# Module 6

# Understanding Work Group Dynamics and Group-Based Problem-Solving

# 6.1 Describing Work Groups and their Characteristics

6.1.1 Types of Groups in Organisations

- Work Group:
  - Interact with Each Other
  - Share Common Interest
  - Have Same Goal
- Formal & Informal
- Project Team and Effective Organizations

6.1.2 Why Individuals Are Attracted to and Join Groups

# 6.1 Describing Work Groups and their Characteristics

**Table 6.1** Factors causing group formation

| | Factors | Workplace example |
|---|---|---|
| 1 | Interpersonal attraction | |
| | a. Proximity | Clerks in a mailroom form an informal T.G.I.F. club (Thank God Its Friday). |
| | b. Physical attraction | Young engineers join an expensive health club in the hope of meeting attractive people of the opposite sex. |
| | c. Attitude similarity | Students who believe the university should have more intramural sports form a protest group. |
| | d. Economic and social similarity | Chief executive officers of banks are asked to sit on the boards of other banks. |
| | e. Race and gender similarity | Female Indian engineers form a career interest group to discuss employment problems experienced by minorities. |
| | f. Perceived ability of others | Employees with athletic ability organise a corporate sailing team. |
| 2 | Activities of the group | Employees organise a darts club to compete in a tournament. |
| 3 | Goals of the group | Employees organise a fund drive to raise cash for AIDS research. |

*Source:* Adapted from R.C. Dailey, 1988. *Understanding People in Organizations*. St. Paul, MN: West.

# 6.2 Work Group Composition, Cohesiveness and Norms

- 6.2.1 Cohesiveness: The Social Adhesive in Work Groups

**Table 6.2** Features of cohesive and incohesive work groups

| A cohesive work group tends to | An incohesive work group tends to |
| --- | --- |
| Perform well if its goals conform to organisational goals | Perform poorly regardless of its or the organisation's goals |
| Have energetic members who are motivated by the group's goals | Have members who are indifferent to group effort and goals |
| Have less absenteeism | Have high lateness and absenteeism |
| Have members who celebrate the group's success and lament its failures | Have members who are indifferent to the successes and failures of the group |
| Have members who value highly group membership | Have members who are indifferent to group membership |
| Resist transfer | Seek transfer |
| Become homogeneous over time | Remain unchanged in terms of member characteristics |

Source: Adapted from R.C. Dailey, 1988. *Understanding People in Organizations* St. Paul, MN: West.

# 6.2 Work Group Composition, Cohesiveness and Norms

- Can Managers Influence Cohesiveness?
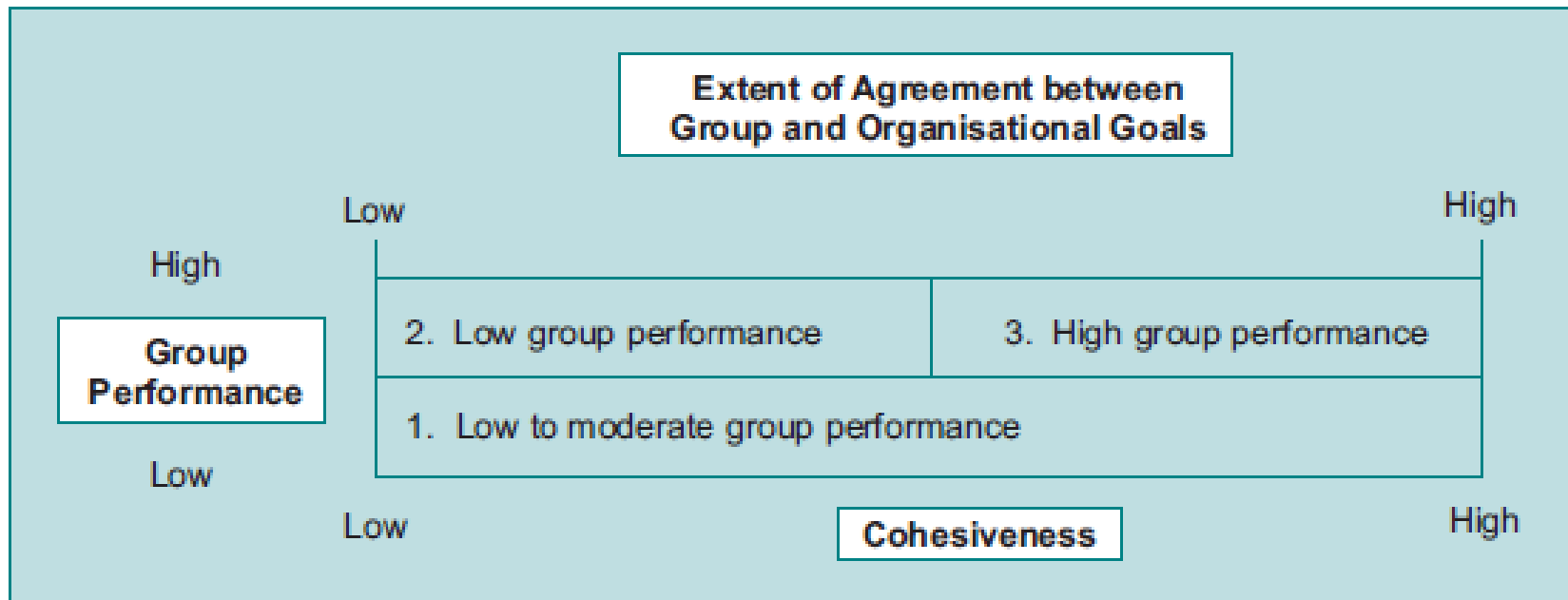- Relationship between Cohesiveness and Performance



