

Chapter 1 - What is Organizational Behaviour

Field of Study devoted to understanding, explaining and improving the attitudes and behaviours of individuals and groups in organizations

Experimental Methods in OB

- Paradigmatic Theories
- Causality Theories
- Descriptive Theories
- Predictive Theories

Characteristics of a good hypothesis

1. Must propose an adequate answer to a question
2. Must be likely and coherent
3. Must be parsimonious
4. Must be verifiable

Hypothesis

- Pay for Performance policies increase employee job performance
- Independent versus dependent variable

How to test?

- Survey
- Experimental study

Chapter 2 - Job Performance

Job Performance

- Results → Objective measures of outcomes
 - Pros:
 - Easy to access
 - Objective / Comparable
 - Cons:
 - Don't capture "beyond bottom line"
 - Not always controllable
 - No focus on improvement
- Behaviour → Specific behaviours employees engage in

Task Performance:

1. Routine (habitual responses to predictable tasks)
2. Adaptive (thoughtful responses to unpredictable tasks)
3. Creative (Ideas and physical that are novel and useful)

Citizenship Behaviours:

- Discretionary behaviours that contribute to achieving organizational goals

- Can be interpersonal or organizational
- Types: Interpersonal (Helping; Courtesy; Sportsmanship)
 Organizational (Voice; Civic Virtue; Boosterism)

Counterproductive Behaviours:

- Organizational - Interpersonal and Minor - Serious

Types:

- OM → Production Deviance
- OS → Property Deviance
- IM → Political Deviance
- IS → Personal Aggression

Chapter 3 - Organizational Commitment

Organizational Commitment

- The desire on the part of an employee to remain a member of the organization
- Important because resources are spent on employees

Affective Commitment

- An employee's desire to remain a member of an organization due to a feeling of emotional attachment (feel sadness if left)

Continuance Commitment

- An employee's desire to remain a member of the organization due to an awareness of the costs of leaving (feel anxiety if left)
- Effort wasted or lack of other opportunities cause this

Normative Commitment

- An employee's desire to remain a member of the organization due to a feeling of obligation (feel guilt if left)

Embeddedness

- An employee's connection to and sense of fit in the organization

Erosion Model

- Employees with less bonds with coworkers will leave the organization

Chapter 4 - Personality, Cultural Values and Ability

Personality

- The structures inside a person that explains their characteristic patterns of thought, emotion and behaviour
- Creates people's social rep and captures what people are like
- Traits are both a function of genes and environment

The Big Five (**CANOE**)

- Conscientiousness (Dependable, Organized, Reliable, Ambitious, Hardworking, Persevering)
- Agreeableness (Kind, Cooperative, Sympathetic, Helpful, Courteous)
- Neuroticism (Nervous, Moody, Emotional, Insecure, Jealous, Unstable)
- Extraversion (Talkative, Sociable, Passionate, Assertive, Bold, Dominant)
- Openness to Experience (Curious, Imaginative, Creative, Complex, Refined, Sophisticated)

Locus of Control

- Belief about what causes experiences in life
- People higher on neuroticism more likely to be "externals" than "internals"
- Would externals or internals more typically experience strains? Why?
- Externals behaviour determined by fate, luck or powerful people
- Internals behaviour determined by self initiative, personal actions, free will

Self Monitoring

- People observe and regulate how they appear and behave in social settings
- What kind of job would such a trait be relevant to?

Ability (Cognitive, Emotional, Physical)

- Definition: The relatively stable capabilities people have to perform a particular range of different but related activities
- In contrast to skills, which are more trainable and improvable
- As with personality, about half of the variation in ability levels is due to genetics

Cognitive / Mental Ability

- General Intelligence
- Capabilities related to the acquisition and application of knowledge in problem solving
 - Verbal (oral and written comprehension)
 - Quantitative (number and mathematical facility)
 - Reasoning (problem awareness, deductive and inductive, reasoning, originality)
 - Spatial (spatial orientation and visualization)
 - Perceptual (speed and flexibility of closure, perceptual speed)

