

# Part III

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## TURNOVER AND SATISFACTION



# 6

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## Promote Job Satisfaction through Mental Challenge

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The most popular definition of job satisfaction was supplied by Locke (1976), who defined it as “. . . a pleasurable or positive emotional state resulting from the appraisal of one’s job or job experiences” (p. 1304). There are many possible influences on how favorably one appraises one’s job, and numerous theories of job satisfaction have attempted to delineate these influences. Empirical evidence, however, has suggested only one clear attribute of the work itself that consistently influences job satisfaction – the cognitive challenge of the work. This leads to the general principle that will be the focus of this chapter – that mentally challenging work is the key to job satisfaction. Thus, the most effective way an organization can promote the job satisfaction of its employees is to enhance the mental challenge in their jobs, and the most consequential way most individuals can improve their own job satisfaction is to seek out mentally challenging work.

Before discussing this principle in more detail, however, it is important to demonstrate the importance of the principle. Scores on a valid measure of job satisfaction are the most important pieces of information organizations can collect, not only as one measure of management effectiveness, but because, as we will note, job satisfaction scores predict a wide range of job behaviors. Yet, many organizations openly question whether they need to be concerned with job satisfaction. One study of how job satisfaction is viewed by managers (Judge and Church, 2000) drew the following comments:

- ◆ “Job satisfaction is virtually never discussed in the senior staff meetings I attend within our business unit.”
- ◆ “Job satisfaction is not measured. Because this is Wall Street, money talks. If people weren’t happy, they could have moved their whole team elsewhere.”
- ◆ “Job satisfaction is not measured or considered at all.”
- ◆ “There is some questioning of whether job satisfaction is desirable anyway.”

Organizations would be well advised to place more importance on job satisfaction. It is related to many outcomes that individuals and organizations find important. Some of the outcomes that job satisfaction has been linked to are:

- ◆ *Job performance.* The relationship between job satisfaction and performance has an interesting history. In 1985, a quantitative review of the literature suggested that the true correlation between job satisfaction and performance was quite small (Iaffaldano and Muchinsky, 1985). However, more recent evidence reveals that the relationship is larger than was previously thought. A comprehensive review of 300 studies determined that when the correlations are corrected for the effects of sampling error and measurement error, the average true score correlation between overall job satisfaction and job performance is .30 (Judge, Thoresen, Bono, and Patton, 2001). Thus, it does appear that a happy worker is more likely to be a productive one. Evidence also exists for a relationship at the work unit level – units whose average employees are satisfied with their jobs are more likely to perform at a higher level than business units whose employees are less satisfied, and to be more profitable as a result (Harter, Schmidt, and Hayes, 2002). Of course, the relationship between satisfaction and performance may be reciprocal. Not only may employees who are happy with their jobs be more productive, but performing a job well may lead to satisfaction with the job, especially if good performance is rewarded (see Chapters 12 and 13, this volume).
- ◆ *Withdrawal behaviors.* Job satisfaction displays relatively consistent, negative correlations with absenteeism and turnover. Job dissatisfaction also appears to display negative correlations with other specific withdrawal behaviors, including unionization, lateness, drug abuse, and retirement. Furthermore, Harrison, Newman, and Roth (2006) and Fisher and Locke (1992) have shown that when these specific behaviors are aggregated as indicators of a general withdrawal syndrome, job satisfaction is quite predictive.
- ◆ *Life satisfaction.* Evidence indicates that job satisfaction is also moderately to strongly related to one outcome that individuals find particularly important – life satisfaction (Tait, Padgett, and Baldwin, 1989). Since the job is a significant part of life, the correlation between job and life satisfaction makes sense – one's job experiences spill over onto life. Thus, people who have jobs that they like are more likely to lead happy lives.

Thus far, job satisfaction has been defined and it has been shown that job satisfaction matters. Thus, any principle that reveals how best to promote job satisfaction is important to understand. With this foundation, in the next section of the chapter, the model that best describes the principle – that job satisfaction is best achieved through mentally challenging work – will be reviewed.

