CHAPTER 1 – INTRODUCTION

CHAPTER OBJECTIVES

The introductory chapter in this book sets the tone for the rest of the course and provides several important models and concepts that are used throughout the text. There are five main themes in the chapter. First, we introduce the basic model of human behavior that shows that behavior is a function of person factors and environmental factors. Second, we discuss several current trends and challenges that make the study of organizational behavior more important and yet more complex. For example, we suggest how managerial problems will be affected by changes in the economy, in the nature of the work force, and in recent organizational and managerial practices. Third, we show the historical basis for the study of organizational behavior. Fourth, we introduce the different types of organizational performance that managers and leaders are interested in including task, contextual and ethical performance. Finally, we discuss the nature of managerial work relying heavily on the Mintzberg's work that considers the pace of managerial work and the way managers like to receive information.

One aim of this chapter is to provide the student with a general model for understanding and observing human behavior, especially in the organization setting. Such models are intended to provide focus and direction in diagnosing potential causes of behavior and in managing from more complete and accurate perceptions and information. Thus, given a behavioral problem or situation, the student should be able to identify key behavioral variables, as well as take more valid and effective action as a manager.

A second goal of this chapter is to show how quickly our work lives are changing and to encourage students to understand that managerial knowledge must change just as quickly to keep pace. We prepare the students for the consideration of globalization and an increased importance of ethical behavior that are unifying themes throughout the text. Another goal of the chapter is to develop the historical background of OB. You will be able to show how many of the concepts from the popular management books of today have an historical base.

An additional goal in this chapter is to introduce students to an expanded view of organizational behavior in terms of a multi-dimensional model of performance. The objective is to encourage students to think more broadly in terms of the behaviors that are managed to include contextual and ethical performance dimensions in additional to traditional ideas of performance.

Finally, the chapter concludes with a discussion of the nature of managerial work. The goal is to get challenge existing stereotypes that portray managers as rational and systematic planners.

CHAPTER KEY POINTS

There are several key points in this chapter. First, the case of Allen Bence is presented as an overview to focus students on the complexity of dealing with "people problems". We suspect

that, as this text is designed for advances students, many students will be taking a course that uses this text because they have already realized the need to develop these additional skills.

Second, concepts introduced in the text can be better understood in terms of their location and dynamics in models of behavior. The model presented in Figure 1.1 is a general and conventional one and serves to provide a useful framework for students that can (and will be) referred to extensively. It allows for modification by the instructor to fit his or her own approach.

Perhaps the most critical point is the pace at which our work lives our changing. We highlight this change by discussing change in the economy, workforce, and the way our organizations are managed. The globalization of business and the increase of workforce diversity are critical challenges managers face and they should be underscored at this early point in the course.

Another key idea is that it is unwise to ignore the historical context of the field. There are some antecedents of current thinking, and the mark of a person well versed in a field is to understand those.

Finally we discuss the concept of performance and highlight the three types of performance that will be covered in the text: task performance, contextual performance, and ethical performance. We argue that more effective managers have a comprehensive understanding of the building block of management that includes consideration of the individual.

TOPICAL OUTLINE

Introductory case, Allen Bence at Techtronic

The Context of 21st Entry Organizational Behavior
The Changing Economy
The Changing Work Force
Changes in Organizations and the Way They Are Managed

The Field of Organizational Behavior
A Brief Historical View of Contemporary Organizational Behavior
Antecedents of Contemporary Organizational Behavior
Contemporary Organizational Behavior

Managing Organizational Performance

What Managers Really Do

Summary

KEY CONCEPTS
Administrative theory
Bureaucracy
Contextual performance dimension
Contingency theory of organization
Ethical performance dimension
Hawthorne effect
Human relations perspective
Industrial psychology
Organizational behavior
Organizational theory
Principles of management
Scientific management approach
Specialization
Task performance dimension
Theory
Theory X
Theory Y
Work ethic

ADDITIONAL EXERCISES, CASES, AND READINGS

Within each chapter of this instructor's manual, we have provided cases and exercises to highlight key points for each chapter. These exercises are divided into those that can be used in preparation for class and those that can be used as an in-class exercise. For instructors who are interested in additional exercises, cases or readings, we have provided a list of excellent sources below. However, there are many sources available and this list is by no means complete.

