Organization-based Self-esteem:

Making a Difference at Work

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"Man is an individual, but at the same time he is a social being. He wishes to develop his own personality and self-respect. He desires opportunity to achieve and to create. He delights in the self-assurance which derives from real ability and the chance to use it. Few persons would be content to be hermits, even though they could demonstrate to themselves a thorough mastery of their environment. Indeed, self-esteem is founded only in part upon an inner conviction of worth. To a large extent it is a by-product of recognition by others."


Introduction

It has been known for a long time that humans are not motivated by economic needs alone. We crave more than material goods; we want to feel good about our abilities, our control over our world, and our relationships with others. William James, an American psychologist, recognized this in the late 19th century, and Abraham Maslow theorized about it with his hierarchy of needs, with social, esteem, and self-actualization needs sitting at the top of his "pyramid."2 Throughout the early to mid 20th century it was recognized that these psychological needs for esteem did not cease to exist once employees entered the workplace. They continued to motivate workers to behave in certain ways, and to affect their attitudes and emotions towards
work. However, it is only in the last 30 years that researchers and practitioners have gained a better understanding of the what, how, and why of employees' psychological needs at work. We now know that one of the most important drivers of human behavior at work is their level of self-esteem, specifically their organization-based self-esteem (OBSE). In this chapter, written primarily for a managerial readership, we will examine:

- the origins of OBSE,
- its importance to organizational, managerial, and worker success,
- factors that lead to high OBSE, and
- finally an extensive discussion of how managers can promote the healthy development of OBSE in their employees.

We hope that the reader will come to understand that developing OBSE is an important contributor to profits, as well as to a culture of positive organizational behavior. It should be considered an imperative for 21st century managers.

To illustrate what will be discussed, consider the following scenario:

A young surgical resident was assisting in his first operation. He was so nervous that he began to perspire profusely, so much so that a drop of sweat fell into the surgical site and contaminated it. The operation was routine, and the patient's life was not jeopardized. The operation site was easily flushed and sanitized. However, the operating surgeon, one of the biggest names in surgery, was so angry that he ordered the young resident out of the OR and told the resident to never assist him again.

What effect do you think the surgeon's reaction had on the young resident's sense of worth? How might they feel about their value to the patient, or to the profession? How do you think this
will affect his confidence and performance in the future? What about his attitude toward this surgeon? How likely is it that s/he will comment to fellow residents that "I count around here," and "I am an important part of this place"?

What if the surgeon had instead said to the young resident:

Look at what just happened. I know you’re nervous, but surgeons cannot be nervous if they are going to save people’s lives. Please go outside the OR for a few minutes, calm yourself, and adjust your cap so that it won’t allow sweat to roll down your face. When you come back, I will show you a novel surgical technique that you can use for the rest of your career.

Now, how do you think the young surgeon would have reacted? He or she would answer the previous questions quite a bit differently than under the first scenario. This example gets at the heart of what will be presented in this chapter. The ways in which managers direct, communicate, and behave towards their employees can have a huge impact on employees’ sense of self-worth. If the manager’s behaviors is consistent, this can lead to happy, risk-taking, productive employees or disgruntled, fearful, unproductive ones. In many cases, the choice is theirs to make.

**SELF-ESTEEM**

Wherever people are, their attitudes, emotions, personality and beliefs go along with them, molding their perceptions, shaping their experiences, and motivating their behaviors. These attitudes, emotions, personality and beliefs combine to form a complex psychological trait called the *self-concept*. The self-concept is everything that an individual believes is descriptive and true about him or herself (e.g., smart, tall, shy, rigid). Self-esteem is one of many dimensions comprising the self-concept, and one that plays a major role in everyone’s lives,
affecting an individual’s psychological and physical well-being, shaping academic and work-related performance, as well as having a major influence upon one’s job and life satisfaction. In short, self-esteem is a very fundamental belief and attitude that people have of themselves, and it is a major determinant of their thoughts, feelings, and behaviors as they interact with their surroundings.⁶

A classic definition of self-esteem is “the evaluation which the individual makes and customarily maintains with regard to himself; it expresses an attitude of approval (disapproval), and indicates the extent to which the individual believes himself to be capable, significant, successful and worthy”.⁷ It is a self-evaluation of one’s competencies, which ultimately manifests itself in the degree to which the individual likes him or herself.⁸ Indeed, the ‘esteem’ part of self-esteem implies self-respect and value.

It is widely acknowledged that self-esteem has many facets and levels of specificity.⁹ One can have self-esteem associated with any of life’s many roles, such as a parent, a golfer, or a manager. Within those roles associated with self-esteem, there are levels of specificity as well. For example, a manager might have high self-perceived competence as a planner and decision maker, but less so as a true leader of employees. While these roles may be differentially weighted in terms of their importance to the person, through some mental calculus a global self-appraisal emerges as an assessment of the extent to which one is capable, significant, successful and worthy and the degree to which one likes oneself. This overall assessment is called global self-esteem, and it is associated with many behaviors and outcomes in people’s lives. However, as an overall evaluation, it is not as useful as role-specific self-esteem when predicting how people will behave in those roles (such as at work). For that we need a more specific conceptualization of self-esteem.
ORGANIZATION-BASED SELF-ESTEEM

One of life’s arenas, and one that consumes a very large portion of nearly every adult’s time, energy, and emotional and mental attention, is work and the organization in which it is performed. Organization-based self-esteem is rooted in and emerged as a trait to capture the essence of an individual’s self-esteem within this particular life arena. Pierce, Gardner, Cummings, and Dunham (1989) introduced and conceptually defined organization-based self-esteem (henceforth, OBSE) as the degree to which an individual believes him- or herself to be “important, meaningful, effectual, and worthwhile within their employing organization” (p. 625). Elaborating on the concept they highlighted the following:

1. Early in one’s organizational tenure, OBSE is dynamic, malleable and shifting as one travels from one day to the next, from one set of organizational experiences (e.g., perceived work challenges, experiences of performance successes and failures) to yet another set of experiences. At that time OBSE has been characterized as state-like and highly changeable (transient) as an individual experiences one situation to the next.

