

## CHAPTER 6

### PERCEPTION IN ORGANIZATIONS

Leaders make decisions based on how they perceive, that is sense and understand, the events, people, and things around them. Yet most of us have experienced instances where our perceptions were clearly erroneous and the events, people and things around us were not what they appeared to be. While more accurate perceptions should obviously provide a stronger base for decision making, some leaders may argue that problems resulting from inaccurate perceptions are infrequent and often minor. Of course, most of us do perceive reasonably accurately most of the time, but effective executives know that, as in sports or any other professional field, the difference between top and mediocre performance is often measured in millimeters and microseconds. Since most leaders strive to be that little bit better than their peers, they must seek to understand the perceptual process better in order to develop the skill to perceive events and people more accurately and thus have a better base for making decisions<sup>1</sup>.

A person receives a constant stream of data from his or her senses. In the leader's world, the data about a situation or an event usually involves another person or persons in some sort of organizational setting surrounded by desks, computers, machines, reports, and other "things". Why do leaders "see" some things and not others? How do leaders filter what is relevant and what is not? What kinds of filters screen, obscure, or distort "reality"? What kind of conclusions, inferences, or judgments do leaders reach from the data that passes through their filters?

Like manufacturing, perception involves a process leading to a product output. In psychology these two are usually called perceiving, the process, and percept, the product, respectively. The product is the conclusions, inferences, or judgments we reach about an event or situation while the process involves all the steps that take us there.

The human brain is bombarded by massive amounts of information gathered by our senses, only some of which can be processed usually spontaneously without reflective thought. Individuals seem to spontaneously expect and look forward to events or inputs which conform to their personal characteristics<sup>2</sup>, personality and previous life experiences which have been rewarded or punished in the past<sup>3</sup>. These usually subconscious expectations are like "hypotheses"; that such-and-so will occur or should occur. For example, a supervisor who has a high opinion of, a liking for, and high performance expectations (positive biases) of a particular person may "see" higher performance than would an outside, objective observer. Conversely, a supervisor who has a low opinion of, a dislike for, and low performance expectations (negative biases) of

another person, may “see” lower performance than would an outside, objective observer. Thus, every person has built up in his or her mind certain usually subconscious assumptions, expectations, and hypotheses about the world in which he or she lives, which profoundly influence how the person perceives events. These expectations, assumptions, and hypotheses do not spring up in isolation but derive from the same set of influences leading to spontaneous behaviors, namely previous life experiences and ongoing encounters with the environment including culture, education, biases, and motivations. They also may derive from the same sets of influences leading to reflective behaviors, namely the more recent sets of expectations from the many relationships one may have and from one’s self concept including norms from the organizations, departments and groups with whom one interacts and the ethical, legal and cultural factors in one’s value system. These expectations, assumptions, and hypotheses define what our senses lead us to perceive or not perceive in the environment. We see what we expect or want to see<sup>4</sup>. All perception occurs in a rich, dynamic, ongoing context, and a thorough understanding of the perceptual process demands that we understand the roles of expectations, assumptions, and hypotheses, which taken together, constitute what may be called a person’s assumptive world.

Based on this assumptive world, the individual selects those relevant bits of sensory data from the immediate environment which he or she has found from previous experience to be useful in some way. This selection process works negatively as well to filter out of a situation those “realities” (bits of sensory data) that the individual’s previous experience suggests are not useful. For example, a leader may consciously or subconsciously identify an employee as being very similar to another person the leader has already judged to be incompetent. This association may generate subconscious negative expectations (biases) in the mind of the leader which leads him or her to accept as relevant only evidence of the employee’s incompetence. The same leader may identify an other employee as being very similar to a favored daughter or son thus generating positive subconscious expectations (biases) and filtering out as not relevant evidence of that employee’s incompetence. In effect, the leader’s expectations of performance are affected by earlier judgments of others, including their biases, which thus become part of the leader’s assumptive world but have little or nothing to do with actual performance in the particular situation he or she is observing. This contributes to the “self-fulfilling prophecy” or “Pygmalion effect”<sup>5</sup> discussed in Chapter 4. An obvious conclusion: it is dysfunctional when biases overly influence what is accepted or rejected as relevant.

Our perception of relevance determines our focus in our perceptual field. We narrow our field of view and focus on what we believe is relevant. This might be called “spotlight perception” or tunnel vision<sup>6</sup>. When we broaden our field of view to encompass other aspects in a situation, however, we can be said to be using “floodlight perception”. In order to obtain accurate perceptions, leaders must both spotlight and floodlight. We focus on what we perceive to be relevant but must recognize that our

assumptive world may cause us to filter out aspects of a situation others may perceive to be highly relevant. During this relevance processing, a leader can add to or subtract from the available sensory data, and narrowly or broadly attend to the situation or event. In short, we perceive our environment selectively.

An example of the relevance filter is the Sherlock Holmes stories. Most of us who read the stories spontaneously filter out the critical clues as not relevant while the great detective is able to avoid filtering out that data, by perceiving reflectively, and is ultimately able to put the pieces together to solve the mystery. Indeed, new detectives must consciously control their perception in order to perceive reflectively and thus avoid filtering out what may later prove relevant and important.

