CHAPTER 1
WHAT IS ORGANIZATIONAL BEHAVIOUR?

CHAPTER OUTLINE

The Importance of Interpersonal Skills

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Summary

OB at Work

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LEARNING OUTCOMES

1. Demonstrate the importance of interpersonal skills in the workplace.

2. Define organizational behavior (OB).

3. Show the value to OB of systematic study.

4. Identify the major behavioral science disciplines that contribute to OB.

5. Demonstrate why few absolutes apply to OB.

6. Identify managers' challenges and opportunities in applying OB concepts.

7. Compare the three levels of analysis in this text's OB model.

CHAPTER SYNOPSIS

This chapter demonstrates the practical value of OB concepts, defines the field, and identifies current topics in OB. The chapter begins by citing evidence that the workplace of the twenty-first centuries requires individuals who will take on more responsibility and who also want more out of their jobs. The chapter also presents evidence showing that managing well makes a difference. The authors discuss how the systematic study of OB uses scientific evidence to attribute causes and effects. OB studies individuals, groups, and structure to understand human behaviour and its link to organizational effectiveness. The chapter takes a detailed look at the current challenges in the Canadian workplace. The chapter concludes with a general model that defines the field of OB.

STUDY QUESTIONS

It is impossible to cover all the material contained in the chapter during one or two lectures. To deal with this problem, I present my students with a list of study questions to indicate what material they will be responsible for on exams. I tell them that they will be responsible for these, even if the material is not covered in class. I have found that this reduces anxiety overall, and I find it helps to make students aware that not everything in a chapter is required material. I realize instructors vary in their approach, so this is simply my approach.

My study questions for this chapter are:

- What is OB?

- How does OB make sense of behaviour?

- What is empowerment?

- What does it mean to say that OB takes a contingency approach?

- What are the challenges for OB in the 21st century?

- Skills for the New Workplace

- What is the "Competing Values Framework"?

  What kinds of skills does the Competing Values Framework suggest are useful for individuals to have?

- How do these skills link up with the activities and needs of today's organizations?

SUGGESTED TEACHING PLAN

I spend two days covering this material.

On the opening day of class, I mainly take the students through the syllabus, outlining topics, expectations and test (and other important) dates. I introduce them to the basics of OB. I then ask the students to form groups of about 6. These small groups are instructed to develop interview questions that they will then pose to me. After giving the students 15 minutes to develop their questions, the interviews begin. Each group asks one question, and when all of the groups have asked one question, round two begins. Students are told that they may ask any and all questions about anything, and I will try to answer. We continue the rounds until the questions run out. The students ask a mixture of course-related and "personal" questions, though they have always been respectful. I like the exercise because it signals openness at the very start of the term. I remind them the next day that no one fainted when they asked questions, so they should continue to participate in class.

On the second day of class, I continue with the introduction to OB material, emphasizing the Competing Values Framework, which is covered in From Concepts to Skills at the end of the chapter. Half of my class time would be devoted to doing the Experiential Exercise to help students understand the Competing Values Framework. I do this to highlight the importance of acquiring interpersonal skills in order to be a successful employee. Our course has a defined interpersonal skills component to it, thus the emphasis at the beginning of the course for why these skills are important.

Be sure to check the Supplemental Material section for additional material that can be used in class or assigned as homework.

SAMPLE LECTURE OUTLINE

The Importance of Interpersonal Skills

In today's increasingly competitive and demanding workplace, individuals need to have good people skills.

Managers may get by on their technical skills for a while, but leadership and communication skills affect career success.

Teaching Tip: This is a good place to turn to the Experiential Exercise: Developing Interpersonal Skills. Students could be assigned homework reading of pp. 32-34.

Defining Organizational Behaviour

Organizational behaviour is a field of study that investigates the impact that individuals, groups, and structure have on behaviour within organizations; its purpose is to apply such knowledge toward improving an organization's effectiveness.

OB is concerned with the study of what people do in an organization and how that behaviour affects the performance of the organization.

OB includes the topics of motivation, leadership, power, interpersonal communication, group structure and processes, learning, attitude development and perception, change processes, conflict, work design, and work stress.

Teaching Tip: Spend some time with the students trying to explain to them why studying this material is really important to them. I do this by reminding them they will be working in groups during the term, and that they will learn a variety of concepts that will help them deal with group issues. I also remind them that almost everything they do—school, church, work, volunteer activities—gives them opportunities to see OB in action.

What Do We Mean by Organization?

A consciously coordinated social unit composed of a group of people, which functions on a relatively continuous basis to achieve a common goal or set of goals.

Manufacturing and service firms are organizations, and so are schools, hospitals, churches, military units, retail stores, police departments, volunteer organizations, start-ups, and local, state and federal government agencies.

Organizations can be located in the public sector or the private sector, they can be unionized or not, they can be publicly traded or they can be privately held.

If organizations are publicly traded, senior managers typically are responsible to a board of directors, which may or may not take an active role in the how the firm is run.

