Book review of 'the people make the place: dynamic linkages between individuals and organizations edited by D. Brent Smith'

Billsberry , J. , Talbot, D. , Nelson, P.C. , Edwards, J.A. , Godrich, S.G. , Davidson, R.A.G. and Carter, C.J.P.

D. Brent Smith (Editor). The People Make the Place: Dynamic Linkages Between Individuals and Organizations. New York: Lawrence Erlbaum Associates, 2008, 316 pages, $79.95 hardcover.

Reviewed by *Jon Billsberry*, Coventry University, *Danielle L. Talbot*, *Patrick C. Nelson*, *Julian A. Edwards*, *Steven G. Godrich*, *Ross A.G. Davidson*, and *Christopher J.P. Carter*, The Open University.

The People Make the Place is a festschrift celebrating the work of industrial/organizational psychologist Benjamin Schneider. It contains eleven specially written chapters each addressing a different element of Schneider's work. A twelfth chapter written by the honored scholar summarizes the contributions and uses the opportunity to clarify many of the ideas surrounding ASA theory.

The festschrift is an awkward book form. As a book honoring the work of a living person, with contributions coming mainly from the honoree's doctoral students, there is often a lack of criticism with the contributors in awe of the subject and writing in an overly deferential manner. Although there is a degree of 'walking on egg shells' in the first eleven chapters, authors are prepared to offer criticism of Schneider's work when warranted. Interestingly, the honoree is even less reserved in the final chapter and is prepared to criticize both himself and the contributors. Despite the awkwardness of the form, this is a successful book and the cumulative effect of the chapters is a much-needed clarification of ASA theory.

Before examining the contribution of the individual chapters, Schneider's main contribution, ASA theory, needs some explanation. Based on the fundamental ideas that 'similarity leads to attraction' and that people's behavior is determined by an interaction of internal (e.g. personality, values) and external (or situational) factors, Schneider proposes a process in which organizations become more homogeneous in terms of the type of people they employ. The process has three separate sequential processes: attraction, selection and attrition. In short, his conjecture is that organizations attract and select people who are similar to people already employed by the organization and once employed, people who find that they are misfits leave. The effect of this process is an increasing homogeneity amongst employees over time and that organizations are a product of the people employed there, i.e. "the people make the place" (Schneider, 1987).

The opening chapter by Marcus W. Dickson, Christian J. Resick and Harold Goldstein occupies a key place in the book. Its role is to establish a common understanding of the ASA framework from which the other contributors can build upon. They do this with a short and selective review of the literature. As they note, 'the recent literature on P-O fit has largely taken ASA as a given' (p. 20), but the conjectures in the remainder of their chapter prompt a more critical assessment of the theory. For example, like Schneider's original paper, the authors extrapolate from vocational choice studies to predict that people choose between organizations based on fit even though there is evidence suggesting this might not be correct (e.g. Billsberry, 2007). Later on, the number of conjectures lays bare how little is actually known about ASA theory other than some oft-cited propositions. Interestingly, reading the conjectures about boundary conditions highlights how ASA theory has not incorporated factors outside its process parameters that might be expected to soften or even eradicate its potential problems in terms of homogeneity.

Susan E. Jackson and Yunhyung Chung in chapter 3 of the book have produced a very interesting paper that succeeds in doing something that many authors

of chapters in commissioned books have struggled with, namely, they have used their expertise in a closely related area to provide insight about the subject of the book. These authors are renowned scholars in the field of demography; a field that people commonly confuse with organizational fit. The authors usefully clarify the difference between the two. Demography is concerned similarity and difference in social differences such as ethnicity, age and educational background, whereas organizational fit is concerned with psychological similarity and difference. In the body of their chapter the authors suggest many new research avenues for fit researchers based on advances in demography. Sadly there are too many to mention here and anyone looking for new research avenues in organizational fit are encouraged to put this chapter at the top of their reading lists.

