

# *A Review of Research on Management Self-efficacy*

Xiaotong Xu<sup>1, a</sup>, Weidong Jiang<sup>2, b</sup>

<sup>1</sup>*School of Economics and Management, Nanjing University of Science and Technology, Nanjing 210094, China*

<sup>2</sup>*School of Economics and Management, Nanjing University of Science and Technology, Nanjing 210094, China*

<sup>a</sup>18252058540@163.com, <sup>b</sup>njust0909@163.com,

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**Abstract:** Managers play a leading role in the activities of the entire organization. The self-efficacy of managers not only affects their own management performance, but also affects the entire organization. Therefore, research on managerial self-efficacy will have an important effect on employees, managers themselves, and the entire organization. Through analysis of a large number of related literatures at home and abroad, this paper first defines the concept of general self-efficacy, and then summarizes the factors affecting self-efficacy mainly include pre-performance, competency, goal setting, attribution, and demographic factors. In terms of outcome variables, the relationship between management self-efficacy and managerial work attitude, work behavior, and job performance is discussed. Finally, in order to solve the problems existing in the current research and future development prospects, further research directions are proposed.

## **1. Introduction**

The concept of self-efficacy is proposed by Bandura and is an important component of psychological capital. It is the individual's self-belief whether he can accomplish certain tasks. The concept of self-efficacy has been proposed for 40 years now, and there are many studies on self-efficacy, but the researchers' conclusions are not completely consistent. One of the main issues is whether there is a general sense of self-efficacy? Is the sense of self-efficacy a concept for a specific task area or is it a general concept?

The researchers' views are not consistent. Some think that self-efficacy is only for specific areas, not general personality traits, individuals have different self-efficacy in different task areas. Some scholars believe that self-efficacy has both a general self-efficacy and a specific sense of self-efficacy. This paper agrees with the second view, that is, there is a sense of general self-efficacy and also a sense of self-efficacy for a specific field, and this article studies the managerial self-efficacy of the particular group of managers. Sense, hereinafter referred to as management self-efficacy.

## 2. Conceptual Definition

### 2.1 Self-efficacy

Self-efficacy is an important part of psychological capital, and it is the individual's self-belief that he can accomplish certain tasks. Bandura believes that self-efficacy is the individual's belief in one's own ability when facing specific tasks [1]. In the workplace, individuals consider themselves motivated to obtain resources, and to achieve a given goal or achieve a specific task in a given situation.

Bandura believes that self-efficacy is specific to a certain task or area. He believes that accomplishing tasks in different areas requires different skills and abilities. Schwarzer also suggested that self-efficacy should be divided into general self-efficacy and special self-efficacy [2]. Other researchers believe that there is a general sense of self-efficacy, that is, individuals have the ability to recognize their own ability to complete tasks in any situation. They think that self-efficacy is a holistic concept and do not need to distinguish between specific task situations.

### 2.2 Management self-efficacy

The concept of management self-efficacy was first put forward by Bandura in 1986, that is, managers' self-assessment of whether they can use their own ability to complete management tasks. Kane et al. believe that management self-efficacy is the self-perception of individuals for their ability to effectively complete management tasks. McCormick & Tanguma believes that management self-efficacy is managers' subjective judgment about their ability to demonstrate the organizational leader's role. Paglis defines management self-efficacy as the individual's judgment on whether he or she has the competence to manage subordinates and organizations [3]. These competency qualities mainly include setting goals, handling relationships with subordinates and colleagues, and timely manage innovation or change.

The definition of management self-efficacy is unclear. Some scholars define management self-efficacy only for the specific group of managers; while others refer to all individuals and think that it is the individual's judgment on the task of completing his own work or the ability to organize and coordinate in interpersonal communication. The management self-efficacy defined in this study is aimed at the specific group of managers. It does not refer to the managerial skills actually owned by the managers, but refers to the self-assessment of their own management skills.

## 3. The Antecedents of Management Self-efficacy

Bandura believes that the formation and development process of management self-efficacy is mainly affected by the following five aspects: individual's pre-performance, view of ability, goal setting, attribution and demographic factors.

### 3.1 Pre-performance

Pre-performance refers to the managerial achievements made by managers in past management work. Pre-performance has a certain predictive effect on future performance, and its main mechanism to affect the follow-up performance is through individuals' self-efficacy. The result of the individual's past behavior, successful experience can effectively enhance the individual's sense of self-efficacy, while the failure experience will cause the individual to have a sense of frustration, and then affect

their sense of self-efficacy. However, the effect of pre-performance on managerial self-efficacy is not inevitable, and it is also influenced by individual's personality and psychological traits.

