1.0 Micro Topics

1.1 Contrasting Management Approaches

Learning Objectives
- What is **Organisational Behaviour**?
- Why is it important?
- Two approaches to OB – '**Scientific Management'** and '**Human Relations'** and their profound impact
- Why are **perceptions** important in organisations
- How do **psychological, physical and social factors** have an impact on perceptions?

Topics
- **Organisational Behaviour**
- **Scientific Management**
- **Human Relations**

1.2 Teams and Leadership

Learning Objectives
- Understand what happens **when people gather together in groups**
- Understand why a **team** isn't just any old group of people
- Understand what makes a **team effective or ineffective** in an organisation?
- Understand what we mean by "**Distributed Leadership**" in the context of teamwork

Topics
- **Group Dynamics**
- **Team Development**
- **Team Effectiveness**
- **Negatives of Groups**
- **Leadership in Teams**

1.3 Perception, Attribution and Decision-Making

Learning Objectives
- What is **perception** and why is it important in organisations?
- How do we use **perceptions to make judgements** at work?
- Why are we **bad at making judgements about ourselves**?
- How do we use **perceptions to make decisions**?

Topics
- **Perception**
- **Limits of Perception**
- **Double Curse**
- **Perception and Decision-Making**

1.4 Values, Attitude and Behaviour

Learning Objectives
- Understand the link between **values, attitudes, and behaviour**
- Develop an appreciation of the importance of **job satisfaction** as a key attitude at work
- Develop an understanding of **culture** as a system of shared values, attitudes and behaviour

Topics
- **Values, Attitudes and Behaviour**
- **Attitudes**
- **Culture**

0.0 Motivation (*non-examinable*)

Learning Objectives
- Understand *what* motivates people in organisations (**content theories of motivation**) and appreciate why it's important
- Understand *how* motivation occurs (**process theories of motivation**)
- Demonstrate how **theories of motivation translate to practical policies** such as pay structures and job design

1.5 Conflict and Negotiation

Learning Objectives
- Understand the **nature and causes of conflict**
- Understand the **conflict process**
- Understand how conflict can be managed through **processes of negotiation**

Topics
- **Conflict**
- **The Conflict Process**
- **Managing Conflict**

2.0 Macro Topics

2.1 Change

Learning Objectives

- Understanding **"Macro" OB vs "Micro" OB**
- Analysing **organisational change systematically**
- Understanding **what makes organizational change difficult**
- **Managing organisational change** (Beer & Eisenstadt, 2000)
  - **Six Silent Killers**
  - **Organisational Fitness Profiling**

Topics

- **Macro OB vs Micro OB**
- **Internal & External Forces for Change**
- **Change Agent**
- **Types of Change**
- **Opposition to Change**
- **Lewin's Forcefield Analysis (Three-Step Model)**
- **Six Silent Killers**
- **Organisational Fitness Profiling**

Cases

- **Enron, Automakers, Apple**

2.2 Communication

Learning Objectives

- Understand the **basic (transmission) communication model** (i.e., the encoding, decoding, feedback process)
- Recognise how **distortion** impacts communication
- Appreciate the differences between **two theories of communication**:
  - 1. **Functional** (assumes a rational communicator can craft the optimal message)
  - 2. **Meaning-cantered** (assumes that all human interaction communicates a message)
- Understand that managers can use **metaphors** to create **meaning and legitimize associated management practices**

Topics

- **Transmission Communication Model**
- **Communication System**
- **Functional vs Meaning-Centred**
- **Functional Theories of Communication**
- **Meaning-Centred Theories Communication**
- **Metaphors**

Cases

- **Sanrizz, Automakers, Apple**

2.3 Culture

Learning Objectives

- Understand how to **identify an organisation's culture**
- Understand **three theories of culture**:
  - **integrationist**;
  - **differentiationist**;
  - and **critical**
- Identify **organisational culture in practice**

Topics

- **Culture**
- **Identifying Culture**
- **Integrationist Theory of Culture**
- **Differentiationist Theory of Culture**
- **Critical Theory of Culture**
- **Changing Cultures**

Cases

- **Sanrizz, Enron, Automakers, Apple**

2.4 Power & Politics

Learning Objectives

- To understand how as a manager **you can use power**
- To understand how as an employee **you will be affected by the use of power**
- To understand the **three Dimensions of Power**
  - **First dimension (resource management)**
  - **Second dimension (process management)**
  - **Third dimension (meaning management)**

