Block I: Introduction

BLOCK I
INTRODUCTION

BLOCK II
A FOCUS ON THE INDIVIDUAL

BLOCK III
THE CONTEXT OF ORGANIZATIONAL BEHAVIOR

BLOCK IV
INTEGRATING BEHAVIORAL THEORY INTO EFFECTIVE MANAGEMENT AND LEADERSHIP

CHAPTER 1

Managing Organizational Behavior

BASIC MODEL OF BEHAVIOR

THE CONTEXT OF TWENTY-FIRST-CENTURY ORGANIZATIONAL BEHAVIOR

THE FIELD OF ORGANIZATIONAL BEHAVIOR

MANAGING ORGANIZATIONAL PERFORMANCE

WHAT DO MANAGERS REALLY DO?

Opening Fig

Allen Bence sat at his desk reflecting on the day's events. Allen had started with Techtronics ten years earlier after graduating at the top of his class. Despite the offers and opportunities available to him, Allen liked working at Techtronics, a small company that developed memory storage devices for many different technology applications. His instincts had been correct, as Techtronics had grown rapidly from a business employing eight people with $1 million in annual sales to a business that would this year grow to sales of $500 million. In the same time, employee numbers grew to 300 people. Allen had enjoyed the success and had seen his career grow just as quickly. He quickly went from an entry-level engineering position to become a project engineer, to head of the engineering division, and was just this year named president. As he thought about this rapid growth, Allen felt ill-prepared to manage an organization the size of Techtronics. Allen knew the industry well and was a skilled and creative engineer, but when it came to managing people, that was another story.

Allen had just met with his key staff to discuss the unexpectedly high turnover rate of Techtronics employees. Across the organization, the average time an employee stayed with the company was 18 months. For Techtronic engineers, the retention rate was worse, with entry-level engineers leaving on average after only 11 months on the job. Allen had asked each member of his staff to develop ideas of how to increase employee retention. Unfortunately, there was no consensus on what needed to be done. One person thought the answer was to increase compensation and benefits. "Pay them enough so they won't even think about looking elsewhere for a job" said Julie Turner, Techtronic's vice-president for engineering. "We need to change the culture" was the response of the director of human resources Peter Sanchez. "The average employee works 50+ hours per week and people are just getting burned out. People just don't like working here because while the rewards are great, people are looking for more than just money in their work organizations." Director of marketing Alyson Martin thought the answer lay in changing the organizational structure. "We have grown so fast that we don't have procedures and policies in place that work. Every time a new problem arises we develop a new rule and as a result, we have become so bureaucratic that our people feel like they no longer have a direct involvement in the organization. We want to continue to be organized like a small company, but we are not a small company any more!"

Allen knew that Techtronics was already paying well above the industry average to all employee groups. He also knew that his employees were being heavily recruited by other high-tech firms who needed employees with similar skills. He also acknowledged that Techtronic's structure, including its policies and procedures, were appropriate when there were eight employees but had become insufficient now that there were 300. Allen wished there was a simple answer to the problem. "We provide great pay and challenging work, but still have the highest turnover rate in the industry" Allen thought. "People problems

. . . they take up to 90 percent of my time and my answers never seem to be the right ones. The day had started with such promise, and now I find myself yearning for a complex engineering problem to work on because at least I am confident that I can find the optimum answer."

This book is for managers and leaders like Allen Bence, individuals who often reach positions in organizations that require less reliance on their technical skills and more reliance on their ability to manage people. It is also for leaders who want to update their skills at managing in today's new economy with its highly demanding and stressful environment that includes global competition, pressure to improve product quality, significant change in workforce demographics and almost daily changes due to the increased reliance on technology. As Allen found out, "people problems" are among the most difficult issues that they face. Like Allen, some think that these people skills are just "common sense," or something that we can learn from our own experiences with others. The problem is that common sense is not so common and, at the same time, human behavior often contradicts conventional wisdom.