## JOB CHARACTERISTICS MODEL

The theory that best describes the role of the work environment in providing mentally challenging work is the Job Characteristics Model (JCM). The Job Characteristics Model

argues that the intrinsic nature of work is the core underlying factor causing employees to be satisfied with their jobs. The model, in its full explication by Hackman and Oldham (1980), focuses on five core job characteristics that make one's work challenging and fulfilling: (1) task identity – degree to which one can see one's work from beginning to end; (2) task significance – degree to which one's work is seen as important and significant; (3) skill variety – degree to which job allows employees to do different tasks; (4) autonomy – degree to which employee has control and discretion for how to conduct their job; (5) feedback – degree to which the work itself provides feedback for how the employee is performing the job. According to the theory, jobs that are enriched to provide these core characteristics are likely to meet individuals' needs for mental challenge and fulfillment in their work, and thus will be more satisfying and motivating to employees.

### *Measurement of job characteristics*

There are various ways intrinsic job characteristics can be measured. Arguably the most common approach relies on the Job Diagnostic Survey (JDS) to measure the extent to which the five core intrinsic job characteristics are present in the job (for an alternative approach, see Morgeson and Humphrey's (2006) Work Design Questionnaire). Items from the JDS appear in Table 6.1. When responding to items in the table, individuals circle the number (from 1 to 7) that is the most accurate description of their job. The JDS can be used to rate almost any type of job. Ideally, one would give the JDS to a number of people in an organization within a job type to get a reliable measurement of the job characteristics. The JDS is not copyrighted and thus is free to use. However, care must be taken in administering the JDS. The reader interested in measuring intrinsic job characteristics should consult Hackman and Oldham (1980), who provide all of the JDS items, along with an excellent discussion of administrative issues.

### *Research support*

There are several indirect pieces of evidence supporting Hackman and Oldham's model. First, when individuals are asked to evaluate different facets of their job such as pay, promotion opportunities, co-workers, and so forth, the nature of the work itself generally emerges as the most important job facet (Judge and Church, 2000; Jurgensen, 1978). Second, of the major job satisfaction facets – pay, promotion opportunities, co-workers, supervision, and the work itself – satisfaction with the work itself, far and away, best predicts overall job satisfaction (Rentsch and Steel, 1992). Thus, if we are interested in understanding what causes people to be satisfied with their jobs, the nature of the work (intrinsic job characteristics) is the first place to start. Unfortunately, managers often think employees are most desirous of pay to the exclusion of other job attributes such as challenging work. For example, a 1997 survey indicated that, out of 10 job attributes, employees ranked interesting work as the most important job attribute (good wages was ranked fifth), whereas when it came to what managers thought employees wanted, good wages ranked first while interesting work ranked fifth (Kovach, 1997).

Research directly testing the relationship between workers' reports of job characteristics and job satisfaction has produced consistently positive results. Humphrey, Nahrgang, and

Table 6.1 Measurement of intrinsic job characteristics: the job diagnostic survey

1. How much *autonomy* is there in your job? That is, to what extent does your job permit you to decide *on your own* how to go about doing the work?

1-----2-----3-----4-----5-----6-----7

Very little; the job gives me almost no personal “say” about how and when the work is done.	Moderate autonomy: many things are standardized and not under my control, but I can make some decisions about work.	Very much; the job gives me almost complete responsibility for deciding how and when the work is done.
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2. To what extent does your job involve doing a “*whole*” and *identifiable piece of work*? That is, is the job a complete piece of work that has an obvious beginning and end? Or is it only a small *part* of the overall piece of work, which is finished by other people or by automatic machines?

1-----2-----3-----4-----5-----6-----7

My job is only a tiny part of the overall piece of work; the results of my activities cannot be seen in the final product or service.	My job is a moderate-sized “chunk” of the overall piece of work; my own contributions can be seen in the final outcome.	My job involves doing the whole piece of work, from start to finish; the results of my activities are easily seen in the final product or service.
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3. How much *variety* is there in your job? That is, to what extent does the job require you to do many different things at work, using a variety of your skills and talents?

1-----2-----3-----4-----5-----6-----7

Very little; the job requires me to do the same routine things over and over again.	Moderate variety.	Very much; the job requires me to do many different things, using a number of different skills and talents.
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4. In general, how *significant or important* is your job? That is, are the results of your work likely to significantly affect the lives or well-being of other people?

