

7 POSITIVE ORGANIZATIONAL BEHAVIOR

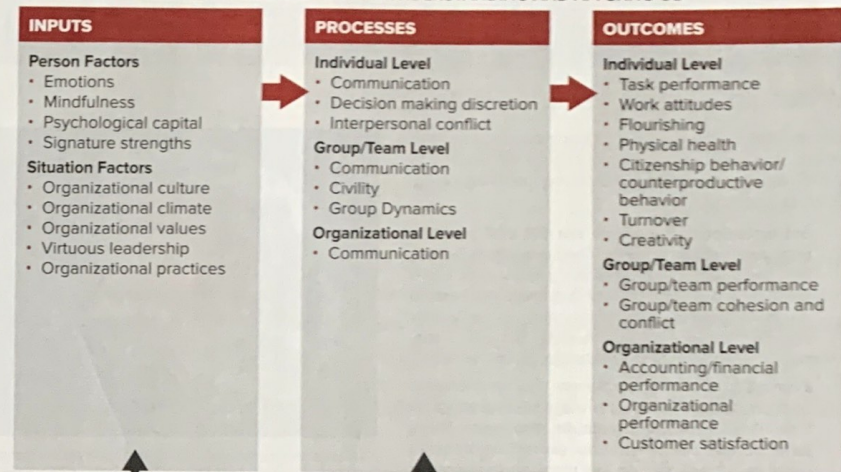
How Can I Flourish at School, Work, and Home?

Major Topics I'll Learn and Questions I Should Be Able to Answer

- 7.1 The Value of Positive Organizational Behavior
MAJOR QUESTION: How does understanding positive organizational behavior benefit me?
- 7.2 The Power of Positive Emotions
MAJOR QUESTION: How can positive emotions make me more effective at school, at work, and in other arenas of life?
- 7.3 Fostering Mindfulness
MAJOR QUESTION: How can mindfulness contribute to my effectiveness?
- 7.4 Developing Psychological Capital and Signature Strengths
MAJOR QUESTION: How can my inner HERO and signature strengths benefit me at work and in my career?
- 7.5 Creating a Climate that Fosters Positive Organizational Behavior
MAJOR QUESTION: How can managers create an organizational climate that fosters positive organizational behavior?
- 7.6 Flourishing: The Destination of Positive Organizational Behavior
MAJOR QUESTION: What can I do to enhance my level of flourishing?

Figure 7.1 summarizes what you will learn in this chapter. The focus is on *positive organizational behavior* and how positive inputs and processes influence a host of outcomes across levels of OB. The Organizing Framework for Understanding and Applying OB illustrates how person factors such as mindfulness, psychological capital, and signature strengths form the basis for positive functioning at work. A variety of situation factors also affect the positivity of an organization's processes. They include organizational culture, organizational climate, organizational values, virtuous leadership, and organizational practices. In turn the inputs and processes shown in the Organizing Framework influence a host of outcomes at the individual, group/team, and organizational level. Most importantly, you will learn about a valuable new individual-level outcome labeled flourishing. Flourishing is a contemporary way of describing success or positive functioning at work.

FIGURE 7.1 ORGANIZING FRAMEWORK FOR UNDERSTANDING AND APPLYING OB



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Flourishing is at the core of positive organizational behavior. We flourish when our lives contain positive emotions, engagement in our work, positive relationships with others, meaningfulness, and a sense of achievement. It appears that these employees from NASA's Jet Propulsion Laboratory in Pasadena, California are experiencing some of flourishing's components. Here they can be seen having fun waving to NASA's Cassini spacecraft when it turned its imaging cameras to earth. The Cassini, which is an unmanned spacecraft, was on its journey to the planet Saturn.

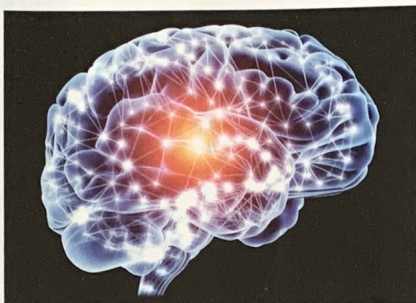
SOURCE: NASA/JPL-Caltech

Winning at Work

What You Think About Is What You Get

Because behavior is a product of our emotions, thoughts, beliefs, and experiences, it makes sense that managing these internal responses can improve our performance. Try these suggestions:

- **Set intentions.** *Intentions* are the end point or goal you want to achieve. They drive your behavior.¹ If you want to accomplish a specific result on a given day, start your day with a positive intention to do so. For example, one of your authors has a daily intention to meditate and exercise. Set your intentions around tasks and people that matter to you.
- **Express gratitude to someone.** We are healthier both physically and mentally when we express gratitude. People receiving gratitude also report these same positive outcomes.² Your expression of thanks might be a small gesture, like thanking someone for holding a door open while you pass. It can also be bigger such as starting a college scholarship to help others in financial need. There are several ways you can increase expressions of gratitude. You can keep a gratitude journal at your bedside and write down one or two things that went well each day. You can write a thank-you note to someone. One of your authors thanked his mentor for all he did for him 35 years ago. He loved receiving the message! Look for positive actions by others and then acknowledge them.
- **Do something helpful or positive for other people.** You do not have to give a tangible gift, but instead offer someone a kind or positive gesture. It can be as simple as a smile, a compliment, or words of encouragement. Volumes of research show that helping others is one of the most fulfilling things you can do. The more you give, the more you'll get.³
- **Become more hopeful.** "*Hope* is the belief that the future will be better than the present and that you have some power to make it happen."⁴ The following process was found to increase hopefulness for college students: Identify an important goal, identify different ways to achieve the goal, identify obstacles to each pathway and develop a plan for overcoming these roadblocks, and work the plan.⁵ Taking these steps should give you a sense of hope and control.
- **Focus on the positive side of life.** Negative thoughts and worry are prime enemies of staying focused in the present moment. We often worry about things we can't control, including events in the past. Don't worry about the past (it's done—you can't go back) or what you can't control. Try to stay focused on what is happening in the present moment.



The brain and our thoughts powerfully impact our emotions and behavior. OB researchers are increasingly studying the neuroscience underlying our behavior. © Science Photo Library/Alamy RF

- **Be aware of negative thoughts and beliefs.** The brain has a built-in negativity bias. This allows negative events to have more impact on us than positive ones, and we often think bad information about someone is more important than positive information.⁶ If you find yourself focusing on negativity, try to reframe your thoughts in a positive direction. For example, rather than worrying about your level of performance on an exam, tell yourself that you are prepared and will do just fine.

What's Ahead in This Chapter

We're concluding Part One and our discussion of the individual level by introducing you to one of the most exciting and fastest-growing areas of OB, *positive organizational behavior (POB)*. Research suggests that you can enhance your life and job satisfaction by following some of the ideas presented in this chapter. We explore the value of positive organizational behavior and then expand on several elements that help you foster your own personal positivity. Positive emotions are one such element (an individual-level process), as are mindfulness (a person input), positive psychological capital (a person input), and organizational climate (a situation factor). Combined, these elements create a positive workplace environment and enable people, teams, and organizations to flourish. Flourishing is the ultimate individual-level outcome of POB and consists of positive emotions, engagement, constructive relationships, meaningfulness, and achievement.

7.1

THE VALUE OF POSITIVE ORGANIZATIONAL BEHAVIOR

MAJOR QUESTION

How does understanding positive organizational behavior benefit me?

THE BIGGER PICTURE

You can benefit at school and at work by understanding positive organizational behavior (positive OB or POB), a purposefully positive approach to managing the behavior of individuals, groups, and organizations. You'll see some of these potential benefits when you explore three ways in which positive OB affects a broader set of outcomes. You'll then see the benefits of positive OB illustrated in detail.

Two Scenarios—Which Do You Prefer?

Let's set the stage by establishing two scenarios set out in an early presentation of positive organizational behavior.

First Scenario The first scenario begins, "Imagine a world in which almost all organizations are typified by greed, selfishness, manipulation, secrecy, and a single-minded focus on winning."⁷ Wealth is the ultimate measure of success. Feelings of distrust, anxiety, self-absorption, fear, burnout, and abuse are common. Members often experience conflict, treat each other disrespectfully, and break agreements with each other. Employees in this context focus on problem solving, managing uncertainty, overcoming resistance, achieving profitability, and figuring out how to beat the competition.

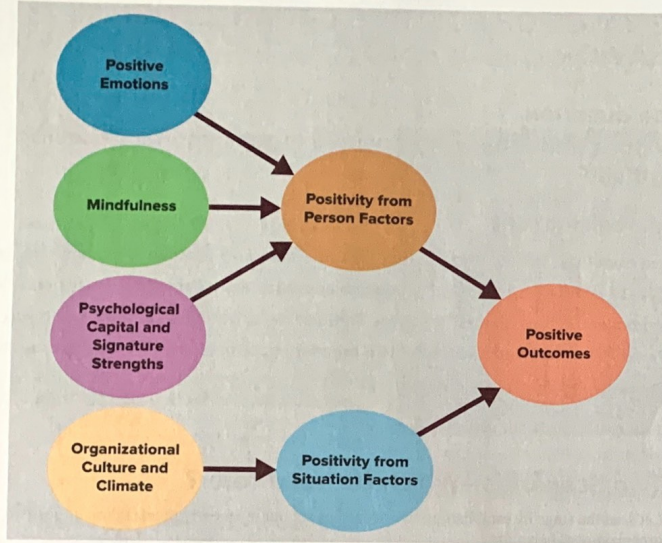
Second Scenario Now imagine a world in which appreciation, collaboration, virtuosity, vitality, and meaningfulness are the rule. Well-being and thriving are the markers for success among individuals, groups, and organizations alike. Trustworthiness, resilience, wisdom, humility, and positive energy are common features. Relationships and interactions are described as compassionate, loyal, honest, respectful, and forgiving. Employees emphasize excellence, positive deviance, extraordinary performance, and positive spirals of flourishing.

A Matter of Emphasis Rather than Rejection of Business Realities Many professionals who first encounter positive organizational behavior assume it simply rejects the hard business realities in the first scenario: the need to solve problems, manage uncertainty, overcome resistance, achieve profitability, and compete successfully. But something else is happening.

Positive organizational behavior "does not reject the value and significance of the phenomena in the first worldview. Rather, it emphasizes the phenomena represented in the second."⁸ A more recent review of positive organizational behavior described it like this:

Positive OB focuses on positive human characteristics that can be measured, developed, and effectively managed for performance improvement.⁹

FIGURE 7.2 A FRAMEWORK OF POSITIVE OB



Most real-world practice, research, and even teaching have until recently focused largely on the first view described above. We choose instead to complement this traditional view with a more contemporary and clearly more positive and constructive approach in this chapter. We will show you how identifying and applying the many positive attributes of individuals, groups, and organizations is yet another and especially powerful way of increasing your effectiveness professionally and personally.

A Framework of Positivity

We created Figure 7.2 to help you organize, understand, and apply your knowledge of positive organizational behavior. As you recall from the Organizing Framework of OB, person and situation factor inputs influence processes and outcomes across levels. Similarly, in Figure 7.2, positive emotions, mindfulness, psychological capital, and signature strengths are the inputs that help create positivity from person factors, and organizational climate is an input that helps create positivity from situation factors. Positivity from these two sources contribute to positive outcomes across levels of OB. Let's consider how this process unfolds.

Positive outcomes arise because of three processes: the amplifying effect, the buffering effect, and the positivity effect. Let's discuss each in some detail.

Amplifying Effect In the **amplifying effect**, positive practices from one individual result in additional positive practices by others, which spur positivity in others, which generate other positive outcomes. The amplifying effect is often conveyed via positive emotions and social capital (your relationships and network). The idea is that positivity fuels more positivity, such that both the receiver and witnesses of kind acts are

likely to perform kind acts of their own. This results in reinforcing cycles or *upward spirals of positivity*. Such behaviors can then transform organizations into more compassionate and harmonious places.¹⁰

This perspective on positive emotions is the **broaden-and-build theory**, which proposes that positive emotions broaden our attention and make us more open to experience, creating an upward spiral of further positive emotions and even actions. For instance, recent research shows that employees who supported and trusted their coworkers received support and trust in return. This may not surprise you; we all hope to reap what we sow. However, the positive spiral is notable. Support and trust resulted in even more support and trust in return.¹¹ One implication for you is that if you want something, then give something. If you want more, give more. Do your own experiment and find out.

Fredrickson's description underscores the fact that people are more likely to exhibit *prosocial* behaviors when positive OB is taking place in their work environments. **Prosocial behaviors** are positive acts performed without the expectation of anything in return.¹²



Helping others, especially when you expect nothing in return, has been shown both to make you feel better and motivate those people to help others. © Fuse/Getty Images RF

Buffering Effect To buffer means to reduce or counteract the effects of a negative force. In the **buffering effect**, positive practices and resources reduce the impact of negative events and stressors. When we are confronted with stressors or otherwise undesirable experiences, we utilize various social and personal resources to buffer them.¹³ At work, we use social support from helpful coworkers to cope, and/or we may use personal resources such as *psychological capital*. As you will learn later in this chapter, psychological capital is a set of personal characteristics that help us persevere and flourish when confronted with adversity or challenging obstacles.