Leaders process and evaluate what has passed through their relevance filters into their perceptual field in order to reach the final structuring of a conclusion, inference or judgment (percept) which is usually done spontaneously. The leader may then use this percept, however accurate or inaccurate, to make decisions. When we evaluate, we are testing previously held assumptions, expectations, and/or hypotheses derived from our life experiences against the sensory data from our field of view as filtered by our assessment of the relevance of these data. This testing and checking is the analyzing and synthesizing process by which tentative assumptions and sensory input are structured into percepts and again, this is usually done spontaneously. In other words, we check our current hypotheses about what is going on against our past experience. This hypothesis may change spontaneously several times before we are relatively sure about what we perceive; confronted with ambiguous input, there may be repeated vacillations in our current perceptions. If the latest, best hypothesis does not “check” reasonably well against past experience, then the perceivers will try other hypotheses until the percept is structured to their satisfaction or may become reflective and require further sensory information.

To avoid the many problems associated with “percept” distortions, leaders must consciously and reflectively withhold evaluative judgments as long as feasible while they set about trying to obtain additional sensory data. It is only when leaders observe the organized pattern into which these events fit that they can begin to understand the situation. This reflective effort is called “taking a functional point of view”.<sup>7</sup> Taking a functional point of view requires the leader to:

1. Withhold evaluative or attributive judgments until the pattern of relationships is clear or until verification has been accomplished to the extent feasible, and
2. avoid taking sides or imposing premature application of his or her own assumptive world and filtered perceptions until all the information from others is in, while recognizing that the information received is always filtered and probably slanted or distorted by the expectations, self-images and biases of ourselves as well as others.

If the perceptual processing is done accurately, our “percept”, may match what is happening. If it is not done accurately, the final “percept” may be in error. In other words, there may be a distortion or distortions introduced into the perceptual processes. These distortions may be more likely when we perceive spontaneously depending on the fit of our previous life experiences and personal attributes with the situation being perceived. Some of the major characteristics that contribute to perceptual distortion are:

1. We structure our perception to fit immediate wishes, biases, needs and expectations. We see what we expect, or hope, to see.
2. We may allow our emotions to influence the perceptual process by either intensifying or interfering with it. For example, our feelings of love, hate, happiness, or anger may amplify and/or distort either the relevance of or the positive or negative judgments we make about an incident or person.
3. We may not be aware that our spontaneous perception of reality is distorted by such factors as our subconscious biases and our defensiveness when we are challenged at work or elsewhere.
4. Our inner determinants involving personal attributes such as memory, emotion, wishes, and personality characteristics and perhaps subconscious self-concept factors including needs and/or ethics derived from cultural factors, will carry more weight than our outer determinants which include the psychological contracts we have with others and our environment.
5. Previous experience with positive or negative reinforcement in similar situations may have generated strong biases which influence current perceptions, such as big business is bad, or management exploits labor.
6. Life experiences and traditions in our culture, the college we attend, the organizations for whom we have worked or are working can influence how information is processed, particularly spontaneously when we interact with a different culture or organization.

To make effective decisions a leader must not only perceive but understand other people<sup>8</sup>. The process by which we perceive people and the causes for their behavior is called “attribution”. We attribute a person’s behavior to some cause or causes. We infer whether the causes for a person’s behavior are internal or external to the person, and stable or unstable over time and in different situations<sup>9</sup>. Attribution permits us to perceive people and their behaviors as structured, stable and meaningful. Although people will act in diverse ways in different situations, we will still perceive stability in these cases because of the inferences we make about their intentions or motives. In this way, we tie their behavior to some common threads, either in the environment or the person or both. We also use attribution when we attempt to understand the unexpected (“he meant to...”, “she had to...” etc.). Attribution is the process by which we see people

as actors rather than objects. Because of this, two people will often have quite different explanations for why a particular behavior has occurred. Therefore, in order to understand more accurately the behavior of another person, we must reflectively test our attribution thus entering the testing and checking stage of perception. In Chapter 4 we saw an example of reflective testing before attribution; Vice President Dan Stone was surprised by Joe Reed's recommendation of Art White instead of Kay Cook but he went out to "test" the situation before "assuming" anything or attributing motives to Reed.

We are all biased observers. Everyone has had life experiences that have generated individual needs, expectations, and belief systems that determine how we perceive people, objects, and events. Sometimes these individual characteristics get in the way of making accurate attributions and/or predictions about people, objects, and events. People with high affiliation needs for instance, may see the world and other people in terms of love, hate, rejection, and acceptance and will judge others, including subordinates, peers, and bosses on these dimensions. More importantly, these inner needs may preclude the individual from attributing other important characteristics to a person. In a similar fashion, strong needs for achievement or power may also bias our attributions. We may perceive very differently when we spontaneously respond compared to when we take time to reflectively respond.