If the firm is privately held, it may be run by the owners or the managers report to the owners.

Firms can also operate in the for-profit or the non-profit sector.

All of these facts, taken as a whole, should suggest that when one thinks of an organization, the likelihood that it is a "typical" organization is small.

Teaching Tip: The main point you want to make here is that when students think of organizations, they're often thinking of large organizations. But, the material applies to organizations of any size, and most people work in small organizations.

OB Is for Everyone

As employees are asked to move beyond their traditional function of providing labour and play a more proactive role in achieving organizational success, the roles of managers and employees are becoming blurred in many organizations.

Managers are increasingly asking employees to share in their decision-making processes rather than simply follow orders. Therefore, organizational behaviour is not just for employees or managers.

OB applies equally well to all situations in which you interact with others: on the basketball court, at the grocery store, in school, or in church.

Teaching Tip: OB emphasizes in all kinds of ways that it is not just for managers, but for everyone. I take this approach because I once asked my second year OB students, on the first day of class, how many wanted to be managers "when they grew up." Few raised their hands. All of a sudden I realized that the reason their eyes glazed over every time I explained something as "when you're a manager you're going to want to…" was that they never pictured themselves as managers. Instead, I frame the material in terms of things like: when you're working with team members, or while working at your job, these are things that are helpful because they will make you a more skilled and informed group member or employee.

Complementing Intuition with Systematic Study

Each of us is a student of behavior. The systematic approach used in this book will uncover important facts and relationships and will provide a base from which more accurate predictions of behavior can be made.

Behavior, generally, is predictable if we know how the person perceived the situation and what is important to him or her.

Evidence-Based Management (EBM) Complements systematic study. And argues for managers to make decisions on evidence.

Systematic study and EBM add to intuition, or those "gut feelings" about "why I do what I do" and "what makes others tick."

If we make all decisions with intuition or gut instinct, we're likely working with incomplete information.

Big Data and the use of big data for managerial practices is a relatively new area, but one that holds convincing promise.

The reasons for data analytics include predicting any event, detecting how much risk is incurred at any time, and preventing catastrophes.

The use of Big Data for understanding, helping, and managing people is relatively new but holds promise. Managers use evidence as much as possible to inform intuition and experience.

Disciplines That Contribute to the OB Field

The Building Blocks of OB

A variety of disciplines have contributed to the study of OB (see Exhibit 1-1 Toward an OB Discipline).

Psychology

Psychology is the science that seeks to measure, explain, and sometimes change the behaviour of humans and other animals. Psychologists concern themselves with studying and attempting to understand individual behaviour.

Social Psychology

Social psychology is an area within psychology, but it blends concepts from psychology and sociology. It focuses on the influence of people on one another.

Sociology

Psychologists focus on the individual, whereas sociologists study the social system in which individuals fill their roles. That is, sociology studies people in relation to other conditions faced by organizations.

Anthropology

Anthropology is the study of societies to learn about human beings and their activities. Anthropologists' work on cultures and environments, for instance, has helped us understand differences in fundamental values, attitudes, and behaviour between people in different countries and within different organizations.

The Rigour of OB

OB Has Few Absolutes

There are few simple and universal principles that explain organizational behaviour.

Human beings are very complex. They are not alike, which limits the ability to make simple, accurate, and sweeping generalizations.

Teaching Tip: Students can be uncomfortable with the notion that there are few absolutes. You might remind them that this is true of most aspects of life. If they had siblings, did the parents treat each child exactly the same, or was there some adjustment do to situation, age, personality, etc. This is no different, really, than what is suggested when OB researchers note that the context is an important variable.

OB Takes a Contingency Approach

OB considers behaviour in context in which it occurs.

OB concepts must reflect situational or contingency conditions, and hence predictions about human behaviour are at best probabilistic, not absolute.

That is, X is likely to lead to Y, but only under conditions specified in Z (the contingency variables).

The point-counterpoint debates at the end of each chapter underscore the fact that there is significant disagreement about many of the concepts in this developing field.

Challenges and Opportunities in the Canadian Workplace

The dramatic changes in organizations make it important for managers to understand OB. As a result of these changes new employment parameters have emerged. Employees have a variety of options at different stages of their careers.

(see Exhibit 1-2 Employment Options)

The most critical issues confronting managers for which OB offers solutions present challenges that also bring opportunities for organizations.

Responding to Economic Pressures

After 2008 the large economies around the world plunged into recession or near recession. Companies were forced into widespread layoffs and job losses.

Managing employees well when times are tough is possibly harder than when times are good, but the OB approaches may differ.

In good times the focus may be on how to reward, satisfy, and retain employees.

In bad times issues such as stress, decision making, and coping come to the fore.

Teaching Tip: This may be a good time to introduce the Case Incident: Era of the Disposable Worker?

Continuing Globalization

Organizations are no longer constrained by national boundaries and Canadian businesses face tough competition from foreign firms.

To survive, companies have to reduce costs, increase productivity and improve quality. Some have outsourced jobs to countries where labour costs are lower in order to remain profitable.