BASIC MODEL OF BEHAVIOR

If you believe that people can "make or break" an organization, then it is critical to know something about human behavior. Such knowledge will be useful to you when selecting and training employees, increasing motivation, improving decision-making, reducing stress, and enhancing teamwork. Managers cannot be professional psychologists, but they need to know enough to manage from sound principles rather than from myths and guesswork. One useful way to think about this is to understand the classic psychological model that states that behavior (B) is a function of the Person (P) and the environment (E), or $B = f(P \times E)$. This is shown in figure 1.1. This model is the basis of this book. If you keep it in mind as you read later chapters, you can put these concepts into a useful perspective about managing people in organizations.

The **environment** contains the many elements that exist in the world outside the person that may trigger behavior. For managers, one important aspect of the environment is the organization in which they manage. Another is the culture of the organization, concepts that we discuss in later chapters. The environment interacts with the attributes of the **person**, which also explain and govern behavior. In the next chapters we talk about personality, ability, attitudes, and perceptions.

Of course, we are interested in what people do in organizations, how they act. **Actual behavior** refers to an overt act of the person that can be observed and measured, but it tells us little about why it occurred. Observable behavior can never give

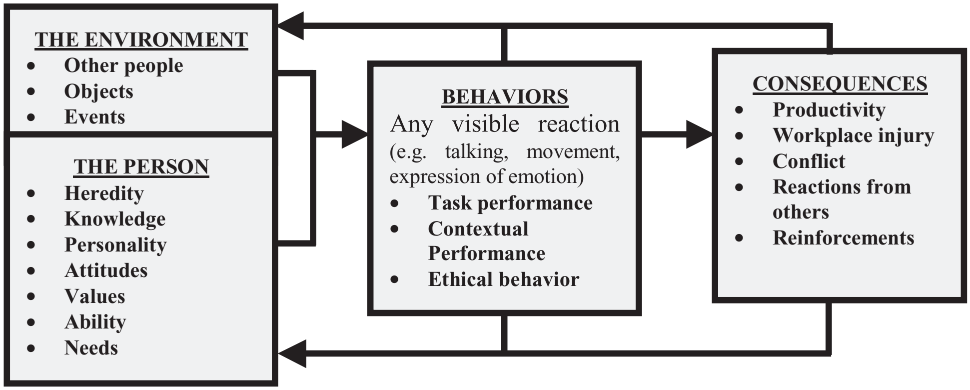

Figure 1.1 Basic model of human behavior

a complete picture of what goes on inside people, but such behavior does serve as a window to it. Behavior at work can be thought of in terms of task, contextual, and ethical performance. These categories of workplace behaviors and performance each are important for organizational success and will be discussed later in this chapter. In addition to focusing on the behavior of employees in organizations, sometimes the behavior we are interested in is how someone acts as a leader and decision-maker.

From a manager's perspective, behavior is important because of its **consequences**, both intended and unintended. Behavior influences productivity, workplace injury and can lead to conflict or trigger positive or negative reactions from others. Each of these consequences is of direct interest to managers and leaders. Those consequences also serve to reinforce certain behaviors and as a result affect the probability of a behavior's recurrence. This is an important implication, as you will see in our discussion of motivation in a later chapter.

Finally, the feedback arrows in figure 1.1 show how a person can learn from their behavior and its effects. As a child growing up we quickly learned that there were consequences to our behavior and we learned to adjust our behavior to achieve certain desired consequences. Also, behavior can change the environment, such as when we turn down the volume on a loud stereo to make it less annoying to others.

THE CONTEXT OF TWENTY-FIRST-CENTURY ORGANIZATIONAL BEHAVIOR

There are many reasons why managing people is viewed by many managers as the most complex aspect of their job. The significant social and cultural forces occurring across the globe have changed not only the way we conduct business but the very nature of our organizations and the characteristics of the people who operate those businesses. In the following pages, we focus on some of the challenges that managers will face in the future from the new economy, the changing workforce, and some of the important changes in the way that organizations are structured and managed.

The changing economy

In the USA, one of the most important changes has been the *changes in the manufacturing sector*. After World War II, basic manufacturing, such as steel, basic metals, and the auto industry formed the economic backbone of a strong economy. However, the 1960s and 1970s saw a serious decline in productivity and American manufacturers found it increasingly difficult to match the efficiency of foreign competitors with relatively new plants. US firms lagged in modernizing their plant and equipment, partly because they failed to recognize the threat of foreign competition.

