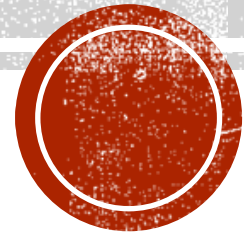


ORGANIZATIONAL BEHAVIOR

Chapter: One



What Managers Do

Managers (or *administrators*)

Individuals who achieve goals through other people.

Managerial Activities

- **Make decisions**
- **Allocate resources**
- **Direct activities of others to attain goals**

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Where Managers Work

Organization

A consciously coordinated social unit, composed of two or more people, that functions on a relatively continuous basis to achieve a common goal or set of goals.



Management Functions

Planning

A process that includes defining goals, establishing strategy, and developing plans to coordinate activities.

Organizing

Determining what tasks are to be done, who is to do them, how the tasks are to be grouped, who reports to whom, and where decisions are to be made.

Leading

A function that includes motivating employees, directing others, selecting the most effective communication channels, and resolving conflicts.

Controlling

Monitoring activities to ensure they are being accomplished as planned and correcting any significant deviations.

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Management Skills

Technical skills

The ability to apply specialized knowledge or expertise.

Human skills

The ability to work with, understand, and motivate other people, both individually and in groups.

Conceptual Skills

The mental ability to analyze and diagnose complex situations.



Effective Versus Successful Managerial Activities (Luthans)

1. Traditional management

- Decision making, planning, and controlling

2. Communication

- Exchanging routine information and processing paperwork

3. Human resource management

- Motivating, disciplining, managing conflict, staffing, and training

4. Networking

- Socializing, politicking, and interacting with others



Enter Organizational Behavior

Organizational behavior (OB)

A field of study that investigates the impact that individuals, groups, and structure have on behavior within organizations, for the purpose of applying such knowledge toward improving an organization's effectiveness.



Replacing Intuition with Systematic Study

Intuition

A feeling not necessarily supported by research.

Systematic study

Looking at relationships, attempting to attribute causes and effects, and drawing conclusions based on scientific evidence.

Provides a means to predict behaviors.



Contributing Disciplines to the OB Field

Psychology

The science that seeks to measure, explain, and sometimes change the behavior of humans and other animals.

Sociology

The study of people in relation to their fellow human beings.

Social Psychology

An area within psychology that blends concepts from psychology and sociology and that focuses on the influence of people on one another.

Anthropology

The study of societies to learn about human beings and their activities.

Political Science

The study of the behavior of individuals and groups within a political environment.

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There Are Few Absolutes in OB

Contingency variables

Situational factors: variables that moderate the relationship between two or more other variables and improve the correlation.



Challenges and Opportunities for OB

➤ **Responding to Globalization**

- Increased foreign assignments
- Working with people from different cultures
- Coping with anti-capitalism backlash
- Overseeing movement of jobs to countries with low-cost labor

➤ **Managing Workforce Diversity**

- Embracing diversity
- Changing U.S. demographics
- Implications for managers
 - Recognizing and responding to differences



Challenges and Opportunities for OB (cont'd)

- **Improving Quality and Productivity**
 - Quality management (QM)
 - Process reengineering
- **Responding to the Labor Shortage**
 - Changing work force demographics
 - Fewer skilled laborers
 - Early retirements and older workers
- **Improving Customer Service**
 - Increased expectation of service quality
 - Customer-responsive cultures



What Is Quality Management?

- 1. Intense focus on the customer.**
- 2. Concern for continuous improvement.**
- 3. Improvement in the quality of everything the organization does.**
- 4. Accurate measurement.**
- 5. Empowerment of employees.**



Improving Quality and Productivity

➤ **Quality management (QM)**

- The constant attainment of customer satisfaction through the continuous improvement of all organizational processes.
- Requires employees to rethink what they do and become more involved in workplace decisions.

➤ **Process reengineering**

- Asks managers to reconsider how work would be done and their organization structured if they were starting over.
- Instead of making incremental changes in processes, reengineering involves evaluating every process in terms of its contribution.

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Challenges and Opportunity for OB (cont'd)

- Improving People Skills
- Empowering People
- Stimulating Innovation and Change
- Coping with “Temporariness”
- Working in Networked Organizations
- Helping Employees Balance Work/Life Conflicts
- Improving Ethical Behavior



Basic OB Model, Stage I

Model

An abstraction of reality.

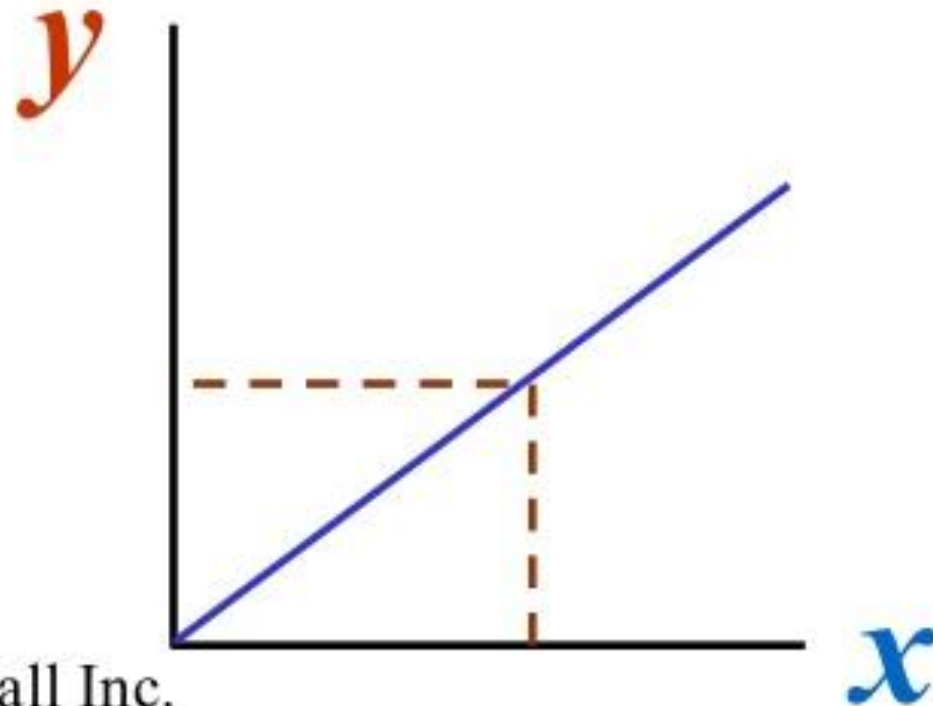
A simplified representation of some real-world phenomenon.



The Dependent Variables

Dependent variable

A response that is affected by an independent variable.



The Dependent Variables (cont'd)

Productivity

A performance measure that includes effectiveness and efficiency.

Effectiveness

Achievement of goals.

Efficiency

The ratio of effective output to the input required to achieve it.



The Dependent Variables (cont'd)

Absenteeism

The failure to report to work.

Turnover

The voluntary and involuntary permanent withdrawal from an organization.

Organizational citizenship behavior (OCB)

Discretionary behavior that is not part of an employee's formal job requirements, but that nevertheless promotes the effective functioning of the organization.

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The Dependent Variables (cont'd)

Job satisfaction

A general attitude toward one's job, the difference between the amount of reward workers receive and the amount they believe they should receive.



The Independent Variables

Independent variable

The presumed cause of some change in the dependent variable.

