

Organizational Behavior

Chapter 1

What is organizational Behavior?

- Understanding, explaining and improving the behaviors of people within an organization.
- Human resources management takes the theories of OB and tests the nuts and bolts of them
- Strategic mgmt.: field of studying the products choices and industry characteristics that effect an organizations profits

Fredrick Taylor

- **Father of scientific management**
- Designing optimal work processes
- How to optimize the performance of any task
- Ex: reducing the number of movements brick layers needed, reducing fatigue, and incentivizing that method

Max Weber

- Instead of looking at specific tasks, he looked at the entire organization
- Known for Bureaucracy

Characteristics of Bureaucracy

- the division of labour with high level of specialization
- strict chain of command authority hierchy where every member reported to someone above them
- system of formal rules and procedures to ensure consistency impartiality and impersonality
- decision making at the TOP of the organization

For classical theory people, if there was a problem it was due to systematic issues
For human relations people, problems were the result of something more pschological with the employee, maybe alienation, maybe lack of self motivation, maybe he feels like his voice isn't heard, etc

Human relations movement

- Emerged as management scholars noticed that physiological (needs, attitudes) and social forces within work groups had huge impact on behavior
- a study was conducted during 1924-1933 which revealed the issues with the scientific methods approach. The irony was that in the beginning, the whole point was to actually solve the organizations problems using these methods, but they proved ineffective. It produced the foundation on which the human reactions movement was built
- Revealed the importance of norms, leadership, work motivation, job satisfaction and culture

There is no single universal best method, rather and interconnectedness of multiple methods

Most important outcomes

- job performance
- commitment

Individual mechanisms – effect the two most important outcomes

- job satisfaction
- stress
- Motivation
- Trust, justice and ethics
- Fairness honesty integrity
- Learning and decision making

The integrative model acknowledges that employees don't work alone, they have a formal or informal leader

Hyundai came through in business because it focused on OB

Resource based view

- what makes resources rare, which are unique to companies
- this boils down to non tangible things like wisdom, decision making, culture, etc
- good people are rare
- People are inimitable (for 3 reasons)
- 1. People create history through actions, and history cannot be bought
- 2. People make small decisions, like habits. These are harder to copy because they are less visible, only their results are which seem big. Small decisions accumulate into big results, which cannot be copied
- 3. Socially complex resources
again, teamwork, leadership, chemistry, culture, cannot be copied like tangible stuff

good people are rare & inimitable & hard to come by, which give a company a competitive advantage
same with culture

- Firms who value OB had a 19% higher chance of survival rate
- One eighth principle: says that at best, 12% of organizations will do what it actually takes to make profits putting people first
- Half of the companies will feel like there is no real reason for good people management
- Other half will think it's a magic bullet fix

Scientific method originated from sir Francis Bacon 1600s

Correlation

- 1.0 = perfect
- 0.5 = strong
- 0.3 = medium
- 0,1 = low

even weak correlations are important

Metal analysis gives a bigger picture approach that combines averages

Chapter 2 – Job performance

Fits into 3 categories

1. task performance
2. citizenship behavior (both contribute positively to the organization)
3. counterproductive behavior (contributes negatively)

Task performance

- duties and tasks employees must perform in order to continue getting paid
- one way to categorize task performance is to see how often the tasks change in it
- **Routine task performance**
Well known responses, things occur predictably, repetition, more robotic,
- **Adaptive task performance**
Un-predictable, more spontaneous, new experiences, new learning, non robotic, etc.
Sometimes employees can switch from routine to adaptive (adapt to an emergency situation for example)
- **Creative Task performance**
The degree to which creativity and responding to situation in novel ways
Sparks innovation

Job analysis method

- first a list of all activities in the job is listed
- 2nd, activities are rated by “subject matters expert”
- 3rd, activities that are rated high are retained and used to define task performance

or

NOC – National occupational classification

- has reference to a lot of general occupations
- represents first step in analyzing tasks
- NOC cannot capture those “rare inimitable” things like small decisions
- NOC might say that bankers do this and that, but it fails to say HOW it is done, and with what manner, which is what matters most.
- It covers the basics of performance