Emotional Ability

- Ability to identify one's own emotions and others' emotions
- Capabilities related to management and use of emotions when interacting with others
- Sometimes labeled EQ (Emotional Quotient) or EI (Emotional Intelligence)
- Especially vital in jobs that require a lot of "emotional labour"
- Comes in four varieties
 - Self awareness: Ability of an individual :
 - To understand the types of emotions they're experiencing
 - The willingness to acknowledge them
 - The capability to express them accurately
 - Other awareness:
 - Emotion regulation: The ability to quickly recover from emotional experiences and control one's feelings
 - Use of emotions: The ability of an individual to:
 - Harness emotions
 - Use them to improve their chances of being successful in a given area

Physical Ability

- Importance varies according to the nature of the job
- Strength
- Stamina
- Flexibility and Coordination
- Psychomotor (manipulation and control of objects)
- Sensory (associated with vision and hearing)

In your effort to select the most promising job applicants in terms of their future task performance as retail sales representatives, which set of characteristics makes the most sense to measure?

- Consciousness, extraversion, emotional intelligence, and cognitive ability

Chapter 5 - Job Satisfaction

Value-percept theory

- Job satisfaction depends on whether you perceive that your job supplies the things you value
- Dissatisfaction = $(V_{\text{want}} - V_{\text{have}}) \times (V_{\text{importance}})$
- *Work* > Co-workers > Supervision > Promotion > Pay

Job Characteristics Theory

- Job enrichment fulfills the following characteristics (*Work Satisfaction*)
 - Variety (Change in job duties)
 - Identity (Offers completion of a whole, identifiable piece of work)
 - Significance (Degree to which a job matters and impacts society as a whole)
 - Autonomy (Degree to which a job provides freedom, independence, discretion)
 - Feedback (Degree to which job provides info on performance)

Mood and Emotions

- They fluctuate daily
- Affective events theory:
 - Workplace events can cause emotional reactions that impact satisfaction

Chapter 6 - Stress

Burnout

- Emotional Exhaustion
- Cynicism
- Low self-efficacy

Coping

- Problem to Emotion - Focused (Vertical)
- Behavioural to Cognitive - Methods (Horizontal)
- PB
 - Working Harder
 - Seeking Assistance
 - Acquiring additional resources
- EB
 - Engaging in alternate activities
 - Seeking support
 - Venting anger
- PC
 - Strategizing
 - Self-motivation
 - Changing Priorities
- EC
 - Avoiding, distancing and ignoring
 - Looking for the positive in the negative
 - Reappraising

Reducing & Managing Employee Stress

- Management can offer employees MORE RESOURCES
 - Time (On-site daycare)
 - Control (flexible work schedule)
 - Knowledge
 - Skills
 - Different perspectives
 - Encouragement
 - Recovery opportunities (mindfulness training)

Chapter 7 - Motivation

Definition: A set of energetic forces that originate both within and outside an employee that initiates work-related efforts by answering the following questions:

- What do you do?
- How hard do you do it?
- How long do you do it?

3 sets of distinct efforts:

- Direction: Are you working on what you should be working on?
- Intensity: Are you working hard or hardly working?
- Persistence: Will you keep working even when things get tough? Till you are done?

Engagement

- Nowadays companies focus on this concept.
- Can be thought of/synonym of : high level of intensity and persistence in an employee's work effort.
- Research: only 30% of employees are engaged. Low levels of engagement can be contagious.