When person-environment fit received its organizational impetus in the late 1980s, two theoretical approaches competed for attention. One of these was Schneider's own. The other was Jennifer A. Chatman and her colleagues (Chatman, 1989, 1991; O'Reilly, Chatman and Caldwell, 1991). In her papers, Chatman defined person-organization fit and set methodological guidelines that many researchers followed, so it is interesting to see a chapter from Chatman in this book. In collaboration with Elaine M. Wong and Caneel K. Joyce, she returns to the interactional roots of ASA and considers the merits of viewing the theory through these rather than through a congruence lens. Their basic argument is that viewing ASA via interactions provides greater depth and richer insights especially when the focus is on misfits.

Robert E. Ployhart and Neal Schmitt offer an essay on the multilevel implications of the ASA framework. Given the difficulty of the ideas under scrutiny, the authors provide an elegant and wonderfully clear exposition. The ASA framework is inherently a multilevel theory. It involves a process working at the level of the individual members of staff through their decisions about where to work, whom to employ and whether continue with their employment leading to the organizational level outcome of homogeneity. This process, as the authors note, offers the unique 'possibility of uniting micro and macro staffing' (p. 87). In their discussion of the issues, Ployhart and Schmitt argue that the individual ASA process has both compositional (about similarity) and compilational (about dissimilarity) elements. The outcome is both new language and new approaches to the study of ASA theory.

One common feature of many P-O fit studies is that although there is specificity in the 'P' (or person) component of the fit equation, the 'O' (or organization) component is often imprecise when viewed from the individual's perspective. For example, when the Organizational Culture Profile (OCP; O'Reilly et al., 1991) is used, the individual's values are compared to an assessment of the organization's values as assessed by senior managers (cf. Edwards and Cable, 2009). This takes the assessment of fit away from individuals' own cognitions. In the chapter by Daniel A. Newman, Paul J. Hanges, Lili Duan and Anuradha Ramesh, the authors propose a resolution to this salience issue by advocating the use of social network analysis to construct the organizational environment. The authors' intriguing theoretical application of these ideas suggests that outliers and isolates are the most accurate assessors of the climate and challenges the existence of 'high fit' environments by demonstrating that 'the tendency toward network balance creates network segregation' (p. 106).

Joan R. Rentsch, Erika E. Small and Paul J. Hanges use their chapter to supply a summary of cognitive similarity in teams. Interestingly, by choosing to examine similarity at the team level, the chapter offers a different perspective to mainstream

ASA theory. As Schneider says, 'you have to think simultaneously individual and organizational' (p. 284) when addressing the ASA cycle. The relevance of the ideas to Schneider's theory is therefore somewhat unclear, although their summary of measurement approaches which may be used in the study of cognition in organizations is useful in outlining the pros and cons of using aggregated scale scores, collective consensus, structural assessments and qualitative assessments.

The chapter by David E. Bowen sits uncomfortably in the book. However, its inclusion is vital. This is the one chapter that does not address ASA theory. Instead, the focus is on Schneider's other great contribution, service climates. The chapter provides an overview of service climate centrally positioning Schneider's contribution thereby concentrating on the organizational behavior and HRM implications leaving marketing and operations management in the shadows. Bowen does not try to link service climate with ASA theory. Although this is perfectly understandable, it is a missed opportunity.

Lisa H. Nishi and Patrick M. Wright use their chapter to develop a model of strategic Human Resource Management that integrates the concept of variability. The authors say that Schneider's ideas were the inspiration for their model, but they are prominent by their absence. Although the model is well-constructed, readers would benefit from a more in-depth discussion of the role ASA plays in it.

The chapter by Jill C. Bradley, Arthur P. Brief and Kristin Smith-Crowe stands out from the others in the book. It is twice the length of the others and is clearly in two halves, both of which could stand on their own. The role of the first half seems to be to introduce the reader to organizational ethics via a definition of organizational goodness. This sits rather awkwardly in the book as it hardly references Schneider or his work. The second half of the chapter makes an effort to apply this material on to Schneider's ideas, but the authors envisage goodness as a trait-like quality and this sits uncomfortably with the interactional nature of ASA theory.