The decline in the competitiveness of the manufacturing sector of the US economy led to a change in managerial strategy as managers became increasingly aggressive in dealing with labor issues by emphasizing the need for increased productivity and by supporting the development of less labor-intensive operating facilities. These changes in managerial approach also led to an overall managerial strategy focusing on **increased quality** while reducing costs. As a result, companies began asking for, and winning, concessions from unions with respect to work rules and wages – a trend that continues today. This shifted the balance of power in the direction of management. These factors, coupled with the significant advantage foreign competitors often have because of significantly lower labor costs, have led to a reduction in the number of manufacturing jobs and, as a result, a **decrease in the power and the role of unions**. The decline in manufacturing, however, was offset by the **growth of the service sector**. The service economy accounts for over half of the gross domestic product. Hotel and food service organizations, insurance, transportation, and retail are all part of the service sector of the economy. One implication of the increase in the service sector is that this sector employs a greater number of entry-level workers and also includes many lower-wage positions and a great number of part-time employees. While these factors may reduce direct wage and fringe-benefit costs to employers, they could give rise to more government programs to provide health care and retirement programs for workers who, in the past, had these benefits as part of their compensation packages in larger manufacturing firms.

In addition to a shift from a manufacturing-based economy to a significantly service-based economy, we have seen the **globalization of business**. Companies now compete in worldwide markets in different ways, and the nature of the competition itself is changing. In the past, each country was a separate producer and a separate market. Historically, products and product components would be manufactured in the home country and then exported to foreign markets. For many years, for example, Honda automobiles were built only in Japan and then shipped to the US. Similarly, US products and parts were built in the USA and exported. Firms are now locating manufacturing facilities in foreign countries. Now Daimler-Chrysler produces the Mercedes in the US, General Electric builds small appliances in the Far East, and Sony has manufacturing facilities in the US. The challenge for the multinational firm is to integrate diverse, and often culturally different, units into an effective organization.

Finally, the new economy is increasingly technology-driven. Technology has changed how we manage information, communicate with our customers, market our products, and manage our employees. The e-business revolution has led to the virtual organization and introduced a host of managerial issues. We will discuss this issue in more depth in the next section and throughout the book.

The changing workforce

In the 1960s, the workforce in the United States was relatively homogenous. White Anglo-Saxon men dominated the managerial workforce and the better-paying manufacturing jobs. This is nothing like the workforce of the future; there have already been major changes in its gender, ethnic, and racial composition and there are more changes to come. **Workforce diversity** has changed the face of our organizations and the workforce will become even more diverse over the next 20 years. The proportion of white males will decline as more women, Black Americans, Asians, Latinos, Native Americans, and other minorities enter the workforce. According to the Census Bureau, between 1990 and 1999 the Asian and Pacific Islander population grew 43 percent and the Hispanic population grew 38.8 percent. The cultures of organizations, which have been dominated by the values of white males, will slowly change as these others move into positions of power and influence. The resulting conflict that is inevitable with these significant organizational changes will continue to be a major managerial challenge.

There will also be a significant increase in the average **age of the workforce**. As baby boomers age and life expectancies increase, it is anticipated that they will remain in the workforce longer. According to the Bureau of Labor Statistics, workers in the civilian labor force over the age of 55 will increase by 48 percent between 1998 and 2008. In the long term, this will lead to a decrease in the working-age population and this may result in **potential labor shortages**. This poses some interesting challenges for managers, including pressure to increase wages to attract and retain highly qualified employees. If this predicted labor shortage occurs, then there will be economic incentives for companies to retain older employees. However, belief and value differences between older and younger generations of workers may lead to a greater diversity of attitudes in the workplace, further complicating a manager's job.