Expectancy Theory

- Three core beliefs: Expectancy, Instrumentality, Valence

Valence

- Why are some outcomes more attractive than others? Needs.
- Why does pay have such a high valence? Needs.
 - Achievement
 - Respect
 - Freedom
- Anticipated value of outcomes fosters:
 - Extrinsic motivation
 - Intrinsic motivation

Need label	Alternative label
Existence	Physiological, safety
Relatedness	Love, belongingness
Control	Autonomy, responsibility
Esteem	Self-regard, growth
Meaning	Self-actualization

4 theories	Author	Theory
	Maslow	Needs hierarchy theory
	McClelland	Acquired needs theory (Achievement, affiliation, power)
	Alderfer	ERG (Existence, relatedness, growth)
	Hertzberg	Satisfaction-Dissatisfaction

Extrinsic motivation...	Intrinsic motivation...
Motivated by what my performance will <i>lead to</i> .	Motivated by the work itself.
Examples <ul style="list-style-type: none"> • More money • A promotion • Praise from others • More job security 	Examples <ul style="list-style-type: none"> • Personally meaningful work • Work provides great autonomy • Work allows me to display my competence • Work allows me to have impact

- Extrinsic has a focus on expectancy theory
- Intrinsic implies satisfaction with the work itself

Goal Setting Theory

- Goals are more motivating when they are:
 - Specific
 - Challenging
 - People are committed to them
 - People get feedback on their progress
 - Focused on performance or learning
 - Which focus makes most sense?

Equity Theory

- Compares your ratio of outcomes and inputs to someone else
- Three possibilities:

1.

$$\frac{\text{My outcomes}}{\text{My inputs}} = \frac{\text{Other's outcomes}}{\text{Other's inputs}}$$

2.

$$\frac{\text{My outcomes}}{\text{My inputs}} < \frac{\text{Other's outcomes}}{\text{Other's inputs}}$$

- Build a case that you deserve better outcomes
- Lower the intensity and persistence of effort

3.

$$\frac{\text{My outcomes}}{\text{My inputs}} > \frac{\text{Other's outcomes}}{\text{Other's inputs}}$$

- Shrink your outcomes (less money)
- Increase the intensity and persistence of effort
- Increase your inputs by rethinking them

- Another way to restore balance for all situations is to change the reference to other's outcomes and inputs

Psychological Empowerment

- An intrinsic form of motivation derived from the belief that one's work tasks are contributing to some larger purpose
- Fostered by four beliefs:
 1. Meaningfulness: value of goal or purpose → ideals and passions
 2. Self-Determination: sense of choice in initiation and continuation of tasks
 3. Competence: belief in capability to perform tasks successfully
 4. Impact: sense that actions make a difference, progress toward an important purpose is made

Midterm Review

1. An OB researcher hypothesizes that increasing the quality of supervision given to employees would lead to an increase in their job performance. To test this hypothesis, she gains access to an organization in which she measures the job performance of all employees. She then arranges to train a random group of supervisors on how to better supervise. Three months after training, she measures again and finds those reporting to supervisors that she trained show increased job performance compared to before. She also finds their performance after training is higher than the performance of employees

- a) Variables - independent
- b) No, increase to quality of supervision won't cause higher levels of job performance, there is only a correlation.

2. a) According to job characteristics theory, what are the 5 characteristics of any job that, when more of them are present, would increase job satisfaction?

Variety, identity, significance, Autonomy, Feedback

Job enrichment → expansion of duties and responsibilities

- b) Why would enriching jobs be particularly effective in increasing job satisfaction?

Growth Needs Strength should be considered as not all employees have strong needs

- c) Why should employees

3. a) Which of the Big 5 traits of personality should be used to decide who should be hired?

Conscientiousness

Agreeableness

Openness

- b) Name and provide an example of three different ways in which employees could display the type of extra-role behaviour the manager is interested in.

Interpersonal

- Helping

- Courtesy
- Sportsmanship

Organizational

- Voice
- Civic virtue
- Boosterism

4. Use the stress process (Stressor, Appraisal, Strains) to explain how 2 people act differently to the news that the company is laying people off.
5. Employees with highest levels of job performance get a bonus. Will this policy have the desired effect? Goal Setting Theory and Expectancy Theory.
Employees would not know what goal to attain is, must be specific.