2. Over time and with the accumulation of organizational experiences OBSE becomes increasingly stable, as perceptions of the extent to which one is important, meaningful, effectual and worthwhile around here becomes increasing solidified. Thus, OBSE increasingly becomes trait-like, a relatively enduring quality that defines the individual (much like a personality trait).

3. Once developed and stabilized as a view of the self within the work and organizational context, OBSE manifests and expresses itself in terms of a deep-seated belief about oneself vis-à-vis the employing organization. Exhibit 1 reveals this set of
beliefs showing the measure that was developed by Pierce and his colleagues. It has been explored in hundreds of rigorous research studies, and used countless times in unpublished organizational surveys of employees.

Exhibit 1 about here

4. This deep-seated and relatively enduring self-belief (I MAKE A DIFFERENCE around here), is seen as a major force influencing how one feels, thinks and behaves while at work.

5. Finally, it is believed that radical and sustained changes in one’s organizational experiences (e.g., demotion, job or supervisor changes) can at the same time lead to major changes in OBSE.

At this point the reader is encouraged to read, think carefully, and then respond to each of the 10 OBSE items in Exhibit 1. This will give you a better idea of the meaning that underlies OBSE: The degree to which an individual believes him or herself to be “important, meaningful, effectual, and worthwhile within their employing organization.”

To what extent do you believe that you are an IMPORTANT PART of this place, and that you COUNT around here?

In addition, we ask that you think about the reasons that have caused you to feel this way about yourself at work:

What work experiences have caused you to believe that you have a major, positive effect on your organization, or not as much?

You will have an opportunity to think more about your level of OBSE, and why it has happened, in a section below. First, however, we address the questions –Why is an employee’s
organization-based self-esteem important? Why should an organization care if its employees have high, middling, or low OBSE?

WHY IS ORGANIZATION-BASED SELF-ESTEEM IMPORTANT?

More specifically we ask – Do high OBSE people perform better, have better attitudes, and experience a more healthy and positive sense of well-being than their low OBSE counterparts? In this section we address these two questions: What are the known personal and organizational consequences associated with OBSE?, and Why is this the case?

Over the past thirty years there have been more than one hundred fifty rigorous research studies that looked into causes and effects of OBSE. These studies have been conducted in many different countries, involving dozens of companies and several thousand employees, while cutting across many different organization and job types. Two major reviews of this research enable us to respond to the first of these two questions, as they reveal a number of positive personal and organizational effects of OBSE.\textsuperscript{11}

It is important for us to recognize that there are numerous instances where job-performance (i.e., an in-role behavior) cannot be strongly influenced by employee discretion. Illustrative of this constraint is work performed in serial fashion where the speed and quality of a person’s work is strongly dependent upon the work performed up-stream. In spite of this fact, numerous studies reveal that there is a positive and significant relationship between OBSE and objective measures of work output, as well as supervisor- and self-reported employee work performance.  \textit{What this means is that employees high in OBSE perform at a substantially higher level (e.g., quantity, quality, dependability) than employees who have low OBSE.} Because these superior performance effects accumulate over the tenure of employees, this can translate into
hundreds of thousands of dollars worth of increased productivity of high OBSEs over low
OBSEs. If for no other reason, executives and line managers should be developing high levels
of OBSE in employees because it results in a more productive (and profitable) workforce.

**Why is OBSE Motivating?**

Research dating back to the 1950s has clearly indicated that most people behave in ways
that are consistent with their personal beliefs. This is called *cognitive consistency*. For example,
if someone believes Chevrolet makes the best cars, they will buy Chevrolets for transportation
(and perhaps bragging). If she were to buy a Ford, she would (in her mind) intentionally be
buying an inferior car. This is inconsistent with what she believes to be true, and would either
cause some nagging doubts about the purchase (called *cognitive dissonance*), or a revision of her
beliefs about quality of car brands (Fords really are better than Chevrolets). Thousands of
studies in psychology have shown that cognitive dissonance is unpleasant, motivating people to
behave in ways to rid themselves of this feeling.

The same principle underlies OBSE. People’s views of themselves as competent,
meaningful, effectual, and worthwhile organizational members would find their self-concept
undermined if they failed to perform well. That is, if an employee strongly agrees with
statements like she COUNTS around here and is a VALUABLE PART of this place (two items
from the OBSE scale – Exhibit 1), it would be inconsistent with this self-belief for her to perform
her job at an inferior level. To maintain a positive view of the self, or to enhance that view, high
OBSEs are motivated to work hard and perform well. When this motive becomes active it
propels employees to reach higher and to accomplish more, so as to elevate the perception that
they have of themselves as important, meaningful, effectual, and worthwhile within their
employing organization, and to enrich the sense to which they like themselves. If they receive
feedback that their performance is lacking they will redouble their efforts to improve it. Thus, research has made clear that there is a positive relationship between OBSE and quality of employees’ job performance (a correlation of about .30 on average).

If a high OBSE person were to perform at a low level, this would be inconsistent with their self-beliefs about their worth. They would experience cognitive dissonance, which as noted above is an unpleasant emotional state. If you have ever been treated unfairly, such as being passed over for a promotion for which you had worked very hard and deserved, you know that this can be highly stressful. People do not like to experience cognitive dissonance, so they behave in ways that reduce it once they experience it, but they also behave in ways that prevent it from occurring in the first place (psychologists call this self-consistency and self-enhancement motivation). This is why high OBSEs strive to be stellar employees, to prevent cognitive dissonance, and to maintain their high OBSE.