Finally, in the last 40 years, there have been substantial **changes in work values**. Prior to 1960, the **work ethic** was a dominant value in US culture. Most people believed that hard work was good, that it was necessary to provide for one's family, that it would lead to success, and that one could be successful by finding a position in a good company and doing the job well. By 1965, there began a shift away from this perspective toward one that the US value system was too materialistic, that the structure of social relationships was too rigid, and that there were more important things in life than work. The move was away from conservatism and more toward liberalism. By 1975, however, a more conservative attitude re-emerged. People again valued work and success in much the same way as they had in the past. As we enter the twenty-first-century, work values are again likely to change as values of the "Baby Boom" and "Baby Bust" generations conflict with those of "Generation X" and "Generation Next."

Changes in organizations and the way they are managed

One of the most important forces that managers must deal with is the **technological revolution** driven by advances in computer technology. Desktop computers, cellular and satellite communication technologies, and other information technologies facilitate communications within and between individuals and organizations all over the world. These networks have made possible the almost instant transfer of data, e-mail, chat, and teleconferencing applications that led to the creation of **virtual organizations** comprised of workers who may live and work in different parts of a country or in different countries. This has also led to **telecommuting**, the process whereby employees can complete many if not all work tasks from their home. While these advances can improve employee morale and productivity and improve the overall quality of work life, they also provide significant challenges for managers. In this text you will see several discussions of the implications of technology for twenty-first-century managers.

One result of the increased use of technology to complete work is **leaner organizational structures**. Information technology and the downsizing of firms driven by competitive forces have resulted in the need for fewer people to produce the same or more output. Many firms have flattened the organizational structure, eliminating at least one layer of management in the hierarchy, and reducing the number of managers at other levels. Designing these lean structures takes more managerial skill than just reducing the number of workers and often leads to a different managerial challenge, which is **increased delegation** of responsibility and authority. More people, both managers and workers, at lower organizational levels have increased authority. Many of the newer management approaches – such as high-involvement strategies, self-directed work teams, and employee empowerment programs – require extensive delegation of control. To accomplish this, managers must trust the workers and take a hands-off approach. At the same time, workers must believe that managers will not violate the integrity of those areas that have been delegated to them. This kind of relationship only develops when the workforce is well informed about the operations of the firm and they feel secure that management is not hiding anything.

THE FIELD OF ORGANIZATIONAL BEHAVIOR

The field of study that focuses on the "human skills" which managers need to be effective is called **organizational behavior**. Organizational behavior is the systematic and scientific analysis of individuals, groups, and organizations; its purpose is to understand, predict, and improve the performance of individuals and, ultimately, the organizations in which they work. It applies theory and research from psychology, sociology, and managerial theory that help us to understand how to use this knowledge to improve the effectiveness of organizations.

Why study organizational behavior?

To some, the idea of applying theory and research in human behavior to solve work problems is too "academic," something that is for professors to worry about, but not for managers; managers are pragmatic and have to solve real, not hypothetical, problems. Nothing could be further from the truth. The fact is that everyone has personal theories about how to manage or affect others, and these theories guide their actions. Unfortunately, many of these personal theories are based on misinformation, stereotypes, or limited experience. For example, many managers develop theories about motivating others that are based on factors that motivate themselves. If such a manager is achievement-oriented, he or she may try to motivate all employees by offering measures of achievement such as advancement and promotion as incentives. Unfortunately, they may find their theory of motivation is less useful if they are trying to motivate an employee who doesn't value achievement but instead values time with his or her family. The important point is that while we all use theories – not all theories are equally valid. Effective managers are those that have a significant knowledge of the fundamental aspects of human behavior and who rely on theories developed over significant experience.

The ultimate test of the value of theory and research in organizational behavior is if it leads to improved performance levels. We describe many instances of useful and important applications of theory-supported research throughout this book.

A brief historical view of contemporary organizational behavior

The concern about how to organize people and manage them is not new; it has been with us since the dawn of civilization. The difference between then and now is that there was less attention to the management of commercial activities in ancient times, while more attention was focused on the large-scale endeavors of military, political, and religious organizations. The development of economic sciences and management practices began around the start of the seventeenth century. The Industrial Revolution and Adam Smith's writing on political economy are key marker events, particularly for most Western management thinkers. While there may be some debate about when serious consideration of management problems began, it is very clear that it became more important when the economic sectors of societies throughout the world became larger and more complicated.

