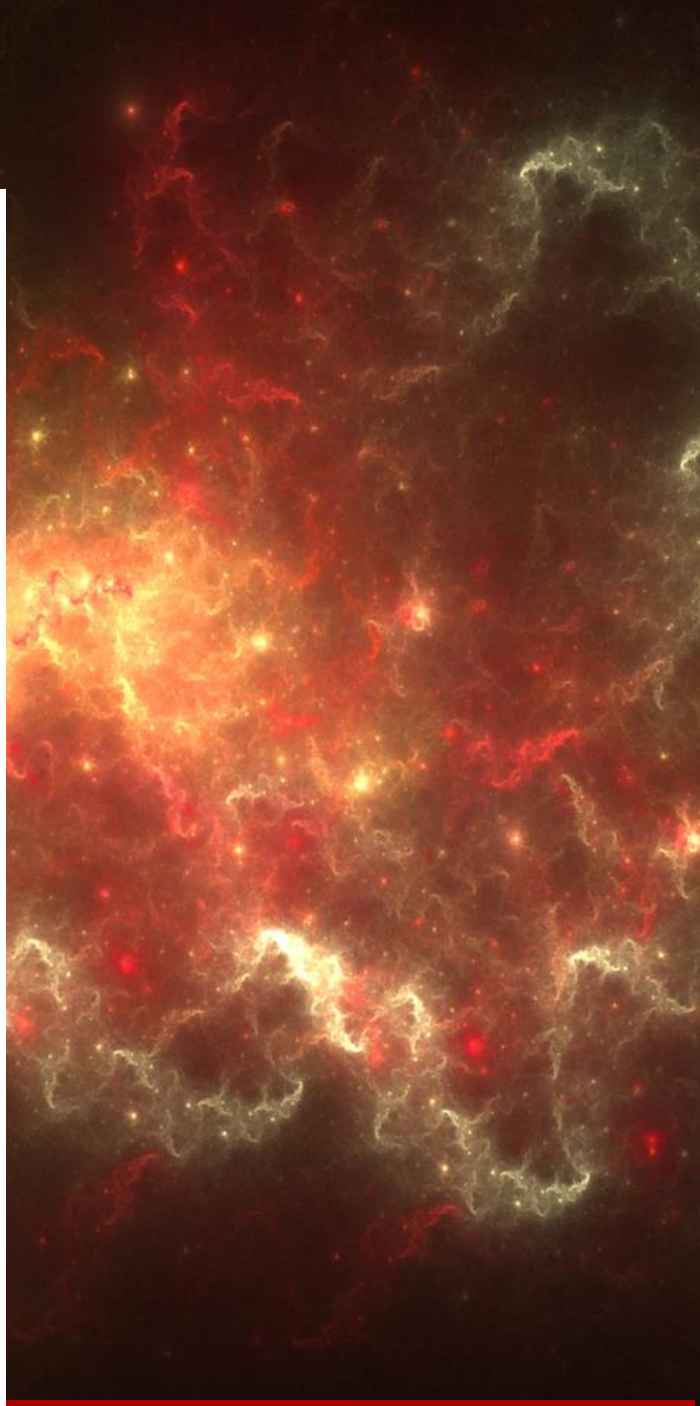
The Future of Organizational Psychology



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Introduction

Technology developments disrupting the nature of work.
Increasing focus on mental health and wellbeing.
Shifting social attitudes regarding purpose and work-life balance.
Increasing sophistication of personality and performance measurement.
An ageing population.

These are just some of the current issues that generate curiosity, some uncertainty, and maybe insecurity about what organizational psychology has to offer. As we grapple to understand what "the future of work" means, now seems an opportune time to ask the question: What is the future of organizational psychology?

If anything, the proliferation of information has created more confusion than clarity. There isn't even agreement on nomenclature. This report uses the term "organizational psychology" (with the American spelling) to incorporate activities also variously known as industrial-organizational psychology, occupational psychology and business psychology. There may be more.

