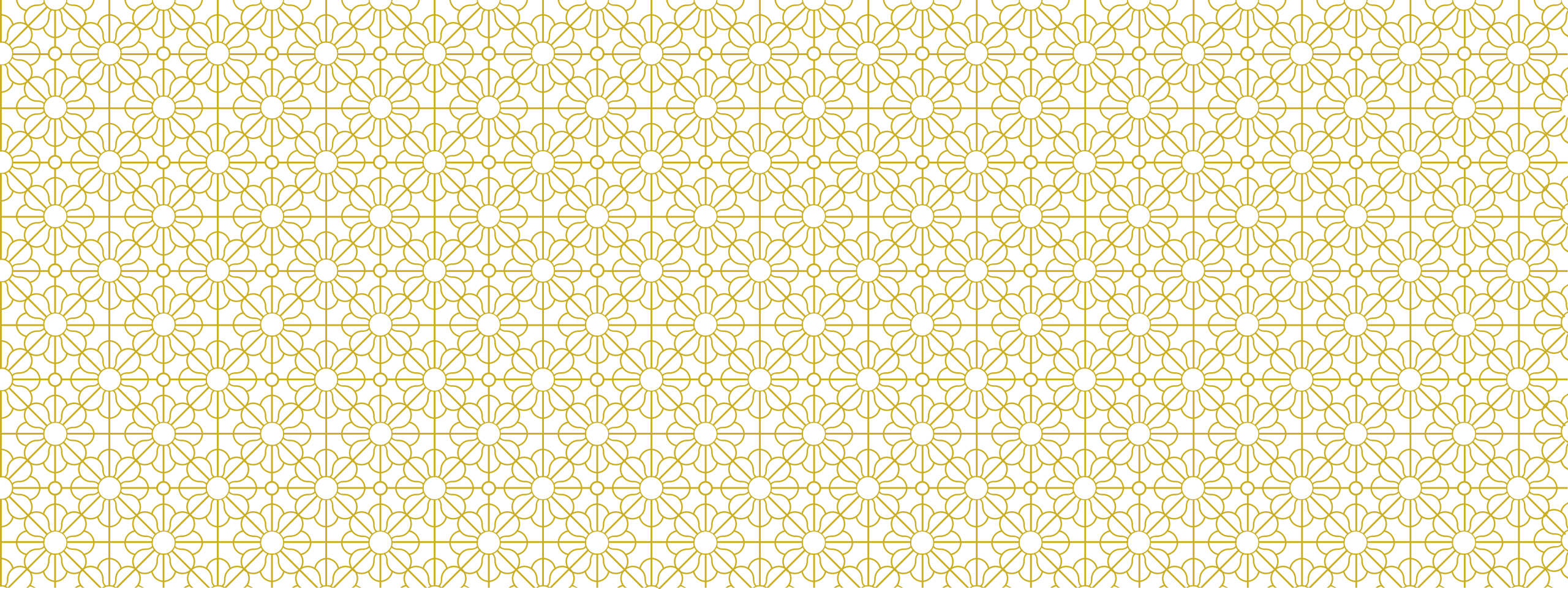# FUNCTIONAL AREAS OF HUMAN RESOURCE MANAGEMENT

Dr Vibhav Singh

FUNCTIONAL AREAS OF HUMAN RESOURCE MANAGEMENT
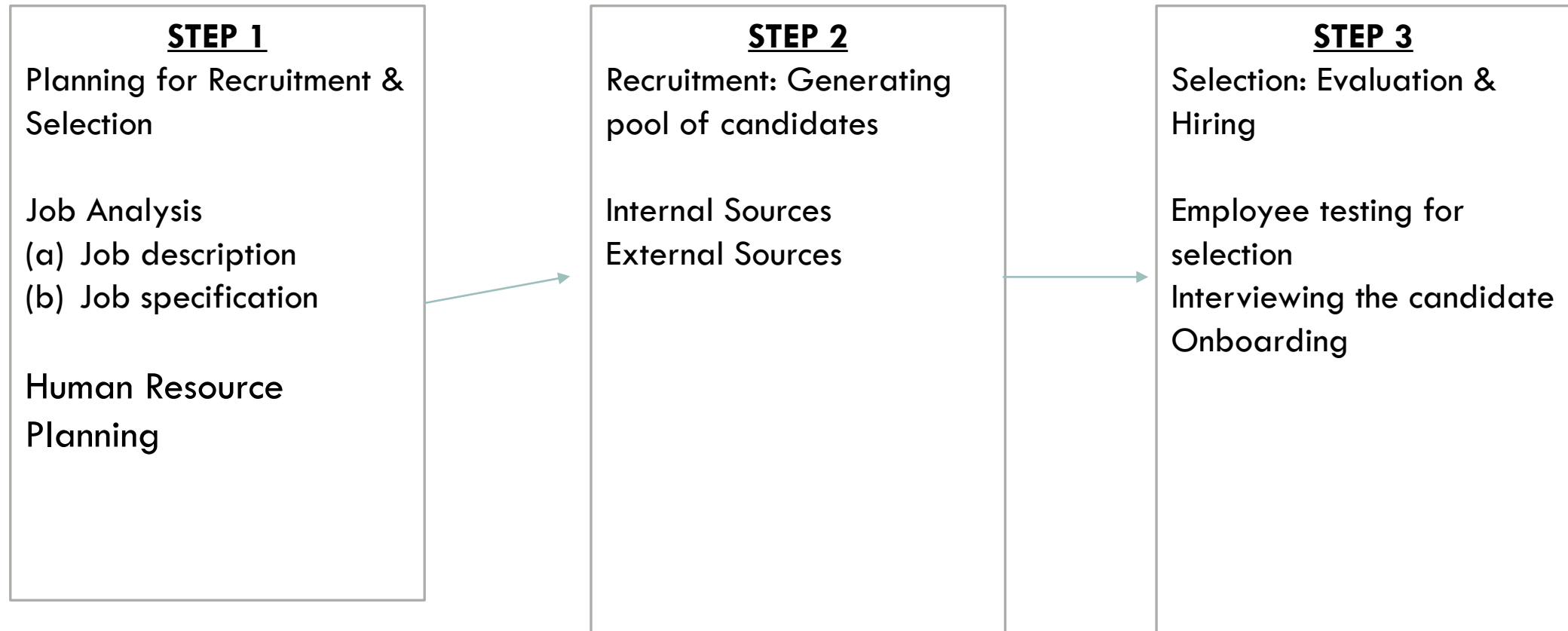
RECRUITMENT AND STAFFING

WORKFORCE/ HR PLANNING AND FORECASTING

The process of deciding what positions the firm will have to fill and how to fill them

PLANNING, RECRUITMENT & SELECTION PROCESS

STEP 1
Planning for Recruitment & Selection

Job Analysis
(a) Job description
(b) Job specification

Human Resource Planning

STEP 2
Recruitment: Generating pool of candidates

Internal Sources
External Sources

STEP 3
Selection: Evaluation & Hiring

Employee testing for selection
Interviewing the candidate
Onboarding

INTERNAL SOURCE OF CANDIDATES

Internal Recruiting is POPULAR

Essar has in-house initiative 'Next-moves'

Advantages-

- You know strengths and weakness of candidate
- Candidate more committed to company
- Moral rise
- Requires less orientation

Disadvantages-

- Rejected applicant may become disconnected
- Waste of time
- Immediate supervisor may not be behavior
- Inbreeding (nepotism)

Internal recruiting resources

Succession management

Talent Inventory

Employee development

Internal Job Postings

Rehiring

OUTSIDE SOURCES OF CANDIDATES

<u>Recruiting via Internet & Social Media</u>

- Most employers find that the Internet is their best choice for recruitment efforts.

- Application filled through company's website

- Virtual office tour

- Intelligent automated resume screening

Advantages- The Web is cost efficient, generating more responses more quickly and providing exposure for a longer time at less cost.

Disadvantages – Gathering applications online may exclude more mature applicants and certain minorities.
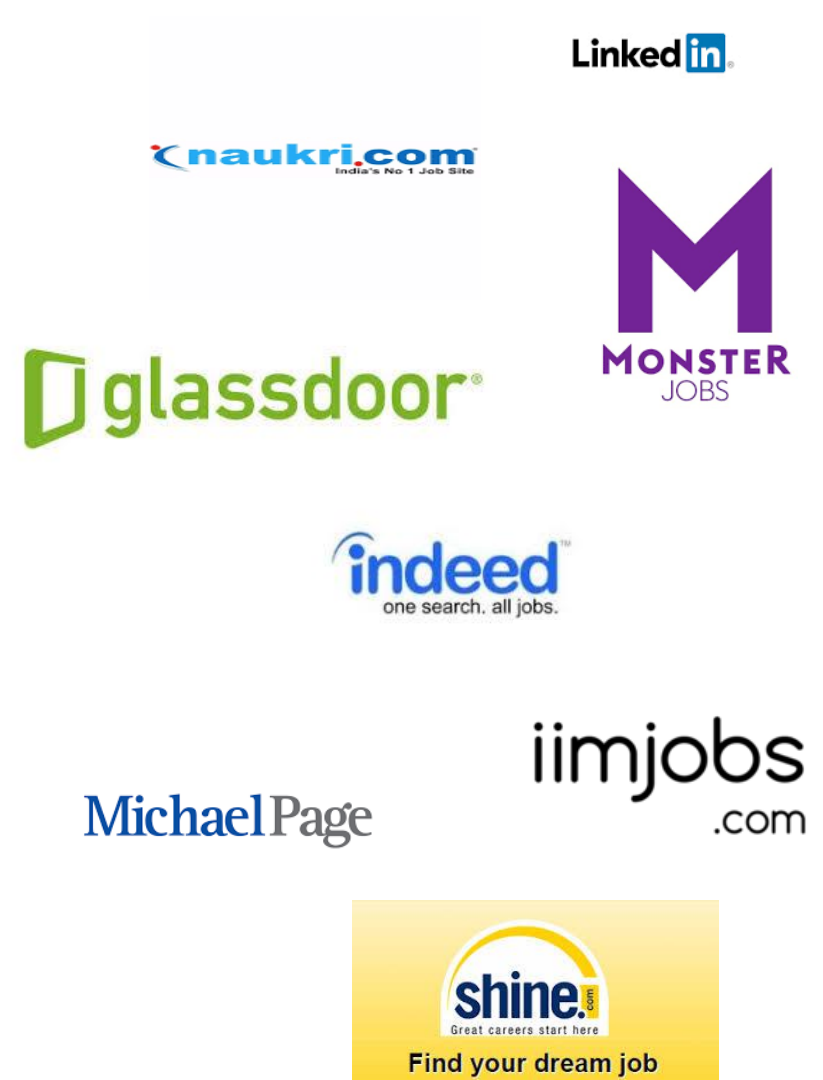
OUTSIDE SOURCES OF CANDIDATES

Advertising

- The Media – The best medium should be selected based on the positions for which you are recruiting.