Citizenship Behavior

- when employees do things outside of their job description, “go the extra mile”
- **Interpersonal citizenship**

Help that effects other co workers, so maybe showing the new guy the ropes even if no one told you to

- includes the way in which you do things: so if you are not required to smile, but do, or if you are not required to say things in a nice way but do, etc

- **Organizational citizenship**

Providing strength to the actual bigger picture of the organization, maybe suggesting great ideas , promoting loyalty,

Instead of complaining about bad rules, they act to promote them

Civic Virtue is helping the company at deeper lvls by attending volunteering meetings and function

Boosterism is bringing good face to the company, so representing it in a good way

or not discussing kitchen horro stories for example

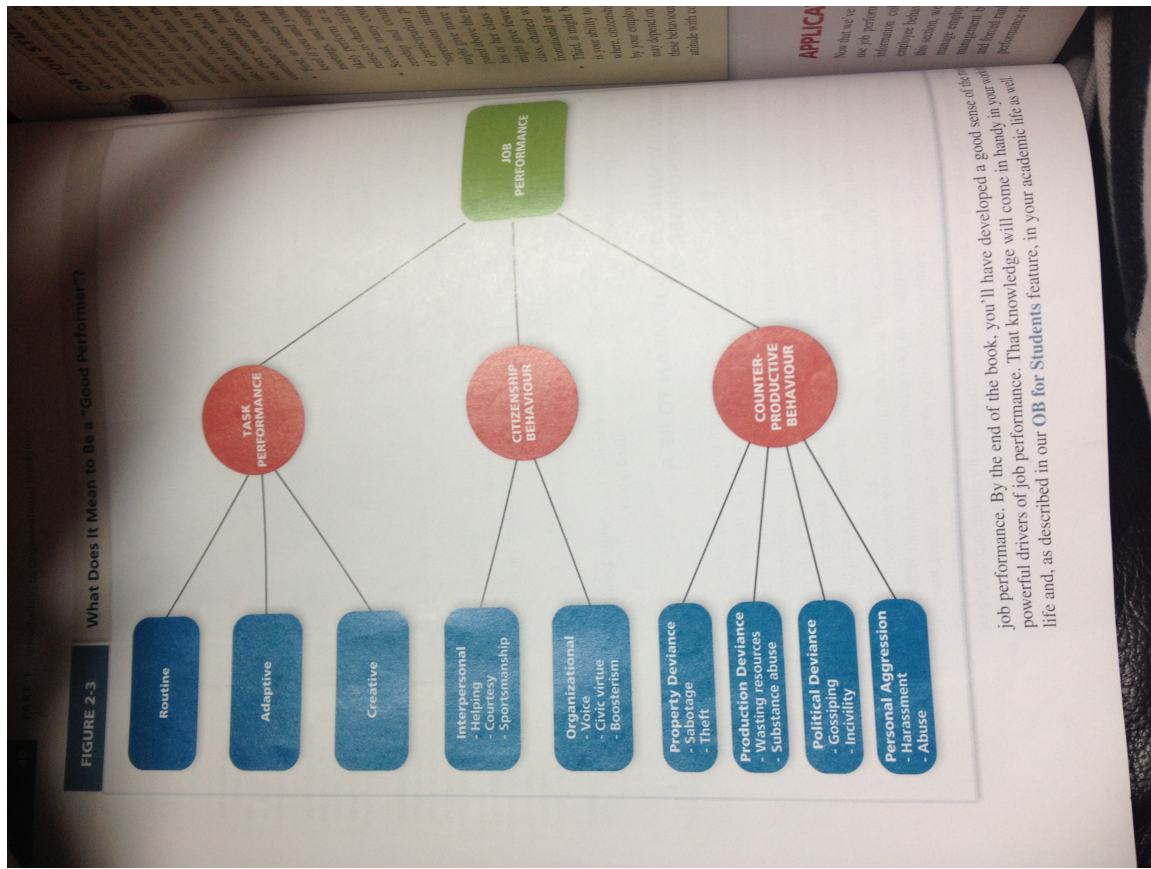
All this promotes higher revenue, higher efficiency, etc