Topics

- **Power**
- **Three Dimensions of Power**
- **First Dimension of Power**
- **Second Dimension of Power**
- **Third Dimension of Power**

Cases

- **Sanrizz, Enron, Apple**

0.0 Strategy & Structure (*non-examinable*)

Learning Objectives

- Define **strategy**
- How **strategy develops** (**planned vs. emergent**)
- **Structure** as the division and coordination of labour within an organisation
- Relationship between **strategy, structure and organisational behaviour**:
  - **Miles & Snow**
  - **7S**

0.0 Ethics (*non-examinable*)

Learning Objectives

- Understand what we mean by **ethics**
- Identify various forms of **unethical and ethical behaviour** in organisations
- Understand the **causes and consequences of unethical behaviour** in organisations
- Understand **individual and organisational factors that motivate ethical behaviour**

1.1 Contrasting Management Approaches
Week 1

Learning Objectives
- What is __Organisational Behaviour__?
- Why is it important?
- Two approaches to OB – '__Scientific Management__' and '__Human Relations__' and their profound impact
- Why are __perceptions__ important in organisations
- How do __psychological, physical and social factors__ have an impact on perceptions

Key Learning Points
- OB is about using **research-based evidence** to **develop our understanding of human behaviou**r and to apply this to management in **pursuit of organisational effectiveness, fairness, and sustainability**
- In __Scientific Management__ and __Human Relations,__ we can see two very different understandings of **what shapes behaviour in organisations and how this should inform management**
- The history of management theory and practice can be seen as the history of the struggle between these two approaches, however, this is not an either-or situation
- Scientific Management and Human Relations have profoundly informed real management practice and continue to do so
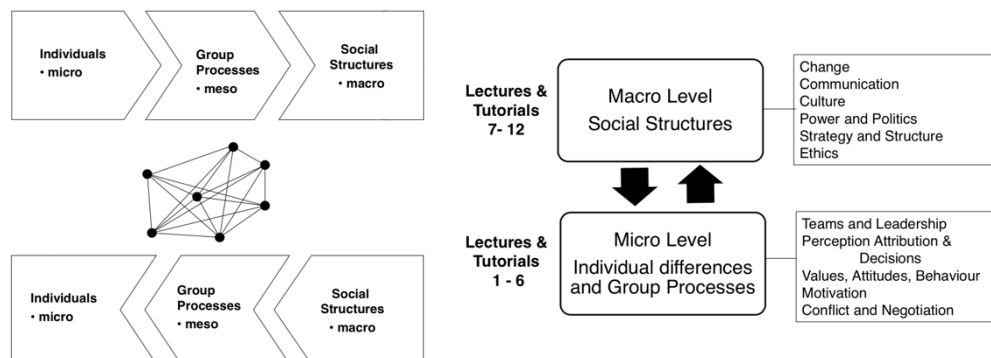
Organisational Behaviour	The study of what people think, feel and do in and around organisations
Organisations	Groups of people who work interdependently towards some purpose

Organisational Behaviour

Formal vs Informal Organisation	
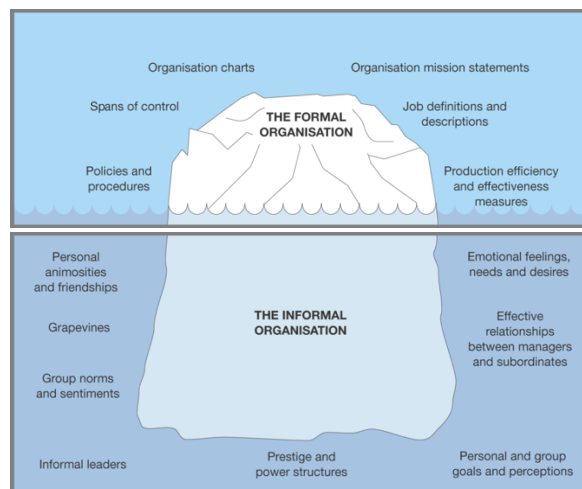
Importance of Organisational Behaviour	♦ **Organizations** are a **defining feature of the modern world**
	♦ **All of us work (or will work) in organisations**
	   • We will interact with individuals and groups, within structures, as we work
	   • Many of us will enter management roles
	♦ We need to know **how individuals and groups behave if we are to manage them effectively**
	♦ **OB** provides a set of **conceptual tools**, **based on evidence**, to **help us work effectively**

