

Define Organizational behavior (OB)

A field of study that investigates the impact that individuals, groups, and structure have on behavior within organizations, for the purpose of applying such knowledge toward improving an organization's effectiveness.

Basic OB Model

Individual level

Group level

Organization System level

The Independent Variables "X"

The independent variable can be at any of these three levels in this model:

Individual

- Biographical characteristics, personality and emotions, values and attitudes, ability, perception, motivation, individual learning, and individual decision making.

Group

- Communication, group decision making, leadership and trust, group structure, conflict, power, and work teams.

Organization System

- Organizational culture, human resource policies and practices, and organizational structure and design.

Management Functions

Plan

Organize

Lead

Control

Planning: A process that includes:

- defining goals,
- establishing strategy,
- defining and coordinate activities

Organizing::

- what tasks are to be done,
- who is to do them, "JD"
- how the tasks are to be grouped, "SF sizing"
- who reports to whom, "structure & span"
- where decisions are to be made

Leading: A function that includes:

- motivating employees,
- directing others,
- selecting the most effective communication channels,
- resolving conflicts

Controlling:

- Monitoring performance, "M, mid year reviewing... end year appraisal"
- comparing actual performance with previously set goals,
- correcting any deviation. "Performance management"

Essential Management Skills

Technical Skills

The ability to apply specialized knowledge or expertise.

Human Skills

The ability to work with, understand, and motivate other people, both individually and in groups.

Conceptual Skills

The mental ability to analyze and diagnose complex situations.

Managerial Role

Interpersonal

Informational

Decisional

Interpersonal

- Figurehead “symbolic head”: perform a number of routine duties of a legal or social duties. “TBL”
- Leader: responsible for motivation & direction of employees.
- Liaison: maintains a network of outside contacts who provide a favors & information.

Informational

- Monitor: receive a wide variety of information.
- Disseminator: transmits information received to members of the organization.
- Spokesperson: transmits information to outsiders
“organization’s plans, polices, actions & results

Decisional

- Entrepreneur: searches for opportunities & initiates projects to bring about change.
- Disturbance handler: responsible for corrective action when organization faces important, unexpected disturbance.
- Resource allocator: makes or approve significant organization decisions.
- Negotiator: responsible for representing the organization at major negotiation.

Attitudes are evaluative statements or judgments concerning objects, people, or events.

Three components of an attitude:

Affective (Feeling) : The emotional or feeling segment of an attitude

Cognitive (Evaluation) : The opinion or belief segment of an attitude

Behavioral (Action) : An intention to behave in a certain way toward someone or something

Does Behavior Always Follow from Attitudes? No, the reverse is sometimes true!

Major Job Attitudes

Job satisfaction

- A positive feeling about the job resulting from an evaluation of its characteristics.

Job involvement

- Degree of psychological identification with the job where perceived performance is important to self-worth.

Psychological empowerment

- Belief in the degree of influence over the job, competence, job meaningfulness, and autonomy

Organizational Commitment

- Identifying with a particular organization and its goals, while wishing to maintain membership in the organization.

Perceived organizational support (POS)

- The degree to which employees believe the organization values their contribution and cares about their well-being.

Employee engagement

- The degree of involvement with, satisfaction with, and enthusiasm for the job.

Outcomes of Job Satisfaction

Job performance

- Satisfied workers are more productive AND more productive workers are more satisfied!
- The causality may run both ways.

Organizational citizenship behaviors

- Satisfaction influences OCB through perceptions of fairness.

Customer satisfaction

- Satisfied frontline employees increase customer satisfaction and loyalty.

Absenteeism

- Satisfied employees are moderately less likely to miss work.

Lower turnover

- Satisfied employees are less likely to quit.
- Many moderating variables in this relationship.
 - Economic environment and tenure.
 - Organizational actions taken to retain high performers and to weed out lower performers.

Workplace deviance

- Dissatisfied workers are more likely to unionize, abuse substances, steal, be tardy, and withdraw.

Defining and Classifying Groups

Group : is two or more individuals interacting and interdependent, who have come together to achieve particular objectives.

