MANA 6332

Organizational Behavior and Management

Class Notes

Department of Management
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Instructor:
Dale Rude

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Decision Making: The Garbage Can Model of Choice

LEARNING OBJECTIVE: decision making: creativity, Campbell's model of creativity, the garbage can model, assets and liabilities of groups and individuals for making decisions, winner's curse, nonrational escalation of commitment (five conditions for commitment, factors that further enhance commitment, remedies), heuristics and biases, cohesiveness, groupthink (antecedent conditions, remedies)

1. This model incorporates randomness into its view of decision making. A decision is an outcome or interpretation of several relatively independent streams within an organization.

2. The four streams are
   a) Problems: require attention; are distinct from choices and may not be resolved when choices
       are made.
   b) Solutions: someone's product; an answer looking for a question
   c) Participants: people who come and go; their participation varies due to other demands on their time
   d) Choice opportunities: occasions when an organization is expected to produce a behavior called a decision; contracts must be signed, people hired or fired, dollars spent

3. These streams are not independent. Participants can be viewed as carriers of problems and solutions.

Decision Making: Assets and Liabilities of Group Problem Solving

1. Assets
    a) Greater total sum of knowledge and information
    b) Greater number of approaches
    c) Participation in problem solving produces higher acceptance and understanding of decision and commitment to it.

2. Liabilities
    a) Requires more time.
    b) Group sometimes ignores individual expertise.
    c) Decision process may be dominated by one individual.
    d) Creates possibility of group think.

Decision Making: Heuristics and Biases

1. Availability-managers assess the frequency, probability, or likely causes of an event by the degree to which instances or occurrences of that event are readily "available" in memory.

2. Representativeness (see perception for more information)-assign to categories (called schemas) based upon simple resemblance or "goodness of fit" to individual categories and react based upon characteristics of that category

3. Anchoring and adjustment-assess by starting from an initial value and adjusting it to yield a final value/decision.

Decision Making: The Winner's Curse

1. In an auction setting, the bidders will have a variety of estimates concerning the worth of the item being offered. The mean of their estimates may approximate the true value of the offered item (as posited by the rational model of decision making). However, it is the person with the highest estimate of value who will win the auction. Thus, this person will pay too much. The winner has won the auction with the highest bid but is cursed in that she/he paid too much. The winner's curse decreases as bidders gain experience.

Decision Making: Nonrational Escalation of Commitment

1. Background: Attitude
   a) components
      i) affect: favorable or unfavorable feelings
      ii) cognition: beliefs, knowledge, understanding
      iii) behavioral intention: what a person plans to do
   b) common belief: "Attitude causes behavior"
   c) commitment theory shows that in addition, "Behavior causes attitudes"

2. Step One: Commitment to an initial decision
   a) Defn of commitment: binding of an individual to behavioral acts.
   b) The degree of commitment derives from the extent to which a person's behavior occurs under the
      following five conditions:
      i) explicitness: affected by the observability and unequivocality of the act
      ii) irrevocability: reversibility of the action; some actions are permanent and having occurred
         cannot be undone
      iii) volition: degree of perceived choice in a situation; people are simultaneously free and
         constrained in their actions; factors affecting volition are (1) choice, (2) presence of external
         demands, (3) presence of extrinsic bases to action, (4) presence of other contributors to action
      iv) publicity: extent to which others know of the action and the kinds of persons who know (e.g.,
         friends vs. strangers)
      v) opportunity for reflection: person thinks about behavior; if the other four conditions are
         present, the person tends to attribute the causality for the behavior to him/herself
         If the act is consistent with the attitude, the attitude will be strengthened. If the act is
         inconsistent with the attitude, the attitude will be weakened.

3. Step Two: Factors which facilitate further commitment of resources to the decision
   a) perceptual biases: filter information; attending more to information which is consistent with
      initial
      decision
   b) judgmental biases: loss of initial investment (sunk cost) will bias one to continue commitment

c) external image management (KYAC): selectively provide information in support of initial decision
   and seek to appear consistent

d) competitive irrationality: two parties engage in an activity that is clearly irrational in terms of
   outcomes to both sides; yet it is hard to specify irrational actions by each party

4. Step 3: Nonrational escalation of commitment to a decision
   a) definition: the degree to which an individual escalates commitment to a previously selected
      course
      of action to a point beyond that which a rational model of decision making would prescribe.

5. Ways to avoid nonrational escalation of commitment
   a) Set limits on your involvement and commitment in advance
   b) Avoid looking to other people to see what you should do
   c) Actively determine why you are continuing
   d) Remind yourself of the costs involved
   e) Remain vigilant (escalation is often a passive response; must constantly reassess the costs and
     benefits of continuing)

6. Leverage points

Decision Making: Creativity

1. Creativity
   a) Definition: process that results in a <u>novel</u> and <u>useful</u> work.
   b) Is overly dramatized as an unconscious mystical process.
   c) Campbell's model
     i) A problem presents itself to a person who then generates "thought trials" (defined as imaginary
           experiences) while attempting to find a solution.
     ii) The generation process is more or less random, blind, and lacking in foresight.
     iii) After generation, a thought trial is evaluated. Trials which don't meet the criteria are discarded.
     iv) The process continues until a satisfactory alternative is found.

2. Leverage points:
   a) problem definition
   b) number f thought trials
   c) variety of thought trials

Decision Making: Cohesiveness

1. Definition: a group's sense of unity or togetherness

2. Determinants
      a) similar attitudes held by group members
      b) group is successful in its efforts
      c) group has a clear sense of how to achieve its goals
      d) the group's conflict management style is effective
      e) group members frequently reinforce one another.
      f) size-optimum size is not clear but should not be too big.

3. Relationship of cohesiveness to productivity is an inverse U shape. As cohesiveness increases, so does productivity. After that point, productivity decreases a cohesiveness continues to increase.

Decision Making: Groupthink

1. Definition: a phenomenon that occurs in highly cohesive groups when the members ignore evidence and opinion contrary to their own views and disregard alternative choices, in order to preserve their feelings of unity. Groupthink often leads to a faulty decision.

2. Antecedent conditions of groupthink
      a) moderately high or very high cohesiveness,
      b) insulation of the policy-making group,
      c) lack of tradition which inhibits leadership bias,
      d) lack of rules or norms about methods or procedures, and
      e) homogeneity of members' social background and ideology.

3. Symptoms of groupthink
      a) illusion of group's invulnerability
      b) belief in the inherent morality of the group
      c) collective rationalizations
      d) stereotypes of the outgroup
      e) self censorship
      f) illusion of unanimity
      g) direct pressure on dissenters
      h) self-appointed mindguards

4. Consequences of groupthink
      a) incomplete survey of alternatives
      b) incomplete survey of objectives
      c) failure to examine risks of preferred choice
      d) failure to reappraise initially rejected alternatives
      e) poor information search
      f) selective bias in processing information at hand
      g) failure to work out contingency plans
      h) LOW PROBABILITY OF SUCCESSFUL OUTCOME

5. Remedies for groupthink
      a) leader should assign role of critical evaluator to each member
      b) leaders should avoid stating preferences and expectations at outset
      c) each member of the group should routinely discuss the groups' deliberations with a trusted associate and report back to the group on the associate's reactions
      d) one or more experts should be invited to each meeting on a staggered basis. The outside experts should be encouraged to challenge views of the members.
      e) at least one articulate and knowledgeable member should be given the role of devil's advocate (who questions assumptions and plans)
      f) leaders should make sure that a sizeable block of time is set aside to survey warning signals from rivals; leader and group construct alternative scenarios of rivals' intentions.

