Introduction to Organizing

- Basic Elements of Organizing (Weber)
  1. The overall work of the organization is broken down into appropriate tasks.
  2. Members know what their specific sub-tasks are.
  3. Members know whom they should defer to.
  4. Members’ task performance fits together meaningfully with their coworkers.

Figure 10.1: The Four Fundamental Pillars of Organizing

- Standardization
  - Emphasizes developing uniform practices for organizational members to follow in doing their jobs—ensures that work activities are being completed in the best way.

- Specialization
  - Emphasizes grouping standardized organizational tasks into separate jobs—ensures that members know what sub-tasks they should perform.

Four Mainstream Fundamentals of Organizing (cont’d)

- Centralization
  - Emphasizes having decision-making authority rest with managers at the top of an organization’s hierarchy—ensures orderly deference among members;

- Departmentalization
  - Emphasizes on grouping members and resources together to achieve the work of the larger organization—ensures that members work together harmoniously.

Multistream Organizing Fundamentals

- Experimentation
  - On-going voluntary implementation of new ways of performing tasks on a trial basis—ensures that work activities are completed in the best way.

- Sensitization
  - Searching for and responding to needs and opportunities to improve the status quo—ensures that members know what sub-tasks they should perform.
Multistream Organizing Fundamentals (cont’d)

• Dignification
  – Treating everyone with dignity and respect in community—ensures orderly deference among members.

• Participation
  – Emphasizing mutuality by giving stakeholders a voice in how the organization is managed and how jobs are performed—ensures that members work together harmoniously.

Introduction to Human Resource Management

• Human Resource Management (HRM)
  – Developing, organizing, and administering the people systems of an organization.

  • Principal activities
    1. Identify what people need to do (Job analysis and planning).
    2. Get the right people on board (Staffing).
    3. Provide sufficient feedback and rewards for people (Performance management).
    4. Prepare and develop the people (Training and development).

Mainstream HRM (cont’d)

• Step 1: Job analysis and planning
  – The main objective is to create defensible, verifiable specifications and descriptions that are independent of any particular person.

  • Job analysis
    – Involves identifying the knowledge, skills, abilities, and other characteristics (KSAOs) that are necessary for a specific job.

  • Job description
    – Specifies what is done as well as the knowledge, skills, education and training, credentials, prior experience, physical abilities and other characteristics that are required.

Mainstream HRM (cont’d)

• Step 2: Staffing
  – Staffing
    • Identifying, attracting, hiring, and retaining people with the necessary KSAOs to fulfill responsibilities of current and future jobs in the organization.

  • Recruitment
    – Identifying and attracting the people with the essential KSAOs.

  • Selection
    – Choosing who to hire among job applicants or recruits.
Mainstream HRM (cont’d)

• Step 3: Performance Management (cont’d)
  – Performance management
    • Processes used to ensure that employees’ activities and outputs are aligned with the organization’s goals
  – Components of performance management
    • Performance appraisal
    • Compensation

Mainstream HRM (cont’d)

• Step 3: Performance Management (cont’d)
  – Performance appraisal
    • Specifying what performance is expected and then providing feedback on the assessment of performance
  – Types of performance appraisals
    • Administrative appraisal—used to justify pay and promotion decisions
    • Developmental appraisal—used to provide feedback on progress toward expectations and to identify areas for improvement.

Mainstream HRM (cont’d)

• Step 4: Training and Development
  – Training methods
    • On-the-job (OJT)
    • Off-the-job
    • Classroom
  – Training effectiveness
    • Trainee interest and aptitude
    • Training content
    • Transfer of training to work environment
  – Evaluation of training

Mainstream HRM (cont’d)

• Step 4: Training and Development
  – Career development
    • Succession planning
      – Identifying talented employees that have potential of succeeding in jobs of increased responsibility within the organization.
    • Mentoring
      – Involves senior managers providing junior managers with clear directions, accurate feedback, expert advice, and support within their own organization.
Principles of Management
Dyck / Neubert

Chapter 13
Organizational Change

Introduction to Organizational Change

• Organizational Change
  – Any substantive modification to some aspect of an organization—technology, structures, people, mission, and values.