Scientific Management

Frederick Winslow Taylor	♦ **Frederick Winslow Taylor**
	    • *(1856-1915)*
	    • *during turn of the 19th century in the industrial revolution*
	♦ Devised the four principles of "Scientific Management" based on his **experience as an engineer and manager**
	    • aimed to **maximise production through work effectiveness**

Four Principles of Scientific Management	♦ **Job Design**
	    • design job efficiently
	    • specify each section of the employee's work
	♦ **Human Resource Management**
	    • select, train, teach and develop employees
	♦ **Performance Management**
	    • managers should be responsible for ensuring all work is done according to their specifications
	    • workers paid based on output
	♦ **Development of Management Profession**
	    • division of labour should be based on expertise
	    • managerial authority over workers based on scientific impartiality

Enduring Legacy of Scientific Management	♦ **Separation** of managers and workers
	    • conception vs execution
	    • managers "think" and workers "do"
	♦ Managerial authority based on **scientific impartiality**
	    • management must have rationality to think and review
	♦ **Financial reward is the main motivator**
	    • *workers are "trained gorillas" according to Taylor*
	♦ **Mechanistic** view of organisation
	    • people are interchangeable, just "clogs in the machine"
	♦ **Dismisses psychological and social aspects**

Human Relations

Elton May	♦ **Elton Mayo**
	    • *1880-1949*
	    • *Australian and during a time of unrest and absenteeism*
	♦ University of Queensland and Harvard Business School
	♦ Believed the "**worker problem" was a result of psychological disturbances** brought about by the **alienating nature of work**
	    • problems like dissent, disobedience, industrial unrest
	♦ Mayo sought to **improve employee happiness** by making **work more involving** and by **recognising its social nature.**
	    • *unlike Karl Marx, who believed that waged labour was necessarily alienating and exploitative*

The Hawthorne Studies	♦ Studies in 1924-32 in Illinois
	♦ Looked at the impact of the working environment on productivity
	
	Key Findings
	♦ Work is a **group activity**
	    • despite isolating effects of standardisation and division of labour
	♦ Workers gravitate to **informal groups**
	    • *need for recognition, security and sense of belonging*
	♦ **Informal groups** have strong **social control over work habits and attitudes**
	♦ Informal groups can **influence productivity**
	♦ Organisations need to seek a **good "fit" between informal and formal structures**

Enduring Legacy of Human Relations	♦ Emphasis on **employees working life quality** ♦ Emphasis on **social aspects** of work ♦ **Informal networks normally do not align with formal structures** • can lead to serious problems ♦ Importance of **norms, values, and social aspects** that influence behaviour ♦ Rise of "**Corporate Culture" movement** and **teamwork**

2.1 Change
## *Week 7*

Learning Objectives
- Understanding **"Macro" OB vs "Micro" OB**
- Analysing **organisational change systematically**
- Understanding **what makes organizational change difficult**
- **Managing organisational change** (Beer & Eisenstadt, 2000)
  - **Six Silent Killers**
  - **Organisational Fitness Profiling**

Key Learning Points
- Organisations operate in a **dynamic environment requiring them to change**
- Change can be caused by **internal and external factors**
- **Change** is a **process that requires a change agent who manages change**
- Change can occur in **evolutionary**, **revolutionary planned** and **unplanned ways**
- **Resistance to change needs to be managed**
- Changes need to be '**locked in' through refreezing**
- **Organisational Fitness Profiling** can help organisations **confront and overcome the 'Silent Killers'**

Force Field Analysis	Kurt Lewin 's model of system-wide change that helps change agents diagnose the forces that drive and restrain proposed organisational change
Unfreezing	The first part of the change process, in which the change agent produces disequilibrium between the driving and restraining forces
Refreezing	The latter part of the change process, in which systems and structures are introduced that reinforce and maintain the desired behaviours
Silent Killer	Unseen barriers to block strategy implementation and organisational learning
Change Agent	A change agent is a person from inside or outside the organization who helps an organization transform itself by focusing on such matters as organizational effectiveness, improvement, and development.