The ability to develop differentiated perceptions of others is a mark of a leader (i.e. an effective manager). In other words, leaders tend to perceive reflectively and more accurately, with fewer distortions, the differences among their peers, subordinates, and bosses. They can make more accurate attributions and judgments about the strengths and weaknesses of those around them. They know that not everyone sees things the way they do<sup>10</sup>.

### **Perceptual Difficulties**

Leaders have a better view of reality because they tend to recognize that:

1. Everyone is biased by their life experiences both positively and negatively.
2. Everyone constructs their perceptions to meet their needs and assumptions about the world.
3. Perceptions serve the purpose of explaining the world, and also defending ourselves (self-image) from other explanations.
4. Perceptions often serve the function of reducing uncertainties and may become "reality", rather than possibility, in the eyes of the individual concerned. "If something is perceived as real, it is real in its consequences." (Nicholson, Op. Cit., p. 61)

5. Untested perceptions create self-fulfilling or circular perceptual processes. We continue to selectively perceive what we want to perceive to prove our hypotheses; we wall ourselves off from competing information.
6. Our assumption(s)/belief(s) lead to behavior on our part that will be congruent with these perceptions. We create a self-fulfilling prophecy.

### **How to Perceive More Accurately**

There are a number of things we as leaders can do, to the extent we are able, that will assist us in perceiving reflectively and more accurately:

1. Thorough self analysis to understand our own motives, needs, beliefs and biases. (See below “Perceptual Issues We Need to Examine”.)
2. Thorough analysis of others to understand their spontaneous and reflective behaviors deriving from their personal attributes including history, motives, needs, and biases, their self-concepts including beliefs and values, and the psychological contracts they have.
3. Construct situations where hypotheses/perceptions can be tested and confirmed or discarded reflectively.
4. Reflectively create a climate of openness between ourselves and others in order to be able to discuss the “undiscussable”.
5. Reflectively generate valid information, avoid premature attribution, and focus on the particular behavior in the situation.
6. Listen to our intuitions which are guides to our feelings, needs, and motives.
7. Scrutinize these intuitions so they are understood by us.
8. Seek feedback from others on our perceptions; how do they see the situation.
9. Take responsibility for our perceptions; we should put statements in the form of “I think”, “I feel”, “I believe”.
10. Give feedback to others about our perceptions. But be sure the feedback is intended to be and is phrased to be helpful and not intended to boost our own ego.
11. Broaden our perspective by reading about, listening to, and observing people, things and events. Look at, and learn at least a little bit about, literature, art, politics, behavior, humanities, ethics, science, etc.; as opposed to looking only at our area of specialization or interest. This broadens our life experiences.
12. Accept the anxiety involved in dealing with uncertainty. We all have the same feelings about uncertainty; we differ in how we handle our anxieties over uncertainty. Acceptance of the universality of the situation will allow us to go on with the task of confirming or discarding our dysfunctional attributions, assumptions, and perceptions.
13. Do not make the task of evaluating perceptions into a win-lose situation. Any perceptions, right or wrong, are “reality” for the person who has them. Premature

judgments may create defensiveness and close the learning loop between individuals.

Another way we, as leaders, can improve our reflective “functional perception” is to verify or validate our perceptions. We can do this by sharing our perceptions with others while they share theirs with us. To do this, we must examine a number of issues that may give us insights into our perceptual filters on both relevance and evaluation.

### **Perceptual Issues We Need to Examine**

1. Uniqueness: What makes me different from others? What makes the other person different from me?
2. Image of self: How do I see myself? What do I like best and least about myself?
3. Image of others: What yardstick(s) do I use most to evaluate others?
4. Past experience: What are the most important past experiences that made an impression on me?
5. Mood: Am I consistent and stable or am I likely to fluctuate in my moods? What are my mood states?
6. Learning: What are the important things I have learned? What are my belief systems?
7. Values: Do I know what values I cherish? What possession, tangible or intangible, would I surrender last?
8. Familiarity: In what area of activity am I most familiar and secure?
9. Wants: What one thing would I most want to be able to do?
10. Emotions: How do I handle my emotions? Openly, defensively?
11. Focus: To what activity do I give most of my attention on the job?
12. Motivation: What are my most salient needs: power, achievement or affiliation?
13. Attention: What do I look for most when I meet a person for the first time?
14. Completion of the incomplete: Do I communicate the whole story?
15. Simplification or complication: Do I look to simple or complex explanations of people, events and things?

Although the perceptual process is a very difficult and complex one, leaders who understand it and develop the skills to improve the accuracy of their perceptions have a stronger base for decision making and thus have that critical small edge over their peers and competitors.

### **Questions for Reflection and/or Discussion**

1. What factors influence how our relevance filters operate?
2. What factors influence how our evaluative filters operate?
3. What are the differences and similarities between spontaneous and reflective perception?
4. What can leaders do to improve their ability to perceive more accurately?

## FOOTNOTES

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- <sup>9</sup> Kelley, Harold H., "The Processes of Casual Attribution", American Psychologist, February 1973.
- <sup>10</sup> Nicholson, Nigel, "How to Motivate Your Problem People", Harvard Business Review, January 2003. p. 62.