Final Strategic Plan

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Prepared for PSYC 170
Spring 2019

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Purpose and Research Questions

After finalizing which constructs our team was going to use, we discussed why we chose those constructs and what the purpose of our presentation was going to be. For this project, we wanted use constructs that correlated with some of the issues PG&E were having. In the last few years, PG&E has struggled with building strong leadership roles and building a team that emphasized diligence. To get a better understanding of PG&E's employee environment, we focused on examining what type of relationship there is between leadership and diligence. In addition to our focus on the relationship between our two constructs, we also examined how gender and ethnicity played a role in leadership as well as diligence.

This ultimately lead to creating our two research questions that we hope our project would help us answer. Our first research question asked if there is a relationship between leadership and diligence. Our second research question asked if gender as well as ethnicity affected the relationship between leadership and diligence.

Literature Review:
Key Traits Description

Leadership

Leadership is defined as, "the process of diagnosing where the work group is now, and where it needs to be in the future, and formulating a strategy for getting there. Leadership also involves implementing change through developing a base of influence with followers, motivating them to commit to and work hard in pursuit of change goals, and working with them to overcome obstacles to change" (Paglis & Green, 2002).

According to Voegtlin, Frisch, Schwab, and Walther (2019), "Responsible Leadership Theory" divides the leadership role into three main categories, Expert, Facilitator, and Citizen. The Expert role involves setting tasks and achieving performance goals and productivity. It affects the rapport with investors, shareholders, supervisors, and the customers. The Facilitator role involves motivating the employees and making sure that the workplace is a safe and positive environment for them. The Citizen role involves the effects the company has outside of its walls. Non-Government Organizations (NGO's), the city, state, and employees' families are examples of outside parties that could be affected by the companies actions.

From the results of 849 participants across three different countries (Sweden, Switzerland, and Germany) it was concluded that "Empathy" and "Positive Affect" both had strong positive relationships to being a Responsible Leader, and that "Leader Effectiveness, employees' organizational commitment, community behavior, seeing the Leader as a role model, and stakeholders viewing the company as attractive" were all outcomes of being a Responsible Leader (Voegtlin, et al, 2019). These results were interesting because usually you would expect a stern, demanding supervisor to bring in higher productivity but it seems that being more empathetic and cool-headed towards the employees actually makes them more willing to be more productive and see the leader as "Responsible." These findings show that being a Responsible Leader is multidimensional and, therefore, requires expertise in multiple areas. When it comes to, "Positive Affect" however, it may be the lack of "Negative Affect" which is preferred by the employees, and not so much positive affect itself being desirable. Further testing would need to be done in order to expand upon this.

Diligence

Meanwhile, diligence is defined as "expresses or reflects an individual's effort toward achieving physical, mental, social, and spiritual ideals" (Bernard et al., 1993). Bernard et al created the diligence scale in 1993 in order to measure effort within student academic performance. In their study, they look at five traits that make up diligence: Motivation, Concentration and Assimilation, Conformability and Responsibility, Discipline, and Devotedness and Spirituality. (Bernard et al., 1993) In their results, the Motivation trait tests was the only one to be a significant and meaningful predictor compared to the other four trait tests. The anomaly was possibly a result of the sample that Bernard et al tested with, junior and senior high school students. (1993)