Macro OB vs Micro OB
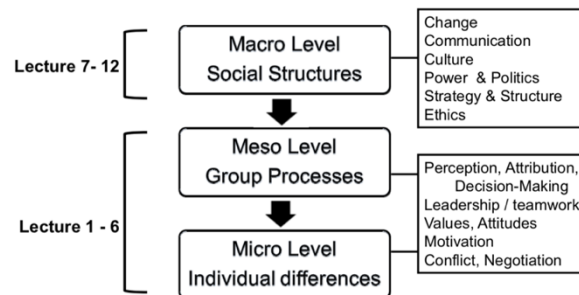
Internal & External Forces for Change

External Forces
- ♦ **Socio-cultural** factors
  - shifts in market tastes / preferences
- ♦ **Technological** factors
  - digital technology, R&D intensity
- ♦ **Economic** factors
  - inflation, income levels
- ♦ **Political** and **legal** factors
  - standards on safety, environment, labour practices

Internal Forces
- ♦ **Performance outcomes**
  - employee absenteeism, shareholder activism
- ♦ **Internal processes**
  - ineffective decision-making, cumbersome procedures
- ♦ New **management philosophy**
  - culture / vision
- ♦ **New strategies**
  - objectives, products, markets, businesses

Change Agent

| Change Agent	◆ Change agent can be **internal or bought in externally** • *most larger firms opt for external change agents and consultants*

Role of the Change Agent	◆ **Change Agent will:**
	  • <u>Identify and interpret</u> **forces causing the change**
	  • **Diagnose the problem**
	    - what needs to change
	  • **Decide objectives**
	  • Generate **solutions**
	    - **what type of interventions** are needed
	  • **Champion the change**; **communicate vision**
	    - *e.g. push the change, convince people change is needed*
	  • **Implement change**
	    - unfreeze > change > refreeze
	  • **Monitor**, **review results** & **get feedback**
	    - determine effectiveness

Types of Change

Evolutionary	Revolutionary
Stays relatively **stable**	Seek **new equilibrium**
Change individual parts or **departments**	**Transform entire organisation**
<u>Makes the most</u> of **existing structure and management**	Create **new structure and management**
Incrementally change existing production technology	Adopt **radically new** production technology
Improve existing products	Introduce **path breaking new products**

Types of Change: Unplanned and Planned	◆ <u>**Chaotic**</u>: revolutionary and unplanned ◆ <u>**Transitory:**</u> evolutionary and unplanned ◆ <u>**Systemic:**</u> revolutionary and planned ◆ <u>**Adaptive:**</u> evolutionary and planned
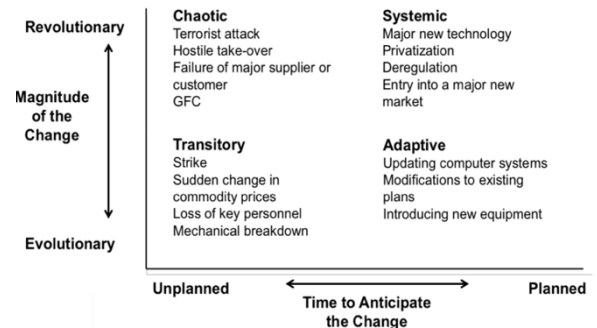
Opposition to Change

| Negative Valence of Change	◆ employees typically apply a **cost- benefit analysis** to determine if the change will make them better or worse off
	◆ **Resistance to change is higher** when
	  • (a) the change will have **more negative than positive outcomes** and
	  • (b) the **negative outcomes have a high probability of occurring** and the **positive outcomes have a low probability** of occurring.
	◆ Even if they personally benefit, to some degree employees **may oppose the change** if they believe **others will suffer** or the **initiative will be ineffective for their team or organisation**.

Fear of the Unknown	◆ when employees **do not know the probability** of good or bad outcomes from the change, they **tend to anticipate worse rather than better outcomes** ◆ **lack of control** generates negative emotions
Not-Invented-Here Syndrome	◆ oppose or even discreetly **undermine a change initiative because its success threatens their self-worth** • sometimes **deliberately inflate problems** with changes that they did not initiate, just to **'prove' that those ideas were not superior to their own**
Breaking Routines	◆ resist initiatives that **force them out of their comfort zones** and require them to invest time and energy in learning new role patterns

Incongruent Team Dynamics	♦ **conformity to existing team norms** may discourage employees from accepting organisational change

Incongruent Organisational Systems	♦ Rewards, information systems, patterns of authority, career paths, selection criteria and other **systems and structures**
	  • **aligned**, they **reinforce desired behaviours**.
	  • **misaligned**, they **pull people back into their old attitudes and behaviour**

Lewin's Forcefield Analysis (Three-Step Model)

Driving and Restraining Forces	♦ Named this "**Forcefield Analysis**" ♦ **Driving forces**: promote change ♦ **Restraining forces**: resist change ♦ Effective change occurs by unfreezing the current situation, moving to a desired condition and then refreezing the system so it remains in the desired state.