Decision Making: Expertise

1. Dreyfus and Dreyfus (1986) identify five stages in the development of expertise: novice, advanced beginner, competence, proficiency, and expertise (see below). The novice often has limited knowledge and practice. During the first stage of the acquisition of a new skill through instruction, the novice learns to recognize various objective facts and features relevant to the skill and acquires rules for determining actions based upon those facts and features. Elements of the situation to be tested as relevant are so clearly and objectively defined for the novice that they can be recognized without reference to the overall situation in which they occur. Through practice, the novice develops skills with the rules and internalizes them. With much practice they modify and develop their own knowledge structures with the rules having served as a useful beginning and base.

       Novice: learning of rules in a context free manner (without reference to overall situation)

       Advanced beginner: situation is now incorporated in many decisions

       Competence: rules organized into a hierarchy

       Proficiency: intuition develops

       Expertise: holistic; intuitive, deep situational understanding

2. Simon (1986) concludes that achieving a world class level of expertise in a new field (e.g., research methods) requires 10 years of intensive study. Simon says that intuition consists of analyses that are frozen into habit and into the capacity for rapid response through recognition. (Hammond responds that this is fast analysis not intuition.)

Decision Making Problems

1. At semester's end, as Richard thought about the final exam for this class, he concluded that it would be very difficult. Each of the heuristics (availability, representativeness, and anchoring & adjustment) could have been used by Richard in arriving at his conclusion. Explain how each of the three heuristics could have been used by Richard to arrive at the conclusion he did.

2. Assume that a federal budget of $10 billion is allocated for AIDS research and that you are in charge of administering it. Apply Campbell's model of creativity and devise a plan for a national research structure for fighting AIDS. Some aspects to consider: To how many researchers would you give money? How many different research approaches would you want to fund?

3. The Rock and Roll Hall of Fame in Cleveland, OH honors musicians for their creative contributions to music. During his induction into the Rock and Roll Hall of Fame, Bruce Springsteen said, "We (the members of the Hall of Fame) share only one thing. We don't fit in." Use Campbell's model of creativity to explain how not "fitting in" could help one create great music.

4. Present a plan for structuring the MBA program (admissions, course work, expenses, etc.) to maximize student commitment to the University of Houston and the Bauer College of Business.

5. Early in August, 1990, Iraq invaded Kuwait. As events unfolded in the days and weeks following the invasion, the Bush administration focused on sending troops and military aid to Saudi Arabia in order to prevent an Iraqi invasion of Saudi Arabia. Then, during a televised news conference, Bush shocked his cabinet and advisors by unexpectedly announcing that Iraq would be expelled from Kuwait. From this point on, Bush focused on liberating Kuwait and would accept no other alternative.
    Apply all three steps of escalation of commitment theory to explain how this statement might have altered the course of the conflict with Iraq.

Personality Theory

LEARNING OBJECTIVE: personality. Be able to describe in your own words and to apply the perceptual and decision making dimensions measured by the Myers-Briggs Type Indicator. Be able to articulate and defend a position concerning the usefulness of the concept of personality for managers. Be able to describe and apply trait, situational and interactionist personality approaches.

Background--Endler and Edwards

The term personality evolved from the Latin word persona, the mask worn in the classical theater. The wearer of the mask could be expected to display a more or less consistent pattern of behavior and attitudes throughout the performance. The term later came to refer to the wearer of the mask as well. The distinction between mask definitions, which focused upon surface, and the substance definitions focusing on inner core or personality.

Trait Theory--Gordon Allport

Behavior = f(Person)

In everyday life, no one, not even a psychologist, doubts that underlying the conduct of a mature person there are characteristic dispositions or traits. His enthusiasms, interests, and styles of expression are far too self-consistent and plainly patterned to be accounted for in terms of specific habits or identical elements. Nor can the stability and consistency of behavior be explained away by invoking nominalistic theories; stability and consistency are not due to bio-social arrangement of unrelated activities into categories with verbal tags. Traits are not creations in the mind of the observer nor are they verbal fictions; they are here accepted as biophysical facts, actual psychophysical dispositions related--though no one yet knows why--to persistent neural systems of stress and determination.

Situational Theory--Behaviorism--B. F. Skinner

Behavior = f(Environment)

We certainly accept the fact that we are not beginning with an empty organism or tabula rasa. . . As a determinist, I must assume that the organism is simply mediating the relationships between the forces acting upon it and its own output, and these are the kinds of relationships I'm anxious to formulate.

If by "machine" you simply mean any system which behaves in an orderly way, then man and all other animals are machines. But this has nothing to do with the interests of humanists or of the interests of any man of compassion who deals with his fellow man. The behaviorists, like scientists in general, are attempting to reach certain goals, just as the humanist uses his own techniques to arrive at his goals.

People at times have charged this kind of analysis with various ignominious shortcomings, saying that somehow it reduced the dignity and nobility of man. But no analysis changes man; he is what he is. I take an optimistic view. Man can control his future even though his behavior is wholly determined. It is controlled by the environment, but man is always changing the environment. He builds a world in which his behavior has certain characteristics. He does this because the characteristics are reinforcing to him. He builds a world in which he suffers fewer aversive stimuli and in which he behaves with maximum efficiency. He avoids extremes of temperature; he preserves food to avoid hunger. He builds a world in which he is more likely to educate himself so that he will be more effective in the future, and so on. If you want to argue from history, you can say that over a period of say, a hundred thousand years there has been an accumulation of behavioral techniques which have improved the effectiveness of human behavior. Man controls himself, but he does so by controlling his environment.

Interactionism--Endler and Edwards

Behavior = f(Person, Environment)

There is an interaction between personality traits and situational impact for behaviors such as anxiousness, conformity, and locus of control. Both situations and persons interact jointly to affect the direction and nature of behavior.

Personality Theory: The Myers-Briggs Type Indicator

1. Based upon the personality theory of Carl Jung.

2. Two dimensions (four are measured by the scale)
   a) Input data dimension: way in which manager typically takes in data from outside world. All
       people perceive the world in both ways at different times. Individuals tend to develop a habitual
       way of perceiving a situation and can't apply both types of perceiving at once.
    i) Sensing: takes in information via senses; focuses upon details and specifics of any situation;
tends
       to break down every situation into isolated bits and pieces. Feel most comfortable when have
       gathered hard facts pertaining to the situation.
     ii) Intuitives: typically take in information by looking at the situation as a whole; concentrate
       upon hypothetical possibilities rather than getting bogged down and constrained by details.
   b) Decision making dimension: two basic ways of reaching a decision. Neither type is necessarily
       better or more correct. They are merely different.
    i)   Thinking types: base decisions upon impersonal, logical modes of reasoning. Don't feel
         comfortable unless have a logical or analytical basis for making decisions. Want to
         depersonalize every situation, object, and person by explaining them.
     ii) Feeling types: make decisions based upon personal considerations such as how they feel about
        the person or situation, whether they like it or value it. Want to personalize every situation,
        object, and person by stressing its uniqueness.

