

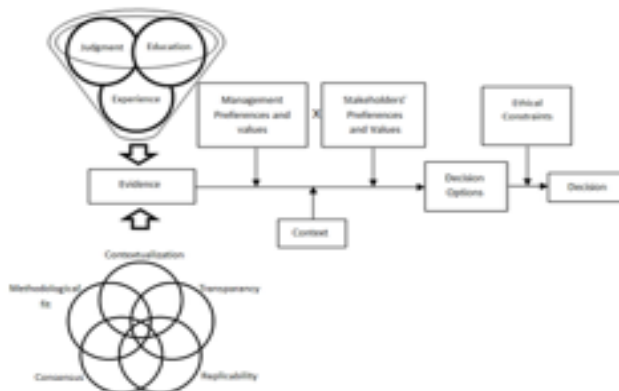
ORGANIZATIONAL BEHAVIOUR MID-TERM REVIEW

Chapter 1 Notes: OB Introduction

OB Consulting Basics

- organizations - **social inventions** for accomplishing **common goals** through **group effort**
- organizational behaviour - attitudes & behaviours of individuals and groups in organizations
- the field of OB is about understanding people and managing them to work effectively, concerned with how organizations can survive and adapt to change
- $S = T + R$... T=thinking could affect R=response/behaviour
e.g. walking into lecture with a negative attitude would affect your behaviour in the class
- this shows how you think in a situation and determine how you will behave
- OB Levels of Analysis: 1. individual, 2. organization, 3. group
- OB Outcomes of Interest: performance (efficiency, productivity, innovation, creativity, units of sale), counter productive behaviour (reducing absenteeism, turnover, bullying, theft, harassment), citizenship behaviour (what organizations can do to make people happier, better pay...)

-Evidence-Based OB



- best companies to work for (Canada) practice: flexible work schedules, stock options, profit sharing plans, performance bonuses, extensive training & development programs, family assistance, fitness facilities, daycare, wellness programs, career days, benefit plans, staff socials, stress reduction, formal workplace diversity programs, reward programs
- human resources management - programs, practices & systems to acquire, develop & retain employees in organizations, a closely related but distinct discipline to OB, knowledge of OB will help you understand the use/effectiveness of human resource practices
- goals of OB:
 - **predicting** the behaviour of others
 - **explaining** events in organizations - why do they occur?

- **management** - the art of getting things accomplished in organizations through others
- **evidence-based management** - translating principles based on the best scientific evidence into organizational practices, the use of this is more likely to result in the attainment of organizational goals (those affecting employees, stockholders & the public in general)

The Evolution of OB

1. Classical/Traditional Views

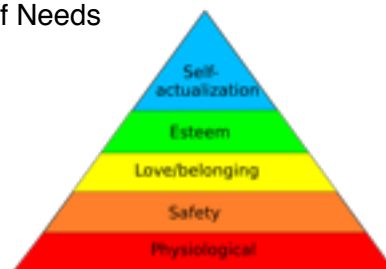
- **classical viewpoint** - an early prescription on management that advocated high specialization of labour, intensive coordination, and centralized decision making
- early 1900s
- this was non-humanistic (do not care about people)
- **bureaucracy** - organization that included a strict chain of command, detailed rules, high specialization, centralized power, and selection and promotion based on technical competence
- early to mid 1900s
- Max Weber (creator) - large organizations, administrative corporations
- all about order & responsibility, do what you're told, everything should be carefully controlled & planned
- used today by the government, and large companies implement many of these rules
- **scientific management** - use of careful research to determine degree of specialization
- also early 1900s
- Frederick Taylor - know as the time & motion man
- he came up with you get X dollars from every piece you make
- problems: lose employees' trust (treating them like machines), non-humanistic e.g. telling people how long they have to go pee

2. Human Relations Management

- **Hawthorne studies** - research conducted at the Hawthorne plant/Western Electric in the 20s that examined how psychological & social processes affect productivity, advocates management styles that are more participative/oriented towards employee needs, developed by Kurt Lewin
- correlation is not causation
- e.g.; no cause of relationship between: as the consumption of ice-cream increases, the cause of crimes increase (nothing to do with ice-cream, just happens to be the same time: summer)

3. Neo-Human Relations Management

- Maslow's Hierarchy of Needs



- McGregor's Theory XY - under X, managers believe that people are lazy/hate work so they nag & impose rules, under Y, managers believe people love work so they are supportive and give them more authority & freedom

- Theory Z - an organization is a large family, believe in training & development, develop the individual as they are being promoted in the organization, increase a degree of confidence

4. Modern Management Theories

- contingency approach - no one best way to manage, management style depends on the demands of the situation

- systems approach - looking at the organization as an open system that gets input from the environment, makes changes to this input, gives output to the environment

Managerial Roles As Accounting to Mintzberg

- interpersonal roles

- in the *figurehead role*, managers are symbols of their organization rather than active decision makers e.g. making speech to a trade group, entertaining clients, signing documents

- in the *leadership role*, managers select, mentor, reward & discipline employees

- in the *liaison role*, managers maintain horizontal contacts inside & outside the organization

- informational roles

- in the *monitor role*, managers scan the internal & external environments of the firm to follow current performance and to keep themselves informed of new ideas & trends

- in the *disseminator role*, managers send information on both facts and preferences to others

- in the *spokesperson role*, one sends messages into the organization's external environment e.g. drafting an annual report to stockholders, giving an interview to the press

- decisional roles

- in the *entrepreneur role*, managers turn problems & opportunities into plans for improved changes e.g. suggesting a new product/service that will please customers

- in the *disturbance handler role*, managers deal with problems stemming from employee conflicts and address threats to resources

- in the *resource allocation role*, managers decide how to deploy money, time, personnel & other organizations/individuals

- managerial activities: communication, traditional management, networking, HR management
- managers pursue agendas through networking and use intuition to guide decision making

- experienced managers use intuition in several ways: sense a problem, perform well-learned mental tasks rapidly, synthesize isolated pieces of information, double-check more formal/mechanical analyses

Fayol's 14 Principles of Management

- division of work
- authority
- discipline
- unity of command
- unity of direction
- general interest
- remuneration

- centralization
- scalar chain
- order
- equity
- stability of tenure of personnel
- initiative
- esprit de corps

Trends Managers are Facing Today

1. Diversity Management - bringing people together from different backgrounds, genders, etc
2. Employee-Organization Relationships
 - workplace spirituality - a workplace that provides employees with meaning, purpose, sense of community, a connection to others
 - psychological capital (PsyCap) - an individual's positive psychological state of development that is characterized by self-efficacy, optimism, hope, and resilience
3. Focus on Quality, Speed & Flexibility - issue: overload, stress, burnout, depression, absenteeism, dissatisfaction, productivity down, turnover
4. Talent Management
 - talent management - an organization's processes for attracting, developing, retaining, and utilizing people with the required skills to meet current and future business needs
 - work engagement - a positive work-related state of mind that is characterized by vigour, dedication, and absorption
5. Focus on CSR - corporate social responsibility (CSR) - an organization taking responsibility for the impact of its decisions and actions on its stakeholders

