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Selective Perception: A Note on the Departmental Identifications of Executives

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An important proposition in organization theory asserts that each executive will perceive those aspects of the situation that relate specifically to the activities and goals of his department (2, Ch. 5, 10). The proposition is frequently supported by anecdotes of executives and observers in organizations, but little evidence of a systematic kind is available to test it. It is the purpose of this note to supply some such evidence.

The proposition we are considering is not peculiarly organizational. It is simply an application to organizational phenomena of a generalization that is central to any explanation of selective perception: Presented with a complex stimulus, the subject perceives in it what he is "ready" to perceive; the more complex or ambiguous the stimulus, the more the perception is determined by what is already "in" the subject and the less by what is in the stimulus (1, pp. 132-133).

Cognitive and motivational mechanisms mingle in the selective process, and it may be of some use to assess their relative contributions. We might suppose either: (1) selective attention to a part of a stimulus reflects a deliberate ignoring of the remainder as irrelevant to the subject's goals and motives, or (2) selective attention is a learned response stemming from some past history of reinforcement. In the latter case we might still be at some pains to determine the nature of the reinforcement, but by creating a situation from which any immediate motivation for selectivity is removed, we should be able to separate the second mechanism from the first. The situation in which we obtained our data meets this condition, and hence our data provide evidence for internalization of the selective processes.

METHOD OF THE STUDY

A group of 23 executives, all employed by a single large manufacturing concern and enrolled in a company sponsored executive training program, was asked to read a standard case that is widely used in instruction in business policy in business schools. The case, Castengo Steel Company, described the organization and activities of a company of moderate size specializing in the manufacture of seamless steel tubes, as of the end of World War II. The case, which is about 10,000 words in length, contains a wealth of descriptive material about the company and its industry and

the recent history of both (up to 1945), but little evaluation. It is deliberately written to hold closely to concrete facts and to leave as much as possible of the burden of interpretation to the reader.

When the executives appeared at a class session to discuss the case, but before they had discussed it, they were asked by the instructor to write a brief statement of what they considered to be the most important problem facing the Castengo Steel Company—the problem a new company president should deal with first. Prior to this session, the group had discussed other cases, being reminded from time to time by the instructor that they were to assume the role of the top executive of the company in considering its problems.

The executives were a relatively homogeneous group in terms of status, being drawn from perhaps three levels of the company organization. They were in the range usually called "middle management," representing such positions as superintendent of a department in a large factory, product manager responsible for profitability of one of the ten product groups manufactured by the company, and works physician for a large factory. In terms of departmental affiliation, they fell in four groups:

Sales (6): Five product managers or assistant product managers, and one field sales supervisor.

Production (5): Three department superintendents, one assistant factory manager, and one construction engineer.

Accounting (4): An assistant chief accountant, and three accounting supervisors—for a budget division and two factory departments.

Miscellaneous (8): Two members of the legal department, two in research and development, and one each from public relations, industrial relations, medical and purchasing.

THE DATA

Since the statements these executives wrote are relatively brief, they are reproduced in full in the appendix. We tested our hypothesis by determining whether there was a significant relation between the "most important problem" mentioned and the departmental affiliation of the mentioner. In the cases of executives who mentioned more than one problem, we counted all those they mentioned. We compared (1) the executives who mentioned "sales," "marketing," or "distribution" with those who did not; (2) the executives who mentioned "clarifying the organization" or some equivalent with those who did not; (3) the executives who mentioned "human relations," "employee relations" or "teamwork" with those who did not. The findings are summarized in the Table.

The difference between the percentages of sales executives (83%) and other executives (29%) who mentioned sales as the most important problem is significant at the 5 per cent level. Three of the five nonsales executives,

Department	Total number of executives	Number who mentioned		
		Sales	"Clarify organization"	Human relations
Sales	6	5	1	0
Production	5	1	4	0
Accounting	4	3	0	0
Miscellaneous	8	1	3	3
Totals	23	10	8	3

moreover, who mentioned sales were in the accounting department, and all of these were in positions that involved analysis of product profitability. This accounting activity was, in fact, receiving considerable emphasis in the company at the time of the case discussion and the accounting executives had frequent and close contacts with the product managers in the sales department. If we combine sales and accounting executives, we find that 8 out of 10 of these mentioned sales as the most important problem; while only 2 of the remaining 13 executives did.

Organization problems (other than marketing organization) were mentioned by four out of five production executives, the two executives in research and development, and the factory physician, but by only one sales executive and no accounting executives. The difference between the percentage for production executives (80%) and other executives (22%) is also significant at the 5 per cent level. Examination of the Castengo case shows that the main issue discussed in the case that relates to manufacturing is the problem of poorly defined relations among the factory manager, the metallurgist, and the company president. The presence of the metallurgist in the situation may help to explain the sensitivity of the two research and development executives (both of whom were concerned with metallurgy) to this particular problem area.

It is easy to conjecture why the public relations, industrial relations, and medical executives should all have mentioned some aspect of human relations, and why one of the two legal department executives should have mentioned the board of directors.

CONCLUSION

We have presented data on the selective perceptions of industrial executives exposed to case material that support the hypothesis that each executive will perceive those aspects of a situation that relate specifically to the activities and goals of his department. Since the situation is one in which the executives were motivated to look at the problem from a company-wide rather than a

departmental viewpoint, the data indicate further that the criteria of selection have become internalized. Finally, the method for obtaining data that we have used holds considerable promise as a projective device for eliciting the attitudes and perceptions of executives.

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APPENDIX

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|-----------|-------|
| Executive | SALES |
|-----------|-------|
4. Apparent need for direct knowledge of their sales potential.
 - Apparent need for exploitation of their technical potential to achieve a broader market and higher priced market.
 - Apparent need for unit and operation cost data.
 5. How to best organize the company so as to be able to take full advantage of the specialized market available.
 6. Appointment of Production Manager familiar with business.
 - Analysis of market conditions with regard to expansion in plastic market.
 12. Develop a sales organization which would include market research.
 20. Lack of organization to plan and cope with postwar manufacturing and sales problems.
 25. The President's choice of executive officers.
- | | |
|--|------------|
| | PRODUCTION |
|--|------------|
1. Policy pertaining to distribution of product should be reviewed with more emphasis on new customers and concern for old.
 15. Lack of clear-cut lines of responsibility.
 16. Determine who the top executive was to be and have this information passed on to subordinate executives.
 18. Review the organization.
 - Why so many changes in some of the offices such as works manager.
 24. Absence of policy—should be set forth by company head.
- | | |
|--|------------|
| | ACCOUNTING |
|--|------------|
7. Standards brought up to date and related to incentives. (Incentives evidently do not exist.)
 9. Future of the company as to marketability of products—product specification—growth or containment or retirement (i.e., from product).

10. Distribution problems. Not necessarily their present problems in distribution, but those that undoubtedly will arise in the near future—plastics, larger companies, etc.
11. Reorganization of the company to save its lost market for its product and to look for an additional market is the prime problem.

OTHER

3. (Legal) Manufacture of one product which (a) competes against many larger manufacturers with greater facilities in competitive market, and (b) is perhaps due to lose to a related product much of its market.
14. (Legal) Board of Directors.
8. (Public relations) The handling of employee relations—particularly the company-union relationship.
17. (Industrial relations) Can we get the various departments together to form a team in communications and cooperation.
19. (Medical)
 1. Reorganization of corporate structure
 2. Lines of authority and command
 3. Personnel relations.
21. (Purchasing) We should start to think and organize for our peacetime economy.
22. (Research and development) Overcentralized control by the president.
23. (Research and development) No formal organization with duties defined.