Figure 6.1   Cohesiveness, goals and work group performance

# 6.2 Work Group Composition, Cohesiveness and Norms

- 6.2.2 What Managers Need to Know about Work Group Norms

  - Norms regulate the process of influence in a group.
  - Norms apply to member behaviour and not to their thoughts.
  - The group's strongest norms govern members' level of effort and performance.
  - Norms resist change. Norms must remain intact because they determine how
  - Some members have more right to deviate from work group norms than other members do.

# 6.2 Work Group Composition, Cohesiveness and Norms

**Table 6.3    Managerial principles for controlling work group norms and member conformity**

1. Create a desire to remain in the group. Cohesiveness is an important benefit valued by members, so acknowledge employee expressions of *esprit de corps*.
2. Show how high standards for group achievement meet individual needs and trigger rewards at the group level.
3. Specify the importance of giving up individual gains in favour of group success. The manager must be a role model for this.
4. Seize opportunities to show the small difference between members' personal preferences and what the group asks of its members.
5. Carefully define how members' contributions help the group achieve its goals.
6. Give members a say in creating norms about effort levels and performance standards.
7. Develop a simple and accepted system for recording and publicising work group success in core performance areas.
8. Develop valued rewards to motivate members who meet or exceed team performance standards.
9. Forge a link between team goals and personal accomplishments.
10. If creativity is necessary to ensure team success, temporarily suspend norms to encourage member innovation.
11. Make it clear that there are serious negative consequence for non-compliance with core performance norms.
12. Do not expel members who deviate from norms if: 1) they have a history of helping the group, 2) they are high status members and 3) the group has a history of helping rather than isolating deviants.
13. Do not allow work groups to become too isolated so that they ignore the company's need for coordination.

# 6.2 Work Group Composition, Cohesiveness and Norms

- 6.2.3 Groupthink: When Conformity Runs Amok

  The Indicators of Groupthink which Managers Should Recognise
    - The illusion of invulnerability.
    - Collective rationalisation.
    - Mind guards.
    - Belief in the inherent morality of the group.
    - Negative stereotyping of the opposition.
    - Direct pressure applied to dissenters.
    - Self-censorship.
    - Illusion of unanimity.

# 6.2 Work Group Composition, Cohesiveness and Norms

- The leader must assign the role of critical evaluator to members on rotating basis.

- Influential members should not pre-specify solutions or methods for reaching solutions.

- The leaders directs subgroups to arrive at separate decisions before polling the entire group on its decision.

- At pre-specified intervals, outside experts give guidance to the group.

- A second chance meeting should be held after the group has selected its official position/decision.

# 6.3 Significant Aspects of Work Group Structure

- Positional Status

- Group Size

- Participation

- Internal Conflict

# 6.3 Significant Aspects of Work Group Structure

**Table 6.4   Examples of personal and position status in firms**

| | |
|---|---|
| *Symbols of rank and position (titles)* | Director |
| | Chief Executive Officer |
| | Treasurer |
| | Senior Engineering Fellow |
| *Formal work relationships* | Managing partner |
| | Attache to the president |
| | Special assistant to the chief researcher |
| *Pay and perquisites* | Expense account |
| | Travel benefits (first class or corporate jet) |
| | Reserved dining room and parking privileges |
| | Country club/health club memberships |
| *Control of work schedule* | Personal work schedule |
| | Day versus night work |
| *Work space amenities* | Large office with library and fireplace |
| | Windows overlooking a pleasant view |
| | Private secretary to screen visitors |