• Change Process
  1. Recognize the need for change
  2. Un-freeze
  3. Change
  4. Re-freeze

Mainstream Four-Step Change Process

• Step 1: Recognize the need or opportunity for change
  – Focus: changes that maximize profits, efficiency, productivity and competitiveness.
  – Approach: identify change source
    • Internal—existing operations
    • External—loss of resources, consumer buying habits, and actions of competitors
  – Response: create sense of urgency

Mainstream Four-Step Change Process (cont’d)

• Step 2: Unfreeze—Prepare for Change
  – Focus: prepare members for change.
  – Top-down approach:
    • Ensure members understand the need for change
    • Reduce resistance to change
    • Create openness and willingness to change
  – Response: get “buy-in”/create dissonance
    • Push tactics—“burning platform”
    • Pull tactics—inspirational, opportunity appeal

Why Resistance to Change Occurs

• People believe that change will:
  – Negatively affect the psychological contract.
  – Alter relationships between the member’s personal identity, job, and the organization’s identity.
  – Create uncertainty and ambiguity that upsets the status quo
Mainstream Four-Step Change Process (cont’d)

• Step 3: Change
  – Focus: putting change ideas into practice.
  – Approach:
    • Building support
    • Overcoming resistance
    • Ensure that innovations are implemented.
  – Goal: ensure that organizational members are committed to the change.

Mainstream Four-Step Change Process (cont’d)

• Step 4: Refreeze (cont’d)
  – Refreezing stage
    • Managers make adjustments to the design of the organization (structure) and human resource management systems.
    • Managers reinforce structural and system changes so that the new ways of doing things are repeated and rewarded.

Multistream Four-step Change Process

• Multistream Process
  – Step 1: Sensitization to change.
  – Step 2: Dignification when others are invited to help with change.
  – Step 3: Participation that involves other aspects of the organization.
  – Step 4: Experimentation with implementing changes and celebrating successful changes.

Figure 13.3: How Managers Can Increase Members’ Commitment to Change

Figure 13.4: A Multistream Approach to Managing the Four-step Change Process

Principles of Management
Dyck / Neubert

Chapter 14
Control
Introduction to Control

- Controlling
  - Ensuring that actions of organizational members are consistent with its underpinning values and standards.
- The Four-Step Control Process:
  1. Establish key performance standards
  2. Monitor performance
  3. Evaluate performance
  4. Respond accordingly

Mainstream Approach to the Four-Step Control Process

- Step 1: Establish performance standards
  - A value chain—the sequence of activities needed to convert an organization’s inputs into outputs—is a crucial tool for helping managers identify and establish key performance standards

Figure 18.1: The Three Basic Parts of a Value Chain

<table>
<thead>
<tr>
<th>Inputs</th>
<th>Conversion Processes</th>
<th>Outputs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raw materials</td>
<td>The variety of activities that occur within an organizational unit that add value to its inputs as it creates its outputs</td>
<td>Final products</td>
</tr>
<tr>
<td>Capital and human resources</td>
<td>Different products and services that flow from an organizational unit</td>
<td></td>
</tr>
</tbody>
</table>

Figure 18.2: Examples of Value Chains

Mainstream Approach to the Four-Step Control Process (cont’d)

- Step 2: Monitor performance
  - Data
    - Facts and figures, some of which managers deem to be useful but the majority are not.
  - Information
    - Data that have been given meaning and deemed to have value.
  - Information system
    - Helps managers monitor performance by identifying, collecting, organizing and disseminating information.

Mainstream Approach to the Four-Step Control Process (cont’d)

- Step 3: Evaluate performance
  - Compare information collected in second step to goals or standards in the first step.
  - Evaluate system or individual performance?
- Total Quality Management (TQM)
  - Seeking continuous improvement in work systems so that products or services better meet the quality desired by customers.
Deming on Quality

- There will always be variation in the performance of systems and workers.
- Individual performance is determined more by systemic (organizational) factors than by the individual.
- It is management’s responsibility to improve the systems.
- Less variation yields higher quality output

Mainstream Approach to the Four-Step Control Process (cont’d)

- Step 4: Respond accordingly
  - Reward, punish, and train workers as appropriate.
  - Fine-tune and improve each step in the control system.
  - “Change-for-the-better” (kaizen) event
    - 1st day—learning about value chains
    - 2nd day—describing organization’s value chain
    - 3rd day—identifying how to improve the value chain

Mainstream Natural Bases of Motivation

- Personality
  - Is the unique and relatively stable pattern of behavior, thought and emotions shown by individuals.
  - Is rooted in an individual’s biological makeup much more than in the individual’s background or upbringing.

Mainstream Natural Bases of Motivation (cont’d)

- Myers-Briggs Type Indicator (MBTI)
  - Is based on Carl Jung’s theory of psychological types.
  - Was developed to make the insights of type theory broadly accessible.
  - Is less evaluative in terms of “good” and “bad” and is more focused on description and understanding.