Antecedents of contemporary organizational behavior

Though contemporary organizational behavior began to emerge as a distinct area of research and academic specialization in the late 1950s and early 1960s, it can trace its roots to the beginning of the late nineteenth and early twentieth centuries and four approaches to management that started then:

- Scientific management
- Administrative theory
- Industrial psychology
- The human relations perspective.

The first major impetus to the field of organizational behavior was the **scientific management approach**. Scientific management focused on the lowest level of organization – the worker and the boss. The basic question it addressed was, "How can the job be designed most efficiently?" Many people were associated with the beginnings of scientific management, but the most prominent was Frederick W. Taylor – who is known as the "father of scientific management." His ideas, when applied, resulted in significant productivity increases. In the well-known shoveling experiment, Taylor found that the optimum-size shovel for handling material carried about 21 pounds of material. He was able to increase productivity from 16 to 59 tons of material shoveled per day while the number of shovelers needed per day was decreased from 500 to 140. Such results were typical when scientific management was applied, and they led to a strong advocacy of scientific management methods.

By the late 1920s, another perspective had emerged. A number of writers began to analyze the work of managers. Their ideas concerned understanding the basic functions of management and developing guidelines, or principles, about how to manage effectively, and came to be called **administrative theory**. Management functions are those activities that all managers perform in whole or in part. The administrative theorists defined these and did the most extensive early analysis of the managerial functions of planning, organizing, and controlling. They developed **principles of management** which are general guides that tell a manager what to do when faced with problems of designing an organization, making decisions, or dealing with people. Principles of management were developed for nearly every phase of the managerial task: leadership, objectives, single accountability, unity of command, equity, and authority. Drawn from real-world experiences, they were meant to facilitate high performance. These principles can, of course, be useful guides to action. While they are typically narrowly focused, they do give managers a place to start when faced with a problem.

Around 1900, at about the same time that the scientific management movement began to gain impetus, the **industrial psychology** movement began to grow. An early success of industrial psychology was personnel selection for the US army in World War I. Faced with the problem of drafting, inducting, and placing millions of men, the army sought the assistance of the American Psychological Association. These early attempts by psychologists at personnel selection and classification developed into a series of refined techniques to improve these processes by the beginning of World War II. For instance, screening instruments were used to predict the probability of success at completing different types of military training. Because of the large-scale production effort to produce defense materials during World War II, under conditions where workers had been lost to the armed services, new techniques for training employees had to be developed.

A quite different behavioral perspective emerged after the Hawthorne experiments at Western Electric in the late 1920s: the **human relations perspective** [1]. This was the first widely recognized approach to attempt to utilize the broader range of human potential and to suggest ways to do this. The Hawthorne experiments were carried out in the Hawthorne plant of Western Electric, an AT&T subsidiary in Cicero, Illinois. In perhaps the most famous of the studies, two groups of workers were observed to determine the effects of different levels of illumination on worker performance. In one group, the level of illumination was changed; in the other, it was not. They found that when illumination was increased, the level of performance increased. However, productivity also increased when the level of illumination decreased, even down to the level of moonlight. Moreover, productivity also increased in the control group. These results seemed contrary to reason, and so the engineers examined other factors that might have affected the results. The workers were responding in a way that they thought the experimenters wanted and because they liked being the center of attention. Obviously, the subjects were responding not to the level of light, but to the experiment itself and to their involvement in it. The researchers concluded that how people were treated made an important difference in performance. Since that time, this effect in research has been known as the **Hawthorne effect**.

Other studies followed and continued to demonstrate the importance of leadership practices and work-group pressures on employee satisfaction and performance. They showed that the importance of economic incentives in worker motivation was overrated, and they stressed the importance of recognizing that employees react to a wide set of complex forces, rather than to one factor alone.

Contemporary organizational behavior

Contemporary organizational behavior took roots in the late 1950s and early 1960s. In addition to those writers already discussed, other psychologists, sociologists, anthropologists, and social scientists had studied worker and management problems from a behavioral perspective before 1960, and managers were always concerned with human problems. However, since 1960, a somewhat unified body of knowledge and thinking has developed that falls under the general label of contemporary organizational behavior.