1-----2-----3-----4-----5-----6-----7

Not very significant; the outcomes of my work are <i>not</i> likely to have important effects on other people.	Moderately significant.	Highly significant; the outcomes of my work can affect other people in very important ways.
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5. To what extent does *doing the job itself* provide you with information about your work performance? That is, does the actual *work itself* provide clues about how well you are doing – aside from any “feedback” co-workers or supervisors may provide?

1-----2-----3-----4-----5-----6-----7		
Very little; the job is set up so I could work forever without finding out how well I am doing.	Moderately; sometimes doing the job provides “feedback” to me; sometimes it does not.	Very much; the job is set up so that I get almost constant feedback as I work about how well I am doing.

From: Hackman, J. R., and Oldham, G. R. (1980). *Work Redesign*. Reading, MA: Addison-Wesley.

Morgeson (2007) meta-analyzed the results of over 250 studies of work characteristic – job outcome relationships. All five intrinsic job characteristics were strong predictors of employee job satisfaction. Moreover, these core characteristics were generally found to be significant predictors of other attitudinal criteria, such as organizational commitment and work motivation, as well as behavioral, job performance outcomes. The empirical data suggest that intrinsic job characteristics are the mostly consistently significant situational predictor of job satisfaction.

## HOW TO INCREASE MENTAL CHALLENGE IN JOBS

Ever been in a car accident? If you have, you probably remember picking up the phone to call your insurance company and, inevitably, talking to many different people, recounting the details of your accident several times. It may be weeks or even months before your claim is settled and, if you ever happen to call to inquire about the status of your claim, you may discover that your claim is buried somewhere in the system. As a customer in this situation, you probably feel irritated and poorly served being passed around like a hot potato. But have you ever wondered what the implications of such a system are for employees? When each employee specializes in processing one part of the claim, the mental challenge afforded by the job suffers. Over and over, the same person may answer the phone from customers, take down basic details of the accident, and then pass on the claim to someone else, never to see it again. Even the job of claims adjuster can be broken into segments that are very specialized. When individuals repeatedly perform narrow and specialized tasks, they are unlikely to see their work as very challenging or intrinsically motivating.

As an example of how to diagnose and change a work system in this situation, assume we have administered the JDS to several customer service representatives (CSRs) and managers of a local branch office of an insurance company. Assume the average JDS scores for each job characteristic are as depicted in Figure 6.1. From this figure, you can determine where the problems are and, if one is to improve CSR attitudes, where changes need to be made. Specifically, as compared to managers, CSRs report especially low levels of skill variety, task identity, and autonomy. Under such circumstances, you would expect the average CSR to report a low level of job satisfaction. But what can be done about it? How can the profile of a CSR job be made to look more like that of the manager? Before specifically addressing this question, let us consider some general ways of increasing intrinsic job characteristics:

- ◆ *Job rotation.* Job rotation entails employees perform different jobs; typically, rotation occurs once employees have mastered their present job and are no longer challenged

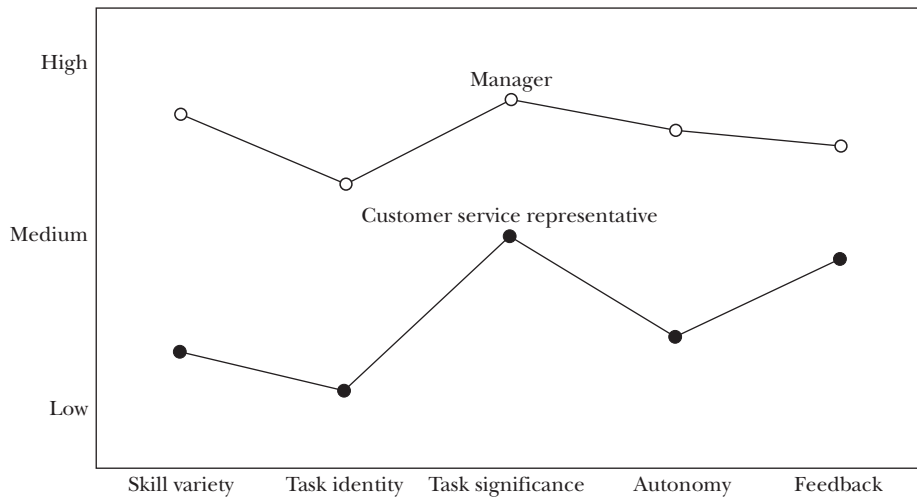


FIGURE 6.1 Job characteristics profiles for job of customer service representative and manager