Exhibit 15.1 Lewin's force field analysis model
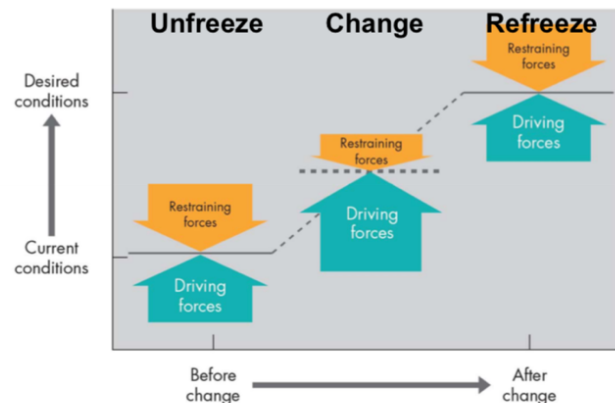
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Unfreezing: Overcoming Resistance to Change	**Three Ways:**
	  • **increase the driving forces**, **motivating** employees to change through **fear or threats** (real or contrived)
	    - **rarely works**
	    - the action of increasing the driving forces alone is usually met with an equal and opposing increase in the restraining forces.
	  • **weaken or remove** the **restraining forces**
	    - provides **no motivation for change**
	  • both **increase the driving forces** and **reduce or remove the restraining forces**
	    - **preferred option**
	    - increasing the driving forces creates an urgency for change
	    - reducing the restraining forces lessens motivation to oppose the change and removes obstacles such as lack of ability and situational constraints
	
	Championing Change:
	  • **Learning and Communication:** reduce misinformation
	    - *time consuming*
	    - *potentially costly*
	  • **Involvement and Participation:** enhance commitment, increase quality of change decision
	    - *very time consuming*
	    - *might lead to conflict*
	  • **Facilitation, Support, Stress Management:** reduce anxiety and fear
	    - *time consuming* and *potentially expensive*
	  • **Negotiation:** reduce and overcome conflict
	    - *may be expensive*
	More forceful ways:
	  • **Manipulation and co-optation:** make change more appealing
	  • **Coercion:** enforce change
	    - *can lead to more resistance*
	    - *long term antagonism of change agent*
	  • **Realigning Staff Profiles:** dismiss resistors, hire adopters of change

Refreezing: Supporting Permanent Change	♦ **Reward allocation system:** rewards that meet expectations and are aligned to new priorities ♦ **Transformational leadership:** person with power and authority to provide legitimacy for the change ♦ **Coalitions, social networks:** in-group members accept and support the change ♦ **Effective transmission of new information:** people need to know what is expected of them ♦ **Diffusion in the change effort:** wide spread change carries greater legitimacy ♦ **Feedback**

Six Silent Killers

| Six Silent Killers	
	1. Management style is either **too top down or too laissez faire**
	• *use of top team for administrative matters*
	• *discomfort with conflict*
	2. Unclear strategy/conflicting priorities
	• *results in poor horizontal coordination*
	3. Ineffective senior management team
	4. Poor vertical communication
	• *senior managers not open to discussion*
	5. Poor horizontal coordination
	• *often caused by unclear strategy/conflicting priorities*
	6. Inadequate skills at **lower levels**
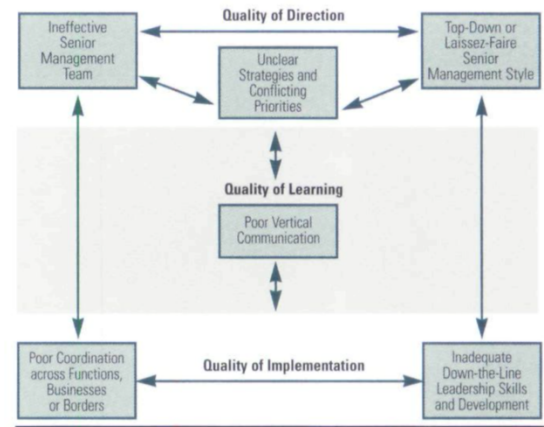
Organisational Fitness Profiling

