

MGMT1002 – MANAGING ORGANISATIONAL BEHAVIOUR

INTRODUCTION TO ORGANISATIONAL BEHAVIOUR

What do employers want?

1. Interpersonal and communication skills (written and oral)
2. Drive and commitment/industry knowledge
3. Critical reasoning and analytical/technical skills
4. Calibre of academic results
5. Cultural alignment/values fit
6. Work experience
7. Teamwork skills
8. Emotional intelligence (including self-awareness, confidence, motivation)
9. Leadership skill
10. Activities (including intra and extracurricular)

ORGANISATIONAL BEHAVIOUR (OB)

What is organisational behaviour (OB)?

- OB: a field of study that investigates the impact that individuals, groups, and structure have on behaviour within organisations, for the purpose of applying such knowledge toward improving an organisation's effectiveness
- Intuition vs. systematic study
 - Intuition: a feeling not necessarily supported by research
 - Systematic study: looking at rels, attempting to attribute causes and effects, and drawing conclusions based on scientific evidence

THEORIES AND MODELS

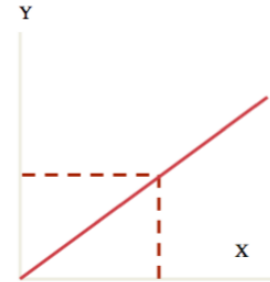
Theories and models

- Representations of how the real world functions
 - Organise knowledge
 - Summarise diverse findings and highlight relationships
 - Tell us what to pay attn to
 - Why events occur
 - How to bring about change
- Models in OB
 - Abstraction of reality
 - Present models that seek to explain some aspect of human behaviour at work
- What is theory?
 - Testable → not a guess
 - Fact-based framework for describing a phenomenon → 2 key components: describe a behaviour and make predictions about future behaviours e.g. Big 5 Model of Personality
- Independent variables
 - 3 categories: individual-level, group-level and organisation system-level
 - Work attitudes e.g. satisfaction, motivation
 - Leader behaviours
 - Work design – teams, job design
 - Organisational characteristics – culture
- Dependent variables
 - Productivity: a performance measure that includes effectiveness and efficiency
 - Effectiveness: achievement of goals
 - Efficiency: the ratio of effective output to the input required to achieve it

- Absenteeism: the failure to report to work
- Turnover: voluntary and involuntary leaving
- Organisational 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 organisation
- Job satisfaction: a general attitude toward one's job, the diff between the amt of reward workers receive and the amt they believe they should receive

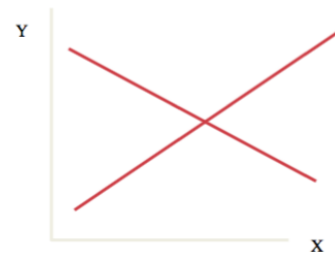
The universal approach

- **Pfeffer's 7 Best Practices**
 - Employment security
 - Selective hiring
 - Self-managed teams / decentralised decision making
 - Higher compensation / contingent on performance
 - Extensive training
 - Reduced status and wage distinction
 - Extensive sharing of financial and performance information
- Substituting peer based control (for hierarchical control) will:
 - Increase responsibility
 - Stimulate initiative
 - Removal of mgmt layers
 - Absorption of administrative tasks
 - Pools ideas
- The 7 Best Practice above seem hard, due to:
 - Managers are ST
 - Shareholder value is ST → immediate problems outweigh LT benefits
 - Orgs destroy wisdom
 - Orgs do not delegate nor listen to workers
 - Managers are biased to think they are the best
 - Being tough is regarded as good
 - Things are done piecemeal and then given up
 - Ppl development is hard to acct for



The contingency approach

- Single set of "best practices" overstated –Purcell
- Distinct mgmt practices help to create unique competencies that differentiate products and services, and in turn drives competitiveness
- Needs to be a 'fit' between practices and business strategies
- Problem of contingency – how to do it?
- Universal approach may be misguided because of:
 - Reliance on single measurements from orgs
 - Exclusion of key workers
 - A 'shadow' which is not real
 - Causality issues
- Diff strategies work in conjunction with diff operations → alignment provides a better answer
 - Alignment of business strategy
 - Alignment to operational strategy



HISTORY OF OB

OB as a field of organisational psychology

- Psychology: the scientific study of human behaviour and mental processes
- Industrial-organisational (IO) psychology: concerned with human behaviour in work settings