Increasing country involvement in trading blocs have significantly reduced tariffs and barriers to trade.

Internet enables companies to become more globally connected.

As a result, managers and employees must become capable of working with people from different cultures, as well as be knowledgeable in local laws and regulations.

Organizations and employees have to become increasingly flexible by learning new skills, new ways of thinking and new ways to doing business.

Teaching Tip: The two topics covered here lead well into the Case Incident: Apple Goes Global

Understanding Workforce Diversity

Workforce diversity recognizes that the workforce consists of women and men, many racial and ethnic groups, individuals with a variety of physical or psychological abilities, and people who differ in age, sexual orientation, and demographic characteristic.

It is important to recognize that employees don't set aside their cultural values and lifestyle preferences when they go to work.

Improving Customer Service

The shared characteristic of the service employees' jobs is substantial interaction with the company's customers. OB can increase the success of these interactions by showing how employee attitudes and behaviour influence customer satisfaction.

Improving People Skills

OB can help understand relevant concepts and theories that can help explain and predict the behaviour of people at work. Issues such as how to design motivating jobs, improving listening skills, and creating more effective teams are an important part of people skills.

Working in Networked Organizations

Networked organizations allow people to communicate and work together even though they may be thousands of kilometres apart.

Motivating and leading people require different techniques from managers when employees work from home or from nonoffice locations.

Both managers and employees must develop new skills and OB can provide valuable insights to help in these situations.

Using Social Media

Ethical questions regarding the use of social media are relevant to HR professionals, managers, and employees.

Appropriate employee use of social media at work is increasingly relevant in OB.

Enhancing Employee Well-Being at Work

The line between work and nonwork time has become blurred creating conflicts and stress.

Organizations are asking employees to be available in off-work hours resulting in longer work hours causing burnout and fatigue.

Work-life balance is a more important definition of career success than money, recognition, and autonomy.

Organizations are asked to help employees achieve work-life balance or face a bigger problem of attracting and retaining capable and motivated workers.

Creating a Positive Work Environment

Organizations are trying to realize a competitive advantage by encouraging a positive work environment, not through the physical environment but through work experiences.

Positive organizational scholarship (or positive organizational behaviour) studies how organizations develop human strengths, foster vitality and resilience, and unlock potential.

Focus is shifting, no on what is wrong with the organization, but to what is good about organizations. Issues such as:

- Engagement
- Hope
- Optimism
- Resilience in the face of strain

"Reflected best self" allows employees to focus on situation in which they were at their personal best and exploit that strength rather than think about our limitations.

Improving Ethical Behaviour

Ethics is the study of moral values or principles that guide out behaviour and help us "to do the right thing."

Increasingly employees face ethical dilemmas and ethical choices in the face of changing pressures in the workplace.

Ethics is not necessarily black and white because what is good ethical behaviour has not been clearly defined.

Individuals who strive to create their own set of ethical values will more often do the right thing.

Companies can influence employee behaviour by promoting a strong ethical mission and strong ethical leadership.

Coming Attractions: Developing an OB Model

An Overview

(see Exhibit 1-3 A Basic OB Model)

The model proposes three types of variables (inputs, processes, and outcomes) at three levels of analysis (individual, group, and organizational).

Inputs

These are the variables like personality, group structure, and organizational culture that lead to processes and are often determined in advance of the employment relationship.

Individual level inputs are shaped by an individual's genetic inheritance and childhood environments.

Group structure and team responsibilities are assigned by organizational rules.

Organizational structure and culture have developed over years of adapting to the environment and internal customs and norms.

Processes

These are the actions that individuals, groups, and organizations engage in and that lead to certain outcomes.

For individuals, processes include emotions and moods, motivation, perception, and decision making.

For groups they include communications, leadership, power and politics, and conflict and negotiation.

At the organizational level, processes include change practices and management.

Outcomes

Outcomes are the key variables that organizations and managers want to explain and predict.

Attitudes and Stress

Attitudes are the evaluations people make about objects, people or evens and they can range from positive to negative. Attitudes can have behavioural consequences that directly relate to organizational effectiveness

Stress occurs in response to environmental pressures and has consequences in behaviour and organizational outcomes.

<u>Teaching Tip</u>: This would be a good place to get students' views on questions such as: (1) Are happy workers always productive workers? (2) Are individuals always more productive when their boss is a real "people person?" (3) Does everyone want a challenging job? Then you can tell them that in fact, the research is not definitive, and that the answer is closer to "it depends." You want to emphasize that rather than this making OB a weaker field, its emphasis on uncovering when the material applies strengthens its predictions.

Task Performance

Task performance relates to the core duties and responsibilities of a job, and is often directly related to the functions on a formal job description.

The combination of effectiveness and efficiency at doing ones job is the most important human output contributing to organizational effectiveness.

Organizational Citizenship Behaviour

This is the discretionary behaviour that is not part of an employee's formal job requirement, but that contributes to the psychological and social environment of the workplace.

