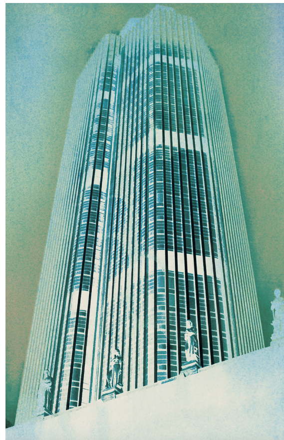
SECOND EDITION

PSYCHOLOGY IN ORGANIZATIONS

The Social Identity Approach



S. ALEXANDER HASLAM

PSYCHOLOGY IN ORGANIZATIONS

PSYCHOLOGY IN ORGANIZATIONS

The Social Identity Approach

Second Edition

S. Alexander Haslam

SAGE Publications
London • Thousand Oaks • New Delhi

© S. Alexander Haslam 2004

First edition published 2001
Reprinted in 2001, 2002
This edition first published 2004

Apart from any fair dealing for the purposes of research or private study, or criticism or review, as permitted under the Copyright, Designs and Patents Act, 1988, this publication may be reproduced, stored or transmitted in any form, or by any means, only with the prior permission in writing of the publishers, or in the case of reprographic reproduction, in accordance with the terms of licences issued by the Copyright Licensing Agency. Enquiries concerning reproduction outside those terms should be sent to the publishers.

SAGE Publications Ltd
1 Oliver's Yard
55 City Road
London EC1Y 1SP

SAGE Publications Inc.
2455 Teller Road
Thousand Oaks, California 91320

SAGE Publications India Pvt Ltd
B-42, Panchsheel Enclave
Post Box 4109
New Delhi 100 017

British Library Cataloguing in Publication data

A catalogue record for this book is available
from the British Library

ISBN 0-7619-4230-0
ISBN 0-7619-4231-9 (pbk)

Library of Congress Control Number available

Typeset by C&M Digitals (P) Ltd, Chennai, India
Printed in Great Britain by The Alden Press, Oxford

CONTENTS

List of Figures xi
List of Tables xv

Foreword to the first edition by John C. Turner xvii
What the social identity approach is and why it matters

Preface to the first edition xxi
Preface to the second edition xxiv

1 Organizations and their Psychology 1
What is an organization? 1
Studying organizations 2
Paradigms for studying organizations and their psychology 3
The economic paradigm 3
The individual differences paradigm 6
The human relations paradigm 8
The cognitive paradigm 11
The purpose and structure of this book 13
Further reading 16

2 The Social Identity Approach 17
Social identity theory 18
The minimal group studies 18
Understanding the minimal group studies 20
Beyond discrimination: the impact of perceived social structure 22
Understanding the theory's impact 27
Self-categorization theory 28
Depersonalization and self-stereotyping 29
The self-categorization process: some assumptions and hypotheses 30
Perceiver readiness and fit as determinants of social identity salience 34
Social influence as a determinant of organized behaviour 36
Conclusion 37
Further reading 38

3 **Leadership** **40**
An overview of leadership research 40
Single factor approaches 40
Contingency approaches 41
Transformational and transactional approaches 43
The leadership categorization approach 44
Social identity and leadership 45
Leaders represent and define social identity 45
Leaders are prototypical ingroup members 45
Leaders are entrepreneurs of social identity 47
Charismatic leadership is an attribution not an attribute 48
Some empirical tests of the social identity approach 49
Prototypicality and leader emergence 49
Shared social identity as the link between a leader's vision and followers' actions 50
Leader–follower differentiation and group performance 53
Conclusion 57
Further reading 58

4 **Motivation and Commitment** **60**
An overview of motivation research 61
The economic approach 61
Needs and interest approaches 61
Individual difference approaches 63
Cognitive approaches 65
Social identity, motivation and commitment 67
Motivation is a reflection and product of self-categorization 67
Motivation varies as a function of contextual factors that determine self-categorization 68
The nature of motivators and hygiene factors varies as a function of self-categorization 69
In intergroup contexts, motivation is based on social identity, not equity, concerns 71
Self-categorization determines whether motivators are intrinsic or extrinsic 71
Some empirical tests of the social identity approach 73
Need for achievement as a socially mediated outcome 73
Social identification as a basis for organizational commitment and citizenship 75
The importance of identity-based pride and respect 77
Conclusion 78
Further reading 79

5 **Communication and Information Management** 80
An overview of communication research 81
The structural approach 81

The human relations approach 81
The cognitive approach 83
Social identity and communication 85
Shared social identity is the basis of effective communication 85
Social identity creates contours and boundaries of communication 86
Communication patterns vary as a function of self-categorization 87
Some empirical tests of the social identity approach 89
Self-categorization as a basis for information management 89
Social identity and speech accommodation 92
Social identity as a determinant of information processing 95
Conclusion 97
Further reading 98

6 Group Decision Making 99
An overview of group decision-making research 100
The groupthink model 100
Group polarization research 103
Decision tree and other prescriptive approaches 104
Social identity and group decision making 106
Comparative context determines which decisions and decisionmakers are prototypical for a group 106
When social identity is salient, group decisions are consensualized around the prototypical ingroup position 110
Groupthink is a product of heightened social identity salience in the context of intergroup threat 111
Some empirical tests of the social identity approach 112
Group polarization as conformity to an extremitized ingroup norm 112
The contribution of shared social identity to consensual group decisions 113
Groupthink as a form of social identity maintenance 116
Conclusion 118
Further reading 119

7 Intergroup Negotiation and Conflict Management 120
An overview of negotiation research 121
Individual difference approaches 121
Cognitive approaches 122
Motivational approaches 124
Social identity and negotiation 125
Social identity and self-categorization principles suggest multiple models of negotiation 125
Successful negotiation requires conflict to be addressed at an appropriate level of abstraction 126

Intergroup conflict and negotiation involve social identities defined at subgroup and superordinate levels 127
Successful intergroup negotiation reconciles subgroup differences within a shared superordinate identity 128
Some empirical tests of the social identity approach 130
Social identity as a determinant of negotiation tactics and their efficacy 130
The marriage of subgroup and superordinate identities 132
The temporal sequencing of subgroup and superordinate identification 134
Conclusion 137
Further reading 138

8 **Power** 139
An overview of power research 140
Taxonomic and contingency approaches 140
Individual difference approaches 142
Motivational approaches 143
Social exchange approaches 144
The cognitive miser approach 145
Social identity and power 146
Perceptions of referent, expert and legitimate power vary as a function of self-categorization 146
Coercive power is ascribed to outgroups not ingroups 147
Social power is used strategically to advance ingroup interests 148
Power use reflects the context-specific character of intergroup relations, not cognitive deficiency 149
Social identity provides the basis for power sharing and mutual empowerment 152
Some empirical tests of the social identity approach 153
Self-categorization and perceptions of power 153
Organizational context as a determinant of responses to use of power 154
Power and stereotyping 157
Conclusion 159
Further reading 161

9 **Group Productivity and Performance** **162**
An overview of group productivity research 163
Early research and basic findings 163
Facilitation theories 164
Loafing theories 165
Integrated theories 167
Social identity and group productivity 168
Productivity is enhanced when self-categorization and task definition are congruous 168

Shared social identity underpins enhanced group performance 169
Social identity underpins organizational citizenship and acts of personal sacrifice 171
The value of group productivity is an identity-based social judgement 171
Group productivity is displayed in forms that the group itself sees to be appropriate 173
Some empirical tests of the social identity approach 174
Social identity, group training and transactive memory 174
Purposive social identity salience as a determinant of group productivity 175
The importance of self-valued goals 178
Conclusion 181
Further reading 182

10 Stress 183
An overview of research into stress 184
Physiological approaches 184
Individual difference approaches 186
Stimulus-based approaches 187
Transactional approaches 189
Social identity and stress 191
The appraisal of stressor threat varies as a function of self-categorization 191
Shared social identity is a basis for social support and coping 194
Social identity is a basis for stressor redefinition and eustress 196
Shared social identity is a basis for the efficacy of management by stress techniques 197
Some empirical tests of the social identity approach 198
Social identity and symptom appraisal 198
Social identity and coping in minorities 200
Social identity and burnout 203
Conclusion 205
Further reading 206