But if the present is uncertain, then the future by definition is more so. This report aims to reveal expectations among organizational psychology practitioners about what the future for their profession might hold. The group of professionals who agreed to participate in this "foresight circle" draws on almost 190 years of combined experience in the field, and their insights are fascinating. Yet this study aims to be more of a conversation starter than an academic study, as discussion of the future can be only speculative.

All attempts to look into the future should be rooted in the past, so this report begins with a whirlwind review of the history of organizational psychology before analyzing its potential futures. And as well as musing on what's possible about the future, the contributors' views of what should happen provides a fitting conclusion.

The Past

> ***"The history of organizational psychology is deeply rooted in the process of growth, increasing complexity and richness of both economic and industrial structures in our modern world."***
>
> *Carpintero, H., 2017. History of organizational psychology. In Oxford Research Encyclopedia of Psychology.*

Pre-1900: **Wilhelm Wundt** established psychology as a scientific discipline by creating the first laboratory in 1879 in Germany to examine in an empirical way the workings of the human mind. In 1888, Sir **Francis Galton** set up a lab in the UK to measure psychological traits, marking the birth of psychometrics.

1900-1914: Frederick Winslow Taylor developed his principles of scientific management that recognized the importance of psychology in the organization of people, rather than simply each individual's technical expertise. German and Italian scientists began examining the impact of fatigue on workers, and **Hugo Münsterberg** developed his *psychotechnik* application of psychology to activities such as talent selection and suitability testing. Measures of mental ability and the Intelligence Quotient were developed.

1914-1938: Testing of soldiers for suitability to certain tasks became routine during WW1, resulting in the creation of numerous research centers around the world. One of the first consultancies specializing in consumer psychology and talent selection, **Scott Company**, was established in the US in 1918. Journals and testing techniques proliferated during this period. It was also during this time that the experiments that led to the discovery of the "Hawthorn effect" (or "observer effect") were conducted.

1939-1950s: The Second World War further accelerated interest in psychology as a tool to improve productivity, especially as study of organizations came to complement those of industry. From a sociotechnical perspective, **Kurt Lewin** developed one of the first theories of organizational change (unfreeze-change-freeze), and coined the term "group

dynamics" in his research on how individuals collaborate. From a humanistic perspective, **Abraham Maslow** and **Frederick Herzberg** examined the motivations of human behavior, leading to the "hierarchy of needs" and "motivation-hygiene theory." **Douglas McGregor** developed the theory x/theory y concept to describe managerial styles, and **Rensis Likert** developed the popular Likert scale while researching leadership styles. From simply looking at man-and-machine issues in industry, the concept of organization came to the fore, as recognized by management researchers such as **Peter Drucker**.

1960s-present day: As baby boomers entered the workforce, workplace values as well as organizational structures began to place greater emphasis on the human aspects of work, and computers began to find commercial applications. In the US, cognitivism began to challenge behavioralism as the dominant paradigm, and decision-making attracted more attention with the work of **Daniel Kahneman** and **Amos Tversky**. Nevertheless, behavioralism remained strong with the work of **BF Skinner**, who developed controversial methods of management around "operant conditioning." Leadership became a central focus of enquiry, with researchers such as **Fred Fiedler** developing his "contingency theory" of the personality and situational factors that affect how people lead. **Victor Vroom's** "expectancy theory" focused on how people respond to motivational cues.

Recent Developments: Globalization and the rise of multinational corporations with multicultural workforces, along with the proliferation of information mediated by the rise of the internet have spurred increasingly rapid workplace change. Issues such as organizational culture, work satisfaction and mental health have come to complement the more established organizational psychology practices of talent selection and change management. Neuroscience is offering further insights into the workings of the brain, and methodological developments that allow for greater measurement of performance, as well as performance predictors, have been increasingly embraced. The ability to produce and analyze "big data" has spurred interest in the potential of artificial intelligence and its impact on the future of work.

Source: Carpintero, H., 2017. History of organizational psychology. In Oxford Research Encyclopedia of Psychology.

