employment Interviews 134

Types of Interviews 134

Advantages of Structured Interviews 135

Problems with Unstructured Interviews 136

Creating a Structured Interview 139

Conducting the Structured Interview 143

Job Search Skills 144

Successfully Surviving the Interview Process 144

Writing Cover Letters 146

Writing a Résumé 148

On the Job: Applied Case Study: Recruitment at the Borgata Hotel Casino and Spa 153

Focus on Ethics: The Ethics of Recruiting and Hiring Based on Physical Appearance 153

Chapter Summary 154

Questions for Review 155

Chapter 5 Employee Selection: References and Testing 157

Predicting Performance Using References and Letters of Recommendation 158

Reasons for Using References and Recommendations 158

Career Workshop: Asking for Letters of Recommendation 159

Ethical Issues 167

Predicting Performance Using Applicant Training and Education 169

Predicting Performance Using Applicant Knowledge 170

Predicting Performance Using Applicant Ability 170

Cognitive Ability 170

Perceptual Ability 172

Psychomotor Ability 172

Physical Ability 176

Employment Profile 178

Predicting Performance Using Applicant Skill 178

Work Samples 178

Assessment Centers 179

Predicting Performance Using Prior Experience 181

Experience Ratings 181

Biodata 182

Predicting Performance Using Personality, Interest, and Character 186

Personality Inventories 186

Interest Inventories 188

Integrity Tests 188

Conditional Reasoning Tests 190

Graphology 191

Predicting Performance Limitations Due to Medical and Psychological Problems 191

Drug Testing 192

Psychological Exams 193

Medical Exams 193

Comparison of Techniques 194

Validity 194

Legal Issues 196

Rejecting Applicants 197

On the Job: Applied Case Study: City of New London, Connecticut, Police Department 198

Focus on Ethics: The Ethics of Tests of Normal Personality in Employee Selection 199

Chapter Summary 200

Questions for Review 201

Chapter 6 Evaluating Selection Techniques and Decisions 203

Characteristics of Effective Selection Techniques 204
Reliability 204
Validity 209
Career Workshop: Evaluating Tests 210
Cost-efficiency 215
Establishing the Usefulness of a Selection Device 216
Taylor-Russell Tables 216
Proportion of Correct Decisions 217
Lawshe Tables 221
Brogden-Cronbach-Gleser Utility Formula 221
Determining the Fairness of a Test 224
Adverse Impact 225
Single-Group Validity 226
Differential Validity 227
Employment Profile 228
Making the Hiring Decision 228
Unadjusted Top-Down Selection 229
Rule of Three 229
Passing Scores 230
Banding 232
On the Job: Applied Case Study: Thomas A. Edison's Employment Test 233
Focus on Ethics: Diversity Efforts 234
Chapter Summary 235
Questions for Review 235

Chapter 7 Evaluating Employee Performance 237

Step 1: Determine the Reason for Evaluating Employee Performance 239
Providing Employee Training and Feedback 239
Determining Salary Increases 239
Making Promotion Decisions 239
Making Termination Decisions 240
Conducting Personnel Research 240
Step 2: Identify Environmental and Cultural Limitations 240
Step 3: Determine Who Will Evaluate Performance 241
Supervisors 242
Peers 242
Subordinates 243
Customers 243
Self-Appraisal 244
Step 4: Select the Best Appraisal Methods to Accomplish Your Goals 245
Decision 1: Focus of the Appraisal Dimensions 245
Decision 2: Should Dimensions Be Weighted? 247
Decision 3: Use of Employee Comparisons, Objective Measures, or Ratings 247
Evaluation of Performance Appraisal Methods 255
Step 5: Train Raters 258
Step 6: Observe and Document Performance 259
Step 7: Evaluate Performance 261
Obtaining and Reviewing Objective Data 261
Reading Critical-Incident Logs 262
Completing the Rating Form 263
Employment Profile 264
Step 8: Communicate Appraisal Results to Employees 270
Prior to the Interview 271
During the Interview 271
Career Workshop: Getting Good Performance Ratings 272
Step 9: Terminate Employees 273
Employment-at-Will Doctrine 273
Legal Reasons for Terminating Employees 274

The Termination Meeting 276
On the Job: Applied Case Study: Firing an Employee at Kohl's Department Store 278
Focus on Ethics: The Ethics of the At-Will Doctrine 278

