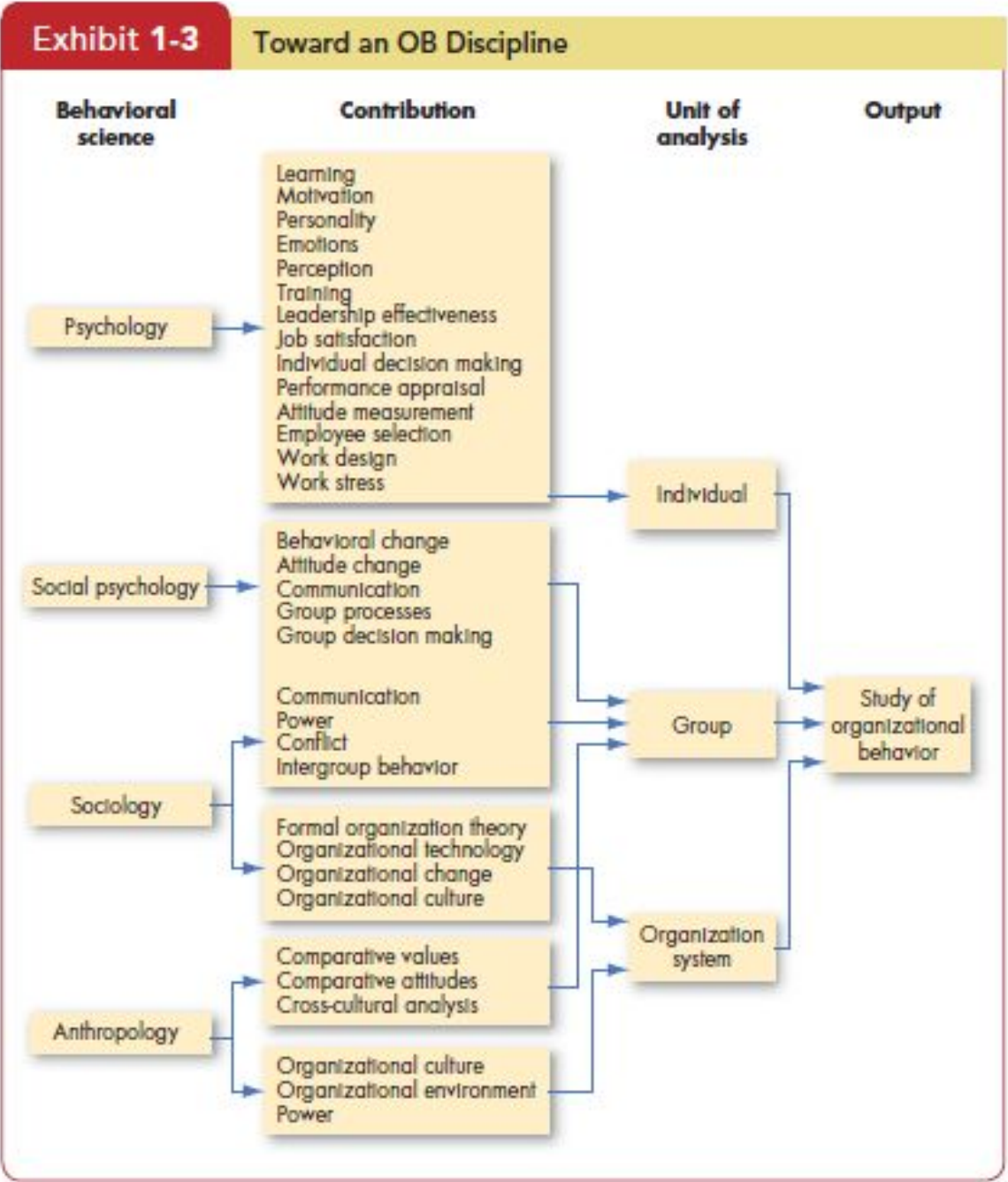


Organizational behaviour (often abbreviated OB) is a field of study that investigates the impact that individuals, groups, and structure have on behaviour within organizations, for the purpose of applying such knowledge toward improving an organization's effectiveness.



Disciplines That Contribute to the OB Field

Psychology

Psychology seeks to measure, explain, and sometimes change the behaviour of humans and other animals.

