

**Debunking management myths: The surprising role of psychologists in industry.**

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Fact or fiction? Most employees dislike their jobs. Happy employees are productive employees. A job interview will tell you much more about a person than any test could. Yelling blows-off steam and makes you feel better.

If you think these statements are nothing more than common sense, you might be surprised to learn that common sense isn't always so sensible. In fact, all of the statements are false. Industrial-organizational psychologists, researcher who study employee behavior, have demonstrated that yelling will not vent anger, job interviews are not particularly good selection tools, happy employees are not necessarily more productive, and most employees like their jobs.

Industrial-organizational psychology, or I-O psychology, is a branch of psychology that is concerned with the study of people in the workplace. I-O psychologist are not clinicians who practice in business settings. I-O psychologists do not focus on pathology or mental illness but instead focus on ways to make normal, healthy, adults more satisfied and productive. I-O psychologists ask questions like, How can we help people find jobs that they will like? How can employers find and hire the most productive employees? How can supervisors motivate their employees? How can work groups communicate more effectively? How should we reward employees? Who would make the best leader?

There are I-O psychologists employed in firms all over the world but industrial-organizational psychology has an unusually strong foothold in Minnesota. For instance, the doctoral program in I-O Psychology at the University of Minnesota is the finest in the nation. U of M faculty, Marvin Dunnette, John Campbell, Paul Sackett, Deniz Ones, and Joyce Bono are all nationally recognized leaders in the field. There are also good masters programs in I-O psychology at St. Cloud State and Minnesota State, Mankato. In fact, Minnesota State's program was recently ranked the number one I/O psychology master's program in the country. Further, Minnesota native, Leatta Hough, is the President Elect for the Society of I-O Psychologists, the governing body of I-O psychology.

In addition to the academic presence, there are a large number of I-O psychology consulting firms headquartered in the Twin Cities. Personnel Decisions International, ePredix, and PDRI develop employee selection tests and methods. Questar Data Systems, Data Recognition Corporation, and Gantz-Wiley Research are leaders in developing and distributing employee opinion surveys. MDA Consulting, and Olson Consulting Group, Ronald Page and Associates, SKS Consulting, help their Fortune 100 clients select top executives using psychological tests.

Beyond consulting firms, many of Minnesota's largest businesses have I-O psychologists on staff. 3M has I-O psychologists on staff to select employees and facilitate organizational change. American Express uses psychologists in their employee opinion

research area. Best Buy, Hennepin County, Land 'O Lakes, State of Minnesota, Supervalu, Target employ psychologists in their human resources departments

I called on Minnesota I-O psychologists in an effort to examine popular management myths and to highlight the role that psychologists play in debunking these myths. Here are some of the favorite managerial myths of Minnesota psychologists:

- **The job interview is a good technique for selecting employees.**

Most managers would be better off drawing names out of a hat than using an interview. Studies have consistently shown that informal, unstructured interviews have little ability to predict who will and who will not be a good employee. Dr. Doug Molitor, Manager of HR Measurement Systems at 3M says, "The validity of the interview can be improved dramatically by standardizing questions, defining what constitutes good or bad responses to those questions, and limiting the interview to job related experience. Further, interviewers should ask applicants to describe how they would solve real problems."

- **Intelligence is only important in the classroom.**

"A range of studies consistently show that one of the best predictors of a candidate's job performance is how smart that candidate is. This is even more important in jobs where people need to keep up with technology changes and shifting priorities. Many people may be uncomfortable with this. This is probably because we often contrast street smarts with book smarts--how well people do on tests. We find that smart people, whether they are on the street corner or in the library, are able to: learn new information quickly, solve more complex puzzles, and adjust to new priorities more quickly than other people. They also are able to sort through ideas to find the really innovative solutions to problems." Marcia Sytsma from Olson Consulting Group continues, "One of the challenges organizations face is recognizing how to capitalize on the skills and talents of their candidates in a meaningful way to solve problems."

- **Personality tests are completely transparent and are not useful.**

Marcia continues, "While it is true that some personality surveys can be pretty obvious, the clues they give us about a person's typical work behavior far outweigh the challenges of interpreting personality results. If we think of intelligence as a person's 'potential' or a predictor of a person's maximum performance, personality can be thought of the predictor of a person's daily or typical performance. One of the best predictors from the personality arena is what psychologists call conscientiousness, but other aspects of personality have been used to predict cooperation, resilience, productivity, and leadership. We often find that both personality and intelligence help us find the best candidates for today's most complex jobs."