11 Collective Action and Industrial Protest 207
An overview of collective action research 208
Primitive instincts 208
Individual difference approaches 208
Cognitive approaches 209
Relative deprivation 210
Social identity and collective action 210
Shared social identity is a prerequisite for collective action 210

Social identity is the basis for creative leadership of a collective 211
Collective action does not involve a loss of self but is a meaningful expression of social identity 211
Some empirical tests of the social identity approach 213
Social identification and the perception of social injustice 213
Social identification as a determinant of willingness to participate in industrial action 214
The impact of perceived social structure 217
Conclusion 220
Further reading 222

12 The Theory, Practice and Politics of Organizational Psychology: a Case for Organic Pluralism 223
The need for sustainable organizational theory 223
The social identity approach as a sustainable organizational paradigm 226
Prospects for change 231

References 233

Appendix 1: Measures of Social and Organizational Identification 271

Appendix 2: Manipulations of Social and Organizational Identification 275

Appendix 3: Glossary of Social Identity and Self-categorization Terms 280

Appendix 4: Glossary of Social Psychological Terms 282

Appendix 5: Glossary of Organizational Terms 284

Author index 287

Subject index 301

FIGURES

P.1	Citations of Ashforth and Mael's (1989) *Academy of Management Review* article (1989–2002)	xxv
1.1	Differences between organizational paradigms in terms of their attention to social and psychological dimensions of organizational life	15
2.1	A typical matrix from a minimal group study (based on Tajfel, 1978c)	18
2.2	Pay awarded to their own and other groups by three groups of aircraft engine workers with different skill levels (from Brown, 1978)	20
2.3	Patterns of relative ingroup favouritism displayed by employees of high- and low-status organizations (from Terry & Callan, 1998)	22
2.4	Psychological and behavioural continua associated with the interpersonal–intergroup continuum (after Tajfel, 1978a)	23
2.5a	The relationship between belief structure and strategies for achieving positive social identity for members of low-status groups	25
2.5b	The relationship between belief structure and strategies for maintaining positive social identity for members of high-status groups	26
2.6	The explanatory profiles of social identity and self-categorization theories	29
2.7	Variation in self-categorization as a function of depersonalization	31
2.8	A hypothetical self-categorical hierarchy for a person in an organization	32
2.9	A schematic representation of the role of comparative context in defining the self-categorical relationship between people	33
3.1	A typical LPC inventory (after Fiedler, 1964)	42
3.2	Prototypicality of group members (L, M and R) as a function of a comparative frame of reference comprising other individuals or groups (the Os)	46

3.3 Variation in a leader's approved distribution of resources among followers as a function of comparative context 53
3.4 Leaders' and followers' commitment to the group as a function of reward structure (from Haslam, Brown et al., 1998) 57

4.1 Maslow's (1943) hierarchy of needs 62
4.2 Ratings of satisfaction and dissatisfaction with motivator and hygiene factors as a function of working conditions (from Haslam, 1999b) 70
4.3 Group members' need for achievement as a function of group status and the permeability of group boundaries (from Parker, 1997) 74
4.4 Two dimensions of motivation: a schematic representation of the relationship between level of self-categorization, organizational behaviour and different classes of motivator 78

5.1 Some communication configurations for five-person groups (following Bavelas, 1956, p. 501) 82
5.2 An example of a hidden profile 85
5.3 Schematic representation of the manner in which the realization of communication functions is affected by the social categorical relationship between participants in the communication process 88
5.4 Willingness to share information with another person as a function of that person's team membership and the nature of interteam relations (from Agama, 1997) 90
5.5 Speech accommodation as self-categorization in action 93

6.1 Janis' model of groupthink (following Janis, 1971; Janis & Mann, 1977, p. 132) 101
6.2 Vroom and Yetton's normative model of participation in decision making (Vroom, 1974; Vroom & Yetton, 1973) 107
6.3 Variation in intragroup homogeneity, consensus and the position of an ingroup prototype as a function of social comparative context 109
6.4 Levels of stereotype consensus as a function of experimental phase and stereotyped group (from Haslam, Turner, Oakes, Reynolds et al., 1998) 116

7.1 Representation of the joint utility space for pay negotiations between union and management 121
7.2 The dual-concern model of negotiation (based on Blake & Mouton, 1964; Pruitt & Rubin, 1986) 122

7.3 Category-based solutions to intergroup conflict 128
7.4 Negotiation climates associated with the salience of subgroup and superordinate identities 129
7.5a,b Levels of generalized ingroup favouritism as a function of contact experience (from González & Brown, 2003) 133

8.1 Mulder's (1977) principles of power distance reduction (PDR) and power distance enlargement (PDE) 143
8.2 Intergroup discrimination on a minimal group task as a function of the power of the ingroup (from Sachdev & Bourhis, 1985) 149
8.3 Schematic representation of the manner in which power and influence are affected by the social categorical relationship between high- and low-power parties 150
8.4 Predicted variation in power distance reduction (PDR) and power distance enlargement (PDE) as a function of the perceived permeability of group boundaries and associated belief systems 152
8.5 Responses to power use as a function of the power user's identity and action (from Haslam, McGarty & Reynolds, 1999) 155
8.6 Responses to use of power as a function of its intensity and the user's identity (from Ellemers, van Rijswijk et al., 1998) 156
8.7 Two dimensions of power: a schematic representation of the relationship between level of self-categorization and power-related behaviour and perceptions 160

9.1 Zajonc's (1965) drive theory of social facilitation 165
9.2 Paulus and Dzindolet's model of influence-mediated performance on brainstorming tasks 168
9.3 Hypothesized performance (in the direction valued by participants) as a function of level of self-categorization and task conditions 170
9.4 Productivity on pleasant and unpleasant tasks as a function of level of self-categorization and context (from Wallace, 1998) 180

10.1 Stages of the general adaptation syndrome (after Selye, 1946, 1956) 185
10.2 The transactional model of stress (after Lazarus & Folkman, 1984) 190

10.3 A self-categorization model of stress 192
10.4 Perceived stressfulness of particular organizational activities as a function of occupational group membership (from Haslam, Jetten et al., 2003) 193
10.5 Schematic representation of the manner in which social support is affected by the self-categorical relationship between provider and recipient 194
10.6 Perceived seriousness of illness scenarios as a function of the salience of professional or gender identity (from Levine, 1999) 199
10.7 The consequences of recognizing prejudice against one's ingroup for members of minority groups: a schematic interpretation of Schmitt and Branscombe's (2002b) rejection–identification model 202

11.1 The contribution of social identity processes to different phases of collective action (as identified by Klandermans & Oegema, 1992; see also Simon, 1998) 212
11.2 Union members' willingness to participate in future union activities as a function of identification and response context (from Veenstra & Haslam, 2000) 216
11.3 Low-status group members' willingness to engage in different forms of action as a function of their treatment (from Wright et al., 1990) 219

A1.1 The interrelationship between social identification and social identity salience (after McGarty et al., 1999) 272

TABLES

2.1 Some predicted effects of variation in the context-based self-categorical relations between two or more people 38

3.1 Performance of high LPC and low LPC leaders predicted by Fiedler's contingency model (after Fiedler, 1964) 43
3.2 The impact of leader strategy on follower perceptions and support (from Haslam & Platow, 2001a) 53

4.1 The relationship between level of self-categorization and the different categories of need identified by major theorists 68

5.1 Influence, recall error and judgements of similarity and independence associated with messages from different sources (from Wilder, 1990, Experiment 1) 96

6.1 Prominent types of organizational decision making and employee involvement groups 108

7.1 Reactions to an ultimatum as a function of its fairness and source (from Kramer et al., 1995) 131
7.2 Percentage of participants agreeing with statements about negotiation as a function of subgroup structure (from Eggins & Haslam, 1999, Experiment 1) 136

8.1 French and Raven's (1959; Raven, 1965) typology of power and employees' ability to use some of the different forms in organizational settings (based on Kahn et al., 1964) 141
8.2 Outgroup stereotypes and desire for intergroup mobility as a function of boundary permeability (from Reynolds et al., 2000) 158