3. Summary points
    a) These dimensions are continua. A person is not limited to being one or the other.
    b) These personality dimensions attempt to describe behavioral tendencies. Situational factors also
       affect personality.

4. Leverage points

Personality Theory Problems

1. During December, 1994, Orange County, California declared bankruptcy. Investments made by its treasurer, Robert Citron, had lost $2 billion in value during a one month period. Citron had invested extensively in risky derivatives. Citron has denied charges that he mismanaged county funds. During a hearing, Citron stated, "Due to my inexperience, I placed a great deal of reliance on the advice of market professionals. At least to this lay person, Merrill Lynch acted as a financial advisor to Orange County. . . In retrospect, I wish that I had more education and training in complex government securities." In other words, he is saying that he did what any lay person would do when making this decision--rely on the investment firm's advice.

   a) Which of the following personality theories is best exemplified by Citron's explanation of his risk taking behavior--trait, situational, or interactionist? Briefly, why?

   b) How would you explain Citron's risk taking investment behavior using each of the other two personality theories?

2. In a 1998 Sports Illustrated column, it is reported that President Clinton cheats at golf. During a Meet the Press interview, President Clinton reported that his golf handicap is 12 or 13 and that he takes one mulligan (a repeated shot that is not counted in the golf score). Others estimate that he uses mulligans freely, as many as 3 per nine holes.

   Explain President Clinton's golfing behavior using each of the personality theories--trait, situational, and interactionist. Which theory do you think best explains the President's behavior?

Culture

Learning objectives: definition of culture, Hofstede's four dimensions.

1. Definition of culture-the collective programming of the mind which distinguishes the members of one group or category from another (Hofstede, 1991). Culture consists of shared elements that provide the standards for perceiving, believing, evaluating, communicating, and acting among those who share a language, a historic period, and a geographic location (Triandis, 1996).

2. Issues in culture
Ethnocentrism-an exaggerated tendency to think of one's own group or race as superior to those of other groups or races.
Between and within cultural differences-

3. Geert Hofstede (1980) developed a 4 dimensional model of cultural differences using over 60,000 IBM employees from 50 countries. The dimensions are described below:

a. Individualism/collectivism--individualism implies a loosely knit social framework in which people are supposed to take care of themselves; as opposed to collectivist cultures characterized by "in-groups" which are supposed to take care of their members.
Sample items:
Group success is more important than individual success.
It is more important for a manager to encourage loyalty and a sense of duty in his/her subordinates than it is to encourage individual initiative.

b. Power distance--defines the extent to which a society accepts unequal distribution of power in institutions and organizations.
Sample items:
A supervisor's use of authority and power is often necessary to assure that work is done efficiently.
Social interaction with one's subordinates may decrease a manager's ability to be objective in dealing with subordinates.

c. Uncertainty avoidance--defines the extent to which people in a culture feel threatened by uncertainty and ambiguous situations and try to avoid such situations. Also extent to which people try to avoid uncertainty and ambiguous situations by adopting strict codes of behavior and a belief in absolute truths.

   Sample items:

   Managers expect workers to closely follow instructions and procedures.

   Rules and regulations are important because they inform workers what the organization expects of them.

d.   Achievement orientation—live to work indicates the extent to which the dominant values of a society are assertive and competitive vs. work to live (e.g., modest and cooperative). Originally, Hofstede referred this dimension as masculine (live to work) and feminine (work to live).

   Sample items:

   Live to work

      Earnings: have an opportunity for high earnings

      Recognition: get the recognition you deserve when you do a good job.

      Advancement: hav an opportunity for advancement to higher level jobs.

      Challenge: have challenging work to do--work from which you can get a personal sense of
        accomplishment.

   Work to live

      Manager: have a good working relationship with your direct supervisor

      Cooperation: work with people who cooperate well with one another.

      Living area: live in an area desirable to you and your family.

      Employment security: have the security that you will be able to work for your company as long as
        you want to.

4. Harry Triandis (1996) has further refined the cultural dimension of individualism and collectivism .by integrating it with another dimension of horizontal (emphasizing equality) and vertical (emphasizing hierarchy). This resulting in a two by two matrix with the four cells: horizontal individualist, vertical individualist, horizontal collectivist, and vertical collectivist.

   a. Horizontal individualists want to be unique and distinct from groups, are likely to say "I want to do my own thing," and are highly self reliant, but are not especially interested in becoming distinguished or having high status.

   b. Vertical individualists often want to become distinguished and acquire status, to do this in competition with others, and are likely to say "I want to be the best."

   c. Horizontal collectivists see themselves as being similar to others (e.g., one person, one vote),

emphasize common goals with others, interdependence and sociability, but they do not submit easily to authority.

d. Vertical collectivists emphasize the integrity of the in group, are willing to sacrifice their personal goals for the sake of in group goals, and support competitions of their in groups with out groups. If in group authorities want them to act in ways that benefit the in group but are extremely distasteful to them, they submit to the will of these authorities.

5. An additional dimension developed by Dorfman and Howell (1988) is paternalism.
Paternalism--the appropriateness of managers taking a personal interest in workers' lives, providing for workers personal needs, and generally taking care of workers.

Sample items:

Your company should be expected to look after you as a person and not only as a worker.

It is important for a company to provide job security for its employees so they can work for the company as long as they want.

