



LEARNING GOALS

- Learning through reinforcement and observation
- Programmed vs. non-programmed decision making
- Common decision-making problems

LEARNING

- relatively permanent changes in an employee's knowledge or skill that result from experience.



EXPLICIT VS. TACIT KNOWLEDGE

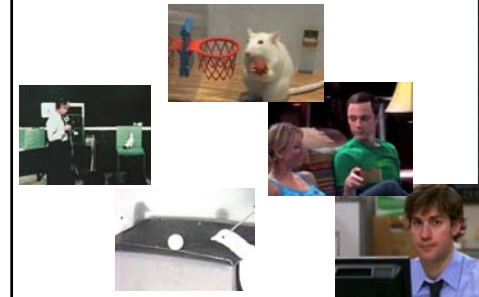
EXPLICIT KNOWLEDGE	TACIT KNOWLEDGE
Easily transferred through written or verbal communication	Very difficult, if not impossible, to articulate to others
Readily available to most	Highly personal in nature
Can be learned through books	Based on experience
Always conscious and accessible information	Sometimes holders don't even recognize that they possess it
General information	Typically job- or situation-specific

LEARNING THROUGH REINFORCEMENT

- focuses on the use of reinforcement (rewards & punishment) to change behavior
- Operant conditioning
 - learning results from the link between our voluntary behavior and its consequences.



VIDEOS CLIP ILLUSTRATIONS



REINFORCEMENT CONTINGENCIES

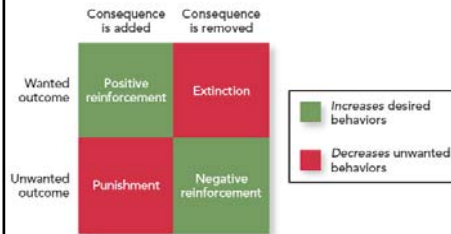
To increase desired behaviors:

- Positive reinforcement
 - positive outcome follows a desired behavior.
- Negative reinforcement
 - unwanted outcome is removed following a desired behavior.

To decrease undesired behaviors:

- Punishment
 - unwanted outcome follows an unwanted behavior.
- Extinction
 - removal of a consequence following an unwanted behavior.

REINFORCEMENT 2X2 MATRIX

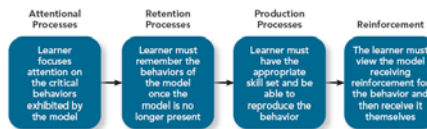


SCHEDULES OF REINFORCEMENT

REINFORCEMENT SCHEDULE	REWARD GIVEN FOLLOWING	POTENTIAL LEVEL OF PERFORMANCE	EXAMPLE
Continuous	Every desired behavior	High, but difficult to maintain	Praise
Fixed Interval	Fixed time periods	Average	Paycheck
Variable Interval	Variable time periods	Moderately high	Supervisor walk-by
Fixed Ratio	Fixed number of desired behaviors	High	Piece-rate pay
Variable Ratio	Variable number of desired behaviors	Very high	Commission pay

LEARNING THROUGH OBSERVATION

- Social learning theory
 - people learn through the observation of others.
- Behavioral modeling
 - employees observe the actions of others, learn from what they observe, and then repeat the observed behavior.



GOAL ORIENTATION

- Goal Orientations can influence how you learn
- Learning orientation
 - building competence more important than demonstrating competence.
- Performance-prove orientation
 - Need to demonstrate competence so others think favorably of them.
- Performance-avoid orientation
 - Need to demonstrate competence so others will not think poorly of them.

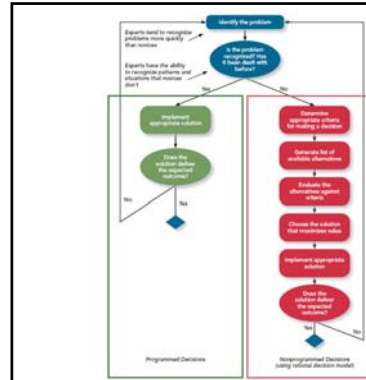
DECISION MAKING

- process of generating and choosing from a set of alternatives to solve a problem.