9.1 Steiner's (1972) typology of group tasks 166
9.2 Scores on productivity and process measures as a function of training and testing conditions (from Moreland et al., 1996) 176
9.3 Scores on productivity and process measures as a function of group salience and intergroup competition (from Worchel et al., 1998) 178

10.1 The number of published articles addressing particular organizational topics (1982–2001) 184
10.2 Selected items from the stressful life events scale (from Holmes & Rahe, 1967) 187
10.3 The comparative stressfulness of selected professions (Cooper, 1985; for a full list, see Statt, 1994) 188
10.4 Six categories of workplace stressor (Cartwright & Cooper, 1997) 188
10.5 Social identification and stress-related states as a function of group membership and time (from Haslam & Reicher, 2002, 2003; Reicher & Haslam, 2003) 204

11.1 Predictors of union-based collective action (regression coefficients from Kelly & Kelly, 1994, p. 74) 215

12.1 Some practical implications of the social identity approach 227

A1.1 Summary of the features and merits of different measures of social and organizational identification 271
A2.1 Summary of the features and merits of different manipulations of social and organizational identification 276

FOREWORD TO THE FIRST EDITION

What the social identity approach is and why it matters

Over the last decade or so (following Ashforth & Mael, 1989) there has been a rapid growth of interest in applying social identity ideas to the problems of organizational psychology. In this book Alex Haslam has taken on the huge but important task of surveying the whole field of organizational psychology from the general perspective provided by the social identity approach. In doing this he has produced a quite outstanding book, one which provides original insights at varying levels and serves several purposes.

He has written firstly a wonderful textbook. The book summarizes and reviews research and theory in all the major areas of the field. Moreover, it puts this work in an historical and a systematic theoretical context. There is a unity and coherence of perspective that makes the book – unusually for a textbook – highly readable and thought-provoking. How many textbooks can be read effortlessly from beginning to end with a sense of pleasure and intellectual nourishment? Not many, but this is one. The book is characterized by confident scholarship and a thoughtful consideration of the field's most basic issues and yet is a delight to read.

As one works through the chapters, one not only learns about particular topics, one also gradually becomes aware of a strategic critique, of an argument, constructive rather than destructive, for a major reorientation of thinking, focused on the importance of the social group in organizational life. There is no denial of the importance of individual processes, but there is a recognition of the need to restore balance, to recognize that human beings are *psychological group members* who act in terms of shared social identities as well as individuals who act in terms of individual differences and personal identities, and moreover that psychological group membership can be a positive and productive organizational force. There is a long tradition in organizational and social psychology that construes group influences as a source of irrationality, pathology and primitivism. Think of the idea of 'deindividuation', that to be 'submerged' in the group is to lose one's conscious, rational self and become prey to the dark instincts of the collective unconscious. The social identity approach rejects this slant on the group outright. It sees group actions as regulated by a different level of self, a higher-order, more socially inclusive self, a change of self, not a loss of self. It also assumes (and explains) that positive and powerful processes of human social life to do with social cohesion, cooperation and influence are made possible only because human beings have the capacity to act as other than purely individual persons. The fact that human beings are able to act as both individuals and as group members is a plus, adding immensely to the sophistication and possibilities of our social relationships. Just as important for this reorientation, there is the related recognition, explicit in the social identity approach, that the functioning of social identity

processes always takes place in a social context and is shaped by social structural realities. Organizations are social structures, and how people orient and define themselves psychologically in relation to and within these social structures is fundamental to understanding how they will feel, think and act.

Haslam has also produced a superb introduction to the social identity approach – one of the best I have come across. This is no easy task. The approach encompasses two related theories: social identity theory and self-categorization theory – both with a research history stretching back to the 1970s. They have generated a vast amount of empirical work in social psychology (and elsewhere) and are stimulating more work today than they have ever done before, in areas as diverse as intergroup relations, stereotyping, group processes, social influence, language and communication, social cognition and the self-concept. Both theories are unusually complex and well-developed compared to the norm in social psychology. Haslam's summary manages to be wide-ranging, up to date, lucid and accurate. He gets the general picture right in an introductory chapter and he gets the details right in his elaboration of specific applications. This is a rare feat. He also adds original twists and insights of his own consistent with the spirit and substance of the theories. This is not surprising given that Haslam himself is a leading researcher in the social identity tradition and has made highly influential contributions to the literature.

Haslam's summary of the social identity approach takes three forms. One emerges from the book as a whole. As the discussion of the field progresses, more light is thrown back on to his particular perspective and the 'feel' of the social identity approach is conveyed. Then there is Chapter 2 where he provides an explicit statement of the basic ideas of social identity and self-categorization theories. Finally, but by no means least, each subsequent chapter contains both a review of an area of organizational psychology and a detailed discussion of how the social identity approach has been applied in the area and what more it can offer. These discussions are full of ideas for contemplation and future research. They provide a further major contribution of the book – a systematic, comprehensive and concrete statement of how social identity ideas can be integrated into organizational psychology and of what both the social identity approach and organizational psychology have to gain from each other. For it is important to note that the traffic is not all one way. It becomes clear that organizational contexts are a natural home for social identity research and that social identity ideas are going to benefit enormously from the work of organizational researchers.

So much for the achievements of this book. It may now be useful to say a few words about the social identity approach more generally. Social identity theory (Tajfel, 1972, 1974; Tajfel & Turner, 1979; Turner, 1975) was developed in the early 1970s and self-categorization theory (Turner, 1978, 1982, 1985; Turner, Hogg, Oakes, Reicher & Wetherell, 1987) emerged in the late 1970s and early 1980s. Both were developed in social psychology. Both also took some years to evolve into their final form (they were given their present names only in 1978 and 1985 respectively), a fact that can still lead reviewers (not Haslam) to ignore later developments in favour of earlier, more truncated versions. To say 'final', however, is not to imply that the theories are 'finished and perfect'. On the contrary, like all theories, both have their lacunae, both contain elements that need elaborating and developing, both are deliberately selective in their explanatory scope. Important ideas have been and are being contributed by subsequent and contemporary research. To

say 'final' is rather to indicate the point at which the essential ideas became systematized into a mature and coherent form. The term 'approach' is useful as shorthand for referring to both theories together and the notions they share, but it is important to note that they are 'theories' – that is, they comprise a set of core, interrelated assumptions and hypotheses that lead to specific, testable and novel predictions. They are much more than merely ways of thinking. This is important to grasp because the danger otherwise is that the current upsurge of research activity will lead only to eclecticism and conceptual vagueness rather than solid cumulative theoretical development.

Because self-categorization theory built (but subsequently redefined) some of the ideas in social identity theory and in part was a response to some issues raised by that theory, there is a tendency to confuse them. This is unfortunate because it leads to misinterpretations of the ideas. The theories are complementary and related but they are different, defined by different core hypotheses and different problems. Social identity theory is a theory of intergroup relations. It began as a way of trying to make sense of discrimination between social groups and its fundamental *psychological* idea was that where people make social comparisons between groups, they seek positive distinctiveness for their ingroups compared to outgroups in order to achieve a positive social identity. Self-categorization theory is a theory of the psychological group. It seeks to explain how different individuals are able to become, act, think and feel as a psychological group under particular circumstances. How, from a psychological point of view, are people able to behave collectively rather than as individual personalities? Its core idea is that behind the shift from individual to group psychology and behaviour is a shift from people defining and seeing themselves in terms of their personal identities to people defining and seeing themselves more (it is relative) in terms of their shared social identities. We could say very crudely that the former theory deals with the implications of 'us versus them' distinctions (ingroups versus outgroups), whereas the latter deals with 'I and me' versus 'we and us' distinctions (acting as an individual versus acting as a group member). This contrast helps to illustrate why they are both useful to make sense of group processes and intra- and intergroup relationships. It is too crude because the theories are much richer psychologically than such a condensed picture suggests. They are 'process' theories rather than simple assertions of the effects of just one factor or variable.

