

## CHAPTER 15 – ORGANIZATIONAL DESIGN AND STRUCTURE

### Study:

#### Open system theory:

An **organization** is a system of consciously coordinated activities or forces of two or more persons, an organization is an open system, its survival and operation depends on constant interaction with its environment,

#### Open System Theory:

Open: Organizations are open to, and influenced by, their environments, must adapt to changes outside of the company.

System: Movement in one part leads to predictable movement in another,

Organizations import resources, transform it into a product characteristic of organizational processes, export the product, and re-energize from sources in the environment,

External material: Open systems theory refers simply to the concept that organizations are strongly influenced by their environment. The environment consists of other organizations that exert various forces of an economic, political, or social nature. The environment also provides key resources that sustain the organization and lead to change and survival. Open systems theory was developed after World War II in reaction to earlier theories of organizations, such as the human relations perspective of Elton Mayo and the administrative theories of Henri Fayol, which treated the organization largely as a self-contained entity.

#### Organizational structure,

**Organizational structure** is the vertical and horizontal configuration of departments, authority, and jobs within an organization

Within an organization there is structure, people, tasks, and technologies. Outside of the organization there are three variables: (1) inputs, material, capital, and human, (2) outputs, products and services, (3) task environment: competitors, unions, regulatory agencies and clients. If any of these changes, the company needs to adapt. Switching to a new computer system and additional changes are needed, employee training, new computers.

#### organizational design:

**Organizational design** is the process of constructing and adjusting an organization's structure to achieve its business strategy and goals relative to its environment.

By differentiating and integrating both tasks and roles, organizational structure determines **organizational process** (activities that transform input into output) by clarifying:

1. Formal lines of authority and responsibility
2. Formal systems of communication, coordination, and integration

#### Differentiation vs. integration (both horizontal and vertical of each)

Differentiation is the process of breaking down organizational goals into tasks; As differentiation increases, so does **complexity**; as complexity increases, firms need more links to coordinate different parts,

There are three types of differentiation: The more differentiation the more need for integration

- (1) Horizontal: Between organizational sub-units, how many unique jobs are there in the organization, many or just a few?  
Based on employee knowledge, education, and training (i.e., task specialization)  
Increased specialization leads to increased departmentalization – if unique jobs may need a new department
  - (2) Vertical: Between hierarchical/authority levels – how many levels of power are there?  
Decrease as span of control (number of subordinates a manager supervises) increases  
More control, bureaucratic communication, high opportunity for promotion – the main reason for a tall organization structure, it gives you more control over everyone in the organization – less people reporting to each manager, so they know what each one is doing.
  - (3) Spatial: Between geographic locations – each location will have horizontal and vertical differentiation. NY Paris.
- ✓ Political and legal issues also play a role in decisions to spatially differentiate

**Integration** is the process of linking tasks and roles together to form a structure that supports strategy and goal accomplishment,

Vertical linkages coordinate hierarchical tasks:

Hierarchical referrals (problem solving; delegation)

Rules/procedures (standing information)

Plans and schedules

Management information systems, vertical is the many way large companies integrate.

Vertical is inherently integrated.

Horizontal integration connects jobs

Liaison roles/integrators - someone at your same level whose job is to communicate with other departments – a boundary spanner,

Task forces, councils, committees, or teams (new interdependent entities) – formed for a product launch.

The three major organizational design types (traditional, horizontal, modular), and examples of each of their subtypes as described in the textbook (e.g., divisional, matrix, etc.)

**Organizational Design:** Traditional organizational - designs rely on high vertical differentiation to control workers in horizontally differentiated jobs; high specialization and standardization standard bureaucratic organization, three ways to build these:

Organized by (1) function, (2) division (e.g., products, services, regions, etc.), or (3) matrix (integration of function and division, intersecting command structures) (function or divisions - leads to silos)

Matrix organization, one general manager over all departments, projects crossing departmental boundaries.

Fed up with hierarchy, many organizations shifted to a **horizontal** structure (flatter organizations), which removes vertical structures (departments, authority) and instead supports teams and social interaction; complex but allows for greater agility (**makes for a more nimble, flexible organization**). This gives employee greater autonomy, but at the expense of taking on more risks. Pro is it could be more motivating, the con is it could be more scary, less secure.

Organized by cross-functional teams that form and dissolve as needed; 'processes' that involve all the tasks and roles to fulfill a customer need.... Processes come and go as needed

With the rise of external services, many organizations opt for an **open** structure, in which they outsource many functions and rely on external collaboration; allows for rapid response to market changes,

Organized as a network (outsource all processes but core function), modular (outsource entire product segments), or virtual (workers collaborating together under unified company),

Modular organization: Uses out sourcing, or they could purchase other companies and plug them into their organization as needed. This makes a company nimble.

In a modular structure, the company assembles product parts, components, or modules provided by external contractors. The modular organization also is responsible for ensuring that the parts meet quality requirements, that they arrive in a timely fashion, and that the organization is capable of efficiently combining the parts into the final whole. This design is useful when a company can identify product modules and create design interfaces that allow it to assemble parts into a working order.