Flowing logically from the prior works, two distinct but related approaches to the study of human behavior in organizations emerged around this time. **Organizational theory** is a focus on organizations as the unit of analysis. Individuals and groups are not prominent in the analysis. **Organizational behavior** is more concerned with the individual and the group as the main object of study, and less so with the organization. Our view of contemporary organizational behavior contains both these perspectives.

Organizational theory

This approach is concerned with how organizations are structured and how they can be designed to operate more effectively to achieve objectives in a "rational" way. The organizational theorists look at organizational problems rather than at individual problems. This broad view was reflected in the work of Max Weber [2], a German sociologist who was an important influence on writing and theory about the study of organization. Weber developed a theory of **bureaucracy**, and his analysis considered organizations as part of a broader society. Weber felt that bureaucracy emphasized predictability of behavior and results and showed greater stability over time. He suggested that organizations naturally evolved toward this rational form.

Chester Barnard [3] had a significant effect on organization theory. Barnard developed the concept of the **informal organization** more fully and added much to the thinking about organizations with such concepts as the **zone of indifference**, the **acceptance theory of authority**, and the organization as a social system. Using concepts from Barnard in their book *Organizations*, James March and Herbert Simon [4] integrated psychology, sociology, and economic theory. They extended the Barnard view of the organization as a social system. Following Barnard, they presented a more elaborate motivational theory than the scientific management writers and the administrative theory writers. This approach emphasized individual decision-making.

Another very important development in the study of organizations is **contingency theory**, a concept based upon the idea that the organization structure and the management approach must be tailored to the situation. Critics of the administrative and scientific management theorists claimed that the early management writers advocated that there is one best way to manage. These critics correctly argued that "it all depended," but they never really told anyone how to proceed to develop a proper managerial strategy. It did all depend – but on what? One theory described how the structure of an organization is affected by outside restraints, so that the organization develops both formal and informal systems that help it to adapt to the outside environment and, thus, to survive [5]. Other researchers found that the differences in the organizational structures of these firms could be traced to the nature of the technology used and to the markets served by the firms [6, 7] and by the rate of technological change for the products produced [8]. Lawrence and Lorsch [8] concluded that organizations in a stable environment are more effective if they have more detailed procedures and a more centralized decision-making process while organizations in an unstable environment should have decentralization, participation, and less emphasis on rules and standard procedures to be effective.

Organizational behavior

Some of the early contributors to contemporary organizational behavior are Douglas McGregor, Chris Argyris, and Rensis Likert. Although others helped to forge the discipline of organizational behavior as we know it today, the work of these scholars deserves special mention. Douglas McGregor [9], in *The Human Side of Enterprise*, said that most managers make incorrect assumptions about those who work for them. He called these assumptions, collectively, **Theory X**. Theory X assumed that people were lazy, with personal goals which ran counter to the organization's, and that because of this, people had to be controlled externally. In a work context, this meant close supervision and guidance so that management could ensure high performance. **Theory Y** assumptions were based on greater trust in others. Human beings were more mature, self-motivated, and self-controlled than Theory X assumed. McGregor suggested that there was little need for rigid organization or interpersonal controls.

Chris Argyris [10, 11] also made a strong case for reducing the amount of organizational control. He believed that many constraints placed by organizational structure on human beings were self-defeating to organizational goals of effectiveness and efficiency. The thrust of his argument, along with McGregor's, is that the bureaucratic form of organization is incongruent with the basic needs of the healthy individual and that it treats lower organizational members like children. This fosters dependence and leads to the frustration of the highest-order human needs. This frustration expresses itself in lack of work involvement and anti-organizational activities, such as sabotage.

In 1961, Rensis Likert, a psychologist, published *New Patterns of Management*, a book that was to have a powerful impact on thinking about human problems of management. Likert [12] believed that "managers with the best record of performance in American business and government were in the process of pointing the way to an appreciably more effective system of management than now exists." He proposed that leaders (or managers) would be most effective using a supportive approach. This means that they must create a work environment in which the individual sees his "experiences (in terms of his values, goals, expectations and aspirations) as contributing to and maintaining his sense of personal worth and importance." Likert went on to give details of the characteristics of these managers and organizations.