Successful organizations need employees who will do more than their job duties and perform beyond expectations.

Employees who engage in good citizenship behaviours help others, volunteer for extra jobs, avoid unnecessary conflict and tolerate the occasional work-related imposition.

Organizations where employees exhibit a high level of organizational citizenship behaviours outperform those that do not.

Withdrawal Behaviour

Withdrawal behaviour is the set of actions that employees take to separate themselves from the organizations and perform below task requirements by, for example, showing up late, absenteeism and turnover.

When employees fail to report to their jobs, the workflow is disrupted, and productivity suffers.

Levels of absenteeism beyond the normal range have direct impact on the bottom line.

Turnover can be positive if the "right" people are leaving as it creates opportunities to replace underperforming individuals by bringing in new and fresh ideas through new employees.

Whey do employees withdraw from work? Reasons include negative job attitudes, emotions and mods, and poor relationships with co-workers and supervisors.

Group Cohesion

Group cohesion refers to the extent to which group members support and validate one another. When employees trust one another and work to achieve common goals the group is cohesive.

Cohesive groups are more effective as people tend to work harder in groups that have a common purpose. OB searches for ways to assess methods that organizations can use to increase group cohesiveness.

Group Functioning

Group functioning in work organizations is the quantity and quality of a group's work output.

The types of activities required to get the most from the team varies depending on the organizational activities and requirements.

Productivity

Productivity requires effectiveness and efficiency.

Organizational effectiveness is the degree to which it meets the needs of its customers. Measures of effectiveness could be sales or market share goal achievement.

Organizational efficiency is the degree to which an organization can achieve its ends at a low cost. Popular measures include return on investment, profit per dollar of sales and output per hour of labour.

Survival

This is the evidence that the organization is able to exist and grow over the long term. Survival depends partly on how well an organization fits with its environment.

Survival factors may include: perceiving the market successfully, making good decisions about how and when to pursue opportunities, and engaging in successful change management to adapt to new business conditions.

Exhibit 1-5 illustrates the inputs, processes, and outcomes of the three levels of analysis which are the individual level, the group level and the organization level and ties them to the OB topics in the subsequent chapters of this book.

Summary

Organizational behaviour (OB) investigates the impact that individuals, groups, and organizational structure have on behaviour within an organization, and it applies that knowledge to make organizations work more effectively. OB focuses on how to improve productivity; reduce absenteeism, turnover, and deviant workplace behaviour; and increase organizational citizenship behaviour and job satisfaction.

(see Exhibit 1-5 The Fundamentals of OB)

OB AT WORK: FOR REVIEW

(Note to instructors: The answers here are starting points for discussion, not absolutes!)

1. What is the importance of interpersonal skills in the workplace?

Having a broad range of interpersonal skills makes us more effective organizational participants. Because organizations face a variety of demands in the workplace, it is important for managers and employees to recognize that having a variety of skills will help them function better in different situations and changing environmental demands. While it is probably true that we all have a preferred style of operating, it is also true that we can develop new skills to meet the challenges of the new workplace.

2. What is organizational behaviour (OB)?

OB is a field of study that investigates the impact that individuals, groups, and structure have on behaviour within an organization. The chief goal of OB is to apply that knowledge toward improving an organization's effectiveness.

3. What are the major behavioural science disciplines that contribute to OB?

Psychology, social psychology, sociology, and anthropology are the behavioural sciences that contribute to our understanding of OB.

The answers of the second question will vary depending on the students. The answer should tie the primary learning areas of one of the behavioural sciences to typical managerial problems. Ensure that the students indicate that knowing more about OB will make managers more effective through either (1) a greater ability to understand and influence other people, (2) a better design of organizations and jobs, or (3) a better understanding of group behaviours.

- Psychology: individual (micro) focus, in the areas of learning, perception, personality, emotions, training, leadership effectiveness, needs, motivation, job satisfaction, decision-making, performance appraisals, attitude measurements, employee selection, work design, and job stress.

- Social Psychology: individual and group (macro) focus, in the areas of change measuring and changing attitudes, communications patterns, building trusts, group behaviour, power, and conflict.

- Sociology: group and organizational (macro) focus, in the areas of group behaviour, organizational culture, organizational theory and structure, communications, power, and conflict.

- Anthropology: group and organizational (macro) focus, in the areas of values, attitudes, behaviours between organizations and countries. Anthropology also studies organizational cultures and environments.

4. Why is systematic study of value to OB?

Most people learn human behaviour through their own individual observations. This method of learning always contains the potential for error. By coupling this individual learning with the systematic scientific study of OB and Evidence-based Management, managers benefit from the experiences and study of thousands of social scientists, rather than just relying on their own limited experiences. This broader base of understanding is more likely to help the manager make much better decisions and influence people more effectively.

5. Why do few absolutes apply to OB?

Human beings are complex and there are few universal principles that explain organizational behavior. There are many theories about how people behave in organizations but most are not pure cause and effect relationships. People are not all alike and therefore it is difficult to make many generalizations. Variables such as peoples' want, needs, values, and goals can differ tremendously.