But what about low OBSEs? But what about low OBSEs? Low OBSE employees are similarly motivated by self-consistency, thus they are motivated to engage in behaviors that reinforce the belief that they are ineffectual. On occasion, the low OBSE employee is motivated by what is called a self-protection motive. Employees suffering from low levels of OBSE often avoid engagement in potentially successful activities out of a fear of failure, and further erosion of their self-worth. Such avoidance behaviors (e.g., shirking) enable the individual to rationalize that they were uninterested in the activity, so they did not try (this is called self-handicapping). They also tend to have low confidence in their abilities, and therefore do not try to improve their performance. They think they will fail if they try, so why bother? They do just enough to get by without being disciplined. Only when there is a reasonable probability of success does the self-protection motive give way to self-enhancement motivation. Importantly, low OBSEs will
attempt to improve their performance if they perceive that they will succeed! They will increase and focus their efforts at task performance if they think it will result in a positive result. This has important implications for managers, which we discuss below.

An analogy for this motivating process can be made with maintaining a campfire. If one has a good fire going (high OBSE) he or she will maintain it by feeding it firewood, and may even try to make the fire bigger. If the fire wanes, they feed it with new fuel (firewood). In contrast, if someone has a very small fire smoldering in front of them (low OBSEs), they behave in ways that prevent it from going out completely. They are cautious and do not take risks that would extinguish the fire. They put on small twigs instead of dry tree branches, shelter it from strong breezes, and generally try to keep what they have going (for the moment). However, just as someone who starts out with a small fire can carefully and gradually build it up to a large fire, so too can low OBSEs enhance their feelings of self-worth in the organization, by gradually succeeding at bigger and more important tasks that their managers have given them and coached them on. That means managers play a key role in building the genuine OBSE of the people that they supervise.

Other Benefits of High OBSE

While job performance is directed and required job behaviors, organizational citizenship behaviors (OCBs) are discretionary and intentional actions (sometimes referred to as extra-role performance). In addition, they are behaviors that are intended to benefit the organization, managers, and/or coworkers, but they are also actions that are not explicitly tied to the organization reward system. Examples of OCBs include working late to help a coworker, telling others that they (really do) have a great boss, and making suggestions on how to improve work
processes. OCBs are not performed to gain rewards, in a *quid pro quo* fashion. They are, for the most part, altruistic in origin.

Research reveals that there is a strong and positive relationship between OBSE and organizational citizenship behaviors. This positive relationship is believed to stem from the very nature of OBSE. People who experience themselves as being an IMPORTANT PART of this place, and MAKING A DIFFERENCE around here, are likely to experience strong motivational forces to engage in such behaviors, so as to reaffirm their positive self-views of organizational worthiness. Are OCBs organizationally really important? We contend that organizations are fragile social systems. As organizations face turbulent environments (from competition, governments, etc.) there is an increase in uncertainty, which makes it difficult to write job descriptions today for unforeseen events that may arise tomorrow. As a consequence, organization are critically dependent upon employees who see things that need to be done and do them, to assist their colleagues and/or the organization, and to go out of their way to help, even though the action is not an explicit part of their job description. As such, research reveals that there is a positive relationship between OCBs and organizational effectiveness.\(^{14}\) Organizations that have a preponderance of good citizen-employees are more profitable.

Managers often have to deal with employee tardiness, absenteeism and turnover. These can be highly disruptive and expensive to managers, their work units, and the organization as a whole. As a consequence, efforts to reverse such behaviors are often encouraged. Research has shown that high OBSE employees engage in fewer withdrawal behaviors (quitting, absence, tardiness) than their low OBSE counterparts. Behaviors of this type would be inconsistent with their self-beliefs, and in addition, high OBSEs are attracted to a venue (the organization) in which they can maintain or enhance their high OBSE. It would not make sense for them to avoid
such a personally satisfying work environment. Voluntary absence and tardiness, and sometimes quitting, are indications of low OBSEs. It would not be uncommon for low OBSE people to think “I am pretty useless anyway, so taking a day off to go fishing won’t matter to anyone” or “I am so miserable I might just as well quit.”

In addition to OBSE being related to three very important organizational behaviors (performance, OCBs, withdrawal), research also reveals a favorable relationship with two key employee work-related attitudes. Accompanying high levels of OBSE are high levels of both job satisfaction and organizational commitment. Job satisfaction is an attitude that reflects positive feelings about one’s job (“I am satisfied with my job”), or is a positive assessment of the job (“I perform an important job”). Organizational commitment simply reflects the extent to which the individual experiences his/herself to be attached to the organization. It is a relationship where the individual wants to maintain their organizational affiliation because they like being party to that relationship. When the organization succeeds, they feel successful; when the organization fails, they feel as if they have failed as well. The same principle applies to fans (short for fanatics) of professional sports teams. They feel elated when their team is successful, and dejected when the team is a frequent loser. Employees who are high in job satisfaction and/or organizational commitment are easy to manage and help to improve the attitudes of their less-contented coworkers.

Finally, recent research reveals that there is a spillover effect of OBSE on a person’s well-being for life in general. People high in well-being feel like they lead meaningful, purposeful, and significant lives. High levels of subjective well-being are associated with fewer incidences of depression, and enhanced happiness and life satisfaction. While some managers may not be overly concerned with employees’ non-work attitudes, they should. Employees
who are depressed and alienated from society in their non-work lives are more likely to be absent, perform poorly, and use medical benefits at a higher rate than employees who have satisfying lives.