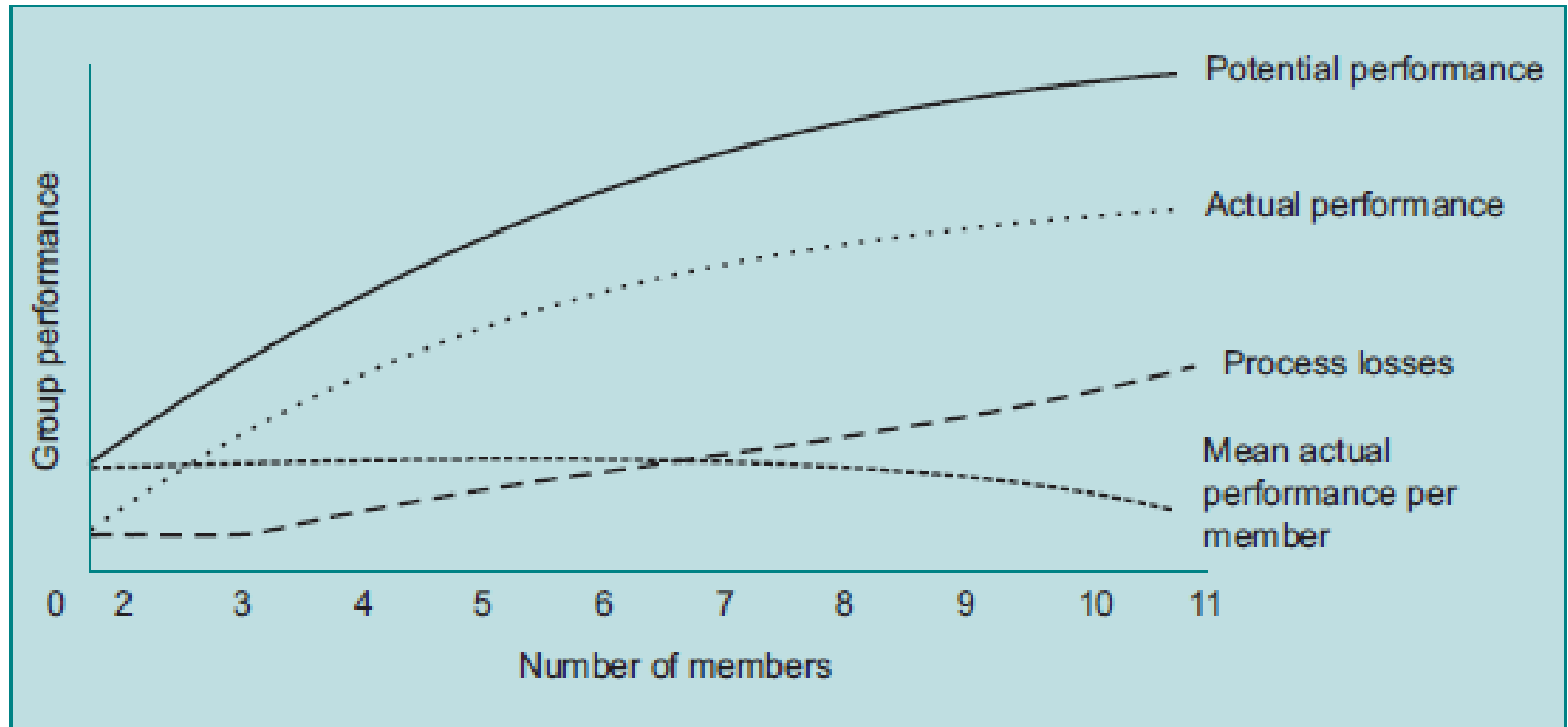# 6.3 Significant Aspects of Work Group Structure



Figure 6.2    Group size, performance and process losses

# 6.3 Significant Aspects of Work Group Structure

- 6.3.1 Guidelines for the Management of Work Group Size

  - Very small groups (2 to 3 members)
  - Groups of 4 to 5 members foster greater member satisfaction than middle-sized
  - Middle-sized groups (5 to 11 members)
  - Small groups (2 to 5 members)
  - Larger groups (11 or more members)
  - Beyond 20 members

# 6.4 From Statics to Dynamics: Work Group Development and Decision-Making

- 6.4.1 Understanding Stages of Work Group Development



| Stage 1<br>Test and<br>Orientation | Stage 2<br>Conflict and<br>Organisation | Stage 3<br>Cohesion and<br>Information<br>exchange | Stage 4<br>Interdependence and<br>Problem-solving |
|:---:|:---:|:---:|:---:|
| **(FORMING)** | **(STORMING)** | **(NORMING)** | **(PERFORMING)** |