Formal Groups are defined by the organization's structure with specified work assignments establishing tasks.

Informal Groups are alliances that are not formally structured.

- Appear naturally in response to the need for social contact.
- Deeply affect behavior and performance.

Formal Groups

- **Command Group** : A group composed of the individuals who report directly to a manager.
- **Task Group** : Those working together to complete a job or task in an organization but not limited by hierarchical boundaries.

Informal Groups

- **Interest Group** : Members work together to attain a specific objective with which each is concerned.
- **Friendship Group** : Those brought together because they share one or more common characteristics.

The Five Stages of Group Development

Forming stage Members feel much uncertainty.

Storming stage Lots of conflict between members of the group.

Norming stage Members have developed close relationships and unity.

Performing stage The group is finally fully functional.

Adjourning stage Characterized by concern with wrapping up activities rather than performance.

Group Properties

Roles Norms Statuses Size Cohesiveness

Group Property 1: Roles

Roles : A set of expected behavior patterns referred to someone occupying a given position in a social unit.

Role Identity : Certain attitudes and behaviors consistent with a role.

Role Perception : An individual's view of how he/she is supposed to act in a given situation - received by external stimuli.

Role Expectations : How others believe a person should act in a given situation.

Psychological Contract: an unwritten agreement that sets out mutual expectations of management and employees.

Role Conflict : A situation in which an individual is confronted by divergent role expectations.

Group Property 2 : Norms

Norms: Acceptable standards of behavior within a group that are shared by the group's members.

Classes of norms

- **Performance norms**: level of acceptable work.
- **Appearance norms**: what to wear.
- **Social arrangement norms**: friendships and the like.
- **Allocation of resources norms**: distribution and assignments of jobs and materials.

Norms and Behavior

Conformity: Gaining acceptance by adjusting one's behavior to align with the norms of the group.

Reference Groups: Important groups to which individuals belong or hope to belong and with whose norms individuals are likely to conform.

Defying Norms: Deviant Workplace Behavior

- Also called *antisocial behavior* or *workplace incivility*.
- Voluntary behavior that violates significant organizational norms and, threatens the well-being of the organization.
- Group norms can influence the presence of deviant behavior.
- Simply belonging to a group increases the likelihood of deviance.

Group Property 3: Status

Status : is a socially defined position or rank given to groups or group members by others - it differentiates group members.

- Important factor in understanding behavior.
- Significant motivator.

Status Characteristics:

- Power a person has over others
- Ability to contribute to group goals
- Personal characteristics

Effects on norms and conformity

- High-status members are less restrained by norms and pressure to conform.
- Some level of deviance is allowed to high-status members as long as it doesn't affect group goal achievement.

Effects on group interaction

- High-status members are more assertive.
- Large status differences limit diversity of ideas and creativity.

Effects on equity

If status is perceived to be inequitable, it will result in various forms of corrective behavior.

Group Property 4: Size

Group size affects behavior

- Twelve or more members is a 'large' group.
- Seven or fewer is a 'small' group.

Social loafing

- The tendency for individuals to expend less effort when working collectively than when working individually.
- Caused by either equity concerns or a diffusion of responsibility.

Prevent social loafing by:

- setting group goals;
- increasing intergroup competition;
- using peer evaluation;
- distributing group rewards based on individual effort.

Group Property 5: Cohesiveness

Cohesiveness : is the degree to which group members are attracted to each other and are motivated to stay in the group.

Managerial Implications

To increase cohesiveness:

- Make the group smaller.
- Encourage agreement with group goals.
- Increase time members spend together.
- Increase group status and admission difficulty.
- Stimulate competition with other groups.
- Give rewards to the group, not individuals.
- Physically isolate the group.

Differences between Groups and Teams

A work group interacts primarily to share information and to make decisions to help each group member perform within his/her area of responsibility.

- No joint effort required.

A work team generates positive synergy through coordinated effort. The individual efforts result in a performance that is greater than the sum of the individual inputs.

