

CHAPTER 1:

- A field of study devoted to understanding, explaining, and ultimately improving the attitudes and behaviours of individuals and groups in organizations
- Frederick Taylor → scientific management
- Elton Mayo → Hawthorne studies, human relations management

OB → A field of study devoted to understanding, explaining, and ultimately improving the attitudes and behaviours of individuals and groups in organizations

Frederick Taylor

CHAPTER 2:

How do we define job performance in order to motivate the best possible behaviours and generate the best possible organizational outcomes?

- Two 'Schools of Thought' on How Best to Define School #1 : Focus on Results
 - Define job performance based on results, objective indicators of job performance
 - E.g., How many customers did a representative retain? Sales dollars per week? Total new customers signed per month?
 - Strengths:
 - Often easy to assess
 - Objective and comparable
 - Weaknesses
 - don't capture beyond bottom line
 - Not always controllable
 - No info on why poor performance/how to improve
- School #2 : Focus on Behaviours
 - Define job performance based on employees' volitional behaviours, how they accomplish their work tasks.
 - E.g., Does an employee effectively use 'win-win' negotiation strategies to keep customers? Is the employee polite to customers? Can the employee remain calm when dealing with difficult customers?
- Job performance → Volitional employee behaviours that contribute either positively, or negatively to the accomplishment of organizational goals
- Task performance (in-role) + citizenship/counterproductive behaviour (extra-role) = total performance
- Task performance
 - Directly involve the transformation of organizational resources into goods - 'Raison d'être' of job (hence 'in-role')
 - Job Analysis = A formalized process by which an organization determines requirements of specific jobs
 - Three Overarching Sub-Types of Task Performance
 - Routine = Well-known, habitual tasks; occur on relatively frequent or expected basis
 - Adaptive = Thoughtful responses by an employee to a unique or unusual task demand

- Creative = Ideals, physical outcomes, or solutions that are both novel and useful
- Citizenship behaviours
 - Voluntary employee behaviours that contribute to the organization's goals by improving the context in which the work takes place
 - Interpersonal Citizenship Behaviours: Going above and beyond normal job expectations to assist, support, and develop coworkers
 - Helping – assisting with heavy workload, aiding with personal matters, etc.
 - Courtesy – Sharing information, keeping people in the loop
 - Sportsmanship – Maintaining positive attitude
 - Organizational Citizenship Behaviours:
 - Going above and beyond normal job expectations to improve operations, or defend/protect organization
 - Voice – Constructive suggestions
 - Civic virtue – Participating in voluntary committees / meetings etc.
 - Boosterism – Positively representing company in public
- Counterproductive Behaviours - Behaviours that intentionally hinder organizational goals
 - Interpersonal Counterproductive Behaviours: Directed towards other organizational members
 - Organizational counterproductive Behaviours: Directed towards the organization
- Job Performance measurement tools
 - Management-by-Objectives
 - A philosophy that bases employee evaluations on specific objectives, and corresponding tools used to apply the philosophy
 - ***MBO \neq Results based job performance (do not get them confused)...but they are related
 - There is a whole process to MBO incorporated into the philosophy
 - Agreed upon goals
 - Proper application of goal setting theory
 - Recognizes changes and environmental pressures; change objectives accordingly
 - Need at least some aspects of job that are quantifiable
 - Can sometimes lead to Quantity > Quality
 - Can be paired with BARS (behavioral means of measuring job performance)
 - BARS
 - Uses examples of critical incidents to evaluate employees' job performance behaviours directly
 - Assesses behaviours
 - Attempts to quantify subjective evaluations as systematically as possible
 - An advantage is that it captures degree of job performance
 - BUT needs to be implemented correctly...poor BARS can cause more problems than good

- 360 Degree Feedback
 - Uses ratings from multiple stakeholders (e.g., supervisors, colleagues, customers, subordinates)
 - Can generate a lot of good information BUT
 - Lots of limitations
 - Time consuming, difficult to implement, too much information, can cause tension
 - NOT RIGHT IN MOST CONTEXTS, must justify its use / must have good reasons to use.
- Forced Ranking
 - A management system/philosophy which ranks employees based on performance; Employees are then placed into categories
 - Made famous by Jack Welch, former CEO of GE and Mckinsey (consulting company)
 - Typically fire the bottom employees
- Job Appraisal
 - Involves manager and employee discussing face-to-face employee's performance so far, and goals/expectations for the future on a regular basis. Different companies, different norms BUT USUALLY once a year (sometimes referred to as the ANNUAL REVIEW)
 - Best practices
 - Take it seriously, Give employees a heads up, Stick to the established schedule, Meet in a neutral, comfortable, but still private, location, Give the employee a voice, Come with good and bad, Come with results, goals, constructive ideas in mind, Ask employee what they need to succeed, Make sure the tools you use accurately reflect what is expected