Counter Productive behavior

- intentionally hinders performance
- **NOT ACCIDENTS**
- Laser-disks went out of business because employees basically sabotaged. These disks were only suppose to be made in clean rooms, and these goofs started popping chips, eating, being dirty, etc This happened because their morale fell when the company merged.
- Theft is part of property deviance
- **Production deviance** – purposefully reducing efficiency
- **wasting rescources is the most common of production deviance**
- Political deviance – intentionally screwing over other co workers
- Incivility – rude communication
- Abuse, harassment, aggression,
- 3 main points about all this
- 1st, on average, people who participate in 1 negative behavior also engage in more, so they are actually bad apples, and not just here and there
- 2nd there is always an oportunty for counterproductive behavior
- 3rd its suprising who does these tasks, sometimes the “best” are the best at getting away with their bullshit

Being a good worker means:

- task performance
 - citizenship behavior maximum
 - virtually no counterproductive behavior
- behavior can be contagious**



How organizations use job performance

- use it in 4 ways
 1. Management by objectives
 2. Behaviorally anchored rating scales
 3. 360-degree feedback
 4. Forced ranking

Management by objectives - MBO

- bases on employees evaluation on whether the employee achieves specific performance goals
- an employee needs a manager to discuss some mutually agreed upon objectives
- they they agree on the time period and method for achieving those objectives
- Ex for a front line manager could be reducing production waste by 35% within 3 months by following the new procedures

Behaviorally anchored rating scales - BARS

- using certain incidents to rate behavior so that effective feedback can be measured. Example, if a programmer is analyzed for his adaptability
 - 5- open minded, learns new methods easily
 - 4- willing to make changes without much need for persuasion
 - 3- able to make changes with average amount of instruction

2- requires persuasion and supervision to make changes

1- Does not make changes

- Because this system rates very specific behaviors, it provides feedback that employee can appreciate if they wish to excel
- MBO cannot provide that much specific feedback compared to this

360 degree feedback

- this aims to provide a more balanced version of a rating by gathering ratings from a greater range of people who have experienced this employee first hand, whether they worked with him, if they were costumers, etc. they can all remain anonymous, with the exception of the supervisor.
- Problems tho:
 - How much weigh raters have specifically on the overall rating? Who is most correct?
 - What if raters are biased?
 - As a result, 360 is not best for compensation
- best suited for improving or developing talent

Forced ranking

- evaluations that make clear distinctions in job performance
- they rank subordinates relative to each other
- rank them based on A team (top 20%) , B team (vital middle 70%) , C team (bottom 10%)
- 20% of fortune 500 companies use forced ranking (Vitality curve)
- some people think it's unfair in nature because it forces managers to rate some employees who may be good, in the bad category just to reach a preestablished %
- may make employees hypercompetitive

Social networking

- some companies use social netoworking programs that can provide anonymous information about job performance

Chapter 3 - Organizational commitment

- only 32% of Canadians have no plan on switching jobs, which mean the majority may
- talented employees are becoming scarce , which increases the risk of them leaving for competitors
- Turnover can be voluntary or involuntary

Withdrawel Behvaiour

- employee actions that avoid work situations
- are subconscious reflections of a loss of interest and commitment

affective commitment

- emotional attachment to a company, due to “feeling”
- like when I didn’t want to leave mazda cause Zayn was helping me out a lot so I felt connected
- employees in this type of commitment tend to engage in more boosterism, intrapersonal citizenship and organizational citizenship
- Moderately strong correlation between affective leadership and citizenship behaviours
- **Erosion model** suggests that employees with fewer bonds with co workers are more likely to quit.
- **Social influence model** suggests that workers who have bonds to people who quit, will also likely quit.
- **Think of what would happen if someone who had ties to the most people, became unhappy and quit. It would effect everyone!**
- Culture increases this
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- ***Continuance commitment***
Staying because of the costs, benefits, more.. rational reasons. Like me , if a girl is actually mad annoying, but I continue talking to her cause she gives hefty brains, or is logically worth it
- there is a benefit to staying and a cost to leaving
- how many investments has an employee made (time, energy, effort etc) in the company? The more, the likely that they have higher commitment
A perfect example is Zayn: He KNOWS Hyundai is better, but feels like if he left he’d have to start all over again :/
- These are the type of employees who only do enough not to get fired
Like alex from wal mart, he only had this kinda commitment
- **Embeddness** describes how an employee feels he fits into an organization
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- **Normative commitment** – staying with a company because you feel a sense of duty, obligation, as if you owe them to stay. Like when I fucked up a car at mazda I was like fuuuuuck I have to stay.
- At mazda, I had some affective commitment (cause of zayn) and some Normative commitment (everyone shamed leaving, + I destroyed a car)
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Focus of commitment

