Chapter 3

PERCEPTION AND LEARNING IN ORGANIZATIONS
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Improving Perceptions at Ernst & Young

John Leiter (middle) and other employees at Ernst & Young are developing a global mindset and better self-awareness by assisting entrepreneurs in other cultures, such as this information technology company in Uruguay.
Perception Defined

- The process of receiving information about and making sense of the world around us
  - deciding which information to notice
  - how to categorize this information
  - how to interpret information within our existing knowledge framework
Selective Attention

- Objects characteristics
  - size, intensity, motion, repetition, novelty

- Perceiver characteristics
  - Emotional marker process
  - Expectations
  - Self-concept and beliefs

- Confirmation bias
  - Screen out information contrary to our beliefs/values
Perceptual Organization/Interpretation

- Categorical thinking
  - Mostly nonconscious process of organizing people/things

- Perceptual grouping principles
  - Similarity or proximity
  - Closure -- filling in missing pieces
  - Perceiving trends

- Interpreting incoming information
  - Emotional markers automatically evaluate information
Mental Models in Perceptions

- Broad world-views or ‘theories-in-use’
- Help us to quickly make sense of situations
  - Fill in missing pieces
  - Help to predict events
- Problem with mental models:
  - May block recognition of new opportunities/perspectives
“Your Names Says It all in France”

Hamid Senni (in photo) wears a shirt and tie whenever he strolls along the Champs Elysées in Paris. The reason for this formality? “If I'm in jeans, people think I'm a shoplifter,” says Senni, who was born and raised in France.
Social Perception and Social Identity

Categorization process
- compare characteristics of our groups with other groups

Homogenization process
- similar traits within a group; different traits across groups

Differentiation process
- develop less favourable images of people in groups other than our own
Stereotyping

- Assigning traits to people based on their membership in a social category
- Occurs because:
  - Categorical thinking
  - Innate drive to understand and anticipate others’ behavior
  - Enhances our self-concept
Stereotyping Issues

- Stereotyping Problems
  - Overgeneralizes – doesn’t represent everyone in the category
  - Basis of systemic and intentional discrimination

- Overcoming stereotype biases
  - Difficult to prevent stereotype activation
  - Possible to minimize stereotype application
Attribution Process

Internal Attribution
Perception that behavior is caused by person’s own motivation or ability

External Attribution
Perception that behavior is caused by situation or fate -- beyond person’s control
Rules of Attribution

Internal Attribution

- **Frequently**
  - Consistency
  - Distinctiveness
  - Consensus

- **Seldom**
  - Consistency
  - Distinctiveness
  - Consensus

External Attribution
Attribution Errors

- **Fundamental Attribution Error**
  - attributing own actions to external factors and other’s actions to internal factors

- **Self-Serving Bias**
  - attributing our successes to internal factors and our failures to external factors
Self-Fulfilling Prophecy Cycle

1. **Supervisor forms expectations**
2. **Expectations affect supervisor’s behavior**
3. **Supervisor’s behavior affects employee**
4. **Employee’s behavior matches expectations**

The cycle illustrates how expectations set by supervisors influence the behavior of employees, which in turn affects how supervisors perceive their performance, creating a self-fulfilling prophecy.
Self-Fulfilling Prophecy Effect is Strongest...

...at the beginning of the relationship (e.g. employee joins the team)

...when several people have similar expectations about the person

...when the employee has low rather than high past achievement
Other Perceptual Errors

- Halo effect
  - one trait forms a general impression

- Primacy effect
  - first impressions

- Recency effect
  - most recent information dominates perceptions

- False-consensus effect
  - overestimate the extent to which others have beliefs and characteristics similar to our own
Meaningful Interaction at Air New Zealand

Every month, Air New Zealand CEO Rob Fyfe and his top executive team fill the roster as flight attendants, check-in counter staff, or baggage handlers. These meaningful interactions improve perceptions between employees and executives who work alongside these employees.
Strategies to Improve Perceptions

1. Awareness of perceptual biases

2. Improving self-awareness
   - Applying Johari Window

3. Meaningful interaction
   - Close, frequent interaction toward a shared goal
   - Equal status
   - Engaged in a meaningful task
Know Yourself (Johari Window)

- Known to Self
- Unknown to Self
- Known to Others
- Unknown to Others
- Open Area
- Blind Area
- Hidden Area
- Unknown Area

Disclosure

Feedback
Definition of Learning

A relatively permanent change in behavior (or behavior tendency) that occurs as a result of a person’s interaction with the environment.
Explicit vs. Tacit Knowledge

- **Explicit knowledge**
  - Knowledge that is articulated through language, such as documents

- **Tacit knowledge**
  - Knowledge acquired through observation and direct experience
Behavior Modification

- We “operate” on the environment
  - alter behavior to maximize positive and minimize adverse consequences
- Learning is viewed as completely dependent on the environment
- Human thoughts are viewed as unimportant
A-B-Cs of Behavior Modification

Antecedents
What happens before behavior

Behavior
What person says or does

Consequences
What happens after behavior

Example

Warning light flashes

Machine operator turns off power

Co-workers thank operator
Contingencies of Reinforcement

- **Behavior increases/maintained**
  - Consequence is introduced: **Positive reinforcement**
  - No consequence: **Extinction**
  - Consequence is removed: **Negative reinforcement**

- **Behavior decreases**
  - Consequence is introduced: **Punishment**
  - No consequence: **Extinction**
  - Consequence is removed: **Punishment**
Reinforcing the Healthy Walk

Horton’s Group, the Chicago-based insurance broker rewards staff who take at least 7,000 steps each day. Health insurance giant Humana introduced a similar program where data from pedometers are uploaded to a website. The more steps one takes the higher the reward.
Behavior Modification in Practice

- Behavior modification is used in:
  - every day life to influence behavior of others
  - company programs to reduce absenteeism, improve safety, etc.

- Behavior modification problems include:
  - Reward inflation
  - Behaviorist philosophy vs. learning through mental processes
Social Learning Theory

- Behavioral modeling
  - Observing and modeling behavior of others

- Learning behavior consequences
  - Observing consequences that others experience

- Self-reinforcement
  - Reinforcing our own behavior with consequences within our control
Learning Through Experience

- Most tacit knowledge and skills are acquired through experience and observation

- Experiential learning steps
  - Engagement with environment
  - Reflecting on experience
  - Experimenting
Developing a Learning Orientation

- Value the generation of new knowledge
- Reward experimentation
- Recognize mistakes as part of learning
- Encourage employees to take reasonable risks
Organizational Learning

- Knowledge acquisition
  - Extracting information and ideas from the external environment as well as through insight

- Knowledge sharing
  - Distributing knowledge to others across the organization

- Knowledge use
  - Applying knowledge in ways that adds value to the organization and its stakeholders
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