Positivity Effect The **positivity effect** "is the attraction of all living systems toward positive energy and away from negative energy, or toward that which is life giving and away from that which is life depleting."¹⁴ Organizations that use positive practices are more likely to create an atmosphere of positive energy, which in turn fuels increased performance.¹⁵

The Benefits of Positive OB Extend Beyond Good Performance

Positive OB is more than simply seeing the good side of people, sharing examples of good performance, or treating employees well. Positive OB focuses on creating *exceptionally positive* inputs, processes, and outcomes at all levels in the Organizing Framework. Exceptionally positive means above and beyond expectations, more than simply making the grade. This level of achievement is often referred to as *positive deviance*. Gretchen Spreitzer and Kim Cameron from the University of Michigan describe **positive deviance** as "successful performance that dramatically exceeds the norm in a positive direction."¹⁶ We suspect you would like to be accused of being positively deviant!

TABLE 7.1 POSITIVE OB PRACTICES THAT FOSTER EMPLOYEE POSITIVITY

Organizational Practice	Description and Benefit
Provide decision-making discretion	Allowing employees to make decisions gives them a sense of control and greater opportunities for learning.
Share information	Information helps employees see the impact of their work and how it fits into the big picture, like the vision and goals of the organization.
Minimize incivility	Poor treatment, such as bullying and rude behavior, has dramatic negative effects on outcomes in the Organizing Framework and often leads to incivil behavior by the victims. Organizations need to select employees based on civility and take swift and appropriate action when incivility occurs.
Provide feedback	Feedback can be both motivational and instructional.

SOURCE: Adapted from G. Spreitzer and C. Porath, "Creating Sustainable Performance," *Harvard Business Review*, January–February 2012.

Positively Deviant Employees Aren't Just Happy and Satisfied—They Are Much, Much More Job satisfaction is an important outcome in the Organizing Framework. You also learned, however, that job satisfaction is not the strongest or best predictor of job performance. Positive OB provides you with additional useful insights beyond job satisfaction and other attitudes that predict performance. For instance, a study published in the *Harvard Business Review* showed employees who *flourish* (a key positive outcome of positive OB shown in Figure 7.2 and discussed later) reported:

- 16 percent higher overall performance.
- 125 percent less burnout.
- 32 percent more commitment to their employers.
- 46 percent more job satisfaction.
- Fewer sick days.¹⁷

These outcomes are compelling. What can organizations do to enjoy them? Some answers are found in Table 7.1.

Doing Well and Doing Good Positive businesses *do well and they do good*. They *do well* by being profitable and performing at a high level, but they also *do good* by making the well-being of their employees and other stakeholders (suppliers, customers, and communities) a priority.

Good to Employees = Good to Shareholders Positive organizations empower, support, and develop employees not only because leaders believe doing so is valuable in and of itself, but also because it helps meet shareholder expectations. Kip Tindell, founder of the Container Store, evokes this belief in his philosophy about the value of employees:

One great employee is equal to three good. If you really believe that, a lot of things happen. We try to pay 50 to 100 percent above industry average. That's good for the employee, that's good for the customer, but it's good for the company too, because you get three times the productivity at only two times the labor cost.¹⁸

Doing good can indeed enhance well-being, even when there is no monetary reward. And it can happen at all levels in the Organizing Framework.

- **Individual Level** Credit Acceptance, 37th on *Fortune's* Best Places to Work list, has an officer of security and first impressions who greets employees and job candidates at the door everyday. He says his job is "putting smiles on team members' faces."¹⁹
- **Team/Unit Level** Whole Foods Market (see also the Problem-Solving Application in this section) truly empowers team members to run each store as they see fit. Store-level employees decide whom to hire and whether to retain them after a probationary period. They also are responsible for developing team members, scheduling work, choosing suppliers, setting compensation, stocking, staffing, and evaluating performance. Given the level of empowerment and transparency (team members know the performance ratings and compensation of all team members), Whole Foods employees are both personally and collectively accountable for the performance of their respective stores.²⁰
- **Organizational Level** Southwest Airlines has always and explicitly ranked employees as its most important stakeholder. The expectation is that happy employees will delight customers, they in turn will be loyal customers, and together they will generate superior returns to shareholders.²¹

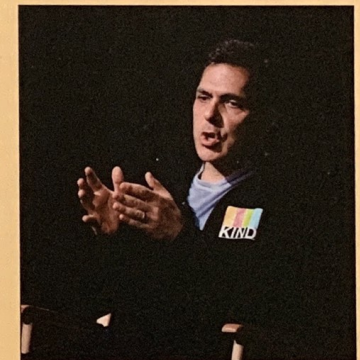


Applying OB

Do the KIND Thing

KIND is not just the name of the company; it's the culture and leadership philosophy. Rather than pressuring employees to perform, Daniel Lubetzky, founder and CEO of the snack food company, achieves extraordinary performance via kindness. Since the company's beginning in 2004, Lubetzky has grown sales to 450,000 units with distribution in 150,000 retail outlets.²² KIND is now one of the fastest-growing US companies in its industry. The competition is taking notice not only because of its sales and growth, but also because of its approach to business.

Central to Lubetzky's approach is *and*, not *or*, thinking. He is determined to make a profit *and* make an impact on customers and employees. He believes he can "build his company *and* build the community. Achieve mass distribution *and* make his products healthy. Deliver outstanding performance *and* create a fun, nurturing corporate culture."²³



Daniel Lubetzky, founder and CEO of KIND, provides an example of how doing good and doing well are *mutually reinforcing* rather than *mutually exclusive*. © Stephen Lovekin/Getty Images

He also provides the following advice for those interested in leading with kindness:

1. *Give productive not personal feedback.* A kind business is one in which people are valued and feel valued. Candid but developmental feedback is essential. "Setting a precedent of open and honest communication helps minimize backroom gossip and, in turn, lays the groundwork for a culture of trust, loyalty, and professional development."²⁴
2. *Fire the firing mind-set.* "At KIND we've challenged the team to approach departures from a more empathetic place . . . other than in cases of serious or deliberate misconduct, nobody is summarily terminated."²⁵ The company instead engages in coaching to boost skills or moves the person to another, better-fitting position within the firm.
3. *Use empathy.* Being open to another's perspective, and letting people know you are genuinely considering things from their view, is a powerful and often overlooked business skill. Showing such regard for others often leads them to more thoroughly consider your own perspective. The company's KINDOs program is a way employees send "kudos" to each other for work well done, acts of kindness, or other notable behaviors. The recognized employees are then celebrated each month.
4. *Let everybody play a role.* From the newest to the most senior, employees "have entered an implicit pact to think of our shared enterprise ahead of ourselves" that "requires doing whatever it takes to get the job done . . . there's no task too small or insignificant for me—or any of us—to do."²⁶

Lubetzky also said, "I'm on my fourth business now—it has become clearer that empathy and kindness offer a distinct competitive advantage."²⁷ Leaders and organizations need to beware of and not buy into false compromises. You can do well by doing good!

Give in Order to Get Giving financially doesn't necessarily detract from outcomes. Researchers studied the links between the amount of discounted care and the quality of all care provided by a number of hospitals in Southern California. Discounted care is given to those who cannot pay or can pay only a reduced rate; sometimes it amounts to a financial loss for the hospital. The researchers found that hospitals providing more discounted care also reported lower incidences of pneumonia and heart failure in patients, as well as better surgical outcomes and fewer readmissions.²⁸ This seems to suggest that altruism and high performance are not mutually exclusive.

However, balancing the needs of multiple stakeholders—employees, customers, communities, investors—is a major challenge. Despite what particular leaders may say, most give clear priority to one, often at the expense of the others. But some truly attempt to satisfy all stakeholders. For instance, Whole Foods founder and co-CEO John Mackey has been quite successful at meeting financial goals while also serving other aims. He said the following when asked about how to deal with business challenges such as pressure to meet earnings targets:

The first step for such a company is to clearly define its higher purpose beyond maximizing profits. It should then start to design everything it does around creating value for its stakeholders. It should get rid of all metrics that are not connected to value creation for stakeholders. It should then create new metrics that are leading indicators of future performance, measures such as employee passion and customer advocacy.²⁹

The following Problem-Solving Application describes Whole Foods' self-reinforcing practices and exemplify the way profitably and doing good can coexist.

Problem-Solving Application

Whole Foods Market: More than Profits and More than Organics

It is difficult to overestimate Whole Foods Market's impact on the marketing of organic food in the United States. Besides being a perennial favorite on *Fortune's* 100 Best Companies to Work For list,³⁰ the company sets the standard for organic foods: no synthetic chemicals, no toxic or persistent pesticides or herbicides, no sewer sludge or synthetic fertilizers, no genetically modified organisms (GMOs), no antibiotics, no synthetic growth hormones, and no irradiation.³¹

Yet, despite his firm's success, CEO John Mackey feels that "organic has grown stale. Its guidelines prohibit the use of synthetic fertilizers and pesticides, which is a good thing . . . But they don't address all the burgeoning issues—from excessive water usage to the treatment of migrant laborers—facing agriculture today. And once farmers are certified as organic, Mackey believes they have little incentive to improve their practices. 'Organic is a great system, but it's not a complete solution,' he said."³² Current practices do not appropriately consider and influence energy conservation, waste reduction, and farm worker welfare.

Accordingly, Whole Foods launched a new and expanded initiative—Responsibly Grown—to address these stated shortcomings. Suppliers that meet the Responsibly Grown criteria qualify to sell their products to Whole Foods. Before this program, only suppliers that were certified organic qualified. This has caused great unrest among many existing suppliers. Organic farmers and food producers across the land have built their entire businesses around Whole Foods standards for organic. If they complied with those standards, then this gave them an edge on other nonorganic farmers. Now, however, they feel that the Responsibly Grown program allows many nonorganic farmers to qualify as suppliers via a different set of standards. Conventional (nonorganic) farmers can now become certified suppliers because they implement recycling programs and/or use alternative energy but still do not meet the organic food standards. Existing organic farmers are concerned about their own viability in light of the new program and new competitors it allows. They feel it diminishes their hard-won distinctiveness and competitive advantage, not to mention their average investment of up to \$20,000 to meet the Responsibly Grown standards.³³



John Mackey, CEO of Whole Foods, is a longtime champion of sustainability. His practices and those of his company epitomize a broad stakeholder approach by focusing on people, planet, and profits. In fact, the company's motto is "Whole foods, whole people, whole planet." © Dustin Finkelstein/SXSW/Getty Images

Apply the 3-Step Problem-Solving Approach

- Step 1:** Define the problem as explained by Mackey.
- Step 2:** Identify the causes of the problem. Which inputs and processes from the Organizing Framework are evident?
- Step 3:** Make recommendations to Mackey and Whole Foods regarding the company's Responsibly Grown program and its suppliers.

MAJOR QUESTION

How can positive emotions make me more effective at school, at work, and in other arenas of life?

THE BIGGER PICTURE

OB recognizes emotions as an important and ever-present individual-level process. In the section ahead you can see whether your positive emotional experience matches our list of the 10 most common positive emotions. Then you'll see how positivity is more than happiness and painting a smile on your face. You'll also find tips on how to foster your own positive emotions and how to apply them at school, work, and home.

Referring to Figure 7.2, note that positive emotions help drive positivity from person factors. Recall that in Chapter 3 we introduced emotions as relatively brief psychological and physiological reactions that have a particular target, such as a person (an unethical and bullying boss), a situation (a night out with your closest friends), or an event (scoring well on an exam). Our discussion then focused on negative emotions and how to manage their expression. We now turn to positive emotions.

Like their negative cousins, positive emotions are relatively flexible individual differences and are important processes in the Organizing Framework. And while you may think of emotions simply in terms of positive or negative, there is much more to the story.

Beyond Happy vs. Sad

Positive and negative emotions are not polar opposites. The world of emotions is not simply happy versus sad. Negative emotions spur you to act in quite narrow or specific ways. Fear may motivate you to flee, and anger may motivate you to fight. Positive emotions, in contrast, tend to broaden your mind-set and open you to consider new, different, and possibly better alternatives when trying to solve a problem.

Positive Emotions as Resources If you think of emotions in this way, you can see that negative emotions are limiting and positive emotions are resources that fuel individual, group, and organizational flourishing. (*Flourishing* is discussed in detail in the last section of this chapter.) Barbara Fredrickson explains positive emotions this way:

To get a feel for the ways positive emotions can build life resources, envision for a moment something that made you feel joyful, playful, or intensely alive—when you wanted to smile, cheer, or jump up and dance around. Maybe it was . . . sharing a meal with lots of laughter with a friend you haven't seen in ages . . . maybe it was dancing with the group of friends as your favorite band played. Whatever comes to mind for you, take a moment to relive the experience in your mind, letting joy rekindle. Consider how you felt and what you felt like doing. What we've learned about joyful experiences like these is that the playful urges they carry build resources, and in times of trouble, these gains in resources can help you in important ways—strengthen relationships, boost performance at school and work, and improve your health.³⁴

The bottom line is that positive emotions help you build resources in the form of:

- Social relationships that are supportive, fulfilling, and lasting.
- Psychological well-being that leads to personal growth, meaningful goals, and self-acceptance.³⁵
- Physical well-being in the form of lower stress and a healthy heart.

These resources support your efforts and effectiveness in all arenas of your life—school, work, and family.

Benefits of Positive Emotions Positive emotions are processes that influence many of the outcomes in the Organizing Framework. They have desirable effects on:

- Organizational commitment
- Creativity
- Decision making
- Intentions to quit
- Performance³⁶
- Stress³⁷

Table 7.2 lists the 10 most common positive emotions from the most to the least frequently experienced. Love is a special case, however. Despite being at the bottom of the list, it is actually the most frequently experienced positive emotion. After reading about each of the other positive emotions, you'll understand why it was inserted last in the table.

TAKE-AWAY APPLICATION

Creating More Positive Emotions in My Life

Complete the following to apply your new knowledge regarding positive emotions.