Five Steps of Organisational Fitness Profiling

1. Create a Statement about Direction
2. Collect Data on Barriers and Strengths
3. Develop an Integrated Plan for Change
4. Refine the Plan
5. Implement the Plan

Six Silent Killers	Organisational Fitness Profiling
Management style is either **too top down** or **too laissez faire**	**Engage leadership** With the top team and lower levels, the CEO/general manager creates a partnership built around the **development of a compelling business direction**, the creation of an **enabling organizational context** and the **delegation of authority** to clearly accountable individuals and teams.
Unclear strategy/conflicting priorities	**Compelling business direction** The top team as a group develops a **statement of strategy**, and **priorities** are developed which members are willing to stand behind.
Ineffective senior management team	**Effective management team** The **top team, as a group, is involved in all steps** in the change process so that its **effectiveness is tested and developed**
Poor vertical communication	**Open dialogue** An **honest, fact-based dialogue** is **established with lower levels** about the new strategy and the barriers to implementing it.
Poor horizontal coordination	**Coordination** A set of **business wide initiatives and new organizational roles and responsibilities are defined** that require "the right people to work together on the right things in the right way" to implement the strategy.
Inadequate skills at **lower levels**	**Lower-down Leadership** Lower-level managers **develop skills through newly created opportunities** to lead change and to drive key business initiatives. they are **supported** with just-in-time coaching, training and targeted recruitment. Those who **still are not able to make the grade must be replaced.**

	Enron	Automakers	Apple

Internal & External Forces	they weren't forced to change, but pursued the change in the 1980s and 1990s
	
	External Forces
	♦ Prior to 2001
	 • wanted to maintain growth
	  - *diversified into utilities and internet*
	 • moved into trading business
	 • economic factor towards deregulation and free markets
	 • adopted new technology
	♦ 2001 onwards
	 • natural gas prices soared
	 • displeasure with company from public
	  - *Skilling hit in face with Pie*
	Internal Forces
	♦ New management philosophy
	 • management philosophy of 'we are the best' might resist change
	♦ Internal Processes
	 • hiring system very cruel and vigorous
	 • "rank and yank" where 15% were fired or quit
	  - happens 2x a year
	 • CFO found of fraud
	  - perhaps easy to receive excessive bonuses
	 • people expected to transform their attitude to fit the company
	 • employees not encouraged to voice negative information or criticism
	 • lack of communication about problems
	♦ *"where do we find these things? When we're not getting any sensible information from our managers"*
		External Forces
		♦ Australian automobile exports fell to lowest since 1998
		 • Australian dollar strengthened against US
		♦ manufacturers announced job cuts
		♦ manufacturers even threatened to cease production completely
		♦ only Government subsidies have maintained Australian auto industry
		♦ high petrol price
		♦ consumer shift to eco friendly
		 • demand for more fuel efficient cars
		♦ Automakers losing market share to rivals
		Internal Forces
		♦ domestic manufactures slow to respond to shifts
		 • believed consumers would want fuel in sufficient cars again
		♦ decease in profits and sales
		♦ need to improve quality and productivity
		♦ workers felt threated bc of lay-offs
		♦ union leaders opposed to concession contracts
		♦ some were embarrassed of the culture
		people entered automobile industry because of their love of cars and the tough culture it symbolises
			External Forces
			♦ 1975
			 • brand new market
			 • no competition
			♦ 1983
			 • competition increased
			  - more than 150 manufactures of personal computers
			 • market segmented with different needs
			 • superior technology in competitors
			 • low priced Apple imitations
			 • IBM overtaking Apple's market share
			♦ 1985
			 • computer industry in recession
			 • new priced products threating Apple
			♦ After Jobs
			 • stocks fell
			♦ New Jobs Era
			 • Scully exited, Jobs CEO again
			Internal Forces
			♦ 1983
			 • new CEO, Scully
			 • new vision
			♦ 1985
			 • sales dropped
			  - Mac vs Apple divisions
			 • had to reduce costs
			♦ After Jobs
			 • Jobs quit
			 • new restricting with product and sales teams
			 • new financial controls inside
			 • restructured again in 1987
			♦ New Jobs Era
			 • Scully exited, Jobs CEO again
			 • more visionary focus
			expanded into other things such as iPod iPhone