A basic idea that both theories have in common is that one cannot make sense of how people are behaving when they are acting in terms of their social identities by extrapolating from their properties as individual persons. There is assumed to be a psychological discontinuity between interpersonal behaviour (people reacting to each other as individuals) and group behaviour. Moving from the 'I' to the 'we' psychologically transforms people and brings into play new processes that could not otherwise exist. Indeed it is to this creative capacity that most organizations owe their success.

Another important point is that both theories take for granted and are absolutely committed to the notion that social structure, social context and society more broadly are fundamental to the way that social identity processes come into being, are experienced and shape cognition and behaviour. There is no psychology in a social vacuum. From a social identity perspective, how people define themselves, make sense of the world and act in relation to each other is always a function of an interaction between their psychology, individual and/or collective, and the socially organized environment within which they exist. Indeed, social identity processes are seen as a means whereby social organization

exerts a psychological as well as an external, situational influence on individual and group behaviour. Organizations are not merely 'stimulus settings' that constrain or facilitate behaviour from the outside, that change what we do; they also shape our cognitively represented self, changing our subjective experience of who we are and the psychological meaning of the environment. They change our feelings, goals, values, motives, attitudes and beliefs, the cognitive interpretations and resources that define us as psychological and social actors. This point is true, too, of the wider social, political and economic system within which organizations themselves function.

The affinity between this theoretical commitment and the distinctive issues of organizational psychology is well illustrated in the pages to follow. Alex Haslam has done an excellent job in bringing out this particular strength of the social identity approach. One could say more but it would be gilding the lily in light of what is to come. It only remains to commend a book that I am sure will have a significant influence on teaching and research in both organizational and social psychology.

John C. Turner
The Australian National University
Canberra, May 2000

PREFACE TO THE FIRST EDITION

According to Adair (1983), the most important word in the would-be leader's vocabulary is 'we' and the least important word is 'I'. Yet readers who set themselves the task of trawling through the organizational literature in an endeavour to discover the psychological underpinnings and consequences of 'we-ness' are destined for disappointment. For, despite perennial claims that teamwork and esprit de corps lie at the heart of all successful organizations, to date, the psychology of organizational behaviour has – with some notable exceptions – been written largely in the first person singular. From the popular titles that swamp airport bookstalls to the weightier texts that shape the thinking of young students, organizational psychology is very much about 'I-ness'. Among other things, it is about the qualities of individuals that make them good or bad employees, about principles of personal exchange that determine motivation and perception and about the way that these elements combine to predict success or failure in particular environments.

This book challenges this dominant view of organizational psychology by examining and explaining the ability of people to define themselves and act not only as 'I' but also as 'we'. More formally, it suggests that people's sense of self can be determined both by *personal identity* (their sense of themselves as unique individuals) and *social identity* (their sense of themselves as group members who share goals, values and interests with others). Moreover, in line with Adair's observation, it argues that many of the most significant organizational phenomena – from leadership and motivation to communication and commitment to change – are dependent on this ability to define and promote the self in a way that is inclusive of other people. From this perspective, groups are not merely part of the physical environment that we experience as being 'out there', they are also part of our own psychological make-up. They determine what we feel 'in here' and the way we behave as a consequence.

As the growing body of research that is informed by social identity and self-categorization theories is demonstrating, these ideas have the ability to breathe fresh life into the analysis of topics that are the traditional focus of the discipline of organizational psychology. These range from the very general ('How does human psychology make organizational behaviour possible?', 'How does belonging to teams affect the way we think, feel and behave?'), to the very specific ('What makes individuals willing to work unpaid overtime?', 'What makes negotiators creative?'). It is also true, though, that, by raising new questions and establishing new frontiers, the organizational field lays down significant challenges for workers in the social identity tradition. Not least, because organizational science is having an increasing impact on all our lives, these researchers must now confront difficult questions about the practical implications of the social identity approach and

the ways in which it might be used to harness organizational potential while at the same time contributing to the well-being of individuals, groups and society.

It is this dual goal – to extend psychological theory and promote its practical application – that this book sets out to achieve. I hope, too, that it provides readers with a sense that many of the organizational activities and philosophies that they are often encouraged to take for granted can (and should) be reappraised and revised. For, despite appearances and claims to the contrary, the psychology of organizational behaviour is rarely cut and dried, inevitable or self-evident. Also, partly by proving this point, I would like to think that the book will empower readers by making them more informed participants in organizational life and increasing their sense of theoretical and practical *choice*.

At a more basic level, I also hope that, in the course of reading the following chapters, the reader will share some of the sense of challenge and invigoration that I experienced in writing them. It needs to be said, however, that this experience would have been much less positive if I had thought that I was engaging in it alone. In large part, the final product is a reflection of the tremendous support (intellectual, social and material) that I have received from friends and colleagues both during and prior to the last two years of writing. At the Australian National University I have benefited enormously from the advice, direction and substantive input of three close colleagues with whom I have been exceptionally fortunate and immensely privileged to work for the past 14 years: John Turner, Craig McGarty and Penny Oakes. They – and John in particular – have made a major contribution to every stage in the production of this book and their generosity is something for which I will always be extremely grateful.

Others at the ANU and elsewhere have been extraordinarily helpful, too. In particular, Kate Reynolds, Rachael Eggins and Kris Veenstra provided invaluable assistance as readers, collaborators, commentators and critics. So too did Agnes Agama, Amanda Fajak, Barbara David, Bob Wood, Clare Powell, Clifford Stott, Daan van Knippenberg, Dick Moreland, Erin Parker, Fabio Sani, Jamie Burton, Jeanine Willson, Jim Cameron, Judy Harackiewicz, Linda Glassop, Mark Nolan, Michael Cook, Mike Smithson, Naomi Ellemers, Natalie Taylor, Nyla Branscombe, Phil Smith, Richard Sorrentino, Rick Kuhn, Robert Gregson, Rolf Van Dick, Russell Spears, Ruth Wright, Steve Reicher, Tom Postmes, Debbie Terry, Tom Tyler, Tony Warren and Tricia Brown. Michelle Ryan and Mike Platow warrant special mention and thanks for their painstaking reading of the entire text and their role in shaping the final manuscript. Michael Carmichael, Naomi Meredith, Ziyad Marar and Seth Edwards at Sage also deserve credit for their constant encouragement and having survived the torture of my unremitting e-mails.

Although my name is the only one that appears on the book's spine, its production has therefore been a truly collaborative effort and one that I could never have attempted on my own. It is partly for this reason that the chapters are written in the voice of the first person plural (for example, suggesting that 'we argue ...' rather than that 'I argue ...'). However, in a book that tries to engage the reader in the idea that much of what is valuable in organizations (and in life in general) flows from the collective self, it would also have made little sense for me to assert my personal identity throughout the text. This was not just a pragmatic decision – to do otherwise would have been wrong.

Nonetheless, if I could indulge myself in one very personal sentiment, it would be to express my love and gratitude to Cath for her unwavering support and guidance along

the road that brought this book to its conclusion. Her ability to sustain and encourage my enthusiasm is the best proof I have that there is much more to what we receive and produce than our individual deserts and capabilities.

Alex Haslam
The Australian National University
Canberra, January 2000

PREFACE TO THE SECOND EDITION

The preface to the first edition of this book is only three and a half years old, but in many ways it seems as if it was written an age ago. At an academic level, the reasons for this are quite clear. When the first proposal for this book was submitted to Sage in late 1997, an anonymous reviewer commented that 'I am not convinced that *in practice* the book proposed here can actually be produced at the present time.' After a page-and-a-half of nay-saying, s/he concluded:

> I remain unconvinced that it is possible at the present time to write a book which does set out in a useful way what a social identity approach to organizational psychology would look like. This would make a stimulating subject for a paper or article, but without a body of research or theorizing which did truly use a social identity approach to organizational psychology, a book on the subject seems unfeasible.