- Times of India, EPW advertise

- Local newspaper good source for local blue collar help, clerical roles

- EA (Electronic Arts) includes information about internship program on backside of video game manual

- Constructing (Writing) the Ad – Many experienced advertisers use a four-point guide called **AIDA (attention, interest, desire, action)** to construct their ads.

OUTSIDE SOURCES OF CANDIDATES

Employment Agencies

Public Agencies-

1) In India, every state has a public, state run employment agency

2) At the national level, employment exchange run by DG of employment and training, GoI

3) Employment Exchange act (1959) government companies and eligible private firm need   to notify vacancies to the exchange

4) employment exchange also provide helpline for job search

Mixed experience with employment exchange:

1) People who are not interested to work are also registered and sometimes get hired causing problem to employers

2) Employment exchange struggle to find suitable jobs & have lost credibility

OUTSIDE SOURCES OF CANDIDATES

Temporary worker & Alternate Staffing

1. Trend to hire them- weak economic confidence among employers, Short-term project, they provide flexibility
2. India, lack legal flexibility with regular employees so companies prefer contractual labor
3. It can be done through (a) direct hiring (USA) (b) Temp Agency (India)

Offshoring/Outsourcing Jobs

Special Challenges- (a) cultural misunderstanding (b) Security and information privacy concern (c) Liability and legal system (d) bringing 'jobs back'
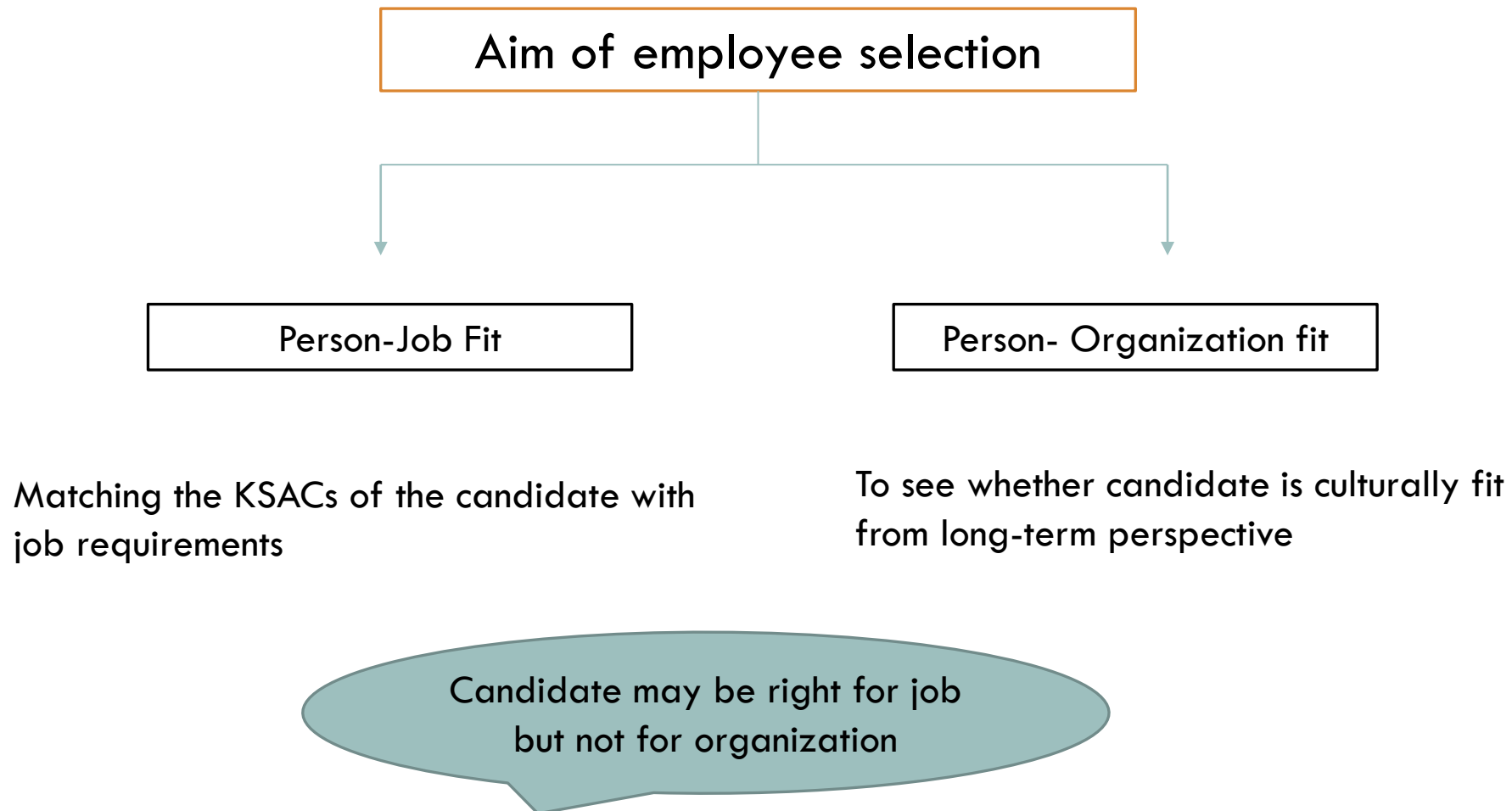
Executive Recruiters

Executive recruiters, also called **headhunters**, are special employment agencies **retained by employers** to seek out **top-management talent** for their clients.
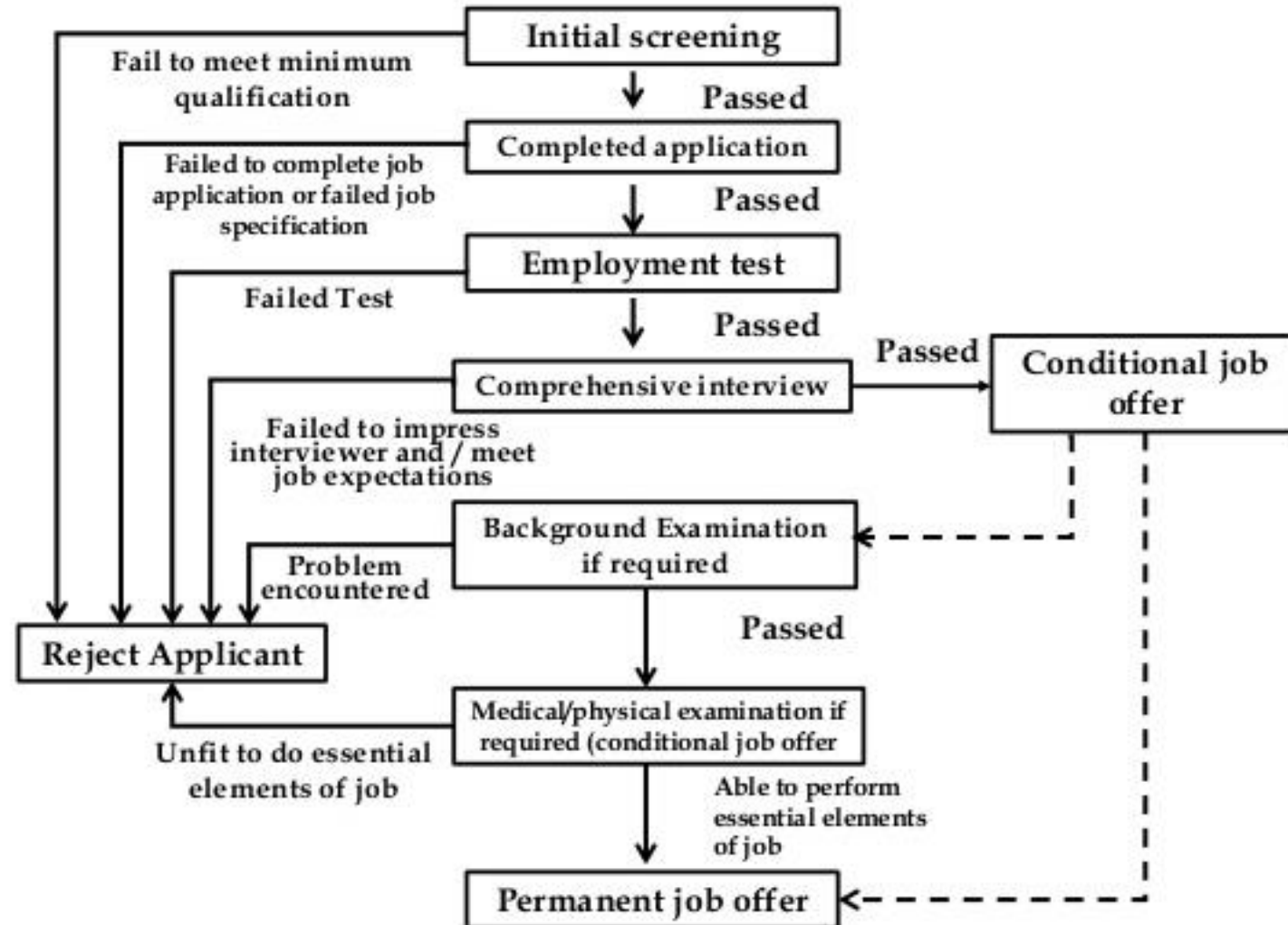
Pros and Cons – Recruiters can be **useful and save a manager's time**, but they may be more interested in **persuading managers to hire a candidate** than in finding one who will really do the job.