METHODS OF DECISION MAKING

- Programmed decisions
 - Used in situations that are familiar with a known course of action that needs to be taken.
- Nonprogrammed decisions
 - Required for situations that are new, complex and not recognized.
 - Often results in the use of the rational decision-making model
 - A systematic decision making process that tries to maximize outcomes by examining all available alternatives.



DECISION-MAKING PROBLEMS

- Limited Information
- Faulty Perceptions
- Faulty Attributions
- Escalation of commitment

PROBLEMS: LIMITED INFORMATION

- Bounded rationality
 - decision makers unable to process all available information
- Satisficing
 - decision makers select first acceptable option



PROBLEMS: FAULTY PERCEPTIONS

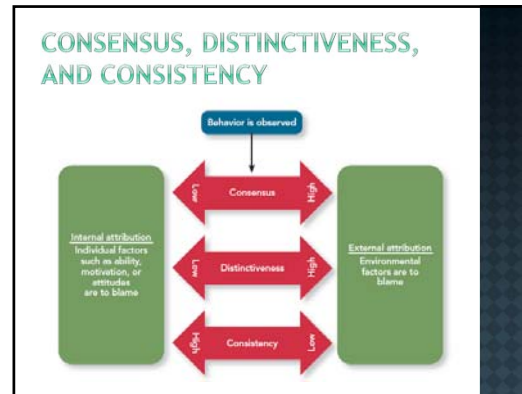
- Projection bias
 - Believe others think, feel, and act the same way you do.
- Social identity theory
 - Identify yourself and others based on group memberships.
- Stereotype
 - Make assumptions about others based on membership in a social group.
- Heuristics
 - Use of simple rules of thumb that allow us to make decisions more easily.
- Availability bias
 - Tendency to base judgments on information that is easier to recall.
- Selective perception
 - See only what affects you/is consistent with expectations

PROBLEMS: FAULTY ATTRIBUTIONS

- Fundamental attribution error
 - people have a tendency to judge others' behaviors as due to internal factors.
- Self-serving bias
 - attribute our own failures to external factors and our own successes to internal factors.

PERFORMANCE ATTRIBUTIONS

		<i>Performance Level</i>	
		High	Low
Observer		Good Luck <i>SITUATIONAL</i>	Low Ability <i>DISPOSITIONAL</i>
Perceiver		Easy Job	Low Effort
Actor		High Ability <i>DISPOSITIONAL</i>	Bad Luck <i>SITUATIONAL</i>
		High Effort	Difficult Job



- PROBLEMS: ESCALATION OF COMMITMENT**
- Decision to continue to follow a failing course of action.
 - Tendency to escalate commitment to previous decisions, even in the face of obvious failures.

NAME OF BIAS	DESCRIPTION
Anchoring	The tendency to rely too heavily, or "anchor," on one trait or piece of information when making decisions even when the anchor might be unreliable or irrelevant. Example: One recent study showed that initial bids for a bottle of wine in an auction could be heavily influenced by simply having subjects write down the last two digits of their social security number prior to putting a value on the bottle. Those with higher two digit numbers tended to bid 60-120 percent more for a bottle of wine than those with low numbers.
Framing	The tendency to make different decisions based on how the question or situation is phrased. Example: Why do gas stations (or any retailer) give out discounts for paying cash as opposed to adding a surcharge for using a credit card? The discount is seen as a gain while the surcharge is seen as a loss. Because humans are loss averse, we are more likely to give up the discount (the gain) than accept the surcharge (the loss).
Representativeness	The tendency to assess the likelihood of an event by comparing it to a similar event and assuming it will be similar. Example: Assuming because a flipped coin has come up heads 10 times in a row, the likelihood that it will come up tails is greater than 50/50. Sometimes referred to as the "gambler's fallacy".
Contrast	The tendency to judge things erroneously based on a reference that is near to them. Example: If you were to take your hand out of a bowl of hot water and place it in a bowl of lukewarm water, you would describe that water as "cold". If someone else were to take their hand out of a bowl of extremely cold water and place it in the same bowl of lukewarm water, they would describe that water as "hot".
Recency	The tendency to weigh recent events more than earlier events. Example: A manager's tendency to weight ratings in performance evaluations based on an employee's behavior during the prior month as opposed to his or her behavior over the entire evaluation period.