Types of Teams

Problem solving teams

Groups of 5 to 12 employees from the same department who meet for a few hours each week to discuss ways of improving quality, efficiency, and the work environment.

Self-managed work teams

Groups of 10 to 15 people who take on the responsibilities of their former supervisors.

Cross-functional teams

Employees from about the same hierarchical level, but from different work areas, who come together to accomplish a task.

Very common Task forces Committees

Virtual teams

Teams that use computer technology to tie together physically dispersed members in order to achieve a common goal.

Characteristics

- Limited socializing.
- The ability to overcome time and space constraints.

To be effective, needs:

- trust among members;
- close monitoring;
- to be publicized.

Key Components of Effective Teams

Context Composition Work design Process variables

Creating Effective Teams: Context

1. Adequate resources : Need the tools to complete the job.

2. Effective leadership and structure

- Agreeing to:
 - the specifics of work
 - how the team fits together to integrate individual skills.
- Even 'self-managed' teams need leaders.
- Leadership especially important in Cross-functional teams.

3. Climate of trust

Members must trust each other and their leader.

4. Performance and reward systems that reflect team contributions

Cannot just be based on individual effort.

Creating Effective Teams: Composition

1. Abilities of members

Team members need:

- technical expertise,

- problem solving,
- decision making, and
- good interpersonal skills.

2. Personality of members

- Conscientiousness,
- Openness to experience, and
- Agreeableness

all relate to team performance.

3. Allocating roles and diversity

Many necessary roles must be filled.

4. Size of team

The smaller the better: 5 to 9 is optimal.

5. Member's preference for teamwork

Do the members want to be on teams?

Creating Effective Teams: Work Design

1. Freedom and autonomy

Ability to work independently.

2. Skill variety

Ability to use different skills and talents.

3. Task identity

Ability to complete a whole and identifiable task or product.

4. Task significance

Working on a task that has a substantial impact on others.

Creating Effective Teams: Process

1. Commitment to a common purpose

- Create a common purpose that provides direction.
- Have willingness to adjust plan if necessary.

2. Establishment of specific team goals

Must be specific, measurable, realistic, and challenging.

3. Team efficacy

Team believes in its ability to succeed.

4. Mental models

Have an accurate and common mental map of how the work gets done.

5. A managed level of conflict

Task conflicts are helpful; interpersonal conflicts are not.

6. Minimized social loafing

Team holds itself accountable both individually and as a team.

Functions of Communication

Communication is the transference and understanding of meaning.

Communication functions

- Control member behavior.
- Enhance motivation.
- Provide a release for emotional expression.
- Provide information needed to make decisions

Key Parts of Communication Process

The sender - initiates message.

Encoding - translating thought to message.

The message - what is communicated.

The channel - the medium the message travels through.

Decoding - the receiver's action in making sense of the message.

The receiver - person who gets the message.

Noise - things that interfere with the message.

Feedback - a return message regarding the initial communication.

Communication Channels

channel is the medium selected by the sender through which the message travels to the receiver.

Types of channels

1. Formal Channels

Are established by the organization and transmit messages that are related to the professional activities of members.

2. Informal Channels

Used to transmit personal or social messages in the organization. These informal channels are spontaneous and emerge as a response to individual choices.

Interpersonal Communication

Oral communication

- Advantages: Speed and feedback.
- Disadvantage: Distortion of the message.

Written communication

- Advantages: Tangible and verifiable.
- Disadvantages: Time-consuming and lacks feedback.

Nonverbal communication

- Advantages: Supports other communications and provides observable expression of emotions and feelings.
- Disadvantage: Misperception of body language or gestures can influence receiver's interpretation of message.

Nonverbal Communication

Body movement

- Unconscious motions that provide meaning.
- Shows extent of interest in another and relative perceived status differences.

Intonations and voice emphasis

- The way something is said can change meaning.

Facial expressions

- Show emotion.

Physical distance between sender and receiver

- Depends on cultural norms.
- Can express interest or status.

What Is Leadership?

Leadership: The ability to influence a group toward the achievement of goals.