In this section we have made it clear that OBSE is a very important self-belief in organizations. Managers who create high, genuine levels of OBSE in their employees have higher performing, more unselfish, and more pleasant direct-reports. Other research has unequivocally demonstrated that this is the basis for a profitable enterprise.

**HOW IS HIGH ORGANIZATION-BASED SELF-ESTEEM DEVELOPED?**

Generally speaking there are four ways in which OBSE evolves and grows. First, some people simply seem predisposed to develop high OBSE once they start working for an organization. Second, messages sent from significant others in one’s social environment (family, work, recreation, etc.) have a major impact on self-esteem. If others think we are valuable and competent, we are likely to develop a sense of self that is consistent with those others’ views. Third, unspoken signals sent from the environments to which people are exposed affect OBSE. When people are subjected to an abundance of rules, policies, regulations, and micromanagement, they come to believe that they cannot be trusted to make decisions on their own. This does not promote a healthy level of self-esteem. Fourth, personal feelings of efficacy and competence that stem from personal experiences of success/failure affect self-esteem. Success breeds success (and high self-esteem) while failure breeds failure (and low self-esteem). We discuss each of these next, and they are also summarized in Exhibit 2.

Exhibit 2 about here
First, theories about peoples’ dispositions contend that there are certain stable traits that predispose a person to react in predictable ways to life’s circumstances, independently of the situation per se. One example of a dispositional trait is evaluation-focus: The evaluations versus the descriptions that an individual makes toward certain objects. There are three fundamental core evaluations that are central to everyone’s lives: (a) of the self, (b) of others (e.g., benevolent, trustworthy), and (c) the world (e.g., safe vs. dangerous). Core evaluations are “basic conclusions, bottom-line evaluations that we all hold subconsciously.” These evaluations give a person the propensity to evaluate life experiences through a positive or negative lens (also called positive and negative affectivity). Those with positive core self-evaluations tend to agree with such statements as: “I like who I am” (global self-esteem), “I can deal with life’s challenges” (trait self-efficacy), and “I shape my own destiny” (internal locus of control). These people are also predisposed to view their organizational experiences through a positive lens thereby seeing, for example, their jobs as more meaningful and satisfying than their low core self-evaluation counterparts, almost irrespective of the job’s actual design. As previously noted, OBSE is a self-evaluation of one’s organizational worthiness, and people who have high favorable core self-evaluation are predisposed to developing high OBSE. This suggests that managers, when making hiring decisions, might look for those people who have a positive view of themselves, other people (including former managers and employers), and the world in general.

Second, messages received and internalized that were communicated from significant others are a major determinant of OBSE. In organizations these significant others can include managers, coworkers, customers, vendors, and sometimes spouses and friends outside of work. To the extent that other people think and communicate their perception that the individual is
able, competent, and organizationally worthy, and these messages are internalized (believed to be true), the individual will come to hold similar self-beliefs. To a certain extent, OBSE is a social construction, shaped and molded by the nature of messages explicitly (statements) and implicitly (smiles and frowns) communicated from personally meaningful others. Indeed, some of the earliest research on self-esteem called it the ‘looking glass self’. More specifically, we develop beliefs about ourselves consistent with how we think others see us; that is, what one would see in a looking glass (a mirror).

Third, there are many sources of work environment structure, such as simple, monotonous jobs, mechanistic organization structures (also known as bureaucracies), and routine technologies (such as assembly lines). From a situational strength perspective, employees may be exposed to strong situations characterized by highly structured and controlling work environments, or weak situations that are flexible and discretionary in nature. Situational strength plays a major role in determining the extent to which the employee is capable of exercising self-direction and self-control in carrying out their organizational duties. Strong situations are highly programmed through a rigid hierarchy of authority, standardization, formalization, and management-dominated decision making. Why would an organization need so many rules and policies if not for the perception that employees are unable to manage themselves? One possible consequence of a highly structured and controlled work environment is the signal sent to employees that they are incompetent and are incapable of managing themselves, which over time spawns the emergence of a self-belief that the employee is indeed inept. By way of contrast, non-routine technologies (e.g., project work), organic (flexible, participative) organization structures, and complex job designs result in higher levels of OBSE. As employees come to see that there is an implicit level of trust in their ability to exercise self-
management and self-control within their organizational roles, they develop high OBSE. Over time signals of this nature encourage the development of a congruent self-concept – expressed by such beliefs as: I am important, meaningful, effectual, and worthwhile within my work and organizational context.

Finally, a critical role is played by one’s work and organizational experiences pertaining to success and failure, and the attributions as to their causes. Individuals whose organizational experiences (e.g., successful completion of a challenging work project) give rise to feelings of efficaciousness and competence come to hold positive images of themselves, thereby bolstering their perceptions of themselves as COUNTING around here and being an IMPORTANT part of this place. The experience of successful job performance, as well as any resources that might facilitate it (e.g., time, budgets, clear objectives), strengthens OBSE as long as employees can attribute the success to themselves (and not luck, coworkers, or excellent supervision). The thought that “How can I be this consistently successful at work if not for my inherent abilities and skills?” leads to high OBSE.