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18th century

- Industrial revolution in Britain
- Work efficiency and fatigue

19th century

- **Hugo Munsterberg**: job design
- **Walter Dill Scott**: psych of advertising
- **Frederick W. Taylor**: scientific mgmt and time-and-motion studies
 - Not applied today because only applicable to largely manual labour jobs
 - Scientific principles could be applied to work behaviour to increase productivity and efficiency
 - Differs from ppl orientated enviro → ppl becoming robots?
 - Looked for the fastest and most efficient way to perform any task

WWI and the 1920s

- WW1 – screening and placement of ppl in industry
- Revolution of work as ppl had to be retrained from army to office material
- Selection and recruitment → AC's and psychometric testing

The Depression and WWII

- Tremendous catalyst
- **Elton Mayo**: The 'Hawthorne Studies'
 - Mayo systematically varied the lighting and working conditions (comfort levels) in a room
 - When participants were interviewed after → their productivity went up → importance of human relations/communications

Post War Years and the Modern Era

- Specialty areas in OB began to emerge
- Personnel selection and evaluation of employees

MODERN DAY OB

What do managers do? → Managerial roles by Mintzberg

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|---|---|
| <ul style="list-style-type: none">• Figurehead• Leader• Liaison• Manager• Disseminator• Spokesperson | <ul style="list-style-type: none">• Entrepreneur• Disturbance handler• Resource allocator• Negotiator• All the above use technical, human and conceptual skills |
|---|---|

Opportunities for OB

- Responding to globalisation and digitisation
- Managing workforce diversity
- Useful to HR managers, managers in general, external consultants and employees

Challenges for OB

- | | |
|--|--|
| <ul style="list-style-type: none">• Improving quality and productivity• Responding to labour shortages• Improving customer service• Improving ppl skills• Empowering ppl | <ul style="list-style-type: none">• Coping with 'temporariness'• Receptivity to innovation and change• Helping employees balance• Work/life conflicts• Improving ethical behaviour |
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READINGS

Employees Can't Be Summed Up by a Personality Test by [Peter Bregman](#)

- Personality assessments simplify complexity □ shorthand is useful (putting a label on smth helps us to recognise it quickly)
- Self-assessments, by definition, reinforce a person's self-image i.e. you tell the assessment what you think you are like and then the assessment tells you what you are like
- Personality tests reinforce our blind spots → what you see is diff to what someone else sees
- As opposed to every team member taking a character strength self-assessment, author proposes that as a team, they should agree on 3-5 most important character traits that would help the team achieve its objectives (instead of the 24 character traits assessed by the instrument). Then, discuss in small groups how to take advantage of their strengths and mitigate their weaknesses
 - Learn how to talk about sensitive issues
 - How to listen without getting defensive
 - How to share, courageously, what they perceive in each other
 These improve relationships

A CEO's Personality Can Undermine Succession Planning by [Ben Dattner & Tomas Chamorro-Premuzic \(2016\)](#)

- CEO's often question life when facing retirement – how to derive a sense of identity, power, agency and meaning?
- Often, the needs-to-retire leader's personality can help illuminate/explain what is happening in the following scenarios
- Having no successor or succession plan
 - Some organisational leaders simply deny the reality that they need to retire → fail to designate a successor
 - Low levels of adjustment (calm and even-tempered). Likely to experience more dread and anxiety at major life adjustments, less likely to trust anyone to fill their shoes. Reframe accomplishment as being LT legacy vs. ST results
 - Bad at planning → need additional encouragement and support
 - Regardless of reason, organisations need to have policies where every senior exec has at least 1 successor (near) ready
- Going through the motions of designating a successor
 - Leisurely (passive aggressive) leaders act on the surface i.e. don't actually take action → thinks they're irreplaceable. Stakeholders need to monitor their progress and hold them accountable
- Designating the wrong successor
 - Bold leaders (naturally more self-centred and narcissistic) often pick staffers who are less qualified/talented than they are so they won't be upstaged
 - Picking ppl who's main ability is to 'kiss up' and provide admiration, so they can remain influential although not officially
 - Bold leaders who are more concerned with their own self-esteem and social standing than with organisational outcomes, may unconsciously pick potential successors who will fall → shows they are the hero to save the day
 - Picking successors based on similarity to themselves rather than competence
- Undermining or discrediting the successor
 - Low agreeableness → need to provide necessary support at high-stakes succession situation
 - Excessive diligence → micromanaging their direct reports and restricts successor
 - Skepticism may create negative, self-fulfilling prophecies → 'set up to fail' syndrome
 - Males leaders often have particular difficulty with female successors