1. Choose three emotions, other than love, from Table 7.2.
2. Think of a time when you experienced each. What were the circumstances?
3. What were the benefits to you?
4. Did anybody else benefit? If so, how?
5. Think of ways you can create and experience each of these same three emotions at school, work, or home.

Positive Emotions Are Contagious

It has been shown time and again that if you help somebody in a meaningful or even a small way, that person is more likely to help others. As Barbara Fredrickson says, "Beyond the dance of positivity between you and the person you helped, those who witness your good deed may well feel inspired, their hearts uplifted and elevated."³⁸

This means that not only do you reap the benefits of helping somebody else, but that person also benefits, and so does the person he or she helps, and so on. This self-reinforcing and perpetuating aspect of positive emotions, and positivity more generally, is what leads to **upward spirals of positivity, in which your positive behaviors, feelings, and attitudes generate the same in others in a continually reinforcing process.**

Positivity spirals also work in the other direction. In diverse customer service jobs—such as financial consulting, medical care, retail banking, hair care, and grocery stores—customers who showed delight with the service generated positive emotions in the

TABLE 7.2 DESCRIPTION OF THE 10 MOST FREQUENT POSITIVE EMOTIONS

Positive Emotion	Description
Joy	Visualize this: Your surroundings are safe and familiar. Things are going your way, even better than you expected. Choice requires little effort on your part. Colors are more vivid. There's a spring in your step. And your face lights up with a smile and an inner glow.
Gratitude	Imagine you've realized that someone has gone out of his or her way to do something different. Your mentor gently steers your career in the right direction. Your physician meets you at the office on the weekend. Gratitude opens your heart and generates an urge for you to give back, to do something good in return, either for the person who helped you or for someone else.
Serenity	Like joy, serenity includes safe and familiar surroundings and requires little effort on your part. But unlike joy, serenity is low key. It comes when you go on a long, leisurely ride or walk, engage in fulfilling conversation, or get wrapped up in a good book while relaxing on vacation.
Interest	Something novel or different draws your attention, filling you with a sense of possibility or mystery. Unlike the case for joy and serenity, the circumstances call for effort on your part. You're pulled to immerse yourself in what you're discovering.
Hope	Hope is different from most other positive emotions, which you experience when you're safe and/or satisfied. You are hopeful when something isn't going your way, but you believe that it can.
Pride	You know pride's evil cousins—shame and guilt—and the painful feelings that overcome you when you are to blame for something. Pride is the opposite; you're responsible for something good, something for which you can take credit or that made a positive difference to someone else. (However, unchecked pride is hubris.)
Amusement	Sometimes something unexpected happens that simply makes you laugh. Amusement is social; it most often happens in the company of and as a result of others. Heartfelt laughter often accompanies amusement.
Inspiration	When you're inspired you are moved to do something extraordinary, something you might otherwise feel is beyond your abilities. This same feeling often rivets your attention, warms your heart, and draws you in. Inspiration doesn't simply feel good; it makes you want to act, to improve, or even to be the best you can be.
Awe	Closely related to inspiration, awe happens on a grand scale. You feel overwhelmed, small, and humble. Awe makes you stop in your tracks. Sometimes people are awed by nature, such as the Grand Canyon or Niagara Falls.
Love	Love is not a single positive emotion but incorporates many of the others. When these good feelings stir our hearts within a safe, often close relationship, we call it love. Early stages of such relationships involve intense interest in everything and anything the person says. You share amusements and laughter together. As your relationship builds great joy, you begin to share your hopes and dreams for the future together. When the relationship becomes more solid, you experience serenity and can be proud of your partner's achievements, as if they are your own.

SOURCE: Adapted from B. L. Fredrickson, *Positivity* (New York: Three Rivers Press, 2009).

provider and a subsequent increase in that person's organizational commitment and job satisfaction. We're often pleased when we help somebody and they show they appreciate it. However, better still, the benefits extend to future customers via improved service behaviors.³⁹ This illustrates the lasting or enduring effects of positivity.

This contagion occurs in teams too. Positive emotions spread to create team-level emotions that help members new and old feel safe, welcome, and truly part of the team. These benefits lead to improved team performance.⁴⁰



We often think of service encounters from the customer's perspective. However, research shows that positive customers help generate positive feelings and behaviors in employees. Better still these positive effects can "spiral" beyond a particular encounter to positively affect the employee's other behaviors. © Peatheegee Inc/Bleed Images LLC RF

How Much Positivity Is Enough?

Don't overlook the valuable role of negative emotions—life is not all sunshine and roses. Negative emotions can motivate you to try harder and improve, and they can also protect you against harmful situations and communicate to others your need for help or support.⁴¹ And forcing yourself to feel or act as if everything is great all the time is absurd and would certainly undermine your effectiveness, health, and overall well-being. Even the most positive person feels the intense emotional pain associated with experiences of loss and betrayal. Positive people get angry when they or others are treated unfairly. So how much positivity is enough?

Multiple Positives for Every Negative Thankfully, research gives us some guidance. While some researchers have argued for specific optimal ratios of positive to negative and others have disputed specific numbers, they all agree that positive and negative experiences are not equivalent. You can't simply remedy a negative experience with a positive one.

Instead, to flourish and experience the benefits of positive OB discussed in this chapter, you must have three, five, or more positive experiences for every negative.⁴² You don't need to focus on which positive emotions you feel at a particular time. Just be sure you have multiple positives for every negative one.

Why? Because, as has been well-established, our brains respond differently to positive and negative experiences.

- **Negative experiences** activate a survival orientation, which leads us to be more responsive to negative information. Our brains actually look harder for negative than for positive information and stimuli during daily activities.⁴³ This probably helps explain why managers tend to give more negative than positive feedback to employees.
- **Positive experiences** activate a supportive orientation, which leads us to be more responsive to positive information. This is part of the reason managers, and people more generally, seem receptive to new ideas when they are in a good mood.

This discussion reveals why managers should focus on the good things employees are doing, and why all of us should focus on the positive qualities of coworkers, classmates, partners, friends, and spouses. Yes, you might be saying, but how?

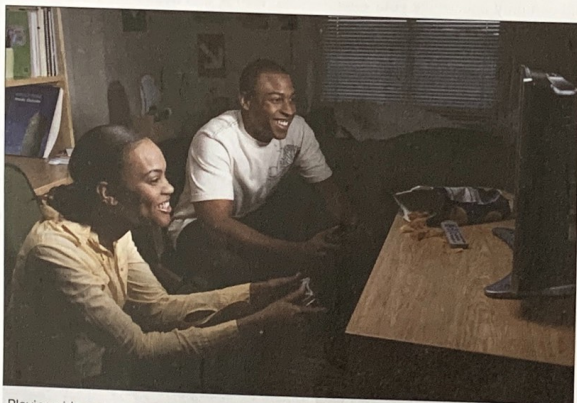
Strategies to Increase Your Positivity The following activities can help you increase your positive experiences and decrease your negative ones.⁴⁴

Create high-quality connections. Any social interaction, whether with family, coworkers, classmates, or the person ahead of you in line, is a chance to create a high-quality connection. Such connections are energizing and enhance your positivity. To transform ordinary interactions into high-quality connections, try the following tips:

1. **Make someone the only person in the room.** Engage the other person by being present, attentive, and affirming. Act as if he or she is the only person in the room.
2. **Support.** Do what you can to encourage the person and help him or her achieve a goal or attain success.
3. **Give trust.** Believe you can depend on this person to meet your expectations, and let it show.
4. **Goof off.** Play! Have no goals or intentions other than to goof off with others.

Cultivate kindness. Set a goal of performing five new acts of kindness in a single day. Aim for actions that really make a difference and come at no cost to you. Assess what those around you might need most and make a plan, but execute your plan so your acts of kindness all occur on the same day to further enhance the impact.

Develop distractions. One of the best ways to break from negativity is to distract yourself. Brainstorm and think of ways—old and new—to distract yourself from negative thoughts. Be sure to try to think of things you can do at school, at home, or at work. Make two lists: healthy distractions and unhealthy distractions. Healthy distractions can be going for a run, taking a bike ride, or playing your favorite sport. Unhealthy distractions might be drinking, eating junk food, watching TV, or playing video games. Be careful of these, and for each unhealthy one, challenge yourself to add another healthy distraction to your list. Negativity can creep in anywhere and at any time, so keep your lists of distractions handy and practical.



Playing video games is a fun and effective way to create high quality connections. These two seem to be enjoying the friendly competition and each other's company. Fun and positivity at home transfers to positive emotions and higher performance at work.
© James Woodson/Getty Images RF

Dispute negative self-talk and thoughts. Write on 3x5-inch cards your most frequent negative thoughts or emotions about yourself, a relationship, or a situation at school, work, or home. Then, in a private place where nobody can hear you, read the cards aloud one at a time. After reading each, immediately dispute or counter it. Don't stop to think, but beat it down and disprove it with something positive about yourself, the situation, or the facts. Be sure to do this with enthusiasm, to build your conviction. Practice. Your goal is to learn to dispute negative thoughts as quickly as they enter your mind.

Platitudes = Fake = Bad Outcomes Remember that simply uttering positive words or forcing a smile isn't enough. Humans are excellent detectors of insincerity.⁴⁵ If your positivity is not heartfelt and genuine, you will not reap any of the benefits of improved performance, relationships, and health we've discussed. Insincere attempts at positivity may even do harm, because your lack of authenticity can erode others' trust in you and reduce your influence and credibility with them.

My Level of Positivity To make this discussion come to life for you, find out the relative frequency of your positive to negative emotions. This knowledge can help you understand many things about yourself, such as how likely you are to reap the benefits of positive emotions and positive OB. Remember that emotions are short-lived, and that any measure of your emotions captures your feelings about a specific event, person, or dimension of your life at only a particular point in time. We encourage you to take Self-Assessment 7.1 for the past day of your life, which is intended to capture your positivity more generally. Then, do it focusing on school as your target. If you're working, calculate your ratio of positive to negative emotions for work and compare it to your ratio for life more generally. This will give you knowledge of your positivity in various arenas of your life and help you better understand this important personal resource.

connect SELF-ASSESSMENT 7.1

Learn Your Positivity Ratio

Please be prepared to answer these questions if your instructor has assigned Self-Assessment 7.1 in Connect.

1. What is your reaction to the results?
2. Considering the individual differences (IDs) we discussed in Chapter 3, which ones do you think are contributing to your ratio?
3. Do others see you as more or less positive than your ratio suggests? Why?
4. If you conduct this self-assessment for two different dimensions of your life (such as school and work), to what do you attribute the differences in the ratios?
5. Describe three things you can do to improve your positivity ratio for school.

SOURCE: *Positivity: Groundbreaking Research Reveals How to Embrace the Hidden Strength of Positive Emotions, Overcome Negativity, and Thrive*, by Barbara Fredrickson, Copyright © 2009 by Barbara Fredrickson, Ph.D. Used by permission of Crown Books, an imprint of the Crown Publishing Group, a division of Random House LLC. All rights reserved.

7.3 FOSTERING MINDFULNESS

MAJOR QUESTION

How can mindfulness contribute to my effectiveness?

THE BIGGER PICTURE

You may be more aware of mindfulness by its absence, that is, when you realize you've done something foolish or thoughtless. In this section you will find that you can improve your focus and attention through practice. You'll learn what inhibits mindfulness and two effective techniques you can use to increase it.

Figure 7.2 showed that mindfulness is another person factor that creates positivity in work environments. Although the concept of mindfulness has been studied for over 30 years, it is new to the field of organizational behavior.⁴⁶ Yet a recent survey by Fidelity Investments and the National Business Group on Health estimated that 22 percent of all US employers already offer some form of mindfulness training.⁴⁷ You will learn more about this later in the section.

Mindfulness can have a positive impact on many of the outcomes in the Organizing Framework. It can enhance your decision making and your ability to use the managerial skills associated with performance management, like giving feedback, coaching, and recognizing others. This section reviews the difference between mindfulness and mindlessness, the inhibitors of mindfulness, its benefits, and techniques you can use to practice it.

Mindlessness vs. Mindfulness

Mindlessness "is a state of reduced attention. It is expressed in behavior that is rigid," or thoughtless.⁴⁸ Life's dynamics put all of us into occasional states of mindlessness. Our brains simply can't keep up with all the stimuli we receive, according to noted psychiatrist Edward Hallowell. "Never in history has the human brain been asked to track so many data points," Hallowell says. He believes overloading of our brains is a primary cause of poor performance at school and work: "We're simply expecting more of our brains than they have the energy to handle."⁴⁹

Mindlessness characterizes the tasks we do automatically, like driving to and from school or work. We get in the car, take off, and suddenly arrive at our destination wondering how we got there. Mindlessness can also be purposeful, as when we refuse to "acknowledge or attend to a thought, emotion, motive, or object of perception."⁵⁰ An example is failing to focus on a new person's name when being introduced, so we forget it 30 seconds later. Our lack of attention simply sends the name into our pile of forgotten information. Not surprisingly, mindlessness is associated with poor mental and physical health, less satisfying relationships, and lower task performance.⁵¹ Mindfulness is completely different.