Country Scores for Hofstede Cultural Dimensions

Individualism		Power Distance		Uncertainty Avoidance		Achievement Orientation	
Country	Score	Country	Score	Country	Score	Country	Score
USA	91	Philippines	94	Greece	112	Japan	95
Australia	90	Mexico	81	Portugal	104	Australia	79
Great Britain	89	Venezuela	81	Belgium	94	Venezuela	73
Canada	80	India	77	Japan	92	Italy	70
Netherlands	80	Singapore	74	Peru	87	Switzerland	70
New Zealand	79	Brazil	69	France	86	Mexico	69
Italy	76	Hong Kong	68	Chile	86	Ireland	68
Belgium	75	France	68	Spain	86	Great Britain	66
Denmark	74	Colombia	67	Argentina	86	W Germany	66
Sweden	71	Turkey	66	Turkey	85	Philippines	64
France	71	Belgium	65	Mexico	82	Colombia	64
Ireland	70	Peru	64	Israel	81	South Africa	63
Norway	69	Thailand	64	Colombia	80	**USA**	62
Switzerland	68	Chile	63	Venezuela	76	Australia	61
W Germany	67	Portugal	63	Brazil	76	New Zealand	58
South Africa	65	Greece	60	Italy	75	Greece	57
Finland	63	Iran	58	Pakistan	70	Hong Kong	57
Austria	55	Taiwan	58	Austria	70	Argentina	56
Israel	54	Spain	57	Taiwan	69	India	56
Spain	51	Pakistan	55	W Germany	65	Belgium	54
India	48	Japan	54	Thailand	64	Canada	52
Japan	46	Italy	50	Iran	59	Pakistan	50
Argentina	46	South Africa	49	Finland	59	Brazil	49
Iran	41	Argentina	49	Switzerland	58	Singapore	48
Brazil	38	**USA**	40	Netherlands	53	Israel	47
Turkey	37	Canada	39	Australia	51	Turkey	45
Greece	35	Netherlands	38	Norway	50	Taiwan	45
Philippines	32	Australia	36	South Africa	49	Iran	43
Mexico	30	W Germany	35	New Zealand	49	France	43
Portugal	27	Great Britain	35	Canada	48	Spain	42
Hong Kong	25	Switzerland	34	**USA**	46	Peru	42
Chile	23	Finland	33	Philippines	44	Thailand	34
Singapore	20	Norway	31	India	40	Portugal	31
Thailand	20	Sweden	31	Great Britain	35	Chile	28
Taiwan	17	Ireland	28	Ireland	35	Finland	26
Peru	16	New Zealand	22	Hong Kong	29	Denmark	16
Pakistan	14	Denmark	18	Sweden	29	Netherlands	14
Colombia	13	Israel	13	Denmark	23	Norway	8
Venezuela	12	Austria	11	Singapore	8	Sweden	5
Mean	51	**Mean**	**51**	**Mean**	51	**Mean**	51

Leadership

LEARNING OBJECTIVES:
   a) For leadership theories (trait theory, transactional vs. transformational leadership, Ohio State Model), be able to make prescriptions for selection and training of leaders.
   b) trait theory of leadership
   c) transactional and transformational leadership styles
   d) Ohio State model of leadership
   e) substitutes for leadership
   f) the relationship of motivation theory to leadership theory

1. Definition: a leader is a person who influences others to
   act toward a particular goal or end state.

2. Trait theory
   a) born to lead; you have it or you don't
   b) identified traits
      i) adaptable to situations
      ii) alert to social environment
      iii) ambitious and achievement oriented
      iv) assertive
      v) decisive
      vi) dominant (desire to influence others)
      vii) energetic (high energy level)
      viii) persistent
      ix) self confident

3. Ohio State Model
   a) initiating structure (IS): degree to which a leader structures his/her role and subordinates' roles toward accomplishing the groups' goals
   b) consideration (C): degree to which the leader emphasizes individuals' need through two-way communication, respect for subordinates' ideas, mutual trust between leader and subordinates, and consideration of subordinates' feelings

4. Substitutes for leadership
  a) Definition: characteristics that negate leadership influences; they structure the task for the
       followers
      or give them positive strokes or support for their actions.
  b) Examples of factors which neutralize:
                  Initiating Structure   Consideration
   subordinate professional orientation   subordinate professional orientation
   close knit work groups   close knit work groups
   subordinate ability, training, experience   intrinsically satisfying tasks neutralize
   highly formalized and explicit rules and procedures
   unambiguous and routine tasks

5. Transformational vs. transactional leadership

  a) Definitions

    Transformational leadership-leader motivates followers to do more than originally expected. It is
        achieved by (i) raising an awareness of the importance and value of desired outcomes and
        (ii) getting followers to transcend their own self interests.
      Components
       Charisma-leader instills pride, faith, and respect, has a gift for seeing what is really important,
and
          transmits a sense of mission.
       Individualized consideration-the leader delegates projects to stimulate learning experiences,
          provides coaching and teaching, and treats each follower as an individual.
       Intellectual stimulation-the leader arouses followers to think in new ways and emphasizes
problem
          solving and the use of reasoning before taking action.

    Transactional leadership-characterized by leader-member exchanges or transactions; providing for
        needs of followers if their performance fulfills expectations.
      Components
        Contingent rewards-leader provides rewards if followers perform in accordance with contracts or
          expend the necessary effort.
        Management by exception-leader avoids giving directions if the old ways are working and
allows
          workers to continue doing their jobs as always if performance goals are met.

b) Behavioral components of charismatic and noncharismatic leaders

	Noncharismatic	Charismatic
Relation to status quo	Essentially agrees with and strives to maintain it.	Essentially opposed to and tries to change it
Behavior	Conventional, conforming to existing norms	Unconventional or counternormative
Articulation	Weak articulation of goals and motivation to lead	Strong articulation future vision & motivation to lead
Power Base	Position power & personal power (reward, expertise)	Personal power (expertise respect, admiration)
Ldr-follower relationships	Egalitarian, consensus seeking, or directive Nudges or orders people to share views.	Elitist, entrepreneurial and exemplary. Transforms people to share radical changes advocated.

Leadership Theory Problems

1. In a January 19, 1998 <u>Wall Street Journal</u> article titled "Charmed forces: Army's baby generals take crash course in sensitivity training," a training course for new generals is described. Lt. General John Keane, an infantry commander sine 1966, advises the new generals, "Whatever you do, you've got to put yourself in harm's way to have moral authority. You must feel the horror they feel, the loneliness and despair they feel, to be there as people are being killed." Special Forces Brig. General James Parker adds, "I'm all for being forward, but if you push the battalion commander aside, then you can't give his command back to him afterwards and expect him to have the same position in the unit."
 a) What important leadership lessons are presented in these
     comments?
 b) Analyze this conversation using course leadership concepts.

2. Assess the validity of the following statements from <u>Sun Tzu: The Art of War</u> for modern organizations. (It was composed during fourth century B.C.)

  Therefore the Military Code says: The general must be first in the toils and fatigues of the army. In the summer he does not spread his parasol nor in the cold of winter don thick clothing. In dangerous places he must dismount and walk. He waits until the army's wells have been dug and only then drinks; until the army's food is cooked before he eats; until the army's fortifications have been completed to shelter himself. (p 128)

  If one uses kindness exclusively the troops will become like arrogant children and cannot be employed.
 . . . Good commanders are both loved and feared.
  That is all there is to it. (p. 129)

 a) What important leadership lessons are presented in them?
 b) Analyze these excerpts using course leadership concepts.

3. The setting is the regional office of an international fine jewelry leasing company. J is a highly successful, sixteen year veteran of the industry. B is her supervisor. The problem is that B's idea of managing is to know and control everything J does. B and J meet six times per week. B calls J two to four times per day for a status update. B's tone and content are often condescending. B is much younger than J and takes great pride in his position. Analyze the situation using leadership concepts. What is the problem and what should be done differently?