The Future

Data were collected in three rounds of questioning applying the Delphi technique. A first round of enquiry asked participants the open question: What do you think are going to be the most important influences in the development of organizational psychology over the next 10 years? This question generated more than 70 comments looking at a wide range of topics, as can be seen from the resulting word cloud:

These comments were analyzed and reduced to 29 statements that we fed back to the group to rate in terms of impact and degree of positive or negative influence on the organizational psychology profession. The 16 most impactful statements in order were (color coded according to degree of positive/negative influence):

1. **Continued blurring of distinction between "work" and "life".**
2. **Companies and individuals focusing more on mental health and wellbeing.**
3. **AI changing the nature of work for humans and organisations.**
4. **More data and better research (including AI and neuroscience) available to OP* practitioners.**
5. **Remote working increasingly common.**

6. **Gamification of assessment and employee engagement.**
7. **Tech use in employee engagement.**
8. **Companies prioritizing diversity in the workplace.**
9. **Increasing complexity challenging abilities of organisations and leaders.**
10. **Proliferation of "agile" working practices.**
11. **Freelance/gig work increasingly common.**
12. **Increasing tech in assessments raising ethical questions.**
13. **The values of younger workers having overweight influence on corporate practices.**
14. **Increasing cross-industry collaboration in delivery of OP* solutions.**
15. **Older people working for longer.**
16. **Companies expecting improved employee experience and talent development.**

**OP = organizational psychology*

Key – Nature of impact on organizational psychology profession:			
Very positive	**Quite positive**	**Slightly positive**	**Negative**

As can be seen from the above list, the group were overall quite optimistic about the influences they expected to be most impactful on their profession – they held overall negative expectations about none of the top 16 influences. In fact, out of the 29 statements, just five were regarded has having a potentially negative impact on the profession.

Most negative influences:

1. **Lack of access points resulting in few graduates entering OP* industry.**
2. **OP* experiencing increasing competition from adjacent industries and boutique agencies.**
3. **Technology creating greater workplace polarisation and inequality.**
4. **"Lifestyle diseases" creating more of a burden for organisations.**
5. **Use of social media and data scraping in assessment.**

Most positive influences:

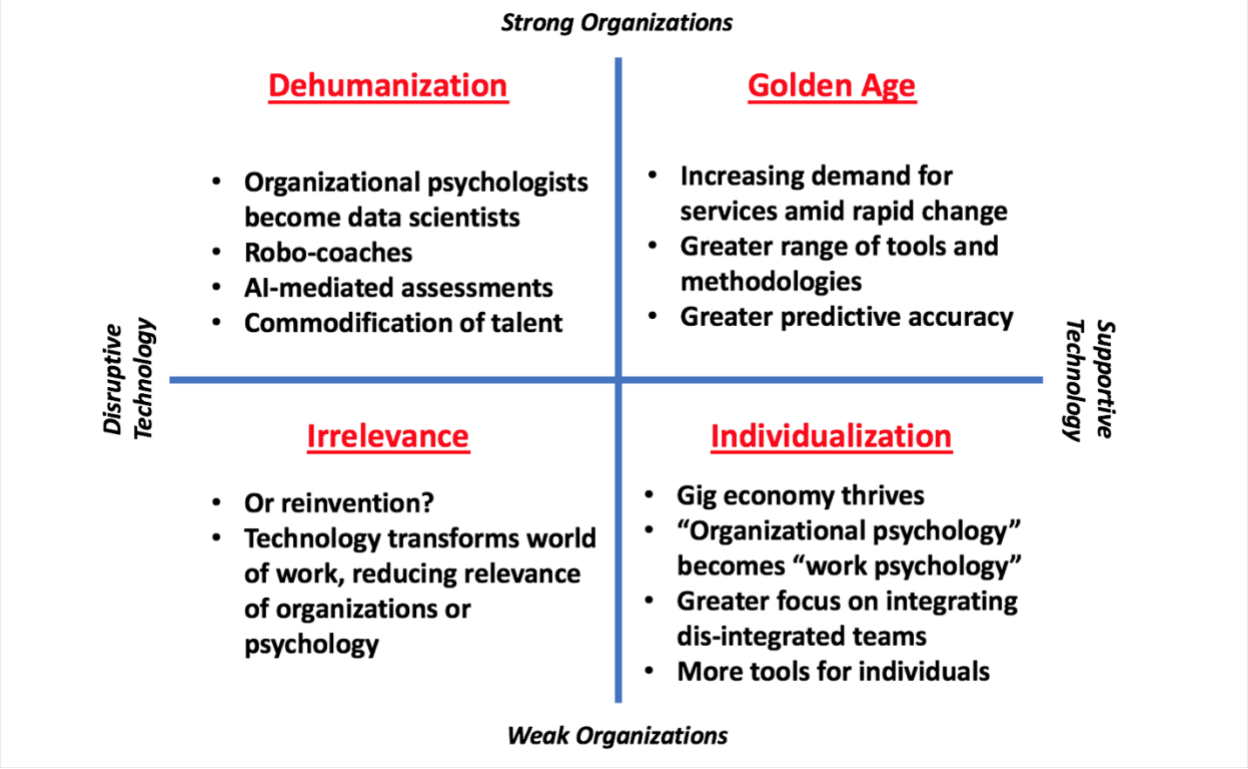
1. **More data and better research (including AI and neuroscience) available to OP* practitioners.**
2. **Organisations seeking greater sense of purpose and engagement on global and social issues.**
3. **Companies expecting improved employee experience and talent development.**
4. **Companies and individuals focussing more on mental health and wellbeing.**
5. **Companies prioritising diversity in the workplace.**