Management: Use of authority inherent in designated formal rank to obtain compliance from organizational members.

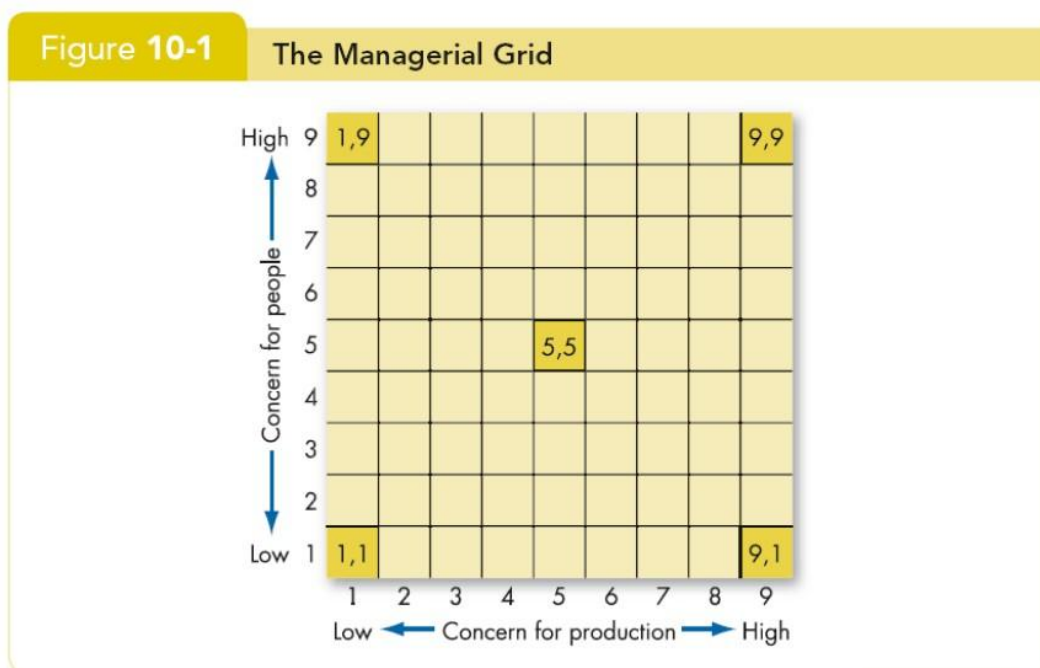
Both are necessary for organizational success.

Blake and Mouton's Managerial Grid

Draws on both studies to assess leadership style:

- 'Concern for People' is consideration and employee-orientation.
- 'Concern for Production' is initiating structure and production-orientation.

Style is determined by position on the graph.



Fiedler's Model

- Effective group performance depends on the proper match between leadership style and the situation.
 - Assumes that leadership style (based on orientation revealed in LPC questionnaire) is fixed.
- Considers three situational factors:
 - Leader-member relations: degree of confidence and trust in the leader.
 - Task structure: degree of structure in the jobs.
 - Position power: leader's ability to hire, fire, and reward.
- For effective leadership: must change to a leader who fits the situation or change the situational variables to fit the current leader.

Assessment

Positives

- Considerable evidence supports the model, especially if the original eight situations are grouped into three.

Problems

- The logic behind the LPC scale is not well understood.
- LPC scores are not stable.
- Contingency variables are complex and hard to determine.

Cognitive Resource Theory

A refinement of Fiedler's original model:

- Focuses on stress as the enemy of rationality and creator of unfavorable conditions.
- A leader's intelligence and experience influence his or her reaction to that stress.