Change

LEARNING OBJECTIVE: be able to perform a force field analysis

1. Lewin's model
        a) Unfreeze
        b) Change
        c) Refreeze

2. A general model for change: Force Field Analysis
        1. Identify forces for change (driving forces)
        2. Identify forces against change (resistance forces)
        3. Generate actions to enhance forces for change
        4. Generate actions to reduce forces against change
        5. Assess feasibility of each action specified
        6. Prioritize actions
        7. Build an action plan from the ranking of actions

3. Ways to overcome resistance to change
        a) Education and communication
        b) Participation and involvement
        c) Facilitation and support
        d) Negotiation and agreement
        e) Manipulation and cooptation
        f) Explicit and implicit coercion

Organizational Theory: Organizational Structure

LEARNING OBJECTIVES:
  a) dynamic network,
  b) multidivisional vs. functional
  c) bases for departmentation (function, product or project, customer or client, geographical location, multiple bases)
  d) division of labor (horizontal, vertical, personal, spatial differentiation),
  e) means for coordination (mutual adjustment, direct supervision, standardization of work processes, standardization of outputs, standardization of skills),
  f) bureaucracy
  g) basic design dimensions (mechanistic vs. organic structure, formalization, centralization, specialization, standardization, complexity, hierarchy of authority)

1. Why do organizations exist?
  Williamson (1975) suggests that organizations are the result of the failure of markets under certain conditions. Perfectly competitive markets are the most efficient manner for accomplishing objectives. However, when all of the following conditions are present, organizations are preferable and more efficient than markets:
  a) small numbers
  b) bounded rationality and uncertainty
  c) opportunism

2. Organizational structure is defined as the delineation of jobs and reporting relationships in an organization.

3. "Dynamic network"/"virtual organization" model
      Independent organizations form the network and perform the business functions of product
        design, marketing, manufacturing, etc.
      Brokers assemble the business groups
      Market mechanisms such as contracts or payment for results replace plans, controls, or
        supervision as mechanisms for holding the functions together
      Full-disclosure information systems link the various components of the network

4. Pure multidivisional form vs. functional form

a) Pure Multidivisional
  In purest form, divisions operate autonomously with completely separate functional areas
  Advanced age and large size are characteristic of these firms
  Myth associated with this form: a manager is a manager is a manager and can profitably acquire
    and manage anything.
  Firm strategies that cause/coincide with adoption of this structure
  Expansion of sales volume (increased size)
  Geographic dispersion
   Product market diversification

b) Functional
  Functional simple structure
    Young organization & small size
    Functional structure with minimal departmentation
    Relative flexibility
    Major coordinating mechanisms: mutual dependence and direct supervision
    Top manager/entrepreneur retains significant control
    With growth, typically further departmentalizes by function

    How pure divisionalized form differs from functional form:
     Divisions are separate
     No sharing of resources among divisions
     Little interdivisional transfer of personnel occurs
     Compensation for top division managers is tied to profit-loss performance
     Advantages of pure multidivisional vs. functional form:
     Management can focus on long term strategic decisions rather than short term tactical decisions
     Each firm functions as a miniature capital market and allocates funds to division with the
       highest return.
     Risk is managed more effectively for the firm because the firm develops a profile of businesses.

5. Departmentation
    a) Function: grouping employees according to major category of work activity.
    b) Product or project: grouping employees according to product or project they are working upon.
    c) Customer or client: grouping employees according to unique needs of specific customer or client groups.
    d) Geographical location: grouping employees according to employee geographical location or geographical location of customers they serve.
    e) Adhocracy: Multiple bases/integrated structure and responds to the needs of a changing and complex environment.
        1) flexible groupings along a functional, product, project, geographical, or client orientation;
        2) grouping emphasizes a market focus;
        3) decentralized decision making;
        4) grouping occurs across functional divisions.
        Matrix (a special case): departmentation by function and product/project.
        Major coordinating mechanism: mutual adjustment
        Characterized by the use of a variety of temporary structures such as task forces, integrating roles,
                    project teams or matrix structures.
        Flexible structure that can respond to a changing environment, well suited to environments with
                    sophisticated technologies
        Example: matrix structure

6. Division of labor: way in which organizations allocate work tasks and responsibilities along with accompanying authority; extent of specialization of tasks and roles.
    i) horizontal differentiation: way in which work to be performed in each hierarchical level (or horizontal"slice") of an organization is divided into discrete, individualized jobs.
    ii) vertical differentiation: number of levels in a hierarchy
    iii) personal differentiation: division of labor according to individual expertise or training.
    iv) spatial differentiation: division of labor by geographical location

7. Coordination: extent and means by which an organization integrates and holds together its various parts and facilitates their working together to accomplish a common goal or activity
    i) mutual adjustment: informal communication as needed
    ii) direct supervision: one individual takes responsibility for the work of others
        Related concepts: chain of command, span of control, and unity of command
    iii) standardization of work processes: specification of procedures or content of work also coordinates the activities of different job holders.
    iv) standardization of outputs: specification of results and outcomes of work, as well as standards of performance at the output stage, provide direction and coordination for workers.   (e.g., profit centers)
    v) standardization of skills: specification of training, expertise, or credentials required to perform the work (e.g, physicians, teachers, lawyers)

8. Bureaucracy
    a) Machine bureaucracy
       Goal: ideal organization purged of favoritism
       Typically size is large and organization is characterized by specialization

       Chain of command exists. Each position is under the control and authority of a higher one.
       Technical competence is basis for hiring and promotion, not friendship, family ties, or favoritism.
       Organization keeps written record of decisions, activities, and rules to provide an organizational
memory and continuity over time.
       Employees do not own their positions, will not accept gifts or bribes, do not use office for
personal gain
       Each person's tasks are clearly defined.

       Major coordinating mechanisms: direct supervision, standardization of work processes, and
extensive written procedures
       Different segments of firm may have different structural configurations
       Example organizations: large scale manufacturing organizations such auto, steel and consumer
goods manufacturers
    b) Professional bureaucracy
       Major coordinating mechanism: standardization of skills
       Little vertical or horizontal differentiation but
             extensive personal differentiation
       Relatively flat structure
       Examples: schools, hospitals, and universities

9. Useful overall dimensions of structure

  a) Mechanistic vs. organic organizations
   i) Mechanistic
      Unresolved problems are passed up the hierarchy because people of higher rank typically have
greater knowledge of the organization's problems
      Standardized policies, procedures, and rules guide much of decision making
      Rewards are obtained chiefly through obedience of supervisor instructions
      Conformity is encouraged and innovation is discouraged
      Typical associated configurations: functional and bureaucratic organizations
   ii) Organic
      Job descriptions and specialization are deemphasized
      Person holding higher positions not assumed to be better informed than lower level employees.

Decentralized decision making; innovation and problem solving behavior encouraged

Ad hoc problem solving rather than use of existing regulations, policies and procedures; persons become involved in problem solving whenever they have the knowledge or skills to help solve the problem

Individuals who demonstrate initiative and knowledge are rewarded; position and seniority have little importance unless associated with special expertise.

b) Formalization--amount of written formal documentation.

c) Centralization--authority to make decisions is at a high level in the organization.

d) Specialization--degree to which tasks are divided into
   different jobs.

e) Standardization--extent to which similar work activities are performed in a similar manner.

f) Complexity--number of subparts.

g) Hierarchy of Authority--who reports to whom and span of control
   for each manager.