Mindfulness is "the awareness that emerges through paying attention on purpose, in the present moment, and nonjudgmentally to the unfolding of experience moment by moment."⁵² We can be mindful of both our inner world, such as our feelings and thoughts, and our outer world, including the feelings, thoughts, and interactions of others. Mindfulness requires effort because our brains work in ways that inhibit staying focused. For example, we all have a "thinking mind" that likes to judge everything we see and hear. This creates a kind of mental chatter that detracts from the inner quiet we need to stay focused on and aware of what is going on around us. Further, it's simply easier to



Mind Full, or Mindful?

let the mind wander, on an automatic-pilot setting of unawareness, than to concentrate on the present moment. Unless we make an effort, we drift toward mindlessness.⁵³

Mindfulness improves our interpersonal communications because it keeps us focused on others and what they are saying. Here is what Doug Parker, chair and CEO of American Airlines, had to say about a typical interaction with Herb Kelleher, former CEO of Southwest Airlines: "He is completely engaged and never looks over your shoulder to see who else is in the room. It's not out of principle; it's just who he is." Parker told a *Fortune* reporter that he had changed his own approach to communicating with employees based on observing Kelleher.⁵⁴

Mindfulness requires attentional balance, or the ability to maintain sustained, non-emotional attention in a specific situation. Does wearing headphones at work or study help or hinder attentional balance? The OB in Action box below discusses some research conclusions.



OB in Action

Does the Use of Headphones Help Achieve Mindfulness?

More companies now allow employees to use earbuds and noise-canceling headphones at work. Some people listen to music, while others just want to reduce the general level of noise. Employees believe the practice helps block distractions like loud coworkers, ringing phones, and machine-related noises. Not all companies agree, however, and some have banned headphone use.

Lyrics Distract During Work and Study. Research with students provided little support for the value of listening to music while studying. A study of Taiwanese students revealed that concentration levels went down when participants studied while listening to music with lyrics. Adult reading-test scores also were lower when people listened to hip-hop music while reading.

Neuroscientists believe that "listening to music with lyrics while trying to read or write can distract employees by overtaxing verbal-processing regions of the brain." Dr. Robert Desimone, director of Brain Research at MIT, concluded, "The prefrontal cortex, the brain's control center, must work harder to force itself not to process any strong verbal stimuli, such as catchy lyrics, that compete with the work you're attempting."⁵⁵

Individual Differences Exist. Research shows that people pay more attention to music they like and thus are more distracted by it. Familiar music without lyrics was found to serve as a sound-blocker. Some individuals benefit from noise-canceling headphones because they reduce perceptions of the high-frequency sound and general activity in an office environment.

At the same time, the use of earbuds and headphones can cause conflict and resentment at work. It becomes hard for colleagues to get each other's attention, for instance, and some believe the use of such equipment violates norms of office etiquette.

Do Headphones Help? We don't recommend headphones when you are reading or studying. Otherwise, it seems that individual differences and office norms should rule.⁵⁶

YOUR THOUGHTS?

1. If you are going to listen to music while working, what artists or types of music are most suitable for you?
2. Assume you're on a team project with other students. Would it bother you if some of them wore headphones and listened to music while you are working together? Explain.
3. Assume you've been promoted to supervise a group of employees at work. Would it bother you if some workers in the group wore headphones and listened to music? Explain.

Let's consider the inhibitors of attentional balance.

Inhibitors of Mindfulness

The two key inhibitors of mindfulness are attentional deficit and attentional hyperactivity.⁵⁷ You'll need to understand these so you can avoid them.

Attentional Deficit *Attentional deficit* is the inability to focus vividly on an object. This deficit can easily occur in a classroom when students feel bored, listless, or uninterested. Multitasking on digital devices is another key contributor. For example, research suggests that electronic gadgets are in use in 10 percent of all pedestrian injuries. Other research shows that adults' use of smartphones may be the culprit behind a 10 percent increase in unintentional childhood injuries.⁵⁸ Kids seem to take risky actions like throwing objects or going down a slide headfirst when caregivers are not paying attention.



This sign in Stockholm, Sweden, illustrates the dangers of attentional deficits associated with texting and walking. It's easy to bump into people or trip over a curb when walking and texting. Has this ever happened to you? © Johan Jeppsson/Bloomberg/Getty Images

Attentional Hyperactivity *Attentional hyperactivity* happens when our minds are racing or wandering, resulting in compulsive daydreaming or fantasizing. This is also called *rumination*. *Rumination* is "the uncontrollable repetitive dwelling on causes, meanings, and implications of negative feelings or events in the past." Worry, which focuses on the future, such as what will happen if I lose my job, also contributes to rumination.⁵⁹

We all do a lot of mind wandering. Best-selling author and psychology professor Daniel Gilbert estimates that our minds wander for about 50 percent of the workday. Mind wandering reduces performance, particularly for complex tasks.⁶⁰ Gilbert's research reveals that most mind wandering is centered on personal rather than business concerns.⁶¹ When your mind wanders, don't be overly attentive to it and don't be mad at yourself for doing it. Just give soft recognition to the fact that your mind is wandering and return your focus to the present moment.

Benefits of Mindfulness

There are four broad benefits of mindfulness.

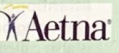
1. **Increased physical, mental, and interpersonal effectiveness.** Effectiveness increases because, when they are mindful, people are more aware of physical sensations, personal feelings, personal emotions, and the feelings and emotions of others. Mindfulness also promotes better sleep and helps reduce chronic pain.⁶²
2. **More effective communications and decision making.** Mindfulness fosters more effective listening, greater use of empathy, and more attention to nonverbal cues during conversations.⁶³
3. **More balanced emotions.** Paying attention to internal emotions and the emotions of others leads us to be more emotionally balanced and less reactive. This in turn helps reduce conflict with others.⁶⁴
4. **Performance and satisfaction.** Mindfulness can increase productivity and job satisfaction.⁶⁵

As illustrated in the OB in Action box, organizations have discovered the benefits of mindfulness for a variety of members, including Google employees, National Football League players, and grade school children.



OB in Action

Applications of Mindfulness

- Chade-Meng Tan heads Google's mindfulness training program. His goal is to "enlighten minds, open hearts, and create world peace." He believes that mindfulness "opens the doorway to loving kindness, which is at the heart of business success." Google has trained more than 2,000 employees in its Search Inside Yourself mindfulness course. Ninety-one percent of participants reported more clarity of mind.⁶⁶ 
- General Mills employees, including 400 executives, have been practicing meditation and yoga for more than seven years. Results include the following: 80 percent of participants report better decision making, 89 percent believe they became better listeners, 83 percent took time to focus on personal productivity, and 82 percent eliminated nonessential tasks.⁶⁷ 
- Aetna employees with high stress levels were spending \$2,500 more per year for health care than others. Then 200 of them participated in a 12-week training course that included meditation and yoga, resulting in demonstrated reduced stress and medical costs. Six thousand employees have subsequently taken the free class.⁶⁸ 
- Pete Carroll, head coach of the Seattle Seahawks, hired a sports psychologist to teach the players "tactical breathing, visualization, and mental-imaging techniques to cultivate full presence and conviction in the moment."⁶⁹ Carroll believes these techniques help players perform at their maximum potential. 
- Goldie Hawn's foundation created the MindUp program to teach mindfulness to children. A set of 15 lessons based on neuroscience has been taught to several hundred thousand children. Demonstrated results include increased optimism, happiness, empathy, compassion, and academic performance as well as reduced bullying and aggression.⁷⁰ 

YOUR THOUGHTS?

1. Are you surprised by the diverse applications of mindfulness? Explain.
2. Which of these applications do you find most interesting? Why?

Would you like to improve your overall well-being? How about the effectiveness of your social interactions and relationships? If yes, you will gain valuable insight about your level of mindfulness by taking Self-Assessment 7.2. You can use your scores to develop an improvement plan in pursuit of mindfulness's positive outcomes.

connect SELF-ASSESSMENT 7.2

What Is My Level of Mindfulness?

Please be prepared to answer these questions if your instructor has assigned Self-Assessment 7.2 in Connect.

1. What questions identified your greatest inhibitors? (Select the three items with the lowest scores.)
2. What is the cause of these inhibitors?
3. Examine the techniques listed in the next section and decide which one might be best suited for your needs. Start using the technique on a daily basis.

Practicing Mindfulness

The goal of practicing mindfulness is to help you become more calm and collected in all circumstances. The 2009 book *The Leader's Way* explains: "When the mind is disturbed by anger, jealousy, hate, impatience, fear, lack of self-confidence, or negative emotions about things that happened in the past, it is wasting valuable time that instead should be used for constructive thinking."⁷¹ Practicing mindfulness helps you focus your mind on productive activities while constraining counterproductive thinking and mind wandering.

The good news is that you can learn mindfulness by using a variety of simple meditative techniques on a regular basis. Although there are many good books and articles you can consult for details regarding these techniques,⁷² we review two approaches that are easily learned: a breathing meditation and a walking meditation. Research shows that practicing short meditative techniques like these reduces stress and negative emotions and increases emotional regulation, task performance, and memory.⁷³ You will find both physiological and cognitive benefits from practicing mindfulness. Give it a try!

Breathing Meditation Breathing meditations are easy and can be done almost anywhere. Focusing on breath reminds us of the here and now because it brings us back to a fundamental and vital function of life. This technique requires nothing more than tuning into the physical sensations associated with breathing in and out. Two experts recommend the following simple approach for getting started:

- Place your hand on your stomach a couple of inches beneath the upside-down V at the center of your rib cage. Look down, breathe normally, and watch your hand. You'll probably see it move only a little bit, and more or less up and down. Your belly should expand when you inhale and contract on the exhale.
- Leaving your hand in place, now breathe in such a way that your hand moves out and back, perpendicular to your chest. Try to breathe into your hand with real oomph, so that it travels back and forth half an inch or more with each breath.⁷⁴

Start by trying these two steps for about 10 to 20 breaths. Once you are comfortable with this form of diaphragm breathing, you can take your practice to the next level with these additional instructions:

- Sit comfortably in a chair, feet firmly on the ground and your back relatively erect. Feel like you are a "proud mountain" of stability. Close your eyes and take a deep inhale that fills your belly and lungs. Now exhale, noticing how your belly contracts. Do this twice.
- Add counting to four or five as you both inhale and exhale, to ensure that you are taking deep breaths. Try doing this for five minutes twice a day. You can extend the length of time you practice breathing meditations as you become more comfortable with the technique.

Your mind is likely to wander during these exercises. You also will notice sounds around you. That's normal. Acknowledge the thoughts and sounds and return your focus to your breath. Don't try to chase the thoughts away or give the sounds much attention. Just recognize them and let them pass. The thoughts will move away like a white cloud being blown by the wind in a blue sky.

Walking Meditation This is one of your authors' favorite forms of meditation because it can be done any time you are walking, and no one will know you are doing it. Start this technique by forming an intention. **An intention is an end point or desired goal you want to achieve.** It sends a signal to the mind that guides its attentiveness and awareness during the meditative practice.⁷⁵ A sample intention is, "I will focus on the act of walking while ignoring other sounds and thoughts."

Begin walking and keep your intention in mind. Concentrate on placing one foot after the other. Feel the rhythmic nature of your steps. Focus on how it feels to lift and place your feet on the surface. Train your mind to be aware of your footsteps. Notice the speed at which you walk and the pressure being felt by your feet. Consider changing the length of your stride and notice how it feels. If your mind starts to wander or you begin thinking about something you have to do, just recognize the thought and then drop it. Return your attention and awareness to your intention, which is the act of walking. You will be amazed at what you can observe.⁷⁶ Try this for five minutes.

A variation on this technique is to focus your intention on sound or smell. For example, "I will focus on all sounds during my walk," and "I will focus on all smells during my walk." If you use an intention aimed at sound, begin walking and concentrate on what you hear. Listen for all types of sounds like footsteps, birdsong, mechanical objects operating, wind, tree branches rustling, voices, clanging of objects, airplanes overhead, and so on. The key is to allow your mind to focus on anything that can be heard. Again, recognize stray or wandering thoughts, and then let them passively go away by returning to your intention. Try this for five to 10 minutes.

Practice Makes Perfect Mindfulness can be learned via practice, and though it takes time and commitment, the benefits are substantial. The techniques above can get you started, and helpful apps can also guide you through meditative experiences.⁷⁷ In addition, your local gym might offer classes. For example, 24 Hour Fitness is exploring the use of special meditative pods that use sound and light to help people meditate.⁷⁸

TAKE-AWAY APPLICATION

Practicing Mindfulness

- Begin by thinking of a time when you were not paying attention in class.
 1. What do you think was the cause of your lack of mindfulness? Was it attentional deficit or attentional hyperactivity?
 2. What can you do in class to stay focused on the moment?
- Think of a time when you were talking with someone and you completely missed part of what he or she said because your mind was wandering.
 3. How can you remain mindful in one-on-one conversations?



Walking in nature can be very meditative and has been found to improve our mood and general outlook. If you want to make a walk like this meditative, take breaks now and then to focus on what you are seeing, hearing, or smelling.
© Darryl Leniuk/Blend Images RF

7.4

DEVELOPING PSYCHOLOGICAL CAPITAL AND SIGNATURE STRENGTHS

MAJOR QUESTION

How can my inner HERO and signature strengths benefit me at work and in my career?

THE BIGGER PICTURE

Positive psychological capital is a relatively new concept in OB and is part of the positive OB movement. It is a key person input in the Organizing Framework. Often you'll find it explained in terms of its components: hope, efficacy, resiliency, and optimism (HERO). You're about to learn how to develop and benefit from your inner HERO or psychological capital. We also explore signature strengths, in keeping with a contemporary movement that focuses on utilizing individuals' positive attributes instead of attempting to overcome weaknesses.