Thankfully, the forward-thinking editors at Sage went ahead and commissioned the book anyway. Their judgement was vindicated, and its publication coincided with (and helped promote) a surge of interest in applying social identity and self-categorization principles to the analysis of organizational life. One indicator of this growth is the phenomenal increase in citations of the first article to formally specify links between social identity theory and organizational behaviour: Ashforth and Mael's (1989) *Academy of Management Review* article. This pattern of increasing citation over time is apparent in Figure P.1 and it is notable that the article has now passed the 250-citation mark to become a recognized 'citation classic'. Among other things, this achievement is a reflection of the fact that, in the last 3 years (during which time approximately half of the article's total citations have occurred), 3 edited books, 2 journal special issues and at least 50 journal articles have been published that use the social identity and self-categorization tenets to tackle almost every conceivable organizational topic. To convey a flavour of its diversity, this published research has addressed topics as wide-ranging as globalization and goal-setting, service provision and strategic planning, restructuring and recruitment, burnout and bureaupathy.

However one measures it, then, it seems unlikely that anyone would be able to contend today that the case for a social identity approach to organizational psychology is 'unfeasible'. On the contrary, it has been established as a major paradigm in the field. One consequence of this is that, whereas in this book's first edition it was accurate to observe that much of the research into organizational behaviour that had been inspired by social identity and self-categorization theories was 'work in progress whose impact remains to be fully felt' (p. 9), in this second edition it seems appropriate to make far less tentative claims. Indeed, the principal rationale for putting together a new edition was to update the first edition in order to take stock of the large amount of research that has been conducted in the last few years. As a result, every chapter has been augmented to

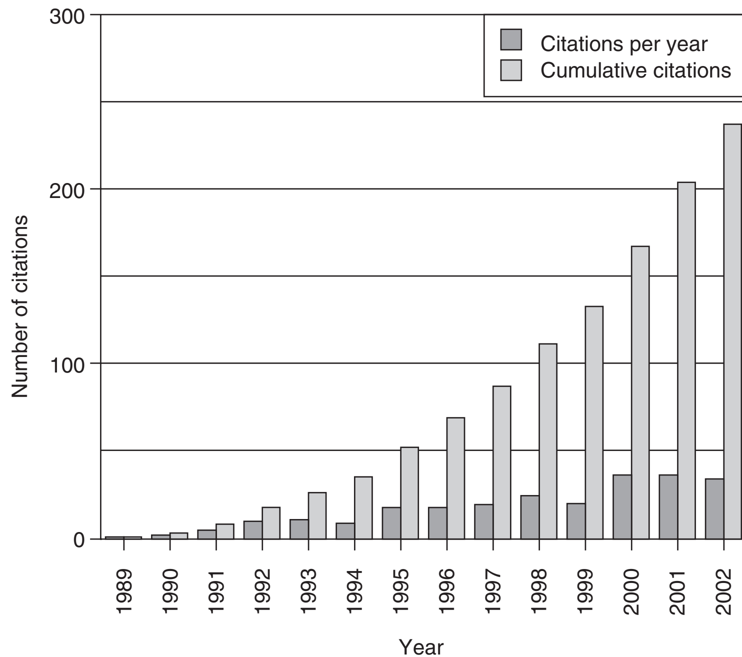


Figure P.1 Citations of Ashforth and Mael's (1989) *Academy of Management Review* article (1989–2002)

accommodate empirical and theoretical developments in the range of topic areas that were covered in the first edition.

As well as this, though, the present edition includes a completely new chapter dealing with the topic of organizational stress. There were a number of strands in the first edition that pointed to the significance of this topic as a dimension of group functioning but these are now teased out and integrated as part of a much more thoroughgoing treatment. As with other chapters, this new contribution identifies key organizational processes into which the social identity approach provides original and constructive insights. However, it also deals with a range of psychological and political issues that are particularly relevant to debates surrounding the nature and impact of the modern workplace – in which change and pressures to keep up prevail.

Speaking of change, then, it is apparent that one personal reason for the first edition of this book seeming so remote is that it was written in a different phase of my life and on a different continent. Happily, though, the friendships that allowed me to complete the first edition in Australia have been supplemented by support from new friends and colleagues in Britain. Accordingly, my gratitude to those who provided input into the first edition is as strong as ever (not least because many of them contributed directly to the development of the present edition), but it is now appropriate to thank a number of others for their help. To the list of people acknowledged in the preface to the first edition, I would therefore like to add Andrew Livingstone, Anne O'Brien, Blake Ashforth, Carey Cooper, David McHugh, Dick de Gilder, Filip Boen, Gerard Hodgkinson, Inma Advares-Yorno, Jolanda Jetten, Juergen Wegge, Louise Humphrey, Mark Horowitz, Mark Levine,

Marlene Fiol, Martin Lea and Michael Schmitt – all of whom have provided invaluable comments and assistance in putting together this edition. Lucy O'Sullivan, however, deserves special mention for her painstaking work in compiling the indices, as does Kris Veenstra who created those of the first edition and did a great job.

Obviously, too, I remain very grateful to the dynamic team at Sage who put their faith in the initial project and then encouraged me to work on this new edition. Thanks especially to Michael Carmichael for his infectious energy and to Fabienne Pedroletti for her attention to all-important detail during the production process. At the same time I would like again to single out John Turner for his unerring counsel and solidarity along the path that has taken this book from an outline proposal to its most current form.

Finally, Cath, as ever, continues to win my admiration and love for her resolute integrity and her ability to instil confidence in the face of adversity – in particular, when motivation is required to steel oneself against the anonymous reviewers of this world and prove them wrong.

Alex Haslam
The University of Exeter
June 2003

1

ORGANIZATIONS AND THEIR PSYCHOLOGY

Humans are social animals. No one who reads this book lives entirely alone, remote from the influence of society and other people. We each seek out contact with others, in the knowledge that this has the capacity to enrich our lives in different ways. This contact usually appears to be natural and uncomplicated, but most of it is highly structured. It is regulated, coordinated and managed. This is partly because much of our day-to-day activity involves dealing with people who are acting as members of organizations. As well as this, a great deal of our *own* behaviour is determined by our place within an organization. Today you may encounter a shop assistant, a bus driver, a lecturer, a newsreader, a politician, and you may also act, and be treated by others, as a student, a teammate or a fellow worker. Precisely because these sorts of interactions are aspects of organizational behaviour, they are – at least to some extent – purposeful, predictable and meaningful.

Understanding the psychological underpinnings of individuals' behaviour in organizations is a particular focus for researchers in two subdisciplines: organizational psychology and social psychology. Among other things, both fields examine and attempt to understand the mental states and processes associated with behaviour in structured social groups and systems. This chapter discusses in more detail what organizations are and how they have been studied by organizational and social psychologists, before going on to outline how the social psychology of organizational life will be examined in this book.

A central question that provides a backdrop to the issues addressed in this chapter, and in the book as a whole, is how we should understand the contribution that groups make both to the psychology of individuals within organizations and to the functioning of organizations as a whole. Do groups detract from individual motivation and performance or do they augment it? Do groups introduce error and bias into judgement and decision making or are they sources of validation and validity? Are individual products and behaviour superior to group output and collective action? More importantly, *when* and *why* are different answers to these questions correct? This book's goal is to answer questions of this form, and in so doing to come to grips with issues at the heart of both organizational and social psychology. At its core is an assumption that we have to have a satisfactory appreciation of the psychology of group behaviour in order to understand how and why organizations are (or aren't) effective.

WHAT IS AN ORGANIZATION?

In their seminal text, Katz and Kahn (1966) note that organizations have classically been defined as 'social device[s] for efficiently accomplishing through group means some stated purpose' (p. 16). However, they note that this definition, like many others, runs into problems because the stated purpose of an organization may be incidental to the function that it actually fulfils. The stated purpose of a religious movement may be to enhance the spiritual well-being of its followers, but it has a number of other functions that may be considered more important: to provide social support, exercise social control or generate revenue for various other purposes.

As an alternative to this definition, Katz and Kahn (1966) prefer to think of organizations as *social systems* that coordinate people's behaviour by means of roles, norms and values. *Roles* relate to the particular place and functions of an individual. These are defined within a system that is internally differentiated in ways relevant to the system's operation. These can be thought of as group-based *categories* of position and activity. Thus universities contain academics and administrators who each

have different tasks to perform and there are further sub-divisions within these categories (lecturers, accountants and so on). Roles are categorical in the sense that the individuals who fulfil them are functionally interchangeable and equivalent. *Norms* are attitudinal and behavioural prescriptions associated with these roles or categories. They create expectations about how a person or group of people ought to think, feel and behave. They tend to be defined externally (in formal job descriptions or informal codes of conduct, for example), but are internalized by individual group members (Sherif, 1936). Thus lecturers are expected by others, and expect themselves, to run courses and mark exams, while accountants are expected and expect to monitor and administer budgets. Finally, *values* are higher-level principles that are intended to guide this behaviour and the organization's activity as a whole (see Peters & Waterman, 1995). Lecturers should be well informed and studious, accountants should be honest and prudent, a university should advance knowledge and reward scholarship.