Stress Level	Intellectual Abilities	Leader's Experience
<ul style="list-style-type: none"> • Low • High 	<ul style="list-style-type: none"> • Effective • Ineffective 	<ul style="list-style-type: none"> • Ineffective • Effective

Hersey & Blanchard's Situational Leadership

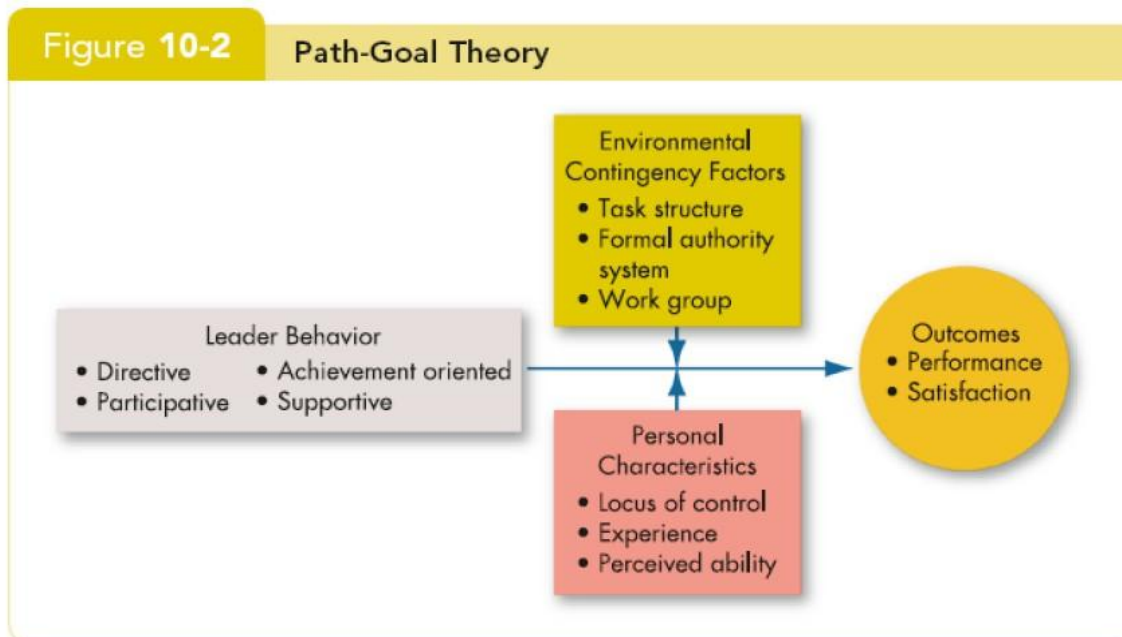
A model that focuses on follower 'readiness'

- Followers can accept or reject the leader.
- Effectiveness depends on the followers' response to the leader's actions.
- Readiness is the extent to which people have the ability and willingness to accomplish a specific task.

A paternal model

- As the child matures, the adult releases more and more control over the situation.
- As the workers become more ready, the leader becomes more laissez-faire.

An intuitive model that does not get much support from the research findings.



Charismatic Leadership

House's charismatic leadership theory:

- Followers make attributions of heroic or extraordinary leadership abilities when they observe certain behaviors.

Four characteristics of charismatic leaders:

- Have a vision.
- Are willing to take personal risks to achieve the vision.
- Are sensitive to follower needs.
- Exhibit behaviors that are out of the ordinary.

Traits and personality are related to charisma.

People can be trained to exhibit charismatic behaviors

How Charismatic Leaders Influence Followers

A four-step process:

1. Leader articulates an attractive vision.
 - Vision Statement: A formal, long-term strategy to attain goals.
 - Links past, present, and future.
2. Leader communicates high performance expectations and confidence in follower ability.
3. Leader conveys a new set of values by setting an example
4. Leader engages in emotion-inducing and often unconventional behavior to demonstrate convictions about the vision.

Charismatic Leadership Issues

Charismatic effectiveness and situation

- Charisma works best when:
 - the follower's task has an ideological component;
 - there is a lot of stress and uncertainty in the environment;
 - the leader is at the upper level of the organization;
 - followers have low self-esteem and self-worth.

Importance of vision

Must be inspirational, value-centered, realizable, and given with superior imagery and articulation.

Dark side of charisma

Ego-driven charismatics allow their self-interest and personal goals to override the organization's goals.

Transactional & Transformational Leadership

Transactional leaders

- Leaders who guide or motivate their followers in the direction of established goals by clarifying role and task requirements.