Then Vs. Now

Job Security	Employability
lifetime job security	limited job security
jobs are permanent	jobs are temporary
company manages career	career self-management
low emphasis on skill development	high emphasis on skill development

Chapter 3: Perception, Attribution & Diversity

Perception

- perception - process of **interpreting** the messages of our senses to provide order & meaning to the environment *MC
 - most important that influence OB = perceptions that members have of each other
- components of perception: *MC
 1. perceiver - perceiver's experience, needs & emotion can affect his or her perception of the target, his/her perceptions of a target is experience e.g. what you bring to a party
 - perceptual defence - tendency for the perceptual system to defend the perceiver against unpleasant emotions
 2. target - perception involves the interpretation of the target, ambiguous targets are susceptible to interpretation e.g. who's at the party

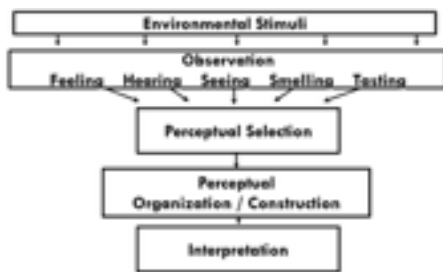
3. situation - context (e.g.; timing) can affect what one perceives, something around us impacting us, important = can add information about the target

- perception in the workplace: trust & organizational support, workforce diversity, in the selection interview - attribution errors & contrast effect, in a performance appraisal - rate errors: leniency, harshness, central tendency, similar to me effect

Social Identity Theory

- **social identity theory** - a theory that states that people form perceptions of themselves based on their personal characteristics and memberships in social categories
- people (perceivers) form perceptions on themselves (target-based on their characteristics & memberships in social categories (situation))
- people (perceivers) form perceptions of others (target) based on their memberships in social categories (situation)
- we categorize ourselves and others to make sense & understand the social environment our sense of self is composed of a personal identity & a social identity

The Perceptual Process - Bruner's Model



- environmental stimuli - sensory overload can occur when there are too many stimuli for a person to process
- observation - moving into selection/attention
- perceptual selection - we only pay attention to a limited number of things, what you pay attention to (external vs. internal factors)
- perceptual organization/construction - what is perceptually selected in part to what others are perceiving, perceptual grouping (e.g. proximity, similarity) we construct reality
- interpretation - attribution errors, to assign a meaning or a cause to something

Model	Example
Unfamiliar target encountered	New co-worker
Openness to target cues	Observation; search for information
Familiar cues encountered	Co-worker is Stanford graduate with good grades
Target categorized	Co-worker is "good man" with "great potential"
Cue selectivity	Co-worker's poor performance ignored or distorted
Categorization strengthened	Co-worker is still "good man" with "great potential"

- Bruner's model demonstrates three important characteristics of the perceptual process: perception is selective, our perceptual system works to paint a constant picture of the target, the perceptual system also creates a consistent picture of the target

Perceptual Errors

- primacy effect - the tendency for a perceiver to rely on early cues or first impressions
- recency effect - the tendency for a perceiver to rely on recent cues or last impressions
- reliance on central traits* - central traits are personal characteristics of a target person that are of particular interest to a perceiver e.g. basing on physical attractiveness (height)
- implicit personality theories - personal theories that people have about which personality characteristics can go together e.g. honest people are also intelligent
- projection - the tendency for perceivers to attribute their own thoughts and feelings to others e.g. assuming everyone else makes decisions and solves problems the same way you do
- stereotyping - the tendency to generalize about people in a certain social category and ignore variations among them, can be positive or negative, happens most often with minorities
 - often wrong, but we do it because it fastens the decision making process
- halo effect - one trait forms a general impression e.g. "if I don't like you, it may spread over to the effort you're putting in your assignment work"
- self-fulfilling prophecy - occurs when our expectations about another person cause that person to act in a way that is consistent with those expectations

Attribution

- attribution - process by which causes/motives are assigned to explain people's behaviours
- internal attribution (dispositional attributions) - perception that outcomes are due to personality/intellect rather than situation/environment
- external environment (situational attributions) - perception that outcomes are due to situation/environment rather than the person
- three implicit questions: whether we should attribute the behaviour to dispositional/situational:
 - consistency cues - does this person engage in the behaviour regularly & consistently?
 - consensus cues - do most people engage in the behaviour, or is it unique to the person?
 - distinctiveness cues - does the person engage in the behaviour in many situations, or is it distinctive to one situation? *3 MC
- biases in attribution
 1. fundamental attribution error - tendency to overemphasize dispositional explanations for behaviour at the expense of situational explanations
 2. actor-observer effect - propensity for actors & observers to view the causes of the actor's behaviour differently
 3. self-serving bias - tendency to take credit for successful outcomes and to deny responsibility for failures

Person Perception and Workforce Diversity

- workforce diversity - differences among recruits and employees in characteristics such as gender, race, age, religion, cultural background, physical ability, or sexual orientation
- competitive advantages to valuing and managing a diverse workforce:
 - i) cost argument - the cost of a poor job in integrating workers will increase, those who handle this well will create a cost advantage
 - ii) resource acquisition argument - companies develop reputations on favourability as prospective employers for women & ethnic minorities, those with the best reputations in managing diversity will win for best personnel
 - iii) marketing argument - the insight & cultural sensitivity that members with roots in other countries bring to the marketing effort should improve these efforts in important ways
 - iv) creativity argument - diversity of perspectives, less emphasis on conformity to norms
 - v) problem-solving argument - heterogeneity in decisions produces better decisions
 - vi) system flexibility argument - an implication of the multicultural model for managing diversity is that the system will become less determinant, more fluid with should create greater flexibility to react to change
- common activities included in diversity programs: recruiting, retention, development, external partnership, communication, training, staffing & infrastructure

Perceptions of Trust

- trust - psychological state in which one has a willingness to be vulnerable & to take risks with respect to the actions of another party
- there is some evidence that perceptions of fairness are associated with trust
- trust is considered to be the most critical factor when judging best workplaces in Canada

Perceived Organizational Support

- perceived organizational support (POS) - employees' general belief that their organization values their contribution and cares about their well-being
 - employees who have greater POS have higher job performance, are more satisfied with their jobs, more committed to the organization, and less likely to be absent/quit
- organizational support theory - a theory that states that employees who have strong perceptions of organizational support feel an obligation to care about the organization's welfare and to help the organization achieve its objectives

