

Problem 2 and 3 - People at Work

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Problem 2. Job selection.

Introduction

In this problem, the following topics are discussed: validity, selection methods, applicants' perspectives, an article on job interviews, an article on personnel selection, and an article on adverse impact. The literature for this workgroup consists of: Arnold & Randall, chapter 4; Chmiel, chapter 2; Robertson & Smith, personnel selection p.441-472; article Judge et al., job interviews; summary of Hough.

Validity

Validity means that a test measures what it is supposed to measure. There are several types of validity.

Criterion-related validity is the strength of relationship between predictor (e.g. interview rating) and criterion (e.g. subsequent work behavior). Criterion validity can be divided into subcategories.

- **Predictive validity** examines whether the measurement has a predictive value and whether predictions can be made about the future, e.g. work performance. There is a time gap between the collection of the test data and the criterion data;
- **Incremental validity** examines whether adding another predictor strengthens the predictive power of the selection process. For example, an employer seeking to hire new employees may ask himself if adding another test, such as an intelligence test, would improve the selection process;
- **Concurrent validity** predicts the extent to which the results of two (valid) measures correlate.

Content validity is the extent to which the items on a test are logically representative of the entire domain the test seeks to measure rather than using a statistical procedure. For example, a driving test measures driving competency.

Face validity measures user acceptance and whether the person thinks the method measures what it is supposed to measure.

Construct validity includes identifying the psychological characteristics in questions, such as emotional stability, intelligence, or agility that underlie the success of performing the task. There are two types of construct validity.

- The first one is **convergent validity**. Namely, the degree to which two measures of constructs that theoretically should be related, are in fact related. For example, it is important that an individual's intelligence correlates with observations of their intelligence;
- **Divergent validity** is the degree to which the measure does not correlate with measures that it should not correlate with.

Perspectives of applicants

Fairness indicates how fair a test is to subgroups, such as ethnic minorities or women. Sometimes a test appears to be valid but is biased toward subgroups. Adverse impact refers to minority groups scoring lower on a test almost by default. This phenomenon occurs most often on cognitive ability tests.

There are two forms of discrimination. The first form is **direct discrimination**. In this case, the selection process deliberately treats an individual less favorably because of his or her gender or ethnicity, for example (**adverse treatment**). The second form is **indirect discrimination**. This form of discrimination is unintentional. The requirements for a job are harder to achieve for a certain group (for example, for a certain gender), so a larger portion of this group does not achieve these requirements (**adverse impact**). An example of indirect discrimination is a job application to the fire department. The job requires a lot of upper body strength. Women are not explicitly treated differently, because they are given the same test as men. However, they score worse and are less likely to be hired, because women are generally less upper-body-powerful than men. So this is unintentional discrimination.

For **adverse impact**, the **80% rule**, or the **4/5th rule**, applies. This rule means that there is only an adverse impact if the percentage of applicants from the minority group is less than 80% of the percentage of applicants from the majority group. For example: for a job 40% of the Dutch applicants are hired. Only 20% of Belgian applicants are hired. To see if there is an adverse impact, the following calculation can be made: $20/40 = 50\%$. This percentage is less than 80%, so there is an adverse impact. For more complex jobs, there is less occurrence of adverse impact.

The main difference between the two is the intentionality factor in direct discrimination. In addition, with direct discrimination, a person is treated differently, for example, by receiving a different test than applicants who are not intentionally discriminated against. With indirect discrimination, this is not the case: the person receives the same test and treatment, but has a smaller chance of success.

KSAOs

People need different characteristics for a job. These can be divided into four categories, the **KSAOs**. The K stands for Knowledge, which is what a person knows about the job, e.g., legal knowledge. The S stands for Skill, what a person can do, e.g. create a computer program. The A stands for Ability which is an ability to learn something, e.g. the ability to understand complex things. Finally, the O stands for Other personal characteristics, which is everything else, for example, a person's interests, personality, physical characteristics, previous experiences, and so on.

The KSAOs of a job can be determined through performing a job analysis. Applicants are then tested on these different aspects, in order to select people who have the right KSAOs.

Selection Methods

Psychological Test

A **psychological test** is a standardized series of questions or tasks that measure a particular individual characteristic. Psychological tests are often used to measure characteristics such as knowledge, skills, attitudes, interests, and personality. Examples of psychological testing include questionnaires, but it can also involve performing a task with a physical object. There are several ways in which a psychological test can be given. A **group test** or an **individual test** can be given. The advantage of a group test is that it is more efficient and cheaper. A **closed-ended test** with multiple-choice questions, or an **open-ended test** with open-ended questions can be given. The advantage of a closed-ended test is that it is easier to grade. The advantage of an open-ended test is that it provides richer information about the applicant. A **paper-and-pencil test** is a written or electronic test where something must be filled in. Another form is the **performance test** where something must be manipulated, encompasses the power test and speed test. With a **power test**, it is about the ability to perform the task, e.g. lifting a certain amount of weight. A **speed test** is about speed. This test can be used, for example, to measure how someone performs under pressure. A power test often contains more complex tasks than a speed test.

An advantage of psychological tests is that each item can be answered relatively quickly. Therefore, many items can be used, and thus several characteristics can be measured within one test.

Intelligence tests, IQ tests, and general cognitive ability tests are common **cognitive ability tests**. This form of testing measures what a person knows, remembers, understands and intellect. Often a cognitive ability test is given in the paper-and-pencil form. It can be a general test (e.g. IQ test) or a specific test that tests a particular ability, for example, numerical ability (e.g. in the form of a math test) or verbal ability. Some tests give an overall score, while others give separate scores for each of the separate parts of the test. Cognitive Test Batteries measures many different cognitive abilities. Cognitive ability tests have a major advantage, namely, that they possess the highest predictive validity of all assessments (i.e. the test results are the most accurate predictor of future job performance). A disadvantage, however, is that their face validity is quite low. This is due to the fact that when people are actually taking a cognitive ability test, they do not have the feeling that the test measures the right thing for the job. Other advantages include the favorable costs, as it is quite inexpensive; as well as effectiveness, it can be generalized across multiple occupations. A cognitive ability test may include adverse impact.