CHAPTER 3

- Organizational commitment → employee retention, employee engagement
- Why is understanding Organizational Commitment and its various components important?
 - Turnover is expensive: 6-9 months worth of salary; \$30,000-\$45,000 to replace employee who makes > \$60,000 / year (Society of Human Resource Management)
 - 213% of salary at director or exec level (Center for American Progress)
 - BUT Unengaged employees are also very expensive
- Big 3 types of commitment
 - All three 'keep' employees, but each have a different impact on behaviours and motivation
 - Employees can experience all (or none, or any other combination)
 - Commitment can also be measured in terms of 'foci' (e.g., organization itself, coworkers, the job/work, clients, etc.)
- Affective Commitment
 - Desire to remain due to a feeling of emotional attachment

- Not always, but often associated with our relationships with others in the workplace
- Two relevant social network theories that can help explain who might be the most or least affectively committed to their organization:
 - Erosion model : People who are not well connected at work are likely to leave
 - Social Influence model : When highly connected people leave an organization, others who were strongly connected to them are also likely to leave
- Continuance Commitment
 - Desire to remain due to costs of leaving
 - Occurs because of at least one of two reasons: Lack of Alternatives and Embeddedness
 - Embeddedness → Connection / sense of fit BECAUSE OF investment into organization and/or community. NOT based on emotional connection. IS a resource-based mechanism. Examples: Time Investment, Instrumental Professional Network, Community Resources
- Normative Commitment
 - The desire to remain due to feelings of obligation
 - Based on organization's (or some other commitment foci) investment into the employee
 - Based on the norm of reciprocity
 - Comparatively more difficult to instill in employees (typically based on strength of person's belief in norm of reciprocity)
- Psychological Withdrawal
 - Psychological Withdrawal: Actions that give a person a mental escape from work
 - Daydreaming • Moonlighting • Looking busy • Cyberloafing
- Physical Withdrawal: Actions that give a person a physical escape from work • Tardiness (being late) • Missing meetings • Taking extra long breaks • Absenteeism

CHAPTER 4:

Contingencies of personality

1. Situational Strength: The degree to which a situation has clear and strong expectations or norms on our behaviour

- Strong Situations: Constrain behaviour, we are more likely to behave in ways expected of us
- Weak Situations: Little to no constraint on behaviour, more likely to behave in ways consistent with our traits

Trait Activation: Situational cues (and other factors) that can trigger certain traits; our personality and the environment work together to predict whether we behave in ways that are in line with (or in contrast to) our traits

- E.g., Opportunities to engage in a new and exciting project might trigger a creative person to 'spring into action'
- We are typically happier in work environments that provide a lot of opportunities to 'trigger our traits' (we want to be authentic)

- The best job performance occurs in 'high trait activating' environments

Summarize personality

- There are five big personality traits that we tend to measure and reflect upon in research and in practice
- Our personality traits reflect how we typically behave, but how we actually behave is complex, and dependent upon our traits and our environment
- We are typically happiest in environments that allow us to behave in line with our personality – BUT that doesn't mean we cannot strive for success in environments that might put pressure on us to behave in ways against our personality

CHAPTER 5:

- Job satisfaction → "A pleasurable emotional state resulting from the appraisal of one's job or job experiences; represents how a person thinks and feels about their job". A "gauge" of organizational health BUT not interest in and of itself

Value fulfillment → Underlying assumption is that we are satisfied with our jobs when our jobs provide us access to the resources that we value, either directly or indirectly.

- Value -percept theory: Job DISSATISFACTION depends on whether an employee perceives his or her job supplies the things he or she values most
- Have to know how much they have, want, and the importance to find satisfaction level
- In order to improve our employees' job satisfaction, we need to know what they value, and how important those things are to them, and whether they are currently getting what they value out of their jobs.
- Job descriptive index → A survey tool that can be used to measure employees' satisfaction with pay, promotion, supervision, co-workers, and the work itself
 - PROS:
 - • Simple to use • Tracks the five most commonly assessed factors • Publicly available benchmarks • Compare across time
 - LIMITATIONS:
 - • Doesn't measure importance* • Doesn't tell you why • May need to be updated

Job Characteristics Theory → Underlying assumption is that if the work itself is so impactful on the majority of employees' overall job satisfaction, then let's focus on designing better, more satisfying jobs. In other words, investing in the work itself will likely have a higher return on investment than investing in some of the other factors.