**Five structural configurations (Mintzberg's model): simple, machine bureaucracy, professional bureaucracy, divisionalized, adhocracy**

Mintzberg delineated five basic parts of every organization:

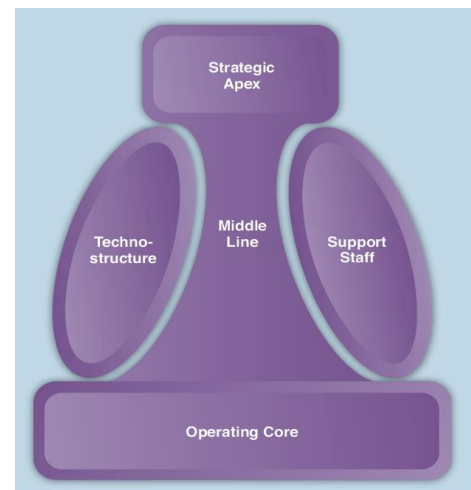
Strategic - apex CEO,

Middle line – managers, supervisors, directors ...

Operating core – production, cashier, team leaders

Support staff – payroll – facilities, IT basic support, cafeteria

Technostructure – anything that makes the operating core more productive, IT developing advance tools.



## Configurations,

There are five general configurations; each emphasizes one part of the organization's parts,

**Simple structure:** Centralized, low formalization, low vertical differentiation, heavy use of direct supervision **Strategic APEX most important,**

**Machine bureaucracy:** Limited horizontal decentralization, high vertical differentiation, high formalization, high standardization, technical staff have much power **Technostructure most critical**.

**Professional bureaucracy:** Decentralized, vertical/horizontal differentiation, high standardization of professionals' skills, staff support the operating core (professionals) doctors and nurses in a hospital most critical, **operating core is the most critical in this situation**.

**Divisionalized form:** Modular organization. Vertical decentralization (focus on middle line), each part functions in own market, standardized output **Middle line most important**.

**Adhocracy:** Off the cuff, spontaneity, decentralization, with support staff that link experts into project-based teams, **support staff most important**.

External data: Organizational types

There are five popular organizational structures, according to Mintzberg.

**Simple structure** (entrepreneurial organization). This type of organization consists of a few managers/executives and multiple subordinates.

**Machine bureaucracy.** Workers operate as parts of a machine. Each department is responsible for its own tasks, and decision-making is centralized.

Professional bureaucracy. Each professional works independently, without centralization, on tasks that match their specific skillset.

Divisional (diversified) form. Diverse work is delegated among divisions. Each division focuses on its own activities and functions.

Adhocracy. There is no formal structure; rather, highly qualified employees form teams to complete tasks and adjust to any industry changes.

Structural Configuration	Prime Coordinating Mechanism	Key Part of Organization	Type of Decentralization
Simple structure	Direct supervision	Upper echelon	Centralization
Machine bureaucracy	Standardization of work processes	Technical staff	Limited horizontal decentralization
Professional bureaucracy	Standardization of skills	Operating level	Vertical and horizontal decentralization
Divisionalized form	Standardization of outputs	Middle level	Limited vertical decentralization
Adhocracy	Mutual adjustment	Support staff	Selective decentralization

SOURCE: H. Mintzberg, *The Structuring of Organizations*, © 1979, 301. Reprinted by permission of Pearson Education, Inc., Upper Saddle River, N.J.

Don't worry about:

Specific Zappos or Lily examples

Virtual work

Learning organizations

Contingency design and internal alignment

Balanced scorecard

Organizational innovation

## CHAPTER 14 – ORGANIZATIONAL CULTURE

Study:

What is organizational culture?

Organizational culture is the set of shared, taken-for-granted implicit assumptions that a group holds and that determines how it perceives, thinks about, and reacts to its various environments (norms),

Culture is rooted in 3 levels unspoken,

- (1) assumptions that are often understood in the form of for example, get power, customers win,
- (2) values, which are learned or communicated via,
- (3) artifacts, observable things

Levels of organizational culture: artifacts, values, assumptions

**Artifacts:**,

**Artifacts** communicate the values of a culture in the physical and social work environments, five common artifacts include:

ex. office with window, dress code, floor number of your office,

- (1) *Personal enactment*: Behaviors that model, mimic, or reinforce organizational values,
- (2) *Ceremonies & rites*: Elaborate sets of activities enacted on important occasions (commencement) – what gets celebrated, is what is valued in the culture.

- (3) *Stories*: Themes emerge when stories are passed down and guide organizational behavior; can be used to inspire and motivate as well, stories communicate what is valued, employee falsified paperwork and was summarily fired.
- (4) *rituals*: everyday, repetitive organizational practices (going to happy hour Thursdays)
- (5) *Symbols*: Physical entities that communicate culture through unspoken messages, corner office, office with window, uniforms.

## **Values:,**

Values are beliefs about what is or is not important, and how to make important things happen,

There are two types of values in a company:

- (1) Espoused values: What employees and managers say they value,
- (2) Enacted values: Values reflected in the way employees and managers actually behave,

**Assumptions:** Assumptions are deeply held beliefs that guide behavior and tell employees how to perceive situations, people, and reality

Assumptions are so strongly held that violating them is nearly unthinkable; they non-consciously guide behavior, - In a power culture, never talk back to someone with power. Manager or customer, whoever has the power.

Three levels: (1) Artifacts, (2) Values, (3) Assumption:

- (1) Seen (surface level) - symbolic artifacts, such as dress code, workers' and managers' behaviors, what people say,
- (2) Heard – (expressed values and beliefs) – how decisions are made and explained, widely shared assumptions and beliefs
- (3) Believed (unconscious assumptions and beliefs) – buried deep below the surface, rarely discussed or thought about.