Dr. Harry Brule, Senior Vice President at PDI, concurs, “For jobs lower in cognitive demand, other factors are more important than general intelligence. For instance, I have done studies with entry level, low-skill jobs hotel maids and nursing assistants) where conscientiousness and customer service were more highly related to job performance than intelligence.”

- **Honesty tests are only for the honest.**

Common sense suggests that the only job applicants who will be honest on an honesty test are the honest. The not-so-honest will lie about their true feelings and only appear to be honest. Paul Sackett, Professor of Psychology at The University of Minnesota, has been studying integrity tests for nearly 30 years. His research suggests that integrity tests do have value and can help sort the honest from the not-so-honest. Sackett explains, "Dishonest people have a view of the world that allows them to feel comfortable with behaving dishonestly. They admit to dishonest behaviors because they think the behaviors are acceptable and fairly common."

- **Adverse impact is illegal: anytime, anywhere.**

Adverse impact occurs when members of a protected minority group score lower on a selection (hiring) test than members of the majority. Employers can use a test that produces adverse impact as long as the criteria that lead to the impact are job related. Women can, on average, score lower on a test of physical strength than men and the test results can be used to hire firefighters as long as physical strength is essential on the job. Dr. Cheryl Paullin, Principal Research Scientist at Personnel Decisions Research Institute (PDRI) says, “This not to say that adverse impact is okay, or that organizations don't need to worry about it, but many people in organizations do not fully understand the legalities of adverse impact.”

- **Everyone is above average, especially me.**

Garrison Keillor's Lake Wobegon is a town where *the men are good looking, the women are strong, and the kids are above average*. Most managers live in their own Wobegon. Dr. Bob Lewis, Vice President of Research for PDI, comments, "Employees tend to overrate themselves on performance evaluation and feedback instruments." For instance, 360 feedback programs are currently very popular. In a typical 360 program, employees rate their own performance and are also rated by people they work with, including peers, direct reports, bosses, and customers. "We find that not only do people tend to rate everyone above average, but employees tend to rate their own performance ten percent higher than others rate it."

There are many reasons for this but one of the most prevalent may be the fact that while we know what we intend, others only know what they see. The purpose of receiving feedback from others, whether for development or performance appraisal, is to ensure the actions others see are aligned with our intentions. For example, my intention may be to drive results by focusing my team on the critical issues. But my

team may see that I ignore their concerns and jump to conclusions. Only by attending to the feedback of others can managers make sure their actions and results are understood by others.

- **Yelling blows off steam and makes you feel better.**

According to Dr. Kimberly O'Farrell, Assistant Professor at Minnesota State University, "Once you start yelling at an employee, you will find it easier to yell at them again. Yelling, like many forms of workplace incivility, tends to feed on itself. The more you yell, the easier it becomes to yell. Further, the guilty feeling you might get from yelling often lasts longer than the anger that was supposed to be vented by yelling."

- **Make employees happy and you will make them productive.**

There is a relationship between job satisfaction and productivity; but it's a bit complicated. Dr. Kyle Lundby, a consultant with Gantz-Wiley Research explains, "While everyone deserves to work in an environment that makes them happy, the reality is that satisfied employees are not necessarily more productive. In fact, research has shown that high performing organizations (those with higher levels of customer loyalty and financial success) tend to share the same set of characteristics. Their leaders emphasize quality and customer service, and their employees are well trained, empowered, and involved in important decisions. In that sort of environment, employees tend to be more engaged, to communicate and collaborate with one another. Ultimately, this pays off in terms of customer satisfaction, loyalty, and financial success. And while satisfaction may be a by-product, it alone does not drive high performance."

- **Most people hate their jobs.**

"Actually, most people enjoy their jobs,' says Patti Naas. Patti manages the employee opinion survey for American Express Financial Advisors. Patti is also a representative to a consortium of US blue-chip companies that track their own employees' job satisfaction. She notes that, "Studies consistently show that between 70% and 75% of US employees report that they are satisfied or very satisfied with their jobs." Patti also gave us a second myth:

- **Surveys only reflect the biases of the people who sponsor the survey.**

"People are suspicious about survey results. Sure, a crafty consultant could construct a survey that would produce any results that I ask, but consultants who make their living providing survey services live and die by their credibility as a neutral party who provides the feedback that we need but may not necessarily want to hear. The psychologists I deal with have strong backgrounds in science and they work hard to avoid biased results."