D. Bowen and F. S. Hall. Experiences in Management and Organizational Behavior, 4th Ed., New York: Wiley, 1995.

A. Shani and J. B. Lau. Behavior in Organizations: An Experiential Approach, 6th Ed. Homewood, Illinois: Irwin, 1995.

D. Marcic and J Seltzer, Organizational Behavior: Experiences and Cases. South-Western, 1998.

A. Cohen, S. Fink and H. Gadon. Effective Behavior in Organizations, 6th Ed. McGraw-Hill, 1995.

D.J. Moberg & D.F. Caldwell. Interactive Cases in Organizational Behavior, 2nd Ed. Glenview, IL, 1995.

S.M. Nkomo, M.D. Fottler and R.B. McAfee. Applications in Human Resource Management, 3rd Ed., South-Western Publishing, 1996.

D. Harvey and D. Brown, An Experiential Approach to Organization Development, 5th Ed.. Prentice Hall, 1995

Specifically related to Diversity

C. Harvey & J Allard, Understanding Diversity: Readings Cases, and Exercises. Harper Collin, 1995.

M. Gentile. Managerial Excellence Through Diversity: Text and cases. Irwin, 1996.

Specifically related to International Issues

A. Franceso and B.A. Gold. International Organizational Behavior: Text, Readings, Cases, and Skills. Prentice Hall, 1997.

EXERCISES

A. ANALYZING MANAGERIAL WORK

There are a number of different ways of motivating the students to think about important issues of managing people in organizations. For example:

1. Ask the students to describe a problem that they have had when another person failed to perform some task at a desired level. Did the failure occur because the person lacked ability or motivation or was due to other factors, such as lack of resources or equipment? Then ask how they would try to overcome the deficiency.

2. Ask the students whether or not there is a difference between managers and leaders. Have them create a list of names which they can put into either category. Then discuss differences between the two lists.

B. DEALING WITH PEOPLE AS COMMON SENSE

If you open the class with a discussion of the importance of understanding human behavior by taking a course in organizational behavior, someone may argue that much of the material covered is just common sense. One way to capitalize on this point is to discuss just what "common sense" is. You can point out, for example, that ideas which seem to be common sense have contradictory alternatives. For example, have them discuss the inconsistencies between the following proverbs:

1. Out of sight, out of mind: Absence makes the heart grow fonder.

2. Every man is best known to himself: Many men are wise about other things, ignorant of themselves.

The following exercise can be distributed to students as a way of developing the point.

Exercise:

What does common sense tell you about dealing with others in organizations?

Read these eight statements about some of the subjects that are discussed in later chapters of this book. For each one, indicate whether you agree with the statement by putting a plus (+) sign or disagree by placing a minus (-) sign in the box beside it.

_____ 1. Highly motivated employees are always the best performers in their job.

_____ 2. A manager's leadership style should be consistent in all situations, otherwise his or her group will be less effective and lose confidence in the manager and the firm.

_____ 3. Those managers who achieve the highest levels of organizations, such as the CEO, are motivated primarily by success and achievement motives.

_____ 4. Charismatic leaders are born, and these skills cannot be developed because they are innate.

_____ 5. Forming a committee of highly intelligent, rational, and wise persons in times of crisis usually guarantees a good decision from them.

_____ 6. Most important decisions in large business organizations are a result of a careful, analytical decision process that is likely to result in maximizing firm performance.

Discussion
1. After reading Chapter 5 the students will know that motivation is just one element of performance. Good selection, sound compensation practices, training and good HR practices are critical for performance.

2. In Chapter 13 we discuss contingency theories of leadership which suggest that effective leadership style depends significantly on the situation.

3. In Chapter 5 we discuss the high achievement motive. It was initially thought that successful managers would have a high achievement motive that would lead to better performance, faster promotion and ultimately to higher levels of management. McClelland (1975), however, discovered that instead, top-level executives had high power motives.