Artifacts, values, and solutions to problems that are used repeatedly will, over time, become assumptions,

## **Competing-Values Framework (types of culture)**

### **Types of Culture,**

In the **Competing-Values Framework (CVF)**, culture varies along two axes:

Horizontal axis - Flexibility and discretion – stability and control,

Vertical axis - Internal focus and integration – external focus and differentiation,

In the Flexibility and Discretion group,

(internal focus and integration) Clan culture (**collaborate**) example, google. Best type to work for. Means: Cohesion, participation, communication, empowerment. Ends: Morale, people, development, commitment.

(external focus and differentiation) Adhocracy culture (**create**) example Ikea.

Means: adaptability, creativity, agility, experimentation,

Ends: Innovation, growth, cutting-edge output,

In the Stability and Control group, Larger, hierarchical

(internal focus and integration) Hierarchy culture (**control**) – university, government, hospitals,

Means: capable processes, consistency, process control, measurement,

Ends: efficiency, timeliness, smooth functioning,

(external focus and differentiation) Market organizations – (**compete**) – target, Walmart,

Means: customer focus, productivity, enhancing competitiveness,

Ends: market share, profitability, goal achievement,

### **Functions of organizational culture (impact of culture)**

Impact of culture:

In general, culture serves four basic functions:

- (1) Provides a sense of identity to employees (enhance commitment, motivation), culture acts as a control mechanism, in lieu of leadership,
- (2) Aide in interpretation of events and overall “sense-making”,
- (3) Reinforces the values of the organization, and employee commitment to those values,
- (4) Provides controls (e.g., norms) that guide behavior and enhance stability,

### **Relationship of culture to performance: strong culture perspective, fit perspective, adaptation perspective**

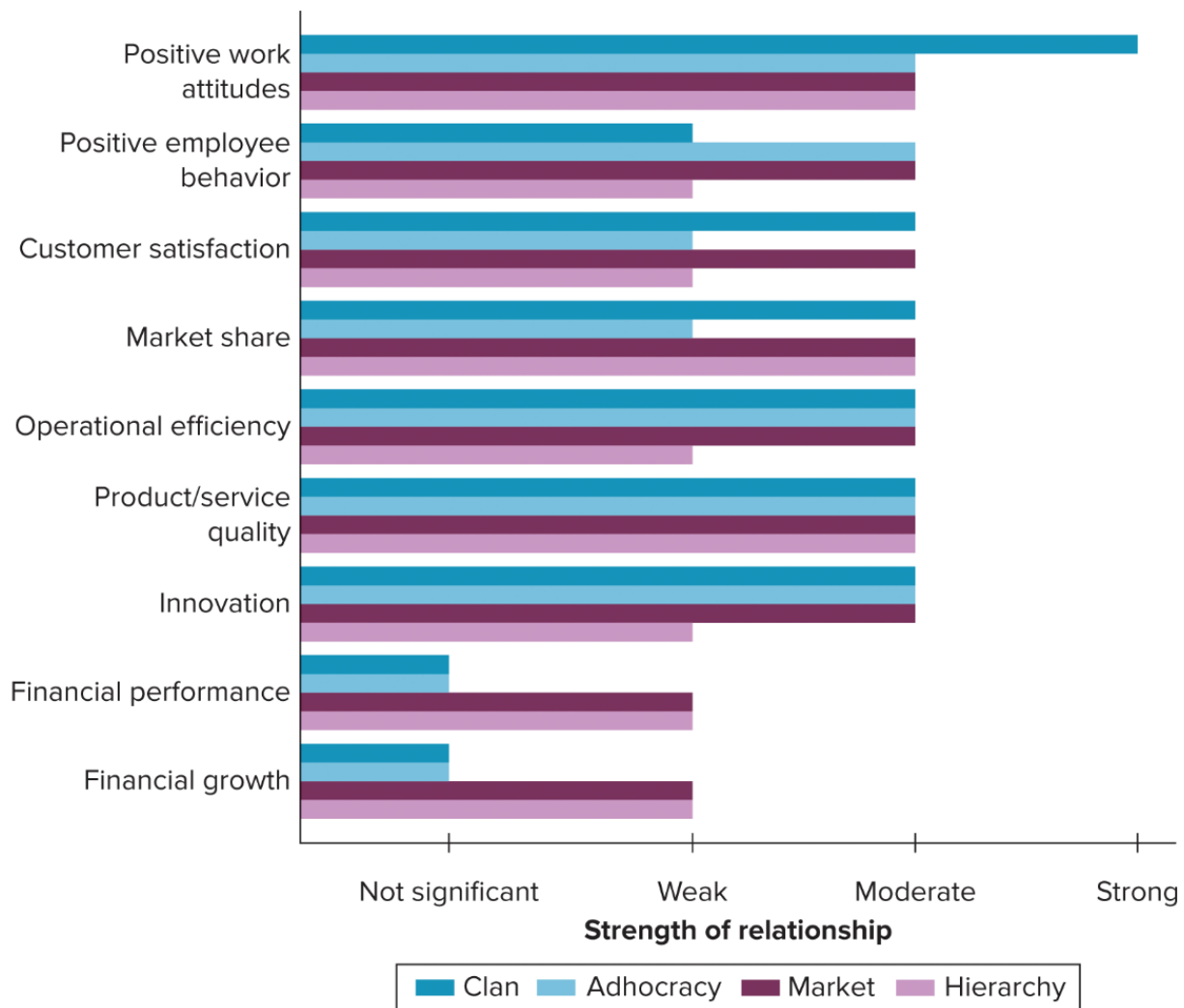
Different perspectives explain the link between culture and firm performance