Guidelines – Make sure the recruiting firm is capable, meet the individual who will handle the assignment, and ask how much the firm charges. Never rely on the recruiter to do all the reference

WHY EMPLOYEE SELECTION IS IMPORTANT

Aim of employee selection

Person-Job Fit

Person- Organization fit

Matching the KSACs of the candidate with job requirements

To see whether candidate is culturally fit from long-term perspective

Candidate may be right for job but not for organization

SELECTION PROCESS

Initial screening

Fail to meet minimum qualification

Passed

Completed application

Failed to complete job application or failed job specification

Passed

Employment test

Failed Test

Passed

Comprehensive interview → Passed → Conditional job offer

Failed to impress interviewer and / meet job expectations

Background Examination if required

Problem encountered

Passed

Reject Applicant

Medical/physical examination if required (conditional job offer

Unfit to do essential elements of job

Able to perform essential elements of job

Permanent job offer

SELECTION METHODS

INTERVIEW

PERSONALITY PROFILING

ONLINE SCREENING

PSYCHOMETRIC TESTING
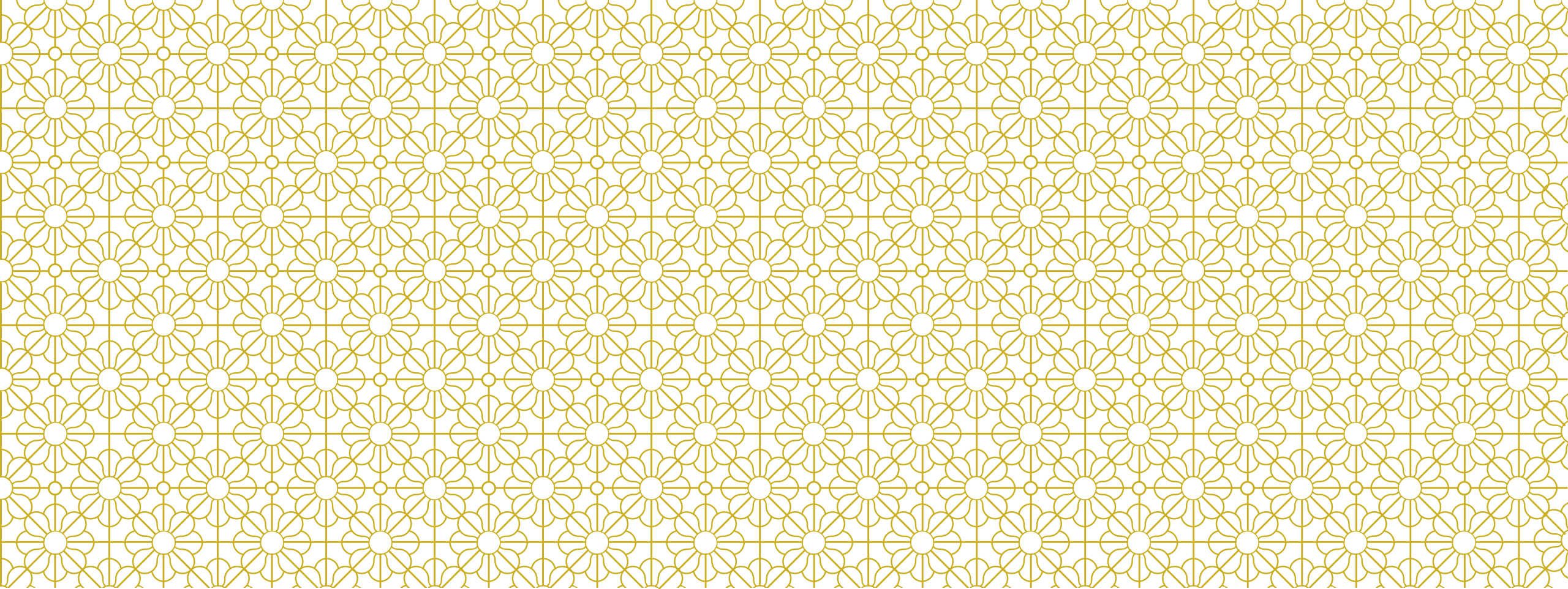
APTITUDE TEST

Screening Methods

- Resumes and cover letters

- weighted application blanks

- Biographical information

- Telephone screens

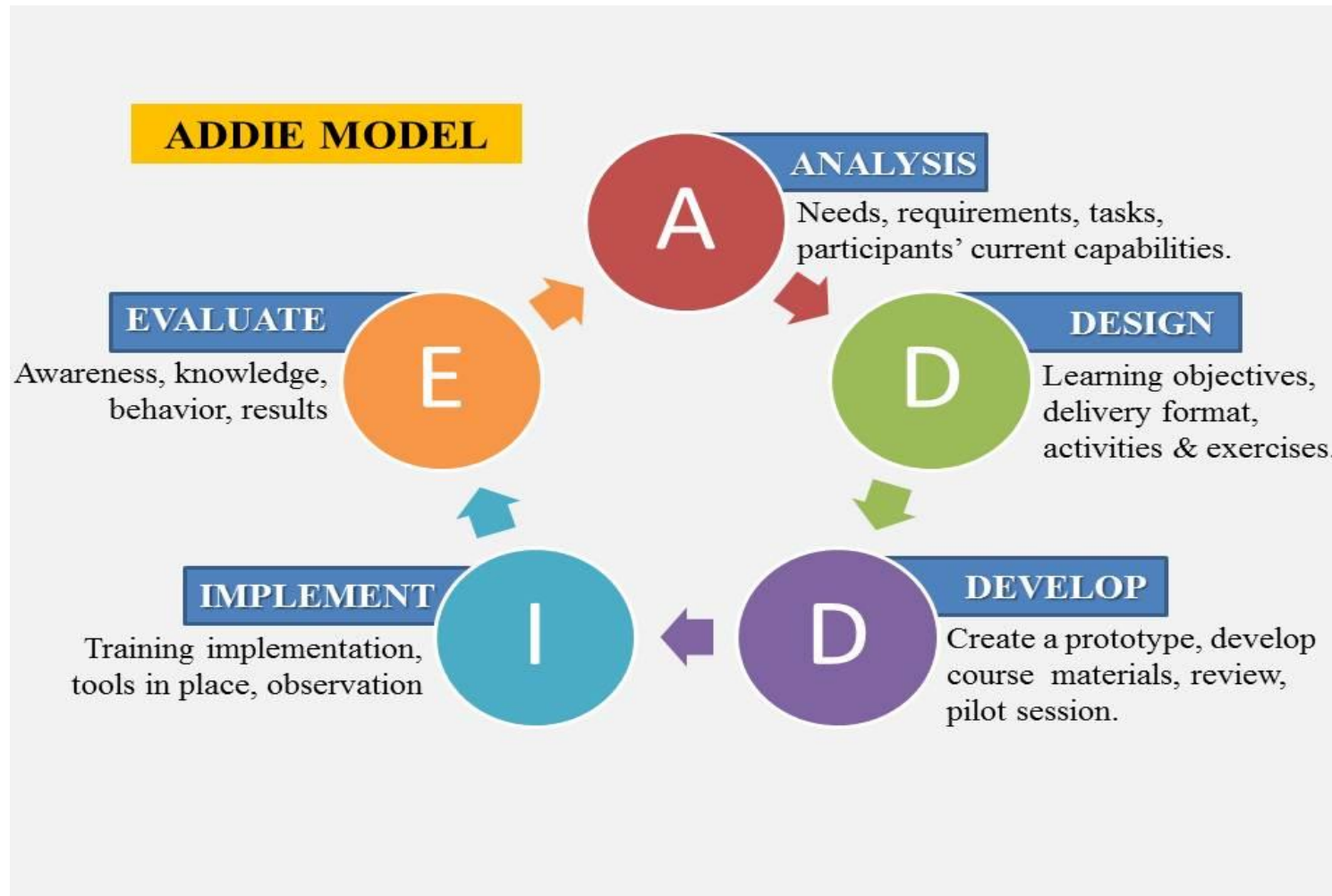# FUNCTIONAL AREAS OF HUMAN RESOURCE MANAGEMENT

TRAINING AND DEVELOPMENT

TRAINING AND DEVELOPMENT

TRAINING PROCESS

ADDIE MODEL

ANALYSIS
Needs, requirements, tasks, participants' current capabilities.

DESIGN
Learning objectives, delivery format, activities & exercises.

DEVELOP
Create a prototype, develop course materials, review, pilot session.

IMPLEMENT
Training implementation, tools in place, observation

EVALUATE
Awareness, knowledge, behavior, results

A D D I E

CONDUCTING THE TRAINING NEED ANALYSIS

Current training need analysis

Most of the training aims at improving current performance- specially new employees & those whose performance is deficient.

➤**New employees**

To determine what the job entails and to break it down into subtasks, and then assess

➤**Current employees**

Training needs are more complex – is training the real solution

CONDUCTING THE TRAINING NEED ANALYSIS

Task analysis: analyzing new employees' training needs

—At the lower level, you hire inexperienced and train them in comparison to higher level.

—Task analysis is a detailed study of job to determine what specific skills-Java (web developer).

—For task analysis, job description and job specification is required

CONDUCTING THE TRAINING NEED ANALYSIS

Performance analysis: analyzing current employees' training needs

–Performance analysis is the process of verifying that there is a performance deficiency and determining whether the employer should correct such deficiencies through training or some other means.

–Performance appraisal.

Can't do/ won't do

The biggest issue is to figure out what is causing the lower performance. If the problem is employee motivation then training is unlikely to fix this.