### **3.2 View of ability**

There are two main types of individual's view of ability: The first is the concept of capacity growth, such individuals believe that the ability is controllable and can be improved through individuals' learning and practice. The second is the concept of fixed capacity, such individuals believe that the ability is stable and is not changed by the individuals' subjective initiative. Wood et al. found through simulated research that individuals with a capacity growth perspective believe they can improve their management capabilities through efforts, so their management self-efficacy is high [4]. Winters et al. also showed that the management self-efficacy of the manager who holds the ability growth view is significantly higher than that of the manager who holds the fixed view.

### **3.3 Goal setting**

Goal setting is the basis of work, and the managerial work also needs to set work goals in advance. Work goals are the subjective psychological expectation of the individual to complete the work task. Individuals will compare their work goals with their actual completion tasks, expectations and actual disparities will affect the individuals' judgment of their ability to work, and thus affect their self-efficacy. In other words, when the gap between expected and actual completion is small, the individual will have a higher sense of management self-efficacy; and individuals' management self-efficacy will decline when there is a large gap [5].

In addition, studies by Lu et al. found that the relationship between goal setting and management self-efficacy influence each other. This mutual influence is the basic mechanism of the self-adjustment system in social cognitive theory. The individuals' self-efficacy also has an impact on the individual's goal setting. Individuals with high self-efficacy tend to set challenging goals, while individuals with low self-efficacy tend to set lower goals that contribute to job performance.

### **3.4 Attribution**

Attribution refers to the subjective cognition of individuals' results about their actions. A study found that the impact of attribution on individual self-efficacy may vary depending on the circumstances. The internal attribution of success helps to improve the individual's sense of self-efficacy; the internal attribution of failure will have a negative effect on the individual's self-efficacy, and the influence relationship will be regulated by the degree and number of failures. The external attribution to success or failure may or may not affect the individual's self-efficacy, the relationship moderates by individuals' personality traits. Wood & Bandura's research found when managers think that their work tasks are more controllable, their management self-efficacy will be improved; and their self-efficacy will be reduced facing the uncontrollable tasks [6]. In addition, researchers have suggested that self-efficacy will also affect the individual's attribution style, Individuals with low self-efficacy prefer to be attributed to unstable, uncontrollable external factors.

### **3.5 Demographic factors**

In empirical studies of management and organizational behavior, researchers often use demographic variables such as gender, age, race, education level, and working age as control variables because of their potential effects on the outcomes. In the study of management self-efficacy, some scholars believe that demographic variables such as gender, race, and education level have no

significant effect on managerial self-efficacy. However, Clanni shows through empirical research that the race and gender of the managers have a significant impact on their management self-efficacy, and the influence of race on management self-efficacy is particularly prominent in the context of Western culture. In the context of Eastern culture, Lu et al believe that gender does have a certain influence on the manager's self-efficacy, China has had feudal thoughts that favor male filiation and male primacy since ancient times. Therefore, whether the demographic variables have an effect on management self-efficacy still need to be further studied by scholars.

#### **4. The Outcomes of Management Self-efficacy**

By reading related literature, it is found that scholars' researches on self-efficacy are mainly focused on the outcome variables of self-efficacy, and the main concern in the outcome variables is the individual's work attitude and work outcomes.

##### **4.1 Managerial performance**

A series of simulation studies conducted by Bandura et al. on management games found that the correlation coefficient between management self-efficacy and job performance was above 0.70, and the effect was significant [7]. Boyatzis conducted a study of 2,000 managers in 41 different jobs from 12 countries and concluded that most of the manager's competencies are related to self-efficacy. Cervone et al. used a similar computer simulation program as a research object for managers and found that there was a high correlation between management self-efficacy and their own performance. Robertson et al. used field research methods confirmed that management self-efficacy is an important antecedent variable that influences management performance. Cole et al. also found through empirical research that leaders with high job performance often have higher management self-efficacy. However, some researchers have different opinions. For example, Anderson et al believe that managers with low management self-efficacy may make up for their lack of self-efficacy through more efforts [8].