Automation and Working Practices

A couple of themes stand out from the data. One is the issue of technology, and in particular the influence of artificial intelligence and automation of work tasks. On one hand, these developments could greatly increase the effectiveness of organizational psychology by, for example, increasing the accuracy of assessments and reducing their costs (supportive technology). Taken to an extreme, however, automation could reduce the need for organizational psychologists, as the tasks they perform are taken over by systems powered by artificial intelligence (disruptive technology). How will organizational psychology utilize new technologies?

The second theme that emerged was the relationship of organizations with the people who work for them. On the one hand, organizations seem to be taking the mental health of their employees more seriously, which implies a greater role for organizational psychology (strong organizations). However, the increase in remote work and freelancing also points to a disintegration of traditional organizational structures (weak organizations). Organizational psychologists usually sell their services to organizations, so how will they need to adjust the offering to dis-integrated organizations?

These two dimensions are captured in the following diagram:



The final part of the enquiry involved building on consideration of possible and probable futures with exploration of the participants' preferred future, with the question: What do you think organizational psychologists should focus on to advance their profession?

"We need accurate data & analytics to measure our interventions against real business outcomes."

Coen Walsh

I/O Psychologist | Entrepreneur | Speaker | Leadership Expert | Psychometric Profiling | Selection Assessment

"Focusing on the real issues that affect organisations, and people working in organisations."

Gemma Leigh Roberts

Organisational Psychologist | Performance Psychologist | Executive & Career Coach | Author

"Knowledge and technical skills are not enough anymore. We should demand a sense of purpose and meaning and strive to nurture a set of meta-skills – skills that allow us to acquire new skills. To name a few: critical thinking, self-discipline, entrepreneurship and design thinking."

Cosmin Gabriel Sofron

I/O Psychologist and HR Consultant at The Inner View

"We should focus on finding and exploiting synergies between our own profession and others who are operating in our space: technologists, behavioural scientists, data scientists and more. Otherwise we risk losing a large part of our traditional remit to others."

Ben Williams

Founder of Sten10 Ltd. and Chair at The Association for Business Psychology

"The world of work is more connected than ever, be aware of what's happening on a global scale to ensure your knowledge and skills stay relevant. Evolution is not 'survival of the fittest', it is 'survival of the most resilient, structure your career in such a way that you are able to easily change direction when needed."

