

Principles of Organisational Behaviour Notes:

Lecture 1:

Principles of Organisational Behaviour - 1

Form of assessment:

30% - Coursework (10-12 min Group presentation - analysis of details of OB)

Presentation in Workshop 6 - 12th of March

70% - Unseen Examination (2hrs - MCQ and Short answer Qs)

Learning outcomes:

Describe some of the psychological dynamics underpinning individuals behaviour in organisations

Evaluate the role of the individual in group and organisational processes

Measuring the behaviour of:

People

Resources

Materiality

Organisations are complex systems and human activities happen on different levels of analysis:

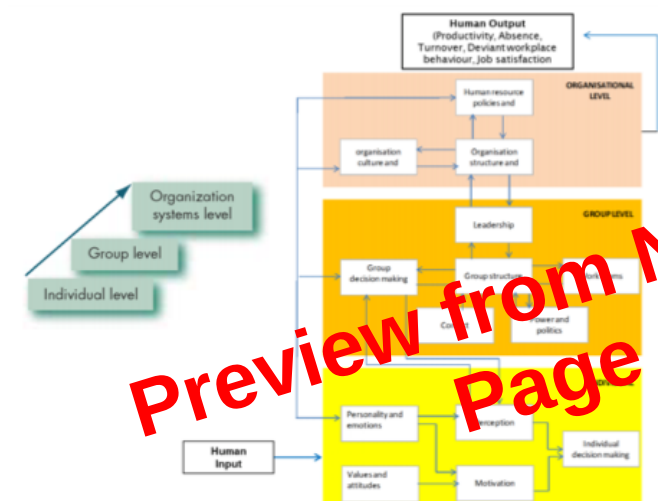
3 levels of discipline:

Individual level —> Group Level —> Organisation systems level

Individual = HRM

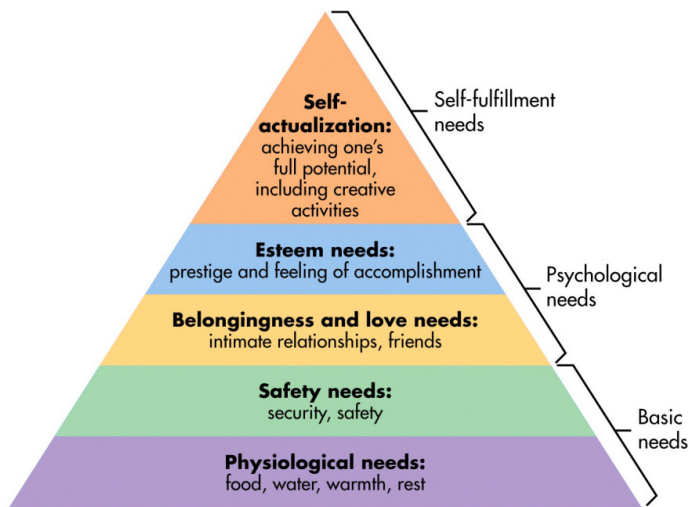
Group = Management

Org. = Organisational design



- Examples:
 - o Equity Theory (Adams)
 - o Expectancy theory (Vroom)

Content Theories:



- People differ in their needs, and these difference affect their individual behaviors
 - o Need for achievement
 - Striving for improvement and success
 - o Need for power
 - Striving for a superior position, making other behave in a way they would not have behaved otherwise
 - o Need for Affiliation
 - Striving for interaction, affiliation to social groups and appreciation

McClellands Theory of Needs (1961)

- McClelland said that there were three main motivators and one of these will be our dominant motivating driver
- This dominant motivator is largely dependent on our culture and life experiences
- Motivators include
- **ACHIEVEMENT:**
 - o Has a strong need to set and accomplish challenging goals
 - o Takes calculated risks to accomplish their goals
 - o Likes to receive regular feedback on their progress and achievements
 - o Often likes to work alone
- **AFFILIATION:**
 - o Wants to belong to the group

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- Scoring
 - Interpretation
- Norm-referenced
 - Administered to large group of people with similar demographics to make comparisons
 - Average score is 100

Models of Intelligence:

Two-Factor Theory of Intelligence (Spearman, 1927)

- Scores on intelligence tests are positively related to each other
- Intelligence consists of two factors:
 - First Factor: Specific Abilities
 - Second Factor: General Intelligence: 'g' factor
- 'g' is required for to perform well in all areas of cognitive ability

Sternberg's (1985) Triarchic Theory of Intelligence

- Builds on Spearman's model
- Three facets of intelligence:
 - Analytical (componential)
 - Problem solving skills
 - Creative (experiential)
 - Creative thinking
 - Practical (contextual)
 - Common sense

All facets are needed to explain intelligence

Emotional Intelligence (EI; Goleman, 1995)

- Refers to competencies and skills in the workplace
- A self-perceived ability to identify, assess, and control the emotions of one's self, others and groups
- Dimensions of Emotional Intelligence:
 - Self Awareness
 - Self Management
 - Motivation
 - Empathy
 - Relationship Management
- EI is linked to workplace performance (Durmast et al., 2006)
- Criticism is that the definition is over inclusive