There are also researchers who have conducted on specific regions or gender managers. For example, Orpen conducted an empirical study of black South African managers, the results show that management self-efficacy has a significant positive effect on job performance [9]. Vrugt et al. used Dutch female managers as the research subjects, the results also showed that the management self-efficacy has an important influence on the achievements of women managers in their careers. There are also researchers who study manager's task performance and contextual performance, the results showed that management self-efficacy has a significant positive effect on managers' task performance, but no significant influence on contextual performance. Another scholar, Ji believes that there is a significant positive correlation between self-efficacy and task performance and contextual performance.

##### **4.2 Organizational performance**

Villanueva & Sanchez found that managers with high management self-efficacy increase subordinates' self-efficacy by passing higher job expectations to them, which in turn improves organizational or team performance. Laschruger et al. selected nurses as research subjects and found there was a significant positive relationship between management self-efficacy and team work performance [10]. Through multivariate analysis, Hysong & Quinones found that self-efficacy has a significant positive effect on job performance (especially complex work), so it can be said that management self-efficacy has a positive effect on the organization's performance. Chan et al. believe

that managers with higher management self-efficacy have stronger self-confidence in face of management dilemmas, and are willing to put more effort into trying to manage change, and the management efficiency of the organization will be higher.

### **4.3 Managerial job satisfaction**

In addition, some researchers suggest that management self-efficacy has a very significant effect on managers' job satisfaction, job involvement, and other attitude variables. They believe that the level of management self-efficacy is an important indicator to distinguish between good and mediocre managers. Kanfer believes individuals with high management self-efficacy have a high level of confidence in completing and controlling work tasks. Therefore, they have a more positive attitude toward work and will ultimately show higher job satisfaction. Dormann found a significant positive correlation between management self-efficacy and managerial job satisfaction [11].

### **4.4 Managerial work input**

Christian & Slaughte also pointed out that there is a positive correlation between individual self-efficacy and work commitment. Earley et al. found that the higher management self-efficacy, the higher their enthusiasm at work. Richa et al. conducted an empirical study of business managers in the UK and found that management self-efficacy can really predict their job input. Because people with a high sense of self-efficacy have enough confidence and recognize the working environment, and then put their own time and energy into the work [12]. Xanthopoulou et al. also found management self-efficacy and job input has a mutual influence through the longitudinal study. That is to say, high management self-efficacy has a positive impact on job input, and job input also contributes to management self-efficacy.

### **4.5 Managerial work pressure**

Management self-efficacy has an impact on managers' emotions, which in turn affects their management efficiency. Managers with low management self-efficacy have psychological anxiety in face of uncertain events, while managers with high management self-efficacy believe that they can respond well to the uncertainty in their work.

The research of Jex et al. shows that management self-efficacy has an important influence on the adjustment of individuals' work stress, that is, the lower the management self-efficacy, the greater the work stress [13]. Singh et al. conducted a study of the managers from a refrigerator factory in India and found that managers with higher management self-efficacy have lower levels of job anxiety. Domestically, some scholars have also studied the level of occupational stress of managers, the result is that management self-efficacy affects the level of anxiety in their work by affecting individuals' sense of control over their work.

## **5. Conclusion**

The focus of this study is to explore the impact of management self-efficacy on its outcome variables. Through induction and combing, this paper summarizes the conclusions of existing studies, deficiencies, and possible future development directions:

Firstly, the research findings on the impact of management self-efficacy on managers' job performance are not completely consistent. In addition, the existing research on management self-efficacy is a considerable part of simulation process. Therefore, in the future, more rigorous empirical research is needed to provide support.

Secondly, the transmission mechanism of management self-efficacy on the performance of subordinates is not yet clear. Whether the individuals' performance will be boosted by the manager's high management self-efficacy and how the internal trigger of individuals' performance improvement still need to be further studied.

Thirdly, although some of the studies mentioned above that management self-efficacy is directly proportional to the manager's job satisfaction, but the study is not sufficient. This paper proposes an assumption that management self-efficacy may have an inverse U-shaped relationship with their job satisfaction: when managers have low self-efficacy, managers have no confidence about their ability, which have a negative impact on job satisfaction. With the improvement of management self-efficacy, managers' control of day-to-day management activities will increase, as well as the job satisfaction. But when it exceeds a certain range, managers may think that their work is not challenging and there is no room for further development in the current organization, their job satisfaction may decline. Therefore, the relationship between management self-efficacy and managerial job satisfaction can be explored through empirical research in the future.

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