DESIGNING TRAINING PROGRAM

1. Setting learning objectives

2. Creating a motivational learning environment

3.Make the Learning Meaningful

- Bird's-eye view to participants

- Familiar examples/terms

- Organize the content

- Perceived need

4. Making Skills Transfer Obvious and Easy

- Similarity

- Practice

- Attention to important aspect of the job

- "Heads-up"

- Trainee's learn at their own pace

5.Reinforce The Learning

- Reinforce correct responses

- Partial day training

- Follow-up assignments

- Incentivize

DESIGNING TRAINING PROGRAM

Ensure transfer of learning to the job

Prior to training- get trainee and supervisor input in designing the program, institute a training attendance policy, and encourage employees to participate

During training-, provide trainees with training experiences and conditions (surroundings, equipment) that resemble the actual work environment

After training -reinforce what trainees learned

IMPLEMENT TRAINING PROGRAM

On-the-job training (OJT)

Having a person learn a job by actually doing it.

Types of OJT

- Coaching or understudy method- experienced supervisor trains the employee
- Job rotation- employee moves from one job to another at planned intervals
- Peer training – radio program, experienced employees answer queries of other employees

IMPLEMENT TRAINING PROGRAM

Apprenticeship Training

Apprenticeship training is a process by which people become skilled workers,usually through a combination of formal learning and long-term on-the-job training

involves having the learner/apprentice study under the tutelage of a master craftsperson.

Informal Learning

As much as 80% of what employees learn is through informal means

Cheesecake Factory, the restaurant chain allows employees to create, upload and share video clips on job-related topics through a portal called Video Cafe.

Job Instruction Training

Listing each job's basic tasks, along with key points, in order to provide step-by-step training for employees

IMPLEMENT TRAINING PROGRAM

Lectures

Lecturing is a quick and simple way to present knowledge to large group of trainees

Programmed Learning

1. Systematic method for teaching job skills, involving presenting questions or facts

2. Allowing the person to responds

3. Giving the learner immediate feedback on the accuracy of his or her answers.

IMPLEMENT TRAINING PROGRAM

Behavior Modeling

Bobo doll (video)

Behavior modeling involves

(1) showing trainees the right (or "model") way of doing something,

(2) letting trainees practice that way, and then

(3) giving feedback on the trainees' performance.

Modeling
Role Playing
Social reinforcement
Transfer of training

Sales skills
Interviewer skills

IMPLEMENT TRAINING PROGRAM

<u>Audiovisual-based Training</u>

Audio- videotapes used to train. The **ford Motor company** uses videos in its **dealer training session** to simulate problems and reactions to various customer complaints.

<u>Vestibule Training</u>

When it is **too costly or dangerous to train employees on the job.** Indian Banks train new entrant through **dummy banks**

<u>Videoconferencing</u> **(Video)**

Videoconferencing is popular for training **geographically dispersed employees**. It involves delivering programs via compressed audio and video signals over cable broadband lines, the Internet, or satellite. **CISCO** offers training through videoconference on Webex, telepresence

<u>Simulated Learning</u> **(Video)**

virtual reality-type games with a step-by-step animated guide, and online role-play with photos and videos. In general, interactive and simulated technologies reduce learning time by an average of 50%.

THE KIRKPATRICK MODEL

Level 4: Results

Level 3: Behavior

Level 2: Learning

Level 1: Reaction

FUNCTIONAL AREAS OF HUMAN RESOURCE MANAGEMENT

COMPENSATION

COMPENSATION

Direct Financial Payments

Pay in the form of wages, salaries, incentives, commissions, and bonuses.

Indirect Financial Payments

Pay in the form of financial benefits such as insurance.

BASIC FACTORS IN DETERMINING PAY RATES

Aligning total rewards with strategy

The basic thrust in pay plans today is to produce an aligned reward strategy

To create compensation plans that guide employee behaviors in the desired, strategic direction

Total rewards include traditional pay, incentives, and benefits. It also includes challenging jobs, career development, and recognition programs.

Establishing Strategic Pay Plan-
- Job evaluation
- Market-based Pay Plan
- Executive Compensation
- Competency Pay Plan

Pay for Performance-
- Individual employee incentive and recognition programs
- Incentives for Sales People
- Team and Organization wide incentives

Benefits and Services-

ESTABLISHING PAY RATES

Employers use two basic approaches to setting pay rates

Market Based approaches
Job evaluation methods

THE BENEFITS PICTURE

Benefits are indirect financial and nonfinancial payments

Policy Issues- The list of policy issues includes what benefits to offer.

1. who receives coverage,
2. whether to include retirees in the plan,
3. whether to deny benefits to employees during initial "probationary" periods
4. how to finance benefits, cost-containment procedures, and how to communicate benefits options to employees.

Vacations and Holidays

Sick Leave

Cost-Reduction Tactics

Leaves and the Family, and medical Leave Legislation

Severance Pay

Hospitalization, health, and disability insurance benefits are aimed at

Pension Plans

Family-friendly (work–life) benefits

The cafeteria approach
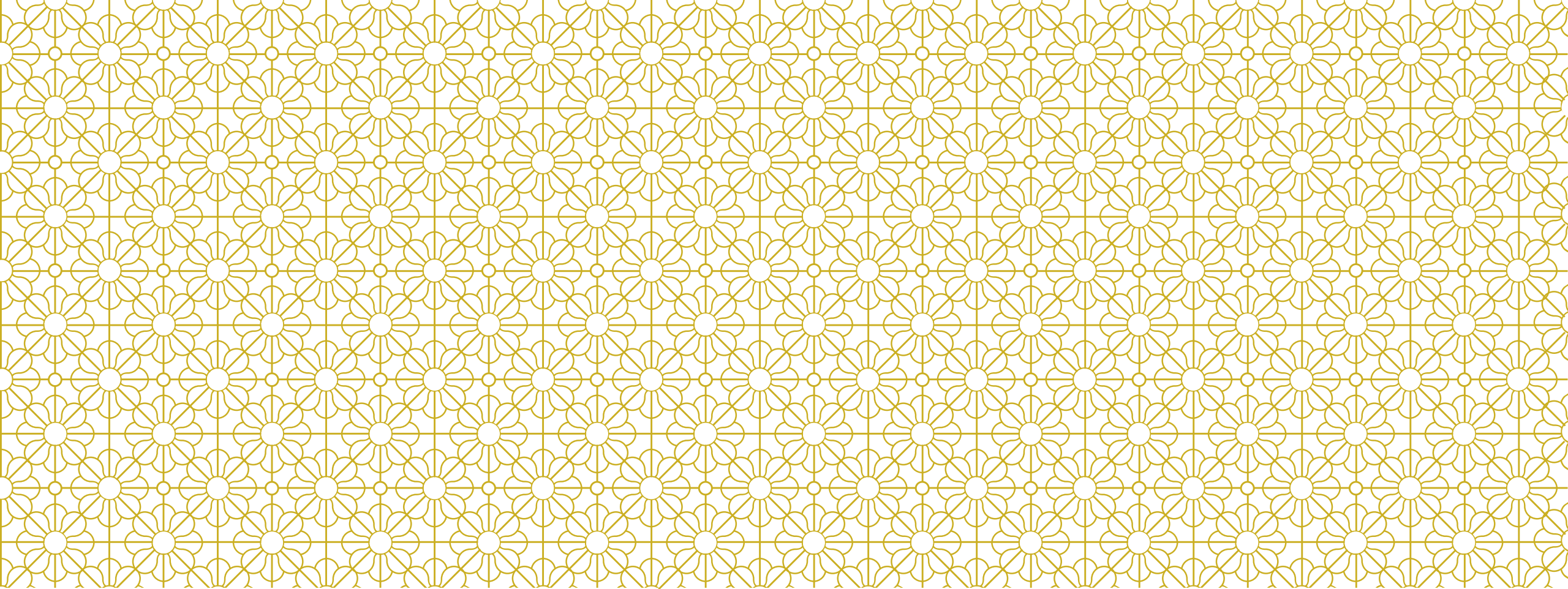
FUNCTIONAL AREAS OF HUMAN RESOURCE MANAGEMENT

EMPLOYEE RELATIONS

Managing Employee Relations

- **What Is Employee Relations?**
  - o **Positive employee–employer relationships contribute to productivity**
- **Improving and assessing employee relations through better communications**
  - o **Organizational climate surveys**
  - o **Distributive justice and Procedural Jutsice**

Managing Employee Relations

- **Developing Employee Recognition/Relations Programs**

- **Creating Employee Involvement Strategies**
  - **Teams to gain employees' involvement**
  - **Employee suggestions**

TRADE UNIONS

Why do people unionize?
1. It's majorly about pay or working conditions.
2. In India, unionized workers in the formal sector earn more than their counterparts in the informal sector

Bottom Line

1. The urge to unionize due to the **belief** on the part of workers that it is only **through unity** that they can get their fair share of the pie.

2. It is sometimes the result of workers trying to **protect themselves from management's whims.**

3. Union workers tend to receive significantly more pay, holidays, sick leave, unpaid leave, insurance plan benefits, long-term disability benefits, and various other benefits than do nonunion workers.

4. Unions seem to have **reduced the impact of downsizings and wage cuts** in most industries, in part because union employees are not entirely "at will."

INDIA'S UNION MOVEMENT

1. India's labour movement is more than 150 years old

2. It gained its momentum in 1918 when Madras labour union was formed with mill workers as members

3. The focus of the unions was to end exploitations of workers in factories

4. Trade unions participated in freedom struggle

5. Trade unions in India are often influenced by political parties and elected governments

6. Emergency in 1975 led to suspensions of Trade unions

7. At the first wave of partial economic liberalization 1984 led to change in orientation, linking productivity with agreements.

INDIA'S UNION MOVEMENT

The next phase of economic reforms introduced in 1992- VRS, National renewal fund (to adjust economic realities)

IT sector approach unionization.

THE COLLECTIVE BARGAINING PROCESS

To **bargain collectively** is a **mutual obligation** to meet at reasonable times and confer in good faith with respect to **wages**, **hours**, terms and **conditions of employment**, the negotiation of an agreement, and other related matters.