In a more practical sense, diligence is simply performing tasks thoroughly and with effort from beginning to end and where one is expected to and can be counted on to perform as needed on commitments and responsibilities. In the HEXACO Personality Inventory where our research survey questions are drawn from, it is a facet of the Conscientiousness domain. It specifically assesses the individual's ability to work hard. (HEXACO)
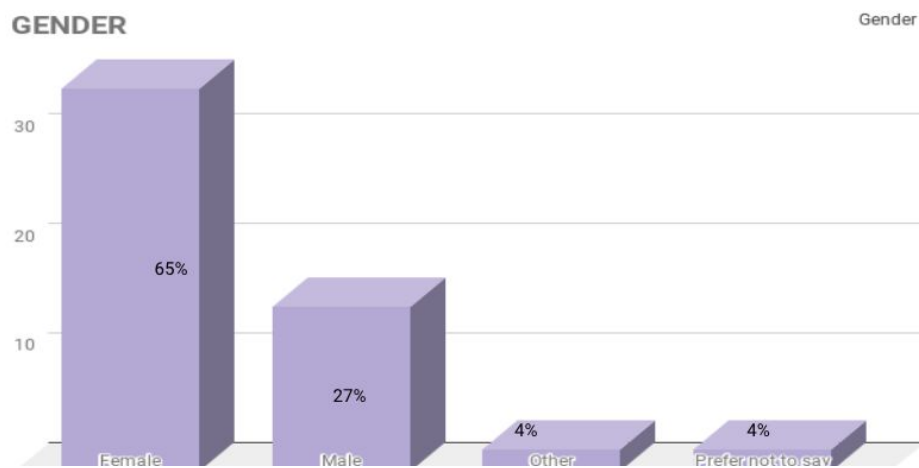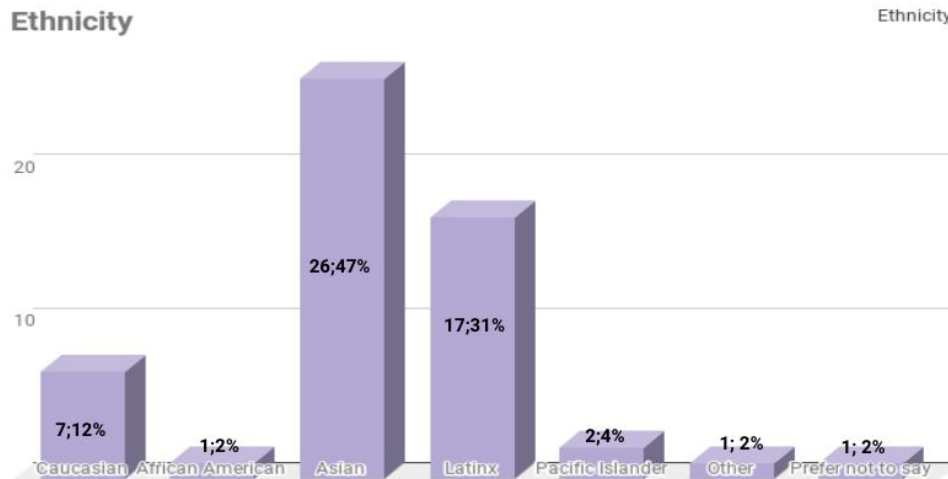
External Application

According to Glaser (2012) and Eisenberger, Fasolo, and Davis-LaMastro (1990), Leadership and Diligence are strongly correlated and necessary for a successful workplace. Glaser (2012) stated that leaders must be able to guide and encourage their employees to reach their employer's goals. In order to create positive outcomes for their companies, leaders must be diligent. In addition, diligent leaders must be honest as well as have integrity because having these values also set a standard for other employees. In addition, Glaser (2012) stated that a leader who is diligent must also be willing to accept criticism and suggestions from within the company as well as outside the company. This creates an effective and proactive leader who is

able to view his or her mistakes as a chance to change their leadership styles to better the company's environment. Eisenberger, Fasolo, and Davis-LaMastro (1990) also stated that leaders who value diligence create an inviting environment which increases job performance as well as job attendance. Having high support from leaders lead employees to increase their diligence in their job responsibilities.

Participants

The group that we surveyed were individuals who have been or are currently employed. The sample was taken from an online survey created on Qualtrics which was sent to family members, friends, and other classmates at San Jose State University. Our sample size consisted of 55 participants which included 65% females, 27% males, 4% other, and 4% that preferred not to say. In addition to gender, we also looked at the ethnic demographic. The statistics revealed that there were 7 Caucasians, 1 African American, 26 Asians, 17 Latinx, 2 Pacific Islanders, 1 Prefer Not to Say, and 1 Other.

Ethnicity

Caucasian 7;12% African American 1;2% Asian 26;47% Latinx 17;31% Pacific Islander 2;4% Other 1; 2% Prefer not to say 1; 2%

Approach

Data Collection Method

This survey was given to 55 anonymous participants. The survey was a self-assessing, online survey that consisted of 13 questions. Five of the questions focused on leadership and five questions that focused on diligence, which came from the Personality Questionnaire (ipip.org, n.d.), and last three questions asked about demographics, gender and employment. Of the 13 questions, six were positively keyed and four were negatively keyed.

Data Analysis

In order to collect and sustain accurate data, four questions from the survey were negative items and reverse coding was used to accurately correlate the data. The reverse coding renumbered the answer key such as one being very inaccurate and five being very accurate, into one being very accurate and five being very inaccurate. This allowed us to find whether or not there was a strong or weak relationship between variables. ANOVA was used to analyze results. At first we intended to use three groups to measure variables, such as demographics, gender, and employment and test between leadership and diligence. However, due to majority of female participants and majority Asian participants results are highly skewed.