**MAJOR ISSUES FOR EACH STAGE**

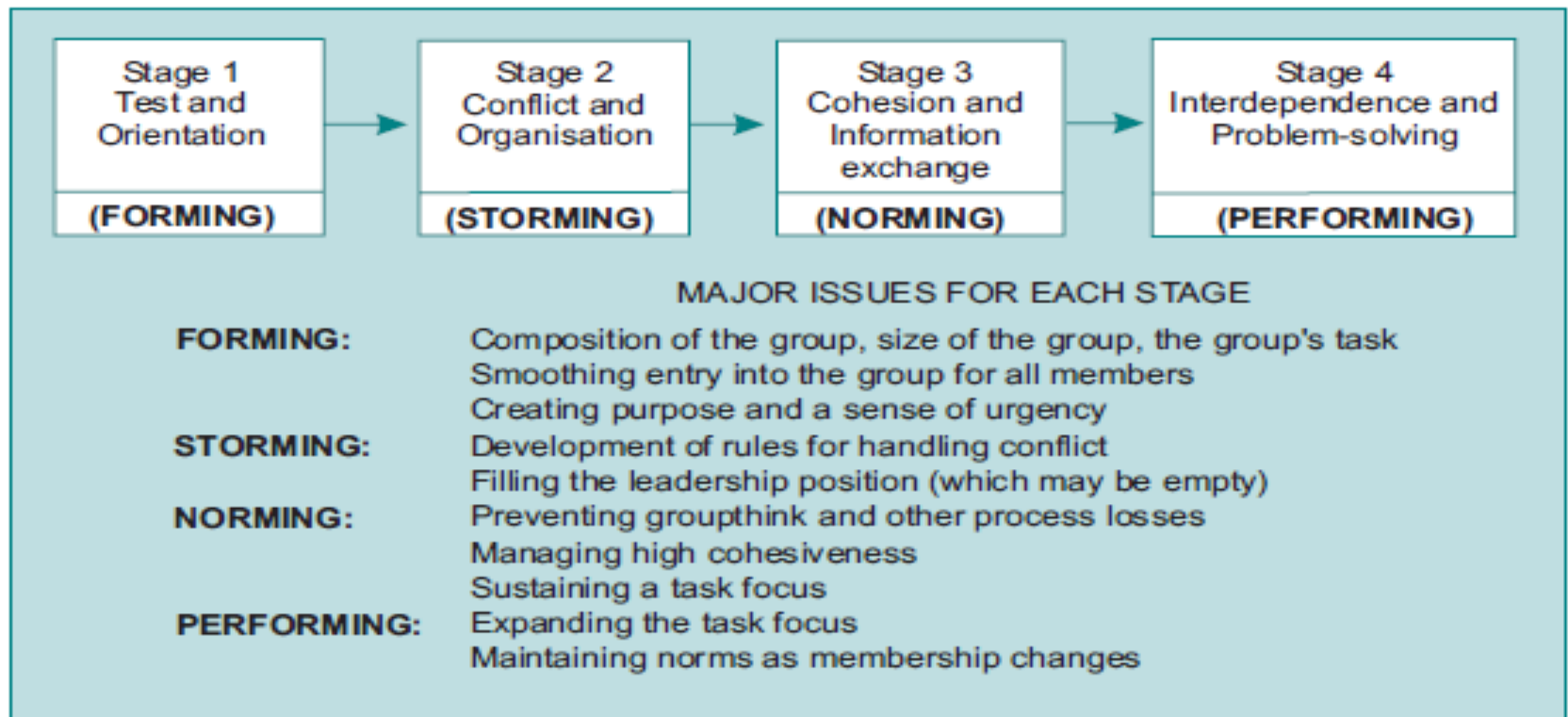| | |
|---|---|
| **FORMING:** | Composition of the group, size of the group, the group's task<br>Smoothing entry into the group for all members<br>Creating purpose and a sense of urgency |
| **STORMING:** | Development of rules for handling conflict<br>Filling the leadership position (which may be empty) |
| **NORMING:** | Preventing groupthink and other process losses<br>Managing high cohesiveness<br>Sustaining a task focus |
| **PERFORMING:** | Expanding the task focus<br>Maintaining norms as membership changes |

Figure 6.3    Stages of work group development

- Can Stage 4 groups retain their position Indefinitely.
- Can Psychometric Testing be used to quicken groups progress to stage 4?