Good faith bargaining means that **both parties communicate and negotiate**, that **they match proposals with counterproposals**, and that both make every **reasonable effort** to arrive at an **agreement**. A **violation** of the requirement for good faith bargaining may include the following: surface bargaining, **inadequate concessions**, and **inadequate proposals** and demands.

DEALING WITH DISPUTES AND GRIEVANCES

Employees may use just about any factor involving wages, hours, or conditions of employment as the basis of a grievance. The grievance procedure is specified in most collective bargaining contracts. It specifies the various steps in the procedure, time limits, and specific rules.

Examples of guidelines for handling grievances include investigating and handling each and every one of the grievances filed, talk with the employee and require the union to identify specific contractual provisions allegedly violated. Don't discuss the case with the union steward alone – the grievant should be there. Don't make arrangements with individual employees. Don't hold back the remedy if the company is wrong and don't admit the binding effect of a past practice.

SAFETY AND THE MANAGER

- **Why safety is important**
  - **The hidden story**

- **Management's role in safety**

- **What top management can do**

- **The supervisor's role in safety**

Occupational Health and Safety in India

- **List of important Indian legislations covering Safety and Health, and the administrative mechanisms –**

- **The Factories Act of 1948**

- **The Mines Act, 1952**

- **The Dock Workers (Safety, Health and Welfare) Act, 1986**

OCCUPATIONAL SAFETY LAW - INDIA

- **The Contract Labour (Regulation and Abolition) Act, 1970**

- **The Workmen's Compensation Act, 1923**

- **Employees Sate Insurance Act (ESI Act) 1948**

- **Firm level Safety Management: Safety Officers and Committees**

WHAT CAUSES ACCIDENTS?

There are three basic causes of workplace accidents: chance occurrences, unsafe conditions, and employees' unsafe acts. Unsafe conditions are a main cause of accidents. They include:

- Improperly guarded or defective equipment

- Hazardous procedures

- Unsafe storage

- Improper illumination or ventilation

Occupational Security and Safety

- **Preventing and Dealing with Violence at Work**
  - o **Security measures**
  - o **Employee screening**
  - o **Supervisory training**
  - o **Violence toward women**

Occupational Security and Safety

- **Setting Up a Basic Security Program**

    o **Analyze current level of risk**

    o **Installing mechanical**

    o **Natural and**

    o **Organizational security systems**
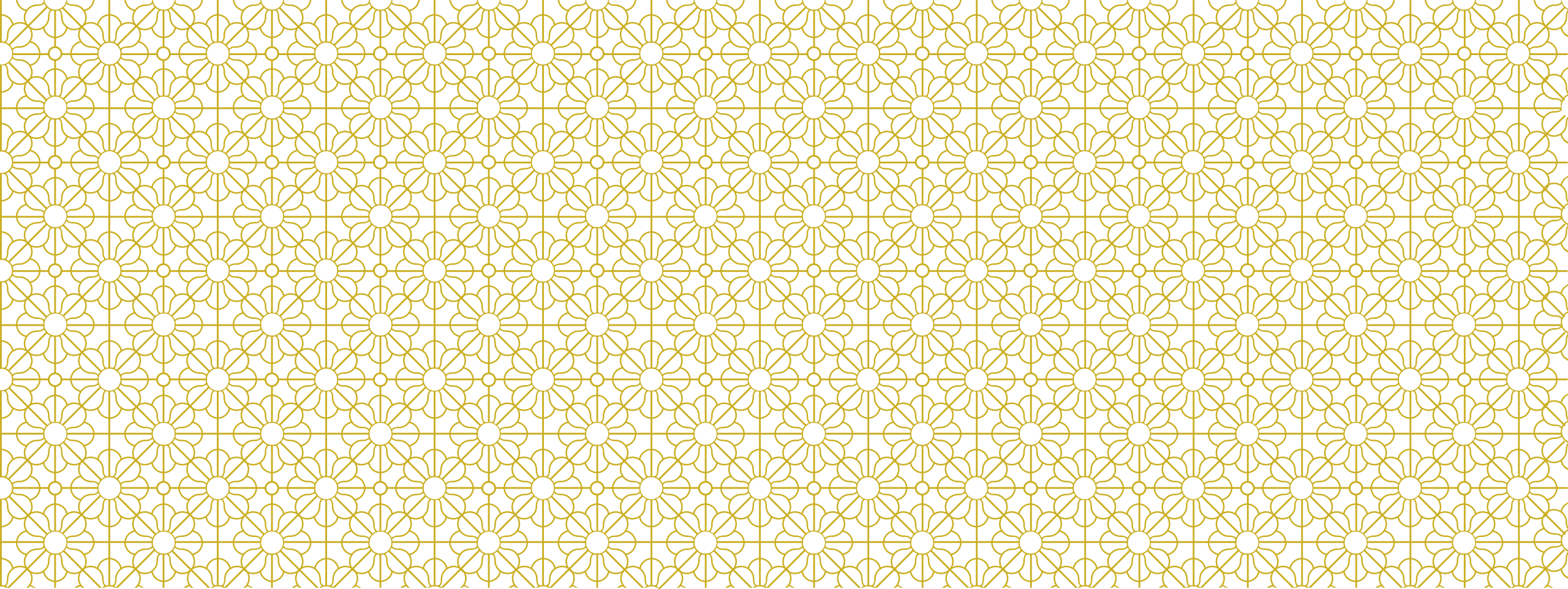
FUNCTIONAL AREAS OF HUMAN RESOURCE MANAGEMENT

HRIS

HRIS

What is HRIS

It is a systematic way of storing data & information for each individual employee to aid planning, decision making & submitting of returns and reports to the external agencies. A method by which an organization collects, analyses & reports the information about people and job.

Objectives of HRIS

To offer sufficient, comprehensive & ongoing information about people & jobs.To supply up to date information at a reasonable cost.To offer data security & personal privacy.

Management Information System

Human Resources Information System

Occupational safety and health

Recruitment

Training and development

Selection and placement

Job facilities administration

Termination

Succession planning

Holidays and leave administration

Performance planning and review

Career development

Job descriptions, person profiles

Remuneration management

Work design

Payroll administration

Organisation structure

Employment terms and conditions

Jobs

People

Positions

HUMAN RESOURCES INFORMATION SYSTEM

SYSTEM	DESCRIPTION
TRAINING & DEVELOPMENT	TRACK TRAINING, SKILLS, APPRAISALS
CAREER PATHING	DESIGN EMPLOYEE CAREER PATHS
COMPENSATION ANALYSIS	MONITOR WAGES, SALARIES, BENEFITS
HUMAN RESOURCES PLANNING	PLANLONG-TERM LABOR FORCE NEEDS

SUBSYSTEMS OF HRIS

FUNCTIONAL AREAS OF HUMAN RESOURCE MANAGEMENT

ORGANIZATION DESIGN

SEVEN ELEMENTS OF AN ORGANIZATION'S STRUCTURE

The Key Question	The Answer Is Provided by
1. To what degree are activities subdivided into separate jobs?	Work specialization
2. On what basis will jobs be grouped together?	Departmentalization
3. To whom do individuals and groups report?	Chain of command
4. How many individuals can a manager efficiently and effectively direct?	Span of control
5. Where does decision-making authority lie?	Centralization and decentralization
6. To what degree will there be rules and regulations to direct employees and managers?	Formalization
7. Do individuals from different areas need to regularly interact?	Boundary spanning

MECHANISTIC VS. ORGANIC STRUCTURAL MODELS

Exhibit 15-7 Mechanistic versus Organic Models

The Mechanistic Model
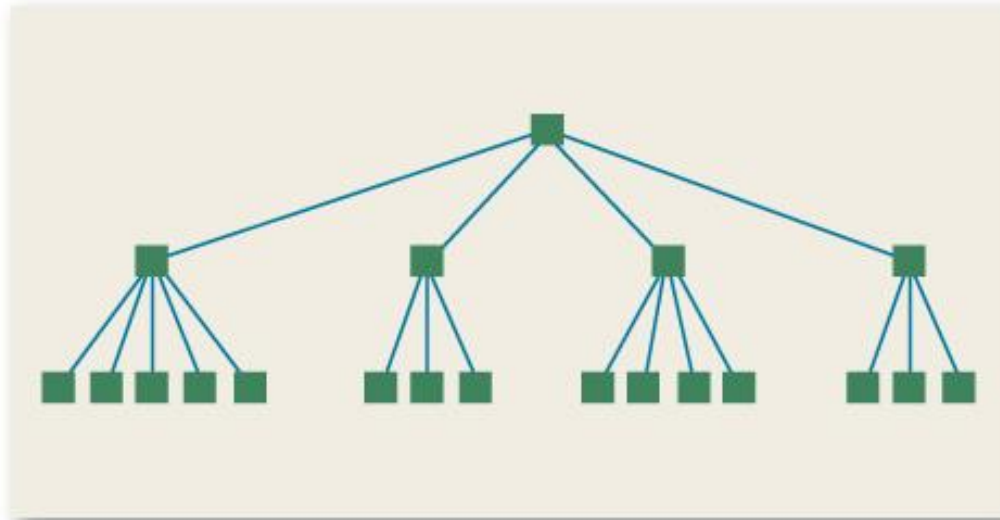
- High specialization
- Rigid departmentalization
- Clear chain of command
- Narrow spans of control
- Centralization
- High formalization

The Organic Model
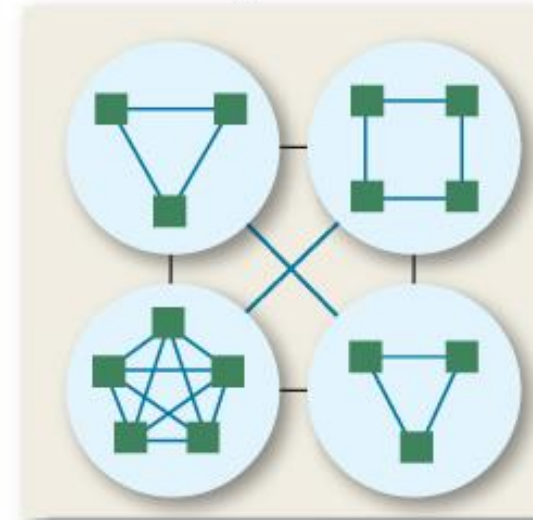
- Cross-functional teams
- Cross-hierarchical teams
- Free flow of information
- Wide spans of control
- Decentralization
- Low formalization

NEW DESIGN- **TEAM STRUCTURE**

In an organizational structure based on teams, the structure breaks down department barriers and decentralizes decision making to the level of the team.