Chapter 8 - Trust, Justice, and Ethics

Trust is

- Willingness to be vulnerable
- Based on positive expectations
- That the other party has good intentions

Why do we trust

- Disposition
- Cognitive
- Affect

Disposition

- Has more to do with trustor
- Rooted in one's personality

Cognitive

- A person is deemed trustworthy when they provide evidence of: ability, benevolence, integrity

Affect

- More emotional than rational

Justice

- Being treated fairly increases trust in the other party
- Four justice considerations
 - Distributive
 - Procedural
 - Interpersonal
 - Informational

Distributive Justice

How fair are the outcomes of the decision

- Equity
- Equality
- Need

Procedural Justice

- How fair is the process that was used to make their decision
 - Voice
 - Correctability
 - Consistency
 - Bias suppression
 - Representativeness
 - Accuracy

Distributive vs Procedural

- When outcomes are favourable
 - Procedures matter less
- When outcomes are unfavourable
 - Procedures matter more
- People easily feel that their outcomes are unfavourable
 - Focus on procedural

Interpersonal Justice

- How fair is the interpersonal treatment
 - Respect
 - Propriety

Informational Justice

- How fairly is the information communicated
 - Justification
 - Truthfulness

Ethics

- Are the behaviours of an authority figure in accordance with generally accepted moral norms
- Explained by
 - prescriptive (codes and principles)
 - descriptive (research on how people tend to act)

Chapter 9 - Learning and Decision Making

Learning

- Relatively permanent changes in an employee's knowledge
- Explicit
 - Easily communicated, available to everyone
- Tacit
 - Only employees can learn through experience

How do employees learn?

- Reinforcement
- Observation
- Goal oriented

Reinforcement

- We learn by observing link between behaviour and consequences
- Positive reinforcement, Negative, Punishment and Extinction
- Positive → outcome follows a desired behaviour
- Negative → unwanted outcome is removed following a desired behaviour
- Punishment → unwanted outcome unwanted behaviour
- Extinction → removal of outcome following undesired behaviour

Schedules of Reinforcement

- Timing of when contingencies are applied or removed
- Fixed interval → reinforcements occur at fixed time periods
- Variable interval → reinforcements occur at random time periods
- Fixed Ratio → reinforcements occur after a certain number of desired behaviours
- Variable Ratio → variable number of behaviours

Observation

- Social Learning → Argues that people in org learn by observing others
- Behavioural Model → seeing then repeating is how to learn

Goal Orientation

- Learning
- Performance-prove → demonstrate competence so others will favour them
- Performance-avoid → demonstrate competence so others will not think poorly of them

Decision Making

- Programmed Decisions (Intuition)
 - Problem has happened before
- Nonprogrammed Decisions (Rational)
 - Problem hasn't happened before

Decision Making Problems

- Reasons for making bad decisions
 - Limited Information
 - Faulty perceptions
 - Heuristics → General rules of thumb
 - Selective Perception → people to see environment only as it affects them
 - Projection Bias → others think decision makers feel and act as they do
 - Stereotype → Assumptions made about others
 - Availability bias → judgements based on info that is easy to recall
 - Faulty attributions
 - Escalation of commitment
 - Decision making error, decision maker continues to follow a failing course of action

Chapter 10 - Communication

Communication is the process by which info and meaning is transferred from a sender to a receiver

Communication Process Issues

Communicator Competence

- The ability of communicators to encode and interpret messages

Noise

- Disturbing or distracting stimuli that block or interfere with the transmission of a message

Information Richness

- The amount and depth of the information transmitted in a message

Gender Differences

- The different ways men and women tend to process and interpret information and communicate with others
 - Men tend to use a communication style that helps them maintain status and power
 - Women tend to use communication that builds and strengthens relationships

Privacy

- A state in which individuals can express themselves freely without being observed or disturbed by others
- More and more of our daily communication activities are being channelled online, so how much is private?