Person Perception in Human Resources

- perceptions can influence who gets hired and how employees are evaluated after being hired
- signalling theory - job applicants interpret their recruitment experiences as cues/signals about unknown characteristics of an organization and what it will be like to work in an organization

- contrast effects - previously interviewed job applicants affect an interviewer's perception of a current applicant, leading to an exaggeration of differences between applicants
- leniency - the tendency to perceive the job performance of rates as especially good
- harshness - the tendency to perceive the job performance of rates as especially ineffective
- central tendency - tendency to assign most rates to middle-range job performance categories
- similar-to-me effect - a rater favours towards people who are similar to the rater in terms of backgrounds/attitudes
- behaviourally anchored rating scale (BARS) - rating scale with specific behavioural examples of good, average & poor performance
- frame-of-reference (FOR) training - a training method to improve rating accuracy that involves providing raters with a common frame of reference to use when rating individuals
- hollow effect - one strong characteristic of the individual means they are a good performer

Chapter 2: Personality & Learning

Ability

- ability - what a person is capable of doing
- cognitive ability - capacity to learn and process cognitive information such as reading, comprehension, mathematical patterns and spatial patterns e.g. tests: GMAT, LSAT, MCAT
 - most efficient



-emotional intelligence - refers to the ability to identify emotions (in self & others) as well as understand and manage those emotions separately

- positively correlated with: perceptions of leadership, coping with stress, job performance
- how do you measure emotional intelligence? a scale (test) based on four facets, i) perceiving emotion, ii) whether people can manage their own emotions (what type of emotion would be appropriate for this type of situation), iii) understanding emotions, iv) relationship management (change/maintain emotions in scenarios with others)

- cultural intelligence - represents a person's capability to function effectively in situations characterized by cultural diversity, 4 sub skills:
 1. CQ-strategy - how a person interprets and understands intercultural experiences
 2. CQ-knowledge - person's understanding of how cultures are similar and different
 3. CQ-motivation - person's interest in experiencing & interacting with other cultures
 4. CQ-behaviour - person's capability to modify their own behaviour so it is appropriate

Personality

- personality - the relatively stable set of psychological characteristics that influences the way an individual interacts (thinks, acts, behaves) with his or her environment
 - can include values, motives

Personality & OB

- dispositional approach - individuals possess stable traits/characteristics that influence their attitudes & behaviours
- situational approach - characteristics of the organizational setting influence people's attitudes & behaviour
 - when researchers began to shift their attention of factors in the wrk environment that might predict & explain organizational behaviour
 - e.g. many studies have shown that job satisfaction and other work-related attitudes are largely determined by situational factors such as the characteristics of work tasks
- interactionist approach - individuals' attitudes & behaviour are a function of both dispositions and the situation e.g. describing situations as "weak" or "strong"
 - now the most widely accepted perspective within organization behaviour
 - some personality characteristics are useful in certain organizational situations
 - trait activation theory - traits lead to certain behaviours only when the situation makes the need for the trait salient, key concept: putting the right person in the right job, group, or organization and exposing different employees to different management styles
- Five-Factor Model of Personality "The Big Five"
 1. Extraversion - extent to which one is outgoing versus shy
 2. Emotional stability (neuroticism) - degree to which one has appropriate emotional control
 3. Agreeableness - extent to which one is friendly & approachable
 4. Conscientiousness - the degree to which one is responsible and achievement-oriented
 5. Openness to experience - the extent to which one thinks flexibly/is receptive to new ideas

C #1!!!	A	N	O	E
Conscientiousness	Agreeableness	Neuroticism	Openness	Extraversion
dependable organized reliable ambitious hardworking persevering	kind cooperative sympathetic helpful courteous tolerant	nervous moody emotional insecure jealous unstable	curious imaginative creative complex original sophisticated	talkative sociable passionate assertive bold dominant
NOT careless sloppy inefficient impulsive lazy irresponsible	NOT critical antagonistic callous selfish rude cold	NOT calm steady relaxed at ease confident contented	NOT unimaginative conventional conforming simple unartistic traditional	NOT quiet shy inhibited withdrawn reserved submissive

- predict performance, organizational citizenship behaviours, motivation, satisfaction
- other important personality characteristics:
 - locus of control - set of beliefs about whether one's behaviour is controlled mainly by internal or external factors
 - self-monitoring - extent to which people observe how they appear/behave in social settings
 - self-esteem - high self-esteem individuals tend to have higher job performance and do better in ambiguous and stressful situations, low self-esteem react badly to negative feedback

- behavioural plasticity theory - people with low self-esteem tend to be more susceptible to external and social influences than those who have high self-esteem

New Developments In Personality & OB

- positive affectivity - propensity to view the world in a positive light, people high on PA experience positive emotions, moods like joy and excitement
- vs. negative affectivity - propensity to view the world in a negative light, people high on NA experience negative emotions, moods like fear & anxiety
- proactive behaviour - taking initiative to improve current circumstances or creating new ones
 - involves changing the status quo rather than passively adapting to present conditions
 - some people are better at this than others because they have a “proactive personality”
 - proactive personality - a stable personal disposition that reflects a tendency to take personal initiative across a range of activities and to effect positive change in one’s environment
- general self-efficacy - a general trait that refers to an individual’s belief in his/her ability to perform successfully in a variety of challenging situations *belief in ability to tackle whatever
- core self-evaluations - a broad personality concept that consists of more specific traits that reflect the evaluations people hold about themselves and their self-worth
 - those with positive CSEs have higher satisfaction, organizational commitment, performance

Learning

- learning - a relatively permanent change in behaviour potential that occurs due to experience
- content of learning in organizations consists of practical, interpersonal/intrapersonal skills, and cultural awareness
- operant learning - learning by which the subject learns to operate on the environment to achieve certain consequences, occurs as a function the consequences of behaviour
- performance feedback - providing quantitative/qualitative information on past performance for the purpose of changing or maintaining performance in specific ways
- social recognition - informal acknowledgement, attention, praise, approval, appreciation

Reinforcement Strategies

- reinforcement - the process by which stimuli strengthen behaviours, if some behaviour is occurring regularly or increasing in probability, you can assume that it is being reinforced
- to obtain the fast acquisition of some response, continuous, immediate reinforcement should be used - the reinforcer should be applied every time the behaviour of interest occurs, and without delay after each occurrence
- behaviour tends to be persistent under reduced or terminated reinforcement when it is learned under condition of delayed or partial reinforcement

Reducing The Probability of Behaviour

- extinction - the gradual dissipation of behaviour following the termination of reinforcement
- punishment - the application of an aversive stimulus following some behaviour designed to decrease the probability of that behaviour