Change Agent & Type of Change			

Change Agent & Type of Change

Column 1:

The Change Agent

"Lay and Skilling were revered for their transformational leadership. It was their vision that led to Enron's stunning growth"

Ken Lay
- CEO until he gave it to Skilling
- considers himself a visionary
- "biggest ideas of all"
- diagnosed change

Jeff Skilling
- became CEO in 2001
- championed & implemented change

Vision campaigns
- "What We believe" advertising concept
- vision teams
- "Change is a goal. Change is a habit. Change is a mind"
- these were used to "create an environment where our employees can come here and realise their potential"

Type of Change
- currently systematic change was at place
- revolutionary
  - radical new technology
  - become more flexible and adaptive
  - expanded business to non-energy markets
  - embracing free markets
  - find a way to allow energy to be traded like stocks and bonds
- planned
  - involved in political campaigns for deregulation of energy markets
  - encouraged entrepreneurial and risk-taking behaviour
    - *phantom equity for start ups*

Post 2001
- should bring in external change agent
- aim for adaptive change
  - evolutionary and planned

Column 2:

Change Agent

Corporate management
- decided on new strategy to improve quality and productivity
- identified need for change
- hired consultants to implement change

Team of Five Consultants
- external
- Quality of Working Life program
- identified, solved and implemented change
- monitored change and got feedback
  - over several years

Key managers
- began to understand the change necessary
- comprehended what consultants were trying to achieve
- bridged gap between consultants and other managers
- became a teacher to students
- successful production manage
  - big shift from 2x4 to new participative style

Type of Change

Systematic change
- planned and revolutionary
  - change from 2x4 to participative maangement
- seeks new equilibrium
- transform entire organisation
- completely new structure and management
  - change implemented at all levels
    - from first supervisor to plant manager
- radically new culture
- arguably change was too radical/revolutionary
  - needed more of an evolutionary change
  - difficult to kick old habits
    - *"right now, we're concentrating on patting people on the back but it's tough when someone isn't whipping them. Things get dropped"*
  - some managers were participatory in change and some were not

"they can't keep changing from 2x4 to participative management every day"

Column 3:

Change Agent

- Steve Jobs
  - championed change
  - communicated vision for change
  - identified problems
    - 1970s new marketing and media important
    - barrier was lack of software so pushed the tech specs of Apple ll
    - market was very segmented by 1983
  - changed logo
  - had to be visionary
    - iPod, iPhone, iPad
  - no longer just personal computers
- John Sculley
  - worked for Pepsi Cola as president
  - identified problems and implemented solutiosn
    - re-structured the firm in 1985
    - aim to facilitate coherent product strategy
  - recession changed goals to reducing costs
  - restructured again after Jobs
    - product and sales teams
    - reduce duplication
    - aim for lower breakeven
  - restructured again in 1987
    - sales and marketing over USA, Europe and Pacific
    - separate development and manufacturing

Type of Change
- 1975
  - transitory: revolutionary and unplanned
  - slow change to suit market needs
  - did not intent to enter the market but did because could not sell individual computer parts
- 1983
  - adaptive: evolutionary and planned
  - new divisions
  - overcome competition
- 1985 – Scully
  - adaptive: evolutionary and planned
- After Jobs Quit
  - adaptive: evolutionary and planned
- Return of Jobs
  - systematic: revolutionary and planned
  - completely new vision and ideas

focus on personal mobile products not just computers

Opposition to Change	**Opposition to Change**
	♦ might be adverse as they're already so well praised
	  • *"Most Innovative Company"*
	  • *"24th on best Company to Work For"*
	  • *"29th on Fastest Growing Company"*
	♦ fear of the unknown
	  • employees not informed on the change
	  • employees
	♦ breaking routines
	  • set routine
	♦ incongruent team dynamics
	  • forced to submit to Enron culture
	  • consistently reinforced that they're the best
	  • adverse to change
	  • didn't want to admit they weren't th ebest
	♦ incongruent organisational systems
	  • misaligned rewards
	promoted culture of pushing people down to get ahead
		Opposition to Change
		♦ negative valence to change
		  • employees did cost-benefit analysis
		  • new quality targets were just more pressure on employees
		♦ breaking routines
		  • accustomed to lying, cheating and stealing
		♦ incongruent team dynamics
		  • a lot of people liked the 2x4 management and aggression
		  • accepted the system
		♦ incongruent organisational systems
		  • misaligned
		  • too much focus on productivity and numbers
		  • no one wanted to be blamed for anything
		rewarded lying, cheating and stealing to maintain under budget and meeting goals
			Opposition to Change
			♦ not-invented here syndrome for Jobs
			  • didn't support Scully as much
			  • clashing visions
			  • probably opposed a lot of his ideas
			didn't want to work with Apple division, focused on his own Mac division