6. What workplace challenges provide opportunities to apply OB concepts?

OB offers managers specific insights and opportunities to improve managerial and people skills and apply them to the changing workplace. The continuing economic challenges worldwide are only one of the major issues of globalization facing organizations today. An added challenge is presented by the ever expanding use of technology and networked organizations where managers and employees rarely work in the same location. Recognizing the value of and embracing diversity and people skills can improve productivity and customer service. Learning to empower your people, and supporting employees' work-life balance form steps toward creating a positive work environment where an ethical compass can positively impact the whole organization.

7. What are the three levels of analysis in this book's OB model?

The three levels are individual, group, and organizational systems. Common aspects are: the study of human behaviour including decision-making, emotion, perception and motivation. Unique aspects for each level deal primarily with the focus of the research activity: person, group, or larger grouping (such as society, organization, or country). It should be noted that each successive level builds on the theories and findings of the lower levels.

POINT/COUNTERPOINT

Battle of the Texts

Summary

Point: OB is a complex subject, yet popular books on the topic abound in bookstores. These books often have cute titles and are fun to read, but they make the job managing people seem much simpler than it is. Most are based on the author's opinions rather than substantial research. Few, if any, simple statements about human behaviour are generalizable.

Counterpoint: There is no one right way to learn the science and art of managing people. Organizations are continually looking for ways to fine-tune their leadership skills and publishers respond to this demand. The most enlightened managers gather insights from their own experience, research findings, observations of others, as well as business press books. Research and academics have an important role to play in understanding effective management, and many of the important insights are not necessarily the product of careful empirical research studies.

Class Activity

Choose two teams of three to five students, the remainder of the class can act as the jury. Select one or two of the titles listed in the exercise. Have one team defend the "lessons" taken from the selected reading; the other team will prepare an argument as to why the lessons from the readings may not be appropriate from an OB perspective.
Give each team adequate time to present their case to the remainder of the class. After each team has presented their arguments, the remainder of the class should ask probing questions based on their understanding of the OB concepts covered in this first chapter.
The class acting as jury can then vote on which team provided the most compelling arguments.

BREAKOUT GROUP EXERCISES

(Note to instructors: The answers here are starting points for discussion, not absolutes!)

Consider a group situation in which you have worked. To what extent did the group rely on the technical skills of the group members vs. their interpersonal skills? Which skills seemed most important in helping the group function well?

Students will likely comment on how technical skills were often just a small part of the necessary skills needed to get the task done. They may also note that it was the interpersonal issues that caused them the most difficulty.

Identify some examples of "worst jobs." What conditions of these jobs made them unpleasant? To what extent were these conditions related to behaviours of individuals?

Help students to distinguish between bad working conditions, such as hot, dirty, workplaces, and bad leadership. Students usually identify a much longer list of leadership and interpersonal problems than the list of unpleasant physical surroundings.

Develop a list of "organizational puzzles," that is, behaviour you've observed in organizations that seemed to make little sense. As the term progresses, see if you can begin to explain these puzzles, using your knowledge of OB.

This exercise challenges the students to think about the workplace, and observations made of it. Often students encounter things in the workplace, but they have no way to make sense of what is happening. By developing the list, and then analyzing it over the term, students can become more familiar with understanding the workplace.

EXPERIENTIAL EXERCISE

Managing the OB Way

With these types of exercises, students will press for the "right answer." Emphasize that how they reached their decisions and awareness of other's perspectives is key here, much more so than the final decision. Depending on how students approach the issue, there could be many "correct" answers. Instead of simply looking for a clear winner, students should consider the potential success of each approach.

What do you think are the concerns for the company regarding Tom's facial hair? Should they care about his appearance?

Students will likely make a strong case in favour of facial hair and other forms of expression such as body art as an individual right. They also may bring stories about facial hair hygiene from fast food workplaces. The issue in the case centres around Tom's appearance (the long, ragged beard), which clients have complained about, and Tom's performance, which is lower than other employees. There may be an issue even if Tom's sales performance was high. Since customers have complained. There appears to be no company policy to apply in the situation.

What was your group's consensus decision regarding the issue with Tom's facial hair?

Students are in a role play as members of the committee and should be reminded to reach consensus on the issue as though they were working for the pharmaceutical company. Students individual views are not the focus. This exercise can help students to understand the importance of how people are perceived in the workplace and group dynamics, while also enabling them to apply teamwork skills. Solutions may involve offering Tom a job which is less visible, a final warning before termination, developing a company policy related to appearance, or all of the above. Students should be discouraged from a "do nothing" solution since a perceived problem should not be ignored.

Suppose Tom told you he grew a beard as part of his personal religion. Do you think that announcement would change how you talk to Tom about the issue?