Early industrial/organizational psychologists studied the problems of fatigue, boredom, and other working conditions that could impede efficient work performance.

More recently, their contributions have expanded to include learning, perception, personality, emotions, training, leadership effectiveness, needs and motivational forces, job satisfaction, decision-making processes, performance appraisals, attitude measurement, employee-selection techniques, work design, and job stress.

Social Psychology

Social psychology , generally considered a branch of psychology, blends concepts from both psychology and sociology to focus on peoples’ influence on one another.

Social psychologists also contribute to measuring, understanding, and changing attitudes; identifying communication patterns; and building trust.

Sociology

While psychology focuses on the individual, **sociology** studies people in relation to their social environment or culture.

Sociologists have contributed to OB through their study of group behaviour in organizations, particularly formal and complex organizations. Perhaps most important, sociologists have studied organizational culture, formal organization theory and structure, organizational technology, communications, power, and conflict.

Anthropology

Anthropology is the study of societies to learn about human beings and their activities.

Anthropologists' work on cultures and environments has helped us understand differences in fundamental values, attitudes, and behaviour between people in different countries and within different organizations.

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

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

sociology *The study of people in relation to their social environment or culture.*

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

contingency variables *Situational factors: variables that moderate the relationship between two or more variables.*

Challenges and Opportunities for OB

1. Responding to Economic Pressures

During difficult economic times, effective management is often at a premium.

Anybody can run a company when business is booming, because the difference between good and bad management reflects the difference between making a lot of money and making a lot more money. When times are bad, though, managers are on the front lines with employees who must be fired, who are asked to make do with less, and who worry about their futures. The difference between good and bad management can be the difference between profit and loss or, ultimately, between survival and failure.

2. Responding to Globalization

Organizations are no longer constrained by national borders.

The world has become a global village. In the process, the manager's job has changed.

- **Increased Foreign Assignments**
- **Working with People from Different Cultures**
- **Overseeing Movement of Jobs to Countries with Low-Cost Labour**

3. Managing Workforce Diversity

Workforce diversity acknowledges a workforce of women and men; many racial and ethnic groups; individuals with a variety of physical or psychological abilities; and people who differ in age and sexual orientation. Managing this diversity is a global concern.

4. Improving Customer Service

Service jobs include technical support representatives, fast-food counter workers, sales clerks, waiters and waitresses, nurses, automobile repair technicians, consultants, credit representatives, financial planners, and flight attendants. The common characteristic of these jobs is substantial interaction with an organization's customers. And because an organization can't exist without customers

5. Improving People Skills

Ways to Design motivating jobs, techniques for improving your listening skills, and how to create more effective teams.

6. Coping with “Temporariness”

Globalization, expanded capacity, and advances in technology have required organizations to be fast and flexible if they are to survive. The result is that most managers and employees today work in a climate best characterized as “temporary.”

Workers must continually update their knowledge and skills to perform new job requirements.

Today’s managers and employees must learn to cope with temporariness, flexibility, spontaneity, and unpredictability. The study of OB can help you better understand a work world of continual change, overcome resistance to change, and create an organizational culture that thrives on change.

7. Working in Networked Organizations

Networked organizations allow people to communicate and work together even though they may be thousands of miles apart.

Independent contractors can telecommute via computer to workplaces around the globe and change employers as the demand for their services changes. Software programmers, graphic designers, systems analysts, technical writers, photo researchers, book and media editors, and medical transcribers are just a few examples of people who can work from home or other non office locations.

8. Helping Employees Balance Work–Life Conflicts

The typical employee in the 1960s or 1970s showed up at a specified workplace Monday through Friday and worked for clearly defined 8- or 9-hour chunks of time.

That's no longer true for a large segment of today's workforce. Employees are increasingly complaining that the line between work and non work time has become blurred, creating personal conflicts and stress.

How do work–life conflicts come about?

First, the creation of global organizations means the world never sleeps. At any time on any day, thousands of General Electric employees are working somewhere. The need to consult with colleagues or customers eight or ten time zones away means many employees of global firms are “on call” 24 hours a day.

Second, communication technology allows many technical and professional employees to do their work at home, in their cars, or on the beach in Tahiti—but it also means many feel like they never really get away from the office.

Third, organizations are asking employees to put in longer hours.