A **psychomotor ability test** measures tasks involving physical movement or manipulation of objects or materials, such as piloting an aircraft. This is often conducted in the form of a performance test.

Knowledge and skill tests, often called **achievement tests**, measure the current level of a skill. So these knowledge and skill tests are not about the ability to do or learn something, but about utilizing what one has already learned. It tests what the person knows (knowledge) or can do (skill). This can be either general, such as mathematical knowledge, or specific, such as typing. The form of a knowledge and skill test can be either paper-and-pencil or performance based.

Personality Test

A **personality trait** is one's disposition to exhibit a certain behavior in a particular manner over an array of different situations. For example, a person who prefers to work together as opposed to working alone will score high on the personality trait social ability. A **personality test** measures such personality traits. These tests are often based on the Big Five model. The most important personality traits within one's personality depend on the type of job. Often this form of testing is conducted using the paper-and-pencil format. There can also be a screen-out test, which screens for abnormal behavior to filter out unfit candidates. Furthermore, there is also a screen-in test, in which positive characteristics are filtered-in to hire the most suitable candidates.

There are six personality types that can be linked to certain occupations. A person with an **inquisitive** personality tends to like inquisitive jobs that have to do with biology, chemistry, physics, geology or medical technology. A person with a **conventional** personality prefers conventional jobs, such as an accountant, stenographer, financial analyst, banker, cost estimator, or tax expert. A person with a **realistic** personality likes jobs that deal with mechanisms, such as checking aircraft, inspecting, growing (crops) or an electrician. A person with a **social** personality likes social jobs, such as teacher, jobs that have something to do with religion, counselor, clinical psychologist, psychiatrist or speech therapist. A person with an **artistic** personality likes artistic jobs that have to do with composing, musicians, music director, writer, interior styles or stagecraft. A person with an **entrepreneurial** personality likes entrepreneurial jobs such as being a sales representative, a manager, a business executive, television producer or a sports promoter.

Personality tests have a number of advantages. Personality has been shown to have a reasonable influence on job performance, so the predictive validity is moderate. The construct validity has high value as in this case it is clear what is being measured. There is also (virtually) no adverse impact. There are, however, some disadvantages to personality tests. The face validity is low, because people who take a personality test do not always know what it says about their work performance. Another possible disadvantage is that people can easily intentionally give wrong answers on a personality test. For example, people will be quick to give socially desirable answers rather than admit the truth. This is a form of **impression management**, where people pretend to be something other than what they are in order to leave a better impression. However, this does not necessarily make the test less valid. This may be because people who do not fill in their answers with honesty, often also know what behavior is needed at work. So there is still a high predictive validity, despite the fact that incorrect answers can be given.

Emotional intelligence test

Emotional intelligence tests measure a person's ability to manage his or her own emotions, and recognize others' emotions. Research has shown that **emotional intelligence** (EI) is predictive of job performance, but this correlation is weak. Emotional intelligence has the most influence on social skills that are useful at work.

Integrity Test

An **integrity test** is designed to predict whether an employee will engage in dishonest or negative behavior, such as committing theft or being late. There are two types of integrity tests. A **violation integrity test** measures a person's attitude toward dishonest behavior and their previous experiences with it. A **personality integrity test** measures the characteristics that may predict negative behavior.

The advantages of integrity tests include their predictive ability of dishonest behavior at work. The disadvantages of integrity testing, however, are that a person may be rejected because of previous negative behavior (on a violation test), whereas now they may no longer behave in such a manner. Also, there is little to say about predictive validity because people who engage in dishonest behavior, such as committing theft, are not always caught.

Vocational Interest Test

The **vocational interest test** matches one's interests or personality to the interests or personalities of people in different occupations to see how well each occupation fits the individual. The downside of such testing is that a match between a person's interests and their job is more likely to increase job satisfaction while not necessarily improving job performance.

Currently, drug tests can also sometimes be administered in order to check both applicants and employees for substance use.

Biographical information (biodata).

A **biographical inventory** (also called biodata) asks for detailed background information, often about previous experiences, for example at work or school. Hard items, such as objective data (e.g. one's experiences) may be requested in this type of testing. Soft items, which are more subjective (e.g. one's interests) can also be requested. This is based on the **ecology model**. This is the idea that previous choices say something about the individual, for example, in terms of that person's ability, interests, and character traits. There is a difference between empirical biodata, for example the number of test items and rational biodata, for example the KSAOs.

An advantage of biographical inventory is that the predictive validity of biodata is higher than what was initially thought. Predictive validity is moderate, but it can sometimes be high. In addition, biodata is more resistant to impression management than personality tests are while also having little adverse impact. A disadvantage of biographical inventory is that the face validity of biodata is low because people who receive this test often do not feel that it says anything about work capabilities. There is also unclear construct validity because it is not exactly clear what is being measured by the test.

Interviews

Interviews or job interviews are face-to-face meetings between the interviewer and the applicant. This form of selection is most often used because it is the most accepted socially and it is seen as the fairest form of testing. An interview mainly measures a person's personality and social skills, followed by cognitive skills and knowledge of the job.

There are two forms of these interviews. In an **unstructured interview**, the interviewer asks, without an outline whatever comes to mind (improv), sort of like a conversation, and what is said determines the course of the conversation. In an unstructured interview there is adverse impact. This may be because it is a very subjective way to conduct the selection process. In a **structured interview**, the interviewer has created an interview schedule with a set of specific questions, in advance, and evaluates the interview and the applicant using a scoring schedule. In a structured interview, there is less of an adverse impact because this is a more objective way of comparing candidates and selecting. Two forms of these structured interviews also exist. The first is the **situational interview**. The interviewee must describe in detail how he or she would react to hypothetical situations. The second is the **behavioral interview**. The interviewee must tell about previous behavior, such as previous experiences at a previous employer.