10. Leverage points

Organizational Theory: Determinants
of Organizational Structure

LEARNING OBJECTIVES:
   a) the impact of organizational size, work flow technology (unit technology, mass production, and continuous flow; service vs. manufacturing), service vs. manufacturing, organizational size, and environment (environmental uncertainty, complexity, dynamism, hostility/ munificence). (Be able to assess the organization and its environment on these dimensions and to prescribe a structure which is appropriate using these dimensions.

1. Size-the total number of employees. For purposes of this class, we will define a small organization as one with less than 1,000 employees, a medium sized organization as one with 1,000 to 10,000 employees, and a large organization as one with over 10,000 employees.

Design Dimension	Small Organization	Large Organization
Formalization	Less	More
Centralization	High	Low
Specialization	Low	High
Standardization	Low	High
Complexity	Low	High
Hierarchy of Authority	Flat	Tall

2. Work flow technology
   a) Defn: technical system used by an organization in producing and delivering its product or service.
   Woodward's three production processes
     Unit technology: output produced in small amounts, each product typically designed for specific customer needs. Examples: custom clothing, custom electronic work, legal services, medical services.
     Mass production: long runs of standardized parts; assembly- line operations to produce standardized consumer goods. Production is not designed for specific customer needs so standardized product goes into inventory for sale as customer orders them. Examples: cars, textiles,   electronics
     Continuous flow: an unsegmented ongoing production process. Entire process is mechanized. Process runs continuously. Examples: oil refiners, electric generating plants.

   From unit to mass to continuous, the structure becomes more formalized and centralized. Unit is more organic than mass production or continuous flow.

3. Service vs. manufacturing technology and structure
   a) Examples of service vs. manufacturing technology.
       Service (service technology): airlines, hotels, consulting, teaching, health clinic, law firm.
       Product and service (service and manufacturing technology): fast food outlets, banks, post office, real estate, stockbroker.
       Product (manufacturing technology): soft drinks, steel, automobiles, mining, food processing.

   b) Service firms differ from manufacturing firms in the following ways:
       i) equipment is less automated--referring to the amount of work performed completely by machines vs. amount of work performed by humans.
       ii) workflow is less rigid--degree to which the sequence of operations are tightly interconnected and unalterable and the degree to which there is a limited use range for knowledge, skills, and equipment.
       iii) measurement of output is less precise--nonquantitative, personal opinions of managers are used instead precise quantitative measures of output.
       iv) simultaneous production and consumption-service employees interact directly and frequently with customers. Customers are engaged during the production process. Service employees can be viewed as mini-factories which produce output during customer interactions. Manufacturing employees are characterized by separation of customers and production employees, so that direct interactions are rare if they occur at all.
       v) service is intangible. The service or knowledge is abstract and cannot be stored in inventory in contrast to a tangible, physical product provided by manufacturing firms.

   c) Corresponding structures
       Service firms are less bureaucratic and have lower specialization, standardization of processes, and centralization, but a higher supervisory ratio.

	Service Product	Product & Service	
Tech Employee Professionalization	High	Moderate	Low
Skill Emphasis	Interpers. Technical	Technical & Interpersonal	
Centralized Dec Making	No	Some	Yes
Formalization	Low	Medium	High
Geographical Dispersion	Yes	Some	No

Boundary Roles	Few	Some	Many

(Linking Tech Area to Customer-e.g. sales, customer service)

4. Environment
  a) Defn: anything outside the boundaries of an organization.
  b) Complexity
       Defn: number and diversity of environmental elements that affect the organization.
    As environmental complexity increases, decentralization of decision making should increase, ultimately divisionalization may be appropriate. The environment of the energy industry is extremely complex as exemplified by the politics of energy rich regions, government regulations, and complex market forces.
  c) Dynamism (also called environmental uncertainty)
       Defn: degree to which an organization's environmental elements change unpredictably over time.
    As the environment becomes more dynamic or unpredictable, organization structure should become more organic. In the energy industry, frequent and dramatic shifts in energy prices or the politics of energy rich regions are signs of the dynamic environment.
  d) Hostility/munificence continuum
       Defn: degree to which the environment creates conflict, threat, or unexpected/overwhelming competition for an organization.
    Hostile environments can result from the following conditions: extensive competition, threatened obsolescence, a government investigation, new or unexpected government regulations, a threatened takeover, or potential bankruptcy. When an organization faces a hostile environment, centralization of decision making must occur, at least temporarily. A munificent environment is relatively free of hostility and rich in necessary resources. When energy prices are low, the energy industry environment is relatively hostile. When they are high, the environment is relatively munificent.
  e) Design dilemmas occur when an organization's environment has competing forces, ones which may call for different and even opposing strategies. Ways to resolve this include i) creating diverse structures within the organization (R&D may have a different structure from manufacturing), ii) redesigning the structure within each unit as the environment changes, and iii) creating temporary structures in times of crisis (top management may convene a management council to respond to hostile events).

5. Strategy--the determination of the basic long-term goals and objectives of the organization and the adoption of courses of action and allocation of resources necessary for carrying out those goals.

Organization Theory Problems

1. After placing the General Manager at the top, fill out the rest of the organizational chart for a hotel with a restaurant using the positions listed below.

Bar Manager
Restaurant Personnel
Bookkeeper
Food and Beverage Manager
Reservation Agent
Housekeeping Manager
Night Auditor
Payroll
Chef
Restaurant Manager
Room Attendant
Assistant Food and Beverage Manager
Financial Controller
Front Office Manager
Kitchen Personnel
Bell Attendant
Front Desk Clerk
Cashier
Purchasing
Telephone Operator
Assistant Housekeeping Manager
Bar Personnel
Human Resources Director
Marketing Director

2. The cover story of the September 19, 1994 edition of <u>Fortune</u> was "The End of the Job." As a way of organizing work, the job is a social artifact that has outlived its usefulness. The job is not going to be part of tomorrow's economic reality. Workers no longer take their cues from a job description or a supervisor's instructions. Signals come from the changing demands of the project. Workers learn to focus their individual efforts and collective resources on the work that needs doing, changing as that changes. Middle management as we know it will disappear. Three quarters of middle management will vanish. The rest will be process engineers and employee coaches. Most organizations need employees to stop acting like job holders, yet they only know how to hire, pay, communicate with, and manage job holders. Is trend universal? Are these prescriptions/analyses new?

3. Banks typically provide the following: commercial and consumer savings accounts, consumer and commercial checking accounts, certificates of deposit, consumer and commercial loans. For the following questions, assume a small bank which has five small branches scattered throughout Houston and has the Houston metropolitan area as its sole market. Each branch currently provides all services and must continue to do so. Note: a department can extend across more than one branch.
   a) How would the bank be structured if the bank was departmentalized by geographical location?
   b) How would the bank be structured if the bank was departmentalized by product?
   c) How would the bank be structured if the bank was departmentalized by customer or client?
   d) What arrangement would you recommend (you are not restricted to geographical, product or customer/client)? Why?