Probability of Behaviour	Consequences Following Behaviour	Learning Effect	Example
Increasing or Being Maintained	Positive Stimulus Added e.g. food, praise, money	Positive Reinforcement	apprentice machinist learns to operate a lathe correctly as the manager praises his performance over time
	Negative Stimulus Removed e.g. shock, nagging, threat, fines	Negative Reinforcement	shipping clerk whose boss is a chronic nagger learns that she has filled an order properly when the boss stops nagging
Decreasing	Negative Stimulus Added	Punishment	sales clerk stops being rude to customers after the store manager cuts his hours and sends him home for the rest of the week
	None (Reinforcer Terminated)	Extinction	salesperson stops calling on an established customer after making ten visits without a sale

Social Cognitive Theory (SCT)

- social cognitive theory (SCT) - emphasizes the role of cognitive processes in learning and in the regulation of people's behaviour *people learn by observing the behaviour of others
- observational learning - the process of observing and imitating the behaviour of others
- involves examining the behaviour of others, seeing what consequences they experience, and thinking about what might happen if we act the same way
- self-efficacy beliefs - beliefs people have about their ability to successfully perform a task
- self-regulation - the use of learning principles to regulate one's own behaviour
 - self-regulation techniques: collect self-observation data, observe models, set goals, rehearse, reinforce oneself

Organizational Learning Practices

- organizational behaviour modification (O.B Mod) - the systematic use of learning principles to influence organizational behaviour
- employee recognition programs - publicly recognize & reward employees
- peer recognition programs - form programs in which employees can public acknowledge, recognize, and reward their co-workers for exceptional work & performance

- training and development - training is planned organizational activities that are designed to facilitate knowledge & skill acquisition to change behaviour/improve performance on one's current job; development focuses on future job responsibilities
- behaviour modelling training (BMT) - most widely used & effective methods of training, involving five steps based on the observational learning component of SCT:
 - describes to trainees a set of well-defined behaviours (skills) to be learned
 - provide a model or models displaying the effective use of those behaviours
 - provide opportunities for trainees to practise using those behaviours
 - provide feedback and social reinforcement to trainees following practice
 - take steps to maximize the transfer of those behaviours on the job
- career development - an ongoing process in which individuals progress through a series of stages that consist of a unique set of issues, themes & tasks

Chapter 4: Values, Attitudes, And Work Behaviour

Values

- values - a broad tendency to prefer certain states of affairs over others
- people tend to hold values structured around such factors as achievement, power, autonomy, conformity, tradition, and social welfare
- generational differences in value:

Generation	% of Workforce	Assets in The Workplace	Leadership Style Preferences
Traditionalists born 1922-1945	8%	hard working, stable, loyal, thorough, detail-oriented, emotional maturity, focused	fair, consistent, clear, direct, respectful
Baby Boomers born 1946-1964	44%	team perspective, dedicated, experienced, knowledgeable, service-oriented	treats as equals, warm and caring, mission-defined, democratic approach
Generation X born 1965-1980	34%	independent, adaptable, creative, techno-literate, willing to challenge the status quo	direct, competent, informal, genuine, flexible, results-oriented, supportive of learning opportunities
Millennials born 1981-2000	14% and increasing rapidly	optimistic, able to multitask, driven to learn & grow, team-oriented, socially responsible, tech savvy	motivational, collaborative, educational, organized, positive, achievement-oriented

- work centrality: work itself is valued differently across cultures

Hofstede's Study

- questioned 116,000+ IBM employees located in 40 countries about their work-related values and discovered 4 basic dimensions along which work-related values differed across cultures
- 1. power distance - extent to which unequal distribution of power is accepted by society
- 2. uncertainty avoidance - extent to which people are uncomfortable with ambiguous situations
- 3. masculinity/femininity - more masculine cultures clearly differentiate gender roles, support the dominance of men, and stress economic performance, more feminine cultures accept fluid gender roles, stress sexual equality, and stress quality of life
- 4. individualism vs. collectivism - individualistic societies stress independence, individual initiative, and privacy, collective cultures favour interdependence and loyalty to family/clan
- 5. long-term/short-term orientation - cultures with a long-term orientation tend to stress persistence, perseverance, thrift and close attention to status differences, cultures with a short-term orientation stress personal steadiness & stability, face-saving, and social niceties

Attitudes

- attitude - a fairly stable evaluative tendency to respond consistently to some specific object, situation, person, or category of people, much more specific than values
- attitudes often influence our behaviour toward some object, situation, person, or group
Attitude ⇒ Behaviour
- we can expand the model to include the thinking & feeling aspects of attitudes
BELIEF + VALUE ⇒ Attitude ⇒ Behaviour
e.g. "my job is interfering with my family life" ⇒ "I dislike anything that hurts my family" ⇒ "I dislike my job" ⇒ "I'll search for another job"

Job Satisfaction

- job satisfaction - a collection of attitudes that workers have about their jobs
- two aspects of job satisfaction
 1. facet satisfaction - the tendency for an employee to be more or less satisfied with various facets of the job e.g. "I love my work but I hate my boss" (different attitudes)
 2. overall satisfaction - an overall indicator of a person's attitude toward their job that cuts across the various facets e.g. "on the whole, I really like my job, although a couple of aspects could stand some improvement"
- popular measures: Job Descriptive Index (JDI), Minnesota Satisfaction Questionnaire (MSQ)

What Determines Job Satisfaction?

1. **Discrepancy**
discrepancy theory - job satisfaction stems from the discrepancy between the job outcomes wanted & the outcomes that are perceived to be obtained

- for instance, there is strong evidence that satisfaction with one's pay is high when there is a small gap between the pay received & the perception of how much pay *should* be received

2. **Fairness**

distributive fairness - occurs when people get outcomes they think they deserve

equity theory - job satisfaction stems from a comparison of the inputs one invests in a job & the outcomes one gets in comparison with the inputs & outcomes of another person/group

- equity will be perceived when the following distribution ratios exist:

$$\frac{\text{my outcomes}}{\text{my inputs}} = \frac{\text{other's outcomes}}{\text{other's inputs}}$$

- inputs - anything people give up/offer/trade to their organization in exchange for outcomes

- outcomes - factors an organization distributes to employees in exchange for their inputs

procedural fairness - occurs when the process used to determine work outcomes is seen as reasonable relevant to outcomes (performance evaluations, pay raises, promotions, layoffs)

- likely to provoke dissatisfaction when people also see distributive fairness as being low

interactional fairness - occurs when people have received respectful & informative communication about an outcome

3. **Disposition**

- underlying the dispositional view is the idea that some people are predisposed by virtue of their personalities to be more or less satisfied despite changes in discrepancy or fairness

- job satisfaction tends to be fairly stable over time, even when changes in employer occur

- disposition measured in childhood is correlated with ones job satisfaction as a mature adult