In this section you'll learn how both psychological capital and signature strengths contribute to positivity from person factors, as shown in Figure 7.2. **Individuals with high levels of positive psychological capital (PsyCap) possess considerable hope, efficacy, resilience, and optimism (HERO).** These traits are characterized by the following:

- H Hope.** Persevering toward goals and, when necessary, redirecting paths in order to succeed.
- E Efficacy.** Having the confidence to take on challenging tasks and put in the effort necessary to succeed.
- R Resilience.** When beset by problems and adversity, sustaining and bouncing back and even beyond to attain success.
- O Optimism.** Making a positive attribution about succeeding now and in the future.⁷⁹

Fortunately, you can develop your PsyCap. As we discussed in Chapter 3, individual traits that are relatively flexible, such as emotional intelligence, present opportunities for you and other managers to harness, develop, and utilize your strengths. Not only is your PsyCap flexible; it also has been shown to improve many outcomes in the Organizing Framework, such as by increasing job satisfaction, organizational commitment, and well-being and decreasing intentions to quit, job stress, anxiety, and counterproductive work behaviors.⁸⁰ This section provides the information you need to develop your PsyCap and that of others by focusing on the HERO traits.

Hope = Willpower + Waypower

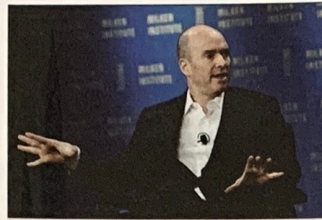
You're probably thinking, "Of course I know what hope is; what else is there to know?" You also likely see yourself as more hopeful than the average person. If this is your view, you might be surprised to learn that hope actually has two components. Knowing about them can help you understand why hope works, when it doesn't, and how to build it.

The two components of hope are *willpower* and *waypower*. This means **to have hope you need to have a goal and the determination to achieve it—willpower—and you also need to see one or more paths to achieve your goal, even when faced with**

adversity—waypower.⁸¹ Hope therefore requires both a goal and a means for achieving that goal.

Ben Horowitz, the renowned technology venture capitalist, puts a high premium on the willpower of entrepreneurs. Willpower, along with genius, are in his mind the two most crucial characteristics of successful entrepreneurs. “Building a company is hard and lonely. It demands relentless focus. And no matter how well you do, you must be ready to be pummeled again and again.”⁸² It takes willpower to persist. Horowitz himself demonstrated enormous willpower when Loudcloud, an earlier venture with Marc Andreessen, nearly failed half a dozen times before ultimately being revived, strengthened, and sold to HP for \$1.6 billion. Horowitz used “force of personality and willpower to make a business out of it,” said Herb Allen III, the CEO of Allen & Co.⁸³

In a practical sense, hope supports adaptability and change. A series of studies showed that hope led to increased adaptability for police officers and insurance sales agents, and in the case of the agents, it also led to increased sales commissions.⁸⁴ You can build hope in yourself and others via effective goal setting (Chapter 6).⁸⁵ The problem-solving approach also can help, because it can assist you in identifying potential obstacles, sources of support, and feasible alternate paths by which to reach your goal.



Ben Horowitz is one of the top tech investors. He believes that willpower and the ability to persist are critical to entrepreneurs' success. © Patrick T. Fallon/Bloomberg/Getty Images

TAKE-AWAY APPLICATION

Increasing My Level of Hope

Complete the following to apply your new knowledge regarding hope. These steps should make you more hopeful of having a positive influence.

1. Think of a situation at school, work, or home that you'd like to positively influence.
2. Now describe a specific goal you'd like to achieve.
3. Formulate a plan of action to achieve this goal.
4. To increase your level of hope for achieving your goal, think of a plan B or alternative to your first plan.

Efficacy

We discussed efficacy in Chapter 3; remember efficacy also is a component of your core self-evaluations (CSEs) and represents your confidence in your ability to achieve. Thus it influences the way you perceive the world around you and your ability to deal with challenges and opportunities. Figure 3.4 provides a guide for improving your self-efficacy. Applying your knowledge of self-efficacy will help you realize its important role in your positive psychological capital—greater efficacy makes you more confident, more positive, and more effective.

Resilience

If you're **resilient** you have the capacity to consistently bounce back from adversity and to sustain yourself when confronted with challenges. Resilience helps you when things go your way and when they don't; it is your built-in shield and recovery characteristic. Fred Luthans, the father of psychological capital, and his colleagues stated that resilience “is arguably the most important positive resource to navigating a turbulent and stressful workplace.”⁸⁶ What gives resilience its power? Resilient people are open to new experiences, flexible to changing demands, and emotionally stable when confronted with

adversity.⁸⁷ It is therefore no wonder that resilience is a component of psychological capital and positive OB. Resilience can be improved with support such as coaching or help from others during trying times or experiences. The work climate, discussed in the next section of this chapter, can make employees feel safe enough to take risks and to make mistakes, thus enhancing their resilience.⁸⁸

Optimism

Optimists are both realistic and flexible. Think about it. If we aren't realistic, then we are setting ourselves up to fail. And if we fail too often, then even the most optimistic of us lose our motivation and inspiration.

Similarly, true optimists are flexible. This means they are willing to revise their views as situations change. (Recall the contingency approach to management discussed in Chapter 1.) To clarify, optimists don't see everything as positive. If they did they would be unrealistic or delusional.

Also recall from Chapter 4 that optimists perceive the causes of events in a particular way. That is, **optimists often attribute successes to “personal, permanent, and pervasive causes, and negative events to external, temporary, and situation-specific ones.”**⁸⁹ Scientists argue that optimism is part of what alters our views of the likely outcomes in our lives and motivates us to act.⁹⁰ The following OB in Action box illustrates the power of optimism for two successful entrepreneurs.



OB in Action

Life Is Good . . . Spread the Power of Optimism

Brothers Bert and John Jacobs are the founders of Life Is Good (LIG). The company is probably best known for its Life Is Good T-shirts, but it now sells more than 900 items in 4,500 stores in 30 countries.⁹¹ The company's mission is to spread the power of optimism “through art, a passionate community, and groundbreaking nonprofit work.”⁹²

The brothers' road to success was long and tough. The two spent years driving a used van up and down the East Coast selling T-shirts printed with their artwork. They survived on peanut butter and jelly, slept in the van, and rarely showered. After five years they had \$78 in the bank, but that didn't cause them to give up.⁹³ Their breakthrough occurred when they realized they wanted to “counter the daily flood of negative news”⁹⁴ bombarding people every day in the media.

“That led to a keg party at our apartment where we put drawings up on a wall. We had done a lot of music-inspired, cool, funky designs. But when we asked friends to write notes next to the drawings, we got a lot of comments about one drawing [a stick figure that smiled]. We decided to pair the figure with the words ‘LIFE IS GOOD’ and printed up 48 T-shirts with it. We went to a street fair and sold all of them in the first hour. It confirmed that people were craving something positive that focused on the good, instead of what's wrong with the world.” The rest is history.⁹⁵



Brothers John (left) and Bert Jacobs started Life Is Good T-shirts with very few resources. Through a combination of hope and the belief that optimism is powerful, they have built a \$100 million apparel business. © Rachel Murray/Getty Images

Today, revenue exceeds \$100 million annually, which provides the brothers the means to invest in other opportunities and help fulfill their mission of spreading optimism. The No. 1 criterion they use when evaluating opportunities is a “clear, unifying goal or mission.”⁹⁶ The other details, while important, are simply a vehicle for delivering or realizing the mission.

The brothers offer the following advice to other entrepreneurs:⁹⁷

1. Start with a purpose or mission. “It makes it easier to withstand setbacks, to motivate yourself and others, to recruit and unite a team around your idea. . . . We all crave meaning in our lives—build it into your adventure.”
2. Remain open to feedback. “Rejection can be your best teacher. It forces you to make adjustments and grow smarter and stronger.”
3. Work and play. Be sure you play at work. Everything is better when it includes laughter and fun.

YOUR THOUGHTS?

1. What are the potential sources of the Jacobs brothers’ optimism?
2. How could you apply their approach to your own life—at school, work, or personally?
3. What are the potential downsides to optimism? Explain.

Did you ever wonder why people are optimistic in the first place? What function does optimism serve? One school of thought claims it is self-inspiration, our mind’s way of motivating us to move forward even if the future is uncertain. The rationale is that if humans didn’t think the future would be bright—an improvement over today—they might be crippled with fear and uncertainty, never take risks, and never better themselves or their situation. After all, humans have the unique ability to think ahead and to realize they will die some day. If the mind didn’t have some way of combating this, many people would be preoccupied with gloom and wouldn’t save money or invest in their children.

Therefore, a belief that things can or will be better in the future not only helps keep our minds at ease, but it also reduces stress (discussed in Chapter 16) and helps us paint our decisions in a positive, appealing light. It keeps us moving forward.

How I Can Develop My PsyCap

Like other more conventional forms of capital (cash, facilities, patents, equipment), PsyCap is a resource you invest in or develop with the expectation of future returns or benefits. It can help you flourish in your professional and personal life. And its components are mutually reinforcing—developing one often helps develop the others.⁹⁸ Try putting the following recommendations into practice to develop your PsyCap.

- **Hope development.** Generate a work-related goal that is important to you and attainable yet challenging; create multiple plans for achieving this goal. Share these with others—coworkers or classmates—to get their feedback and recommendations.
- **Efficacy development.** Besides recommendations from Chapter 3, break your larger goal into smaller subgoals as discussed in Chapter 6. Create plans for achieving the subgoals and share them with others to get feedback and recommendations.
- **Resilience development.** Make a list of your personal talents, skills, and social networks; specify how these can help you achieve your goal; identify potential obstacles and decide how to avoid them or reduce their impact.⁹⁹
- **Optimism development.** Hope development bolsters your optimism, but it also is helpful to identify obstacles and negative expectations. On your own, check to see whether the obstacles you identify are valid, and then have others challenge your assumptions.

Learning your personal PsyCap score can help you understand and improve your ability to find a job, increase your creativity and innovativeness, and reduce the stress in your life.¹⁰⁰ Your score will also serve as the basis for developing hope, efficacy, resiliency, and optimism, as described above.

connect SELF-ASSESSMENT 7.3

What Is My Level of PsyCap?

Please be prepared to answer these questions if your instructor has assigned Self-Assessment 7.3 in Connect.

1. Which score is the highest? The lowest? Complete the PsyCap development steps, and be sure to utilize your highest or strongest component. Pay extra attention to developing the lowest or weakest.
2. In the Organizing Framework identify a process at all three levels—individual, group, and organizational—that PsyCap is likely to influence.
3. Describe one thing you can do to further develop each component of your PsyCap.

Adapted from F. Luthans, C. M. Youseff, and B. J. Avolio, *Psychological Capital: Developing the Human Competitive Edge* (Oxford, UK: Oxford University Press, 2006).

Let’s conclude this section with an exploration of signature strengths.

Signature Strengths

Signature strengths “are positive human traits that influence thoughts, feelings, and behaviors and provide a sense of fulfillment and meaning.”¹⁰¹ Signature strengths are a subset, typically three to seven for most individuals, of a larger collection of 24 character strengths (see Table 7.3). What helps differentiate signature strengths from the rest is that “a person owns, celebrates, and frequently exercises”¹⁰² them, and these strengths are “core to people’s identities, and they feel authentic, exciting, and invigorating when used.”¹⁰³ Signature strengths can be developed, too.

A Departure from Past and Present The “strengths movement” represents a dramatic departure from conventional management research and practice. Historically, and still, the vast majority of writing, research, and actual managing focuses on how to fix what is wrong and who is underperforming or otherwise not meeting expectations.

Many large and successful organizations are putting the strengths approach to the test, such as VMware, Wayfair, and the Boston Consulting Group. The primary focus now is on employee successes and potential, rather than on missteps and

TABLE 7.3 THE 24 CHARACTER STRENGTHS

Creativity	Zest	Modesty
Curiosity	Love	Prudence
Judgment	Kindness	Self-regulation
Love of learning	Social intelligence	Beauty
Perspective	Teamwork	Gratitude
Bravery	Fairness	Hope
Perseverance	Leadership	Humor
Honesty	Forgiveness	Religiousness

deficiencies.¹⁰⁴ Research by the Gallup organization on employee strengths shows some impressive findings. Employees who report using their strengths every day at work are:

- Three times more likely to report having an excellent quality of life.
- Six times more likely to be engaged at work.
- 8 percent more productive.
- 15 percent less likely to quit.¹⁰⁵

Would you like to be more engaged with school, work, and leisure activities? If yes, then your signature strengths are the key. Self-Assessment 7.4 will help you identify your signature strengths. You can use your scores to assess how you might build your strengths into your daily activities at school, work, and life.

connect SELF-ASSESSMENT 7.4

What Are My Signature Strengths?

Please be prepared to answer these questions if your instructor has assigned Self-Assessment 7.4 in Connect.

1. What are your highest-scoring strengths?
2. What are your weaknesses (the components with the lowest scores)?
3. Which of your strengths are you using on a daily basis?
4. What can you do to incorporate your strengths into your school, work, and leisure activities?