## Table 6.5 Belbin's roles in highly successful, value-adding SDTs

| Role | Contribution | Allowable weaknesses |
|---|---|---|
| Plant | Creative, imaginative, unorthodox. Solves difficult problems (introverted). | Ignores incidentals. Preoccupied with own thoughts, may not communicate effectively. |
| Resource investigator | Extrovert, enthusiastic, communicative. Explores opportunities. Develops contacts (team boundary spanner, linking pin). | Over-optimistic. Can lose interest once initial enthusiasm has passed. (impatient and fickle). |
| Coordinator | Mature, confident. Clarifies goals. Brings people together to promote team discussions (self-starter). | Can be manipulative. Offloads personal work. |
| Shaper | Challenging, dynamic. Thrives on pressure. Has the drive and courage to overcome obstacles (high nAch Type A). | Prone to provocation, may offend others (impatient and abrasive). |
| Monitor/evaluator | Serious minded, strategic and discerning. Sees all options. Judges accurately. | Can lack drive and ability to inspire others (bureaucrat, bean counter). |
| Team worker | Cooperative, mild, and diplomatic. Listens and avoids friction (high nAff). | Indecisive in crunch situations (may become emotional). |
| Implementer | Disciplined, reliable, conservative in habits. A capacity for taking practical steps and actions. | Somewhat inflexible. Slow to respond to new possibilities. |
| Completer/finisher | Conscientious, detects errors and omissions (high nAch). | Inclined to worry unduly. Reluctant to delegate. |
| Specialist | Single-minded, self-starting, dedicated. Provides knowledge and skills in rare supply. | Contributes on only a limited front. Dwells on specialised personal interests. |

# 6.4 From Statics to Dynamics: Work Group Development and Decision-Making

- 6.4.2 Work Group Risk-Taking and Creativity

**Table 6.6** Factors influencing risk-taking in group decisions

| | The work group is risk oriented if | The work group is conservative if |
|---|---|---|
| 1 | The members value risk and the firm rewards risk taking that succeeds and learns from risk taking that fails. | Members do not value risk and the organisation punishes risk taking that fails. |
| 2 | The decision has little to do with organisational systems or personnel. | The decision involves human resources or employees' perceptions of the company. |
| 3 | The leader is risk oriented. | The leader is averse to risk. |
| 4 | The group has a history of tolerating deviance from group norms (stage 4). | The group has a norm that values the status quo (groupthink). |

# 6.4 From Statics to Dynamics: Work Group Development and Decision-Making

**Table 6.7    Factors which contribute to low-group creativity**

| | |
|---|---|
| 1 | The group has no unifying goal or core focus:  unclear aims. |
| 2 | No standard method for making decisions is followed:  inefficiency. |
| 3 | Generating ideas is not separated from evaluating ideas:  imbalance. |
| 4 | Ideas are evaluated in terms of who suggested them:  status effect. |
| 5 | Ideas do not become the property of the group:  status effect. |
| 6 | Conclusions are an individual product instead of a group product:  status effect. |
| 7 | Members' time is not valuable:  complacency. |
| 8 | Insecure members are reluctant to participate:  self-censorship. |
| 9 | Some members deflect the group from its stated purposes:  dominance. |
| 10 | Higher managers are slow to approve creative team output:  no validation. |
| 11 | The group pressures members to adopt a low standard of creativity:  mediocrity. |
| 12 | The group fears failure:  timidity. |

# 6.4 From Statics to Dynamics: Work Group Development and Decision-Making

- 6.4.3 Brainstorming, Nominal and Delphi Decision-Making in Groups
  - Brainstorming
  - Nominal Group Technique (NGT)
  - Delphi Technique
  - Are Delphi Groups Effective?

Table 6.8    How Delphi groups differ from nominal groups

| Delphi groups are | Nominal groups are |
| --- | --- |
| Composed of members who are unaware of other group members | Composed of members who know each other |
| Made up of members who never meet face-to-face | Designed to meet face-to-face |
| Reliant on a central processing unit which collects, collates and feeds back information | Designed to reach a decision more quickly |
| | More likely to have status and dominance effects |

# 6.5 Practical Guidelines for Managing Groups

**Table 6.9**    Situations characteristic of task activities and maintenance activities

| Task activities are occurring when | Maintenance activities are occurring when |
| --- | --- |
| The group diagnoses problems and suggesting problem effects | The members create cohesiveness by encouraging the use of agreement and praise |
| Members request objective information to ensure accuracy and attention to detail | Members revise group norms to better support consensus |
| The group provides timely information about its task to its members and they discuss matters of workflow coordination | Members ratify each others' ideas to ensure commitment and loyalty |
| Members sum up group progress on ideas, activities, goals and solutions | They discuss ways to attract and to socialise new members |
| They measure their progress and report on their goals | The leader maintains an 'open door policy' and all members stress the importance of equality |
| The leader reports the group's progress to higher managers | in group relationships |