- **Conflict should be avoided at all costs.**

“Most forms of organizational change involve employee resistance, confusion, and conflict. This is a natural way of life,” says Dr. Carol Lynn Courtney, President of Courtney Consulting Group. “The issue becomes the manner in which individuals resolve the conflict once it has occurred. Researcher Thomas and Kilmann suggest methods to deal effectively with conflict. Which method one chooses depends on the criticality of a decision and the importance of the relationship of the individual involved in the conflict situation. The problem is that most of us tend to use one or two of these methods for all situations. That is where we can get in trouble. For example, Minnesotans are accused of avoiding conflict at all costs and in all situations! Here are five methods for dealing with conflict and the time when to use each approach. Compete when there is high decision criticality but low relationship importance. Avoid conflict when there is low decision criticality and low relationship importance. Collaborate when there is high decision criticality and high relationship importance. Compromise when there is moderate decision criticality and moderate relationship importance. Accommodate when there is low decision criticality and high relationship importance.”

- **All stress is bad stress**

“Some stress is good, even necessary, to keep employees motivated” says Dr. Lisa Perez, Assistant Professor in the I/O Psychology Program at Minnesota State University. “Without a certain amount of stress, there isn’t any growth. Challenge is stressful. Without *any* stress we would all be bored. But here is the flipside,” Perez continues,

- **Stress is unavoidable so toughen up.**

“We are tempted to tell employees who have unreasonable work loads, noxious bosses, and unclear job responsibilities to ‘just deal with it.’ But we would never say the same thing to an employee who is exposed to harmful chemicals or radiation. Stress should not be taken lightly. Stress weakens your immune system. It makes you more prone to heart disease. It shortens your life span. It interferes with reproduction. Although there is a temptation to simply tell stressed employees to either relax or ‘suck it up,’ this does not change the chronic demands that employees face.”

- **Great leaders are born, not made.**

This is part of an age-old debate: Is leadership a trait you are born with or a skill you develop? Dr. Andi Lassiter, an Assistant Professor and leadership researcher at Minnesota State University says, “The jury is still out, but we are sure that there is no one best kind of leader (or set of leader skills) for all situations. The current feeling among leadership researchers is that the effectiveness of a leader depends on matching the leader and the situation.” Andi adds another myth:

- **Everyone should be trained to be a leader.**

Many schools are opening leadership training programs. Some schools are going so far as to put *leadership* in the title of degree. Leadership is essential but the interesting thing is that a manager is only a good leader to the extent that his or her employees are good followers. It's odd that we do not study followership. Maybe we need more followership training."

I will finish with a few of my favorite myths. I study job satisfaction and I am interested in ways to make employees more interested in their work.

- **Once I am rich, I will finally be happy.**

There is not enough money to make you happy. The old saw that *money can't buy happiness* is true. Research conducted by Ed Diener at the University of Illinois shows that once you have enough money to cover your basic needs (food, clothing, housing, health) additional income does not produce an appreciable increase in satisfaction. Researchers show that even windfalls, like winning the lottery, will not make you happier in the long-run. The implication is that people are spending time chasing something that will not, in the long-run, make them happy.

- **Some people do not need psychological growth.**

Everyone needs to learn and to be challenged. Not everyone will use the workplace as the venue for growth and learning but this may be because they have not been given the opportunity. The archaic notion that employees are only motivated by money and security needs to be laid to rest. Research consistently shows that self-determination and challenge are the factors that produce long-term interest in the job.

- **Boredom is a sign of laziness.**

The normal, healthy, adult reaction to a dull job is boredom. Jobs that require little thinking, that are redundant, that involve little input from employees *should* make employees bored. Resentment and/or goofing-off should be expected where employees are performing dull work.

- **The next best thing will be last best thing.**

Managers want quick fixes and there are an unlimited number of pop-management authors who are willing to sell those answers. Consequently, there is a new *best thing* every couple of years. Even the really good ideas only seem to have a shelf-life of about of about 7 years. After that, they are either renamed (i.e. zero defects, total quality management, six sigma) or are displaced. So I encourage managers to be suspicious when they read a claim that that the next innovation that will radically

reshape organizations. This especially true if the innovation is described in a 100-page, best-seller.

- **Your instincts are more important than data.**

Many managers will trust data as long as the data is consistent with intuition. This means that managers selectively choose which studies and reports to believe. In other words, many managers are so wed to their hunches that they will ignore or discount well constructed studies that are inconsistent with their gut feeling. Of course, this is one of the reasons that management myths have staying power.

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### Notes

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