- Sometimes people are not only committed for the above reasons, sometimes they are committed to certain leaders, certain things, etc. Like when I didn’t want to leave because I liked Kirk

Withdrawal

- **Exit** is reacting to a negative circumstance by showing up to work less or leaving the company – actively destructive
- **Voice**, is an active constructive action that seeks to fix the situation

- **Loyalty** is when you sit there silently, hoping for things to get better but just passively continue operating bearing the problem – passive constructive
- **Neglect** is when you eventually say fuck it, and your performance starts to go down. Passively destructive, its kinda like u mentally quitting
- **49% of an employees time was spend doing fuck all due to withdrawel symptoms**
- Comes in two forms: Psychological (neglect) or physical (exit)

Psychological withdrawel

- shit like day dreaming, looking busy, socializing, moonlighting(using work time to work on other personal shit) & cyberloafing
- cyberloafing is using work internet to be on shit like youtube or emails or facebook. These distractions consume 28% of an employees time, and represent billions of lost dollars

Physical withdrawel

- always being late cause no fucks were given
- long breaks
- Absenteeism – saying fuck work today and not even going! (faking calling sick at wal mart)
- Averaging quitting rate is 8.2%

All these behaviours can be looked at in 3 days

-1. Independent behavior model

this says that withdrawel behaviours are not related. Someone may randomly cyberloaf, then randomly day dream, etc

2. Compensatory forms – one behavior means ur less likely to do another one so if you waste a lot of time day dreaming u prob wont be late

3. progressive – this says that one will lead to another, that if an employee is always late he probably day dreams and wastes a lot of time on the web too

Downsizing is actually bad for a company, and takes 2 years to get back to the performance lvls it was at before

- Survivor syndrome is when an employee survives a downsizing but becomes bitter in the process.

Psychological contracts

- what an employee feels he owes the company and what the company owes him
- Includes transactional contract- a sense of a monetary value of what the company owes, and what he owes
- And relational contract – I owe the company loyalt and they owe me security

Chapter 4 – job satisfaction

Job characteristics

Meaningfulness of work

- feel that what they do matters, and is positively helping society at large
- this is made from 3 things
- **Variety**: when variety is high, every day is different, there are new challenges, lots of room for learning and growth, there is a sense of value and excitement
- **Identity**: employees identify with their work; they say “there I did that!”
Seeing something from beginning to end
- **Significance**: how the work affects the lives of other people, giving back to society at large, etc if their job was taken away, society would suffer.

Responsibility for outcomes

- employees feel that they actually matter, that they are key drivers in the company
- **Autonomy**: the degree to which job provides freedom, independence, and not as much bossing around. In this, you feel like results are YOUR results, not because your boss was on your nuts
- knowledge of results
- they are aware of how well or poorly they are doing
- **Feedback**: refers to how well the job itself provides feedback on how well employees are doing day to day

Chapter 5 – Stress

Strain – negative consequence of stress, so maybe like off focus , fidgeting, etc

Transactional theory of stress explains how people perceive stress and how it is appraised

Problems

- **Primary appraisal** is evaluating whether something is stressful or not & if it is, it's implications on my well being