Non verbal Behaviour

- Proxemics (distance)
- Haptics (tactile)
- Chronemics (time)
- Kinesics (behaviour)
 - Facial expression, eye contact, body language, gestures
- Artifacts (dressing, belonging)
 - Material objects as an extension of oneself (clothing)
- Vocalics (pitch, volume, speaking rate)
 - Use of voice to communicate, including silence or pauses
- Environment (the way we decorate our house tells others a lot about us)
 - What we surround ourselves with

Functions of Nonverbal Communication

- Repeating: head nods when someone says yes
- Substituting: nodding your head instead of saying yes
- Complementing: a friend says I'm sorry and makes a sad face
- Accenting: emphasis on certain words to clarify what we mean
- Regulating: control the flow of the conversation, and tell us when it is our turn to talk
- Contradicting: say one thing but behaviour says something different

Informal Communication Networks

- Spontaneous and emergent patterns of communication that result from the choices individuals make on their own

Informal Communication Networks

- Grapevine
 - The primary informal communication network within an organization, used by people to circulate info about their work or other people
- Rumours
 - Messages that travel along the grapevine that lack evidence to their truth
- Gossip
 - Rumours about other people

Chapter 11 - Teams (lots of questions on team cohesion, check slides)

- A team consists of 2 or more people who work interdependently over some time, period to accomplish common goals related to some task-oriented purpose.
- Variations within Team Types
 - Work (produce goods or services)
 - Management (integrate activities across business functions)
 - Project (one time project output)
 - Parallel (provide recommendations and resolve issues)
 - Action (complex tasks, vary in duration)
 - Virtual (geographically dispersed, interdependent)

Team Interdependence

- Refers to the degree to which team members interact with and rely with other team members for information, materials and resources needed to accomplish work
- *Using a type of task interdependence that is not called for is poor goal accomplishment*

Goal Interdependence

- Exists when team members have a shared vision of the team's goal and align their individual goals with that vision as a result

Outcome Interdependence

- Exists when team members share in the rewards that the team earns

Member Ability and Tasks

- Disjunctive: One member with great ability = team success
- Conjunctive: One member with poor ability = team failure
- Additive: More members with great ability = team success

Member Personality

- Conscientiousness: More members = better performance
- Agreeableness: More members = smoother dynamics
- Extraversion: Some members = better performance

Team Diversity

- Can enhance team performance when innovation is required and when members can and want to understand and integrate ideas
- Surface level: Race, gender, age, ethnicity
 - Negative effects on team performance weaken over time

- Deep level: Values, personality, personal goals
Negative effects on team performance strengthen over time

Team Size and Tasks

- Disjunctive: Larger size = Greater success
- Conjunctive: Larger size = Weaker success
- Additive: Larger size = Greater success
- Research says team members are most satisfied with size of 4 or 5

Team Composition

- Norms:
 - Shared expectations regarding behaviour within the group
 - Codes of conduct for the group
 - Established in order to provide regularity and predictability

Team Cohesion

- Support for conformity and team harmony at the expense of other priorities, such as goal accomplishment
- Good way to avoid, share the role of being the Devil's advocate
 - Symptoms
 - Illusion of invulnerability
 - Unquestioned belief in group's morality
 - Challenges to group's assumptions rationalized away
 - Negatively stereotyping those who object the group
 - Self-censorship
 - Direct pressure to conform

Potency: Degree to which members believe that the team can be effective across a variety of situations and tasks

Mental Models: Level of common understanding among team members with regard to important aspects of the team and to its task

Transactive Memory: How specialized knowledge is distributed among members so that it results to an effective system of memory for the team

Team Processes

- Reflects the different types of activities and interactions that occur within teams and contribute to their ultimate end goals.
- Team characteristics, like member diversity, task interdependence, teamsize, and so forth, affect team processes. Team processes, in turn, have a strong impact on team effectiveness.
- Process gain: getting more from the team than you would expect according to the capabilities of its individual members
- Process loss: getting less than expected from the team

- Coordination loss: loss of time and energy due to integration efforts
- Motivation loss: loss in productivity because one or more members are not as productive as they could be

Chapter 12 - Power, Influence and Negotiation

The ability:

- to influence the behavior of others
- to resist unwanted influence in return

Organizational Power

- Legitimate
- Reward
- Coercive

Personal Power

- Expert
- Referent

Contingency Factors

Leaders are better able to use their power to influence others when they have:

- Low substitutability
- High discretion
- High centrality
- High visibility

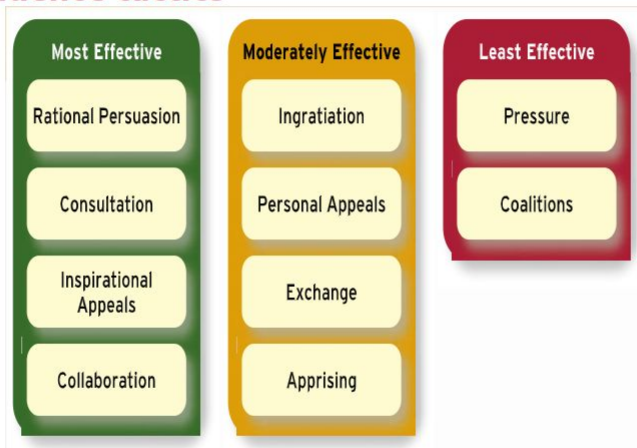
Influence

- The use of an actual behaviour that causes behavioural or attitudinal changes in others
 - Most frequently occurs downward (managers influencing employees)
 - but can also be lateral (peers influencing peers) or
 - upward (employees influencing managers)

How to build your personal power

- Develop your expertise and industriousness
 - Do extraordinary things at work, which are highly visible and important
 - This will build your expert and referent power
- Develop your charisma (to build referent power)
 - Do the right thing (ethical, moral).
 - Enthusiastically encourage the group to achieve higher degree of success.

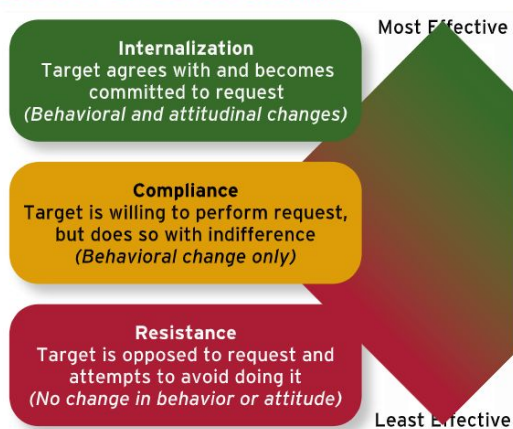
Influence tactics



Resistance to (Managers') Influence Attempts

Dysfunctional Resistance	Constructive Resistance
Purpose: prevent the manager's instruction or request from being carried out. Example: Saying no, ignoring request	Purpose: engage in dialogue with the manager to find a better course of action. Example: Suggesting a different solution may be more effective, with reason

Responses to Influence Attempts



Power and Influence in Action

- People can use their power and influence in a number of ways, including:
 - Navigating the political environment in the organization
 - Resolving conflicts

Organizational Politics

- Actions by individuals that are directed toward the goal of furthering their own self-interests
 - Political skill is:

- The ability to effectively understand others at work, and
- Using that knowledge to influence others in ways that enhance personal and / or organizational objectives

Political Skill

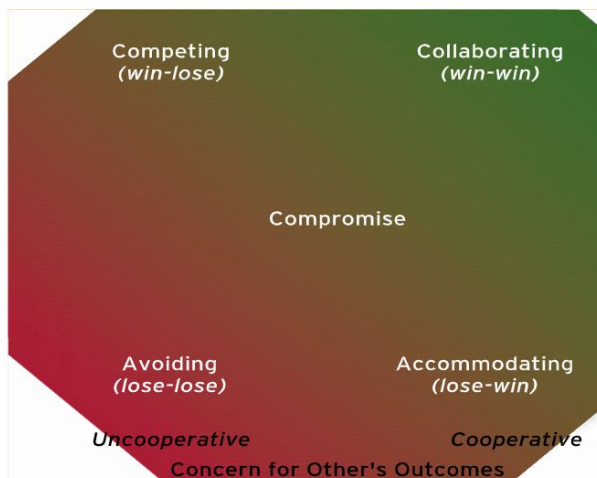
Component	Definition
Social Astuteness	Able to carefully observe others, to understand social interactions, to be aware of one's own behaviour, and to interpret that of others
Interpersonal Influence	Is humble yet convincing, able to make people feel comfortable
Networking Ability	Develops and uses various networks of people who can help one achieve personal goals, master of quid pro quo
Apparent Sincerity (Essential!)	Skilled at being perceived as sincere, honest and open