Advantages of an interview are that an interview provides longer and more detailed answers to questions than written tests, for example. There is also the opportunity to ask clarifying questions. This is beneficial for the applicant, to get a clear picture of the possible future job, and it is also beneficial for the interviewer, to get a clear picture of the applicant. The best form of interview that can be used, is the structured interview. In this, all the applicants are asked the same questions and are assessed in the same manner. This makes it easy for the interviewer to compare the different applicants. In addition, this form is more based on the KSAOs of the company. The predictive validity of structured interviews is high. One disadvantage of conducting interviews is that there is a high risk of the interview being subjective and biased. However, this has been reduced, by training interviewers and the usage of structured, rather than unstructured, interviews. Another criticism is that there are too many differences between interviews, but this too can be eliminated by training and structure. Of both interviews, the construct validity is unclear, because multiple things are being measured rather than one specific concept.

The predictive validity of unstructured interviews is quite low, and there is more inherent bias than with structured interviews. Despite these drawbacks, unstructured interviews are most often used because they are more personal than structured interviews. An important note that can be drawn from this, is that validity depends on the quality of the interview as well as the interviewer. The danger with interviews is that people can appear more positive than they really are. As a result, they can be performing impression management that doesn't reflect reality. However, this is not necessarily seen as a negative, because it means that the person knows what behavior to show at the appropriate times. In addition, it demonstrates motivation.

Work samples

A **work sample** are small tasks that closely resemble the tasks in the job that the applicant would have to perform. The difference between a psychological test and a work sample is that higher skills are tested in a work sample, these higher skills consist of multiple basic skills. A psychological test measures whether a person has the basic skill needed for tasks at work, while also measuring whether the person can actually perform the expected tasks. In work samples, people are evaluated on both speed and accuracy. One form of a work sample is the Situational Judgement Test. In this form of testing, job applicants are given a written scenario in which they must choose an action.

The advantages of work samples are that they're strongly related to the real work and therefore have a high predictive validity. In addition, work samples are well accepted by people because they feel 'real,' thus giving these tests a high face validity. In addition, there is little adverse impact. Disadvantages include that the work samples are often expensive, and a person may need to have experience with the task to perform it well. Also, these tests cannot be generalized because they are specific to a particular type of work. The construct validity is unclear, because it is not clear what exactly is being measured.

Assessment centers

An **assessment center** measures how well an applicant can complete numerous tasks of a specific job. An assessment center consists of a number of exercises designed to simulate different tasks at work. Often assessment centers are presented to several people at the same time. It is usually combined with an interview and a psychological test.

There are several tasks that this selection method may consist of. In an **"In-basket" exercise**, the person pretends it is the first day at the new job and must complete a number of items, such as answering emails, letters and phone calls. **Leaderless group exercise** is an exercise where multiple applicants are given a problem to solve together. This can be competitive or collaborative. In a **Problem-solving simulation**, a person is given a problem with background information and must solve it individually. **Role-play exercise** is a role-playing game. The person must assume a role, for instance, the role of manager, and must handle a situation or problem.

Applicants are evaluated on each separate task. Often applicants are given an overall score and the separate scores are used to determine what a person's strengths and weaknesses are.

One advantage of assessment centers is that there is a high degree of realism because there are multiple work-related tasks to be completed. The predictive validity is reasonably high. It is especially high in assessment centers for complex jobs. In addition, there is little adverse impact. The disadvantages of assessment centers are that the construct validity is unclear, because multiple and different dimensions are measured. There are also correlations much too high between unrelated dimensions and correlations much too low between the scores of the same dimensions. Assessment centers are also often expensive and time consuming.

Electronic assessment

With the advent of electronics, new forms of selection have emerged. For example, videos can be shown of work situations, where the person must choose an action that he or she feels would best fit the situation. Another advantage is that people can now be assessed from long distances. In addition, this can make the selection process cheaper. Psychological tests, in the paper-and-pencil form, can now also be taken electronically.

Computer adaptive testing (CAT) is a test administered on a computer and it consists of several items. The items are picked based on the previous chosen (correct or incorrect) answers. If someone gets an answer right, a more difficult question follows. If someone has an answer wrong, an easier question follows. In this way, the computer matches the question to the candidates skill level. The advantage of this, is that there is less possibility of cheating. The disadvantage is that it costs a lot of time and money to develop.

References

This selection method involves asking for references, usually from previous employers, for information about the applicant. This is usually done in the last stage of the selection process. The information the new employer wants can be general or very specific.

Graphology

Graphology involves examining the handwriting of an individual. A written sample is analyzed by examining specific features of the handwriting, such as the shape of the letters or their slant. However, there is no predictive validity to this method.

Selection methods table and levels of validity

Selection method	Predictive validity (criterion-related)	User acceptance (face validity)	Construct validity	Adverse impact
Unstructured interview	Low	Positive	Inconclusive	Yes
Structured interview	High	Moderate - positive	Inconclusive	Little
Cognitive ability test	High	Negative - Moderate	Clear	Yes
Personality test	Moderate	Negative - Moderate	Clear	Little
Interest test	Low	X	X	X
Biodata	Moderate	Moderate	Inconclusive	Little
Work sample	High	Positive	Inconclusive	Little
Assessment center	Moderate	Positive	Inconclusive	Little

Source: based on J. Pletzer

Article Judge, Higgins & Cable (2000): Job interviews.

The article discusses the interview as a form of selection procedure. It looks at reliability, validity, structured interviews, differences between interviewers, issues of equal opportunity to be hired, impression management, and the process of making decisions.

The employment interview is probably the most widely used method of selection. However, until recently it was thought that there were many problems with this form of interviewing. The first problem mentioned was low reliability between different interviewers, with respect to the questions asked and the assessment of applicants. Biases are also a problem. Bias can be due to the appearance of applicants, for example: women who are mildly overweight are less likely to be hired. Bias can be due to nonverbal behavior of job applicants, such as eye contact and smiling. Another problem may be, that in an interview, the negative information is considered more than the positive information: it takes twice as much positive information to eliminate the negative information. This is especially true in unstructured interviews. The Primacy effect can also occur. Whatever comes up first has the most influence: interviewers have often made up their minds after only four minutes into the interview. In the Similarity effect, people who are similar to the interviewer (e.g., in terms of race or gender) are rated higher. Finally, interviewers have a poor memory and do not remember afterwards what was said.