THE MANAGERS’ CHALLENGE: BUILDING OBSE AT WORK

Turbulence, chaos, fast-paced competition and uncertainty are the hallmarks of the 21st century work environment. As a consequence many organizations have struggled to adapt to their external surroundings. To make the adjustment, many contemporary organizations have experimented with a dramatic change to a high-involvement work system. This approach typically involves some form of employee empowerment, participative decision-making, and workplace democracy. Sample programs for achieving high involvement include job enlargement and job enrichment, quality control circles, quality of work-life programs, employee ownership plans, and/or self-managing work teams. Each of these programs is intended to get
employees involved, weaving them into the fabric of the organization by providing opportunities for voice, influence, and a greater understanding of organizational operations. Each of these, in its own way, has generally produced a positive impact upon the organization through enhanced outcomes at the individual and organizational levels. High involvement work systems can only succeed if employees are willing to release their potential energies, focus them on relevant tasks and exercise substantial degrees of self-direction and self-control. 22

Unfortunately, many organizations undergoing a change from the traditional controlling design to the high-involvement model find that their employees are not immediately capable of acting autonomously and responsibly. This raises two critical question – “Who are these self-directing/self-controlling employees?” and “How can managers develop such behaviors?” The answer to the first question lies in the concept of self-esteem. As discussed above, the way in which employees view themselves at work has a powerful effect upon their work-related attitudes, motivation and behaviors. We are of the mindset to argue that managers and supervisors, as well as work group/team leaders, have an opportunity and a responsibility to understand this relationship and to use that information to enhance the levels of employee self-esteem at work. The answer to the second question is managers can raise employee self-esteem by identifying and using a set of organizational conditions (e.g., structures and resources) and their own behaviors (e.g., empowerment, training, and praise) to nurture employees’ self-esteem. These conditions and factors have been identified in the dozens of studies of OBSE in work organizations. Managers who read this chapter should consider these to be a repertoire of tactics that might be used in situations where either individuals or groups of employees lack OBSE.

Organizational Factors Contributing To OBSE
**Organizational Structure.** Some organizations set up extensive rules, policies and procedures that diminish or eliminate employees’ discretion and judgment in performing their jobs. Managers in these systems often assume employees are either too lazy, too unconcerned, too incompetent, or too dishonest to be entrusted with the power to make decisions (a Theory X belief system). Other organizations are quite the opposite. There, employees are empowered to use their own initiative and skills to revolve whatever problems come up on their jobs. If employees need to order a part that is out of stock, they can do it without first obtaining multiple authorizations. Not surprisingly, when an organization eliminates many restrictive rules and procedures, and simultaneously empowers its workers, the employees’ OBSE can rise sharply.

**Employee Involvement Programs.** As organizations adopt high involvement management practices there has been the creation of a myriad of programs to weave more of the employee into the fabric (affairs and on-goings) of the organization. Each of these has the potential to create expanded opportunities for the exercise of self-direction and self-control, signaling the organization’s trust in employees, elevation of their organizational importance, and thereby having a positive effect on their OBSE.

**Management Behaviors that Contribute to OBSE**

**Management Trustworthiness.** There is a line in the movie “A Few Good Men” in which the character played by Jack Nicholson shouts to a prying lawyer *You can’t handle the truth!* While few managers would say this to their direct-reports, many often times think that. They do not have sufficient trust in their employees to tell them the truth about organizational plans, effects of changes in top management, potential mergers, and the like. Even if managers like this have the best of intentions, to prevent fear in their employees, they may have the opposite effects on employees’ OBSE. They are implying that employees’ do not have the
ability to react appropriately to changes in the organization, nor are they worthy enough to even bother with the knowledge of those changes. In other cases managers manipulate employees to achieve their own, hidden agendas (e.g., getting a friend promoted). If employees sense that managers are not trustworthy, this can be interpreted as a lack of faith in their abilities and value to the organization (or why would the manager need to lie or withhold the truth?). Exhibit 3 presents items from a widely used measure of employee trust in their managers. How would your employees respond? Trust is a delicate relationship, hard to develop, and easy to break.

Exhibit 3 about here

Once a manager decides that being trustworthy is a worthy pursuit, on a number of fronts (employees’ OBSE, ethics, team productivity, etc.), what does he or she need to do to promote such trust from employees? Exhibit 4 reflects statements about management behaviors that promote trust in them by subordinates. How often or how well do these statements describe you in your daily interactions with your employees? If they are not descriptive of you then these are behaviors you might try in the future to promote employees’ trust.

Exhibit 4 about here

**Organizational Support and Respect.** Employees whose managers communicate to them they are valuable and trustworthy have typically developed high levels of OBSE. Managers can do this by soliciting employees’ ideas about how to improve the work unit, providing the emotional support employees need to feel good about themselves, and basing reward and promotional decisions on employees’ contributions to the organization. Managers who have employees with high levels of OBSE will also demonstrate genuine respect for their employees’ abilities. Exhibit 5 shows items from a widely-used measure of perceived
organizational support. They indicate what sorts of experiences lead employees to believe that their organization cares about them.

Exhibit 5 about here

Management Actions that Contribute to OBSE

Enriched Work. Some jobs are simplistic, repetitive, boring and monotonous. When employees perform such jobs well, even for high levels of compensation, they get no sense of accomplishment or value. They are simply another cog in the machine and likely to develop low levels of OBSE. Other jobs are “enriched.” They challenge employees’ intellectual and creative abilities. They allow employees the chance to learn new skills and to perform their jobs in the ways they think best. Employees receive accurate, timely feedback about their performance levels, and the fruits of their labor positively affect the lives of customers and co-workers alike. Such jobs create high levels of OBSE because employees often experience having done something valuable and challenging. Exhibit 6 summarizes the job characteristics that hundreds of research studies have demonstrated contribute to enriched work.