# 6.5 Practical Guidelines for Managing Groups

- Define the workgroup's task or problem carefully

- Put a partition between idea generation and idea evaluation

- Avoid groupthink

- Install a group norm that encourages creativity and problem solving

- Make group level rewards contingent on the group contribution to work unit success
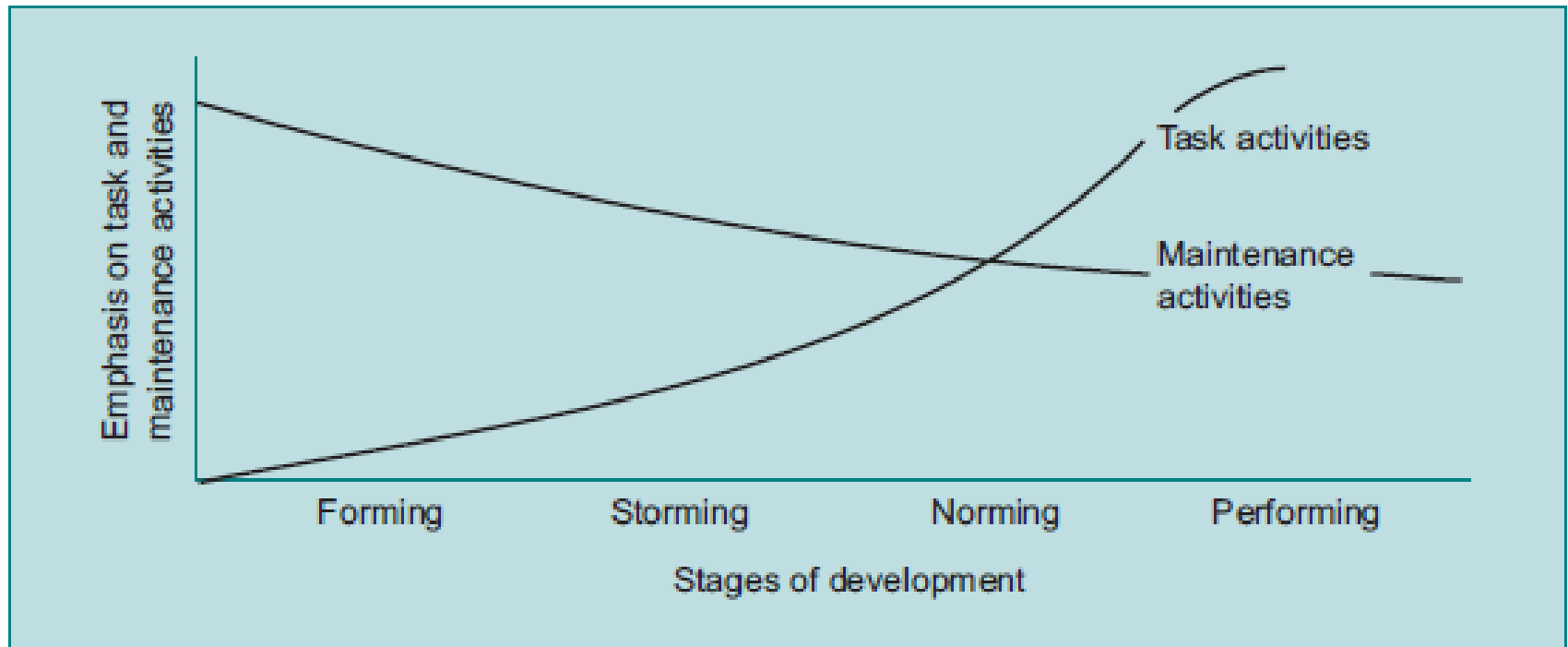
# 6.5 Practical Guidelines for Managing Groups