Finally, the rise of the dual-career couple makes it difficult for married employees to find time to fulfill commitments to home, spouse, children, parents, and friends.

9. Creating a Positive Work Environment

Although competitive pressures on most organizations are stronger than ever, some organizations are trying to realize a competitive advantage by fostering a positive work environment.

Some key independent variables in positive OB research are engagement, hope, optimism, and resilience in the face of strain.

10. Improving Ethical Behaviour

In an organizational world characterized by cutbacks, expectations of increasing productivity, and tough competition, it's not surprising many employees feel pressured to cut corners, break rules, and engage in other questionable practices.

Increasingly they face **ethical dilemmas and ethical choices** , in which they are required to identify right and wrong conduct.

THE INDIVIDUAL

Biographical Characteristics

Biographical characteristics such as age, gender, race, disability, and length of service are some of the most obvious ways employees differ.

Age

The relationship between age and job performance

Many believe productivity declines with age. It is often assumed that skills like speed, agility, strength, and coordination decay over time and that prolonged job boredom and lack of intellectual stimulation contribute to reduced productivity.

What are the effects of discrimination against individuals on the basis of age?

One large-scale study of more than 8,000 employees in 128 companies found that an organizational climate favouring age discrimination was associated with lower levels of commitment to the company. This lower commitment was, in turn, related to lower levels of organizational performance. 15 Such results suggest that combating age discrimination may be associated with higher levels of organizational performance.

Sex

Few issues initiate more debates, misconceptions, and unsupported opinions than whether women perform as well on jobs as men do.

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

Psychological studies have found women are more agreeable and willing to conform to authority, whereas men are more aggressive and more likely to have expectations of success, but those differences are minor.

Race and Ethnicity

Race is a controversial issue.

Race and ethnicity have been studied as they relate to employment outcomes such as hiring decisions, performance evaluations, pay, and workplace discrimination.

Most research has concentrated on the differences in outcomes and attitudes between Whites and African Americans, with little study of issues relevant to Asian, Native American, and Hispanic populations.

Disability

Making inferences about the relationship between disability and employment outcomes is difficult because the term *disability* is so broad.

A person as disabled who has any physical or mental impairment that substantially limits one or more major life activities. Examples include missing limbs, seizure disorder, Down Syndrome, deafness, schizophrenia, alcoholism, diabetes, and chronic back pain.

Other Biographical Characteristics: Tenure, Religion, Sexual Orientation, and Gender Identity

Tenure, expressed as work experience, appears to be a good predictor of employee productivity.

Not only do religious and nonreligious people question each other's belief systems; often people of different religious faiths conflict.

Ability

What does *ability* mean?

ability is an individual's current capacity to perform the various tasks in a job. Overall abilities are essentially made up of two sets of factors: **intellectual** and **physical**.

Intellectual abilities *The capacity to do mental activities—thinking, reasoning, and problem solving.*

physical abilities *The capacity to do tasks that demand stamina, dexterity, strength, and similar characteristics.*

Exhibit 2-2

Dimensions of Intellectual Ability

Dimension	Description	Job Example
Number aptitude	Ability to do speedy and accurate arithmetic	Accountant: Computing the sales tax on a set of items
Verbal comprehension	Ability to understand what is read or heard and the relationship of words to each other	Plant manager: Following corporate policies on hiring
Perceptual speed	Ability to identify visual similarities and differences quickly and accurately	Fire investigator: Identifying clues to support a charge of arson
Inductive reasoning	Ability to identify a logical sequence in a problem and then solve the problem	Market researcher: Forecasting demand for a product in the next time period
Deductive reasoning	Ability to use logic and assess the implications of an argument	Supervisor: Choosing between two different suggestions offered by employees
Spatial visualization	Ability to imagine how an object would look if its position in space were changed	Interior decorator: Redecorating an office
Memory	Ability to retain and recall past experiences	Salesperson: Remembering the names of customers

Exhibit 2-3		Nine Basic Physical Abilities	
Strength Factors			
1. Dynamic strength		Ability to exert muscular force repeatedly or continuously over time	
2. Trunk strength		Ability to exert muscular strength using the trunk (particularly abdominal) muscles	
3. Static strength		Ability to exert force against external objects	
4. Explosive strength		Ability to expend a maximum of energy in one or a series of explosive acts	
Flexibility Factors			
5. Extent flexibility		Ability to move the trunk and back muscles as far as possible	
6. Dynamic flexibility		Ability to make rapid, repeated flexing movements	
Other Factors			
7. Body coordination		Ability to coordinate the simultaneous actions of different parts of the body	
8. Balance		Ability to maintain equilibrium despite forces pulling off balance	
9. Stamina		Ability to continue maximum effort requiring prolonged effort over time	

Values represent basic convictions that “a specific mode of conduct or end-state of existence is personally or socially preferable to an opposite or converse mode of conduct or end-state of existence.