Transformational leaders

- Inspire followers to transcend their own self-interests for the good of the organization; they can have a profound and extraordinary effect on followers.

Great transformational leaders must also be transactional; only one type is not enough for success.

Characteristics of the Transactional Leaders

Contingent reward

- Contracts exchange of rewards for effort, promises rewards for good performance, recognizes accomplishments.

Management by exception

- Active: watches and searches for deviations from rules and standards, takes corrective action.
- Passive: intervenes only if standards are not met.

Laissez-faire

- Abdicates responsibilities, avoids making decisions.

Characteristics of the Transformational Leaders

Idealized influence

- Provides vision and sense of mission, instills pride, gains respect and trust.

Inspiration

- Communicates high expectations, uses symbols to focus efforts, expresses important issues simply.

Intellectual stimulation

- Promotes intelligence, rationality, and problem solving.

Individualized consideration

- Gives personal attention, coaches, advises.

Conflict is a process that begins when one party perceives that another party has negatively affected, or is about to negatively affect, something that the first party cares about.

- That point in an ongoing activity when an interaction “crosses over” to become an interparty conflict.
- Encompasses a wide range of conflicts that people experience in organizations.
 - Incompatibility of goals.
 - Differences over interpretations of facts.
 - Disagreements based on behavioral expectations.

Transitions in Conflict Thought

Human Relations view of conflict

- The belief that conflict is a natural and inevitable outcome in any group.
Prevalent from the late 1940s through mid-1970s.

Interactionist view of conflict

- The belief that conflict is not only a positive force in a group but that it is absolutely necessary for a group to perform effectively.
Current view.

Forms of Interactionist Conflict

Functional Conflict

- Conflict that supports the goals of the group and improves its performance.

Dysfunctional Conflict

- Conflict that hinders group performance.

Types of Interactionist Conflict

Task Conflict

- Conflicts over content and goals of the work.
- Low-to-moderate levels of this type are functional.

Relationship Conflict

- Conflict based on interpersonal relationships.
- Almost always dysfunctional.

Process Conflict

- Conflict over how work gets done.
- Low levels of this type are functional

The Conflict Process

Stage I: Potential Opposition or Incompatibility

Structure

- Size and specialization of jobs.
- Jurisdictional clarity/ambiguity.
- Member/goal incompatibility.
- Leadership styles (close or participative).
- Reward systems (win-lose).
- Dependence/interdependence of groups.

Communication

- Semantic difficulties, misunderstandings, and “noise”.

Personal Variables

- Differing individual value systems.
- Personality types.

Stage II: Cognition and Personalization

Important stage for two reasons:

1. Conflict is defined.

- Perceived conflict: awareness by one or more parties of the existence of conditions that create opportunities for conflict to arise.

2. Emotions are expressed that have a strong impact on the eventual outcome.

- Felt conflict: emotional involvement in a conflict creating anxiety, tenseness, frustration, or hostility.