4. Bank A is a functionally structured Houston bank with 20 branches scattered throughout the Houston metropolitan area. Bank A recently acquired Savings and Loan B, a functionally structured Houston institution with 51 branches scattered throughout the Houston metropolitan area. One half of Bank A's branches are located within 2 blocks of Savings and Loan B's branches. Bank A is faced with how to integrate Savings and Loan B into its present structure. Both organizations have only Houston branches. Assume that banks and savings and loans perform the same functions.
  a) What would be the pros and cons of making Savings and Loan B a division of Bank A (a multidivisional approach)? What would have to be done to use the multidivisional approach?
  b) Answer the questions from a) for a functional approach.
  c) Which would you recommend? Why?
  d) What if Savings and Loan B were located in Dallas, which structure would you recommend? Why?
  e) What if B was a brokerage firm, what structure would you recommend? Why?

5. Read the following passage from a <u>Newsweek</u> article titled "Asleep at the S&L Switch" and apply the concept of machine bureaucracy and its accompanying characteristics to explain how the government and Office of Thrift Supervision got into trouble.

Open your wallet. Take out a $20 bill. Now kiss it goodbye. You and every other American taxpayer will have to pay that amount to cover the losses of the bankrupt Lincoln Savings and Loan association--the largest failure in the $300 billion thrift crisis. Lincoln's fall could scar the reputations of many politicians, but the first political casualty is soon-to-be-former top thrift regulator M. Danny Wall. . . Calls for Wall's resignation have come from Senate Majority Leader George Mitchell and House Banking Committee chairman Henry P. Gonzalez, and President George Bush has suggested that Wall pack his bags.

Wall came to his job without formal training as a banker, accountant or lawyer. An urban planner, Wall was a loyal staffer to Utah Sen. Jake Garn, an influential member of the Senate Banking Committee. Support from Garn and other senators got him his job as a regulator in 1987.

As soon as he took office, Wall began working to postpone the loomimg crisis until after the 1988 elections. When U.S. Comptroller General Charles Bowsher warned about the growing losses, Wall asked for lower estimates. "What bothered me most was his arrogant, know-it-all attitude," says Bowsher. Wall came up with his own bailout proposal, the Southwest Plan, that called for merging sick Texas thrifts with healthy ones and attracting new investors with lucrative tax breaks. Gonzalez said: "They've taken a lot of dead horses and stitched them into one big horse that's just as dead and stinks even more."

Wall grew conspicuously chummy with the people he supposedly regulated. In an ethically questionable move, he met in private with Charles Keating, head of Lincoln's parent company. Though his underlings pushed hard to close Lincoln, Wall stalled for two years--in which time the thrift's losses apparently doubled. Only then did testimony and records from whistle blowers led by William Black, district counsel of the Office of Thrift Supervision in San Francisco, trigger an investigation of five senators who took $1.4 million in Keating political contributions and then bullied the regulators.

Teams

LEARNING OBJECTIVES: a) the forming, storming, norming, and performing model, b) Gersick's punctuated equilibrium model, c) the six variable model of team effectiveness and four trip wires, d) norms, e) sources of norms, enforcing norms, and breaking norms.

1. Definition: two or more individuals who perceive of themselves as interdependent and act as a single unit, typically with a common goal.

2. Stages of team development
  a) Forming (orientation to task)-initial stage of group development, represents the movement of an individual into group member status.

    Team member characteristics
      Determination of which behaviors will be appropriate
      Hestitant participation tempered with optimism,
      Organizational complaints and gripes common,
      Some suspicion and fear of team situation
      Looking for a sense of belonging
      Closely watching their team members' behaviors
      Learning what contributions members should be expected to make

    Facilitator behaviors
      Ensure that team members get acquainted
      Be sensitive to team members' needs
      Provide clear direction and information
      Give team simple tasks
      Provide training on team building tools

  b) Storming (redefinition of appropriate behavior)-this stage is characterized by conflicts that erupt as members seek agreement on the purpose, goals, and objectives of the group and the roles of its members. Although one would expect progress to pick up during this stage, little actually develops. This stage has great "downside" possibilities if not managed well.

Team member characteristics
  Conflict between team members begins to show.
  One upmanship can develop
  Continuing confusion over team member roles

Facilitator behaviors
  Continue to be positive and informative
  Reassure team that current conflict is normal
  Deal openly with conflict
  Give team more responsible tasks
  Continue to train on team building and team tools

c) Norming (coordination of group behaviors)-this stage is focused on reestablishing the central purpose of the team in light of the structure of roles developed during the storming stage. Team begins to come together. Conflict is subsequently reduced as the teams grows in confidence and begins to find that the team concept is working

Team member characteristics
  Over reliance on team leader/facilitator is possible.
  Conflicts reduced among team members
  Sharing and discussing become team norms
  Greater team cohesiveness develops
  Harmony among team members becomes common

Facilitator behaviors
  Provide less structure as team matures
  Give team even more responsibility
  Ensure that team does not over rely on one member
  Continue to provide team development and training opportunities

d) Performing (formalization of functional group behavior)-members fulfill their prescribed roles and work toward attaining team goals. "Team" behavior becomes the norm. While team members may occasionally be replaced, the team has become self functioning. The team routinely defines and solves difficult issues.

Team member characteristics
  Intense loyalty among team members develops
  Teams may mask individual dysfunctional members
  Teams can become competitive with other teams
  Teams become more innovative
  Team members become more confident

 Facilitator behaviors
  Ensure that team information needs are fulfilled
  Ensure that team celebrates its successes
  Encourage team toward continued growth
  Continue to train and ensure that new members are trained
  Reduce your involvement as team grows
  Continue to foster trust and commitment among team members

3. Group may recycle through the stages especially if changes in membership, task or environment occur.

4. Alternate approach--Gersick's punctuated equilibrium model (perhaps better described as the "mid-life crisis" model). The team spends first half of its time working toward direction set by team at end of its first meeting. At half-way point, group experiences transition, in which it uses learning gained in first phase to change direction and generate work for second phase.

5. A model of team effectiveness
   a) Six leverage points for effective team performance: to perform well, a team must
       1) exert sufficient effort to accomplish the task at an acceptable level of performance--motivational structure of task. Is the task clear, consistent with a team's purpose, and high on intrinsic motivation?
       2) bring adequate knowledge and skill to bear on the task work--team composition. Critical skills for team members include i) technical or functional expertise, ii) problem solving and decision making skills, and iii) interpersonal skills. Is the team well staffed? Do members have sufficient expertise? Do they have sufficient interpersonal skill to interact as a team? Are they so similar as to no be able to learn from one another or so different that they can't work together?
       3) employ task strategies that are appropriate to the work and to the setting in which it is being performed--team norms that regulate behavior and foster scanning and planning. Are team

norms clear and strong enough to regulate behavior efficiently, thereby making coordinated action possible? Do they actively promote continuous scanning of the performance situation and proactive planning of the team performance strategies?