Mainstream Natural Bases of Motivation (cont’d)

- Innate Needs (cont’d)
  - Hierarchy of needs (Maslow)
    - People are motivated to satisfy five need levels: physiological needs, safety needs, belongingness needs, esteem needs, and self-actualization needs.
    - The most basic or compelling needs—physical and safety needs—are at the bottom, and esteem and self-actualization needs are at the top.
Mainstream Natural Bases of Motivation (cont’d)

• Innate Needs (cont’d)
  – ERG theory (Alderfer)
    • Need categories:
      – Existence needs
      – Relatedness needs
      – Growth needs
    • Frustration-regression principle
      – People who are unable to satisfy higher-order needs at a basic level will compensate by focusing on over-satisfying lower-order needs.

Mainstream Natural Bases of Motivation (cont’d)

• Innate Needs (cont’d)
  – Two-Factor Theory (Herzberg)
    • Hygiene factors (sources of job dissatisfaction)
      – Working conditions, pay, company policies and interpersonal relationships.
    • Motivator factors (sources of job satisfaction)
      – Interesting work, autonomy, responsibility, being able to grow and develop on the job, and a sense of accomplishment and achievement.

Mainstream Natural Bases of Motivation (cont’d)

• Innate Needs (cont’d)
  – Job Characteristics Model
    • The motivational potential of a job is increased by improving the meaningfulness (skill variety), autonomy (responsibility and task identity), and feedback (task significance) associated with the job.

Mainstream Natural Bases of Motivation (cont’d)

• Innate Needs (cont’d)
  – General conclusions:
    • People have needs and seek to meet those needs, in part, in the context of organizations.
    • Low level needs are important to people, but higher needs are powerful sources of internal motivation.

Mainstream Nurtured Bases of Motivation

• Acquired Needs Theory (McClelland)
  – People may be born with needs, but certain needs are developed or learned through life experiences and interactions with the surrounding environment.
    • Need for achievement
    • Need for affiliation
    • Need for power
    • Need for fairness
Mainstream Nurtured Bases of Motivation (cont’d)

• Desires for Achievement
  – Goal-setting theory
    • Appropriate use of goals can increase performance.
    • Goals should be SMART (specific, measurable, achievable, results-oriented, and time-specific).
    • The more committed employees are to reaching a goal, the more motivated they will be to reach it.

Mainstream Nurtured Bases of Motivation (cont’d)

• Desires for Achievement (cont’d)
  – Self-efficacy
    • A person’s belief that they are able to complete a task successfully.
  – Self-fulfilling prophecy effect
    • Subordinates often live up (or down) to the expectations of their managers.

Mainstream Nurtured Bases of Motivation (cont’d)

• Desires for Achievement (cont’d)
  – Expectancy theory (Victor Vroom)
    • Motivation depends on an individual’s learned expectations about their ability to perform certain tasks and receive desired rewards.

Mainstream Nurtured Bases of Motivation (cont’d)

• Desires for Achievement (cont’d)
  – Expectancy Theory (cont’d)
    • Expectancy
      • The perceived probability that exerting a given amount of effort will result in a certain level of performance.
    • Instrumentality
      • The perceived probability that performing at a certain level results in a desired outcome.
    • Valence
      • The value an individual attaches to an outcome.

Mainstream Nurtured Bases of Motivation (cont’d)

• Desires for Equity
  – Equity theory (J. Stacy Adams)
    • People are motivated to seek and preserve social equity in the rewards they expect for performance.
    • Social comparisons: people evaluate equity by a ratio of job inputs to job outcomes.
      • Inputs: education, experience, effort, and ability
      • Outcomes: pay, recognition, benefits, and promotions.
Mainstream Nurtured Bases of Motivation (cont’d)

• Desires for Equity (cont’d)
  – Reactions to inequity:
    • Lowering inputs—putting in less effort (self)
    • Asking for a pay raise or higher outcomes (self)
    • Pressuring others to provide more inputs (others)
    • Attempting to limit or reduce others outcomes (others)
    • Rationalizing the differences (both)
    • Changing situation by leaving the job

Mainstream Nurtured Bases of Motivation (cont’d)

• Desires for Affiliation
  – Organizational commitment
    • The motivational force that binds a person to a particular organization.
  – Benefits of affective commitment:
    • Lower turnover costs
    • Increased productivity (positive contributions)
  – Principle of exchange
    • People are motivated by affiliations if they receive benefits that are in their self-interests.

Mainstream Nurtured Bases of Motivation (cont’d)

• Desires for Individual Power
  – The importance of power
    • People will be motivated to work hard to acquire power and thereby fulfill their need for power.
    • Once they have it, people can use their power to help motivate others

Principles of Management

Dyck / Neubert

Chapter 16
Leadership

Leadership and Management

• Transactional Leaders
  – Focus on fair exchanges with members to motivate achieving goals by:
    • Clarifying role or task requirements
    • Setting up structures
    • Providing appropriate rewards
    • Being considerate of the needs of subordinates
  – Personal characteristics:
    • Take pride in running smoothly and efficiently
    • Have a sense of commitment to the organization
    • Encourage conformity to norms and values
Leadership and Management

• Leadership
  – The process of influencing others so that their work efforts lead to the achievement of organizational goals.