- Job Design: Structuring the methods and relationship of jobs in order to satisfy organizational requirements ...
- Job Characteristics Theory expands on job design, to include job enrichment, designing jobs in a way that not only satisfies organizational requirements, but also increases satisfaction with work.
- 5 Core Characteristics:
 - Variety: job requires different activities and skills
 - Identity: job offers completion of a whole, identifiable piece of work
 - Significance: job really matters and impacts society as a whole

- Autonomy: job provides freedom, independence, and discretion to perform the work
- Feedback: job itself provides information about how well the job holder is doing
- Toyota: Work in teams, various roles (V) • Car completed by team (I) • Stop the line production (A) • Team quality checks (F)
- Ford: keep jobs simple and specialized (scientific management)
- Growth Need Strength: The degree to which employees desire to further develop themselves

Mood and Emotions → our attitudes towards our jobs fluctuate with our feelings

- Mood: States of feelings, mild intensity, last for a while, not directed towards anything
- Emotions: Intense feelings, can be short, clearly directed towards “something”
- Affective Events Theory:
 - How workplace events can generate emotional reactions that impact two employee outcomes: BEHAVIOURS AND SATISFACTION
- DO NOT conduct employee job satisfaction surveys soon after a big negative event or following bad news

CHAPTER 6:

Stress

- Stress isn't something we can measure directly, instead look at the stress process model – we can observe stressors and strains
- The Transactional Model of Stress = not just the stressors themselves but how we think about those stressors and our ability to cope
- Burnout is a specific stress-induced syndrome – exhaustion, cynicism, and inability to function/concentrate

Type A personality

- Are you a “go getter”? Are you very structured in your approach to work/school work? Do you have a strong sense of time urgency? Do you, by and large, prioritize your work above other goals in life? Do you have a bit of a competitive spirit?

Transactional theory of stress → Introduced a cognitive perspective of stress; stressors cause stress when we perceive them as threatening and/or draining

- Primary Appraisal → Evaluation of significance
 - “Does this demand cause me to feel stressed?”
 - How significant is the demand?
 - How threatening is this demand to me?
 - How big is the red dot?
- Secondary Appraisal → Evaluation and application of coping strategies
 - “How do I cope with this stressor?” or “How am I going to respond?”
- “It Depends” → On the person, Nature of the demand, Environment a person is in. Interpretation of demands are more important than the demands itself. Recognizes the existence of “good stress”

CHAPTER 7:

Goals gone Wild

- Sears set sales goals for its auto repair staff of \$147/hour. This specific, challenging goal prompted staff to overcharge for work and to complete unnecessary repairs on a companywide basis
- goal setting had motivated employees to deceive customers. Sears' "goal setting process for service advisers created an environment where mistakes did occur,
- Enron's final days, Enron executives were rewarded with large bonuses for meeting specific revenue goals.
- Lee Iacocca announced the specific, challenging goal of producing a new car that would be "under 2,000 pounds and under \$2,000" and would be available for purchase in 1970. This goal, coupled with a tight deadline, meant that many levels of management signed off on unperformed safety checks to expedite the development of the car
- specific, challenging goals motivate performance far better than "do your best" exhortations
- goals focus attention. Tenbrunsel, Wade-Benzoni, Messick, and Bazerman (2000) made a related point. They argued that standards, such as the Environmental Protection Agency's standards on pollution, too often focus compliance on specific, measurable goals at the expense of the overall mission of protecting the environment. When managers set targets for specific dimensions of a problem, they often fail to anticipate the broader results of their directives.
- This intense focus can blind people to important issues that appear unrelated to the goal (as in the case of Ford employees who overlooked safety testing to rush the Pinto to market)
- goal setting may cause people to ignore important dimensions of performance that are not specified by the goal-setting system
- When quantity and quality goals were both difficult, participants sacrificed quality to meet the quantity goals. achieve and measure (such as quantity) may be given more attention than other goals (such as quality) in a multi goal situation
- For example, goals that emphasize immediate performance (e.g., this quarter's profits) prompt managers to engage in myopic, short-term behavior that harms the organization in the long run
- First, when motivated by a goal, people may choose to use unethical methods to reach it. goal setting can motivate people to misrepresent their performance level—in other words, to report that they met a goal when in fact they fell short.