4. **Mood & Emotion**

- jobs consist of a series of events & happenings that have the potential to provoke emotions or to influence moods, depending on how we appraise these events & happenings

emotions - intense, often short-lived feelings caused by a particular event

moods - less intense, longer-lived, and more diffuse feelings

emotional contagion - tendency for moods & emotions to spread between people or throughout a group

emotional regulation - requirement for people to conform to certain "display rules" in their job behaviour in spite of their true mood or emotions

5. **Work Factors**

- mentally challenging work, adequate composition, career opportunities, people

Consequences of Job Satisfaction

1. Absenteeism (Absence from Work) - research shows that less-satisfied employees are more likely to be absent and satisfaction with content of work is the best predictor of absenteeism

2. Turnover - resignation from an organization is expensive, research indicates a moderately strong connection between job satisfaction & turnover, less-satisfied employees likely to quit

3. Performance - "a happy worker is a productive worker"

4. Organizational Citizenship Behaviour (OCB) - OCB - voluntary, informal behaviour that contributes to organizational effectiveness

5. Customer Satisfaction and Profit - employee job satisfaction is indeed translated into customer or client satisfaction and organizational profitability

Organizational Commitment

- organizational commitment - an attitude that reflects the strength of the linkage between an employee and an organizations
- there are three types of organizational commitment:
 - affective commitment - based on identification & involvement with an organization, people with high affective commitment stay with an organization because they *want* to
 - continuance commitment - based on the costs by leaving an organization, people with high continuance commitment stay with an organization because they *have* to
 - normative commitment - based on ideology/a feeling of obligation to an organization, people with high normative commitment stay with an organization because they think they *should*

Chapter 5: Theories of Work Motivation

Motivation

- motivation - the extent to which persistent effort is directed toward a goal *MC (3 defns)
 - definition 1: why people chose to do certain things rather than other things, why people put various amounts of effort & intensity into their activities
 - definition 2: what is it that gets behaviour started?, what is it that determines the magnitude or intensity of behaviour?, what is it that causes behaviour to stop?
 - definition 3: effort - the strength of the person's work-related behaviour, persistence - the persistence that individuals exhibit in applying effort to their work tasks, direction - do workers channel persistent effort in a direction that benefits the organization?, goals - all motivated behaviour has some goal or objective toward which it is directed
- intrinsic motivation - stems from the relationship between worker & task ;self-applied *MC
 - e.g. feelings of achievement, accomplishment, challenge derived from performing one's job
- extrinsic motivation - stems from the work environment external to the task; applied by others e.g. pay, fringe benefits, company policies, and various forms of supervision
- self-determination theory - considers whether people's motivation is autonomous or controlled
- autonomous motivation - when people are self-motivated by intrinsic factors
- controlled motivation - when people are motivated to obtain a desired consequence of extrinsic reward

Motivation & Performance

- performance - extent to which an organizational member contributes to achieving the objectives of the organization **performance = $f(\text{motivation, ability})$**
- while motivation clearly contributes to performance, relationship is not one-to-one

Need Theories of Work Motivation

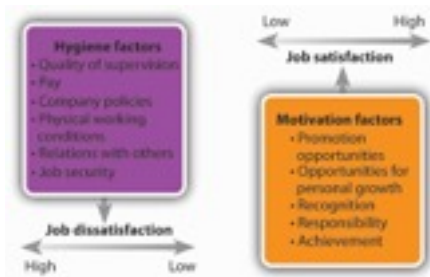
- need theories - specify the kinds of needs people have and the conditions under which they will be motivated to satisfy these needs in a way that contributes to performance
NEEDS ⇒ BEHAVIOUR ⇒ INCENTIVES & GOALS

1. Maslow's Hierarchy of Needs - a five-level hierarchical need theory of motivation that specifies that the lowest-level unsatisfied need has the greatest motivating potential *pg.2
2. Alderfer's ERG theory - a three-level hierarchical need theory of motivation (existence, relatedness, growth) that allows for movement up and down the hierarchy



- existence needs: satisfied by some material substance or condition e.g. food, shelter, pay, safe working conditions
- relatedness needs: satisfied by open communication & the exchange of thoughts & feelings with other organizational members e.g. open, accurate, honest interaction
- growth needs: fulfilled by strong personal involvement in the work setting e.g. development of new skills/aptitudes
- the more lower-level needs are gratified, the more higher-level need satisfaction is desired
- the less higher-level needs are gratified, the more lower-level need satisfaction is desired

3. McClelland's theory of needs - a nonhierarchical need theory of motivation that outlines the conditions under which certain needs result in particular patterns of motivation
 - need for achievement - a strong desire to perform challenging tasks well
 - need for affiliation - a strong desire to establish & maintain friendly, compatible interpersonal relationships
 - need for power - a strong desire to influence others, making a significant impact/impression
4. Herzberg's Two Factor Theory



- A Comparison:



Process Theories of Work Motivation

- expectancy theory - states that motivation is determined by the outcomes that people expect to occur as a result of their actions on the job
 - the premises of the theory:
 - i) people will be motivated to perform in work activities they find attractive & can accomplish
 - ii) the attractiveness of various work activities depends on the extent to which they lead to favourable personal consequences
 - basic components:

outcomes - consequences that follow work behaviour

instrumentality - probability that a first-level outcome will be followed by a second-level outcome

valence - the expected value of work outcomes; the extent to which they are attractive or unattractive
valence of a particular first-level outcome = \sum instrumentalities \times second-level valences

expectancy - probability that a particular first-level outcome can be achieved

force - the effort directed toward a first-level outcome *force = first-level valence \times expectancy*

- what does expectancy theory suggest managers should do
 1. boost expectancies: managers must clarify & increase employee's perception of e>p
 2. clarify reward contingency: must clarify & increase employee's performance, lead to desired outcomes, show that promotion is a possibility
 3. appreciate diverse needs: should know not everyone wanted Turkey for Christmas
- equity theory - a process theory that states that motivation stems from a comparison of the inputs one invests in a job and the outcomes one receives in comparison with the inputs & outcomes of another person or group
 - individuals are motivated to maintain an equitable exchange relationship, when these outcome/input ratios are unequal, inequity exists, workers are motivated to restore equity
- goal setting theory - states that goals are motivational when they are specific, challenging, when members are committed to them, and when feedback about progress is provided
 - goal - object/aim of an action, goals that are motivational are specific, have a certain amount of challenge, have commitment and are accompanied by ongoing feedback
 - goal orientation - an individual's goal preferences in achievement situations
 - learning goal orientation - a preference to learn new things & develop competence in an activity by acquiring new skills and mastering new situations
 - performance-prove goal orientation - a preference to obtain favourable judgments about the outcome of one's performance
 - performance-avoid goal orientation - a preference to avoid negative judgments about the outcome of one's performance
 - distal goal - long-term or end goal vs. proximal goal - short-term goal or sub-goal

Do Motivation Theories Translate Across Cultures?