The introduction of a religious dimension to the situation in the case will raise discussion about rights and freedoms illustrating the breadth of OB and it's connection to other business disciplines such as human resource management as well as other domains such as sociology. The human resource concept of bona fide job requirement and reasonable accommodation may be appropriate to mention here. Discussion of Burka's and other religious head dress will likely ensue including the importance of respecting diversity in the workplace. The contingency approach of OB will be evident from the many sides of this discussion.

ETHICAL DILEMNA

Drone in Your Soup

This futuristic and fun exercise can be used to make students aware of how technology impacts employee behavior and how change resulting from the introduction of new technology requires careful consideration of human factors.   Instruction about the nature of business policy may be required.

How might the R2D2 drones influence employee behaviour? Do you think they will cause people to act more or less ethically? Why?

Ethical behavior involves doing the right thing and students may suggest that ethical behavior may be increased if individuals know they are being observed at work. On the other hand unethical behavior may be driven more underground and potentially increased if individuals believe their workplace is not a trusting environment. Students will likely use their imaginations here and response could be highly creative. For examples, the drones could potentially be programmed as loyal to their owner/ operators rather than to the organization.

Who should get the drones initially? How can you justify your decision ethically? What restrictions for use should these people be given, and how do you think employees, both those who get drones and those who don't, will react to this change?

Again, students will be imagining the workplace. Students might argue that those workers who would benefit the most from the drones should get them first. Potentially those workers doing physical work over distances across the sprawling campus might be first. Then again maybe the drones have artificial intelligence and programmers could benefit from them helping to write code!

How will your organization deal with sabotage or misuse of the drones? The value of an R2D2 drone is $2500.

Students may develop policies about how the drones can be used including penalties for misuse. What would constitute drone misuse? If your drone breaks a wing while you're making it fly "drone donuts" on your lunch break who pays to fix it? Maybe there is drone insurance in this fantasy organization. Would drones be different than company cars or factory forklifts in this context?

Many organizations already use electronic monitoring of employees, including sifting through website usage and email correspondence, often without the employees' direct knowledge. In what ways might drone monitoring be better or worse for employees than covert electronic monitoring of web or email activity?

Students will likely have creative discussion. The original R2D2 was loyal to Luke Skywalker. Maybe drones will be loyal too, or at least they'll give owner/operators a hint when borderline unethical behavior is observed by them   Drones could discourage unethical behavior and be programmed to help detect it with reporting first to their master then up the line to the boss.

CASE INCIDENT

Apple Goes Global

Summary

Apple as well as thousands of other North American companies are moving their manufacturing operations overseas resulting in a direct loss of more than 20,000 jobs in the US alone and this loss is not temporary. At the first glance, this transfer of jobs seems to hinge on the difference in wages. However, a deeper look seems to point to the intrinsic characteristics of the labour forces available in other countries, such as China. Apple points to the flexibility, diligence, and industrial skills of the overseas workers, as well as faster manufacturing processes and shorter lead times. Has North America stopped producing people with skills companies need?

Sources: Based on T. Peters and N. Austin, "Management by Walking About," Economist, September 8, 2008, www.economist.com; F. Aguirre, M. White, K. Schaefer, and S. Phelps, "Secrets of an Undercover Boss," Fortune, August 27, 2010, pp. 41-44; J. Larsson, I. Backstrom, and H. Wiklund, "Leadership and organizational behavior: Similarities Between Three Award-Winning Organizations," International Journal of Management Practice 3, 2009, pp. 327-345.

Questions

(Note to instructors: The answers here are starting points for discussion, not absolutes!)

What are the pros and cons for local and overseas labor forces of Apple's going global? What are the potential political implications for country relationships?

Apple's decision to manufacture its products in China using inputs sourced from multiple countries is beneficial for the overseas labor force where new jobs are created and spillover effects can generate other benefits for the local economy. Local low skilled labor forces will suffer from a loss of jobs, however higher skilled labor involved with product development could benefit if Apple's products continue to be in high demand. While the 'export of jobs' can create tension between China and the United States, U.S. companies could stand to benefit if China's now wealthier labor force increases its demand for U.S.-made or designed products.

How could managers use increased worker flexibility and diligence to increase the competitiveness of their manufacturing sites? What would you recommend?

Again, this answer depends greatly on the individual student's perspective. Some things that might be mentioned could include additional training, better communication, greater leadership, and rewards for new ideas. Some students may suggest modeling processes and policies in less efficient sites after those used in successful plants.

Skills for Big Data

This exercise illustrates the people side of big data and how this new emerging technology requires people to make it work. Computer scientists and data analysts require interpersonal skills to succeed in the workplace. Moreover, many of the problems solved or the opportunities realized through big data are related to people and human factors as explored in OB. The exercise should help students realize the importance of human factors and interpersonal skills in the application of technololgy.

Questions

(Note to instructors: The answers here are starting points for discussion, not absolutes!)

Let's say you work in a metropolitan city for a large department store chain and your manager puts you in charge of a team to find out whether keeping the store open an hour longer each day would increase profits. What data might be available to your decision-making process? What data would be important to your decision?