Team structures usually require employees to be generalists as well as specialists.

COMMON ORGANIZATIONAL FRAMEWORKS AND STRUCTURES

The **matrix structure combines two forms** of departmentalization—functional and product:

- The strength of functional is putting specialists together.

- Product departmentalization facilitates coordination.

- It provides clear responsibility for all activities related to a product, but with duplication of activities and costs.

Programs / Academic Departments	Undergraduate	Master's	Ph.D.	Research	Executive Development	Community Service
Accounting						
Finance						
Decision and Information Systems						
Management						
Marketing						

ALTERNATE DESIGN OPTIONS

The Virtual Organization

- The essence of the **virtual organization** is that it is typically a small, core organization that outsources major business functions.
- Also referred to as a **modular or network** organization.
- It is highly centralized, with little or no departmentalization.

Independent research and development consulting firm

Advertising agency

Executive group

Factories in South Korea

Commissioned sales representatives

INDIVIDUAL DIFFERENCES

Dr Vibhav Singh

School of Business Management

INDIVIDUAL DIFFERENCES

Individual differences have a direct effect on behavior

☐ People who perceive things differently behave differently

☐ People with different attitudes respond differently to directives

☐ People with different personalities interact differently with bosses, coworkers, subordinates, and customers

INDIVIDUAL DIFFERENCES

Individual differences help explain: explain:

☐ Why some people embrace change and others are fearful of it and others are fearful of it

 ☐ Why some employees will be productive only if they are closely supervised, while others will be supervised, while others will be productive if they are not productive if they are not

☐ Why some workers learn new tasks more effectively than others more effectively than other

Defining Personality

- **Personality** is a dynamic concept describing the growth and development of a person's whole psychological system.

- The sum of ways in which an individual reacts to and interacts with others.

DESCRIBE PERSONALITY, THE WAY IT IS MEASURED, AND THE FACTORS THAT SHAPE IT (2 OF 4)

Measuring Personality

- Managers need to know how to measure personality.
  - Personality tests are useful in hiring decisions and help managers forecast who is best for a job.
- The most common means of measuring personality is through self-report surveys.

Personality Determinants

- Is personality the result of heredity or environment?

- **Heredity** refers to those factors that were determined at conception.

  - The heredity approach argues that the ultimate explanation of an individual's personality is the molecular structure of the genes, located in the chromosomes.

DESCRIBE PERSONALITY, THE WAY IT IS MEASURED, AND THE FACTORS THAT SHAPE IT (4 OF 4)

Early research tried to identify and label enduring personality characteristics.

- Shy, aggressive, submissive, lazy, ambitious, loyal, and timid.
- These are **personality traits.**

The most widely used personality framework is the **Myers-Briggs Type Indicator (MBTI).**

Individuals are classified as:

- **Extroverted or Introverted (E or I)**

- **Sensing or Intuitive (S or N)**

- **Thinking or Feeling (T or F)**

- **Perceiving or Judging (P or J)**

  - INTJs are visionaries.

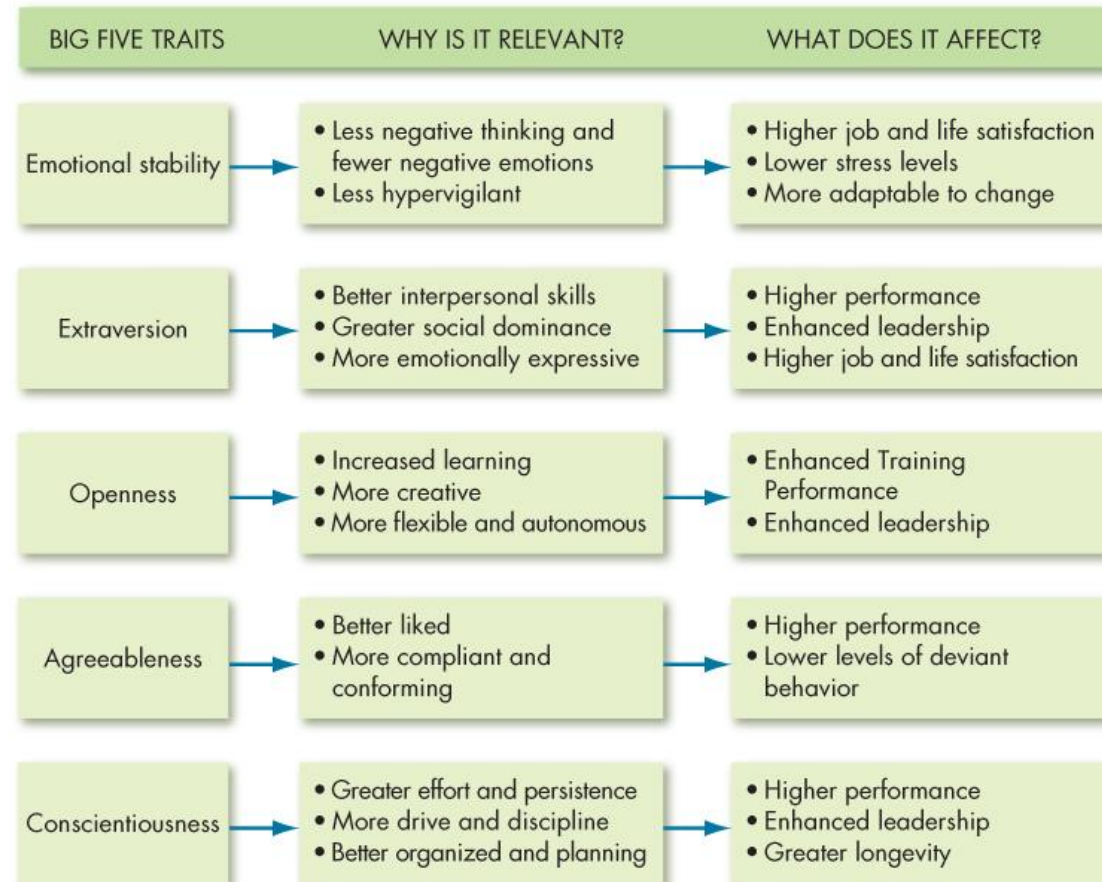 - ESTJs are organizers.

  - ENTPs are conceptualizers.

STRENGTHS AND WEAKNESS OF THE MBTI AND BIG FIVE MODEL (2 OF 7)
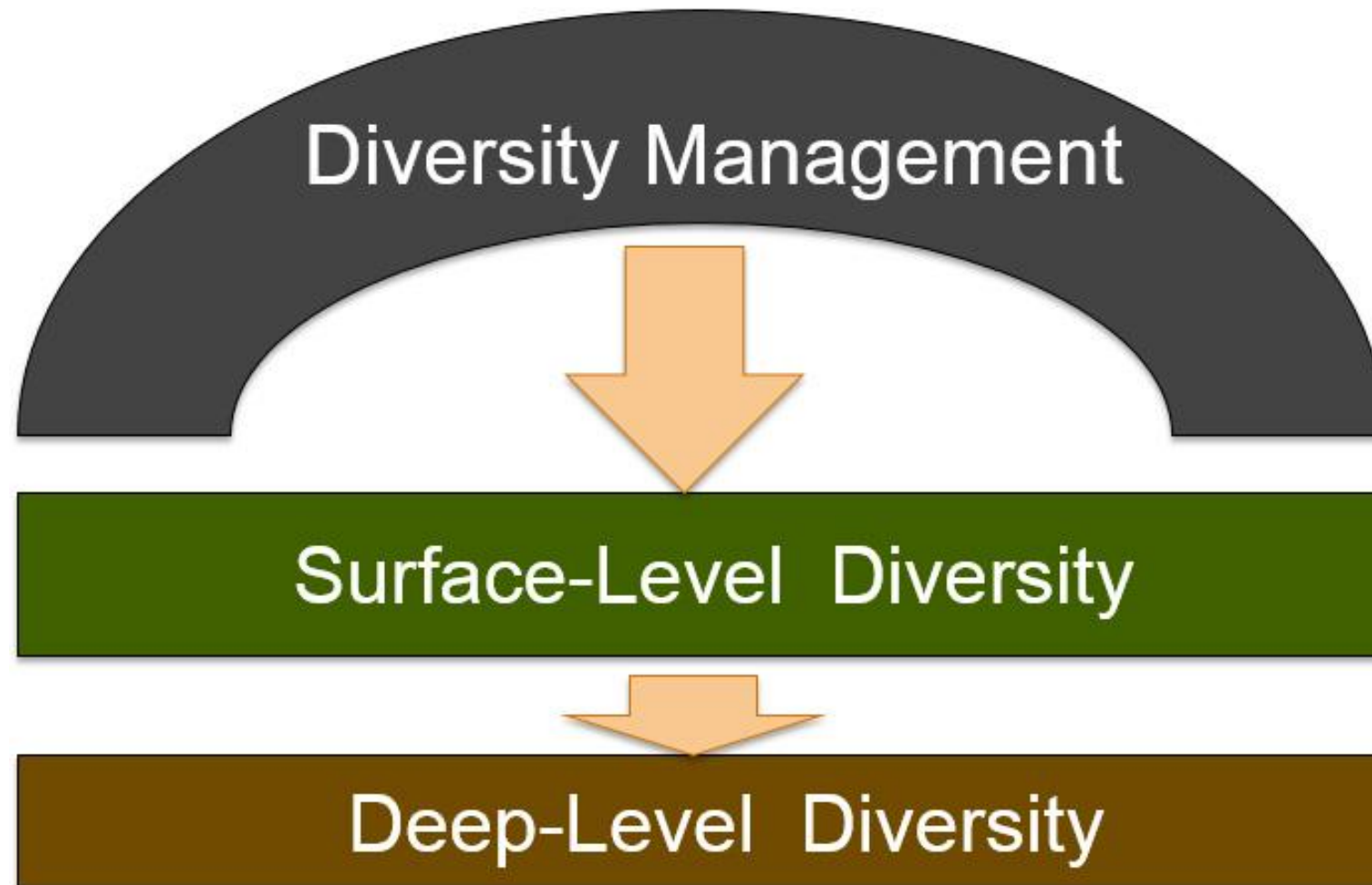
The **Big Five Model**