**Strong culture perspective:** As consensus of organizational values and assumptions increases, so does firm performance; enhances goal alignment, high motivation, effective control (without bureaucracy),

**Weak culture does not help Improve performance.),**

**Fit Perspective:** Cultures enhance performance only when they fit the firm’s strategy or industry; culture is influenced by competitors, customers, and societal expectations,

**Adaptation Perspective:** Adaptive cultures encourage confidence and risk taking among employees, their leaders produce change, and they focus on the changing needs of customers,



### Leader's role in shaping culture,

#### Leadership:,

Leaders play a critical role in shaping the culture of an organization; the culture developed by a company's founders can quickly become strongly embedded

There are five elements that strongly shape culture:

1. *What leaders pay attention to:* leaders send signals by what they notice, measure, control
2. *How leaders react to crises:* Company shows its fundamental requirements during crises, who gets cut during layoffs, this shows who the leader cares about
3. *How leaders behave:* employees often model after leaders
4. *How leaders allocate rewards:* reward behavior that aligns with organizational values
5. *How leaders hire and fire employees:* leaders typically unconsciously seek newcomers who are similar to current employees, selection is also shaped by organizational goals and values

### Changing organizational culture

#### Culture Change,



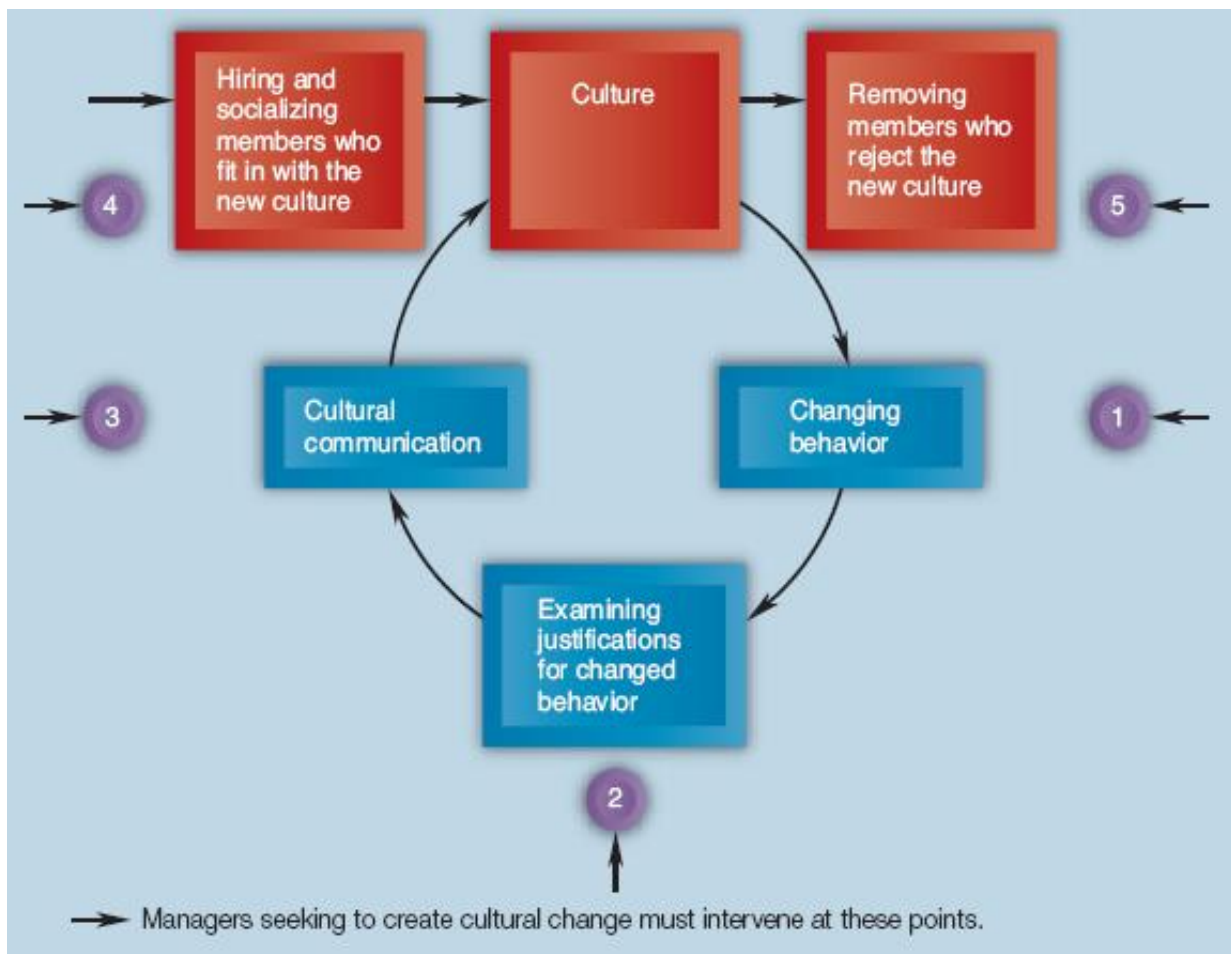
Changing organizational culture is **very difficult** because assumptions are often unconscious, and behavioral norms and rewards are well learned

Two basic approaches to culture change:

1. Help existing members adopt a new set of values (addition or substitution) alter employee behavior,
2. Adding newcomers and socializing them to the organization, while removing current members that are inappropriate,

There are five general steps to culture change:

1. Change overt behavior
2. Examine extent of value change
3. Communicate change; ensure that all artifacts and leader behaviors send a consistent message about new values/beliefs
4. Revise selection strategy to fit desired culture
5. Remove members who reject desired culture



Outcomes associated with organizational culture (just know the basics)

Don't worry about:

~~Mechanisms or levers for culture change (only focus on the culture change information we covered in class)~~

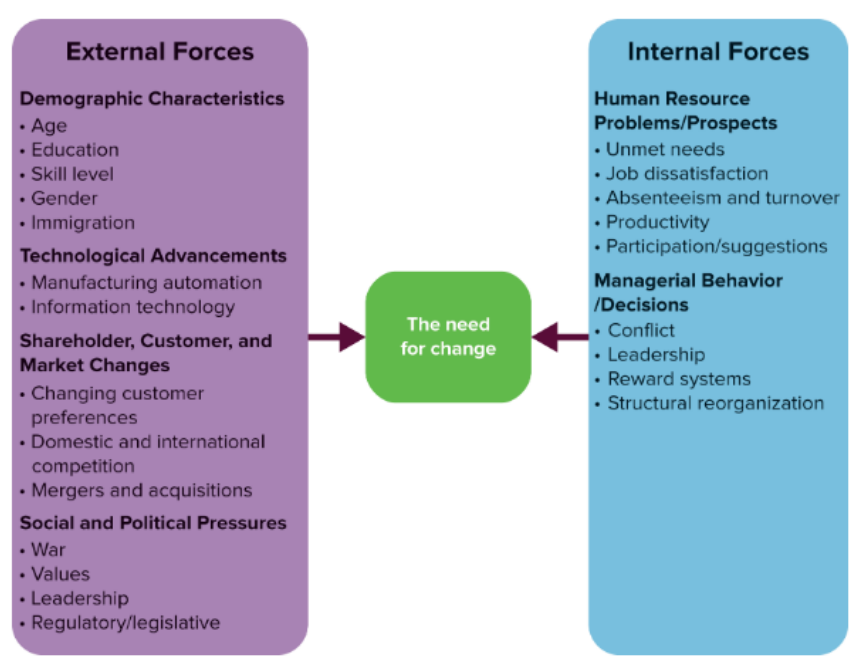
~~Organizational socialization~~

~~Mentoring~~

## CHAPTER 16 – MANAGING CHANGE AND STRESS

Study:

Overview of different forces for organizational change (external, internal), don't memorize all of them, just know examples from each category



Forces for change (2):

(1) External forces:

Demographic characteristics – age, education, skill level, gender, immigration,

Technology advancement manufacturing automation, information technology,

**Shareholders,** customer, market changes – changing customer preference, domestic and international competition, mergers and acquisitions,

Social and political pressures – war, values, leadership, regulatory / legislation

(2) Internal forces

Human resource problems/Prospects – unmet needs, job dissatisfaction, absenteeism and turn over, productivity, participation/suggestions,

Managerial behavior/decisions – conflict, leadership, reward systems, structural reorganization

**Change:,**

**Spectrum of change (adaptive, innovative, radical), general understanding of each**

**Adaptive Change:** doing something you've already done, or doing in another part of the organization,

Facing mounting pressure from PepsiCo in 1982, The Coca-Cola Company released a sweeter reformulation of Coca-Cola titled "New Coke"

After public outrage over the change, the original formula was re-introduced as "Coca-Cola Classic" and put the company back on track

The Coca-Cola Company had misunderstood the meaning of their taste and brand to our culture

**Innovative Change:** bringing in something new to the organization

Innovative change requires integrating practices into multiple aspects of the firm, including social

In 1995, General Electric (GE) CEO Jack Welch implemented Six Sigma, which relies on empirical measurement and intensive practices that reduce defects and enhance service/product efficiency; after 5 years, GE saved roughly \$10 billion

Welch spent much time shaping GE culture \*\* culture change \*\*

**Radical innovative change:** something new to the industry

Radical innovative change requires fundamental change to the strategy and architecture of a firm

The financial recession and regulatory changes in the late 2000s greatly impaired GE's profitability

In response, Jeff Immelt (CEO) opted to sell off major units of the company in 2015 in order to become a simpler, and more streamlined 'digital industrial' that focuses on data connectivity

## Right now

Our brand is evolving to express a GE that is transforming industry by connecting machines to data and to people to help our cities run more smoothly, airplanes take off and land safely, and hospitals provide integrated care for healthier communities. We call ourselves a digital industrial because it's time for big, world-changing machines to be connected so they are safer, faster, and more effective. We're excited because while connectivity benefits many of us, the opportunity to do more is vast. Integrating software with industrial machines at scale to keep planes on time, and bringing electricity to the 1.2 billion people who still don't have it, will advance the world in a very big way.

GE's radical innovation required them not just to alter their culture, but transform it:

Radical change, however, comes at great risk; downsizing GE and pivoting their culture wasn't enough to build the profits they expected:

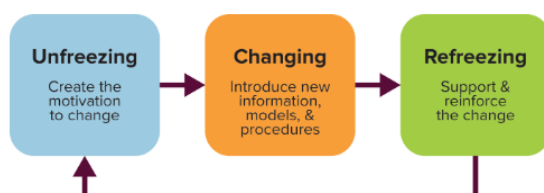
Change occurs on a spectrum / continuum:



## Lewin's basic model of organizational change

### Process of Change,

Lewin's basic model of change:



Most important item about change is to create a motivation to change, you must communicate why change is needed. Help me understand why we need to change.