4) agree upon a common purpose which translates into specific team and individual performance goals--put a demand or opportunity in the team's path. Devote large amounts of time and effort to exploring, shaping, and agreeing upon a purpose that belongs to team members collectively and individually.

5) coordinate time management strategies--facilitate the efforts of organized and deadline driven members by recognizing differences and setting intermediate deadlines.

6) Size--Is it the right size given the work to be done?

b) Trip wires which cause teams to fail

1. Call the performing unit a team but really manage members as individuals.

2. Fall off authority balance beam (too much or too little) How to avoid it: Managers should assign direction   (end state to be pursued) and outer-limit constraints (what should always or never be   done) but delegate means to the team.
   Assemble a large team of people, tell them in general terms what needs to be done, and let them "work out the details." How to avoid it: Provide an enabling structure. Well-designed team task that engages and sustains member motivation.
   > As small a size as possible.
   > Clear boundaries
   > Members with adequate task and interpersonal skills.
   > Good mix of members-varied skills.
   > Clear and explicit specification of the extent and limits of team authority and accountability.

3. Specify challenging objectives, but skimp on organizational support.
   > How to avoid it provide key supports
   > Reward system that recognizes and reinforces excellent team (not merely individual) performance.
   > Educational system that provides teams, at their initiative, with training & technical cooperation needed to supplement members' knowledge and expertise.
   > Information system that provides needed data and forecasts in a timely fashion
   > Mundane material resources such as equipment, tools, money, staff, etc.

4. Assume that members already have all the competence they need to work as a team.
   > How to avoid it: Provide key supports
   > Create favorable performance conditions for the team.
   > Build and maintain the team as a unit.
   > Coach and help the team in real time, timing help efforts carefully.

6. Some guidelines
   a) Establish urgent, demanding performance standards and direction.
   b) Select members for skill and skill potential not personality.
   c) Pay particular attention to first meetings and actions (first impressions).
   d) Set some clear rules of behavior.
   e) Set and seize immediate performance oriented tasks and goals.
   f) Challenge the team regularly with fresh facts and information (team enriches and redefines its understanding of the performance challenge).
   g) Spend lots of time together (time to learn to be a team).
   h) Exploit the power of positive feedback, recognition and reward.
   i) Providing a vision: transformational leadership-leader motivates followers to do more than originally expected. It is achieved by (i) raising an awareness of the importance and value of desired outcomes and (ii) getting followers to transcend their own self interests.

7. Leverage points

Teams: Norms

1. Defn: unwritten, informal behavioral expectations that guide behavior.
    a) apply to behavior not thought
    b) developed gradually
    c) developed only for behaviors the group considers important

2. Why do norms exist?
  a) They provide an easy frame of reference for understanding the world.
  b) They standardize behaviors needed for a group to survive and reach goals.

3. Development
  a) Supervisors or coworkers may explicitly state certain expectations.
  b) Critical events in a group's history may establish norms.
  c) Initial pattern of behavior may become a norm.
  d) Group members may transfer the behavior from other situations to the group.

4. Enforcing norms
  a) Use sanctions against violating party
  b) Help group members see how conformity helps the group accomplish its purposes.
  c) Arouse desire for members to remain in group.
  d) Participation in establishment of norms will produce better compliance.
  e) Increase involvement by asking members to give up individual gains for the group.

5. Opposing norms
  a) Recognize like minded individuals and join with them.
  b) Identify rewards/coercions offered by others and decide whether you will accept them.
  c) Conceal from others what you do or think.
  d) Do not give up legitimate preferences merely to prevent disharmony in the group.

6. Ascertaining norms in a new work environment
   a) Sources of information
      Peers (esp. veteran coworkers)
      Supervisor
      Other newcomers
      Customers
   b) Strategies for assessing norms
      Overt and direct questioning (when feel comfortable with source)
      Indirect questioning to allow face saving for source on sensitive subjects or on subjects source does
         not feel expert
      Question third parties when primary sources are unavailable or when need assistance interpreting
         messages from a primary source
      Test limits by breaking rules or otherwise deviating to gain understandings of rules about work and
         relationships
      Disguised conversations by putting others at ease and getting them to talk open endedly about a
topic
      Monitoring what whatever happens to be going on, scanning broadly.

7. Leverage points

Teams Problems

1. Sam is the chairperson of a department "morale boosting" team whose focus is promotion of an atmosphere conducive to teamwork, communication, and individual development. The eight members of the team are selected from the eight work groups in the 60 person department. Members are drafted to the team. Some want to be on it, others do not. Sam has no control over performance appraisals or raises.
   Sam needs to have motivated and creative members in order to have "fun" and get things done. Historically, there has not been much enthusiasm about joining the team because it is not seen as being fun and people do not want to find the time to do it.
   a) Using the team model and trip wires, how would you select and lead this team?

2. The setting is the engineering department of a small oil and gas company. Key players are the student case author Steve, his supervisor Ed, and his co-worker Pat. Pat comes to work late most days, sometimes as late as 10:00 a.m. Although Pat's work can rarely tolerate close scrutiny, Ed trusts him almost to the point of "rubber stamping" his reports. In meetings with managers from other parts of the company, Pat quietly leaves the table minutes before his work is discussed. When present during discussions of his work, his explanations are shallow and repetitious. Ed realizes there may be a problem but neglects to address it. Morale has fallen within the group, total productivity has decreased, and bickering among group members has increased.

   a) Why have morale and productivity fallen? Why has bickering increased among group members because of Pat's behavior?

   b) Most groups use powerful norms to influence members' behavior. Explain the inability of Steve's group to use norms to influence Pat's behavior. What can Steve and his group do to rectify the situation?

3. In a department which is responsible for development and support of all computer systems used for business processing in a large corporation, the departmental manager has selected five of the best employees for a special project. The project objective is to deliver a set of techniques and standards for use in all future systems development and support efforts. One of the team members serves as an informal team leader. The team reports to a panel of five supervisors in the department. The team members cannot seem to agree on anything. Each team member wants to promote a different approach to the solution. After three months, the team still has not agreed to a single technique or standard.

   Apply relevant team concepts to diagnose the problem and suggest a solution.

4. The technical writing group within the Manufacturing and Engineering Services Department of a mid-sized engineering firm. The group is responsible for producing and maintaining the company's written documents (e.g., maintenance manuals, procedures, technical notes). The technical writing group is composed of four men in their mid to late twenties. All members have salary-nonexempt status and have been employed by the firm for two to five years.

   None of the team members possess the leadership skills necessary for team leadership of the group. The team reports to a supervisor who is not a member of the team. The group members want to be treated professionally but do not act accordingly. They abuse sick leave and have low productivity. When told they would be learning a new software package, they complained that they were not getting a raise. They felt that if their skills increase the company should pay them more. Meetings have been held with the team to improve their attitude and morale but to no avail.

   Apply relevant team concepts to diagnose the problem and suggest a solution.