- Extraversion

- Agreeableness

- Conscientiousness

- Emotional stability

- Openness to experience

STRENGTHS AND WEAKNESS OF THE MBTI AND BIG FIVE MODEL (4 OF 7)

Exhibit 5-2 Model of How Big Five Traits Influence OB Criteria

BIG FIVE TRAITS	WHY IS IT RELEVANT?	WHAT DOES IT AFFECT?
Emotional stability	• Less negative thinking and fewer negative emotions • Less hypervigilant	• Higher job and life satisfaction • Lower stress levels • More adaptable to change
Extraversion	• Better interpersonal skills • Greater social dominance • More emotionally expressive	• Higher performance • Enhanced leadership • Higher job and life satisfaction
Openness	• Increased learning • More creative • More flexible and autonomous	• Enhanced Training Performance • Enhanced leadership
Agreeableness	• Better liked • More compliant and conforming	• Higher performance • Lower levels of deviant behavior
Conscientiousness	• Greater effort and persistence • More drive and discipline • Better organized and planning	• Higher performance • Enhanced leadership • Greater longevity

WORKPLACE DIVERSITY

WORKPLACE DISCRIMINATION AND ORGANIZATIONAL EFFECTIVENESS (1 OF 3)

Discrimination is to note a difference between things.

Unfair discrimination assumes stereotypes about groups.

- Refusal to recognize individual differences is harmful to organizations and employees.

Stereotype threat describes the degree to which we agree internally with the generally negative stereotyped perceptions of our groups.

- Can be combatted by treating employees as individuals and not highlighting group differences.

BIOGRAPHICAL CHARACTERISTICS AND ORGANIZATIONAL BEHAVIOR (1 OF 6)

Biological characteristics are personal characteristics that are objective and easily obtained from personnel records.

- Variations in these can be the basis for discrimination

Age

- The U.S. workforce is aging.

- Does job performance decline with increasing age?

- Studies show that turnover and absenteeism rates are lower among older workers, and age is not associated with lower productivity.

BIOGRAPHICAL CHARACTERISTICS AND ORGANIZATIONAL BEHAVIOR

Gender

- There are no consistent male-female differences in problem-solving ability, analytical skills, competitive drive, motivation, sociability, or learning drive.

- But women earn less than men for the same positions and have fewer professional opportunities.

Race and Ethnicity

- Laws against race and ethnic discrimination are in effect in many countries.

- But:

  - Employees tend to favor colleagues of their own race in performance evaluations, promotion decisions, and pay raises.

  - African Americans generally fare worse than Whites in employment decisions.

BIOGRAPHICAL CHARACTERISTICS AND ORGANIZATIONAL BEHAVIOR

Disabilities

- The U.S. Equal Employment Opportunity Commission classifies a person as disabled who has any physical or mental impairment that substantially limits one or more major life activities.

- Workers with disabilities receive higher performance evaluations, but may have lower performance expectations.

BIOGRAPHICAL CHARACTERISTICS AND ORGANIZATIONAL BEHAVIOR

Hidden Disabilities

- Sensory disabilities, chronic illness or pain, cognitive or learning impairments, sleep disorders, and psychological challenges.

- U.S. organizations must accommodate employees with a very broad range of impairments.

- **Tenure**
  - Tenure is a good predictor of employee productivity.
  - Tenure and job performance are positively related.

- **Religion**
  - U.S. law prohibits discrimination based on religion, but it is still an issue, especially for Muslims.

OTHER CHARACTERISTICS AND ORGANIZATIONAL BEHAVIOR

- **Sexual Orientation and Gender Identity**
  - Federal law does not protect employees against discrimination based on sexual orientation, though many states and municipalities do.
  - Many Fortune 500 companies have policies covering sexual orientation and about half now have policies on gender identity.

- **Cultural Identity**
  - Need to accommodate and respect individual cultural identities.

Ability is an individual's current capacity to perform various tasks in a job.

Two types

- Intellectual abilities
- Physical abilities

INTELLECTUAL AND PHYSICAL ABILITIES AND OB

Intellectual abilities are abilities needed to perform mental activities – thinking, reasoning, and problem solving.

- Most societies place a high value on intelligence.
- **General mental ability** is an overall factor of intelligence as suggested by the positive correlations among specific intellectual ability dimensions.

Diversity management is the process and programs by which managers make everyone more aware of and sensitive to the needs and differences of others.

- Diversity is more successful when it is everyone's business, not just for certain groups of employees.

Attracting, Selecting, Developing, and Retaining Diverse Employees

Diversity in Groups

Effective Diversity Programs

DESCRIBE HOW ORGANIZATIONS MANAGE DIVERSITY EFFECTIVELY (3 OF 6)

Attracting, selecting, developing, and retaining diverse employees

- Target recruiting messages to specific demographic groups.
- Some companies have been actively working toward recruiting less-hired groups.

Diversity in Groups

- Most people in groups need a common way of looking at and accomplishing major tasks, and they need to communicate well with each other.

- Emphasize higher-level similarities among people.

Expatriate Adjustment

- Organizations should select employees for international assignments who are capable of adjusting quickly and ensure they have the support they need for their assignment.
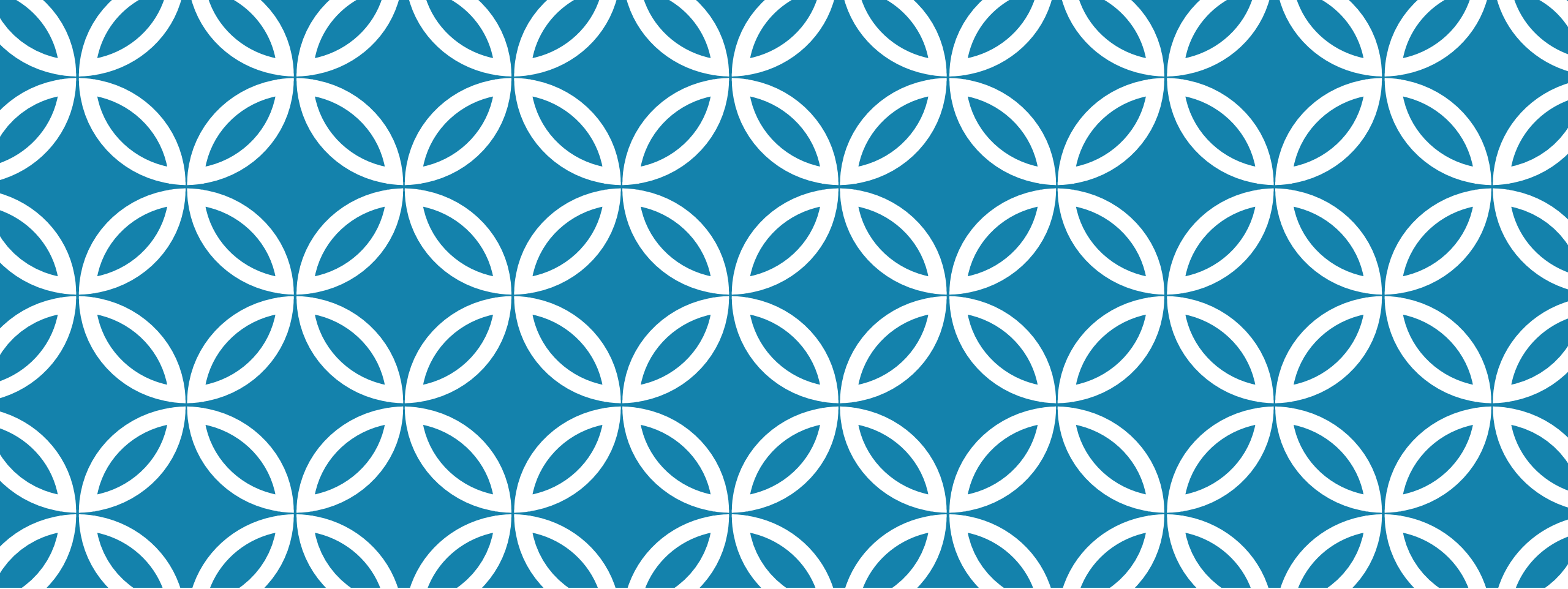
LEADING AND MANAGING TEAMS

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LEADERSHIP

Leadership is the ability to influence a group toward the achievement of a vision or set of goals.

- Not all managers are leaders.

Non-sanctioned leadership is often as important or more important than formal influence.

LEADERS AND MANAGERS

Process	Management	Leadership
Vision	• Plans and budgets • Develop processes and set timelines	• Establish the strategic direction and refines the vision
Human Development	• Delegate responsibility • Implement the vision • Display low emotion • Limit employee choices	• Align the organization to vision • Communicate the vision, mission, and strategic direction • Display driven, high emotion • Increase choices
Execution	• Control processes • Identify problems, and solutions • Monitor results • Take a low-risk approach to problem-solving	• Motivate and inspire • Aim to satisfy basic human needs • Take high-risk approach to problem-solving
Outcome	• Provide expected results to leadership and other stakeholders.	• Promote useful and drastic changes

TRAIT THEORIES OF LEADERSHIP

A. Strong Leaders

1. **Trait theories of leadership** focus on personal qualities and characteristics.