### Kotter's eight steps to successful organizational change

STEP	DESCRIPTION
1. Establish a sense of urgency.	Unfreeze the organization using a compelling reason why change is needed.
2. Create the guiding coalition.	Create a team with appropriate knowledge and enough power to lead change.
3. Develop a vision and strategy.	Create a vision to inspire and a strategic plan to guide the change process.
4. Communicate the change vision.	Implement a communication strategy and "overcommunicate" the new vision and strategic plan.
5. Empower broad-based action.	Eliminate obstacles (processes and people) and encourage risk taking and creative problem solving.
6. Generate short-term wins.	Plan for and create short-term "wins" or improvements. Recognize and reward people who contribute to the wins.
7. Consolidate gains and produce more change.	Allow guiding coalition to use credibility from short-term wins to create more change. Additional people are brought into the change process as change cascades throughout the organization. Attempts are made to energize the change process.
8. Anchor new approaches in the culture.	Reinforce the changes by highlighting connections between new behaviors and processes and organizational success. Embed these in performance management and other processes—hiring, promotion, and leadership development and succession.

### KOTTER'S EIGHT STAGES TO LEADING ORGANIZATIONAL CHANGE

- (1) Establish a sense of urgency. Unfreeze the organization using a compelling reason why change is needed.
- (2) Create the guiding coalition. Create a team with appropriate knowledge and enough power to lead change.
- (3) Develop a vision and strategy. Create a vision to inspire and a strategic plan to guide the change process.
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## Importance of systems perspective in organizational change

### Causes of resistance to change (sub-section in textbook)

#### Causes of Resistance to Change

Figure 16.8 presents a model of resistance characterized by a dynamic interaction among three causes, rather than being caused solely by irrational and stubborn recipients of change. For example, recipients resist partly based on their perceptions of change, which are very much influenced by the attitudes and behaviors exhibited by change agents and the level of trust in the relationship between change agents and recipients. Similarly, change agents' actions and perceptions are affected by the recipients' actions and inactions and the quality of relationships with recipients. Let's consider each cause of resistance.

#### Recipient Characteristics

Recipient characteristics include perceptions and a variety of individual differences that help explain actions (engaging in new behaviors) and inactions (failing to engage in new behaviors). Six of the most common recipient characteristics are:<sup>38</sup>

**Dispositional resistance to change.** Individuals with high dispositional resistance to change, a stable personality trait, are less likely to voluntarily initiate changes and more likely to form negative attitudes toward the changes [they] encounter.

**Surprise and fear of the unknown.** When innovative or radically different changes are introduced without warning, affected employees often become fearful of the implications. The same is true when managers announce new goals without explaining specifically how the goals will be achieved. Imagine how you would feel if your boss said your department was going to increase sales by 25 percent without hiring any new employees. Managers' failure to set expectations around a change effort or a new goal is a key contributor to resistance.

**Fear of failure.** Many changes cause employees to doubt their capabilities. Self-doubt erodes self-confidence and performance, and it also impedes personal growth and development.

**Loss of status and/or job security.** Administrative and technological changes that threaten to alter power bases or eliminate jobs generally trigger strong resistance. For example, corporate restructuring usually eliminates managerial jobs. We should not be surprised when middle managers resist restructuring and other programs, such as empowerment, that reduce their authority and status.

**Peer pressure.** Someone who is not directly affected by a change may actively resist it to protect the interests of friends and coworkers.

**Past success.** Success can breed complacency. It also can foster a stubbornness to change because people come to believe that what worked in the past will work in the future.

#### Change Agent Characteristics

A change agent is someone who is a catalyst in helping organizations deal with old problems in new ways. Change agents can be external consultants or internal employees, and their characteristics can include actions or inactions. For example, a change agent who fails to communicate with employees or is perceived as instituting unfair policies is likely to create resistance from recipients. Another contributing factor is the change agent's perception of the reason employees behave the way they do in the face of organizational change. A change agent

might interpret employees' questions as a form of resistance when in fact they are honest attempts to clarify the change process.

The role of change agent can be extremely important. We therefore want you, and other change agents, to avoid some common mistakes. Table 16.2 outlines five. Enhance your own effectiveness by becoming aware of and avoiding these pitfalls.

#### TABLE 16.2 COMMON PITFALLS EFFECTIVE CHANGE AGENTS SHOULD AVOID

Decisions that disrupt cultural traditions or group relationships. Whenever individuals are transferred, promoted, or reassigned, cultural and group dynamics are often thrown into disequilibrium. Resistance increases because of the uncertainty associated with dealing with new team members and their expectations.

Personality conflicts. Change agents who display narcissism, excessive ego, lack of fairness, or any of the traits of bad leaders are likely to engender resistance from recipients.

Lack of tact or poor timing. Undue resistance can occur because change agents introduce change in an insensitive manner or at an awkward time. They should not only sell the benefits of the change but also explain why it is strategically important to the organization's success and must occur at a particular point in time.

Poor leadership style. Research shows that people are less likely to resist change when the change agent uses transformational leadership and makes the change about the organization and the employees, rather than about the leader him- or herself.