Because of these negative points, the typical, unstructured interview was seen as a poor, non-valid way of selecting employees.

However, more recent research has revealed a more positive attitude toward the interview as a method of selection. Today, this method is seen as a more valid method of selection. One reason is due to interview improvements through the use of structured interviews, through the recognition of differences in validity between interviewers, and through the consideration of equal opportunities for applicants.

Interview reliability is thought to be low because interviewers differ in the questions they ask, the assessment they use, and the factors they consider. Research showed that the reliability of a structured interview is 0.59 and that of an unstructured interview is 0.37. Since mainly unstructured interviews are used, despite the evidence that structured interviews are more reliable, it can be said that the reliability is 0.37, on average.

Interview validity was also thought to be low. However, it has been shown to be higher than previously assessed: 0.26. Again, structured interviews are more valid: 0.31 versus 0.23 (unstructured interviews). It is not clear whether situational interviews or behavioral interviews are more valid. In addition, it is possible that this is not because of the interviews, but because there is so much difference in validity between different interviewers.

Research has shown that there is often bias toward gender or race. White employers are more likely to hire white people and dark employers are more likely to hire people of color. This effect does not disappear with a structured interview. However, this specific example of bias was not found for gender.

Interviews often involve impression management because the interviewee wants to make a good impression. This involves presenting yourself positively, but also, for example, giving compliments. Impression management is correlated with a higher rating from the interviewer, and people who do this are often hired earlier. However, it doesn't seem to be a real problem as impression management also correlates with higher performance at work.

In summary, the article suggests that the validity of the interview is higher than first thought. In addition, validity can be increased by providing structure.

Actual congruence is a similarity between the characteristics of the person and of the organization. Perceived congruence is a similarity between the interviewer's perception of the characteristics of the person and the organization.

Person and the organization (P-O) fit is the match between a person and the organization. It involves the person's goals, values, interests and characteristics. These are compared to the culture, pay, structure and values of the organization. In recent years, there has been a growing body of research on two matters: the role of P-O fit in an interview and the reactions of job applicants. Research has shown that P-O fit assessments by the interviewer are based on strict characteristics, rather than the interviewer's preferences. In addition, P-O fit assessments are often based on the person's personal characteristics, such as goal orientation, attraction, social skills, and not on their "objective qualifications," such as grades and work experience. Research has also shown that there is a significant, but small, relationship between actual and perceived congruence. Perceived values congruence additionally has more influence on P-O fit perceptions than congruence of objective values. It also appears that P-O fit perceptions of interviewers are related to how quickly the interviewer actually hires the person.

Applicants also use the interview as a source of information. For example, a warm, competent interviewer gives a more positive view of the organization and will ensure that people are more willing to work for that organization. How people interpret interviewer behavior varies from person to person.

There is still much disagreement about whether interviewers are able to make good judgments about an applicant and their values. Thus, more research is needed on interviews and their validity, on how training could improve it, and on the role of P-O fit in interviews. There has also been an increasing amount of research on the interview as a selection process. Recently, a more positive view has emerged on this, however, the validity is still not perfect and much research remains to be done.

Robertson & Smith (2001) article: Personnel selection.

The article reviews the most important aspects in designing and validating approaches to personnel selection procedures. Over the years, selection methods have changed greatly. One area of concern is job analysis. This analysis seeks to establish a starting point from which people can be selected. Because jobs are no longer stable, in part due to ever-changing technologies, an increasingly complex understanding of the work is needed from employees. This continuously changing nature of work poses many difficulties for job analysis.

Several forms of selection have been found to have good validity. These include cognitive ability tests, personality tests, interviews, assessment centers, and biodata. However, there are still problems regarding the fairness and adverse impact of these methods.

Adverse impact means that people from one subgroup are chosen disproportionately, more or less often, than people from another subgroup. This is most common in tests of cognitive ability. Personality tests, where there is no adverse impact, are increasingly used. However, biodata, where there is little adverse impact and which has a high degree of validity, is used very little.

There are several selection methods. The **Cognitive ability test** measures general cognitive ability. Several studies have found good criterion-related validity, good predictive validity. Also, no evidence has been found that certain groups are treated unfairly. However, the problem of adverse impact remains with this form of testing.

The next selection method is the **Personality Test**. There is increasing evidence that personality plays a role at work. This form of selection therefore has good criterion-related validity. The trait of conscientiousness has an especially strong predictive power. However, this depends on the type of work. It was investigated whether impression management has a negative effect on the validity of this selection method, but no evidence was found.

Interviews measure general cognitive ability, but often measure several aspects at once.

Importantly, the validity of interviews increases with structure.

Assessment centers have high criterion-related validity. This method of selection also has a low adverse impact. It mainly tests general intelligence, as well as other aspects, such as social competence, self-confidence and motivation. Nevertheless, there are doubts about the validity of the various dimensions of this method of selection. It also has the disadvantage of often being expensive.

Biodata is used much less often than the other forms. It was found, though, that this method has a high form of criterion-related validity and a high construct validity. It is noted that the validity is higher for women than for men. On a positive side, the validity of biodata can be generalized to multiple occupations.

Article Hough, Oswald & Ployhart (2001): Adverse impact in selection procedures.

Using several studies, the authors of this article created mean differences for subgroups (gender, ethnicity, culture, age) on certain tests, namely tests for cognitive ability, personality, and physical ability.

First, there are differences among subgroups in cognitive ability. People of color and Hispanics score lower than white people on general intelligence tests. This difference narrows when it comes to more complex jobs and when it comes to within-jobs designs (rather than between-jobs designs). People of color and Hispanics score lower than white people on verbal ability, quantitative ability (math), mental processing speed, and scientific ability. People of color also score lower on spatial ability. Asian people score higher than white people on general intelligence.

Men score higher than women on tests of spatial ability, reaction time, and physical science. Women score higher than men on tests of verbal ability, to some extent memory, clerical speed, and accuracy.

Younger people score higher than older people on general intelligence tests, spatial ability, memory, mental processing speed, and fluid intelligence. Older people sometimes score higher on crystallized intelligence.