by it. Many companies use job rotation to increase flexibility – i.e. having employees capable of performing a wide variety of jobs allows adjustments to be made due to absenteeism, injury, or changes in product demand. By allowing substitution, job rotation can be particularly useful when an employer faces skill shortages (Berry, 2008). However, there are also substantial satisfaction benefits. Many employees enjoy trying their hand at different jobs, and appreciate the broader perspective it provides (such as when Southwest Airlines ticket agents may try loading bags on the plane). Some companies even pay people for successfully rotating into new jobs; such pay systems are referred to as “skill-based pay.”

- ◆ *Job enlargement.* Job enlargement, sometimes called horizontal loading, involves expanding the number of tasks associated with a particular job. The difference between job enlargement and job rotation may seem subtle. The difference is that with job rotation, jobs are not really redesigned. Employees simply systematically move from one job to another, but while they are performing a job, the nature of the work has not changed. Job enlargement is a more fundamental intervention because it involves actually changing the job. For example, an assembly line worker who formerly performed one discrete operation (bolting the seat to the floor of a car) may instead be part of a team that performs many phases of the assembly operation. Another example would be workers in a grocery store who may work at the checkout counter, stock shelves, or clean, depending on what needs to be done.
- ◆ *Job enrichment.* Job enrichment, sometimes referred to as vertical loading, involves increasing the *responsibilities* of the job. Compared to job enlargement, the increase in the variety in the work of an enriched job may be no more than of an enlarged job, but the responsibility (and often autonomy) of the job is increased. For example, self-managed work teams may take on responsibilities such as staffing, scheduling, and performance appraisal formerly assigned to the team’s supervisor. One example of job enrichment occurred at the Duncan Hines angel food cake factory



in Jackson, Tennessee. Workers who combine the ingredients for the cake mix are given letters from customers who have had problems with the cake mix. Employees may call up customers to help them solve their problems and, in the meantime, perhaps learn how to make better mixes or provide clearer instructions (Johns, 1996). A similar job enrichment program was undertaken in a totally different industry. Saturn relies on enriched production work teams which are “self-directed and empowered with the authority, responsibility, and resources necessary to meet their day to day assignments and goals, including producing budget, quality, housekeeping, safety and health, maintenance, material and inventory control, training, job assignments, repairs, scrap control, vacation approvals, absenteeism, supplies, record keeping, personnel selection and hiring, work planning, and work scheduling” (Saturn Memorandum of Agreement, 1985).

Now let us return to our insurance company example. Having learned about the ways in which intrinsic job characteristics can be increased, how could we redesign the CSR job? Rotating CSRs through different specialties could increase skill variety. Providing CSRs with feedback on the resolution of each claim could raise task identity. Giving CSRs more latitude in servicing customers could increase autonomy. Though each of these piecemeal changes may have merit, a deeper approach would be to assign CSRs responsibility for entire claims. Although there are some aspects of the job that a CSR may not be able to accomplish on their own, these could be referred to a claims adjuster, or CSRs could be trained to take on some of the duties of a claims adjuster. By assigning an employee responsibility for the entire claim, both horizontal and vertical loading are increased. Horizontal loading is enhanced because the CSR may need to arrange a rental car for the customer, determine whether a check has been processed, or negotiate with another insurance company representative about payment on a claim. Vertical loading is increased by giving the CSR discretion to make decisions about various aspects of the claim (e.g. whether to provide a loaner car for a particular claim, prioritizing claims, etc.). The downsides of redesigns such as this come in the form of training costs and the recognition that there are some employees who do not welcome challenging work. In addition, more mentally challenging jobs may require more intelligent employees and, subsequently, higher compensation costs. However, research indicates that the benefits of job redesign generally outweigh these costs (Cascio, 1991).