Personality = Fundamental traits or characteristics of a person that endure over time and that account for consistent patterns of responses to everyday situations

- Nature v nurture
 - The question of whether hereditary factors or the environment has most effect on behaviour
- Interactionist perspective
 - Hereditary factors and environment interact to determine behaviour

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- Assumes that personality traits are internal, stable (unchanged over time), consistent (applies across different situations) and different from each other
 - o Best described as characteristic ways of responding to particular situations
- Personality measures used in the workplace are often trait based psychometrics

Trait Theories: Big Five

Five Factor Model (Big Five): Costa and McCrae (1992)

- **Openness to experience**
 - o Curiosity
 - o Aesthetic
 - o Innovation
- **Conscientiousness**
 - o Order
 - o Dutifulness
 - o Competence
- **Extroversion**
 - o Warmth
 - o Gregarious
 - o Activity
- **Agreeableness**
 - o Cooperative
 - o Compliance
 - o Straightforwardness
- **Neuroticism**
 - o Anxiety
 - o Moody
 - o Self Depreciation
- Evidence for the Five Factor Model in the workplace
 - o **Job satisfaction**
 - Positive relation with extroversion, but negative relation with neuroticism (Barrick et al, 2002)
 - o **Performance**
 - Positive relation with conscientiousness (Barrick & Mount, 1991)
 - o **Unionisation**
 - Negative relation with extroversion and neuroticism (Parkes and Ravazi, 2004)

Limitations of the Five Factor Model:

- How to define the first factor:
 - o Disagreement on content and replicability
- How to define the final factor Neuroticism
 - o Disagreement on content
- Too Simplistic
 - o Positive and negative relations
 - o Religiosity and spirituality

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- Role ambiguity and role conflicts results in stress and loss of productivity
- **Norms:**
 - Acceptable standards of behaviour shared by group members
 - Pivotal norms
 - Peripheral norms
 - Hawthorne studies (Mayo, 1949)
 - Groups standards were effective in determining individual output
 - Functions (Feldman, 1984)
 - Facilitate group task achievement or group survival
 - Increase the predictability of groups members behaviour
 - Express the group's core values and define their distinctiveness
- **Cohesiveness**
 - Forces exerted on a group that push its members closer together (Festinger, 1950)
 - Factors that contribute to it:
 - Commitment to the group task, attraction to the group members, group size, intensity of interactions and group performance
 - Outside forces, such as threats and the environment

Group Processes:

- Groups influence individuals
 - Social Facilitation
 - The mere presence of other improves individual performance
 - E.g bicycle riders have faster times when race against each other
 - Zajones (1965) Drive Theory: **Others increase arousal which affects performance**
 - Perform better on easy tasks
 - Perform worse on difficult tasks
 - Evaluation Apprehension (Cottrell, 1958): **Worry of being judged affects performance**
 - Perform better on tasks in which one is confident
 - Perform worse on tasks in which one lacks confidence
 - Social Loafing:
 - **The mere presence of other decreasing individual performance** (Ringelmann, 1913)
 - Measured individual effort in a game of tug of war
 - Individual people put forth less effort in groups: individual effort ranged from 49-93%
 - Causes:

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- Work process design prescribes steps that employees have to take in order to complete tasks
- These steps will determine patterns of communication, resources-allocation and even the extent of hierarchy

Informal Organisation:

- Work process is a good idea however it doesn't necessarily work in practice
- In fact, individuals will often bypass the prescribed work process and the formal hierarchy in order to get their work done → **Informal organisation**
- **Informal organisation** includes informal groups, the grapevine and communities of practice
- **Informal groups:**
 - o Workers may create an informal group to go bowling, discuss work challenges or have lunch together everyday
- **The Grapevine**
 - o This is the informal communications network within an organisation
 - o It is completely separate from-and sometimes much faster than-the organisation formal channels of communication
- **Community of Practice**
 - o A group of specialists or professionals who share in passion for their craft or occupational area
- Informal organisation may or may not be in conflict with the formal organisation. Oftentimes the two cannot function one without another because:
 - o Formal organisation regulates responsibility and authority (including authority to allocate resources)
 - o Whereas informal organisation moves around knowledge, information and expertise much quicker than the formal organisation
 - However a danger is that the informal organisation does follow the rule of rational authority (rule of law) and so can have all the power and inequality limitations that bureaucracy was designed to remove

Work Process and Power:

- Work process without structure presents the same situation that Taylor was looking to eliminate and what he called 'soldiering'
 - o Soldiering = a phenomenon where a group of workers would mislead their employer as to the process of work in order to work as little as possible for as much money as they could get for wages
- Taylor broke this up by focusing on designing work process and organisational structure
- Weber further contributed by introducing the principle of rational authority and rule of the office and Fayol infused both these ideas with a pragmatic understanding or power and of what actual management looked like
- With the rise of knowledge economy in the 90's. the balance shifted and in a number of sectors employees again became more knowledgeable than their employers
 - o Coupled with reduction in bureaucratisation, a type of employees – called knowledge workers – became powerful enough to withdraw from organisational design altogether, hence the rise of the freelance consultant

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