Applying Strengths at Work Consultants who work for Gallup, a firm who has been instrumental in the strengths movement, said: “Giving employees a chance to excel by doing what they do best every day seems like a no-brainer. In too many organizations, though, encouraging employees to know and use their strengths at work is limited to a guerrilla movement.”¹⁰⁶ This quotation highlights that the fundamental obstacles to realizing the benefits associated with signature strengths are situation factors, such as leaders, managers, performance management practices, and organizational culture. Put another way, of course it is necessary to be aware of your strengths, but it also is necessary to be in situations that allow you to use them.¹⁰⁷ To help with this, we provide the following guidance on how organizations can create environments that foster and utilize employees’ strengths:

1. **Look in the mirror.** Like most work endeavors, a strengths approach requires leader support to succeed. Begin with leaders learning their own strengths and being open about them. For instance, leaders who show vulnerability and admit to their own mistakes and limitations can serve as powerful role models for the larger organization.¹⁰⁸
2. **Build strengths into performance management.** Strengths need to be supported by expectations, measurement, review, and rewards. It is an uphill battle to talk about, encourage, and celebrate strengths if the performance management practices do not support them.¹⁰⁹
3. **Know your purpose.** Leaders need to be clear on why they and the organization are focusing on strengths—what is the intended benefit? Is it greater collaboration, increased customer satisfaction, innovation, or reduced turnover? Employees need to understand why and how strengths are important to the organization and its objectives.¹¹⁰
4. **Coach and develop strengths-oriented managers.** A strengths approach is not common, and implementing it effectively requires effort. Set your managers up to win by providing appropriate coaching and support.¹¹¹

Now that you have a sense of two flexible and very important positive individual differences—psychological capital and signature strengths—we move to the group/team level in the next section and discuss organizational climate. You’ll learn how policies and practices can help foster and realize the positive attributes of employees.

7.5

CREATING A CLIMATE THAT FOSTERS POSITIVE ORGANIZATIONAL BEHAVIOR

MAJOR QUESTION

How can managers create an organizational climate that fosters positive organizational behavior?

THE BIGGER PICTURE

OB has a term for the way you and your cohorts might evaluate the school you attend or the workplace you share: **organizational climate**. A positive climate is one component that makes positive organizational behavior work. You’re about to find out how organizations and managers can foster such a climate.

Just as a car needs gasoline or electric power to run, Positive OB needs the right environment to flourish. Figure 7.2 revealed that organizational culture and climate are the situation factors that promote positive work environments. We focus on organizational climate in this section because organizational culture is thoroughly discussed in Chapter 14.

Organizational climate consists of employees’ perceptions “of formal and informal organizational policies, practices, procedures, and routines.”¹¹² In plain language, organizational climate reflects employees’ beliefs about what they see going on at work and what is happening to them. These perceptions can range from positive and uplifting to negative and debilitating. Positive climates, such as one that supports safety, lead to positive outcomes like fewer accidents at work.¹¹³ In contrast, negative climates that support abusive supervision or fear are associated with negative outcomes, such as less cooperation, less citizenship behavior, and lower performance.¹¹⁴ What type of climate do you think is most likely to promote positivity from situation factors?

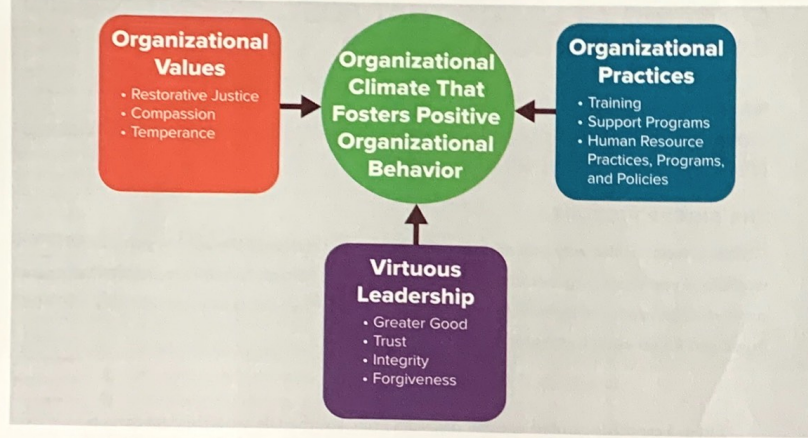
The answer is simple, according to the authors of *Fortune*’s study of the 100 Best Companies to Work For. “The key to creating a great workplace,” they said, “was not a prescriptive set of employee benefits, programs, and practices, but the building of high-quality relationships in the workplace.”¹¹⁵ Figure 7.3 presents a model showing that positive climates are a function of organizational values, organizational practices, and virtuous leadership. Let us consider each of these situation factors.

Organizational Values

We defined *values* in Chapter 2 as abstract ideals that guide our thinking and behavior across all situations. In the context of organizational climate, organizational values represent the ideals that are endorsed, shared, and supported by the organization as a whole. A team of researchers identified three global values that are essential for promoting positive organizational behavior (see Figure 7.3). Each value is defined below.¹¹⁶

1. **Restorative justice** reflects “a shared belief in the importance of resolving conflict multilaterally through the inclusion of victims, offenders, and all other stakeholders.”¹¹⁷ Organizations that subscribe to restorative justice tend to resolve conflict by giving all parties a chance to express their thoughts and feelings. This in turn leads to healing when there has been hurt or offense, thereby producing solutions that focus on the greater good. Rudeness, in contrast, was found to spread like a disease, causing destructive relationships at work.¹¹⁸ We should all try to avoid being rude.

FIGURE 7.3 CREATING A CLIMATE THAT FOSTERS POSITIVE ORGANIZATIONAL BEHAVIOR



2. **Compassion** is a shared value that drives people to help others who are suffering. It is associated with behaviors related to sympathy, kindness, tenderness, warmth, and love.¹¹⁹
3. **Temperance** is a shared belief in showing restraint and control when faced with temptation and provocation. Temperance promotes self-control, humility, and prudence. It helps people avoid egocentric and heated emotional responses and practice patience and restraint.¹²⁰

Organizational Practices

Organizational practices are the procedures, policies, practices, routines, and rules that organizations use to get things done. Figure 7.3 shows that training programs, support programs, and human resource practices and policies represent three key sets of practices that shape organizational climate.¹²¹ For example, Bath & Body Works is trying to improve its climate by ending its policy of on-call scheduling. Although the policy helps stores to flexibly manage their staff, it “leaves workers with unpredictable schedules and incomes,” according to *The Wall Street Journal*.¹²²

Employees have greater commitment, satisfaction, citizenship behavior, and performance—and lower absenteeism and intentions to quit—when they believe organizational practices support them professionally or personally.¹²³ The Container Store, for instance, bucked recent trends by providing part-time workers with health insurance and reducing their deductibles and co-pays. Medical device maker Arthrex offers employees free catered lunches and year-end profit sharing.¹²⁴



Nashville Apple store worker Andrew Wall—on the right—showed compassion to 9-year-old James Rink, Rink, who has Down syndrome, was shopping with his mom for an iPad when he inadvertently walked into the store’s glass wall and fell. Wall joined Rink on the floor and asked “Are you OK? What can I do for you?” Wall continued to work with Rink in the middle of the floor and ultimately made the sale. Rink and his mom were overjoyed with the encounter. Courtesy of Lynn Rink

Virtuous Leadership

Virtuousness represents “what individuals and organizations aspire to be when they are at their very best.”¹²⁵ The focus of virtuous leadership is to help individuals, groups, and organizations to elevate, enrich, and flourish. Although Chapter 12 provides a broad discussion of leadership, we consider it here as well due to its significant relationship with organizational climate.¹²⁶

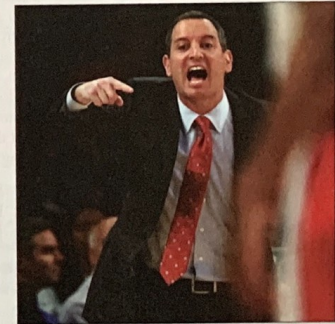
Virtuous leadership will not positively affect organizational climate unless it is voluntary and performed as an end in itself. In other words, an act is virtuous only when it is done for the purpose of doing good. If your purpose is instead to get someone to help you, your actions are manipulative rather than virtuous.¹²⁷ Let us examine the key components of virtuous leadership and its consequences.

Components of Virtuous Leadership OB scholars have proposed a variety of traits and individual differences that underlie virtuous leadership. The four shown in Figure 7.3 were selected because they are most frequently discussed in OB research. Virtuous leaders are more focused on the *greater good* than on self-interest. They tend to do things that benefit the largest possible number of people. Starbucks, for instance, implemented its College Achievement Plan to make all employees eligible for an online degree from Arizona State University, at no expense and with no obligation to remain at the company. Scott Pitasky, the company’s top human resources executive, said, “Starbucks’ goal of creating a positive work experience for its employees is only part of the company’s loftier vision. . . . At a very high level, we are looking for ways to create and integrate economic and social value.”¹²⁸

Virtuous leaders tend to promote *trust* by making sure their words match their actions, and by treating people with respect and dignity. *Integrity*, which comes from being guided by morals and honesty, also fosters positive OB. For example, people who lied less over 10 weeks were found to have improved mental and physical health than people who lied more frequently.¹²⁹ That said, a neurological study of lying revealed that it takes self-control to display integrity because lying is often associated with positive consequences.¹³⁰

The final component of virtuous leadership, **forgiveness**, is “the capacity to foster collective abandonment of justified resentment, bitterness, and blame, and, instead, it is the adoption of positive, forward-looking approaches in response to harm or damage.”¹³¹ In addition to promoting positive outcomes, forgiveness can affect your health. Research shows that *unforgiveness* is associated with bitterness, anger, health problems, and premature death.¹³²

Effects of Virtuous Leadership Research is starting to accumulate on the impact of virtuous leadership. It has been associated with financial performance, customer satisfaction, organizational climate, and subjective measures of organizational effectiveness one to two years later.¹³³ In contrast, lack of virtuous leadership negatively affects individuals and organizations alike. Consider what happened at Rutgers University. Head men’s basketball coach Mike Rice was fired in 2013 after a video surfaced that showed him “kicking players and throwing basketballs at them while using gay slurs.” The athletic director resigned and the university experienced backlash from the investment community. Investors in state and local bonds have demanded extra yield for university securities since the video of Rice surfaced.¹³⁴



Mike Rice, former men’s basketball coach at Rutgers University, was fired because of his behavior toward players. Would you like to be coached by someone who threw basketballs at players during practice? Can people learn to be more virtuous? © Frank Franklin II/AP Photo

FLOURISHING: THE DESTINATION OF POSITIVE ORGANIZATIONAL BEHAVIOR

MAJOR QUESTION

What can I do to enhance my level of flourishing?

THE BIGGER PICTURE

Asked what you want out of life, you might reply that you want to be happy. One early leader in the positive psychology movement eventually went beyond that goal and proposed another:

Flourishing. You may find this broadened goal to include even more of your true aspirations.

Flourishing, a key individual-level outcome in the Organizing Framework, includes five elements.

They are positive emotions, engagement, relationships, meaning, and achievement (PERMA).

Martin Seligman, a renowned psychologist from the University of Pennsylvania, has been studying happiness and well-being for over 30 years. He is credited as being the driver of today's positive psychology movement, which is the forerunner of research on positive OB.¹³⁵ Seligman originally believed that happiness was the most important outcome in our lives. He changed his mind over the years. He now feels that people equate happiness with being cheerful, and you don't have to be cheerful to be physically or psychologically healthy.

Seligman proposed that **well-being** was the combined impact of five elements—positive emotions, engagement, relationships, meaning, and achievement (PERMA). Well-being comes from freely pursuing one or more of these five elements, according to Seligman.¹³⁶

Flourishing represents the extent to which our lives contain PERMA. PERMA is the most important outcome from the process of positivity shown in Figure 7.2. When we flourish, our lives result in "goodness . . . growth, and resilience."¹³⁷ We should all strive to flourish because of its association with other positive outcomes like lower cardiovascular risk, lower levels of inflammation, longer life, greater REM sleep, and positive mental health.¹³⁸ PERMA elements also are positively related to important outcomes in the Organizing Framework—task performance, career satisfaction, organizational commitment, and low turnover.¹³⁹

Jerome Dodson, fund manager for the Parnassus Fund, has taken the concept of flourishing to heart when he makes investment decisions. He uses the extent to which a company is socially responsible and cares about the greater good when it comes to employees and communities as one criterion for selecting investment opportunities (see the OB in Action box).



OB in Action

Values-Based Investing at Parnassus Fund

Parnassus Investments was started in 1984 by Jerome Dodson with \$350,000 from friends and family. Today, the company manages over \$15 billion in six funds. What's unique about it is the selection criteria Dodson uses to identify investment opportunities. Dodson's initial investment philosophy was grounded in the belief that ethical companies with positive working environments are good investments. As he says, "It made a lot of intuitive sense to me that companies that treat their

employees well should in return get good efforts from their employees and they should be more successful as a business."¹⁴⁰ Dodson admits that he makes investment decisions by integrating old-fashioned financial research with information obtained by interviewing managers and employees at companies under consideration. He also assesses the "positivity" of work environments by examining annual rankings contained in independent sources such as *Fortune* and *Working Mother*.

Treating employees positively is not enough in Dodson's view. He thinks companies should also be ethical and in some way contribute to the greater good of society. Thus his investments have excluded alcohol, tobacco, gaming, weapons, and nuclear-power-related companies since 1984. According to Barron's, Dodson's strategy has "kept Parnassus from owning Valeant, whose business model of huge price increases for drugs with a limited market made him recoil. Initially, Dodson says he wasn't even aware of Valeant's reliance on the mail-order pharmacy Philidor, which used questionable tactics to get insurers to pay for drugs: 'It's definitely not ethical investing.'"¹⁴¹

Let's consider whether Dodson's philosophy holds up by comparing returns achieved by the Parnassus Fund to those of the S&P 500. Looking backward from the start of 2016, Dodson's fund realized 4.6 percent, 18.1 percent, and 15.7 percent gains for one-, three-, and five-year periods. In contrast, the S&P 500 obtained returns of -.01 percent, 13 percent, and 10.6 percent during the same periods.¹⁴²

YOUR THOUGHTS?