Exhibit 6 about here

Self-managed Teams. In the previous section we suggested that job design and the enrichment of jobs for a single worker affect OBSE. Over the past few decades there has been a significant increase in the number of organizations employing self-managed team-work arrangements. In traditional manager-led teams the responsibility for execution of the management functions rests with the manager (or team leader). The manager is responsible for planning, organizing, directing, and controlling team-work activities. With the transition from manager-led to self-governing teams there is an increase in the assignment of the management functions to team members, as they become responsible for planning, organizing, directing, and
controlling their work activities. When exceptions arise it is the responsibility of the team members to engage in problem identification, the generation of possible solutions, solution evaluation, and ultimately section of a course of action, as the original team-leader/manager has been removed from the picture. In total, as team-management responsibilities increases so too does the individual team members’ OBSE, as their total work involvement calls for the assumption of greater responsibility and self-investment.\textsuperscript{24} Expanded managerial responsibilities coupled with responsibility for the groups’ productivity signals trust in the employees’ organizational worthiness.

\textbf{Adequate Resources.} Imagine trying to dig ditches without a shovel, or resolve errors in a balance sheet without a computer and a spreadsheet. Employees can have the highest levels of motivation and ability, but it is wasted if they are not given the resources needed to perform their jobs. Organizations on a financial shoe-string often provide inadequate resources for employees. As a consequence, employees don’t succeed in their work to the degree they could have, had they been given the proper resources. Failing to provide employees with the resources to be highly successful on the job has an adverse effect on the extent to which the employee can experience themselves as effectual, potentially resulting in low levels of OBSE.

\textbf{Co-worker Support.} Many organizations implementing self-managed work teams are making an unpleasant discovery — if workers don’t get along with one another and don’t pitch in and help one another when the workflow gets bottled up, the teams don’t work well. Being a member of a dysfunctional team negatively affects organization-based self-esteem for its members. By contrast, if an employee’s co-workers are supportive, then the opportunities for job success are higher. If co-workers are inclined to sabotage an employee’s work, then the opposite is true. To borrow an old cliché, employees can’t “soar with the eagles” if they “work
with the turkeys.” Under such conditions it is unlikely that employees will develop high
OBSE. In such cases managers may want to engage in team-building activities, perhaps even
bringing in a third-party facilitator to promote team cohesion.

Who needs the Manager’s Attention?

Much of this chapter has been written in general terms, as if all of a manager’s employees
suffer from low OBSE and need the managers’ attention. This is rarely the case. Our research
has consistently shown that there isn’t a dearth of OBSE in the United States. In most of our
studies the average on the OBSE scale is roughly 4.0 on a 5-point scale. As most managers can
testify, most of their employees do not need special attention; they are by-and-large self-
motivated and can be trusted to do the right thing with respect to the organization’s interests. So,
who does need special management consideration? It is not always obvious, and sometimes
managers take the easy way out and ignore the employees for whom extra attention is warranted.
This conscious or subconscious ignoring of problem employees serves no one’s interests. It
won’t improve the employee’s performance, it might be resented by more productive coworkers,
and does little to enhance the manager’s reputation as an effective leader. Exhibit 7 lists the
symptoms of low OBSE employees. These employees especially might benefit from some of the
strategies and tactics described above, though high OBSE employees benefit from them as well
as this enables them to maintain their high OBSE.

Exhibit 7 about here

IMPLICATIONS FOR MANAGERS, SUPERVISORS AND TEAM
LEADERS

As organizations adapt to the 21st century, mass production technologies and large
bureaucratic organizations are being transformed from rigid structures built upon narrowly-
prescribed jobs into a "field of work needing to be done" — one with little guidance or precedent, structure or direction. Rapid change within organizations and their environments means there will no longer be sufficient time to organize and divide work, write job descriptions, and create reward systems for people who do things that we didn’t know needed to be done. In its place high involvement organizations will seek to hire the right people and give them freedom to exhibit self-direction and self-control. Successful employees will be people who are able to work well without the security of job descriptions, titles, well-specified promotion ladders and clearly-articulated organizational norms and operating procedures. The high involvement employee will be hired to work on sometimes ambiguous projects with high demands placed upon the individual workers. They will be asked to define and redefine the way to accomplish work and to assume responsibility for the successful work (project) completion. High OBSE employees are more likely to behave in these ways. In a nutshell, organizations of the future will need a high OBSE work force to be competitive. High-involvement organizations will need employees who feel responsible for work that they do and for the employing organization.

Employees with a strong, positive sense of OBSE are more likely to be involved in their jobs, be more organizationally committed, intend to remain a part of the organization and engage in significantly higher levels of good organizational citizenship than their low OBSE counterparts. These employees will assume more personal risk on behalf of the organization, while engaging in behaviors that serve to protect and nurture the organization. Clearly, managers need to be sensitive to self-esteem at work. What, then, can they do to foster high self-esteem levels in others? A wide range of potential actions exist. Specifically,
• Managers can reaffirm subordinates’ worth to the organization; they can offer praise by
telling employees when they have done something well and give constructive criticism
when they haven’t.

• Managers can also send signals as to one’s organizational importance by addressing
employees’ perceptions of organizational justice, or fairness – employees who feel
cheated do not develop high OBSE.

• Managers can trust employees to perform a job well without having their progress
monitored every minute, and without constant suggestions about how the supervisor
would have done it.

• Managers can make sure pay increases are based on merit and contributions to the
organization, and not favoritism.

• Managers can design work so employees can experience success, especially accompanied
with autonomy, for this is one of the major contributors to an employees’ sense of self-
worth.

• Employees can be given enriched work that challenges their knowledge, skill and
abilities. They can be given work assignments that are both meaningful and for which
they are capable of assuming responsibility for work outcomes

• Employees should not be restricted by so many rules they feel like they have no
discretion.