Failing to legitimize change. Active, honest communication and aligned reward systems help recipients understand and believe in the value of changes. Change agents must also explain how change will lead to positive personal and organizational benefits. They need a clear understanding about how recipients' jobs will change and how they will be rewarded. For example, an employee is unlikely to support a change effort he or she perceives as requiring more work and more pressure without a commensurate increase in pay.

#### Change Agent–Recipient Relationship

In general, resistance is reduced when change agents and recipients have a positive, trusting relationship. Trust consists of mutual faith in others' intentions and behavior. Mutual mistrust can doom to failure an otherwise well-conceived change. Managers who trust their employees make the change process an open, honest, and participative affair. Employees who trust management in turn are more willing to expend extra effort and take chances with something different. In support of this conclusion, a study of employees from the oil and banking industries showed that a high-quality relationship between managers and direct reports was associated with less resistance to change.

All that said, the following OB in Action box provides a very different means of dealing with resistance by the general manager of the NFL's Carolina Panthers.

#### OB IN ACTION

Should a New Leader Clean House?<sup>45</sup>

A photo of Dave Gettleman.

Dave Gettleman took a different path to success than most new general managers. Instead of replacing the existing coaching and administrative staff with his own people when he took over at the Carolina Panthers, he kept and worked with those already there.

**A Different Approach** Dave Gettleman had been part of six Super Bowl teams earlier in his career. When he was named general manager of the Carolina Panthers of the National Football League (NFL) in 2013, he took a very different path than most new professional sports executives. He didn't fire any of the existing coaching staff.

His reasoning was that If you fire the head coach, for example, how long does it take to bring the new coach up to speed? It could be many months, so Gettleman prefers to work with what and who he has.

**Why Fire the Existing Team?** It certainly is common practice, and some say common sense, to fire the old team. They are likely to resist your new ideas and new ways. They have made their living doing things in a particular way, and they may very likely continue to do things in that way. Business history is littered with examples of executives who came in and couldn't turn existing employees to a new path.

However, Gettleman's approach seems to have worked. The Panthers made the playoffs three years in a row, including playing in the Super Bowl in 2016.

### Definition of stress, three things that cause stress (Hobfoll, first content slide)

**Stress** Change in the workplace can drive stress, which can have a huge impact on employee behavior,

These changes can be small (e.g., new tasks, technology upgrade, different co-workers) or dramatic (e.g., new vision, merger, industry shifts, etc.); either way, they force workers to readjust their equilibrium, which causes stress

Stress is a person's adaptive response to a stimulus that places excessive psychological or physical demands on him or her,

Stress occurs when one or multiple of the following conditions occur (Hobfoll, 1989):

- 1) Resources (e.g., time, status, self-esteem, etc.) are lost,
- 2) Resource loss is threatened,
- 3) Resources are not regained following resource investment,

### Stress, distress, and eustress

**Stressors** are people, systems, objects, or events that trigger a stress response

**Distress (Strain)** is the adverse psychological, physical, behavioral, and organizational consequences that may arise as a result of stressful events



**Positive stress (Eustress)** occurs when stressful activities meet a person's ability to cope, and actually enhance a person's stress management abilities; it can provide an energy boost,

Examples of things that cause positive stress: Promotions, challenging yet achievable goals, valuable tasks at which one is competent, starting a new desirable job, etc.

Distress occurs when demands exceed coping capacity; examples include depression, psychosomatic disorders (e.g., physical ailments), aggression, medical issues, interpersonal conflicts, substance abuse, and burnout,

Burnout consists of three components:

- (1) Emotional exhaustion
- (2) Depersonalization of others – don't care about others when under too much stress
- (3) Reduced perceptions of personal accomplishment

Distress is linked to a variety of consequences for an one's work behavior:

- (1) **Withdrawal:** Absenteeism, lateness, turnover, strikes, work stoppages
- (2) **Attitudes:** Reduced job satisfaction, reduced organizational commitment, lower motivation
- (3) **Performance:** Poor quality/quantity of work, grievances, unscheduled downtime, impaired judgment in decision-making
- (4) **Counter-productive work behavior:** Theft, sabotage, harassment, violence, bullying, etc.