Conflict Resolution

- Five different styles you can use when handling conflict (each one appropriate):
- The five styles can be viewed as combinations of two

Assertive - Unassertive | Cooperative - Uncooperative

Conflict Resolution



Negotiation Process

- A process in which two or more interdependent individuals discuss and attempt to come to an agreement about their different preferences
 - Distributive bargaining: win-lose style with fixed pie, zero sum conditions
 - Integrative bargaining: win-win style utilizing mutual respect and problem solving

Negotiation Stages

- Preparation
- Exchanging information
- Bargaining
- Closing and Commitment

Negotiator Biases

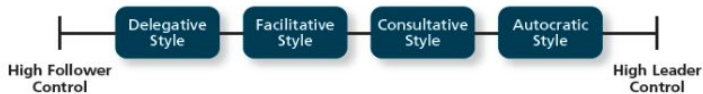
Chapter 13 - Leadership

- Use of power and influence to direct the activities of followers towards goals or achievements

Leadership Decision Styles

- Leaders can be separated by the style they use when making important decisions
- Styles vary depending on how much control is retained by the leader, and how much control is given to the followers

Decision Making Styles



- High Follower Control is more appropriate when
 - Decisions more significant
 - Employee commitment more important
 - Leader has less expertise than employees
 - Employees work well as a team
- High Leader Control is more appropriate when
 - Decisions less significant
 - Employee commitment less important
 - Leader has more expertise than employees

Leadership Behaviours

- In addition to making decisions, leaders engage in a number of behaviours.
- What are some of these?

Day to Day Behaviours

- Two broad dimensions encompass day-to-day leadership behaviours
 - Initiating Structure
 - Defining and structuring the roles of employees for goal attainment
 - Directive
 - Task-Oriented
 - Consideration

- Creating job relationships characterized by mutual trust, respect, and consideration of employees' feelings
- Supportive
- Relations-oriented

What's missing?

- It's what leaders do to motivate their employees beyond expectations

Transactional & Transformational Leadership

- Transactional (4 types)
 - Contingent Reward and Punishment
 - Most important/ effective
 - Management by Exception (Active)
 - Sometimes necessary
 - Management by Exception (Passive)
 - No good!
 - Laissez-Faire
 - No good!
- Transformational (4 types)
 - Idealized Influence
 - Highly Moral
 - Inspirational Motivation
 - Champions collective goals/vision
 - Intellectual Stimulation
 - Challenges others to be innovative
 - Individualized Consideration
 - Helps individual employees develop/grow
- Transformational leadership behaviours relatively more effective when employees are highly insecure
- Transactional relatively more effective when employees need clear recognition

What does it mean to follow?

- Supporting someone's leadership by endorsing their goal and contributing to it
- Can leadership exist without followership?
 - No

Followership Styles

- Passive
 - Yes sir!
 - Waits for leader to determine solutions, give direction
 - Does best to carry out directions given
- Proactive
 - "What if" "Have you thought of"

- Helps leader make best decision by
 - Proactively sharing relevant information
 - Challenging leader's ideas/assumptions

Chapter 14 - Organizational Structure

Formally dictates how jobs and tasks are divided and coordinated between individuals and groups within the company

Organizational chart represents job in the organization and the formal reporting relationships between those jobs

- Such charts vary depending on 5 structural elements or dimensions
 - Work Specialization (degree of org's division of tasks)
 - Chain of command (who reports to whom and formal authority relationships)
 - Span of control (how many employees a manager supervises)
 - Centralization vs decentralization (where decisions are formally made)
 - Formalization (standardization of behaviours and decisions in the org through rules and procedures)