• Leadership versus Management
  – Are leading and managing different functions?
    • Are leaders managers?
    • Are there substitutes for leadership?

Leadership and Management (cont’d)

• Transformational Leaders
  – Focus on inspiring change in members and the organization by:
    • Inspiring and arousing others to unite in seeking extraordinary performance accomplishments
    • Challenging the status quo and stimulating change in the organization’s mission, strategy, structure, and culture

Mainstream Leadership

• Leadership Traits
  – The desire to lead
  – Drive
  – Self-confidence
  – Honesty and integrity
  – Intelligence and job-relevant knowledge

• Charisma
  – A special trait or “gift” that some leaders have to attract and inspire others.

Mainstream Leadership (cont’d)

• Charismatic Leader Traits
  – Are enthusiastic and self-confident
  – Relate to others on an interpersonal level
  – Are superior motivators
  – Persuasive communicators of their vision
  – Are risk takers
  – Are sensitive to follower needs
  – Display extraordinary behaviors in pursuit of their vision

Mainstream Leadership (cont’d)

• Leadership Behavior
  – Dimensions of leadership behavior
    • Consideration
      – Supportive, relational, and/or employee-oriented
      – Related to employee satisfaction
    • Initiating structure
      – Directive, structural, and/or task-oriented

Digital Vision at Getty Images®
Mainstream Leadership (cont’d)

• Situational (Contingency) Leadership
  – The situation determines which leadership style is effective at maximizing productivity.
  – An effective leadership style in one situation will not necessarily work in another situation.

• Contingency Models
  – Fiedler’s Contingency Theory
  – House’s Path-Goal Theory
  – Hersey and Blanchard’s Situational Leadership

Mainstream Leadership (cont’d)

• Fiedler’s Contingency Theory
  – Assumes that a leader’s style is either relationship-oriented or task-oriented and that this style is fixed.
  – Leaders will need to seek out or be assigned positions that fit their style.

• Situational Contingencies
  – Leader-member relations
  – Task structure
  – Position power

Mainstream Leadership (cont’d)

• House’s Path-Goal Theory
  – Focuses on what leaders can do to motivate and align their employees’ behavior to achieve organizational goals.
  – Leader’s role is direction and support by:
    1. Clearly identifying the outcomes subordinates are trying to obtain in the workplace
    2. Rewarding high performance and the attainment of work goals
    3. Clarifying for subordinates the path that will bring about the attainment of work goals

Mainstream Leadership (cont’d)

• Hersey and Blanchard’s Situational Leadership Theory
  – Focused on the characteristics of followers (personal readiness) in determining appropriate leadership behavior.

• Situational Leadership II (Blanchard)
  – Posits basing leadership style on developmental level of subordinates
    • Competence (formerly ability)
    • Commitment (formerly willingness)

Mainstream Leadership (cont’d)

• Integrated Mainstream Leadership Theory:
  – Behavioral perspective: a leader’s style can be described as a combination of supportive (relational) and directive (task-oriented) behaviors.
  – Leadership style depends on contingencies, particularly a member’s or follower’s competence and commitment.

Principles of Management

Dyck / Neubert

Chapter 18
Communication
Introduction to Communication

- Communication
  - Is the process of transferring information by using meaningful symbols so that a message is understood by others.
  - Can be downward, upward or horizontal.

The Communication Process

- Steps in the Communication Process
  1. Sender identifies an idea or a message that is to be communicated.
  2. Sender selects the medium and encodes and transmits the message.
  3. Receiver hears and decodes the message.
  4. Information travels from the receiver to the sender.

Figure 17.1: The Four-step Communication Process

Figure 17.2: Richness of Communication Media

Table 17.1: Hallmarks of Active and Poor Listening

<table>
<thead>
<tr>
<th>Active Listening</th>
<th>Poor Listening</th>
</tr>
</thead>
<tbody>
<tr>
<td>Concentrate oral and nonverbal messages.</td>
<td>Mind wanders, thinking of what to say next.</td>
</tr>
<tr>
<td>Eye contact, nodding, mirroring body language.</td>
<td>Being easily distracted (e.g., multitasking).</td>
</tr>
<tr>
<td>Appear oriented, absorbing information.</td>
<td>Anticipating and pre-judging what the person will say, impatient.</td>
</tr>
<tr>
<td>Providing feedback, paraphrasing, clarifying.</td>
<td>Assuming the message was intended as intended.</td>
</tr>
</tbody>
</table>