Goal Setting Theory Primary Assumptions:

- Humans are rational, and also take pride in their accomplishments
- Goals are the primary drivers of motivation
- BUT Goals must also be designed WELL
- Stretch goals: Specific, difficult but not too difficult
-

Goal Setting Theory Examples in the Goals Gone Wild Article:

- 1990's Sears repair shop - \$147 / hour sales goal
- Enron – gave large bonuses for achieving revenue goals (not profit)
- Ford – 1960's, develop a car under \$2000 by 1970

- Staw and Boettger (1990): grammatical versus content errors
- Cheng et al 2005: Focus on quarterly earnings less R&D
- Cabs in New York
- Continental Bank 1976, 1996 Mt. Everest Disaster, Stretch goals to negotiators

Motivation

- “A set of energetic forces that determine the direction, intensity and persistence of an employee’s work effort”

Extrinsic Motivation:

- Motivation derived by some external contingency that depends on performance
- E.g., pay, bonuses, rewards, a bigger office, public recognition, bragging rights

Intrinsic Motivation:

- Performing the task is its own reward
- E.g., enjoyment, a sense of accomplishment

Expectancy theory

- Primary Assumption: People are motivated to act if they believe their actions will result in certain desired outcomes
- Describes the cognitive process employees go through to make decisions regarding different voluntary responses
 - Belief 1: Expectancy If I exert the effort, will I perform well?
 - Belief 2: Instrumentality If I perform well, will I receive certain outcomes?
 - Belief 3: Valence Will the outcomes be satisfying / valuable?
- Self-Efficacy = The belief that I have the personal capabilities I need to succeed
 - Past accomplishments • Vicarious experiences • Verbal persuasion • Emotional cues
- Employees need the ‘tools’ to believe they can perform well
 - Training and development
 - Building their self-efficacy
 - Providing them with the resources they need
 - Maintaining clear performance metrics
- How to facilitate employees’ instrumentality:
 - Employees need clear and consistent rewards and ‘punishments’
- How to facilitate employees’ valence:
 - Can be a bit trickier (think back to Value Fulfillment Theory / Job Satisfaction Chapter) BUT need to know what employees value

Goal setting theory

- Primary Assumptions: Humans are rational, and also take pride in their accomplishments. Goals are the primary drivers of motivation. BUT Goals must also be designed WELL
 - Goals must be SPECIFIC (and therefore measurable and objective) AND they must also be DIFFICULT BUT NOT IMPOSSIBLE = STRETCH GOALS • Can

enhance intrinsic motivation, but also work best when combined with extrinsic motivation source

- Tend to work best when...
 - Given progress feedback
 - Applied to simple rather than complex tasks
 - Employees are already intrinsically committed to the goal
 - Employees have a voice and some autonomy is helping establish goals
 - Theory underlying Management By Objectives Performance Management Tool
- Goals Gone Wild – Words of Caution
 - 1. Goals can be too narrow
 - We have a tendency to ignore ‘non goals’
 - When we do try to expand set of goal directed behavior, if forced to choose we tend to choose easier rather than harder goals
 - 2. When goals are too challenging (and rewards or stakes are high)
 - Motivates risk-taking and unethical behavior
 - Can lead to dissatisfaction / reduce intrinsic motivations
 - Goals can impede learning and cooperation
 - So focused on the end result that we forget to take moments to learn the process
 - If individual goals impede or do not require cooperation (often important in organizations)

Equity Theory

- Primary Assumptions: People make a mental ledger of their outcomes to inputs ratio and compare this ratio to relevant others’ outcomes to inputs ratio. When the ratio isn’t equal it results in equity distress : An internal sense of tension that results from being either over or under rewarded based on what others are receiving
 - Change YOUR outcomes in the appropriate direction to restore balance
 - 2. Change YOUR inputs in the appropriate direction to restore balance
 - 3. Cognitive distortion = recalculate your inputs to outputs ratio so that you perceive better balance
- Psychological empowerment
 - Motivational energy can be produced by the belief that the work tasks we do contribute to some larger purpose and that we have the skills and abilities to do what we need to do
- Psychological empowerment
 - Meaningfulness: nature of work contributes to a person’s own ideals and values
 - Impact: Work actions “make a difference” for others
 - Self-determination: A sense of choice in the initiation and continuation of work
 - Competence: Ability to perform work tasks successfully

CHAPTER 8:

- Disposition-based trust = High Trust propensity (new relationships)
- Cognition-based trust = We infer it based on a person’s (or organization’s) actions (most relationships)
 - Ability, benevolence and integrity

- Affect-based trust = We feel it (few relationships)

Justice

- Distributive → Perceived fairness of the outcomes
 - Equality = equal resources, equity = distributing resources based on need
- Procedural justice → Perceived fairness of how decisions are made
 - • Voice • Correctability • Consistency • Bias Suppression • Representativeness • Accuracy
- Interpersonal → Perceived fairness of treatment • Respect and Propriety
- Informational → Perceived fairness of communications • Justification and Truthfulness