## CRITICISMS AND LIMITATIONS

The Job Characteristics Model has amassed a great deal of support in the research literature. Despite the support, there have been several criticisms of the model. Two of the most important concerns are reviewed below.

### *Measurement of job characteristics*

The Job Characteristics Model assumes that job characteristics cause job satisfaction. It is important to remember that the measures of intrinsic job characteristics typically are perceptual. According to some researchers, perceptual measures are susceptible to biasing

influences such as mood. If employees' mood at the time of rating their job characteristics and job satisfaction affects both ratings, the correlation between perceptions of job characteristics and job satisfaction would be inflated (i.e. the real relationship would be lower than it appears). Furthermore, there are concerns that the relationship is not solely from job characteristics to job satisfaction; job satisfaction may also (or instead) cause perceptions of job characteristics. Although some research has supported these criticisms, other research has shown that when these limitations are remedied (e.g. using objective measures of job characteristics), a relationship between job characteristics and job satisfaction still exists (Glick, Jenkins, and Gupta, 1986; Judge, Bono, and Locke, 2000). Thus, while these criticisms are important to keep in mind, they do not undermine the model.

### *Motivational vs. mechanistic work design approaches*

Motivational approaches to work design, grounded in industrial and organizational psychology and exemplified by the Job Characteristics Model, aim to capitalize on the motivational and attitudinal benefits that accrue from a challenged and psychologically fulfilled workforce. In contrast, mechanistic approaches, as advocated by classical industrial engineers, emphasize increased efficiency through factors such as work skill simplification and task specialization. The mechanistic approach would seem to conflict with job design endorsed by the JCM: the former emphasizes efficiency in production (high output levels, low error rates, etc.), the latter emphasizes the advantages of a satisfied and motivated workforce (Campion, 1988; Edwards, Scully, and Brtek, 2000).

Subsequent research by Campion, Morgeson, and colleagues (Campion, Mumford, Morgeson, and Nahrgang, 2005; Morgeson and Campion, 2002), however, suggests that steps can be taken to minimize these efficiency-satisfaction tradeoffs. For instance, utilizing a *level-separation approach*, one might design organizational structures based on the mechanistic principles of standardization and simplification and still implement the core motivational characteristics within individual jobs. Thus, "basic efficiencies are built into the flow of the work, yet individual jobs are satisfying" (Campion et al., 2005, p. 371). Or, a *sequential approach* could be implemented in which both approaches are applied in succession. For instance, after tasks are specialized, management may take steps to increase autonomy and feedback.

## MODERATORS

### *Employees with low growth need strength*

In considering the recommendation that organizations should increase the mental challenge of jobs, one might wonder whether everyone seeks mental challenge in their work. Indeed, the relationship between intrinsic job characteristics and job satisfaction depends on employees' Growth Need Strength (GNS). Growth Need Strength (GNS) is employees' desire for personal development, especially as it applies to work. High GNS employees want their jobs to contribute to their personal growth, and derive satisfaction from performing challenging and personally rewarding activities. One of the ways GNS is measured is by asking employees, with a survey, to choose between one job that is high on extrinsic rewards (such as pay) and one that is high on intrinsic rewards. For example, one item asks

the employee to choose between “A job where the pay is very good” and “A job where there is considerable opportunity to be creative and innovative.” Individuals who strongly prefer the latter job are likely to be high on GNS – all else equal, high GNS people prefer jobs that are challenging and interesting, which allow them to work autonomously and use a number of skills, over jobs that are otherwise rewarding (high pay, good supervision, pleasant co-workers, etc.). According to the model, intrinsic job characteristics are especially satisfying for individuals who score high on GNS. In fact, research supports this aspect of the theory. As is shown in Figure 6.2, across the 10 studies that have investigated the role of GNS in the relationship between intrinsic job characteristics and job satisfaction, the relationship tends to be stronger for employees with high GNS (average  $r = .68$ ) than for those with low GNS (average  $r = .38$ ). However, as the figure shows, it is important to note that intrinsic job characteristics are related to job satisfaction even for those who score low on GNS (Frye, 1996).