Partly because of their regulatory function, the precise constellation of roles, norms and values within any particular organization serves to create shared meaning for its members. This provides each organization with a distinct *organizational culture* (Bate, 1984; Deal & Kennedy, 1982; Ellemers, 2003; Freytag, 1990). A person's ability to work effectively within any organization is generally highly dependent on their understanding on this culture and, for this reason, familiarization with its distinct features generally plays a major role in the socialization of new employees by older ones (for a vivid account of this process see Bourassa & Ashforth, 1998).

However, it is still clear that in organizations this system of roles, norms and values exists for some *purpose* and indeed that it generally works to direct and structure individuals' activities in relation to this purpose (Tannenbaum, 1966). Leaving aside the issue of whether this purpose is explicit or implicit (or is manifest or latent – see Merton, 1957), this point is fundamental to most definitions. So, for example, Stogdill (1950) defines an organization as 'a social group in which the members are differentiated as to their responsibilities for the task of achieving a common goal' (p. 2). However, Smith (1995b) elaborates on this type of definition by adding that:

> Awareness of membership, or self-categorization, is critical in that we cannot, from a psychological point of view, attribute the effects of organizational life to the organization unless we can be sure that the organization is psychologically 'real' [for its members]. (p. 425)

It is also important to recognize that internal differentiation exists not only because individuals in organizations have different roles, but also because they belong to different groups *within* organizations. In all organizations there is therefore an *internal* system of social relations between such groups (Alderfer & Smith, 1982; Levine & Moreland, 1991; Turner & Haslam, 2001). This means that departments or teams within an organization are typically differentiated not only in terms of their own shared roles, norms, values and culture but also in terms of their power and status.

On the basis of observations like those above, Statt (1994) abstracts three core features of organizations from a range of different definitions. He suggests that an organization is: (a) a group with a *social identity*, so that it has psychological meaning for all the individuals who belong to it (resulting, for example, in a shared sense of belonging; LaTendresse, 2000); (b) characterized by *coordination* so that the behaviour of individuals is arranged and structured rather than idiosyncratic; and (c) *goal directed*, so that this structure is oriented towards a particular outcome. Obviously, though, the precise character of these features varies from organization to organization and for this reason careful study of the concrete features of any specific organizational context will always be important (Turner & Haslam, 2001).

When most people think about organizations they think about the places where people work. Indeed, such places are the focus of the present text and most others that have the word 'organization' in their title. However, it is clear that the above characteristics define organizations more generally as *any internally differentiated and purposeful social group that has a psychological impact on its members*. In these terms, sporting teams, clubs, societies, even families, are all organizations. Of course, people do perform work in all these groups, but they are also a focus of leisure and recreation. It is the fact that organizations relate to this breadth of experience that gives them such relevance to our lives and that in turn makes attempts to understand their psychological dimensions so important, so complex and ultimately so interesting.

STUDYING ORGANIZATIONS

Researchers interested in the psychology of organizations study an array of topics and questions almost as broad as the discipline of psychology itself. Nonetheless, the area has been of particular interest to: (a) social psychologists who study the interplay between social interaction and individuals' thoughts, feelings and behaviour; (b) clinical psychologists who examine the basis and consequences of individuals' dysfunctional processes and states; and (c) cognitive psychologists who

look at how people process information in their environment in order to think, perceive, learn and remember.

This breadth of issue coverage is enlarged further by the fact that organizations are not only of interest to psychologists. Sociologists, economists, anthropologists, historians and political scientists are all interested in how organizations work and in their products and impact. People in all these areas make an important contribution to understanding organizations, and the nature of this contribution is important to bear in mind as we progress through this book. This is for two quite different reasons: first, because work in these other fields often provides a distinct way of approaching a particular topic; but also, second, because the way psychologists think about organizations is profoundly influenced by work in other disciplines. The study of productivity, for example, is heavily influenced by economic theories, which tend to define output in financial rather than social terms.

This book, however, is largely concerned with the social psychology of organizations. What it has to say has relevance to, and draws on, work in other areas of psychology and in other disciplines, but it is largely concerned with the way in which the psychological processes of individuals contribute to, and are affected by, organizational life. On reflection, we can see that organizational behaviour is quite an amazing accomplishment. What features of our psychological make-up make this accomplishment possible? How exactly does membership of organizations affect the way we think, feel and behave?

Given the scope of these questions, it should not be surprising to discover that they have been answered in a number of different ways. Yet, since the start of the twentieth century, psychologists have tended to answer them using only a few relatively circumscribed forms of answer, or paradigm (Brown, 1954; Pfeffer, 1997, 1998; Viteles, 1932). In the first part of that century these focused on the distinct underpinnings of organizational behaviour in economic motivation, individual differences and human relations, but more recently there has been an upsurge of interest in the cognitive aspects of organizational life (Landy, 1989).

The following sections look in turn at the historical foundations of each of these four paradigms. We will consider these in some detail for a number of reasons. First, because in many respects the ideas and work of pioneers in organizational enquiry represent the bedrock of later work in the field. The studies they conducted are rightly considered classics and all are widely discussed and commented on in just about every organizational text (though sometimes in a rather disjointed and fragmentary way). For that reason it is important to consider closely their methods and ideas, in order to get a clearer picture of 'where they were coming from' and what they were attempting to do. Even though these ideas are now rarely applied in their original form, their impact on the field has been considerable and most will be recognizable in some guise when we deal with specific content areas in later chapters. Finally, this early work is still immensely interesting to read and reflect on, not least because the researchers had an enthusiasm and vigour that were genuinely infectious.

PARADIGMS FOR STUDYING ORGANIZATIONS AND THEIR PSYCHOLOGY

The economic paradigm

The economic paradigm is closely associated with the work of Frederick Taylor at the start of the twentieth century. Despite the fact that he had previously passed the entrance examination for Harvard, Taylor entered the Midvale Steel Company as an unskilled yard labourer at the age of 22 in 1878. Six years later, in the process of rising to the position of chief engineer, he had laid the groundwork for a theory of *scientific management* (otherwise known as Taylorism) that revolutionized the industrial workplace and had enormous impact on the study of organizational behaviour.

At the heart of this theory was a rejection of the idea that workers should learn how best to do their jobs through experience, informal training or their own insight. In short, Taylor believed that the management of workers and their work was an exact science and that the job of any manager was to perfect and implement that science – to discover and implement 'the one best way' of doing any particular job. This doctrine was set out in a number of texts, most notably Taylor's (1911) *Principles of Scientific Management* (see also Person, 1911/1972, pp. 5–7). Here the four principal duties of managers, corresponding to the four main principles of the theory, were listed as follows:

First They develop a science for each element of a man's work, which replaces the old rule-of-thumb method.

Second They scientifically select and then train, teach and develop the workman, whereas in the past he trained himself as best he could.

Third They heartily cooperate with the men so as to ensure all of the work is being done in accordance with the science which has been developed.

Fourth There is an almost equal division of work and the responsibility between the management and the workmen. The management take over all the work for which they are better fitted than the workmen, while in the past almost all of the work

> and the greater part of the responsibility were thrown upon the men.
> (Taylor, 1911, pp. 36–7).

Yet, over and above these principles, Taylor (1911/1972) considered scientific management to be a psychological enterprise involving 'a complete mental revolution both on the part of management and on the part of men' (p. 29).

On reading Taylor's work, one of its most salient features is the zeal with which his ideas were promoted, a zeal that was shared by other members of the movement that he founded. One quirky illustration of the level of Taylor's commitment is that his 1911 book ends with an invitation for any reader sufficiently interested in scientific management to call in on him at his house in Philadelphia. Such enthusiasm led, among other things, to the foundation of the Taylor Society, an organization that vigorously discussed and religiously promoted Taylor's ideas.