Adverse impact towards ethnic groups is a complicated and a controversial problem. No conclusions can be easily drawn. The authors mention a few ways to reduce adverse impact. For example, against dark-skinned people it can be reduced by using memory tests, or using a cognitive ability test (if used at all) which is directly related to the job.

Subgroups also differ in their personality and physical abilities. People of color score lower than white people on Openness to experience. Hispanics people and Asian people score higher than white people on Achievement, and lower than white people on Dependability. Women score higher than men on Agreeableness. Beyond the above differences, the groups are more alike than different.

In terms of physical abilities, the biggest difference is that men score higher than women on Muscular Strength and Endurance and lower than women on Movement Quality.

Assessment centers (AC) measure different aspects in people, such as cognitive abilities and interpersonal competence. In AC, compared to other methods of selection, there is little adverse impact. With biodata, there is some adverse impact against ethnic groups. In interviews, people of color and Hispanics score slightly lower than white people. These differences are lower in structured interviews versus unstructured interviews. In work samples, there is much less adverse impact toward minorities than in written ability tests. This is presumably due to the fact that work samples combine cognitive and non-cognitive variables.

The article examined the causes of subgroup differences. It was found that culture does not affect the quality of tests (e.g., predictive validity). However, it is a weak conclusion because it is based on ad hoc research. However, it was found that through test coaching programs, which prepare candidates for the test, there may be adverse impact for these abilities. It was also found that applicants from minority groups have better attitudes towards employment tests, while older people more often have negative attitudes towards them. However, too little research has been done on this topic. Finally, it was found that adverse impact depends on the outcome (criterion) that a test predicts. Adverse impact is higher for a criterion like task performance (especially if it is based on cognitive ability) and lower for a criterion like teamwork or contextual performance.

Problem 3. Leadership

The following topics are discussed: leadership, traditional theories of leadership, and current leadership approaches. The literature for this workgroup consists of: Landy & Conte, chapter 12; Chmiel et al., chapter 11.

Leadership

Not all leaders are effective leaders. Therefore, it is important to distinguish between the concepts of **leader emergence** and **leadership effectiveness**. Leader emergence involves the characteristics of the individuals who become leaders. This entails questions such as: why are these leaders chosen to be a leader? When looking at leadership effectiveness, the behavior of the new leader is studied in terms of how this behaviour leads to a certain result for the group or organization. According to Foti and Haunstein, high intelligence, dominance, self-efficacy and self-monitoring are good predictors of both leader emergence as well as leadership effectiveness.

Compared to the big five personality traits, a number of traits have strong associations with leader emergence. Leader emergence is defined as "the degree to which an individual is seen by others as a leader." Emotional stability, extraversion, openness to new experiences, and dutifulness (conscientiousness) are all strongly associated with leader emergence, with extraversion being the strongest correlate.

The effects of a leader's behavior are not always obvious or noticeable. For example, a leader may introduce structure, but the effect may not be noticeable until years after.

Destructive Leaders

We speak of a destructive leader when he or she does not do their best to do a good job.

Destructive leadership is defined by Einarsen, Aasland and Skogstad (2007) as, "the systematic and repeated behavior of a leader that breaks the rules of the organization by undermining or sabotaging the goals, tasks, resources, effectiveness and/or motivation, well-being or job satisfaction of the organization." There are three types of destructive leaders. A **derailed leader** behaves dishonestly; he or she exhibits behavior that does not benefit the organization, such as laziness, fraud, and theft. A **supportive but disloyal leader** shows understanding for subordinates, but breaks the goals of the organization by undermining the fulfillment of the goal. A **tyrant like leader** accepts the goals of the organization, but seeks a way to achieve these goals through manipulating and humiliating subordinates.

Destructive leaders have unique characteristics. According to Padilla, Hogan and Kaiser, the behavior of destructive leaders is "empowered" by receptive followers and a conducive environment. These researchers established the concept of the **toxic triangle**. All the elements in this triangle must be met.

The first element in the triangle is the **leader's receptive followers**. These followers can be divided into two groups. The first group are the colluding followers. They have the following characteristics: poor values, equal vision of the world, and ambition. The second group are the conforming followers, with the following characteristics: not far into maturity, low self-evaluation, and unmet needs.

The second element is the **destructive leader** himself, including the following characteristics: an ideology of hate, charisma, negative life themes, personalized power and narcissism.

The third element is the **conducive environment** of the leader with the following characteristics: lack of checks and balances, ineffective institutions, unstable, threats and cultural values.

Leader versus manager or supervisor

Fiedler defines a **leader** as: "The individual in the group who has the task of coordinating and directing relevant group activities, or the person, who in the absence of a designated leader, takes responsibility for carrying out the tasks." According to this definition, a manager or supervisor could also be seen as a leader. However, this is not so as a leader is an influential person.

Bass has made a distinction between different forms of leadership. **Effective leadership** is spoken of when a change is made by the leader that changes the behavior of the followers, which is good for both the leader and the followers. On both sides, people are then satisfied. Effective leadership is a win-win situation for the leader, the followers and the organization because everyone is satisfied. The moment a leader makes an effort to accept the goal of change, it is called **attempted leadership**. In **successful leadership**, the follower changes his or her behavior as a result of the leader's effort.

Distinction between leader development and leadership development

Psychologist David Day distinguishes between leader development and leadership development. **Leader development** is a process that focuses on developing, maintaining, or increasing individual leader attributes, such as skills and knowledge. **Leadership development** is a process that focuses on the relationship between the leader and followers and on developing an environment in which the leader can build relationships that enhance cooperation and the exchange of resources. According to Day, the essence of leadership is social exchange.

According to Day, the most important skill for developing leadership is the **interpersonal competence** of the person designated as a leader. By interpersonal competence, Day refers to the kind of competence that includes social awareness and social skills, such as the ability to resolve conflict.

Motivation to lead.

Studies can explain why some people want to become leaders and others do not, based on their characteristics. However, these studies do not explain why one leader is effective and another is not. According to McClelland, people experience that having power can be perceived as pleasurable. When one discovers this, motivation arises to achieve this power and thus to lead. This is called **power motive**.