*Employees who value other job attributes*

Thus far we have established that job satisfaction is best promoted through intrinsically challenging work because most employees value the work itself more than other job attributes. One exception to this principle is that employees who do not care about intrinsic job characteristics (low GNS) will be less satisfied by challenging work. A more generalized means of considering this exception is through values. It may not be that only employees with low GNS will respond less favorably to intrinsic job characteristics, the exception would also apply to employees who value other job or organizational attributes. Following his definition of values as that which one desires or considers important, Locke (1976) argued that individuals’ values would determine what satisfied them on the job. Only the

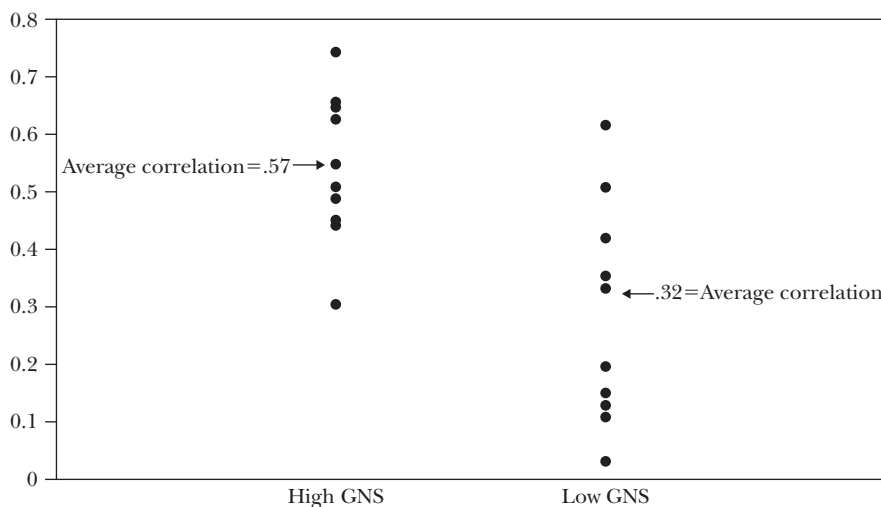


FIGURE 6.2 Studies of the correlation between intrinsic job characteristics and job satisfaction for individuals with high (High GNS) and low (Low GNS) Growth Need Strength

unfulfilled job values that were important to the individual would be dissatisfying. Thus, value-percept theory predicts that discrepancies between what is desired and received are dissatisfying only if the job facet is important to the individual. Because as a general rule individuals value work more than other job attributes, Locke's argument is consistent with the general principle described in this chapter. Thus, if intrinsic job characteristics were the most important job facet to most individuals, then Locke's theory would predict that increasing the level of intrinsic job characteristics (thus reducing the have-want discrepancy with respect to intrinsic characteristics) would be the most effective means of raising employees' job satisfaction. However, it must be recognized that when an employee does not value challenging work, other values must be fulfilled to satisfy the person.

### *Personality*

Implicit in Locke's definition of job satisfaction is the importance of both feeling and thinking. People's evaluation of their jobs is a process of rational thought (how is my pay relative to my peers, is my work as challenging as I would like?), but it is also influenced by people's dispositional outlook. Research has shown that unhappy children become dissatisfied workers later in life (Staw, Bell, and Clausen, 1986). There is even evidence that job satisfaction is partly heritable (see Arvey, Carter, and Buerkley, 1991). Thus, part of the reason we like or dislike our jobs has nothing to do with the jobs. Rather, it is due to our dispositional outlook that derives from our genes and early childhood experiences. Judge, Locke, Durham, and Kluger (1998) have found that the key dispositional factor leading to job satisfaction is core self-evaluations – if we have a positive self-regard, we are likely to see our jobs positively and undertake jobs that are challenging. Evidence indicates that core self-evaluations are related to job satisfaction through various processes, including that those with positive core self-evaluations both attain more challenging work, and perceive their work as more challenging and interesting (Judge et al., 2000). Individuals with positive core self-evaluations are also more likely to work toward goals for reasons that are consistent with their values (Judge, Bono, Erez, and Locke, 2005).