These create two types of firms:

- Mechanistic (Bureaucracy) organizations
 - Are efficient, rigid, predictable and standardized organizations that thrive in stable environments
- Organic organizations
 - Are flexible, adaptive, outward-focused organizations that thrive in dynamic environments

<u>Mechanistic</u>	<u>Organic</u>
High degree of specialization. Narrow view of tasks.	Low degree, broader view
Clear line of authority.	Employees think more broadly
High level of hierarchical control.	Knowledge and expertise decentralised and individual decisions encouraged
Vertical communication.	Lateral communication encouraged
Employee encouraged to develop firm-specific knowledge within their area of specialization	Employees encouraged to develop knowledge and expertise outside of their specialization

Organizational Design

- The process of creating, selecting or changing the structure of an organization. Depends on:
 - Business environment

- Company strategy
- Technology
- Company size

Common Organizational Forms (Examples in slides)

- Simple structures
- Bureaucratic structures
 - Functional structures
 - Multi-divisional structures
 - Product structures
 - Geographic structures
 - Client based structures
- Matrix structures

Chapter 15 - Organizational Culture and Change

- The shared social knowledge within an organization regarding the rules, norms, and values that shape the attitudes and behaviours of its employees

Observable Artifacts

- The manifestations of an organization's culture that employees can easily see or talk about
 - Symbols
 - Physical Structures
 - Language
 - Stories
 - Rituals
 - Ceremonies

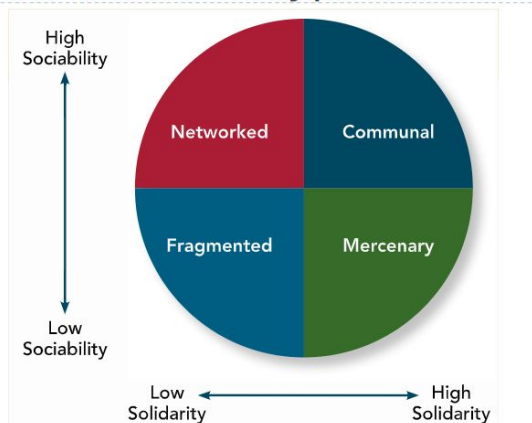
Espoused Values

- The beliefs, philosophies, and norms that a company explicitly states

Basic Underlying Assumptions

- Taken-for-granted beliefs and philosophies that are so ingrained that employees simply act on them rather than questioning the validity of their behaviour in a given situation

General Culture Types



Culture Strength

- Exists when employees definitively agree about the way things are supposed to happen within the organization
- When their subsequent behaviours are consistent with those expectations

Maintaining a Culture

- Attraction-Selection-Attrition
 - A theory that states that employees will be drawn to organizations with cultures that match their personality, organizations will select employees that match, and employees will leave or be forced out when they are not a good fit
- Socialization
 - Anticipatory Stage
 - Encounter Stage
 - Understanding and adaptation

The Culture Change Process

1. *Analysis and Diagnosis: Is There a Need to Change?*
 - OCAI
 - *Organizational culture assessment instrument (OCAI), a structured diagnostic tool used to describe and categorize corporate cultures*
2. *Understanding and Managing Resistance?*
 - *Employees can express resistance in many different ways*
 - *Lower task performance*
 - *Lower levels of organizational citizenship behaviour*
 - *Elevated counterproductive behaviour*
 - *Increased withdrawal*
3. *Change Interventions?*
 - *Selection*
 - *Training*
 - *Performance Management*

- *Changes in Leadership*
- *Mergers and Acquisitions*
- 4. *Evaluating the Change Process?*
 - *Did change occur? And if so, did the change happen in the desired direction?*
 - *Example of Evidence*

How Important is Culture?

- *Person–organization fit is the degree to which a person’s personality and values match the culture of an organization*

Final Exam

30% Before Midterm - 70% After Midterm

80 Questions M/C / T/F