Central to this zeal was a disapproval of human and financial waste and a particular (some have argued pathological – Kakar, 1970, p. 188) dislike of the practice of 'soldiering' or loafing. Taylor believed that this led to collective under-achievement, usually as a deliberate coordinated act. He identified this as 'the greatest evil with which the working-people of both England and America are now afflicted' (Taylor, 1911, p. 14) and suggested three roots to the problem. First, he argued that workers were often poorly selected for the jobs they performed, so that a failure to achieve their maximum potential was inevitable. Second, he pointed out that, under most existing systems of 'initiative and incentive', it made sense to loaf because workers were discouraged by the fact that targets were continually raised once they had been achieved. Finally, third, Taylor (1911) believed that loafing was a tendency that arose naturally from 'the loss of ambition and initiative ... which takes place in workmen when they are herded into gangs instead of being treated as separate individuals' (p. 72).

Corresponding to each of these problems, Taylor proposed three remedies. First, he argued that workers needed to be systematically selected for any job they were to perform in a manner that weeded out all but the 'first-class men' (as per the second principle of scientific management). Typically this meant going through a process of exhaustive testing that might lead a company to retain only one worker in ten from an existing workforce. Taylor acknowledged that this strategy appeared to be hard on those workers who were not up to scratch, and that, left to their own devices, workers themselves would never enforce or endure decimation of this form. He added, though, that sympathy for those who lost their job was 'entirely wasted', as the strategy was a necessary step towards finding work for which they were properly suited and therefore 'really a kindness' (Taylor, 1911, p. 64).

The second strategy Taylor devised was to introduce a 'piecework incentive system'. This involved rewarding each worker for higher productivity and ensuring that the worker had faith that pay rates would not subsequently be adjusted. Taylor was critical of employers who went back on their word in this regard (citing it as one major contributor to the touted failure of his principles), but he also counselled against increasing workers' pay by much more than 60 per cent – noting that beyond this level of increase many workers 'will work irregularly and tend to become more or less shiftless, extravagant and dissipated' (Taylor, 1911, p. 74).

Finally, third, Taylor emphasized 'the importance of individualizing each workman' (1911, p. 73). From experience he found that groups of workers were extremely resistant to the sorts of changes scientific management necessitated. In some cases he attributed this resistance to stupidity, to the 'almost criminal' tyranny of unions or to 'an almost universal prejudice in favour of the old' (pp. 82, 116), but he also recognized that bonds of friendship made it unrealistic to expect workers to agree collectively to retrenchments and dramatic changes to their working practices. Taylor thus argued that managers needed to appeal directly and constantly to the economic aspirations of individual workers, as 'personal ambition always has been and will remain a more powerful incentive to exertion than a desire for the general welfare' (p. 95).

Application of the principles of scientific management was not a simple exercise, and Taylor himself berated managers who went in search of quick fixes by instituting radical change over a short time span. Nonetheless, the practices were widely instituted around the industrialized world and a number of seminal interventions are commonly used to illustrate both the manner in which the principles can be applied and the results they can produce. Of these, the most widely cited case study relates to the work of pig iron handlers at the Bethlehem Steel Company.

Taylor began his work with this company in 1898 at which time it had five blast furnaces and 75 pig iron handlers who were part of a total force of around 600 labourers. Their task was simply to pick up pigs weighing 42 kg (92 pounds) and then to walk up an inclined plank in order to load them on to a railway carriage. At the start of the study each worker was loading an average of 12.3 tons (12.5 tonnes) of iron each day. Taylor noted that there was nothing unusual about the gang of handlers who were doing this work and that they were labouring and being supervised about as well as workers anywhere else in the industry. However, after careful study Taylor and his colleagues worked out that a first-class pig iron handler ought to be able to handle 47 tons (47.5 tonnes) – in other words, nearly four times as much as the pre-existing

average. The task Taylor set himself was to achieve and maintain this level of handling and in so doing to raise the profitability of the company.

To do this, Taylor had to use the principles of scientific management to develop 'a science of handling pig iron'. The first step was to identify the physical and mental attributes best suited to the job and then select men who possessed these. Physically, the workers had to be incredibly fit and strong. Mentally, the profile was more complex, but not especially flattering: 'one of the very first requirements for a man who is fit to handle pig iron as a regular occupation is that he shall be so stupid and so phlegmatic that he more nearly resembles in his mental make-up the ox than any other type' (Taylor, 1911, p. 47). Taylor also noted that the worker should be someone concerned for financial advancement who might therefore be lured away from 'the herd' by the promise of greater personal remuneration.

The second stage of scientific development involved identifying the set of movements and exact timing of the handling process. In other fields a large amount of work went into the process of tool development so that, for example, the science of shovelling required workers to have access to eight or more shovels depending on the material being lifted. In the case of handling iron this process involved eliminating all superfluous movements of the hands and feet and instructing workers to take precisely timed breaks to minimize muscle fatigue. This type of research established the basis for elaborate time-and-motion studies that are still common in all forms of workplace today (after Barnes, 1937).

One common recommendation in such studies, in line with Taylor's views about the deleterious impact of groups on individual performance, was that workers were usually encouraged to work on their own as far as possible. This strategy, for example, was an important component of two major studies into the scientific management of bricklayers and bicycle ball-bearing makers (Gilbreth, 1909; Taylor, 1911). At the Bethlehem Steel works this meant that no more than four workers were allowed to work in a gang without first obtaining a special permit. However, Taylor was proud of the fact that the superintendents responsible for these permits were themselves so busy that they had no time to issue them.

The final part of the process of scientific development involved implementing the above insights. It was here that most difficulty was envisaged and experienced. Again Taylor emphasized the need to deal with workers individually and to engage in one-on-one discussions to ensure that they knew what they were meant to be doing and what they stood to gain (Taylor stated that he was not opposed to the right of workers to bargain collectively, but such rights had no place in his schemes – a point that ultimately led to them being challenged by unions in front of a special House of Representatives committee). Of course, individual-based negotiation and training took a long time, adding to the already extensive process of identifying the single best way of doing each job. Moreover, it also meant that large numbers of supervisors were needed to instruct and monitor workers. For this reason, Taylor argued that companies would often need to have one supervisor for every three workers. This necessitated setting up highly structured lines of command built on principles of discipline and hierarchical authority. Taylor (1911) pointed out that this also placed a greater burden on management as his system only worked if they '*enforced* standardization of methods, *enforced* adoption of the best implements and working conditions, and *enforced* cooperation' (by discharging those 'who cannot or will not work with the new methods', p. 83, original emphasis).

Astoundingly perhaps, Taylor's work at the Bethlehem plant achieved his aims. In the company as a whole, workers' average pay rose from $1.15 to $1.88 a day, each handled about 58 tons (59 tonnes) of iron a day where previously the average had been 15.7 tons (16 tonnes), and the cost of handling each ton fell from 7.2 cents to 3.3 cents. Similar work served to bring about equally remarkable upturns in profitability through studies of occupations as diverse as shoe manufacture and municipal government (Person, 1929). These improvements flew in the face of belief at the time and Taylor defied his many critics (including the owners and managers of the companies who employed him) who said he would never be able to achieve, let alone maintain, the high production goals he set himself.

All, however, was not beer and skittles. This is literally true as Taylor noted that only two of the remaining workers at the steel plant were 'drinking men' because alcohol consumption was incompatible with the extreme physical demands of the new regime. More significantly, about 460 of the 600 labourers at the plant lost their jobs. Taylor defended this action by arguing that most workers who were laid off by the company were re-employed in other positions. However, details of this redeployment were not elaborated. There is also indirect evidence that the management of the company were unconvinced by this claim as they complained that the dramatic rise in unemployment had an adverse effect on the profitability of stores and housing that the company also owned in Bethlehem (Copley, 1923). Local economic gains were thus offset by costs to the broader community – costs that were not just economic.