Dispositions are important in understanding job satisfaction. To a large extent, they are what cause two people with the same job to be differentially satisfied by it. The main practical implication of the dispositional source of job satisfaction is that if employers wish to raise satisfaction levels of their workforce, they need to select applicants with positive dispositions. However, the dispositional source of job satisfaction does not invalidate the general principle presented in this chapter; it merely explains why the general principle does not account for all the variation in job satisfaction. Over and above dispositional factors and mental challenge, people also value pay and being treated fairly.

### *Other moderators*

In addition to the boundary conditions mentioned above, management wishing to capitalize on the potential benefits of mentally challenging work should consider several moderators that impact the success of job redesign. For instance, any time new tasks or skill requirements are added to a job, one should consider issues such as:

- ◆ Do the employees possess excess cognitive capacity to handle the additional job demands (Phillips, 2008)? If not, then increasing the job demands might overload the employees.
- ◆ Do the employees believe they can successfully perform the new job? If not, the organization may consider techniques designed to increase employee self-efficacy (see Chapter 10, this volume) before or during the implementation of the new job.
- ◆ Are the employees intrinsically interested in the new demands or tasks? Employee satisfaction is unlikely to increase when the challenge comes from tasks or jobs which are not personally interesting, e.g. studying the law is mentally challenging but many people have no interest at all in it (Holland, 1997).

## CASE EXAMPLES

### *Job redesign at Volvo's manufacturing plants*

In the early 1990s, the Volvo corporation was experiencing high levels of employee absenteeism and turnover in their manufacturing facilities due to dissatisfaction with the “mass production environments dominated by . . . Tayloristic work practices” (Wallace, 2008, p. 113). In manufacturing plants across Sweden and the UK, Volvo attempted to combat these issues by experimenting with alternatives to the traditional assembly line-style manufacturing work design. As one production manager put it, a change was needed in order to “give all employees the chance to develop as a whole person, to take more responsibility for their work environment, to have more space to decide on what work they will do and to have more control on their working environment” (Wallace, 2008, p. 115).

Following the job redesign initiative, rather than being assigned one particular activity along an assembly line, employees were grouped into autonomous work teams and given responsibility for the overall production of the vehicles (*high task identity*). Employees were afforded the opportunity to utilize a *variety of skills* as they rotated job tasks, from foundry work to machine maintenance to painting and detailing, etc., depending on situational demands or personal preferences (Thompson and Wallace, 1996). For instance, at the Tuve plant, workers were allowed to rotate jobs as frequently as once every four hours (Thompson and Wallace, 1996), with no approval from upper management necessary (*high autonomy*). Each team was also responsible for inspecting their finished products, providing members with *feedback* concerning the quality of their work. These changes resulted in significant perceptual adjustments as employees no longer felt that they were merely “machine operators” but rather “car manufacturers” (*increased task significance*).

Volvo's commitment to making automobile assembly a more intrinsically motivating occupation resulted in several positive work outcomes. In its Kalmar plant, turnover dropped from 24% to 5% following reorganization (Jones, 1991). Furthermore, in the Volvo Truck Corporation (VTC) plants, absenteeism fell from 15% to 12% and machine tool efficiency increased by 40–90% in some units (Thompson and Wallace, 1996). The time required to manufacture automobiles was reduced by 2–4 hours per vehicle and overall production costs decreased as well (Wallace, 2008).

Despite the overwhelmingly positive outcomes experienced across several Volvo plants, by 2004, nearly all had been reconfigured to more similarly reflect previous assembly line

structures. Critics postulated that this move was “not totally based on logical overarching decisions or rational decision management” (Engstrom, Blomquist, and Holmstrom, 2004, p. 836), but rather reflected three shortcomings. First, Volvo’s desire to seek more international ventures put pressure on the corporation to adopt the lean processing approach that had become the dominant paradigm in the automobile industry (Wallace, 2008; Womack, Jones, and Roos, 1991). Second, as pointed out by Wagner (see Chapter 24, this volume), efficient work techniques and other valuable information residing within the autonomous work teams were not being successfully distributed across the organization, thus hindering Volvo’s ability to capitalize on team-level innovations and remain competitive in a global industry. Finally, although Volvo committed heavily in the technological aspects of the job redesign, experts point out that its commitment to the social/managerial aspects were inadequate (Engstrom et al., 2004). Human resource functions such as employee selection, training, compensation, and performance evaluation were never properly redesigned to reflect the changed nature of the work. For instance, many employees lacked the prerequisite skills to accomplish their new tasks, resulting in considerable variation in the effectiveness of the autonomous work teams. In sum, altering the nature of work to increase intrinsic satisfaction is one tool organizations can use to influence employee attitudes and behaviors. However, as the Volvo case illustrates, job redesign must be considered in terms of internal (e.g. human resource practices) and external (e.g. global competition) factors to capitalize on the potential benefits of mentally challenging work.

