

MGMT20001 Organisational Behaviour Notes

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Lecture 1 : An Overview of Organisational Behaviour

Learning objectives

1. An overview of organisational behaviour
2. Understanding scientific management vs. human relations school

Overview of organisational behaviour

What is organisational behaviour?

1. **Organisational behaviour is to use research-based evidence to understand human behaviour and apply this to management in pursuit of organisational effectiveness, fairness and sustainability.**
2. OB studies the impact of individuals, groups and social structures on behaviour within organisations (chiefly 'work organisations')
3. Multidisciplinary, e.g. psychology, sociology, anthropology, political science

The formal vs. informal organisation

1. **The formal organisation:** organisation charts, spans of control, policies and procedures, organisation mission statements, job definitions and descriptions, production efficiency and effectiveness measures.
2. **The informal organisation:** personal animosities and friendships, grapevines, group norms and sentiments, informal leaders, prestige and power structure, personal and group perceptions, effective relationships between managers and subordinates, emotional feelings, needs and desires.

Why organisational behaviour is important?

1. Organisations are a defining feature of the modern world
2. It's relevant to every person
 - 1) All of us work / will work in organisations
 - 2) We will interact with individuals and groups within structures, as we work
 - 3) Many of us will enter management roles
3. → we need to know how individuals and groups behave if we are to manage them effectively
4. OB provides a set of conceptual tools, based on evidence, to help us work effectively

2. Horizontally: functional departments (e.g. R&D, Marketing, Finance, HR) and divisions (markets, product, geography)

Vertical division of labour

1. Concerned with apportioning authority for planning and decision-making
2. Establishing manager-subordinate relationships
3. Results in an organisational hierarchy (flat / tall)

Horizontal division of labour

1. Labour specialisation

- a. Tasks are grouped into jobs
- b. Jobs are grouped into departments

2. Span of control

The number of subordinates supervised by a manager

3. Degree of centralisation

The extent to which decision-making power is localised in a particular part of the organisations
(e.g. function, product, customer)

Coordination

A process of facilitating timing, communication and feedback among work tasks

Alignment: strategy & structure (Miles & Snow, 1978)

Strategy	Environment	Goals	Structural characteristics
Defender	Stable	Stability; efficiency	Tight control; extensive division of labour; high degree of formalisation; centralised
Prospector	Changing	Flexibility	Relaxed structure; low division of labour; low degree of formalisation; decentralised

Key Concepts of Micro Topics

Perception, attribution and decision making

1. Definition of perception: perception is the process of organising and interpreting sensory data to make sense of the position and environment.
2. Why is perception important? (cognitive and emotional; social cognition)
3. Limitations of perception
4. Attribution theory: human is intentional, where they do things with purpose. Behaviour has motivation.
5. Different types of attribution error
 - a. Self-serving: we tend to attribute success to internal factors and failure to external factors
 - b. Contrast effect
 - c. Halo effect
 - d. Anchoring
 - e. Confirmation bias
6. Bounded rationality: people can never make decisions based on truly rational analysis. They make decisions based on limited information in order to meet their satisfaction.
7. Different types of decision rules

Teams and leadership

1. Why is teamwork important? (synergy, problem solving skills)
2. What is group dynamics?

Two or more people working interdependently to achieve a common objective.
3. Why is group dynamics important?
4. Types of groups: formal / informal
5. Differences between task and maintenance activities
 - a. Task activities: the team focuses on the job at hand
 - b. Maintenance activities: the team focuses on the internal process
6. How does group membership influence behaviour?
 - a. Conduct + value + identity + influence = discipline
 - b. Conduct: to control others
 - c. Value: why we want to control
 - d. Identity: who we are
 - e. Influence: to persuade others to have same value
 - f. Discipline: understand the world, compel and govern the behaviour
7. Tuckman's five stage model