Chan and Drasgow distinguish three motives for leading. An **instrumental motive** emphasizes the personal benefit of leadership. Thus, a leader with this motive will lead because of self-interest. An **affective-identity** motive can be interpreted as a power motive, characterized by a desire for control. Thus, a leader will lead because he or she likes to lead or tends to assume responsibilities in a group. A **social-normative** motive emphasizes the duty to lead when asked to do so. Thus, a leader with this motive will feel an obligation to lead.

Criticism to this theory is that the sample consisted only of people between the ages of seventeen and twenty-one and included only military personnel. The results do not demonstrate that an individual can be influenced by only one motive at a time.

Traditional theories of leadership

The 'Great man' theories

Since leaders have existed, there have been theories about them. '**Great man' theories** are theories of leadership developed by historians who examined the life of an esteemed leader to look for characteristics that made these individuals great. There are two types of ways these leaders became great. An exhilarating experience, such as surviving an attack or an admirable trait, such as optimism or intelligence. These theories are very popular but have not been supported by scientific research.

Trait approach

Around 1920 to 1930 the **trait approach** developed, influenced by the Great man theories. This approach tries to show that leaders have certain characteristics that non-leaders do not have. Examples of these traits are: ambition, motivation, masculinity, responsibility, sensitivity, as well as weight and age. This approach is the most researched approach. Many studies point to correlations between personality traits and effective leadership. However, from each study came a new list of personality traits. The definition of personality traits is still debated today. Today, the Big Five is increasingly adhered to. A correlation has been found with four of the personality traits of the Big Five. Only with agreeableness no correlation was found. The correlation between conscientiousness and leadership is the highest.

Criticisms of this theory include that correlations have been found with almost every personality trait. There is also a discussion about the definition of personality traits. In addition, several scholars used different research methods. The main reason for the failure of this approach is that people were not willing to see leadership in a larger context, such as the context of the organization, situation, and followers. A good leader would be a good leader regardless of the context. A final criticism is that this theory primarily used productivity as a criterion.

Power approach

The fact that one of the most obvious characteristics of leaders is that leaders have the power led to the power approach. According to the **power approach**, there are different types of power that a leader can use. Power is, according to this theory, the degree to which a person can influence someone else to do something. It is created through the interaction between the leader and his subordinates. According to French & Raven, there are five forms of power, all based on something different, from the perspective of subordinates.

Referent power is the identification of the follower with the leader. This means that the follower takes the leader as an example and sees him as a role model. Here it is important that the followers can identify with their leader. An example of leaders with referent power are celebrities.

Legitimate power is power based on the legal function of the leader, or the subordinate's idea about it. This is the right of a leader to influence a follower and the obligation of the follower to accept this influence. For example, a tutor has the right to report students absent, thus motivating the followers (students) of this leader (tutor) to come to the study groups.

Expert power is power based on the knowledge and expertise of the leader, or the idea that the subordinate has about the person's knowledge. For example, student A has more power because this student went to the lecture, compared to student B, who did not go to the lecture. For example, student A will be more likely to be believed if he or she explains content about the lecture than student B.

Reward power is the power of the leader to hand out rewards if necessary. For example, a teacher at a daycare has power because she can give a sticker if the children behave well. A disadvantage is that this can cause desired behavior to be exhibited only when there is a reward.

Coercive power is power based on (threats of) punishments that the supervisor can hand out, such as fines, dismissals, or pay cuts. For example, a high school teacher has power because he can hand out punishments in case students have not done their homework.

The last type of power is **Informational**. This power base was added six years after the overall theory was developed. Informational power is power based on the information one possesses. For example, when one has information that no one else has. It is similar to expert power. The difference between expert power and informational power is that with expert power one specializes in a particular subject, while with informational power one possesses a piece of information that someone else does not. This information may be, for example, a secret. Among other things, the U.S. president has informational power because he knows the nuclear codes. This is information no one else possesses and gives him informational power (and coercive power, since nuclear bombs are a coercive tool).

All five forms of power are equally effective when used appropriately. In general, the more power bases a leader possesses, the more power he has to influence his subordinates.

Behavioural approach

A group of researchers at **Ohio State University** introduced the behavioral approach around the 1950s. According to this **behavioral approach**, there are two types of behavior involved in leadership: consideration and initiating structure. These concepts are from Fleishman.

Consideration is the type of behavior that describes a sense of community, a sense of warmth, trust, respect and rapport between the leader and the group. This type of behavior emphasizes the needs of the followers. **Initiating structure** is the type of behavior of a leader in which the leader organizes and defines the group activities in relation to the group. The leader specifies what he or she expects from each group member. This dimension emphasizes goal achievement.

Criticism of these studies from Ohio State University is that only "he" is used. Another criticism was that only questionnaires were used, a method prone to error. Thirdly, the results are the same in every survey. Another criticism was that respondents can attribute characteristics to what they consider to be effective leaders. Finally, the last criticism was that respondents are influenced by the stereotypes they know.

At the **University of Michigan**, the focus was more on the relationship between the leader and the group. These scientists, including Yukl, distinguished three types of behavior from a leader.

Relation-oriented behavior is the kind of behavior of a leader that is very important, according to the Michigan researchers. It focuses on the atmosphere and relationships between leaders and followers. This is similar to the consideration in Ohio State University's model. **Task-oriented behavior** focuses on achieving goals. In the Ohio model, this behavior corresponds to initiating structure.

Participative behavior allows subordinates to participate in making decisions. This behavior provides the opportunity for two-way communication. This is a very important point for effective leadership.

Criticism of this theory is that it focuses on the characteristics or behavior of the leader, without considering factors of the environment or situation.

Contingency approach

The **contingency approach** considers not only the characteristics of the leader, but also the role of the leader in a situation. There are several theories that have this approach.

Contingency approach: Fiedler

Fiedler was one of the first researchers who tried to explain the behavior of a leader according to this approach. According to Fiedler, the interaction between the characteristics of the environment and the style of the leader determines how effective the leadership is. Thus, this approach says that leadership is a function of both personal traits and the situation. One personal characteristic and three situational characteristics determine the effectiveness of leadership. According to this approach, there are two forms of leadership. **Person-oriented**, which corresponds to the previously mentioned form consideration, and **task-oriented**, which corresponds to the previously mentioned form initiating structure.