Chapter Summary 279

Questions for Review 280

Appendix: Additional Types of Rating Scales 281

Chapter 8 Designing and Evaluating Training Systems 287

Determining Training Needs 288
Organizational Analysis 289
Task Analysis 290
Person Analysis 291
Developing a Training Program 293
Establishing Goals and Objectives 293
Motivating Employees 293
Choosing the Best Training Method 297
Conducting Classroom Training 298
Initial Decisions 298
Employment Profile 300
Preparing for Classroom Training 300
Delivering the Training Program 302
Career Workshop: Audience Etiquette 304
Using Case Studies to Apply Knowledge 305
Using Simulation Exercises to Practice New Skills 306
Practicing Interpersonal Skills through Role Play 306
Increasing Interpersonal Skills through Behavior Modeling 307
Providing Individual Training through Distance Learning 308
Programmed Instruction Using Books, Videos, or Interactive Video 309
Computer-Based or Web-Based Programmed Instruction 309
Conducting On-the-Job Training 310
Learning by Modeling Others 310
Learning through Job Rotation 312
Learning through Apprentice Training 312
Learning through Coaching and Mentoring 313
Ensuring Transfer of Training 315
Putting It All Together 316
Evaluation of Training Results 318
Research Designs for Evaluation 318
Evaluation Criteria 320
On the Job: Applied Case Study: Training at Pal's Sudden Service 322
Focus on Ethics: The Ethics of Using Role Play in Employee Training 323

Chapter Summary 324

Questions for Review 324

Chapter 9 Employee Motivation 327

Is an Employee Predisposed to Being Motivated? 328
Self-Esteem 328
Intrinsic Motivation 331
Needs for Achievement and Power 332
Have the Employee's Values and Expectations Been Met? 332
Job Expectations 332
Job Characteristics 333
Needs, Values, and Wants 333

Do Employees Have Achievable Goals? 338
Specific 338
Measurable 339
Difficult but Attainable 339
Employment Profile 340
Relevant 340
Time-Bound 340
Employee Participation 340
Are Employees Receiving Feedback on Their Goal Progress? 341
Career Workshop: Providing Feedback 342
Self-Regulation Theory 342
Are Employees Rewarded for Achieving Goals? 343
Timing of the Incentive 344
Contingency of Consequences 345
Type of Incentive Used 345
Individual Versus Group Incentives 349
Expectancy Theory 353
Reward Versus Punishment 355
Are Rewards and Resources Given Equitably? 356
Are Other Employees Motivated? 358
Integration of Motivation Theories 358
On the Job: Applied Case Study: Faster Service at Taco Bueno Restaurants 360
Focus on Ethics: Ethics of Motivation Strategies 360
Chapter Summary 361
Questions for Review 362

Chapter 10 Employee Satisfaction and Commitment 363

Why Should We Care About Employee Attitudes? 364
What Causes Employees to Be Satisfied with and Committed to Their Jobs? 366
What Individual Differences Affect Job Satisfaction? 367
Are Employees Satisfied with Other Aspects of Their Lives? 370
Are Employees' Job Expectations Being Met? 371
Is the Employee a Good Fit with the Job and the Organization? 372
Are the Tasks Enjoyable? 373
Do Employees Enjoy Working with Supervisors and Coworkers? 373
Are Coworkers Outwardly Unhappy? 374
Are Rewards and Resources Given Equitably? 374
Is There a Chance for Growth and Challenge? 376
Integration of Theories 378
Career Workshop: What to Do If You Are Unhappy with Your Job 380
Measuring Job Satisfaction and Commitment 381
Commonly Used Standard Inventories 381
Employment Profile 384
Custom-Designed Inventories 386
Consequences of Dissatisfaction and Other Negative Work Attitudes 386
Absenteeism 386
Turnover 393
Counterproductive Behaviors 396
Lack of Organizational Citizenship Behaviors 397
On the Job: Applied Case Study: Reducing Turnover at Bubba Gump Shrimp Co. 397
Focus on Ethics: Ethics and Organizational Commitment 398
Questions for Review 399