- **Benign job demands** are job demands that are not stressful

Secondary appraisal is determining how to deal with shit

There are generally two different ways of COPING with problems

1. physically (behavioral methods)
doing something about it. Rational people would work harder, seek assistance, work out on their skills, etc. Emotion focused people will vent, maybe go on a rage, use drugs, etc, maybe go meditate (desnt always have to be negative)
2. Mentally (Cognitive methods). For rational people (problem focused) this means making strategies, self motivation, maybe prioritizing, etc. for emotion focused, it means avoiding, distancing, ignoring. Getting overwhelmed, etc

- If a student has already failed two exams, he may feel that doing a “problem solving” approach would not actually help since he is helpless, at which point he’ll prob just go out and get drunk;

Stress

- **Hindrance stressors** are pointless stupid stressors that don’t actually help us get ahead, they are viewed as annoying and stupid
- **Challenge stressors** are ones that help you grow
- **4 types of stress – time, anticipatory, situational and encounter stress (encountering people u don’t like)**
- you cannot be stressed If you feel like what you are doing is in your comfort zone

Work Hinderance stressors

- **Role conflict** is when you have conflicting expectations in your role that cause you stress (if I were to tell you that ur job is to workout, and ur job is to bulk and cut at the same time)
- **Role ambiguity** – not knowing exactly what youre supposed to do, things are unclear
- **Role overload** – having way too many things to do in one job that you feel overwhelmed by all the things
- **Daily Hasstles** – Day to day bullshit that gets in the way of what we really want to get done. Lets say I wanna go home to hang, along the way I gotta take the bus first.. then maybe if momma comes home randomly I may have to help her with something then FINALLY I can hang

Work challenge stressors

- time pressure
this is viewed more as a challenge then a hinderance because of the ability to grow towards being able to accomplish more in less
- work complexity (skill)
the degree to which employees feel like their skills are being challenged & put to the test
- work responsibility
the degree to which a persons work is attatched to a magnitude of responsibility. For an example, a pilot has more work responsibility because if he fucks up he can kill a lot of people on a plane! This is stressful

Non work hindrance

- family-work conflict – when work conflicts with fami
- negative life eventd
- financial uncertainty

Non work challenges

- family time demands – challenging ones self to be able to juggle between work and family life, trying to fulfill both
- personal development
- positive life events that require extra commitment (marriage, birth, etc)

Strains effect us. In 3 ways..

Physiological strains – after strains have been effecting you for a while, it starts to effect you physically.

- 1st, This effects the immune system, causing you to be more susceptible to illness; have you ever noticed to get sick more often during exams?
- 2nd, musculoskeletal system becomes effected; you become more tense, more irritable, back pain, etc
- 3rd, stressors can effect your cardiovascular system, raising blood pressure, heart beat, etc
- 4th, stressors effect the gas system which can lead to more farting, diahhrea, constipation etc

Psychologically – mentally

- too much stress can make us depressed, reduced sense of humor, less being in the moment, less loving more hateful, etc

Behaviourally –

- too much stress can make some people start grinding their teeth, suddenly start to act weird, too much eating, yelling at people more, etc

Type A people and Type B people

- Type A are the people who get mad quickly, get annoyed quickly, strong sense of urgency, impatient, road rage type
- Instrumental support are actions other people take to try and help you (maybe take your work shift)

SUMMARY: Why are some employees more stressed than others?

- when answering this question we must take into consideration all the things that effect stress. We must take into consideration the work and non work related hinderances and challenges employees have to deal with. It also depends on how these stressors are appraised and coped with to see if we would have a physiological, psychological or behavioural strain experienced. Finally, we need to consider if the employee is a type A or B and if they have social support or not

Effects

Hinderannce stressos have a weak negative effect on job performance

Hindrance stressors have a strong negative effect on organizational commitment

Challenge stressors have a weak positive effect on job performance

Challenge stressors have a medium moderate positive relationship with organizational commitment

Providing resourcues

- training interventions (increase employee skills so they can better cope with work complexity)

- supportive practices (flexible hours, maybe extra break, take out random meetings, etc)

Reducing strains

- relaxation techniques
- cognitive – behavioural techniques (self talk)
- health and wellness programs

Chapter 6 – Motivation

expectations – expectancy theory, hard work pays off.

- A person must feel like they are self sufficient. (self belief that they have skills to do it)
- Instrumentality – hard work pays off
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