As well as this, it is clear that Taylor himself experienced considerable personal discomfort as a result of his behaviour, which can be likened to that of an economic vigilante. So, despite an

emphasis on peaceful cooperation and industrial harmony, his efforts to implement change actually involved conflict and mutual intimidation. Reflecting on his earlier experiences as a foreman he remarked:

> After three years of that fight, three years of never looking a man in the face from morning till night except as a tactical enemy, three years of wondering what that fellow was going to do next and wondering what I could do to him next, I made up my mind that some remedy would have to be devised ... or I would cease to be a foreman or go into some other business. (Taylor, 1911/1972, p. 28)

It is clear, too, that the mechanical coldness of Taylor's theorizing and practices was not even to the liking of all his disciples. In a paper reviewing the positive contributions of scientific management, Farquhar (1924) thus mused openly:

> I wonder whether with our admirably proper insistence on considering each individual as an individual we have not obscured the possibility of making that individual and his fellows more productive and more contented through recognizing the psychological benefits to be gained through group dealings? (p. 48)

Such concerns became even more pronounced when it was proposed that the principles of scientific management be extended beyond the bounds of manufacturing industry into areas such as education and public policy making. Particular alarm was raised when the Carnegie Foundation produced a bulletin by Morris Cooke (1911) entitled *Academic and Industrial Efficiency*, which proposed that higher education be restructured according to the four principles of scientific management. This suggested, among other things, that lecturing and teaching be systematized and monitored, that academics work with greater intensity and purpose, that decision making be taken out of their hands and centralized in the offices of managers and that students be provided with greater vocational teaching and direction.

Three points are worth making here. The first is that Cooke and his colleagues were justifiably bemused that academics who had enthusiastically embraced scientific management when they and others applied it elsewhere were so testy at the suggestion that it might be applied to their own work. Second, it is apparent that many of the suggestions made by Cooke served to highlight some of the major limitations of a theory that focuses on economic imperatives to the exclusion of all others. Thus Bartlett (1911/1972) observed that academics' and students' *commitment* to a university, which contributes enormously to its morale and wealth (both intellectual and financial, for example in the form of endowments), 'springs little from an appreciation of the economy with which it is managed' (p. 12). Webster (1911/1972) similarly wondered:

> Whether there is any resemblance between the purposes of college and university activities and those of business … [since] the object is not to make money [and] standardization is quite impossible ... and can be attended only with laughable results. (pp. 295–7)

He concluded:

> Nothing can do more to confirm the position of mediocrity in which this country finds itself in the status of learning, than the application of commercial judgements to matters that are essentially concerned with spirits. (1911/1972, p. 298)

Finally, third, it is apparent that these limitations notwithstanding, many of the principles of scientific management *have* been implemented around the world and across the organizational board (in universities, schools, hospitals and throughout the public and private sectors). These are most apparent in personalized evaluation and reward practices (sometimes called 'incentivation'; Parsons, 1992; Rothe, 1978), individualized work contracts, pursuit of 'best practice', commitment to 'lean production' and overarching faith in the management's 'right to manage'. Like it or not, the political and practical legacy of scientific management remains an important feature of the contemporary industrial landscape (Locke, 1982; Merkle, 1980; Thompson & Warhurst, 1998; Waring, 1991). Indeed, according to Braverman (1974), 'the importance of the scientific management movement in the shaping of the modern corporation and … all institutions … which carry on labor processes' is 'impossible to overestimate' (p. 86; see also Pfeffer, 1998, p. 375).

The individual differences paradigm

When Wilhelm Wundt founded the first laboratory of experimental psychology in Leipzig in 1879 he set about the task of identifying principles of psychological functioning associated with human behaviour *in general*. However, two of Wundt's students, J. McKeen Cattell and Hugo Münsterberg, later rebelled against this approach and sought instead to understand the nature and consequences of human *individuality*. Influenced by the pioneering work of Francis Galton, this work involved attempts both to identify core dimensions on which individuals differed and develop tools for quantifying those individual differences. In order to advance this work both researchers left Germany and settled in the United States where they rose to positions of prominence and exerted considerable impact on the emerging science of psychology.

Münsterberg was particularly interested in applying the experimental method and the study

of individual differences to the analysis of organizational behaviour and, as a result, is often identified as the founder of industrial psychology (Hothersall, 1984; Viteles, 1932). A keen proponent of the principles of scientific management, he was committed to building on the theory's second principle by developing psychological tools to help identify workers whose psychological qualities made them suitable for particular tasks. Consistent with Taylorism's tenet of 'the one best way', Münsterberg's (1913) classic text *Psychology and Industrial Efficiency* was divided into three sections: 'The best possible man', 'The best possible work' and 'The best possible effect'.

In outlining how psychologists might contribute to improved personnel selection, Münsterberg argued that researchers needed to do two things. First, they needed to develop precise analyses of the requirements of any job and identify the key psychological components associated with effective performance of it. Second, they needed to devise tests that could reliably measure a person's aptitude in important areas.

Illustrative of this approach, Münsterberg conducted studies with women who were working as telephone operators for the Bell Telephone Company in New England. Here the key psychological attributes of an effective operator were discovered to be memory, attention to detail, precision, speed and intelligence (as well as nine others). Once these had been identified, workers were then screened in order to establish the extent of their ability in each domain. This involved asking them, respectively, to perform tests of digit recall, cross out all instances of a particular letter in a newspaper column, sort sets of cards, draw as many instances of a specified zig-zag pattern as they could in a given amount of time and recall lists of logically paired words. The validity of the method was demonstrated by the fact that, unbeknown to the researchers, the phone company included some of their superior existing operators in the study and found that they all performed extremely well in the tests.

Another of Münsterberg's key innovations was the development of 'tasks in miniature' that attempted to assess the extent to which people possessed an integrated set of skills necessary for a particular job. Such tasks were designed to overcome the limitations of procedures that broke work down into such low-level component processes that the measures bore no meaningful relation to the jobs people actually performed. As an example, Münsterberg devised a simulation game to assess the skills of drivers of street railway cars. The game required drivers to make judgements about whether or not a series of objects were going to cross their path. The objects were pedestrians, horses and cars and these were represented by digits that corresponded to their speed of movement (1 = a pedestrian, 2 = a horse, 3 = a car). These passed through an aperture at a speed determined by the driver being tested and the driver's score on the game was then weighted as a function of speed and accuracy. The apparent validity of this method was demonstrated by the fact that a group of drivers who had been identified as possessing superior driving skills performed better on the task than a comparison group comprising drivers who had been close to dismissal. On the basis of such results, Münsterberg argued that similar tests should be used proactively in a range of trades and professions to select workers for particular jobs.

When it came to getting the best possible work from appropriately selected workers, Münsterberg followed other researchers (for example, Scott, 1911) in arguing that the challenge for psychologists was to identify motivational principles that would facilitate workers' participation in the process of scientific management. Like many other psychologists after him, he argued repeatedly for the need to conduct experimental research in order to ascertain the impact of specific personality and environmental variables on job performance.

However, empirical data to back up these recommendations was thin on the ground. This was partly because Münsterberg identified a number of complex factors that shaped people's reaction to their work and served to thwart attempts at systematization. The first of these was the highly *subjective* nature of workers' reactions to their employment. It was observed that many jobs which seemed objectively to be very dull and intrinsically unmotivating were considered by those who did them to be interesting and varied. One case in point was a woman who worked for a light bulb manufacturer and whose job was to wrap bulbs in tissue paper for safe transportation. Münsterberg noted that the woman had wrapped 13,000 bulbs a day for 12 years and yet still found the job 'really interesting' and full of 'constant variation' (1913, p. 196). On the other hand, he noted that many people who supposedly had very exciting and rewarding jobs (teachers, doctors and lawyers) actually found the routine nature of their work extremely dull.

A second complicating factor was the role of *group memberships* in determining an individual's satisfaction with, and enthusiasm for, their work. Where Taylor had argued that groups were an impediment to performance and that their influence needed to be minimized, Münsterberg (1913) noted that groups could make a positive psychological contribution to the workplace by 'enhanc[ing] the consciousness of solidarity amongst the labourers and their feelings of security' (p. 234). The practical potential of groups was also revealed in Münsterberg's pioneering experimental studies of group decision making in which individuals were