1. What is driving Dodson's approach to investing?
2. What are the pros and cons to making investment decisions based on the way a company treats its employees?
3. Do you think Dodson's approach will continue to be effective over time? Explain.

As you read about the elements contained in PERMA, keep in mind that research suggests that many people are not flourishing. For example, a recent survey of 160,000 people around the world revealed that 33 percent reported above-average stress.¹⁴³ US data further showed that a majority of people lose sleep due to work-related stress and many people are abusing painkillers to combat it. Painkiller abuse costs employers about \$25.5 billion a year in absenteeism and lost productivity.¹⁴⁴

Positive Emotions

Although we thoroughly discussed positive emotions earlier in this chapter, one aspect of Barbara Fredrickson's "broaden and build" theory bears repeating because it enhances your ability to experience the other components of PERMA. Positive emotions *broaden* your perspective about how to overcome challenges in your life. For example, the emotion of joy is more likely to lead you to envision creative ideas during a brainstorming session. Positive emotions also *build* on themselves, resulting in a spreading of positive emotions within yourself and those around you. Research shows that "people in groups 'catch' feelings from others through behavioral mimicry and subsequent changes in brain function. If you regularly walk into a room smiling with high energy, you're much more likely to create a culture of joy than if you wear a neutral expression."¹⁴⁵

Pirch, a California-based retailer that specializes in fixtures and appliances for kitchen, bath, and outdoors, has taken advantage of positive contagion (see the OB in Action box).



OB in Action

Pirch Spreads Joy

Pirch has eight locations across the United States. Its founders' vision was to reinvent the way people shop for home appliances, as follows:

"We are not here to sell you what we want, rather our focus is to guide you to discover and fall in love with the best products that best suit how you live." Pirch wants shoppers to view its stores like a playground where they have fun trying out various products while sampling "complimentary chef-prepared sweet and savory bites and handcrafted coffees."¹⁴⁶

To turn this vision into reality, Pirch is pursuing a two-part strategy. The first allows shoppers to test products. For instance, customers can bring their bathing suits and soak in a \$20,000 granite tub or unwind in a steam room. Putting the customer first is the second part of the strategy. This begins when customers cross the threshold of a store and are warmly greeted "with a fresh coffee and serving [of] complimentary food or snacks while they browse or complete a sale."¹⁴⁷

"Pirch urges all to 'live joyfully,' and sayings from its manifesto—'Play more, think less,' 'Be crazy about something,' and 'Forgive'—are featured in every store." To reinforce these ideas the company trains its employees to work joyfully. The training lasts five days and demonstrates how positive emotions influence customers. According to Pirch CEO Jeffrey Sears, "The emotion of the stores emanates from the smiles on people's faces and the passion they have about serving others."¹⁴⁸

Training also "explores the company's 23 'elements of joy' and how those principles should guide actions." Gratitude exercises are used to help employees bond, and everyone spends half a day with the CEO. According to *Fortune*, the CEO "gives frank answers to personal questions that can be painful to share, teaching the importance of building trust with customers." Employees conclude training by visiting different luxury retailers to investigate how salespeople can shape a customer's experience.¹⁴⁹

It appears that an emphasis on joy and positivity is working for Pirch. Sales per square foot average more than \$3,000, which places it above all but three U.S. retailers (Apple, Murphy USA, and Tiffany), according to eMarketer.¹⁵⁰

YOUR THOUGHTS?

1. What do you think about the concept of training employees to work joyfully?
2. Why would a salesperson's display of joy and gratitude enhance a customer's experience?
3. Do you think Pirch is going overboard with respect to creating positivity in its stores? Explain.



Pirch's philosophy hangs above the front door of its Costa-Mesa showroom. The sign says "Live Joyfully."
© Mark Steele/Pirch

Engagement

You may recall from Chapter 2 that employee engagement reflects the extent to which you are physically, cognitively, and emotionally engaged in an activity, task, or project. This state is sometimes called being in the "zone" or in a state of "flow." **Flow "is the state of being completely involved in an activity for its own sake."**¹⁵¹ Flow is a positive state because our well-being benefits from our deep attention to and engagement with an activity. A recent study of flow over a four-day period, for instance, revealed that people were more energized in the evenings if they experienced flow during the workday.¹⁵²

Engagement and positive emotions are not one and the same. For example, when we are *in flow*, we are not necessarily thinking about anything; we are just doing! Our concentration is so high during flow that we use all the cognitive and emotional resources normally needed for thought and feelings.

How can you create engagement or flow for yourself? Seligman and others suggest that this is a two-part sequence consisting of (1) identifying your signature strengths and (2) learning to use them in your daily personal and work activities. For us, working on this book, teaching, and playing golf put us into flow. Once you have identified your strengths, you can work with your manager to determine how to incorporate them into your job.

Relationships

Think of the last time you laughed boisterously, felt joyous, were inspired, or experienced awe. Were you with someone else at the time? We suspect so, because positive emotions are often associated with activities that include others.

Biologists have concluded that we are creatures of the hive. After studying insects such as wasps, termites, and ants, researchers concluded that the group is a natural unit of selection. In other words, insects and people both like to be in groups and to work collaboratively with others in getting things done. For insects it's building a fortress or hive, and for us it's completing tasks and projects, socializing, sharing memories, and traveling.

While others sometimes get on our nerves, positive relationships are a strong contributor to our well-being. They buffer us from stressors and provide resources that enable us to more effectively get things done. Positive relationships fuel the giving and receiving of social support. **Social support is the amount of perceived helpfulness we derive from social relationships.** There are four types.

- **Esteem support:** reassurance that a person is accepted and respected despite any problems or inadequacies.
- **Informational support:** help defining, understanding, and coping with problems.
- **Social companionship:** time spent with others in leisure and recreational activities.
- **Instrumental support:** financial aid, material resources, or needed services.¹⁵³

You can enhance your level of flourishing by seeking social support, but you also will flourish by providing support to others, particularly in the form of kindness. Research reveals that the exhibition of kindness produces significant increases in well-being.¹⁵⁴ Conduct a kindness exercise by doing a completely unexpected thing for someone else. It can be as simple as holding a door open for another to pass through or helping someone with directions. Then notice how you feel. You should experience one or more positive emotions.

Meaningfulness

Viktor Frankl, an Austrian neurologist and psychiatrist who survived the Holocaust, was a strong proponent of using meaningfulness to promote well-being. His best-selling book *Man's Search for Meaning* chronicled his experiences in concentration camps and summarized what he learned from these events. Frankl's conclusion was that "striving to find a meaning in one's life is the primary motivational force" for people.¹⁵⁵ In other words, it is the drive to find meaning in our lives that instills in us a sense of purpose and motivation to pursue goals.



What types of support do you see in this photo of the aftermath of the 2013 Boston marathon bombing? What other aspects of PERMA would be activated by helping others in a tragedy like this? © MetroWest Daily News, Ken McGagh/AP Photo

Meaningfulness is the sense of “belonging to and serving something that you believe is bigger than the self.”¹⁵⁶ In our case, for instance, we derive meaning from writing this book because we believe it can enrich your life and help you manage others more effectively. We have three suggestions for building meaning into your life.

1. **Identify activities you love doing.** Try to do more of these activities or find ways to build them into your work role. Employees at St. Jude Children’s Research Hospital embody this suggestion. They truly enjoy participating in the St. Jude Marathon weekend because it raises money for the children being treated at the hospital. One employee, a cancer survivor, commented, “Each year it provides me with another opportunity to give back so that we can help countless other children have anniversaries of their own.”¹⁵⁷
2. **Find a way to build your natural strengths into your personal and work life.** You assessed your signature strengths earlier in Self-Assessment 7.4.
3. **Go out and help someone.** Research shows that people derive a sense of meaningfulness from helping others.¹⁵⁸ Salesforce.com encourages this result by giving employees six paid days a year to volunteer. All told, company employees logged over one million volunteer hours in 2015.¹⁵⁹ Remember, helping others creates the upward spiral of positivity discussed earlier in this chapter.

Achievement

The final component of PERMA, achievement, pertains to the extent to which you have a self-directed “achieving life.” In other words, we flourish when we pursue achievement for its own sake. Doing so fosters feelings of competence and mastery, which in turn enhances our self-esteem and self-efficacy. Companies help employees achieve by providing both skills-based training and professional developmental activities. *Training* magazine created a list of the top 125 U.S. companies that invest in such training. The top five in 2016 were Jiffy Lube, Keller Williams Realty, Inc., CHG Healthcare Services, Capital BlueCross, and Blue Cross Blue Shield of Michigan.¹⁶⁰

What Did I Learn?

In this chapter, you learned that positive OB focuses on creating work environments in which people flourish, and that a number of techniques can help you increase your positivity at school and home. Reinforce your learning with the Key Points below. Then consolidate your learning using the Organizing Framework. Challenge your mastery of the material by answering the Major Questions in your own words.

Key Points for Understanding Chapter 7

You learned the following key points.

7.1 THE VALUE OF POSITIVE ORGANIZATIONAL BEHAVIOR

- Positive OB emphasizes positive emotion, mindfulness, psychological capital, signature strengths, and organizational climate to foster positive outcomes across all three levels of OB.
- Positive OB operates via three principle effects: *amplifying*, *buffering*, and *positivity*. Combined, these generate positive outcomes.
- Positivity is more than positive thinking and happiness, and it improves more than performance. It can also support stronger relationships, more prosocial behaviors, stronger bodies and immune systems, and original thinking.

7.2 THE POWER OF POSITIVE EMOTIONS

- Negative emotions cause you to narrow your focus, while positive emotions cause you to broaden your thinking.
- Positive emotions are contagious and can be actively increased.
- Research shows that you need multiple positive experiences to overcome or compensate for each negative.

7.3 FOSTERING MINDFULNESS

- Mindlessness is a state of reduced attention, while *mindfulness* is fostered by paying attention to the present moment in a nonjudgmental way.

7.4 DEVELOPING PSYCHOLOGICAL CAPITAL AND SIGNATURE STRENGTHS

- Positive psychological capital consists of hope, efficacy, resilience, and optimism (HERO).
- Hope includes not only a goal and determination to achieve it, but also one or more clear paths for achieving it.
- Resilience is your ability to bounce back after adversity and sustain yourself.
- Optimism attributes positive events to personal, permanent, and pervasive factors.
- Signature strengths are a handful of personal attributes that influence your thoughts, feelings, and behaviors. You feel authentic, excited, and invigorated when you exercise them.

7.5 CREATING A CLIMATE THAT FOSTERS POSITIVE ORGANIZATIONAL BEHAVIOR

- Organizational climate represents employees’ perceptions of an organization’s policies, practices, procedures, and routines.
- Positive organizational climates are a function of organizational values, organizational practices, and virtuous leadership.
- Positive climates are driven by values pertaining to (1) restorative justice, (2) compassion, and (3) temperance.
- The key components of virtuous leadership are a focus on the greater good, trust, integrity, and forgiveness.

7.6 FLOURISHING: THE DESTINATION OF POSITIVE ORGANIZATIONAL BEHAVIOR

- Flourishing reflects the extent to which our lives contain five elements: positive emotions,

engagement, relationships, meaning, and achievement (PERMA). It is a key outcome in the Organizing Framework.

- Positive emotions have a contagion effect.
- You can increase your engagement by using your signature strengths in everyday activities.
- Four key types of social support are esteem support, informational support, social companionship, and instrumental support.

The Organizing Framework for Chapter 7

Figure 7.4 shows that four person factors and five situation factors contribute to positive outcomes across the three levels of OB. You can also see that there are processes at the individual, group/team, and organizational level that affect outcomes. As for outcomes affected by the inputs and processes shown in Figure 7.4, individual-level ones include task performance, work attitudes, flourishing, physical health, citizenship behavior/counterproductive behavior, turnover, and creativity. At the group/team level, outcomes include group/team performance and group cohesion and conflict. Finally, at

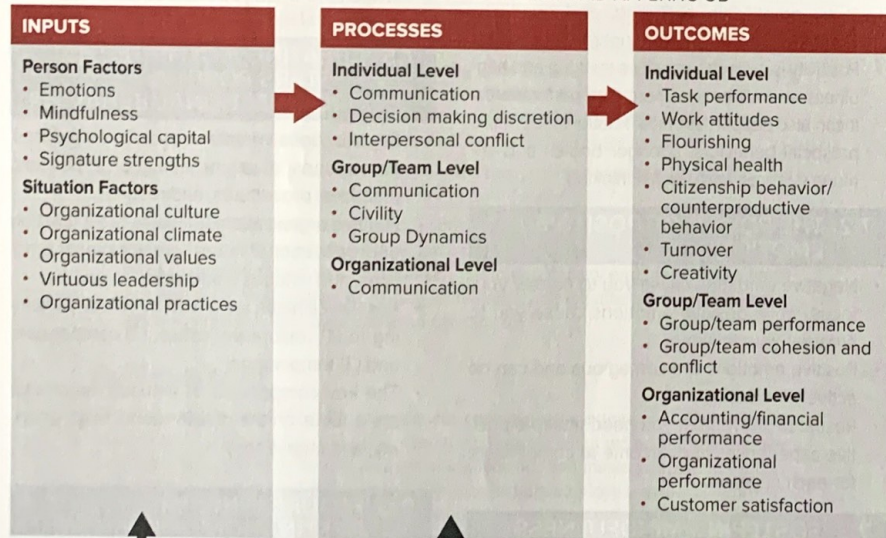
the organizational level, outcomes include financial performance, overall organizational performance, and customer satisfaction.