4. In Chapter 13 we discuss the essential elements of developing necessary to acquire and maintain charismatic power.

5. In Chapter 11 we discuss the many factors that determine whether a decision should be made a committee or when the decision should be made individually. In addition, discussions of social influences on behavior present in our discussion of groups and decision making suggest that even groups with the most competent group of committed individuals call fall victim to groupthink and other dysfunctional social influences.

6. Our discussion of bounded rationality and satisficing in Chapter 11 challenges this "common sense" conclusion about managerial decision making.

CHAPTER 1 STUDY QUESTIONS

1. Recall a fellow employee who did things on the job that you either liked or disliked. What do you think caused the behavior? Explain.

Students should be able to cite several possible causes of the fellow employee's behavior, and avoid single cause thinking. It is also useful if causes can be kept both distinct from and antecedent to the behavior in question. This question should reveal that it is very likely that the behavior was over determined; that is, that any one possible cause could have been sufficient to trigger the behavior. Attribution theory is also relevant here, although the students will not be exposed to the theory until Chapter 4. It may be useful to consider though how a manager's reaction to the behavior would vary based on whether fellow employee's behavior was attributed to the environment or to personal characteristics.

2. What are the major managerial challenges to managing a more diverse workforce? How do those challenges differ when we are talking about gender diversity as compared to age diversity?

Culturally derived differences in beliefs, values and attitudes probably contribute to the major challenges managers will face when managing a diverse workforce. These are complicated by factors including language differences and differences in customs and other practices. These problems become even more complicated when some members of the workforce have limited exposure to members of the other group.

3. What would be the difference in a person's managerial approach if it were guided by scientific management principles as compared to being guided by concepts from organizational behavior?

One important difference is that the emphasis will be placed first on the work if one adopts a scientific management orientation. For the most part, in scientific management, jobs are

designed and fixed, then individuals fit into them. An approach using organizational behavior concepts would pay more attention to individual differences.

4. What are the main forces that gave impetus to the development of current thinking about organizational behavior and management?

In our judgment, several forces led to the current thinking about organization. Some of these are discussed in the chapter. From the academic perspective the main forces were (1) the strong criticisms of scientific management by influential writers such as March and Simon, Argyris, and McGregor and (2) the important studies by the Carnegie and Ford Foundations that advocated the introduction of both behavioral sciences and quantitative methods to business school curricula.

More recently, there has been a growing recognition of the importance of human factors, which has been precipitated by the strength of foreign competition. Basically, Japanese and European success in American markets has led managers to consider a wider range of ways to improve productivity. One of these areas is the more effective use of human resources.

5. Describe the three dimensions of performance.

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.

The **contextual performance dimension** considers how you might contribute to the effectiveness of the organization or coworkers 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. Helping a coworker with a task, lending encouragement to a coworker, 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.

The **ethical performance dimension** focuses on doing the right thing. 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.

DIVERSITY, ETHICAL AND GOLBAL ISSUES

Diversity Issues for Managers:
Mary Parker Follett: A Female Management Guru from the early 1900s

Lillian Gilbreth, who we described in our earlier "Focus on Management History," (page 6) was not the only woman who contributed significantly to the development of the field of management and organizational behavior. Mary Parker Follett was another. She was born shortly after the Civil War and died in 1933. She began her career as a social worker in Boston, but in her late 50s, she drew upon her experiences in managing vocational guidance centers and , in the 1920s, began lecturing and writing about how her experience and ideas could be applied to business.

Many important management writers, Peter Drucker, Lyndall Urwick and Warren Bennis to name a few, think that her early contributions were important, but overlooked by others who influenced management thought. For instance, among the thing she advocated many things that you will find discussed in later chapters - and attributed to other writers, usually men. For example, she argued that

> 1. It was possible to make conflict productive together by seeking an integrative solution by collaboration rather than using power over others to achieve solutions. Differences can be made to work in a positive way.
> 2. The use of authority can have negative effects. It does not flow downward but derives from the interaction of processes and people with knowledge.

Her work also emphasized the importance of participative problem-solving, high performance teams, collective responsibility and the role of business in society, concerns that are paramount today.