The eleventh chapter, written by John P. Wanous and Arnon E. Reichers, is very different to those that precede it. Rather than reviewing a domain or engaging in conceptual thinking, they offer an empirical piece that turns the table on ASA theory and explores whether the situation or, more specifically, the physical environment, makes the place. The authors report two studies that look at the impact of moving to new premises has on the rankings of business schools. Given the size of some of these investments, e.g. greater than $120 million, some considerable impact would be expected. The findings are startling, except for a one-year temporary positive effect for people who worked or studied in both the old and new premises, the move to new premises had a slight negative impact. Of course, showing that 'the situation does not make the place' is not the same as showing that 'the people make the place', but the results are in line with Schneider's theory. Instead, the real audience for this short and delightfully written chapter is senior decision-makers who make large investment decisions for their organizations.

Schneider's concluding chapter balances self-deprecation and gratitude to his colleagues with a synthesis of ideas relating to ASA theory. This synthesis, coupled with a critical reading of the other chapters in the book, does much to clarify ASA theory. Anyone embarking on an ASA study would now be clear that they must measure psychological similarities (or dissimilarities) between people (e.g. personality, goals, and values) in a longitudinal study that predicts organizational level outcomes (e.g. homogeneity, innovation, responsiveness, and ambidexterity). In

the language of organizational fit, Person-Person (or Person-People) supplementary fit is the focus of attention in multi-level designs.

Despite these useful clarifications, there is still an ASA clarification agenda. The theory is still equivocal on the definition of the word 'attraction'. In the initial 1987 paper, it comes across as a phase in the ASA cycle involving people's decisions to apply to companies. But in this book, there is a clear move away from defining attraction as a phase and a move towards defining attraction as a psychological cognition or emotion e.g. "I feel attracted to this organization". If attraction is a feeling, rather than a phase, it undermines the notion of a self-reinforcing cycle through the organizational entry and exit process. Taking this a stage further, Schneider opens the door to perceptions of similarity rather than actual similarity, which is how similarity in ASA studies has been previously envisaged; 'perceptions of fit serve as a foundation for what follows in the model' (p. 276).

Other unanswered problems with ASA theory remain. What is the currency of similarity? Personality, values and goals have all been studied, but what other forms of psychological similarity are in play? Studies addressing this issue would be particularly welcome. While similarity and dissimilarity are highlighted by Schneider, Chatman raises the issue of assessing fit through interactions. This is a particularly interesting point because of the long-standing tension in ASA theory regarding interactional psychology. This is one of the main foundations upon which the theory is built, but similarities, not interactions, are preferred in most ASA studies.

Ultimately the book highlights one crucial omission in knowledge about ASA theory and one that should be a prime concern for researchers. After more than twenty years of research on the ASA framework, will still have little data on whether homogeneity is good or bad for organizations. Reading this book demonstrates that there are people on both sides of the argument and they are all interested in knowing the answer to whether increased homogeneity helps or hinders organizations. Until we have an answer to this question, we will always be wondering about the value of Ben Schneider's legacy.

References

Billsberry, J. (2007). Attracting for values: An empirical study of ASA's attraction proposition. *Journal of Managerial Psychology*, **22**, 132-149.

Chatman, J. (1989). Improving interactional organizational research: A model of person-organization fit. *Academy of Management Review*, **14**, 333-349.

Chatman, J. (1991). Matching people and organizations: Selection and socialization in public accounting firms. *Administrative Science Quarterly*, **36**, 459-484.

Edwards, J.R. and Cable, D.M. (2009). The value of value congruence. *Journal of Applied Psychology*, **94**, 654-677.

O'Reilly, C.A., Chatman, J. and Caldwell, D.F. (1991). People and organizational culture: A profile comparison approach to assessing person-organization fit. *Academy of Management Journal*, **34**, 487-516.

Schneider, B. (1987). The people make the place. *Personnel Psychology*, **40**, 437-453.