• Employees should be provided with high-quality and relevant training programs where
they can develop new skills. This reaffirms to them the organization considers them
valuable enough to invest in them, while providing them with the tools to succeed.
Exhibit 8 provides a self-assessment of your ability to perform the types of behaviors that lead to high OBSE. Completing this will give you an idea of where your personal strengths and weaknesses lie as a manager who develops high self-esteem employees. Exhibit 9 provides some suggestions for increasing the OBSE for employees who would benefit from developmental activities.

Exhibits 8 and 9 about here

We leave you with the following quote to reinforce the thought that developing OBSE is not only a nice thing to do, but also an imperative for successful businesses:

“We have reached a moment in history when self-esteem, which has always been a supremely important psychological need, has become an urgent economic need—the attribute imperative for adaptiveness to an increasingly complex, challenging, and competitive world... A modern organization can no longer be run by a few people who think and many who merely do what they are told. Today, organizations need not only a higher level of knowledge and skill among all those who participate but also a higher level of independence, self-reliance, self-trust, and the capacity to exercise initiative—in a word self-esteem.”

Dr. Nathaniel Branden

*Self-esteem in the Information Age*

Exhibit 1
The Organization-based Self-esteem Scale (OBSE)

Think about your impact on the company where you work, and how you are perceived by supervisors and co-workers. Using the scale below, indicate the degree to which you agree or disagree with the following 10 items. Mark your answers in the space next to each item number.

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
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<tr>
<td></td>
<td>Strongly Disagree</td>
<td>Disagree</td>
<td>Neither Agree nor Disagree</td>
<td>Agree</td>
<td>Strongly Agree</td>
</tr>
</tbody>
</table>

1. I COUNT around here.
2. I am TAKEN SERIOUSLY around here.
3. There is FAITH IN ME around here.
4. I am TRUSTED around here.
5. I am HELPFUL around here.
6. I am a VALUABLE PART OF THIS PLACE.
7. I am EFFICIENT around here.
8. I am an IMPORTANT PART OF THIS PLACE.
9. I MAKE A DIFFERENCE around here.
10. I am COOPERATIVE around here.

Your score is simply the sum of the 10 items, divided by 10. To give you an idea of how high your OBSE is, use the following ranges:

- 4.5 to 5.0: High
- 3.5 to 4.5: Average
- 3.5 or less: Low

Why do you think that you have the level of OBSE that you perceive about yourself? How might this affect the way you think and behave at work?

Originally appeared in:

Exhibit 2

Factors that Affect OBSE

1. **Employee dispositions**, the tendency to view the world through a positive or negative lens.

2. **Verbal and non-verbal messages sent from significant others** in one's social environment, including managers and coworkers.

3. **Unspoken signals sent from the work environments** to which people are exposed (e.g., rules, micromanagement).

4. **Personal feelings of effectiveness and competence** that arise from personal experiences of success or failure.
Exhibit 3

Trust in Management

Think carefully about the following scale items. How would your direct-reports respond to them? Would they more likely agree than disagree? Be honest with yourself. This feedback is only for your own benefit.

When thinking about my manager:

Affect-based trust

1. We have a sharing relationship. We can both freely share our ideas, feelings, and hopes.

2. I can talk freely to my manager about difficulties I am having at work and know that (s)he will want to listen.

3. We would both feel a sense of loss if one of us was transferred and we could no longer work together.

4. If I shared my problems with my manager, I know (s)he would respond constructively and caringly.

5. I would have to say that we have both made considerable emotional investments in our working relationship.

Cognitive-based trust

1. My manager approaches his/her job with professionalism and dedication.

2. Given my manager’s track record. I see no reason to doubt his/her competence and preparation for the job.

3. I can rely on my manager to not make my job more difficult by careless planning or decision making.

4. Most people, even those who aren’t close friends of my manager, trust and respect him/her as a coworker.

5. Other work associates of mine who must interact with my manager consider him/her to be trustworthy.

6. If people knew more about my manager and his/her background, they would be more concerned and monitor his/her performance more closely (R).

**Exhibit 4**

**Management Behaviors that Build Employee Trust**

**Behavioral Consistency**

1. I always do what I say I will do.

2. The ways in which I act are consistent from one situation to the next.

3. I behave in ways that are predictable.

**Behavioral Integrity**

1. I always keep my promises to employees if I can.

2. My actions reflect a high level of truthfulness.

3. I never lie to my employees.

**Sharing and Delegation of Control**

1. I ask for employees’ input on decisions that will affect them.

2. I rely on my employees to help me make the best plans that I can.

3. I let my employees make their own decisions and plans on how to perform their jobs.

**Communication**

1. I try to be as accurate and forthcoming as I can when relaying important information to my employees.

2. I make sure that all of my employees fully comprehend the reasoning for my decisions, or those of higher levels of management.

3. I exchange my thoughts and ideas freely with my employees.

**Demonstration of Concern**

1. I show a genuine concern for my employees’ interests and needs when I manage them.

2. I try to protect my employees from the adverse actions of others in the organization (such as with layoffs).

3. I do not manipulate or take advantage of my employees to achieve my own, personal agendas.
Exhibit 5

Perceived Organizational Support

1. My organization strongly considers my goals and values.
2. My organization really cares about my well-being.
3. My organization shows very little concern for me. (R)
4. My organization would forgive an honest mistake on my part.
5. My organization cares about my opinions.
6. If given the opportunity, my organization would take advantage of me. (R)
7. Help is available from my organization when I have a problem.
8. My organization is willing to help me when I need a special favor

The more strongly that employees agree with these statements (or disagree with items 3 and 6), the more they believe that the organization supports and cares for their well-being.