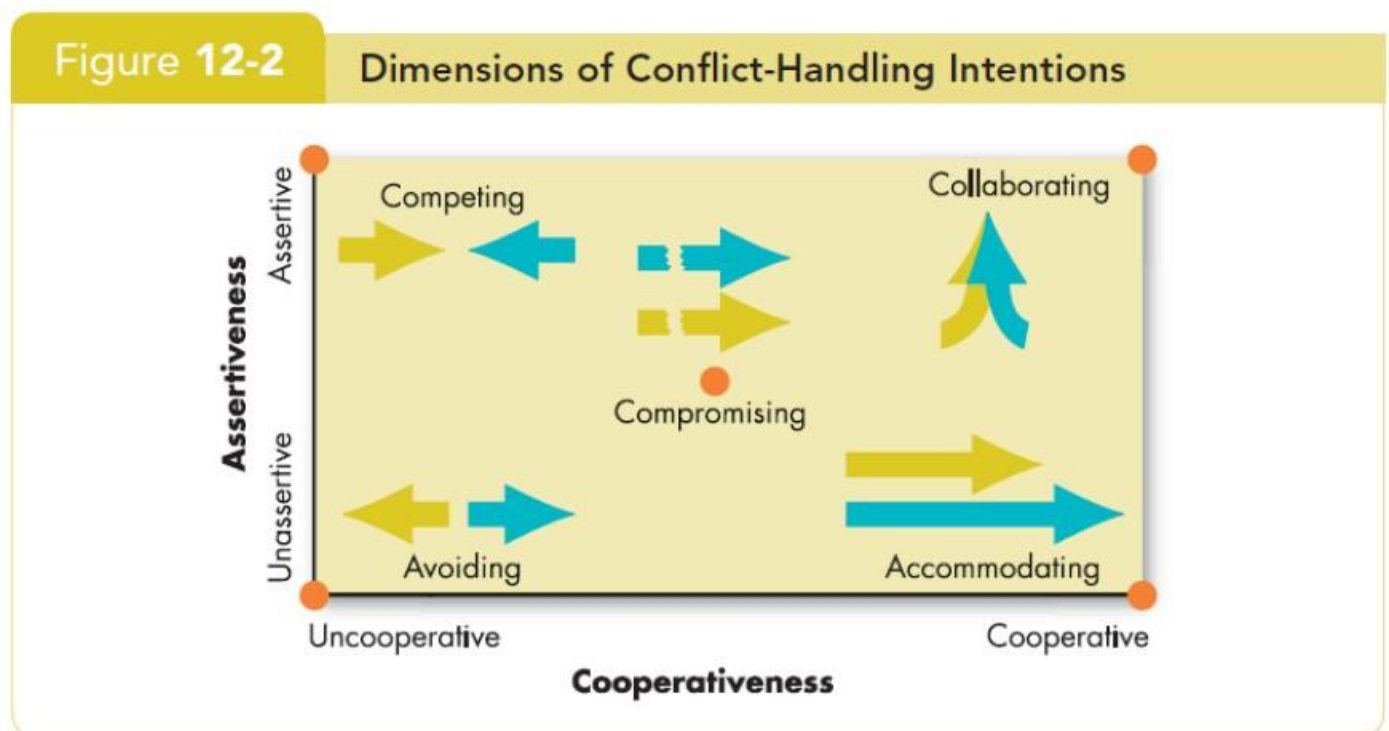
Stage III: Intentions

Intentions

- Decisions to act in a given way.
- Note: behavior does not always accurately reflect intent.

Dimensions of conflict-handling intentions:

- *Cooperativeness*: attempting to satisfy the other party's concerns.
- *Assertiveness*: attempting to satisfy one's own concerns.



Stage IV: Behavior

Conflict Management is the use of resolution and stimulation techniques to achieve the desired level of conflict.

Conflict Resolution Techniques

- Problem solving
- Superordinate goals
- Expansion of resources
- Avoidance
- Smoothing
- Compromise
- Authoritative command
- Altering the human variable
- Altering the structural variables
- Communication

Conflict Stimulation Techniques

- Bringing in outsiders.
- Restructuring the organization.
- Appointing a devil's advocate.

Stage V: Outcomes

Functional outcomes

- Increased group performance.
- Improved quality of decisions.
- Stimulation of creativity and innovation.
- Encouragement of interest and curiosity.
- Provision of a medium for problem-solving.
- Creation of an environment for self-evaluation and change.

Dysfunctional outcomes

- Development of discontent.
- Reduced group effectiveness.
- Retarded communication.
- Reduced group cohesiveness.
- Infighting among group members overcomes group goals.

Creating Functional Conflict

- Reward dissent and punish conflict avoiders.

Negotiation

Negotiation (bargaining) is a process in which two or more parties exchange goods or services and attempt to agree on the exchange rate for them.

Two general approaches:

- ***Distributive bargaining***: negotiation that seeks to divide up a fixed amount of resources; a win-lose situation.
- ***Integrative bargaining***: negotiation that seeks one or more settlements that can create a win-win solution.