Chapter 11 Organizational Communication 401

Types of Organizational Communication 402

Upward Communication 402

Employment Profile 405

Downward Communication 406

Business Communication 408

Career Workshop: Phone Etiquette 409

Informal Communication 412

Interpersonal Communication 414

Problem Area 1: Intended Message Versus Message Sent 415

Problem Area 2: Message Sent Versus Message Received 416

Problem Area 3: Message Received Versus Message Interpreted 425

Improving Employee Communication Skills 429

Interpersonal Communication Skills 430

Written Communication Skills 430

On the Job: Applied Case Study: Reducing Order Errors at Hardee's and McDonald's 433

Focus on Ethics: Ethical Communication 434

Chapter Summary 435

Questions for Review 435

Chapter 12 Leadership 437

An Introduction to Leadership 438

Personal Characteristics Associated with Leadership 438

Leader Emergence 439

Leader Performance 441

Interaction between the Leader and the Situation 447

Situational Favorability 447

Organizational Climate 448

Subordinate Ability 451

Relationships with Subordinates 453

Specific Leader Skills 454

Leadership through Decision Making 455

Leadership through Contact: Management by Walking Around 456

Employment Profile 457

Leadership through Power 457

Leadership through Vision: Transformational Leadership 458

Leadership through Persuasion 461

Cultural Differences in Leadership: Project Globe 462

Leadership: Where Are We Today? 465

Career Workshop: Obtaining Leadership Skills 468

On the Job: Applied Case Study: Developing Leaders at Claim Jumper Restaurants 469

Focus on Ethics: Ethics and Leadership 469

Chapter Summary 471

Questions for Review 471

Chapter 13 Group Behavior, Teams, and Conflict 473

Group Dynamics 474

Definition of a Group 474

Reasons for Joining Groups 475

Factors Affecting Group Performance 478

Group Cohesiveness 478

Groupthink 488

Individual Versus Group Performance 488
Teams 490
What Is a Work Team? 491
Types of Teams 492
How Teams Develop 495
Why Teams Don't Always Work 495
Group Conflict 497
Types of Conflict 499
Causes of Conflict 499
Conflict Styles 502
Career Workshop: Tips for Being a Good Group Member 503
Employment Profile 505
Resolving Conflict 507
On the Job: Applied Case Study: Conflict at Work 510
Focus on Ethics: Group Hazing 510
Chapter Summary 511
Questions for Review 511

Chapter 14 Organization Development 513

Managing Change 514
Sacred Cow Hunts 514
Employee Acceptance of Change 516
Implementing Change 519
Career Workshop: Coping with Change 521
Organizational Culture 522
Employment Profile 524
Empowerment 527
Making the Decision to Empower 527
Levels of Employee Input 530
Empowerment Charts 534
Consequences of Empowerment 535
Downsizing 536
Reducing the Impact of Downsizing 536
Effects of Downsizing 540
Work Schedules 541
Compressed Workweeks 542
Moonlighting 543
Flexible Work Hours 544
Peak-Time Pay 546
Job Sharing 546
Work at Home 547
Shift Work 548
On the Job: Applied Case Study: Managing Change at Carlson Restaurants 551
Focus on Ethics: Change Management 551
Chapter Summary 553
Questions for Review 553

Chapter 15 Stress Management: Dealing with the Demands of Life and Work 555

Stress Defined 556
Predisposition to Stress 557
Stress Personalities 558
Gender, Ethnicity, and Race 558
Stress Sensitization 559
Sources of Stress 559
Personal Stressors 559
Occupational Stressors 561
Organizational Stressors 562
Stressors in the Physical Work Environment 564
Other Sources of Stress 572
Consequences of Stress 573
Personal Consequences 573
Organizational Consequences 575

Managing Stress 576
Planning for Stress 577
Stress Reduction Interventions Related to Life/Work Issues 580
Career Workshop: Dealing with Stress 581
Easing the Child-Care Burden 581
Easing the Elder-Care Burden 584
Easing the Daily-Chore Burden 585
Providing Rest through Paid Time Off 585
Employment Profile 586
Measuring Stress 587
Workplace Violence 588
Perpetrators of Workplace Violence 590
Reducing Workplace Violence 590
On the Job: Applied Case Study: Reducing Stress at a Manufacturing Company 592
Focus on Ethics: The Obligation to Reduce Stresss 592
Chapter Summary 593
Questions for Review 594

Appendix: Working Conditions and Human Factors 595
Glossary 603
References 623
Name Index 668
Subject Index 676