Values have both **content** and **intensity** attributes.

The **content** attribute says a mode of conduct or end-state of existence is *important*.

The **intensity** attribute specifies *how important* it is.

The Importance of Values

Values lay the foundation for our understanding of people's attitudes and motivation and influence our perceptions.

Suppose you enter an organization with the view that allocating pay on the basis of performance is right, while allocating pay on the basis of seniority is wrong.

You're likely to be disappointed—and this can lead to job dissatisfaction and a decision not to exert a high level of effort

Terminal versus Instrumental Values

Terminal values *Desirable end-states of existence; the goals a person would like to achieve during his or her lifetime.*

Some examples of terminal values

Prosperity and economic success, Freedom, Health and well-being, World peace, Social recognition, and Meaning in life.

Instrumental values *Preferable modes of behaviour or means of achieving one's terminal values.*

The types of instrumental values

Self-improvement, Autonomy and self-reliance, Personal discipline, kindness, Ambition, and Goal-orientation.

Exhibit 5-3

Mean Value Ranking Executives, Union Members, and Activists (Top Five Only)

EXECUTIVES		UNION MEMBERS		ACTIVISTS	
Terminal	Instrumental	Terminal	Instrumental	Terminal	Instrumental
1. Self-respect	1. Honest	1. Family security	1. Responsible	1. Equality	1. Honest
2. Family security	2. Responsible	2. Freedom	2. Honest	2. A world of peace	2. Helpful
3. Freedom	3. Capable	3. Happiness	3. Courageous	3. Family security	3. Courageous
4. A sense of accomplishment	4. Ambitious	4. Self-respect	4. Independent	4. Self-respect	4. Responsible
5. Happiness	5. Independent	5. Mature love	5. Capable	5. Freedom	5. Capable