- there are some cross-cultural limitations of the theories of motivation
- as for equity theory, trying to motivate employees with a "fair" reward system might backfire if the definition of fairness is other than equity (equality), because of its flexibility, expectancy

theory is very effective when applied cross-culturally and allows for the possibility that there may be cross-cultural differences in the expectancy that effort will result in high performance

- setting specific & challenging goals should also be motivational when applied cross-culturally
 - however, for goal setting to be effective, careful attention will be required to adjust the goal setting process in difference cultures

Chapter 6: Motivation In Practice

Money As A Motivator *MC

- the money that employees is a package made up of pay & various fringe benefits
- piece-rate - workers are paid a sum of money for each unit of production completed
- wage incentive plans - various systems that link pay to performance on production jobs
- potential problems with wage incentives: lowered quality, differential opportunity, reduce cooperation, incompatible job design, restriction of property
- compared to production jobs, white-collar jobs (including clerical, professional & managerial jobs) frequently offer fewer objective performance criteria to which pay can be tied
 - merit pay plans - systems that attempt to link pay to performance on white-collar jobs
 - in a tight labour market, merit pay attracts & retains employees, alternative to wage increase
 - lump sum bonus - merit pay that is awarded in a single payment and not built into base pay
- using pay to motivate teamwork:

PAY PLAN	DESCRIPTION	ADVANTAGES	DISADVANTAGES
Profit Sharing	return of some company profit to employees in the form of a cash bonus/ retirement supplement	-employees have sense of ownership -aligns employee goals with organizational goals -only pays when profit is made	-factors beyond the control of employees can affect profits -difficult for employees to see their impact on organization profits
Employee Stock Ownership Plans (ESOPs)	incentive plans that allow employees to own a set amount of a company's shares	-creates sense of legal & psychological ownership for employees -aligns employees' goals & interests with those of the organization	-other factors can influence the value of an organization's shares -difficult for employees to see connection between their efforts & value of their organization's stock -lose their motivational potential in an economy with declining stocks
Gainsharing	a group pay incentive plan based on productivity/performance improvements over which the workforce has some control	-aligns organization & employee goals -encourages teamwork & cooperative behaviour	-bonuses might be paid when the organization does not make a profit -employees may neglect objectives that aren't included in the formula

Skill-Based Pay	employees are paid according to the number of job skills they have acquired	-encourages employees to learn new skills -greater flexibility in task assignments -a broader picture of the work process	-increases cost of training -labour costs can increase as employees acquire more skills
------------------------	---	---	--

Job Design As A Motivator

- job design - the structure, content, and configuration of a person's work tasks & roles
 - many workers are actually motivated more by stimulating, challenging & meaningful work
- job scope - the breadth & depth of a job e.g. low scope job = assembly line worker
 - breadth - the number of different activities performed on a job
 - depth - the degree of a discretion/control a worker has over how work tasks are performed
- job rotation - rotating employees to different tasks & jobs in an organization
- the job characteristics model
 - core characteristics:

skill variety - the opportunity to do a variety of job activities using various skills & talents

autonomy - the freedom to schedule one's own work activities & decide work procedures

task significance - the impact that a job has on other people

task identity - the extent to which a job involves doing a complete piece of work, from beginning to end

feedback - information about the effectiveness of one's work performance

- outcomes: relevant to both the individual & the organization
- moderators: Hackman & Oldham recognize that jobs that are high in motivating potential do not always lead to favourable outcomes
- growth need strength - extent to which people desire to achieve higher-order need satisfaction by performing their jobs
- job enrichment - design of jobs to enhance intrinsic motivation, quality of working life & job involvement, involves increasing the motivating potential of jobs via the arrangement of their core characteristics, schemes include:
 - i) combining tasks - assigning tasks that might be performed by more workers to an individual
 - ii) establishing external client relationships - putting employees in touch with people outside the organization who depend on their products/services
 - iii) establishing internal client relationships - putting employees in touch with people who depend on their products/services within the organization
 - iv) reducing supervision/reliance on others - to increase autonomy & control over one's work
 - v) forming work teams - an alternative to a sequence of "small" jobs that individual workers perform when a product is too large/complex for one person to do alone
 - vi) making feedback more direct
- potential problems with job enrichment: poor diagnosis, lack of desire/skill, demand for rewards, union resistance supervisory resistance
- work design characteristics - attributes of the task, job, social & organizational environment

Trait	Description	Examples
Task	how the work itself is accomplished, range & nature of tasks associated with a job	autonomy, task variety, task significance, task identity, feedback from the job
Knowledge	kinds of knowledge, skill, & ability demands that are placed on an individual as a function of what is done on the job	job complexity, information processing, problem solving, skill variety, specialization
Social	the interpersonal & social aspects of work	social support, interdependence, feedback
Contextual	context within which work is performed (physical & environmental contexts)	ergonomics, physical demands, work conditions, equipment use

- prosocial motivation - the desire to expend effort to benefit other people

Management By Objectives

- management by objectives (MBO) - an elaborate, systematic, ongoing program designed to facilitate goal establishment, goal accomplishment, and employee development
 - in a well-designed MBO program, objectives for the organization as a whole are developed by top management and diffused down through the organization through the MBO process
- result in clear productivity gains, however it is an elaborate, difficult, time-consuming process

Alternative Working Schedules as Motivators For A Diverse Workforce

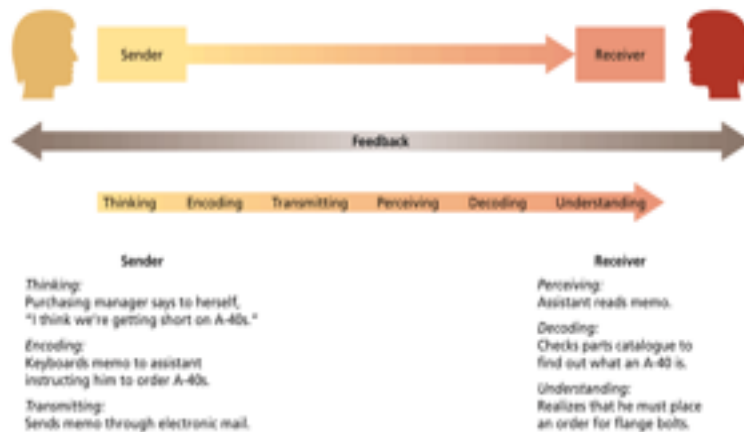
- flex-time - an alternative work schedule in which arrival & departure times are flexible
 - e.g. companies might permit employees to begin their day anytime after 7 and work until 6, as long as they put in 8hrs and present during the core times of 9:15am-12pm & 2-4:15pm
 - positive effect on job satisfaction & productivity, and a reduction in absenteeism
- compressed workweek - an alternative work schedule in which employees work fewer than the normal 5 days a week but still put in a normal number of hours per week
 - e.g. the 4-40 system, 4 10 hours days a week
 - positive effect on job satisfaction but no effect on absenteeism or productivity
- job sharing - an alternative work schedule, two part-time employees divide a full-time job
- work sharing - reducing the number of hours employees work to avoid layoffs when there is a reduction in normal business activity
- telecommuting - system by which employees are able to work at home but stay in touch with their office through the use of communication technology e.g. email, voice mail