How precursive was her work. After reading some of her work, Warren Bennis, an important contributor to the literature on leadership, said, "It makes you wince when you sincerely believe, as I do, that what you have written about leadership was already literally bespoken by another 40 years before your precious and `prescient' sentences saw the light of day."

There are several reasons why Mary Parker Follett's work has not had the impact of other early management theorists. It could be that, as a woman, she was attempted to make a contribution in a field dominated by men. Perhaps she wasn't taken seriously because of her experience as a social worker and her emphasis on getting results by working together rather than the use of power and authority, an orientation that was more consistent with the business culture in the times that she was writing and lecturing (40, 29).

Sources: Adapted from Walsh (1995) and Nelton (1997)

A Question Of Ethics:
How Ethics Can Collapse In Organizations

Values and attitudes are the underpinnings of ethics. Ethics concerns itself with our conduct and character. It involves the study of principles and methods for determining what is right and wrong, what is good or bad, what ought or ought not be done. Ethical questions arise every day in the world of business, of course, and answers are not always easy to come by. But if a manager wants to help insure unethical behavior, including failure to raise ethical questions before taking action, here are five ways to do it.

- Surround yourself with subordinates who are young, inexperienced, enthralled with power and deep in debt. Youth, ambition and financial dependency create a subordinate unwilling to question an order or challenge a boss.
- Send a clear message that you want results at any cost. Employees are now likely act ruthlessly, hide evidence, and falsify facts.
- Be certain the CEO and chairman are tyrannical and prone to anger. Fear is a helpful tool in suppressing free thought and speech .
- When an employee's public statements bring criticism of the company, cut the employee loose. Fire them, or demote, transfer or otherwise render them persona non grata.
- When an ethical lapse is discovered, never admit anything. Conceal, spin and gloss. Here, indignation and arrogance are your friends. Trivialize or justify what you've done and brand ethical breaches as "snafus.

Where have you recently seen these behaviors?

Source: Adapted from Jennings (1996)

Global Focus:
The Universality of Management Theories

Geert Hofstede, who has written important books on the role of culture on organizations and management has raised a caution about much of the research, theory and suggestions for managers that we make in this book. His argument is that

> Management as presently used is an American invention. In other parts of the world not only the practices but the entire concept of management may differ, and the theories need to understand it may deviate considerably from what is considered normal and desirable in the USA.

He argues, for example, that American theories of leadership don't work in Japan, where they have developed their own model for the group-controlled situation in that country; that motivation strategies that work in the United States don't work in Holland; that the matrix organization structure so prominently used in the United States has had little success in France; and that overseas Chinese American firms have few characteristics of traditional U.S firms.

There are, according to Hofstede, three distinct characteristics of U.S theories that are not shared by management in other parts of the world:

1. An emphasis on market processes
2. A focus on the individual
3. A stress on managers rather than on workers

He wants to internationalize management theories so that they are more universally applicable.

> What do you think?
> Is he right?
> Why?
> How would you do this?

Source: Adapted from Hofstede (1993)

CASE DISCUSSION

Case:
Judy Jenkins' First Day in Class

Judy Jenkins was a student at Central State University. She was seeking a degree in business administration and intended to use it later in helping her father manage a construction business. Her father built residential home primarily but also did small office buildings, sheds and garages. At the beginning of her course in Organizational Behavior, the instructor talked at length about some of the topics they would cover, specifically reinforcement theory, power and politics in organizations and what happens in small groups and teams.

Judy thought that while this material might be useful in the large companies that most of her fellow students would be looking for jobs in, it was not very practical for use in her father's construction business. She had never noticed her father using any of these ideas. He just adapted to the requirements of each situation, which were always somewhat unique. She decided to talk to the instructors after class.

She wondered what the instructor would say.

What do you think was discussed?

Discussion

Unless the professor is very different from those we know, it is a good bet that Judy Jenkins was subjected to a good discussion about the role of managing even a small business like her father's. The professor will tell Judy that there is a lot of information available that would help her father to develop human resources more effectively and to manage worker motivation.