The work of these writers – and others whom we have not mentioned, as well as others we do discuss in this book – is important because they broadened the scope of traditional behavioral approaches and introduced some of the critical factors that the scientific management writers and the administrative theorists had not addressed.

MANAGING ORGANIZATIONAL PERFORMANCE

A person contributes more to the organization than simply performing assigned tasks. Rather than taking a narrow view of performance, in this book, we take a managerial view of performance. That means we define performance in terms of the results that managers must obtain to keep the firm viable as an economic entity. This view of performance includes three dimensions: the task performance dimension, the contextual performance dimension, and the ethical performance dimension.

The **task performance dimension** is what most of us focus on: the set of activities and their results that you must do to accomplish the work. For example, if you are manager of a manufacturing plant, you must manage production and quality levels, prepare work schedules, order supplies, deal with subordinates, and run staff meetings. If you are a systems analyst, you must be able to analyze the flow of work through an organization, be able to specify the modification of existing technology so that it can be adapted to the work flow, and then instruct the users about how to use the system in the future.

The **contextual performance dimension** considers how you might contribute to the effectiveness of the organization or co-workers in ways other than "just doing your job." This performance dimension reflects the extent to which you are willing to go beyond the norms of performance and involvement of your work role. These sorts of actions might be seen by some as trivial and irrelevant, but they contribute in an important way to the effectiveness of the organization [13]. Helping a co-worker with a task, lending encouragement to a co-worker, and volunteering for an unpleasant task are all examples of important workplace behaviors considered as contextual. Such behavior, which goes beyond task performance, is essential if organizations are to excel, because success depends on employees going beyond formal role requirements [13, 14].

The **ethical performance dimension** focuses on doing the right thing. This sounds simple, but the fact is that nearly everyone faces ethical dilemmas at work. One survey of workers [15] reported that almost 50 percent of the respondents admitted to some kind of unethical or illegal actions at work. The most frequent acts were cutting corners on quality control, covering up some incident, abusing or lying about sick days, deceiving customers, and putting inappropriate pressure on others at work. Here are some of the reasons given for the unethical actions:

- Pressure to meet budgets and quotas
- Weak leadership
- No management support
- Internal politics
- Poor internal communications
- Work hours and workload

- Lack of recognition by the company
- Insufficient resources
- Balancing work and family
- Personal financial problems.

These results suggest that sometimes, when doing what you think is required for your job, you may feel pressure to act in unethical ways. In other words, managing ethical behavior requires organizations to look at policies, procedures, incentive structures and other areas to fully consider the causes of unethical behavior.

As we will discuss throughout this text, managing ethical behavior is often more complex than it first appears. Behaving ethically or "doing the right thing" is a standard that may have different meanings to different people. The fact is that what is the right, or ethical, thing to do is not easy to define, because different standards and values exist in a society. So, an organization must develop a common set of values that are expressed in some way as a guide to deciding about how to act. The most basic guide, but certainly not one that is sufficient, is that our actions must be legal. Usually, however, society demands that we apply a higher standard of what is right.

WHAT DO MANAGERS REALLY DO?

We conclude this chapter with a broader discussion of the nature of managerial work. It is likely that some of you will have experience in managing organizations while others will have little or no experience. As a result, it is important that prior to beginning a study of managing behavior we all have some understanding of the nature of managerial work. Traditional stereotypes of managers often include a belief that managers are systematic and rational planners who engage in strategic activities rather than involve themselves in the day-to-day operations of the organization. While managerial jobs vary, there are some characteristics that all managers have in common and which challenge the traditional notions of what managers really do [16].

1 **Managers work at a pace that is unrelenting and managerial activities are varied, fragmented, and brief**. Rather than being rational systematic planners, managers work very hard at a frantic pace. They are constantly exposed to one problem after another, and most of these need an immediate solution. Seldom does a manager have the luxury of starting a project and finishing it, without interruption. The work is discontinuous. For instance, a manager may begin a project at 7.30 a.m. and make some progress, but then be interrupted with a question from her boss which needs an answer. She sets aside the project, and finds an answer to her boss's problem. Before she can return to the project, something else interrupts her day. It may be hours before she returns to the work she started in the morning. Also, much of what a manager does takes only a short time. Half of a manager's tasks are finished in less than ten minutes and only 10 percent take more than an hour.