Chapter 10: Communication

Communication

- communication - process by which information is exchanged between a sender & a receiver
 - effective communication is the right people receive the right information in a timely manner

- basic model of communication: *MC
- points out the complexity of the process & displays points where errors can occur



Organizational Communication

- communication by strict chain of command
 - chain of command - lines of authority & formal reporting relationships, under this system, three necessary forms of communication can be accomplished *MC
 - i) downward communication - information that flows from the top of the organization toward the bottom e.g. VP may instruct a plant manager to gear up for manufacturing a new product, plant manager would provide specifics to supervisors, who instruct the production workers
 - ii) upward communication - information that flows from the bottom of the organization toward the top e.g. a chemical engineer might conceive a new plastic formula and pass it on to the R&D manager, who would then inform the relevant VP
 - iii) horizontal communication - information that flows between departments or functional units, usually as a means of coordinating effort e.g. salesman gets an idea for a new product from a customer, to get this idea to research staff, it would have to be transmitted up and down from the VPs of marketing & research, the common managers for those departments
- basic issues of organizational communication (deficiencies of the chain of command): failure to consider informal information, filtering - the tendency for a message to be watered down or stopped during transmission, slowness

Manager-Employee Communication

- effective communication exists when there is agreement & sensitivity to: job expectations, employees' time allocation, how long it should take to learn a job, importance of pay, amount of employee authority, skills & abilities of employees, employee performance, the manager's leadership style
- barriers to effective manager-employee communication:
 - perceptual difference
 - basic difference in personality
 - conflicting role demands - manager must attend to both task & socio-emotional functions
 - mum effect - the tendency to avoid communicating unfavourable news to others, people would rather "keep mum" than convey bad news that might provoke negative reactions

- voice - the constructive expression of disagreement or concern about work unit or organizational practices, “speaking up”
 - psychological safety - a shared belief that it is safe to take social risks
-

The Grapevine

- grapevine - an organization’s informal communication network
 - pros: keep employees informed, provide a test of employee reactions to proposed changes, a potential informal recruiting source
 - cons: pipeline for rumours
 - 75% of the non-controversial organization-related information from the grapevine is correct
 - personality characteristics may play a role in who is likely to be a grapevine transmitter
-

The Verbal Language of Work

- jargon - specialized language used by job holders/members of particular occupations
e.g. OB means *organizational behaviour* to management professors, *obstetrics* to physicians
 - efficient means of communication with peers, provides status to those who have mastered it
 - can serve as a barrier to communicating with others: local jargon might be a barrier to clear communication between depts e.g. sales & engineering, as well as to the outside
-

The Non-Verbal Language of Work

- non-verbal communication - transmission of message by a medium other than speech/writing
 - body language - non-verbal communication by means of a sender’s bodily motions, facial expressions, or physical location
 - interpretations include: liking & interest, relative status
 - office decor & arrangement - e.g. students feel welcome into professors’ offices when they are tidy, decorated with posters & plants, and desk against the wall instead to between them
 - clothing
-

Gender Differences in Communication

- “one up, one down” position - men tend to be more sensitive to power dynamics and will use communication as a way to position themselves in a one-up situation, women are more concerned with rapport building, and communicate in ways that avoid putting others down
 - key differences: getting credit, confidence & boasting, asking questions, apologies, feedback, compliments, ritual opposition, managing up & down, indirectness
-

Cross-Cultural Communication

- communication is generally better between individuals or groups who share similar cultural values, even more true when they share a common language

- non-verbal communication across cultures differences: facial expressions, gestures, gaze, and touch all do not translate well between cultures
- cultural context - the cultural information that surrounds a communication episode
 - high-context cultures - the message contained in communication is strongly influenced by the context in which the message is sent, literal interpretations are often not correct
 - low-context cultures - the message can be interpreted more literally because more meaning resides in the message than in the context in which the communication occurs
- precautions: assume differences until you know, recognize differences, watch your language

Computer-Mediated Communication

- information richness - the potential information-carrying capacity of a communication medium
 - face-to-face transmission of information is very high in richness
 - a telephone conversation is fairly rich, doesn't provide body language
 - written, personal communication is moderately rich
 - written, formal (memo/letter) is low in richness
 - communicating on computer lacks richness because it's impersonal, uses only numeric
- two important dimensions of information richness:
 - i) degree of synchronization and ii) degree of nonverbal & paraverbal cues
- computer-mediated communication (CMC) - forms of communication that rely on computer technology to facilitate information exchange

Organizational Approaches to Improving Communication

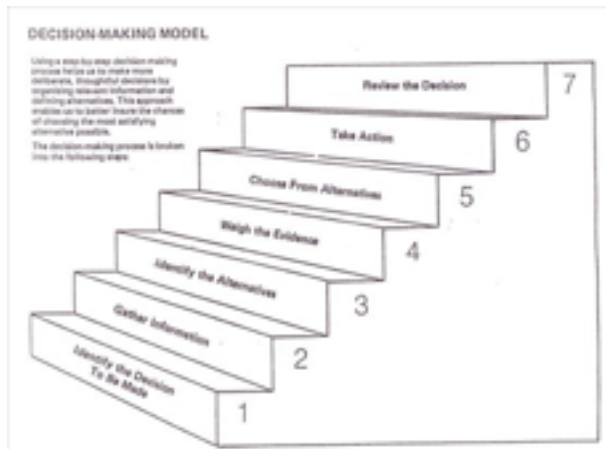
- 360-degree feedback - performance appraisal that uses the input of supervisors, employees, peers, and clients or customers of the appraised individual e.g. what does my boss think of me, what does someone in the same job think of me *MC
- employee survey - an anonymous questionnaire that enables employees to state their candid opinions & attitudes about an organization and its practices
- suggestion systems - programs designed to enhance upward communication by soliciting ideas for improved work operations from employees

Chapter 11: Decision Making

Decision Making

- decision making (problem-solving) - process of developing a commitment to course of action
 - involves making a choice, a process and some commitment of resources
- problem - a perceived gap between an existing state & a desired state
- well-structured problem - a problem for which the existing state is clear, the desired state is clear, and how to get from one state to the other is fairly obvious, simple problems
 - e.g. assistant bank manager - which of these 10 car loan applications should I approve?
 - welfare officer - how much assistance should this client receive?