Important in the contingency theory is that Fiedler assumes that a leader cannot change his leadership style and therefore the situation must be changed. Two aspects play a role here. **Motivational structure** is the characteristics of the leader, measured by the Least Preferred Coworker (LPC) scale (a questionnaire that the leader must fill out about his least preferred employee). **Situational control** is the amount of power and influence a leader has over his subordinates; the extent a leader's behavior can influence behavior of the subordinates. There are three characteristics of the leadership situation that affect situational control. The first characteristic is leader-member relations. This is the extent to which the subordinate gets along with, accepts, and supports the leader. Task structure is the extent to which the subordinate's tasks are clearly defined. Finally, the last characteristic is position power. This refers to the amount of power and influence a leader has. A leader who scores high on all three of these aspects, can exert a great deal of control. A leader who scores low has little control.

A leader's **LPC score** would predict the situations in which the leader could perform well. Leaders with a low LPC are task-oriented. Task-oriented leadership produces high performance in both situations of high and low situational control. Low performance occurs in situations of medium control. Leaders with a high LPC are person-oriented. Low group performance results in situations of both high and low situational control. In situations of average control, there is high performance.

Criticism to this approach is that there are mixed results and the interaction between LPC and situational control is not entirely clear. It is also not clear what the LPC measures in leaders (validity issues). General criticism of Fiedler's theory is that studies provide little evidence for his theory.

Contingency approach: Situational theory

Hersey and Blanchard, as a reaction to Fiedler's theory, came up with the idea that the success of different leadership approaches is partly dependent on the maturity of the subordinates. This maturity can be divided into two aspects. **Job maturity** is the work-related skills and knowledge of the subordinate. **Psychological maturity** is the subordinate's self-assurance and self-respect. Someone who scores high for both forms of development has a lot of skills and self-confidence. Someone who scores low for both forms of development has little self-confidence and skills. For these low-scoring subordinates, a structuring leadership style is best. Once the subordinates' development increases, the leader will use less structure and adopt a more consideration style. For highly developed subordinates, leaders will reduce the structuring behavior and the consideration behavior, leaving room for full development to be self-directed.

There has been much criticism of Hersey and Blanchard's theory. Nevertheless, the theory emphasizes important points, for example that leadership is not a general process, but depends on the situation.

Contingency approach: Path-goal theory

In response to situational theory and based on expectancy theory, House came up with **path-goal theory**, which states that it is the leader's responsibility to show subordinates the path to the goals. This theory says that work performance and satisfaction of subordinates are the result of an interaction of situational characteristics, characteristics of the subordinates, and leadership style. Leaders can increase subordinates' motivation and job satisfaction by providing rewards for good behavior and making it easier for subordinates to achieve their job goals. This can be done by adopting 1 of 4 leadership styles.

The **supportive style** involves being concerned with the welfare of subordinates (this corresponds to the previously mentioned form consideration). The **directive style** concerns the structuring of tasks and making clear what is expected (this corresponds to the previously mentioned form of initiating structure). The **participative style** is where the leader asks for input from subordinates and allows them to participate in decision-making. The **achievement style** emphasizes performance, by setting realistic but challenging goals and high performance standards.

In addition to these leadership styles, job performance also depends on characteristics of subordinates and situational characteristics. There are two main characteristics of subordinates that play a role. The **locus of control** is to what extent the person believes he can control the rewards in his life. There is an internal locus of control if a person believes that he can control rewards himself and an external locus of control if the person believes that rewards are controlled by outside factors. **Self-perceived ability** is the extent the subordinate believes he can perform the task. The difference with self-efficacy, is that self-perceived ability is more focused on a specific task, while self-efficacy is more of a general perception.

The most important situational characteristics are those of the tasks. Characteristic examples include danger, repeated behavior, and structure.

Criticism to this theory is that not everyone responds the same to leadership styles as such is person-dependent.

Vroom-Yetton Model

Vroom and Yetton developed a model that posits that in some situations the quality of the ultimate decision suffers from a participatory leadership style. This model can be described by a number of points.

When the quality of a decision is not important, but it is important that the decision be accepted and it is unlikely to be a result of an autocratic decision, the only proper procedure is group decision making because it achieves maximum acceptance without risking quality.

When a decision's acceptance is important and subordinates are unlikely to accept an autocratic decision, an autocratic decision is inappropriate because it is ineffective.

When the quality of the decision is important and the leader cares about the goal while the subordinates do not, a group decision is inappropriate because it ensures that uncooperative and sometimes hostile people have too great an influence.

When the decision is important and subordinates have relevant information that the leader has inadvertently missed, an autocratic decision is inappropriate because an important decision would be made without all the relevant available information.

When the quality of the decision is important, and the problem of the decision is unstructured, and the leader does not disclose the necessary information nor have the knowledge to make a good decision, the decision should be made using interactions among those who actually do have the relevant information.

When acceptance of the decision is important and subordinates are likely to disagree on the solution to an important problem, autocratic procedures and individual participation are not appropriate because these ways do not allow for the resolution of differences between discussion and negotiation among subordinates and the leader. When the acceptance of the decision is important and acceptance is unlikely to be the result of an autocratic decision, and subordinates share the leader's motives, subordinates should be given equal partnership in the process of making the decision as in this way acceptance is maximized, without risking quality.

The moment a leader chooses a strategy from this model to make a decision, there is a 62% chance of success. This model states that the most important duty of a leader is to make decisions. This model provides a strategy to make the ideal decision. In addition, according to this model, making group decisions with a complete participatory style is not always beneficial because it can lead to a worse decision outcome.

Criticism of this model is that it needs to be renewed to the current form of leadership.

Current leadership approaches

Leader-Member Exchange (LMX).

The **leader-member exchange (LMX) theory** by Dansereau, Grean, and Haga states that leaders adopt different behaviors among different individual subordinates. The leader's specific pattern of behavior develops over time and is dependent on the quality of the relationship between the leader and subordinate. According to this theory, subordinates can be classified into two groups.