Adèle Croucamp

I/O Psychologist developing healthy, connected leaders, teams and organisations

"Organizational psychologists would benefit from a continued focus on bridging the academic-practitioner gap and finding ways to work together to bring evidence-based insight and strategies to improve our working lives."

Stefanie Mockler

Leadership Consultant + Coach | Organizational Psychologist | Founder of The Female Leader's Edge | TEDx Speaker

"Organizational psychologists can provide incredible value in the areas of both business strategy AND business operations across multiple organizational initiatives. If organizational psychologists focus on demonstrating value add in BOTH areas, it will help organizations understand the full spectrum of benefits the role is prepared to bring."

Andrea Priddy

Organizational Psychologist | People Strategy and Change Management Leader

"Increasing awareness of the value of psychological models and methods in other professions as well as pragmatically sharing what the limitations are so that we as organisational psychologists can work alongside and in co-operation with those professions. I think it's highly important that we work to embed the skills within others and do not sell ourselves as 'experts' who hold all the knowledge."

Tameron Chappell

Chartered Occupational Psychologist, D&I Specialist, Board & Leadership Consulting Practice, Harvey Nash Group

"Social media has changed the concept of work and continues to blur the lines between our personal and professional selves. As such; organizational psychologists would do well to concentrate the underlying depression and burnout that stems from over glorified and unrealistic ideals portrayed as attainable to all."

Sam Weissrock

I/O Psychologist, DevOps Release Engineer: working with leaders to create positive work experiences & change healthcare

"Collaboration. Org Psych has the potential to be the thread that weaves together multiple disciplines and practices (technology, science, people, social goals) to create a societal shift towards the betterment of people."

Payneet Khurana

Organisational Psychologist | People | Culture | Employer Brand (Pronouns: She, Her)

"Focus on how work is defined by the generations to come, and how that concept feeds into their societies, relationships and personalities."

Lucas Ellinikakis

Senior Consultant, Talent Solutions | Industrial & Organizational Psychologist

"Development of ego maturity in leaders. Positioning OP in the wider global context and agenda."

Vanessa Rhone

Director and Organisational Psychologist, Venusworks

"In the face of increasing change and uncertainty in working practices, OPs should focus on helping organisations to create environments that support employee wellbeing and healthy, sustainable performance."

Jackie Barber

Business Psychologist, consultant and coach

"The interface of humans with technology/AI: psychologists should be well-placed to help workers adapt to increased automation, the impact and change to how they perform their roles and the resulting redefinition of their work. In addition, supporting the shift away from the traditional 9-5, balancing the needs of organisations and individuals working in a more flexible way and the impact on the psychological contract between them."

Karen Fearon

Chartered Psychologist

Conclusion

This report has looked at the past, present and future of organizational psychology with a view to better understanding what might happen, and what should happen. There are a wide range of opinions among practitioners, but technology and work practices appear to be recurring themes. Despite the uncertainty, there also appears to be general optimism about the future of organizational psychology, at least for the next 10 years. Nevertheless, numerous questions remain:

- How, and how quickly, will technology transform the workplace?
- Will the trend toward remote working and freelancing continue?
- What new tools will become available to organizational psychologists?
- How will shifting demographics impact the way companies do business?
- What kind of competitive pressures will the organizational psychology profession encounter?

About the study

The study was conducted was conducted in February 2020. Participants were selected from LinkedIn based on their professional and educational experience. In total, 16 participants completed the first and second rounds of a Delphi group enquiry. Of these, 50% were based in the UK, 25% in the US and the remainder from Austria, Italy, Namibia and the Netherlands; 75% identified as female and 25% as male; in terms of ethnicity, 1 identified as Hispanic, 1 Indian, 1 Greek, 1 Black British/Afro-Caribbean, and the remainder white/Caucasian. Years of experience ranged from 3 years to 28 years, with an average of 11.8 years.

Encouraging a healthier attitude toward the future