Lewin's Forcefield Analysis	**Unfreezing (overcoming change)**
	increase driving forces and remove restraining forces
	♦ driving forces
	  • vision promoting change
	  • learning and communication to reduce misinformation
	  • involvement and participation at all levels
	♦ restraining forces
	  • culture of we are the best
	  • not allowing negative communication and criticism
	  • stress management and support
	Refreezing (maintaining change)
	♦ feedback
	♦ person with power and authority to provide legitimacy for the change
	new reward allocation system
		Unfreezing (overcoming change)
		increase driving forces and remove restraining forces
		♦ restraining forces
		  • accustomed to culture
		    - lying cheating and stealing
		  • fear of getting blamed
		  • competition
		  • waste in the system
		♦ driving forces
		  • poor quality and costs were out of control
		  • external factor
		♦ learning and communication
		  • needed more open dialogue
		  • needed to communicate their support for new goals
		♦ involvement and participation
		  • three levels
		    - 1 to delegate authority
		    - 2 socio-technical analysis of problems
		    - 3 resolve multi-functional problems and to pass these up to level 2
		  • change was too fast
		Refreezing (maintaining change)
		♦ feedback
		  • meetings another way for people to 'look good'
		  • punishment for those who ignored quality
		♦ new reward allocation system
		  • had to reward members for doing a good job
		♦ transformational leadership
		  • eventually some respected managers began to understand
		bridge between consultants and other managers
			Driving Forces
			♦ changing market dynamics
			♦ recession within the industry
			Restraining Forces
			♦ Jobs opposed change under Scully
			1975
			♦ lack of software
			  • pushed technical specification of Apple II
			  • new programs and applications flooded in
			Unfreezing (overcoming change)
			♦ weakened restraining forces
			  • Jobs quit
			  • i.e. realigned staff profiles
			Refreezing (maintaining change)
			♦ transformational leadership

| Six Silent Killers & Organisational Profiling | **Silent Killers**
♦ Management style is too top down
  • too top down
  • "communication was essentially one way – from the organisation's top leaders to those at the bottom"
  • corrective feedback not sought
♦ Poor vertical communication
  • no room for criticism
  • employees not promoted to communicate upwards
  • no one questioned authority
    - *no one knew why Skilling quit*

Organisational Fitness Profiling Against Killers
♦ Engage leadership
  • create partnership between executives and top management
  • promote delegation of authority
♦ Open dialogue
especially with lower levels | **Silent Killers**
♦ originally poor horizontal communication
  • originally conflict between units was unproductive
♦ unclear strategy
  • for the change, strategy wasn't well communicated
  • change was erratic
♦ poor vertical communication
  • level 2 managers had to assume more authority as level 2 withdraw
    - felt abandoned
  • level 3 just became a new way of achieving new ends
    - still pushing numbers or spying on people
♦ ineffective senior management team
  • level 2 managers were ill-prepared
  • couldn't collect information without involvement of level 1 managers

Organisational Fitness Profiling Against Killers
♦ coordination against horizontal conflict
  • coordination communicated between units
  • large shift
♦ compelling business direction
  • communicated well
♦ open dialogue and aligned goals vertically
  • some managers began to understand change and bridged gap between consultants and other mangers
♦ effective management team
more training for managers | **Silent Killers**
♦ Unclear strategy/conflicting priorities
  • between Jobs and Scully
  • between Apple and Macintosh division
♦ Poor horizontal coordination
  • conflict between Apple and Macintosh
♦ Poor vertical communication
  • Scully was 'sandwiched' between Jobs as chair and as head of Macintosh development

Organisational Fitness Profiling Against Killers
♦ overall compelling business direction
  • Scully implemented this by merging Apple and Macintosh into product and then additional sales division
♦ coordination against horizontal conflict
  • new business-wide initiatives
open dialogue between vertical conflict |