Cadre/ in-group members have a good relationship with the leader and have a lot of freedom within their work. The leader can deal with these people without using power or authority. The leader treats them with consideration in a **participatory** style.

Out-group members have a weaker relationship with their leader and little freedom within their job. The leader uses more power and authority to influence the behavior of the out-group members. Thus, the leader uses an autocratic style.

People generally start out as out-group members. These relationships may change over time due to the characteristics of the subordinates. If they work harder or gain more experience, they may move from the out-group to the in-group. However, not everyone moves to the in-group. Research has shown that in-group employees (with higher LMX scores) have higher job satisfaction, better relationships with supervisors, higher job performance, less stress, less likely to quit, and are more dedicated.

Critical to this theory is that unequal treatment can be destructive to the company, as people react negatively to this unfair distribution of treatment. In addition, supervisors often focus on group as a whole, rather than on all individuals individually.

A new version of this theory describes the **life cycle of a leader-follower relationship**, which begins tentatively and evolves into a committed trusting relationship or remaining at some point in the first phase. Subordinates who develop this trusting relationship become in-group members, while subordinates who remain in the first phase remain out-group members.

Multifactor Leadership Questionnaire (MLQ).

The **Multifactor Leadership Questionnaire (MLQ)** is a survey that measures a person's leadership style, filled out by the leader themselves. The MLQ measures whether one has a transformational, transactional or laissez-faire leadership style. The MLQ and the three leadership styles were developed by Bass.

Criticism of the questionnaire is that it must be completed by the leader themselves. One may have a certain perception of oneself that does not equate to reality. Another criticism is that certain structures that a transformational or transactional leader puts in place can be understood in different ways. Also, a leader may alternate between the two styles. This cannot be measured by the MLQ. Lastly, a commonly given criticism of transformational, transactional, or laissez-faire leadership styles themselves is that they are based solely on the MLQ. Thus, these leadership styles cannot be measured in any other way, other than by the MLQ. This gives the styles a poor scientific basis.

Transformational leadership

Transformational leadership theory is best categorized under the behavioral approach because it looks at the leader's behavior, rather than the situation. This theory describes the behavior of an inspirational political leader who transforms his or her followers by exposing the followers to noble motives such as justice, morality, and peace. Examples of transformational leaders include Gandhi and Martin Luther King. Through these leaders, followers strive to be better than they currently are. Four components are important in this form of leadership.

Individualized consideration: is paying attention to the development and well-being of followers and helping others develop to higher levels of ability.

Intellectual stimulation: is the leader's encouragement of free thinking, seeing things from new perspectives and seeking new ways of doing things.

Inspirational motivation is giving a vision, motivating others to put organizational interests above their own.

Idealized influence (charisma): is to what extent leaders convey the vision or mission of the organization and encourage people to do so and to what extent they sacrifice their individual goals for the group's goals and take responsibility.

Transactional leadership

A **transactional leader** is one who motivates subordinates by observing their performance and determining what rewards followers want then giving them those rewards in exchange for the desired behavior. The leader views relationships with followers in terms of exchange, exchanges, and negotiations. This corresponds to a task-oriented leader. Two components are important in this form of leadership. The first one is **contingent reward**. The leader gives rewards only if subordinates perform correctly or do their best to a sufficient degree. The second component is **management by exception**. In active management by exception the leader does not intervene unless an exceptional situational occurs. When this happens, the leader will take more of an active role. An exception could be, for example, the occurrence of an error. The activity of the leader manifests in preventing such error to occur. There is also passive management by exception. In this type we also see that there is no activity unless an exception occurs. However, as opposed to active management, the passive management, as the title suggests, reacts passively: the error will be corrected after it has occurred, rather than focusing on prevention.

Importantly, transformational and transactional leadership are not two extremes but rather, according to Burn, they both sit on a continuum, so a combination of both styles can also be present.

Laissez-faire

The last form of leadership is **laissez-faire**, which is measured by the Multifactor Leadership Questionnaire. In this form, the leader avoids making decisions and taking responsibility and is inactive. This may be due to a lack of skills or motivation, or due to a conscious decision (of inaction) taken by the leader.

Full-range theory of leadership

As mentioned earlier, the psychologist Burn saw the transactional and transformational leadership styles as existing on a continuum but Bass had a different view. Bass established a hierarchical structure that represents the relationship between the three styles: the full-range theory of leadership. The structure of this theory can be seen as a pyramid. The top two layers are effective leadership styles. The bottom three layers are ineffective leadership styles.

1. Transformational leadership
2. Transactional leadership
3. Active management by exception
4. Passive management by exception
5. Laissez-faire

Hence, it builds up from the laissez-faire style, in which a leader does nothing, to a transformational style. One builds on the previously adopted leadership style, so transformational leadership is built on transactional leadership and may therefore contain elements of transactional leadership.

Authentic leadership

An **authentic leader** shows his "real self." This form is increasingly popular today with the advent of the Internet and social media. A leader's behavior is closely watched and mistakes are quickly and grandly exposed. An authentic leader is characterized by positive leadership, high emotional intelligence, integrity, a desire to learn, good self-confidence and most importantly, a good history of positive leadership. When a leader makes one mistake, that leader is no longer authentic and can virtually not become so.

Charismatic Leadership

Charisma is seen as a personal characteristic of a leader that hypnotizes followers and forces the followers to put effort into identifying with the leader and becoming more like the leader. Charisma inspires others to be like this leader. It is especially similar to the idealized influence component of transformational leadership. It involves the leader inspiring others to achieve his goals. The followers of a **charismatic leader** are emotionally attached to the leader. The followers see themselves as part of the plan to be carried out to achieve the leader's goals. Among other things, charismatic leaders have a strong need for power, make sure followers are impressed, set high goals, and are incredibly confident. Regardless of the fact that charisma is a personality trait, charismatic leadership theory is considered a behavioral approach because the leader acts charismatic but does not have to actually be so in reality. The theory does not officially fall under the behavioral approach, as this theory was developed recently and is more of a stand-alone theory.

There are several **charismatic leadership theories**. According to these theories, at the time of a crisis, people are primed to see certain charismatic characteristics in a person, which these followers then come to see as a leader.

Epilogue

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