**Figure 6.4**   Stages of development and the emphasis on task and maintenance activities in work groups

# 6.5 Practical Guidelines for Managing Groups

- 6.5.1 Managing Intergroup Behaviour and Performance
  - Rules and procedures.
  - Member exchange.
  - Linking roles.
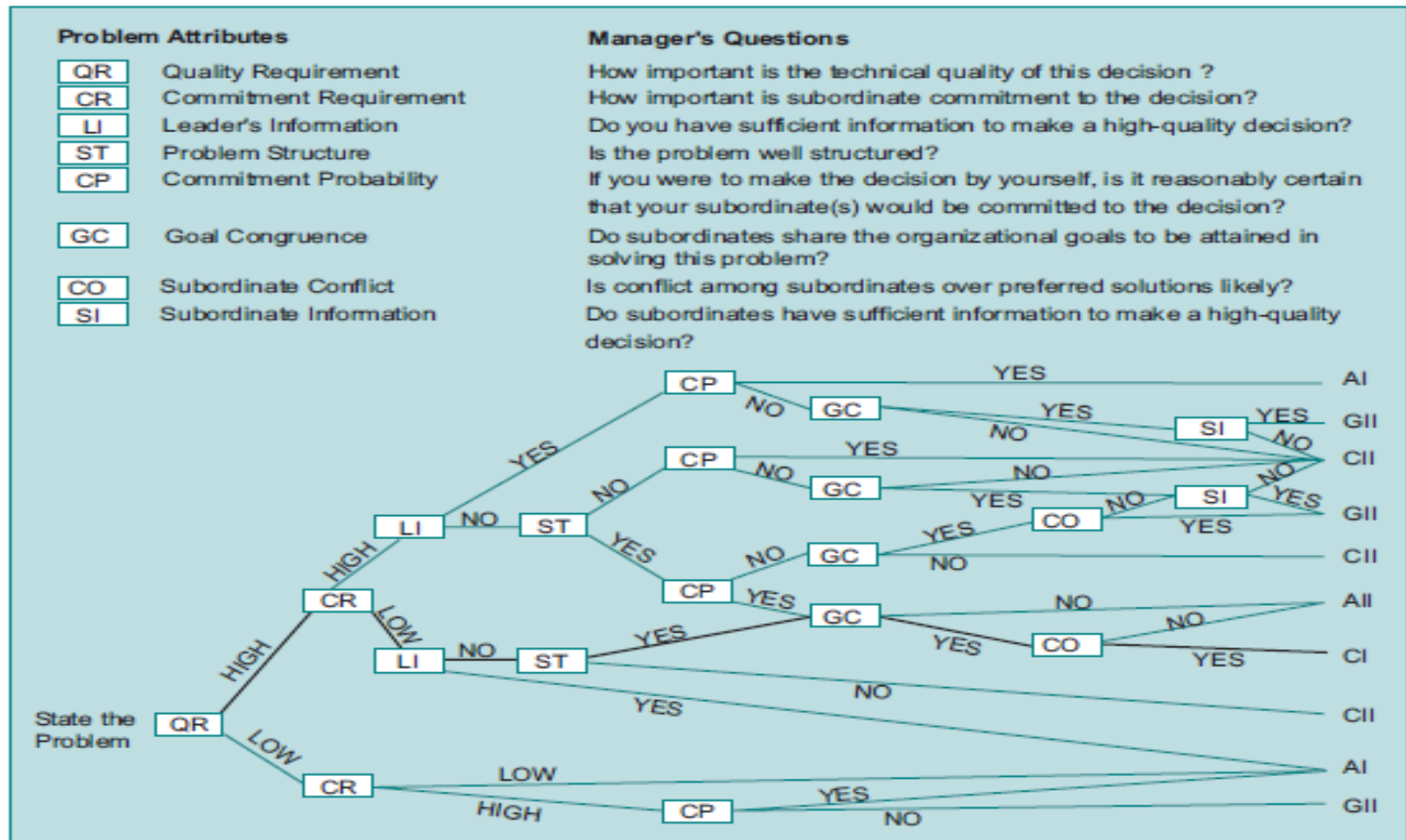  - Task-forces.
  - Decoupling.

# 6.5 Practical Guidelines for Managing Groups

- 6.5.2 Laggards in Groups: Spotting and Correcting Social Loafing
  - Target for participation the interesting and important aspects of the task
  - Assure group members that their individual contributions are identifiable
  - Offer scheduled and unscheduled feedback
  - Emphasize the importance of individual merit-based and team based-rewards.

# 6.6 Decision-Making in Teams: Deciding on the Extent of Participation

- The forms of employee involvement in group decision making:
  - AI Form
  - AII Form
  - CI Form
  - CII Form
  - GII Form

# 6.6 Decision-Making in Teams: Deciding on the Extent of Participation

**Problem Attributes**

| | | **Manager's Questions** |
|---|---|---|
| QR | Quality Requirement | How important is the technical quality of this decision? |
| CR | Commitment Requirement | How important is subordinate commitment to the decision? |
| LI | Leader's Information | Do you have sufficient information to make a high-quality decision? |
| ST | Problem Structure | Is the problem well structured? |
| CP | Commitment Probability | If you were to make the decision by yourself, is it reasonably certain that your subordinate(s) would be committed to the decision? |
| GC | Goal Congruence | Do subordinates share the organizational goals to be attained in solving this problem? |
| CO | Subordinate Conflict | Is conflict among subordinates over preferred solutions likely? |
| SI | Subordinate Information | Do subordinates have sufficient information to make a high-quality decision? |

**Figure 6.5** The Vroom–Yetton–Jago normative decision model

# 6.7 Work Groups in Competition and Conflict

- 6.7.1 Two Organisational Views on Conflict in Groups
  - Traditional View
  - Contemporary View

- 6.7.2 Managing Conflict within and between Groups
  - Avoiding
  - Accommodating
  - Forcing
  - Compromising
  - Collaboration

# Summary Points

- A group is two or more employees who interact, perceive common interests or goals and are brought together to accomplish a task.