- program - standardized way of solving a problem e.g. rules, routines, rules of thumb
- ill-structured problem - a problem for which the existing and desired states are unclear and the method of getting to the desired state is unknown, generally unique & unusual e.g. should we vaccinate the population when the vaccination may have bad side effects?
 - solved with non-programmed decisions
- rational decision making process:



- perfect rationality - decision strategy that is completely informed, perfectly logical, and oriented toward economic gain
 - the prototype is the economic person who is a perfect, cool, calculating decision-maker
 - these perfectly rational characteristics do not exist in real-decision makers
- bounded rationality - a decision strategy that relies on limited information and that reflects time constraints and political considerations
- why does bounded rationality occur?
 - framing - aspects of the presentation of information about a problem that are assumed by decision makers
 - cognitive biases - tendencies to acquire and process information in an error-prone way, two types: availability bias (we will use past events to get from A to Z), representativeness bias (make a decision which is representative of our decision & our beliefs)
 - problems with problem identification: perceptual defence (defend against unpleasant perception), jumping to solutions, attenuation to symptoms rather than problems
 - problems with information search: too little information (confirmation bias), too much information (information overload), reliance on flawed memory, could be slow & costly
 - problems with development & evaluation of alternatives: anchoring effect - the inadequate adjustment of subsequent estimates from an initial estimate that serves as an anchor, satisficing - establishing an adequate level of acceptability for a solution to a problem and then screening solutions until one that exceeds this level is found
 - problems when risk is involved: when people view a problem as a choice between losses, they tend to make risky decisions, when people view a problem as a choice between gains, they tend to make conservative, attitudes toward risk: risk averse, risk taking, risk neutral
 - problems with solution evaluation: justification - of a faulty decision in order to avoid dissonance, sunk costs - permanent losses of resources incurred as the result of a decision, escalation of commitment *MC - the tendency to invest additional resources in an apparently

failing course of action i) reasons for escalation: dissonance reduction, social norm for consistent behaviour, motivation to not appear wasteful, the way the problem is framed, personality, moods, emotions, ii) prevention of escalation: what are your ideas?, hindsight - the tendency to review the decision-making process to find what was done right or wrong

Chapter 7: Groups & Teamwork

What Is A Group?

- group - two or more people interacting interdependently to achieve a common goal
- formal groups - established organizations to facilitate the achievement of organizational goals
- informal groups - emerge naturally in response to common interests of the members

Group Development

- groups develop through stages over time, *not all groups go through these stages *2 MC

Storming (2): conflict often emerges; sorting out roles & responsibilities is often at issue

Adjourning (5): groups disperses after achieving goals

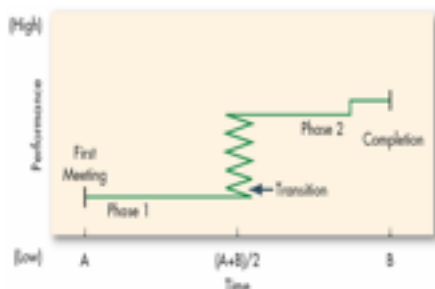
Forming (1): what are we doing here?, what are others like?, what is our purpose?

Performing (4): the group devotes its energies toward task accomplishment

Norming (3): norms are agreed on and the group becomes more cohesive

Punctuated Equilibrium Model

- punctuated equilibrium model - a model of group development that describes how groups with deadlines are affected by their first meetings & crucial midpoint transitions



-phase 1: first meeting to midpoint of existence (precedence is set)

-midpoint transition: need to move forward is apparent

-phase 2: decisions & approaches are played out

Group Structure

- the ultimate group size depends on the task*
1. Additive Task *MC - performance is dependent on the sum of the performance of individual group members, decision making is difficult with a greater number of people
 2. Disjunctive Task - performance is dependent on the performances of the best group member - probability of better performance increases by having the best performer

3. Conjunctive Task - performance is limited by the performance of the poorest group member
 - e.g. music band, one person off timing will affect entire group performance
 - as groups become larger, they suffer from process losses - performance difficulties that result from the problems of motivating & coordinating larger groups
 - process loss = difference between potential and actual output (potential minus actual output)
 - diversity - diverse groups might take longer to do their forming, storming & norming
 - diverse groups sometimes perform better when the task requires cognitive, creativity-demanding tasks and problem solving rather than routine work
 - group norms - collective expectations that members of social units have regarding the behaviour of each other e.g. dress norms, reward allocation norms, performance norms
 - roles - positions in a group that have a set of expected behaviours attached to them
 - role ambiguity - lack of clarity of job goals or methods
 - role conflict - exists when faced with incompatible role expectations
 - both can result in job dissatisfaction, stress reactions, lower commitment, and turnover
-

Group Cohesiveness

- group cohesiveness - the degree to which a group is attractive to its members
 - increase cohesiveness:
 - threat: external threat to the survival of a group
 - success: groups become more cohesive when they successfully accomplish a goal
 - size: larger groups have a more difficult time becoming & staying cohesive
 - toughness of initiation: groups that are tough to get into tend to be more attractive than those easy to join
 - consequences of cohesiveness: more participation in group activities, more conformity, more success
-

Social Loafing

- social loafing - the tendency to withhold physical or intellectual effort when performing a group task, members exert less effort when working in teams than working alone
 - free rider effect - people lower their effort to get a free ride from their group members
 - sucker effect - people lower their effort because of the feeling that others are free riding e.g. trying to restore equity to the group
 - how can we counteract social loafing?: make individual performance more visible, ensure work is interesting, discuss expectations, increase performance feedback, punishment warnings in advance
-

Teams

- some suggest that a team is more than a group
 - a group becomes a team when there are: shared goals, shared leadership, shared

accountability, self-developed mission, continuous problem-solving

- when there is synergy: groups' efforts are greater than the sum of its parts ($2+2=5$)

- collective efficacy - shared beliefs that a team can successfully perform a given task
- self managed teams - work groups that have the opportunity to do challenging work under reduced supervision e.g. teams in class
 - must be stable, small & smart, group-oriented rewards are the most appropriate, teams perform best when they have a high collective efficacy
- cross-functional teams - work groups that bring people with different functional specialities together to better invent, design, or deliver a product/service e.g. team with people in HR, marketing & accounts
 - should have diverse membership, a superordinate goal, basic decision rules
 - members should work in the same physical location
 - superordinate goals - attractive outcomes that can only be achieved by collaboration
- virtual teams - work groups that use technology to communicate & collaborate across time, space & organizational boundaries e.g. teams that span the globe
 - advantages: reduced travel costs, greater potential talent, continuous workflows
 - disadvantages: dangers in terms of miscommunication, trust, feelings of isolation
- process improvement teams - e.g. team to improve efficiency of manufacturing a product