2. Comprehensive reviews of the leadership literature organized around the Big Five framework has found **extraversion to be the most important trait of effective leaders**, but it is more related to the way leaders emerge than to their effectiveness.

3. Leaders who like being around people and can assert themselves (extraverted) as well as are disciplined and **able to keep commitments they make (conscientious**), have an apparent advantage when it comes to leadership, suggesting good leaders do have key traits in common.

4. Another trait that may indicate effective leadership is **emotional intelligence (EI)**

TRAIT THEORIES OF LEADERSHIP

A. Strong Leaders

6. However, research has demonstrated that people high in EI are more likely to emerge as leaders, even after taking cognitive ability and personality into account

7. Based on the latest findings, we offer two conclusions.

a. First, we can say that **traits can predict leadership**.

b. Second, **traits do a better job predicting the emergence of leaders** than they do at distinguishing between effective and ineffective leaders.

BEHAVIORAL THEORIES OF LEADERSHIP

Behavioral theories of leadership implied we could train people to be leaders

Ohio State Studies

1. The most comprehensive theories resulted from the Ohio State Studies, which sought to identify independent dimensions of leader behavior.

2. Beginning with more than a thousand dimensions, the studies narrowed the list to two that substantially accounted for most of the leadership behavior described by employees: *initiating structure* and *consideration*

3. **Initiating structure** is the extent to which a leader defines and structures his or her role and those of the subordinates to facilitate goal attainment.

4. **Consideration** is the extent to which a leader has job relationships that are characterized by mutual trust, respect for employees' ideas, and regard for their feelings.

a. A leader high in consideration helps employees with personal problems, is friendly and approachable, treats all employees as equals, and expresses appreciation and support.

BEHAVIORAL THEORIES OF LEADERSHIP

GLOBE Study

1. Some research from the **GLOBE study** suggests there are **international differences** in preference for **initiating structure and consideration**.

a. Based on the values of Brazilian employees, a **U.S. manager** leading a team in Brazil would need to be **team-oriented, participative, and humane.**

b. Leaders **high in consideration** would succeed best in **this culture.**

c. A leader high in initiating structure (relatively task-oriented) will do best and can make decisions in a relatively autocratic manner

SUMMARY OF TRAIT AND BEHAVIOUR THEORIES

Summary of Trait Theories and Behavioral Theories

- Leaders who have certain traits and who display culturally appropriate consideration and structuring behaviors do appear to be more effective.

- Traits and behaviors do not guarantee success.

- **Autocratic (Authoritarian)**
- **Bureaucratic**
- **Democratic**
- **Coercive**
- **Transactional**
- **Transformational**
- **Laissez-Faire**

GROUP DYNAMICS

A **group** is defined as two or more individuals, interacting and interdependent, who have come together to achieve particular objectives.

Groups can be either formal or informal.

- **Formal groups:** those defined by the organization's structure.
- **Informal groups:** alliances that are neither formally structured nor organizationally determined.

Five stage model of group formation

Stage I Forming

Members get to know each other & set ground rules

Stage II Storming

Members come to Resist Control by group Leaders & Show hostility

Stage III Norming

Members Work Together developing Close Relationships & feelings of Cohesiveness

Stage IV Performing
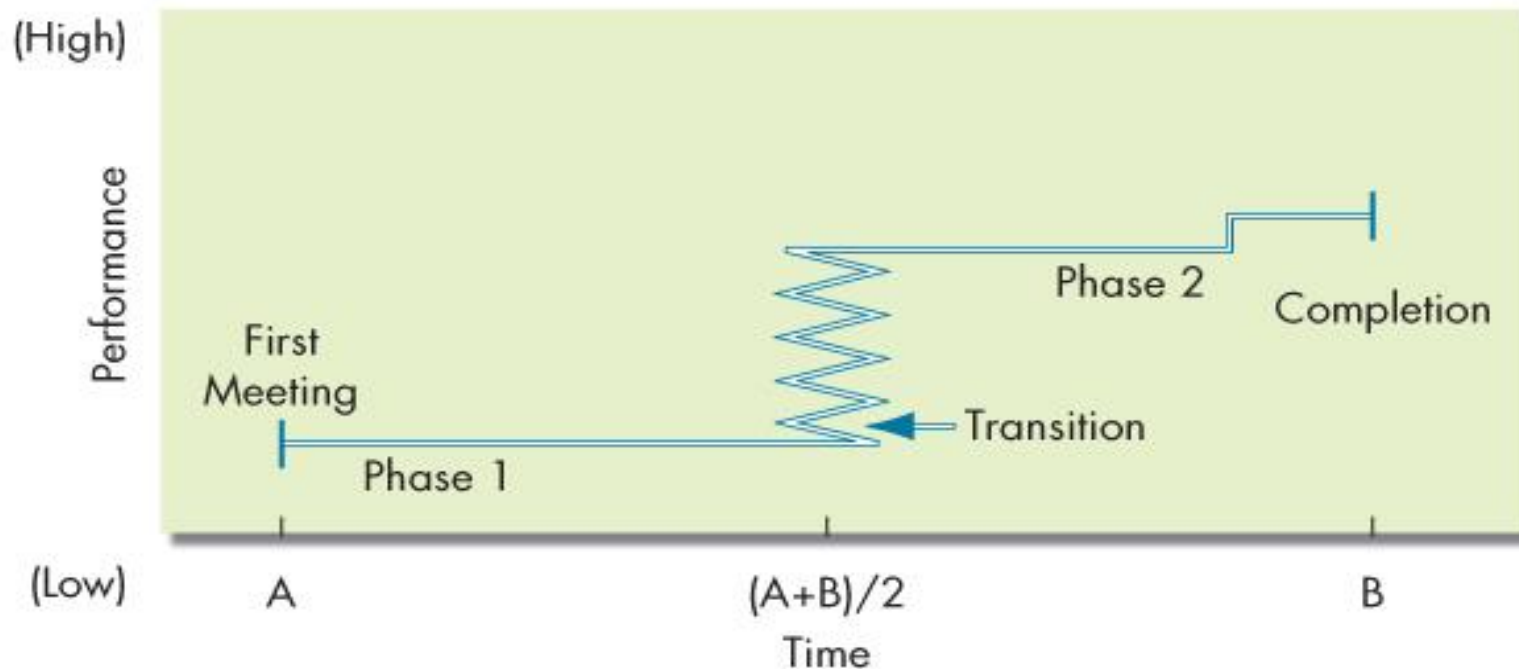
Group members work towards Getting their jobs done

Stage V Adjourning

Group may disband either after meeting their goals or because members Leave

ALTERNATE MODEL FOR TEMPORARY GROUPS

Exhibit 9-1 The Punctuated-Equilibrium Model

Sequence of actions:
1. Setting group direction
2. First phase of inertia
3. Half-way point transition
4. Major changes
5. Second phase of inertia
6. Accelerated activity

GROUP PROPERTIES

Roles

Norms

Status

Cohesiveness

Diversity

ROLE

Role: a set of expected behavior patterns attributed to someone occupying a given position in a social unit.

- **Role perception:** one's perception of how to act in a given situation.
- **Role expectations:** how others believe one should act in a given situation.
- **Psychological contract**

Role conflict: situation in which an individual faces divergent role expectations.

- We can experience **inter-role conflict** when the expectations of our different, separate groups are in opposition.

NORMS

Norms:
- Acceptable standards of behavior within a group that are shared by the group's members.

Norms and Emotions
- Norms dictated the experience of emotions for the individuals and for the groups – in other words, people grew to interpret their shared emotions in the same way.

Positive Norms and Group Outcomes
- If employees aligned their thinking with positive norms, these norms would become stronger and the probability of positive impact would grow exponentially.
- Positive group norms may well beget positive outcomes, but only if other factors are present.

Norms and Culture
- Do people in collectivist cultures have different norms than people in individualist cultures? Of course they do.
- But did you know that our orientation may be changed, even after years of living in one society.

STATUS AND SIZE

Status: a socially defined position or rank given to groups or group members by others.

- **Status characteristics theory:** status is derived from one of three sources:
  - The power a person wields over others.
  - A person's ability to contribute to a group's goals.
  - An individual's personal characteristics.

Status and Norms: high status individuals often have more freedom to deviate from norms.

Status and Group Interaction: high status people are often more assertive.

Status Inequity: perceived inequity creates disequilibrium and can lead to resentment and corrective behavior.

Status and Stigmatization: stigma by association.

Group Status: "us and them" mentality and ensuing polarization.

STATUS AND SIZE

Group size affects the group's overall behavior.

- Large groups are good for gaining diverse input.
- Smaller groups are better doing something with input.

Social loafing: the tendency for individuals to expend less effort when working collectively than alone.

COHESIVENESS AND DIVERSITY

Degree to which group members are attracted to each other and are motivated to stay in group.

Increasing group cohesiveness:
1. Make the group smaller.
2. Encourage agreement with group goals.
3. Increase time members spend together.
4. Increase group status and admission difficultly.
5. Stimulate competition with other groups.
6. Give rewards to the group, not individuals.
7. Physically isolate the group.

COHESIVENESS AND DIVERSITY

Diversity: degree to which members of the group are similar to, or different from, one another.

- Increases group conflict, especially in the short term.

Culturally and demographically diverse groups may perform better over time.

- May help them be more open-minded and creative.

GROUP DECISION MAKING

Strengths of group decision making:
- More complete information and knowledge
- Increased diversity of views
- Increased acceptance of solutions

Weaknesses of group decision making:
- Time consuming
- Conformity pressures
- Dominance of a few members
- Ambiguous responsibility

Effectiveness and efficiency of group decisions:

Accuracy

Speed

Creativity

Acceptance

EXPLAIN HOW ORGANIZATIONS CAN CREATE TEAM PLAYERS

Creating Team Players

- **Selecting:** hire team players
- **Training:** create team players
- **Rewarding:** incentives to be a good team player

When not to use teams…

Ask:

- Can the work be done better by one person?
- Does the work create a common goal or purpose?
- Are the members of the group interdependent?