### **Personal Coping,**

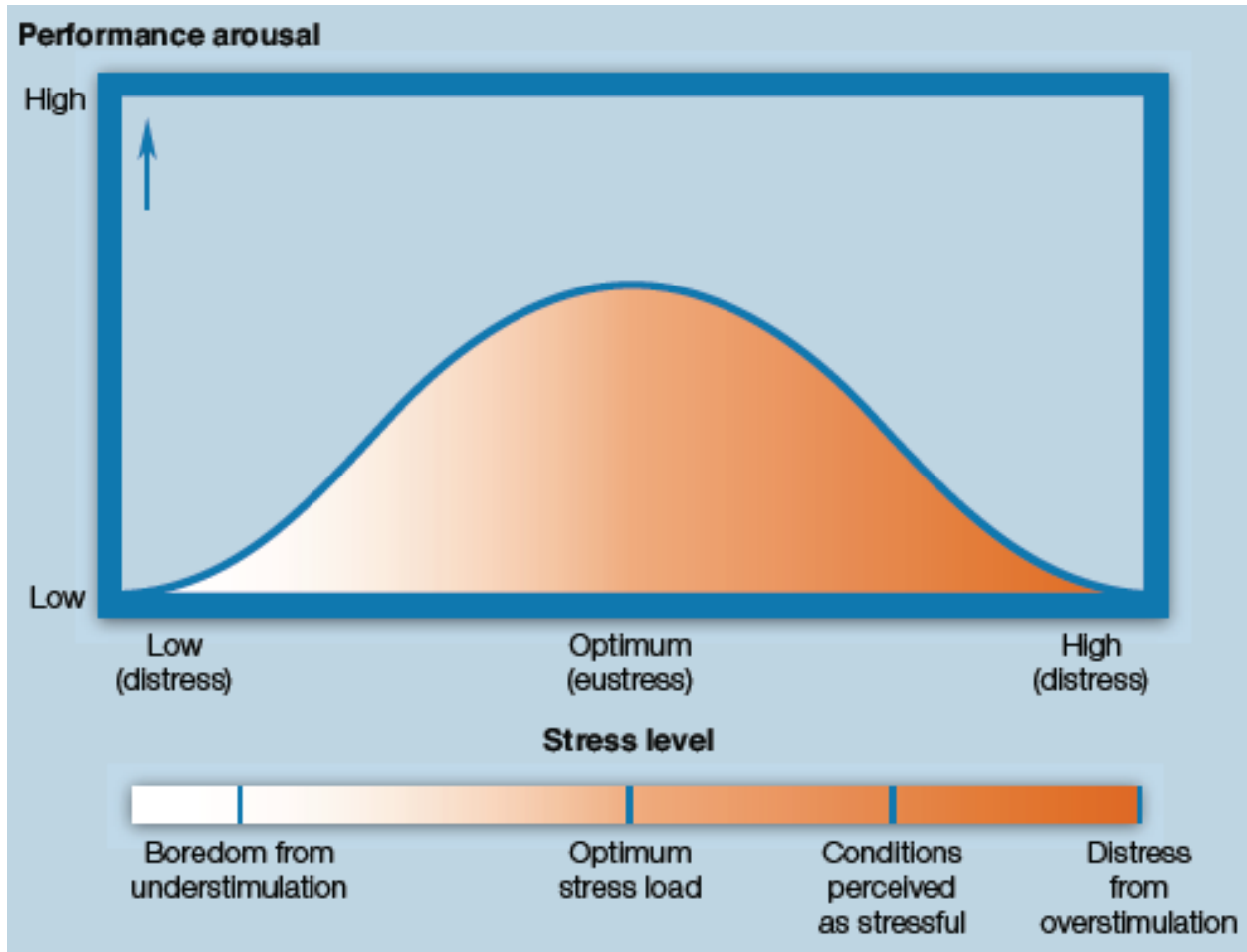
The likelihood of stressors leading to negative or positive outcomes depends on **how we perceive a particular stressor**,

When stressed, people make two appraisals:

1. **Primary appraisal:** Our perceptions of whether a stressor is irrelevant, positive, or negative
2. **Secondary appraisal:** Our perceptions of how able we are to cope with a given demand

Based on their appraisals, people tend to engage in one of three general types of coping behavior:

- (1) **Control strategies (problem-focused):** Behavior and cognition that directly anticipates or solves problems; this involves managing (e.g., alter, reduce, eliminate, etc.) the actual stressor
- (2) **Escape strategies (problem-focused):** Behavior and cognition that avoids or ignores stressors – dis-engage from the problem
- (3) **Symptom strategies (emotion-focused):** Managing one's emotional/psychological response to the stressor – go for a run – helps you manage your stress



Consequences of distress:

Burnout and its components

Different organizationally-relevant outcomes (performance, deviance, etc.)

Personal coping

Appraisals (primary, secondary)

Coping strategies (control, escape, symptom)

Organizational methods of preventing or managing stress at work:

Different levels of organizational stress prevention:

3 levels of prevention (primary, secondary, tertiary)

1. **Primary (manager stressor):** Alter problematic situations or change tasks (e.g., job re-design, role negotiation, job crafting), training and development (e.g., workshops, coaching), set appropriate goals and provide feedback, framing and leadership
2. **Secondary (manage response/emotion):** Employee wellness program, supportive organizational culture, flexible work arrangements, fair reward structure
3. **Tertiary (heal outcomes/damage):** Leave/time off, employee assistance programs, lower workload

#### Ways of managing stress at each level

Helping employees *perceive* they are in control of their work demands, can produce eustress

Control works best when it alleviates *specific* aspects of a job, not when it is too general

#### Perceived lack of control and how to deal with it (job demands vs. control), what might cause lack of control

Lack of control may be caused by inability to:

1. Influence the timing of tasks and activities
2. Select tools or methods for accomplishing the work
3. Make decisions that influence work outcomes
4. Exercise direct action to affect outcomes

There are many other practices that will relieve stress aside from giving greater control; they will only work, however, if they are matched to the **person** and the **situation**,

	High Job Demands	Low Job Demands
High Control	Highest motivation and satisfaction	Lowest strain/distress (high well-being)
Low Control	Highest strain/distress and lowest satisfaction	Stress due to boredom, lack of motivation

#### Process of Change:,

Change begets more change; a systems perspective is important for anticipating which other aspects of an organization must be managed during change,

Don't worry about:

List of most stressful experiences in life

Chemical messengers and physiological response to stress

Detailed knowledge of the different things that can cause organizational change

Detailed knowledge of systems model of change (just the basic idea)

Creating change through organizational development (OD)

Dynamic view of resistance

How to overcome resistance to change

ABCDEs of cognitive restructuring