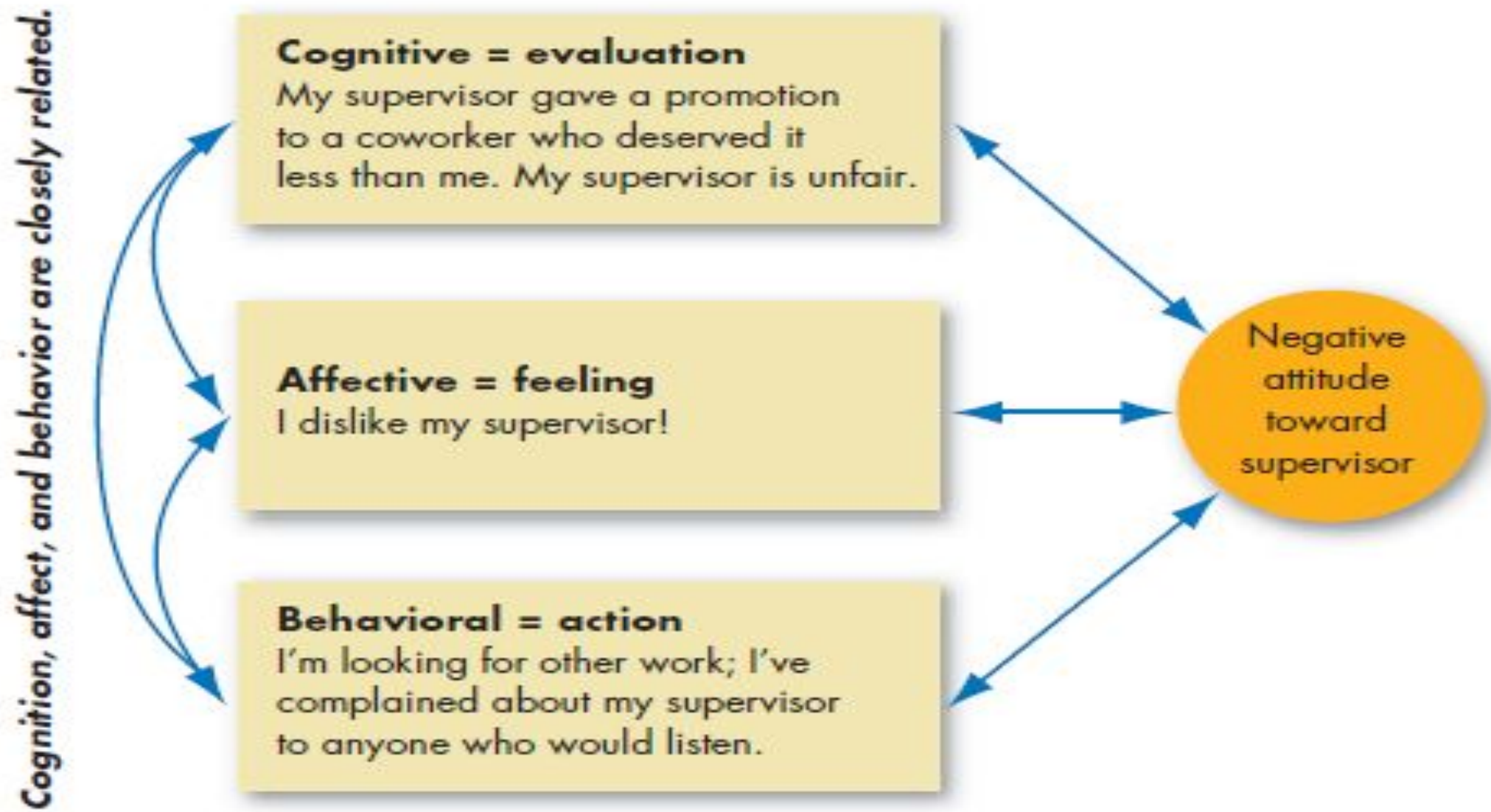
Attitudes

Attitudes are evaluative statements—either favourable or unfavourable—about objects, people, or events.

They reflect how we feel about something. When I say “I like my job,” I am expressing my attitude about work.

Exhibit 3-1

The Components of an Attitude



attitudes *Evaluative statements or judgments concerning objects, people, or events.*

cognitive component *The opinion or belief segment of an attitude.*

affective component *The emotional or feeling segment of an attitude.*

behavioural component *An intention to behave in a certain way toward someone or something.*

Does Behaviour Always Follow from Attitudes?

Moderating Variables The most powerful moderators of the attitudes relationship are the *importance* of the attitude, its *correspondence to behaviour*, its *accessibility*, the presence of *social pressures*, and whether a person has *direct experience* with the attitude.

cognitive dissonance *Any incompatibility between two or more attitudes or between behaviour and attitudes.*

Job Satisfaction and Employee performance

When people speak of employee attitudes, they usually mean **job satisfaction** , which describes a positive feeling about a job, resulting from an evaluation of its characteristics.

A person with a high level of job satisfaction holds positive feelings about his or her job, while a person with a low level holds negative feelings.

Job Involvement

Related to job satisfaction is **job involvement** , which measures the degree to which people identify psychologically with their job and consider their perceived performance level important to self-worth.

Organizational Commitment

In **organizational commitment** , an employee identifies with a particular organization and its goals and wishes to remain a member. Most research has focused on emotional attachment to an organization and belief in its values as the “gold standard” for employee commitment.

Perceived Organizational Support is the degree to which employees believe the organization values their contribution and cares about their well-being (for example, an employee believes his organization would accommodate him if he had a child care problem or would forgive an honest mistake on his part).

employee engagement *An individual's involvement with, satisfaction with, and enthusiasm for the work he or she does.*

OB Poll

What Are the Main Causes of Job Dissatisfaction?