2 **Managers prefer live action**. Managers tend to do the more active, current, and interesting parts of their work first and set aside the routine parts for later. They are more interested in current issues and problems rather than focusing on longer-term issues.

3 **Managers prefer verbal communication**. Managers prefer to use verbal communications from nontraditional sources rather than traditional information channels. Managers find that this information is often more timely and accurate. Traditional views that managers prefer the aggregated information found in formal management information systems are questionable.

4 **Much managerial work is controlled by others**. An interesting aspect of managerial work is how much of it is controlled by others, meaning that the manager is often reacting. As noted earlier, managers are interrupted by their subordinates, called by their bosses or customers, and often must deal with problems that arise unexpectedly.

The overall effect of these studies of managerial work is that they help us understand that managers work in an environment that is complex and dynamic. As a result of this, effective managers are those that learn to adapt quickly to changing contexts and who can learn from the experiences and ideas of others. In other words, effective managers have a broad understanding of the fundamental theories of human behavior and can apply those theories where appropriate in a constantly changing environment. We believe this book will contribute significantly to the knowledge base required by you to be one of those effective managers.

Guide for Managers:

UNDERSTANDING WHY PEOPLE BEHAVE AS THEY DO

Trying to make judgments about people is one of the most frustrating aspects of managerial work. Too often, as amateur psychologists, we make mistakes about others as we try to judge whether they will work out well. Many times, this is because of attribution errors of the type that we will discuss in chapter 4. This text will provide many useful theories that will help improve your ability to understand behavior. The models of personality, judgment, and motivation are among the many topics we believe effective managers use, improving their ability to understand behavior. Regardless of which model you are considering though, here are some basic ideas that will help you make better judgments about the factors that influence the behaviors of others.

DON'T TRUST EXPLANATIONS. People cannot always fully explain their own behavior. The employee who refused an assignment might say, "I don't feel very well today." But this does not explain the cause of the resistance. Because of the difficulties in interpreting what people say we need to seek other information to help understand the behavior.

LOOK FOR CAUSES. When interpreting employee behavior, look for causes in both the employee's characteristics and in the environment or situation that might have triggered the behavior. The model presented at the beginning of this chapter shows that how a person behaves is determined by the person's characteristics interacting with the elements in his or her environment. You must understand this interaction between the person and the environment, and avoid overemphasizing one in favor of the other when interpreting human behavior. You might decide that an unproductive worker is lazy or inattentive (personal attributes) when actually the worker was behaving in response to pressure from peers or faulty equipment (environmental forces).

LOOK FOR SEVERAL CAUSES. Behavior may result from one or more causes. Suppose an employee gets very upset over a request to perform an assignment. If you believe that your request is the only cause of the employee's reaction, you might conclude that this is just another case of uncooperativeness. Suppose, however, that you think about other possible causes that might explain the employee's refusal. You might discover that the employee is not only worried about falling behind in his work, but also feels unfairly treated because co-workers are not carrying their share of the load.

USE PAST BEHAVIOR AS A PREDICTOR OF FUTURE BEHAVIOR. Keep in mind that past behavior is a pretty good predictor of future behavior. In many ways people are stable and predictable. There is some truth to the statement that past behavior is the best predictor of a person's future behavior. It is fairly safe for a manager to assume that what a worker has done in the past is quite likely to be repeated unless something significant changes. Stability of behavior, however, does not mean that people do not change. Given the right circumstances, even deeply held values and beliefs may be changed.

SUMMARY

The context of twenty-first-century organizational behavior is dynamic as a result of the changes in the economy, in the diversity of the workforce, and in the way our organizations are structured and managed. These changes have led to an increased need for managers to improve their ability at managing people. This book is a primer designed to introduce the present state of knowledge in this field. While we are limited in terms of space and time constraints, we feel we have outlined the essential elements of organizational behavior necessary for anyone who wants to improve his or her "people skills."

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