- Firms have formal task or command groups and informal friendship groups.

- Informal groups emerge because formal groups cannot satisfy all their members' needs.

- People join groups and organisations because of interpersonal attraction created by proximity, physical attractiveness, attitude similarity, demographic similarity, group activities and group goals.

- Work group composition refers to the degree of similarity or difference between members' personal qualities.

- Cohesiveness means that members value the benefits of membership highly.

- Cohesiveness augments performance if the work group's norms agree with the norms of the organisation.

# Summary Points

- Work group norms streamline the process for controlling member behaviour.

- Without norms, a group would have to deal with each example of behaviour as a discrete event.

- If conformity and cohesiveness are extremely high, a work group may exhibit groupthink. This is the suspension of critical thinking in the group. Groupthink

- symptoms are detectable and correctable. Groupthink need not always result in bad decisions.

- Work group size has predictable effects on member participation, satisfaction with membership, process losses and average performance per member.

- Work group development proceeds through: 1) forming, 2) storming, 3) norming and 4) performing.

# Review Questions

**Which of the following describes the standards used by a group to judge the behaviour of its members?**

- **A.** Authority relationship congruence.
  **B** Behaviour norms.
  **C.** Heterogeneity.
  **D.** Cohesiveness.

# Review Questions

**Which of the following best defines a work group in an organisation?**

- **A** Two or more employees who 1) interact with each other, 2) see themselves as sharing common interests and goals and 3) are brought together to accomplish a meaningful work activity.
  **B.** Two or more employees who 1) interact with each other; 2) share common career goals; and 3) are geographically dispersed.
  **C.** Two or more employees who 1) share similar attitudes; 2) are in face-to-face contact and 3) exhibit similarities in terms of economic and educational backgrounds.
  **D.** Two or more employees who 1) enjoy the group's activities; 2) perceive extensive performance ability among members and 3) wish to share performance feedback with each other.

# Review Questions

A team has these characteristics: 1) short life span; 2) voluntary membership; 3) members selected for their problem solving expertise and 4) a direct link to higher management. This group is which of the following?

- **A.** Board of directors.
  **B.** Union organising group.
  **C** Project team.
  **D.** Cross-functional work group.

# Review Questions

**Which of the following would not be a factor causing group formation?**

- **A.** Activities of the group.
  **B.** Proximity.
  **C.** Race and gender similarity.
  **D** Task complexity.

# Review Questions

**Which of the following statements about group cohesiveness is inaccurate?**

- **A.** Cohesion can raise member job satisfaction and performance.
  **B.** Cohesion can enhance organisational commitment.
  **C** Cohesion raises the number of social exchanges among members outside the work setting.
  **D.** Cohesive work groups are better able to manage the behaviour of their members.

# Review Questions

**6 of 10**

**Which of the following is the best explanation for the relationship between work group cohesiveness and performance?**

- **A.** It is based on the extent of interpersonal attraction among members.
  **B.** It depends on the complexity of the group's task and the size of the group.
  **C** It is moderated by the extent to which a group accepts the firm's performance standards and goals.
  **D.** It is dependent on the extent to which the work group is homogeneous.

# Review Questions

**Several members of a highly cohesive and productive work team are talking in the hallway prior to a strategy session. These individuals are heard to say: 1) 'The scientists down in the lab are a bunch of "eggheads" and they should stay out of marketing decisions'; 2) 'Our new product will be a "category killer" and the competition can not touch us'; and 3) 'It is up to us to keep a lid on the cost overruns which we'll recover in the first month of sales'. These perceptions shared by the team members suggest which of the following?**

- **A** Groupthink.
  **B.** Escalation of commitment.
  **C.** High organisational commitment.
  **D.** Social loafing.

# Review Questions

**8 of 10**

**Groupthink is most strongly associated with which of the following?**

- **A** Extent to which a group is cohesive and its norms reflect the group's needs for conformity.
 **B.** Members who are highly committed to the organisation and its goals.
 **C.** Groups that do not experience turnover in membership over time.
 **D.** Group members who value team performance rewards more than individual rewards.

# Review Questions

**As group size increases, process losses in a work group do which of the following?**

- **A** rise.
  **B.** level off.
  **C.** decline.
  **D.** are unaffected

# Review Questions

**The chances of successful work group performance under the condition of high task uncertainty rise under which of the following conditions?**

- **A** The group is larger and its members are heterogeneous.
 **B.** The group is highly cohesive and its membership is stable.
 **C.** The group's potential performance is based on its members' heterogeneity.
 **D.** Interpersonal attraction in the group is low.