Results

Table 1

Summary of Correlations, Mean, and Standard Deviation between Leadership and Diligence

Measures	1	2	Mean	Std. Dev.
1. Leadership	...	.433**	16.24	3.33
2. Diligence	.433**	...	18.27	3.33

Note: **. Correlation is significant at the 0.001 level (2-tailed). All participants are measured for

leadership and diligence (n=55).

According to Table 2, it demonstrates that there is a moderately strong positive correlation

between Leadership and Diligence (r= .433, n=55, p<.001)

Table 3

Predictors of Leadership and Diligence

Variable	L	M	SD	D	M	SD
Gender	.056			.002		
F		16.50	3.21		18.61	2.91
M		17.733	3.23		19.00	3.31
O		13.00	1.41		12.00	1.41

Note: Due to ethnicity and employment being heavy skewed, we decided to disregard findings from both groups and focus solely on gender

To test the hypothesis, a single-factor between-subject analysis ANOVA was conducted by using gender as an independent variable and leadership or diligence as the dependent variable using a Type 1 error as .005. The analysis did not show a statistically significant effect of gender on leadership, $F_{(3, 51)}= 2.691$, $p<.05$. However, the analysis did show a significant effect of gender on diligence, $F_{(3, 51)} = 5.498$, $p<.05$. All other variables had no significant effect.

Conclusion
Discussion
As expected, the results of our study demonstrate that there was a relatively strong and positive linear relationship between leadership and diligence of a .433**. However, there was no significant effect on leadership with gender, ethnicity, and employment and diligence with ethnicity and employment. Between gender and diligence there was a strong relation and males were slightly more diligence than females. We expected to see a correlation between variables, however we were not able to find any significant effects. This was due to the distribution process of the survey, in which we did not specifically survey PG&E employees. Although we had significantly more female participants, males scored higher for leadership and diligence traits within the workplace. Therefore, the research of this research were insignificant in almost all aspects, with the exception of leadership and diligence um reliability within the three humor questions on the questionnaire.

Limitations and Next Steps

Numerous limitations exist with every study because it is hard to produce the perfect study. In this survey, the largest limitations were the participants. The group sent out a link to family members, friends and classmates. Most of the participants were female and the greatest number of participants were Asian. Therefore, the results cannot be generalized to the entire population. The group also had a semi low participant total ending at 55 participants. Another possible limitation is the survey format. The group sent out links to an online survey. For next steps, it is proposed to include participants that are actual employees of PG&E. It will also be good to include a more balanced group gender-wise. The same thing goes for ethnicities. This time around it might be easier to hand out in person surveys in a paper format in order to receive more completed results.

Future Research

Our group measured the interaction between leadership and diligence. These constructs are similar because it is expected that a leaders will posses some if not all the characteristics of a diligent person. It is because of that, a strong positive correlation was expected for the interaction. An article discussed the elements that make up a diligent leader. These included judgement, care, prudence, determination and activity (Dunigan, n.d.). It would be interesting to test those specific constructs along with diligence and leadership to test the interactions as well. The survey would include personality statements from the IPIP website. For example, a positively keyed statement for Judgement is I "Try to have good reasons for my important decisions" while a negatively keyed statement is I "Don't think about different possibilities when making decisions (Peterson & Seligman, 2004)."

Motivation (current and proposed)

There are many things that can influence employee motivation. Motivation in turn leads to higher productivity. There are two kinds of motivation. Those are intrinsic and extrinsic motivators. With intrinsic motivation, employees feel satisfaction with the job itself and the responsibility (Landy & Conte, 2013, pg. 365). Extrinsic motivation is when the employees feel satisfied and motivated with external sources like pay or benefits (Landy & Conte, 2013, pg.365). A way that companies increase motivation is by having incentives such as bonuses, pay raises and advancement opportunities. Reinforcement happens when a wanted behavior is rewarded which leads to the possibility of the behavior being repeated again (Landy & Conte, 2013, pg.283). "Reinforcement is useful in pointing out when a trainee or job incumbent demonstrates the correct behaviors and skills (Landy & Conte, 2013, pg.283)." PGE has an incentive program called the STIP (short term incentive plan) which is like a yearly bonus ("Corporate Responsibility and Sustainability Report 2018," n.d). This bonus however, is based on employee performance as well as the company performance. When the employees have a good performance for the entire year, they may get rewarded with a yearly bonus. This is positive reinforcement. However there is always the possibility that they do not receive bonuses if the company does not perform well which may discourage the employees. This shows that employees are currently externally motivated to be with the company which can be troublesome to a certain extent.