Ethics

- Moral awareness → Recognition that a moral issue exists in a situation
 - Moral Attentiveness (individual factor) ▪ Moral Intensity (situational factor)
- Moral Judgement → Accurately identifying what is the “right” course of action and what is the “wrong” course of action
 - Moral Development (individual factor) ▪ Moral Principles (prescriptive guides, define what is ‘right’)
- Moral intention → Degree to which someone is committed to the moral course of action
 - Moral Identity (individual factor) ▪ Organizational Culture/Norms (situational factor; “strong unethical culture”)
- Moral Behaviour → Turning ‘intention’ into actual moral behaviour

CHAPTER 9:

- Tacit Knowledge: Knowledge that employees can only learn through experience
- Explicit Knowledge: Knowledge that is easy to communicate and codify (e.g., write out and keep track of)

Decision pitfalls

- Projection Bias
 - Project our own thoughts, attitudes, and motives onto others, assuming that they think, feel, and act the same way we do
- Stereotype
 - Assumptions we make regarding others based on their social group membership (such as ethnicity, gender, school they went to, etc.)
- Availability Bias
 - The tendency to let our decisions weigh more heavily on information that is easier to recall ▪ Information might be easier to recall because it is recent (i.e., recency bias) or because it is more extreme
- Anchoring Bias
 - Tendency to focus our attention on a single piece of information regardless of how relevant it is ▪ E.g., First offers in negotiations
- Framing Bias
 - Tendency to change how we think about a decision, or the risks associated with different options, depending on how the problem has been framed or posed
- Representative Bias

- Tendency to assess the likelihood of an event by comparing it to a similar event or series of events. Ex. flip a coin 10 times...
- Contrast Effect:
 - The tendency to evaluate something erroneously based on a distal reference. E.g. history of really bad results, some improvement might be overstated
- Confirmation Bias
 - Tendency to look for information that already confirms our perceptions
- Commitment Escalation
 - Continuing down failing course of action ▪ Sunk cost fallacy
- Fundamental attribution error
 - Internal: • Lazy • Unreliable • Low work ethic
 - External: • Traffic Jam • Emergency • Alarm Malfunctioned
 - Moderators:
 - Consistency – how does he typically behave in the same situation?
 - Distinctiveness – how does he behave in similar situations?
 - Consensus – how are others behaving?

CHAPTER 10:

- Face to face is considered the “most rich”; verbal and nonverbal communication, real time, etc.
- Email tone misinterpreted 50% of time
- More richness in non Face to Face communication = more information BUT more richness = more opportunities for problems in decoding process

Communication networks

- Formal = determined by organizational roles
- Informal = determined by friendship networks

CHAPTER 11:

- Two or more people who work interdependently over some time period to accomplish common goals related to some task-oriented purpose, interdependence

4 elements of successful teams

- Team members have complementary skills that each contribute to different tasks
 - Surface-Level Diversity, Deep-Level Diversity
 - “competing” diversity forces
 - ‘Value in Diversity’ phenomenon: diversity provides larger pool of knowledge to draw from
 - Similarity-attraction phenomenon: We like people who we are similar to
- Can balance cohesion and potency, with healthy (e.g., task) conflict
 - Cohesion – emotional/friendship bonds
 - Potency – Shared confidence amongst team members
 - Groupthink – behaviors and attitudes that support conformity (don’t want this in teams!)
- Members take on a diversity of “good” (and complementary) roles
 - Team Task Roles

- Orienter, Devil's Advocate, Time Keeper / Deadline watcher, Record keeper
- Teams become a Gestalt – bigger than the sum of their parts
 - Shared Mental Models: Understanding of tasks and goals
 - Transactive Memory: Who does what?

CHAPTER 12:

- Power = having access to certain resources that you can use to get others to do what you want them to do (and resist having to do what others want you to do)
- Influence = The ability to get others to do what you want them to do but through various psychological tactics (it is skill based)

What determines whether Distributive or Integrative?

- Personal style
 - need to know about the person, I want to know what their needs are, what kind of pens do they use, do they use a pen? How often do they use a pen? Do they like to use a pen formally, to sign things, or use it in their everyday life?
- Situation
 - Must have: multiple factors to negotiate, and varying interests on each
 - Need to understand the other party's interests (or 'needs' in a sales context) • Move you from a compromise to collaboration

CHAPTER 13:

- The use of power and influence (and interpersonal skills) to direct the activities of followers toward goal achievement
 - • unite team goals? • bring clarity and structure to the group? • encourage (affective) commitment? • develop mutual trust and respect?
- Assigned (formal) vs. Emergent (informal)