

# WEEK 1



Organizational  
Behaviour?

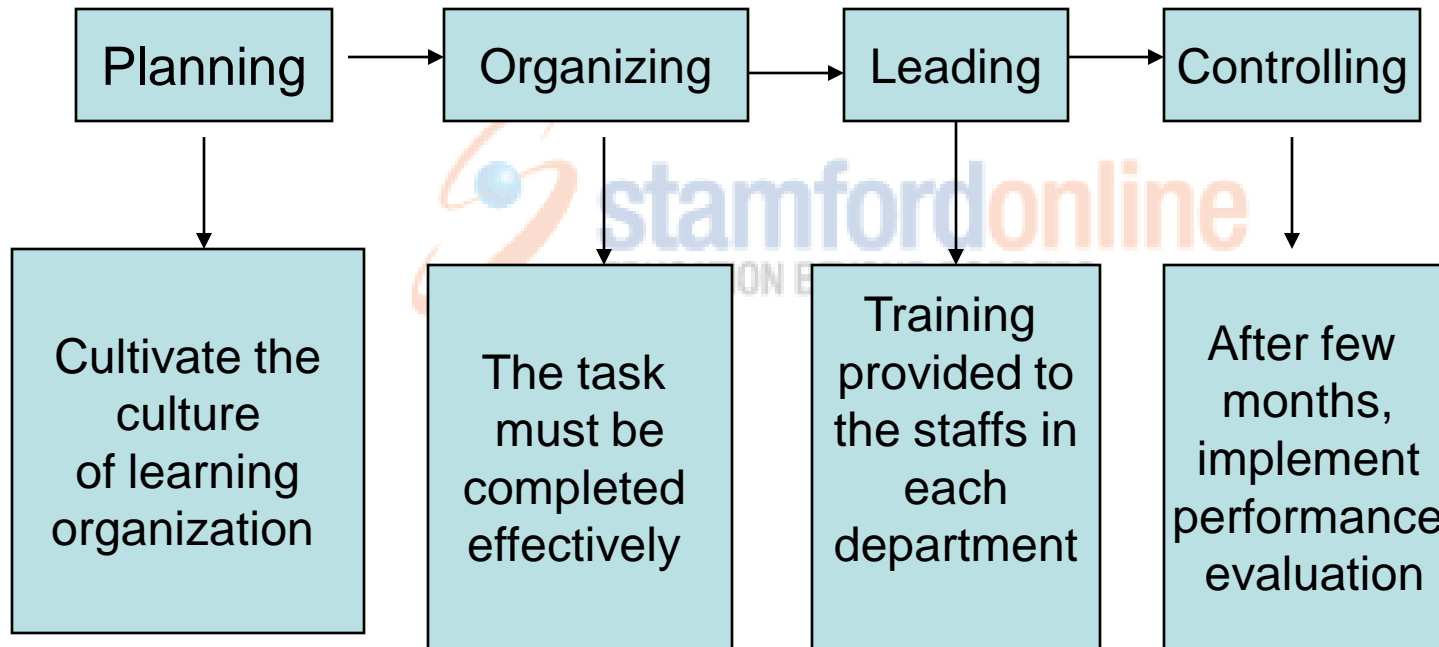
# What Managers Do?

- **Manager** – Individual who achieves goals through other people
  - They make decisions, allocate resources, and direct activities of others to attain goals.
  - For instance, marketing department manager assigns goals to a salesman – ‘a target of \$20,000 must be achieved in a month’
- **Organization** - A consciously coordinated social unit, composed of two or more people, that functions on a relatively continuous basis to achieve a common goal.
- Examples of organizations: hospitals, churches, schools, police stations, retail stores, etc

# Management Functions

- French Industrialist – **Henri Foyal** wrote that managers perform five management functions: they plan, organize, command, coordinate and control
- In fact, the management functions consist of:
- **Planning** - Includes defining goals, establishing strategies, and developing plans to coordinate activities
- **Organizing** - Determining what tasks are to be done, who is responsible, how the task should be grouped, who reports to whom, and what decisions are to be made.
- **Leading** - Includes motivating subordinates, selecting the most effective communication channels, and resolving conflicts.
- **Controlling** - Monitoring activities to ensure they are being accomplished as planned and correcting any significant deviations.

# Example Of Manager Implementing Management Functions



# Management Roles

- **Henry Mintzberg** - He concluded that managers should have ten different roles; they include:
- **Interpersonal roles** – *Figurehead* (symbolic head), *Leader* (responsible to motivate), *Liaison* (maintains network)
- **Informational roles** - *Monitor* (receives information), *Disseminator* (transmits information internally), *Spokesperson* (transmits information externally)
- **Decisional roles** - *Entrepreneur* (searches the environment), *Disturbance handler* (solves the conflict), *Resource allocator* (approves decision), *Negotiator*(represents organization in negotiations)