Goal setting theory might help keep motivation and productivity high throughout the year. Goal setting theory has a general concept that "individuals who set specific, difficult goals lead to higher levels of performance, assuming that the individual has accepted the goals (Landy

& Conte, 2013, pg.335)." With Goal Setting theory, there is more chance to help employees develop intrinsic motivators. Goal Setting theory allows employees to feel like they have control over one's jobs and goals because they were a part of the goal setting process. An important aspect of this theory is feedback loop. With feedback loop, employees are able to make adjustments as necessary (Landy & Conte, 2013, pg.527). It is more beneficial for employees to be intrinsically motivated to be with the company because it will save the company money when it comes to bonuses. When employees are intrinsically motivated to be with the company, they tend to stay there because they are genuinely motivated to be there not just due to the money.

Training and Development (current and proposed)

PG&E focuses on training and development in the form of technical training. They currently have classroom training methods. A classroom lecture is defined as a training method in which the "trainer communicates through spoken words and audiovisual materials (Landy & Conte, 2013, pg.292)." A classroom training method is effective because it can get information out to multiple people at a time (Landy & Conte, 2013, pg.292). PG&E has specific training sites like the Livermore Training and Qualification center that prepares their workers with knowledge and skills ("An Inside Look at Livermore Training Facility," 2011). The classrooms have both virtual and on site instructions.

However, reviews were left on Glassdoor and Indeed that stated how some employees felt about training and development. An employee stated that "advancement was difficult (Pacific Gas and Electric Company [PG&E], 2018)." Others mentioned that "upper management is hired from outside companies (Pacific Gas and Electric, n.d)." And finally, employees felt that the company "needs to believe in their employees (Pacific Gas and Electric Company [PG&E],

2018)." These reviews show that the company does not put as much emphasis on the advancement of its own employees and this can deter motivation for many employees if they feel like there is no future for them at the company.

Although it is important for PGE to have technical training, it is important that they focus on other training that is not for the "hands on" worker. They should have a program that trains leaders and allows for advancement. With job rotation, employees are rotated to different positions for a certain amount of time (Landy & Conte, 2013, p.291). Job rotation helps highlight what employees work best in a certain job or position and it also highlights the employes' strength and weaknesses. Job rotation is also a good tool for the development of skills and it can be used to "prepare high-potential employees for future management responsibilities (Landy & Conte, 2013, p.291)."

Attitudes, Emotions, and Work (current and proposed)

Attitudes and emotions can also influence work performance. Organizational identification is a process of "feeling of pride and esteem from their association with an organization (Landy & Conte, 2013, pg.367)." Just like employees can be prideful of where they work, they can also distance themselves. A review left on glass door mentioned that morale was at an "all-time low" and that they no longer felt pride to work for this company (Pacific Gas and Electric Company [PG&E], 2017). The same review however, mentioned that the benefits were very good. This gave the impression that some of the employees might be at ambivalent identification. Ambivalent identification is when individuals "identify with some attributes of the organization but reject other aspects (Landy & Conte, 2013, pg.368)." More reviews were looked at that gave a sense of what was working for the employees and what was not so much. Benefits

and pay remain in the pro section while advancement and security stay in the con side. Job security is also low and that may be because of the bad rap on the news related to all the fires PG&E was found at fault for (Pacific Gas and Electric Company [PG&E], n.d). Ideally, companies want employees to be at full organizational identification, therefore they should be finding ways to remove or improve the things on the "cons" list.

Performance Measurement (current and proposed)

There are many ways that a company measures the performance of its employees. Measuring the performance of the company and/or the employees can be beneficial for the success of the company. The current performance measurement that PG&E has is the Short Term Incentive Plan. This is a yearly review that is given to the employees by a supervisor. Therefore the company's performance management falls under the Judgmental performance review. The judgmental performance measure is defined as an "evaluation made of the effectiveness of an individual's work behavior, most often by supervisors in the context of a yearly performance evaluation (Landy & Conte, 2017, pg.174)." We proposed the 360 Degree system. This performance measurement is very effective because it gathers information about multiple sources that the employee works directly with (Landy & Conte, 2017, pg.305). The system highlights employees strength and weaknesses as they get constructive feedback from multiple sources. The 360 system gives the company a direct idea on what areas need improvement.

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