Answers about what data might be gathered could include: Sales in the final hours before closing versus earlier in the day? Labour costs including sales per employee used to determine additional hiring requirements versus adding hours for existing staff. Average cost per hire if workers are required for the additional store hours.

What kinds of data might we want in OB applications?

Answers about what big data might be appropriate for OB applications could include data related to human resources, customers, and the work environment. Specific examples could include: profiles of potential employees who might be recruitment candidates, employee data such as education, skills, interests, performance results, development plans, and personality profiles; customer data such as preferences about who and how they are serviced; and work environment data such as employee survey results or process data about how the workplace functions.

As Braverman notes, one problem with big data is making sense of the information. How might a better understanding of psychology help you sift through all this data?

Answers might include: Big data doesn't just relate to facts it also relates to feelings and requires interpretation. Understanding how people think will help with interpretation of big data. Moreover, big data is often gathered so that it can be used in applications which are intended to influence people, or to help them learn which are understood from the discipline of psychology

FROM CONCEPTS TO SKILLS

Practising Skills

The module for this chapter focuses on interpersonal skills. The concepts segment discusses the Competing Values Framework, and identifies the broad range of skills managers need to lead their organization. The model outlines two dimensions: internal vs. external focus and flexibility vs. control.

These four segments require different skills in order to manage well. The chapter's Learning About Yourself and Working with Others exercises are used with this segment to help students identify key skills that managers need.

The case shows an example of how knowledge of organizational behaviour skills is not just necessary where one works, but in other situations as well. The unpaid, voluntary board members of the daycare centre found themselves facing a unionization crisis that may have been avoided had there been better communication. Board members are now faced with a crisis in handling workers who take care of their children.

Questions

(Note to instructors: The answers here are starting points for discussion, not absolutes!)

If you were either a board member or a parent, how would you know that the employees taking care of your children were unhappy with their jobs?

The main thing would be to talk with them and ask them about job satisfaction and any concerns that they have. Beyond that, you might consider observing their behaviour, such as absenteeism or lateness, as well as their general attitudes. In observing the situation, you may want to consider whether the employees are doing just the bare minimum, or whether they are trying to be innovative and creative as part of their job.

What might you do if you learned about their unhappiness?

If I was on the board, I would take their concerns to the board, and either try to get them resolved, or sit down with the unhappy employees and explain why we couldn't accommodate their demands. I would also seek to find a compromise with the employees so that they would feel that I was trying to meet their needs. If I were a parent who was not on the board, I would alert the board to whatever concerns had been raised.

What might Rogers have done differently as president of the board?

Rogers probably should have interviewed all of the employees at least once during the year, or requested that Emma Reynaud provide him with details about how the workers were doing and whether there were any problems. Given that Rogers and the other board members were surprised by the unionization attempt, it would appear that no one had tried to collect information from the employees during the year.

In what ways does this case illustrate that knowledge of OB can be applied beyond your own workplace?

The daycare centre is not part of the board members workplace, but it is an organization with which they interact on a daily basis. Moreover, the children of the board members belong to the organization in question. Had board members applied such organizational behaviour skills as communication, negotiation, and motivation within the context of the daycare centre, they might have learned more about the distress the employees were feeling.

Reinforcing Skills

The purpose of this exercise is to encourage students to apply material from the chapter in various ways. The suggested activities encourage students to think about skills necessary to be an employee, a team member, and a manager. While OB is more than skills, I often find it useful to have students think about concrete applications in order to better appreciate the conceptual material.

KEY TERMS

Attitudes – Evaluations individuals make about objects, people, or events.

Contingency approach - An approach taken by OB that considers behaviour within the context in which it occurs.

Big Data - Large data bases that may be analyzed to reveal patterns, trends, and associations, especially relating to human behavior and interactions.

Effectiveness – The degree to which an organization meets the needs of its clientele or customers.

Efficiency – The degree to which an organization can achieve its ends at a low cost.

Ethical dilemma and ethical choices - Situations in which individuals are required to define right and wrong conduct.

Ethics - The study of moral values or principles that guide our behaviour; it informs us whether actions are right or wrong.

Evidence-based management (EBM) - Basing managerial decisions on the best available scientific evidence.

Group cohesion – The extent to which members of a group support and validate one another while at work.

Group functioning – The quantity and quality of a work group's output.

Input – Variables that lead to processes.

Intuition - A gut feeling not necessarily supported by research.

Model – An abstraction of reality. A simplified representation of some real-world phenomenon.

Organization - A consciously coordinated social unit composed of two or more people, which functions on a relatively continuous basis to achieve a common goal or set of goals.

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

Organizational citizenship behaviour (OCB) - Discretionary behaviour that is not part of an employee's formal job requirements but that nevertheless promotes the effective functioning of the organization.

Organizational survival – The degree to which an organization is able to exist and grow over the long term.

Outcomes – Key factors that are affected by some other variables.

Positive organizational scholarship - An area of OB research that concerns how organizations develop human strength, foster vitality and resilience, and unlock potential.

Processes – Actions that individuals, groups, and organizations engage in as a result of inputs and that lead to certain outcomes.