### *Tom Warner*

Tom Warner owns a plumbing, heating, and air-conditioning business in the Annapolis, Maryland, area. Warner had observed over the past few years that his business had fallen off somewhat in his primary market – commercial property-management firms. In order to cut costs, these firms were hiring handymen to do work in-house. Thus, Warner decided to pursue the residential market. But how could his business, with more than 250 people, compete against little mom-and-pop operators who built personal relationships with many clients? Warner’s answer was to expand the jobs of his plumbers, electricians, and technicians so that each operated like they owned their own business.

Warner divided the Annapolis territory into smaller territories of approximately 10,000 households. Each of his non-staff employees was given a territory. The employees were trained in how to run their territory as if it were their own business. They learned sales techniques, budgeting, negotiating, cost estimating, and how to handle customer complaints. Warner’s vision was to run his business using a staff of technically superb, friendly, and ambitious mechanics who operate like small-town tradespeople despite the big-city reality.

The redesign of mechanics’ jobs has been quite successful. Although initially turnover increased (perhaps because low GNS employees did not like the redesigned jobs), the remaining employees have developed a strong sense of pride and ownership in their territory. The average mechanic puts in 63 hours a week. They not only fix pipes and repair heaters, they generate referrals, schedule their own work, do their own estimates, handle their own equipment, develop their own advertising campaigns, and collect their own receivables. Warner provides training, trucks, tools, phones, pagers, dispatchers, and an all-night answering service. He also performs such chores as payroll and taxes. His mechanics are then free to run their businesses the best way they see fit.

## CONCLUSION

Job satisfaction matters. Employees who are satisfied with their jobs tend to perform better, withdraw less, and lead happier and healthier lives. Organizations whose employees are satisfied with their jobs are more likely to be productive and profitable. The single most effective way organizations can achieve a satisfied workforce is to provide their employees with mentally challenging work.

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## EXERCISES

### *Identifying factors related to job satisfaction*

The National Opinion Research Center at the University of Chicago surveyed over 50,000 Americans to determine which occupations scored the highest and lowest in terms of overall job satisfaction. Whereas firefighters and physical therapists were generally very satisfied employees, roofers and cashiers were generally unsatisfied with their jobs.

Use the Department of Labor's Occupational Information Network (O\*NET; <http://online.onetcenter.org>) to compare job descriptions and relevant knowledge, skills, abilities, and other characteristics of: (a) firefighters, (b) physical therapists, (c) roofers, and (d) cashiers. In terms of the core characteristics of the Job Characteristics Model, which occupations inherently have high levels of task identity, task significance, skill variety, autonomy, and feedback? Judging from these four jobs, do higher values of JCM core characteristics appear to correlate with higher job satisfaction? What other factors might impact the satisfaction scores?

### *Redesigning jobs to increase mental challenge*

Identify three separate jobs. These can be current jobs, jobs you have had in the past, and/or jobs that you are familiar with. Use the Job Diagnostic Survey (Table 6.1) to assess each job's motivating potential. Formulate a plan to redesign the jobs that will increase their motivating potential. While working, think about the following issues:

1. How will redesigning your jobs impact other jobs within the organization?
2. What Human Resource (HR) functions (recruitment, selection, training, performance appraisal, compensation, etc.) will be impacted by the redesigned jobs? What can you do to realign HR functions with your new jobs?
3. Are some jobs easier to redesign than others? What factors make a job easy or hard to redesign?
4. Is it easier to increase some core JCM characteristics than others? What core JCM characteristics are easy or hard to adjust?
5. What are the costs associated with your job redesign plans? Given these costs, do you think an organization would benefit from implementing your changes?