Challenge: Major Questions for Chapter 7

You should now be able to answer the following questions. Refer to the Key Points, Figure 7.4, the chapter itself, and your notes to revisit and answer the following major questions:

1. How does understanding positive organizational behavior benefit me?
2. How can positive emotions make me more effective at school, at work, and in other arenas of life?
3. How can mindfulness contribute to my effectiveness?
4. How can my inner HERO and signature strengths benefit me at work and in my career?
5. How can managers create an organizational climate that fosters positive organizational behavior?
6. What can I do to enhance my level of flourishing?

FIGURE 7.4 ORGANIZING FRAMEWORK FOR UNDERSTANDING AND APPLYING OB



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IMPLICATIONS FOR ME

There are six ways you can apply the material in this chapter. First, since positive practices amplify positive outcomes, you can improve your work environment by identifying and emphasizing such practices, like sharing important information and providing effective feedback. Second, if you are upset with your partner or coworker, try to think of at least three things you like or appreciate about him or her. Similarly, if someone is upset with you, realize that you need several characteristics or actions to compensate for each negative. Third, develop a plan to be more mindful. Techniques such as meditation and yoga can enhance your ability to focus and hold your attention. Many good books and apps can help in this pursuit. Fourth, making your goals SMART and formulating effective action plans will help build your level of hope (goal + path = hope). Hope should boost your goal commitment and success. Fifth, you can contribute to a positive organizational climate by adhering to the values your employer endorses and by trying to be more virtuous. Finally, develop a plan to build PERMA into your life by focusing on those components over which you have more control. You can make a choice to be more positive, you can work on building more positive relationships in your life, and you can strive for achievement.



IMPLICATIONS FOR MANAGERS

There are seven key implications for managers. First, identify existing positive practices, such as appropriately and regularly recognizing performance, and be sure to emphasize them. Role-model these practices and watch your people flourish. Second, realize that your emotions are contagious. To build a positive environment for your people, be positive yourself. Random acts of kindness can go a long way (give somebody a spot bonus or an afternoon off, or throw an impromptu celebration in the office). Third, model mindfulness by being focused on the present moment whenever you are talking or meeting with others. You can also establish a policy of not using web-based or mobile technologies during meetings. Fourth, encourage your employer to train employees in mindfulness techniques. Fifth, learn about and utilize your strengths and those of the people you manage. Be sure to verbally acknowledge others' strengths and create opportunities for them to be used. Sixth, endorse and model your employer's stated corporate values and try to engage in more virtuous leadership. Finally, support your employees' level of PERMA by engaging in one or more of the following: (1) display positive emotions at work, (2) identify the tasks or responsibilities that engage your employees and find ways to design them into their jobs, (3) provide the four sources of social support when possible, (4) use I-deals, discussed in Chapter 5, to help employees find meaning in their work, and (5) encourage creative approaches to achieving goals.

PROBLEM-SOLVING APPLICATION CASE

Does Forever 21 Foster Positivity?

Forever 21 was founded in downtown Los Angeles in 1984 by a Korean-American immigrant couple, Do Won Chang and Jin Sook. They are known as Mr. and Mrs. Chang and still run the privately held company. Today, it employs about 35,000 people and runs 600 stores worldwide, with operations in the United States, Canada, China, Europe, Hong Kong, India, Israel, Japan, Korea, Latin America, Mexico, the Philippines, and the United Kingdom.¹⁶¹ The company made about \$4.5 billion in 2015.

The Changs are born-again Christians and try to run their business using Christian values. Mrs. Chang told *Bloomberg Businessweek* that she prayed about whether to open their first store. God told her to do so and promised she would succeed. The couple attend a daily prayer meeting at their church, where Mr. Chang leads a Bible study and Mrs. Chang is a deacon. The pastor noted that the Changs have contributed millions of dollars to worldwide missions.

The Changs' faith is represented in their stores, where every bright yellow shopping bag includes a reference to John 3:16. This Bible verse says, "For God so loved the world that he gave his one and only Son, that whoever believes in him shall not perish but have eternal life."¹⁶²

FOREVER 21'S KEY VALUES

1. Supplier and Vendor Social Compliance and Ethical Sourcing.

The company commits to caring "not only for our employees but also for the employees of hundreds of vendor manufacturing facilities throughout the world which make our products. We want all of these employees also to work in safe and healthy environments."

2. Support Charities.

"At Forever 21, one of our core values is to encourage giving, to lend a helping hand to those who need it most."

3. Environmental Sustainability.

"Forever 21 is committed to reducing its environmental footprint throughout its global operations."¹⁶³

ARE THESE VALUES BEING LIVED AT THE COMPANY?

Forever 21 has experienced a number of lawsuits and controversies regarding different aspects of its operations.

- The US Department of Labor issued a subpoena in 2012 to force Forever 21 to reveal "how much the company's suppliers pay the workers who make its clothes. Anecdotal evidence suggests the salaries are well under the current US federal minimum wage of \$7.25 an hour." After the company failed to provide the information, a US District Court judge ordered the company to provide the requested data.¹⁶⁴

- A class-action lawsuit accuses the company of "failing to provide meal breaks, rest periods and overtime wages. Plaintiffs . . . claim that requisite bonuses weren't paid which qualify as overtime, and that the company failed to cover business expenses as required under law." Although the case has not been settled, plaintiffs "may be entitled to up to \$4,000 in penalties as well as any due wages."¹⁶⁵

- The company decided to reclassify 1 percent of its workforce to part-time status, working a maximum of 29.5 hours a week. This level of work is just "under the 30-hour full-time designation assigned by the Affordable Care Act, which requires companies who employ 50 or more workers to provide health insurance coverage for their full-time employees or face a penalty. Newly part-time workers who were enrolled in medical, dental, vision and voluntary plans will also see their coverage cut off on August 31 [2013], and they won't be able to receive paid time off."¹⁶⁶ These actions led to a social media firestorm, resulting in comments such as, "A true Christian thinks of others first and is not greedy. Tell me, just how rich do you need to be?" Another person wrote, "Jesus Christ would never NEVER do this to anyone, ever."¹⁶⁷

- Forever 21 agreed to pay \$100,000 in penalties to the Occupational Safety and Health Administration (OSHA) for safety violations at its Westfarms Mall store in Farmington, Connecticut. A store inspection revealed that emergency exits and hallways were blocked by store inventory. Boxes were "piled as high as 10 feet and stacked in an unstable manner so that they blocked exit routes or could fall onto workers. The company contested the citations and penalties but has now reached an agreement in which it agrees to abate the cited hazards."¹⁶⁸ The company has been cited 12 times for similar violations at other locations.¹⁶⁹

- Two recent lawsuits involve LGBTQ issues. Mickael Louis claimed extensive harassment that occurred while he was working at Forever 21 in Brooklyn. One boss said, "I love muscular black guys like you," and another showed him "cell phone videos of him having sex with men." Louis's boss "constantly addressed Louis as 'Honey,' [and] another manager—Andy Lu—allegedly came up with a different offensive nickname—'Nuteila.'" Lu also told Louis, "Look out for the black people, they are going to steal."¹⁷⁰ The second case pertains to

Alexis Daskalakis, 22, formerly known as Anthony Daskalakis. Daskalakis claimed her problem began when she began transitioning to a woman. Her boss allegedly started treating her with "increasing contempt"—yelling at her in front of coworkers and calling her "useless." Another manager called her a "hot mess." She was ultimately fired.¹⁷¹

- A former employee sued Forever 21 because it allegedly requires "employees to be on call for shifts but does not compensate them for it." The employee said, "These on-call shifts are no different than regular shifts, and Forever 21 has misclassified them in order to avoid paying reporting time in accordance with [California] law." One expert suggested that the company "appears to be in direct violation of California law, which requires that employees be compensated with 'reporting time pay' (which is equivalent to their regular hourly rate) for being required to report to work but being asked to work less than half the actual shift."¹⁷²

- The company was sued by other companies and labels such as H&M, Diane von Furstenberg, Anna Sui, and Anthropologie (50 in all) for "copying their clothes. H&M, for example, sued for 'copyright infringement, false designation of origin and unfair competition.' H&M claims Forever 21 copied its Beach Please tote bag. Von Furstenberg, Sui, and Anthropologie won settlements."¹⁷³

WHAT ARE EMPLOYEES SAYING ABOUT THE COMPANY?

Here is what employees wrote on Glassdoor and Indeed.com in 2016:¹⁷⁴

Pros: "Great management staff, everyone really tries to do the right thing." "Everything is always new and interesting, there is never a dull moment." "Flexible schedule and fast environment." "First dibs on new clothes." "I enjoy all my coworkers; it isn't hard for me to get along with people."

Cons: "Zero support or direction from corporate and district managers; technology lacks compared to other stores and sales suffer." "It is difficult to attain a good work-life balance with consistent overnight shifts

and last minute schedule." "No structure and no recognition." "Ugly acting people. Everyone is miserable from the customers to the employees. . . . Place is always messy." "The management at this job, for the most part, is not the best. They don't always treat everyone fairly, including each other."

APPLY THE 3-STEP PROBLEM-SOLVING APPROACH TO OB

Step 1: Define the problem.

A. Look first at the Outcomes box of the Organizing Framework in Figure 7.4 to help identify the important problem(s) in this case. Remember that a problem is a gap between a desired and a current state. State your problem as a gap, and be sure to consider all three levels, if more than one desired outcome is not being accomplished, decide which one is most important and focus on it for steps 2 and 3.

B. Cases have protagonists (key players) and problems are generally viewed from a particular protagonist's perspective. Identify the perspective from which you're defining the problem—is it that of the Changs, employees, or other labels and retailers?

C. Use details in the case to identify the key problem. Don't assume, infer, or create problems that are not included in the case.

D. To refine your choice, ask yourself, *Why is this a problem?* Explaining why helps refine and focus your thinking. Focus on topics in the current chapter, because we generally select cases that illustrate concepts in the current chapter.

Step 2: Identify causes of the problem by using material from this chapter, summarized in the Organizing Framework shown in Figure 7.4. Causes will appear in either the Inputs box or the Processes box.

A. Start by looking at Figure 7.4 to identify which person factors, if any, are most likely causes of the defined problem. For each cause, ask, *Why is this a cause of the problem?* Asking why multiple times is more likely to lead you to root causes of the problem.

B. Follow the same process for the situation factors.

C. Now consider the Processes box shown in Figure 7.4. For any concept that might be a cause, ask yourself, *Why is this a cause?* Again, do this for several iterations to arrive at root causes.

D. To check the accuracy or appropriateness of the causes, map them onto the defined problem.

Step 3: Make your recommendations for solving the problem. Consider whether you want to resolve it, solve it, or dissolve it (see Section 1.5). Which recommendation is desirable and feasible?

A. Given the causes identified in Step 2, what are your best recommendations? Use the content in Chapter 7 or one of the earlier chapters to propose a solution.

B. You may find potential solutions in the OB in Action boxes and Applying OB boxes within this chapter. These features provide insights into what other individuals or companies are doing in relationship to the topic at hand.

C. Create an action plan for implementing your recommendations.

LEGAL/ETHICAL CHALLENGE

Does GPS Tracking of Employee Actions Foster a Positive Work Environment?

More companies are using GPS apps to track the whereabouts of their employees. Companies claim such devices increase productivity and help locate employees in times of a crisis, such as the 2016 terrorist attack in Paris.¹⁷⁵

For example, the city of Aurora, Colorado, installed tracking devices inside its sweepers and snowplows "to make sure they're being used as taxpayers intended. Management claims a 15 percent increase in productivity by having the tracking devices in the vehicles."¹⁷⁶ Driver Maria Coleman said, "It's Big Brother. It's watching you, making sure you do what you're supposed to do, but if you are doing what you're supposed to be doing, then you shouldn't have a problem."

Others think tracking devices are a violation of privacy and don't foster a positive, trusting climate. Officials at Wyckoff Heights Medical Center in Brooklyn, for instance, required nurses to wear tracking devices in order to improve patient care. Christine Terranova of the New York State Nurses Association doesn't like the devices. "These badges are worn every place they [the nurses] go," she said. "If they take their break, if they go to the bathroom, it reads out on a computer-generated real-time screen and it's logged." The nurses filed a grievance about wearing the sensors and lost in arbitration.¹⁷⁷

The practice of tracking is now heading to the courts. Myrna Arias, a former sales executive for money-transfer company Intermex Wire Transfer, sued the company after she was fired for failing to use a Xora app that contained a global positioning system function that tracked the location of the person possessing the smartphone on which it was installed.

Arias's boss, John Stubbs, admitted that she would be tracked both on and off the clock. He "bragged that

he knew how fast she was driving at specific moments ever since she had installed the app on her phone."¹⁷⁸ Arias agreed to use the app during work hours but thought it was an invasion of privacy during nonwork hours. Stubbs "told Arias she was required to keep her phone on 24/7 to answer client calls." Arias decided to remove "the app to protect her privacy and was scolded by Stubbs. A few weeks later, Intermex fired her."¹⁷⁹

What Would You Do?

What would you do if you were the CEO of Intermex and in charge of deciding what to do about the Arias case and the use of tracking employees?

1. I appreciate the value of people flourishing at work, but this is a sales context and the company needs to be responsive to customer issues 24/7. I thus would fight the lawsuit and keep using the tracking device. Tracking employees during off-hours is not an invasion of privacy.
2. People won't flourish if the company doesn't change its ways. I would settle the lawsuit but continue to monitor employees only during work hours. It's an invasion of privacy to track people when they are not at work.
3. Settle the lawsuit and continue to track employees 24/7. I would also make all current and new employees sign a waiver indicating that it is a job requirement to use the tracking device 24/7. People can leave if they don't want to abide by the policy.
4. Invent other options.

Groups