# Management Skills

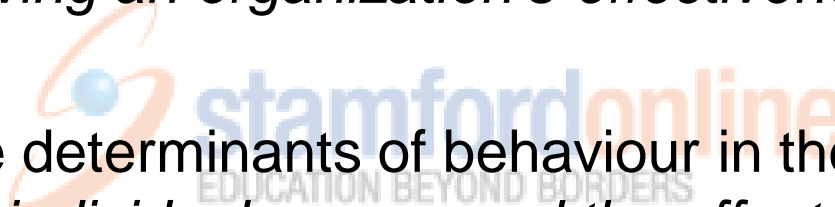
- Robert Katz - He had actually identified *three essential management skills*:
- **Technical skills** - encompasses the ability to apply specialized knowledge or expertise
- For instance, doctor's surgery skills, lecturer's presenting skills, technician's repairing skills
- **Human skills** - the ability to understand, work with, and motivate other people, both individually and as a group
- For instance, the manager willing to listen to the grievances of the employee
- **Conceptual skills** - the mental ability to analyze and diagnose complex situations
- For instance, anticipating the future situations that can arise

# Effective Versus Managerial Activities

- The managers are basically engaged in four managerial activities:
- **Traditional management:** Decision making, planning, controlling
- **Communication:** Exchanging routine information and processing paperwork
- **Human Resource Management:** Motivating, disciplining, managing conflict, staffing and training
- **Networking:** Socializing, politicking, interacting with outsiders
- Based on research: *the networking contributes as the largest relative factor to be effective managers*

# Organization Behaviour

- OB is a *field of study that investigates the impact of individuals, groups, and structure on the behaviour within an organization for the purpose of applying such knowledge towards improving an organization's effectiveness*
- It studies three determinants of behaviour in the organizations: *individual, group, and the effect of structure on behaviour* in order to make the organization's work effective



# Replacing Intuition With Systematic Study

- **Systematic study** - Looking at relationships, attempting to attribute causes and effects, and drawing conclusions based on scientific evidence
- **Intuition** - A feeling not necessarily supported by research, it is also known as gut feeling
- Behaviour is predictable as an individual perceives the situation and decides what is important to him/her (for instance, fresh graduates and experienced workers behave differently)
- *The school of thought in OB is encouraged to apply systematic study rather than intuition in prediction of the workers' behaviours*
- For instance, I. Happy workers are productive workers.  
II. Money will motivate all workers.

# Challenges And Opportunities For OB

- **The Creation Of A Global Village** - Globalization affects a manager in at least two ways, foreign assignment and adopting to the culture of foreigners
- **Work Diversity** - The increasing heterogeneity in organizations with the inclusion of different groups in terms of gender, races, and ethnicity
- For instance, more women work in managerial posts in Japan, more generalization – Z work in the organization
- **Towards improving Quality And Productivity** - This refers to TQM and reengineering. TQM refers to constant attainment of customers satisfaction through continuous improvement of all organizational processes; whereas, reengineering refers to how to restructure the organizational process to achieve effectiveness

# Challenges And Opportunities For OB

- **Improving people skills** - It is about how to be an effective listener, the proper way to give feedback, how to delegate authority, and how to create team work
- **Empowerment** - It refers to delegating authority to the employee to make a decision. For instance, the workers have freedom to choose their own schedule and procedures to solve the problem
- **Flexibility** - It refers to the degree of freedom to the employees in the working schedules. For instance, telecommuting replaced the fixed working schedules and subcontracting of non-critical services
- **Improve Ethical Behaviour** - It refers to the right conduct in the working place. For instance, no indict padding in the organization's expenses account, no bribery

# Contributing Disciplines To The OB Field

- **Psychology** - The science that seeks to measure, explain, and change the behaviour of humans and other animals
- The psychological factors include: learning, personality, stress, motivation, leadership, etc
- **Sociology** - The study of people in relation to their fellow human being. The factors include: group, team, organization structure, organization culture, etc
- **Social Psychology** - An area within psychology that blends concepts from psychology and sociology and that focuses on the influence of people on one another. The factors included are: communication, attitude change, etc

# Contributing Disciplines To The OB Field

- **Anthropology** - The study of societies to learn more about human being and their activities. The factors include: values, attitude, etc
- **Political science** - the study of the behaviour of individuals and groups within a political environment. The factors include: power, conflict, etc

# Developing An OB Model

- **Model** - Abstraction of reality, represent some real-world phenomenon, for instance, **Brave + Hardworking = Success**
- Dependant variable - A represents that is affected by an independent variable; they include:
- **Productivity** - A performance measure including effectiveness and efficiency
- **Effectiveness** - Successfully meeting the goals
- **Efficiency** - Achieving goals with low cost
- **Absenteeism** - Failure to report to work, not all the absenteeism are bad, *illness fatigues can lead to inefficiency in work*

# Developing An OB Model

- **Turnover** - Voluntary or involuntary permanent withdrawal from the organization, *high turnover leads to high recruiting, selecting, training costs; but it can be positive as the underperforming workers will be left out*
- **Job satisfaction** - A general positive attitude toward one's job because one's happy with the reward received



# The Independent Variable

- **Independent Variable** - The presumed cause of some change in the dependent variables
- **Individual-level variables:** *The new worker is like an old car; the performance is in 'low-mileage' or 'torn-out'*. In fact, it depends on the personal issues like personality, character, perception, etc
- **Group-level variables** - The behaviour of the group is more than the sum total of all the individuals acting in their way; this must be referred to solve the group conflict
- **Organization system level variables** - Organizational behaviour reaches its highest level of sophistication when adding formal structures to the previous knowledge of individual and group variables

# Questions

- I. Define Organization Behaviour, related to management.
- II. “Behaviour is generally predictable. So, there is no need to study OB”. Do you agree with this statement?
- III. What is an organization? Explain with an example.
- IV. Identify and contrast the three general management roles.