Exhibit 6

Job Characteristics that Contribute to Enriched Work

1. **SKILL VARIETY:** The degree to which the job requires a different skills *that are valued* by the person

2. **TASK IDENTITY:** The degree to which the job requires completion of a “whole and identifiable piece of work”

3. **TASK SIGNIFICANCE:** The degree to which the job has a substantial impact on the lives or work of other people - internal and external to the organization

4. **AUTONOMY:** The degree to which the job provides substantial freedom, independence, and discretion to the individual in performing the job

5. **FEEDBACK:** The degree to which the job itself allows the person to determine exactly how well they performed the job

Exhibit 7

Symptoms of the Low OBSE Employee

- Looks for situations that are neither demanding nor challenging
- Seeks non-threatening situations
- Reacts poorly to setbacks and obstacles
- Blames others and makes excuses
- Focuses on problems instead of solutions
- Is inefficient with use of time
- Avoids other people
- Lacks self-motivation; must be provided a high level of structure (micromanagement)
- Avoids anything that might incur risks of failure (e.g., innovations)
Exhibit 8
Empowerment Skills Self-assessment

Please respond to the following statements by writing a number from the rating scale below in the left-hand column. Your answers should reflect your attitudes and behavior as they are now, not as you would like them to be. Be honest. This instrument is designed to help you discover your level of competency in empowering and delegating so you can tailor your learning to your specific needs. When you have completed the survey, use the scoring key to identify the skill areas discussed in this chapter that are most important for you to master.

Rating scale:

6 Strongly agree
5 Agree
4 Slightly agree
3 Slightly disagree
2 Disagree
1 Strongly disagree

In situations where I have an opportunity to empower others:

_____ 1. I help people develop personal mastery in their work by involving them first in less complex tasks and then in more difficult tasks.
_____ 2. I help people feel competent in their work by recognizing and celebrating their small successes.
_____ 3. I try to demonstrate successful task accomplishment.
_____ 4. I point out other successful people who can serve as role models.
_____ 5. I frequently praise, encourage and express approval of other people.
_____ 6. I provide regular feedback and needed support.
_____ 7. I try to foster friendships and informal interaction.
_____ 8. I highlight the important impact that a person's work will have.
_____ 9. I try to provide all the information that people need to accomplish their tasks.
_____ 10. As I become aware of it, I pass along relevant information to people on a continuous basis.
_____ 11. I ensure that people have the necessary resources (equipment, space and time) to succeed.
_____ 12. I help people get access to needed resources that I may not have available personally.
_____ 13. I help people become involved in teams in order to increase their
participation.

14. I let teams make decisions and implement their own recommendations.

15. I foster confidence by being fair and equitable in my decisions.

16. I exhibit caring and personal concern for each person with whom I have dealings.

When delegating work to others:

17. I specify clearly the results that I desire.

18. I specify clearly the level of initiative I want others to take (e.g., wait for directions, do part of the task and then report, do the whole task and then report, etc.).

19. I allow participation by those accepting assignments regarding when and how work will be done.

20. I make certain that the amount of authority I give matches the amount of responsibility I give for producing results.

21. I work within existing organizational structures when delegating assignments and never bypass someone without informing them.

22. I identify constraints and limitations that people will face but also provide needed support.

23. I maintain accountability for results, not for methods used.

24. I delegate consistently not just when I'm overloaded.

25. I avoid upward delegation by asking people to recommend solutions, rather than merely asking for advice or answers, when a problem is encountered.

26. I make clear the consequences of success and failure.

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<th>Scoring Key</th>
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<td>50 or higher</td>
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Exhibit 9
Developing Low OBSE Employees and Maintaining the High Ones

FOSTER PERSONAL MASTERY EXPERIENCES
- Break apart large tasks and assign one part at a time
- Assign simple tasks before difficult tasks
- Highlight and celebrate small wins
- Incrementally expand job responsibilities
- Give increasingly more responsibility to solve problems

PROVIDE SUPPORT
- Praise, encourage, express approval for, and reassure
- Send letters or notes of praise to family members or coworkers
- Regularly provide accurate feedback
- Less micromanagement, more self-direction
- Hold recognition ceremonies

PROVIDE INFORMATION
- Provide all task-relevant information
- Continuously provide technical information and objective data
- Pass along relevant cross-unit and cross-functional information
- Provide access to information or people with senior responsibility
- Provide access to information from its source (don’t paraphrase or interpret)
- Clarify effects of actions on others

PROVIDE RESOURCES
- Provide training and development experiences
- Provide technical and administrative support
- Provide needed time, space, or equipment
- Ensure access to relevant information networks
- Provide more discretion to utilize existing resources

ORGANIZE SELF-MANAGING TEAMS
- Assign the team an important task or problem
- Let the team solve the problem and implement the solution
- Assign team facilitators, not team leaders
- Foster information sharing and learning
- Provide rewards for effective team membership
- Help team members teach one another

The Authors

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and organizational behavior textbooks, and he has authored and published nearly seventy papers
within the same discipline. His most recent book (a finalist for the 2012 Academy of
Management’s George R. Terry Book Award for its contribution to the advancement of
management knowledge) is entitled *Psychological Ownership and the Organizational Context:
Theory, Evidence, and Application*. 
Endnotes

10 Pierce et al., 1989, ibid.
15 Pierce, Gardner, & Crowley, 2015, ibid
25 Ibid
Future Career Plans

Categories:

1. Start in entry-level professional job in chosen field, preference to explore other types of jobs rather than promotions (e.g., start in Accounting, move to Marketing, move to HRM)

2. Start in entry-level professional job in chosen field, seek promotion(s) after a few years within that career path

3. Start in entry-level professional job in chosen field, then start a business

4. Start in entry-level management job (e.g., Target Team Lead), seek promotion(s) after a few years

5. Start in upper-level management job (e.g., family business management placement; start a business) and continue at this level

6. Other – specify