% Dissatisfied with Aspect of Job

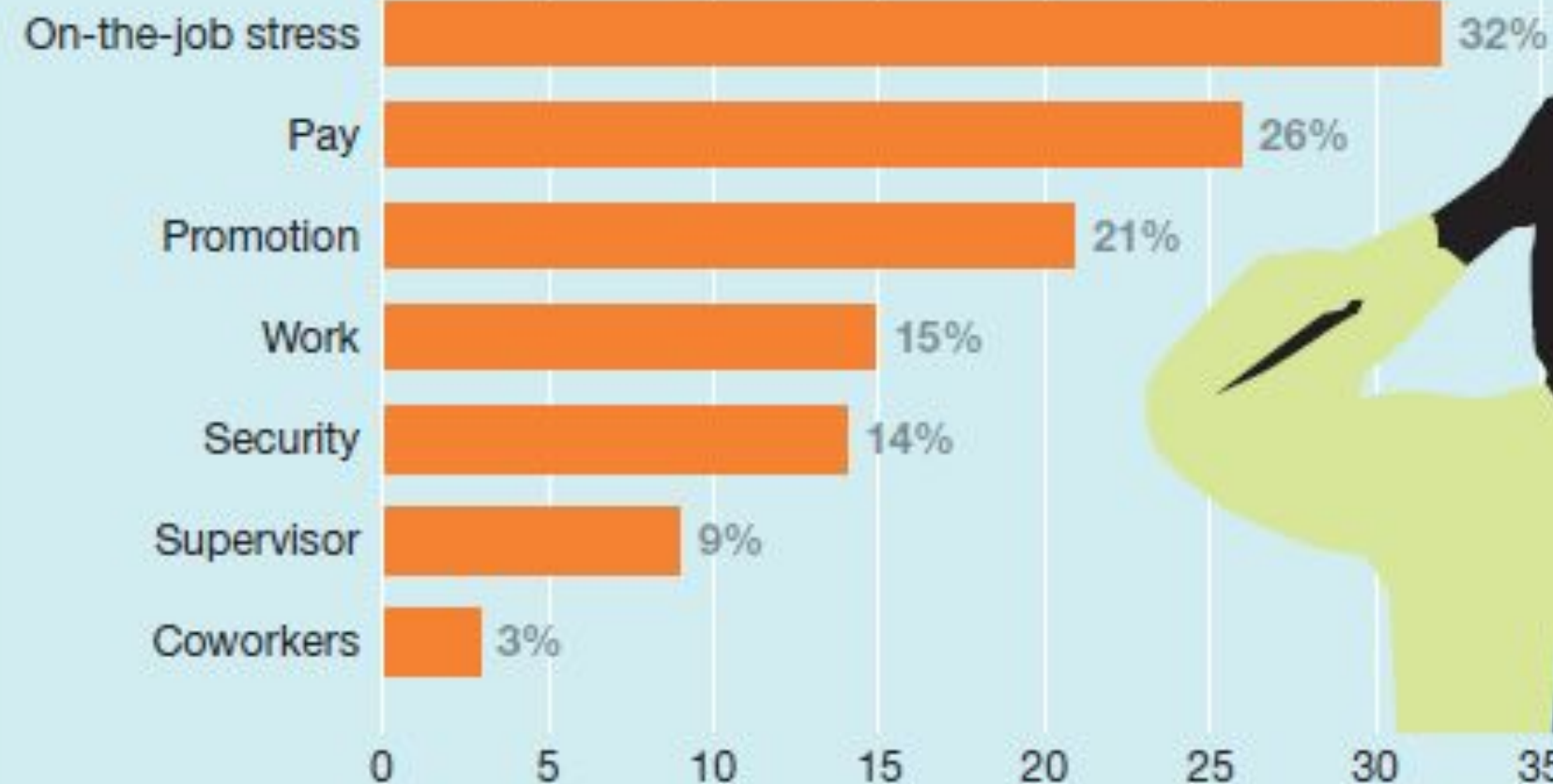


Exhibit 3-2

Average Job Satisfaction Levels by Facet

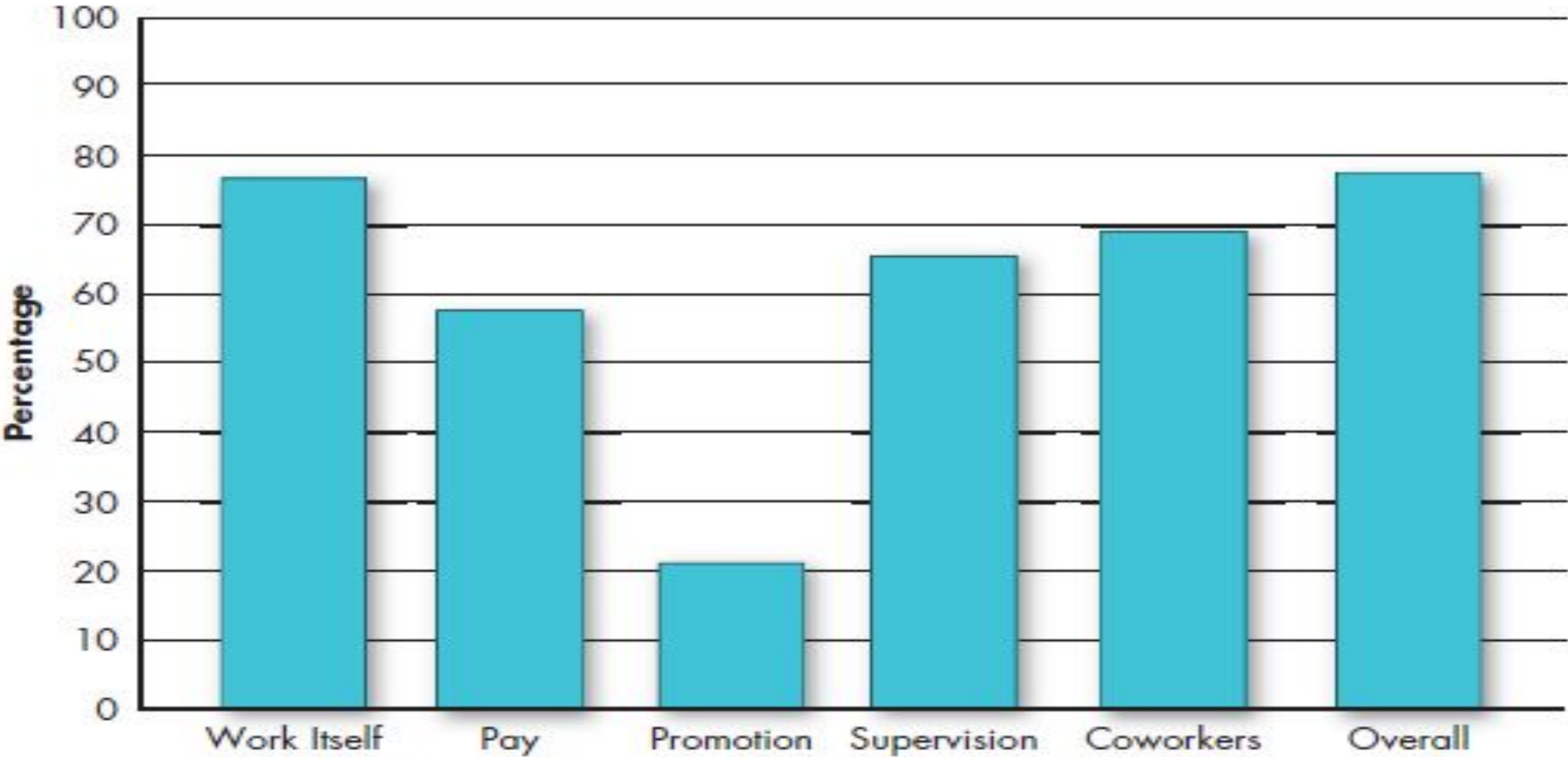


Exhibit 3-3

Average Levels of Job Satisfaction by Country

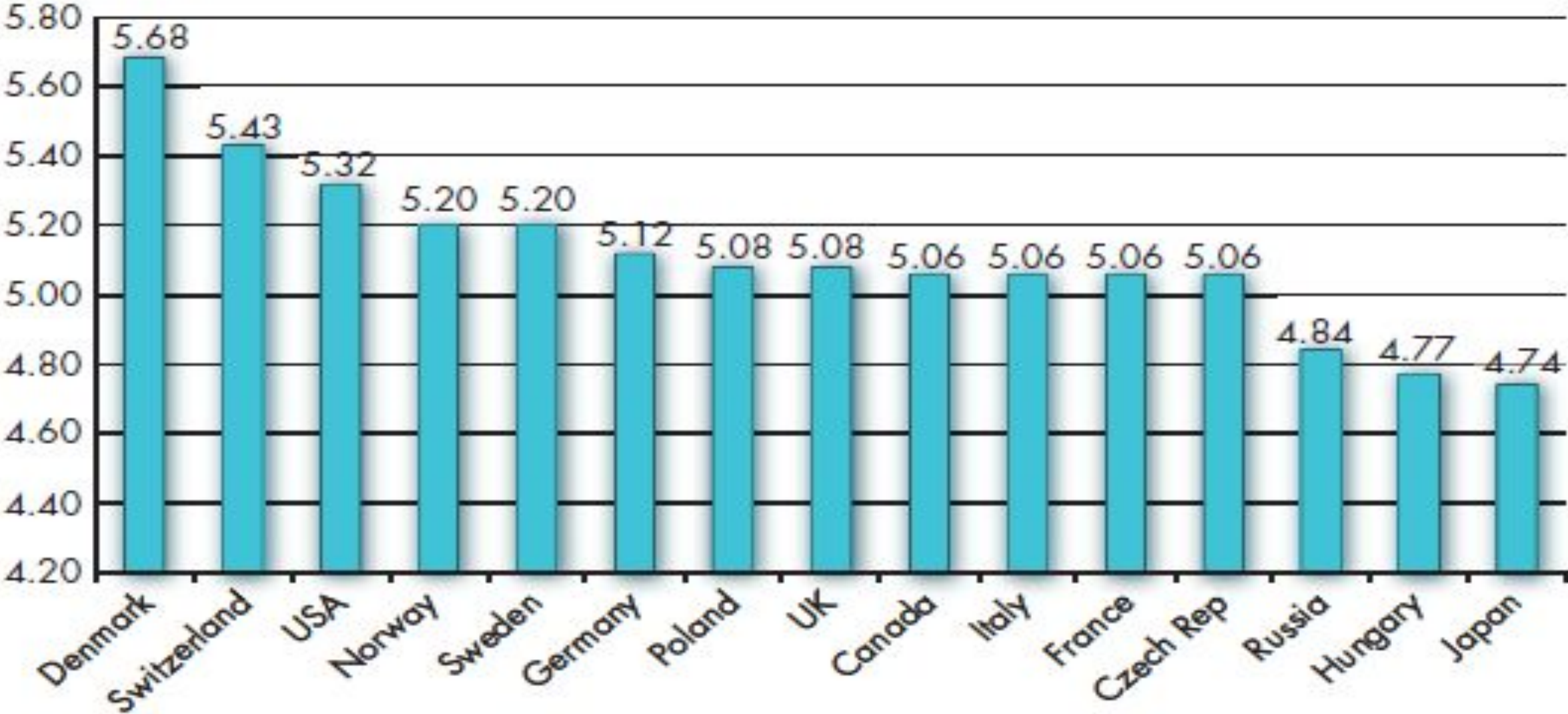


Exhibit 3-5

Responses to Dissatisfaction

	Constructive	Destructive
Active	VOICE	EXIT
Passive	LOYALTY	NEGLECT

core self-evaluations *Bottom-line conclusions individuals have about their capabilities, competence, and worth as a person.*

exit *Dissatisfaction expressed through behaviour directed toward leaving the organization.*

voice *Dissatisfaction expressed through active and constructive attempts to improve conditions.*

loyalty *Dissatisfaction expressed by passively waiting for conditions to improve.*

neglect *Dissatisfaction expressed through allowing conditions to worsen.*

Job Satisfaction and Job Performance

Happy workers are more likely to be productive workers.

Job Satisfaction and OCB It seems logical to assume job satisfaction should be a major determinant of an employee's organizational citizenship behaviour (OCB). Satisfied employees would seem more likely to talk positively about the organization, help others, and go beyond the normal expectations in their job, perhaps because they want to reciprocate their positive experiences.

Job Satisfaction and Customer Satisfaction

For frontline employees who have regular customer contact, the answer is “yes.” Satisfied employees increase customer satisfaction and loyalty.

Job Satisfaction and Absenteeism We find a consistent negative relationship between satisfaction and absenteeism.

Job Satisfaction and Turnover

The relationship between job satisfaction and turnover is stronger than between satisfaction and absenteeism.

Job Satisfaction and Workplace Deviance Job dissatisfaction and antagonistic relationships with co-workers predict a variety of behaviours organizations find undesirable, including unionization attempts, substance abuse, stealing at work, undue socializing, and tardiness.