Stress – An unpleasant psychological process that occurs in response to environmental pressures.

Systematic study - Looking at relationships, attempting to attribute causes and effects, and drawing conclusions based on scientific evidence.

Task performance – The combination of effectiveness and efficiency at doing your core job tasks.

Withdrawal behaviour – The set of actions employees take to separate themselves from the organization.

Workforce diversity -The mix of people in organizations in terms of gender, race, ethnicity, disability, sexual preference, age, and demographic characteristics such as education and socio-economic status.

SUPPLEMENTAL MATERIAL

Exploring Topics on the Web
Activity – What is Organizational Behaviour?
Table to tally results of Experiential Exercise "Interpersonal Skills in the Workplace"

Exploring Topics on the Web

Using the Internet to locate information can be a useful tool to the student (or manager) interested in exploring topics in OB. For this first exercise, go to www.searchenginewatch.com to learn more about what Search engines and metacrawlers do and how they differ.

Once you are on the Search Engine Watch home page, click on Search Engine Listings, then on Major Search Engines. This page presents an overview of the major engines and how best to use them. Do not forget to look at other topics on this website that are interesting to you. Now perform a search on "Organizational Behavior" using three different search engines.

Do the results differ or are they the same? If they differ, why do you think they are different? Write a paragraph or two answering these questions based on what you learned from researching search engines. Also, include another paragraph providing examples and/or reasons of when you would choose one search engine over another.

1) The text tells us that OB replaces intuition with systematic study. Where do scholars prepare for a career researching OB topics? Additionally, what if you decide at some point to pursue graduate study in OB? Where would you go? Perform a search to identify two to three graduate programs in OB and print out the home page with the descriptions of these programs and bring them to class. Note that different schools have programs in different departments and disciplines, which shows the diversity of thinking about OB in these programs. If you need ideas as to where to start, try:

Harvard Business School: Go to https://www.hbs.edu under Faculty & Research select Academic Units and pick Organizational Behavior.

Official website of the Organizational Behavior Division of the Academy of Management: http://obweb.org/
If time allows, discuss as a class the information you found on the general areas of study and the types of courses required in graduate work in OB.

2) One of the challenges facing managers is the fact that organizations are no longer constrained by national borders.

Go to the SHRM homepage (https://www.shrm.org/) and identify OB topics that relate to globalization. Try to find as many as possible. Compare your list with a classmate and note the ones you missed.

Choose one of the topics and, on a separate paper, write three questions you have on the topic. Click on the topics or links on the SHRM homepage and try to find the answers. If you find what you are looking for, write the answers next to your original questions. If you are unsuccessful in finding the answers, write a short paragraph describing what your strategy would be to find the answers you want.

3) Many organizations look for ways to promote diversity through family-friendly policies. Look for three companies that are incorporating family-friendly policies into their HRM strategy. On a separate paper, answer the following questions:

Who are the companies? (Be sure to list their websites, too.)

What are their policies?

How do these policies attract and keep people?

Do these policies interest you? Why?

How might they make their policies more attractive to workers?

If they make the changes you suggest, what results would you expect? (Is there evidence to back

up your opinion? Look for studies that back up or refute your opinion today.)

4) Find an organization that directly addresses the cost of absenteeism or turnover on its website. What, if anything, is that organization doing to reduce those costs? What did your search tell you in terms of the importance or unimportance of these costs to organizations? In class, meet in small groups to discuss the strategies organizations are using. Once you have found an organization, check with your instructor to make certain there are not too many students in the class researching the same company. Be prepared to talk about your organization's strategy to the group and possibly the class. Below are some websites to get you started, but do not hesitate to perform your own search:

https://www.shrm.org/
https://jointventure.org/
https://eafinc.org/

5) Try some advanced searching. Go to www.google.com and click on advanced search. In the "exact phrase" box, key in "organizational behaviour," and in the "at least one of these words" box, key in "globalization." On the drop-down menu for Language choose English. Scroll through the pages to determine if there is a pattern to the types of web pages returned.

Go back to the advanced search page (use your back button or retype the URL). This time in the "exact phrase" box, key in "globalization," and in the "at least one of these words" box, key in "employ*" (the * is a wildcard symbol which will bring up any word which begins with employ such as employee).

What types of pages were returned this time? Which would be more useful to a scholar researching OB and globalization? Why? Now, repeat the above process choosing an OB topic of your choice instead of "globalization." Did you find similar patterns of web page returns with your first and second try? Prepare a paragraph or two telling what you learned about researching OB topics on the World Wide Web.

What Is Organizational Behaviour?

Day 1 Activity

On the first day of class I permit students to do a round-robin interview of me—each group asks one question, and we go around the room, several times until all questions have been answered.

I let them ask anything they want: about the course, about me, about anything they want to know. I have found this has worked well to set the tone that all questions will be treated with respect (even if in some cases I do not give them the answer they request—for instance, my salary).

I have done this for years, and have been quite happy with the results.