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Chapter One:

Introduction to the Field of Organizational Behavior

Learning Objectives

After reading this chapter, students should be able to:

1. Define organizational behavior and organizations.
2. Explain why organizational behavior knowledge is important for you and for organizations.
3. Discuss the anchors on which organizational behavior knowledge is based.
4. Summarize the workplace trends of diversity and the inclusive workplace, work–life integration, remote work, and emerging employment relationships.
5. Describe the four factors that directly influence individual behavior and performance.
6. Summarize the five types of individual behavior in organizations.

Organizational Behavior and Organizations

Organizational behavior (OB).

- Studies what people think, feel, and do in and around organizations.

Organizations.

- Groups of people who work interdependently toward some purpose.



Importance of OB for You

OB is important for everyone.

Employers say OB skills are most important.

OB helps students adopt better personal theories to:

- Understand workplace events.
- Predict workplace events.
- Get things done by influencing and coordinating with others.



Importance of OB for Organizations

OB theories improve the organization's effectiveness.

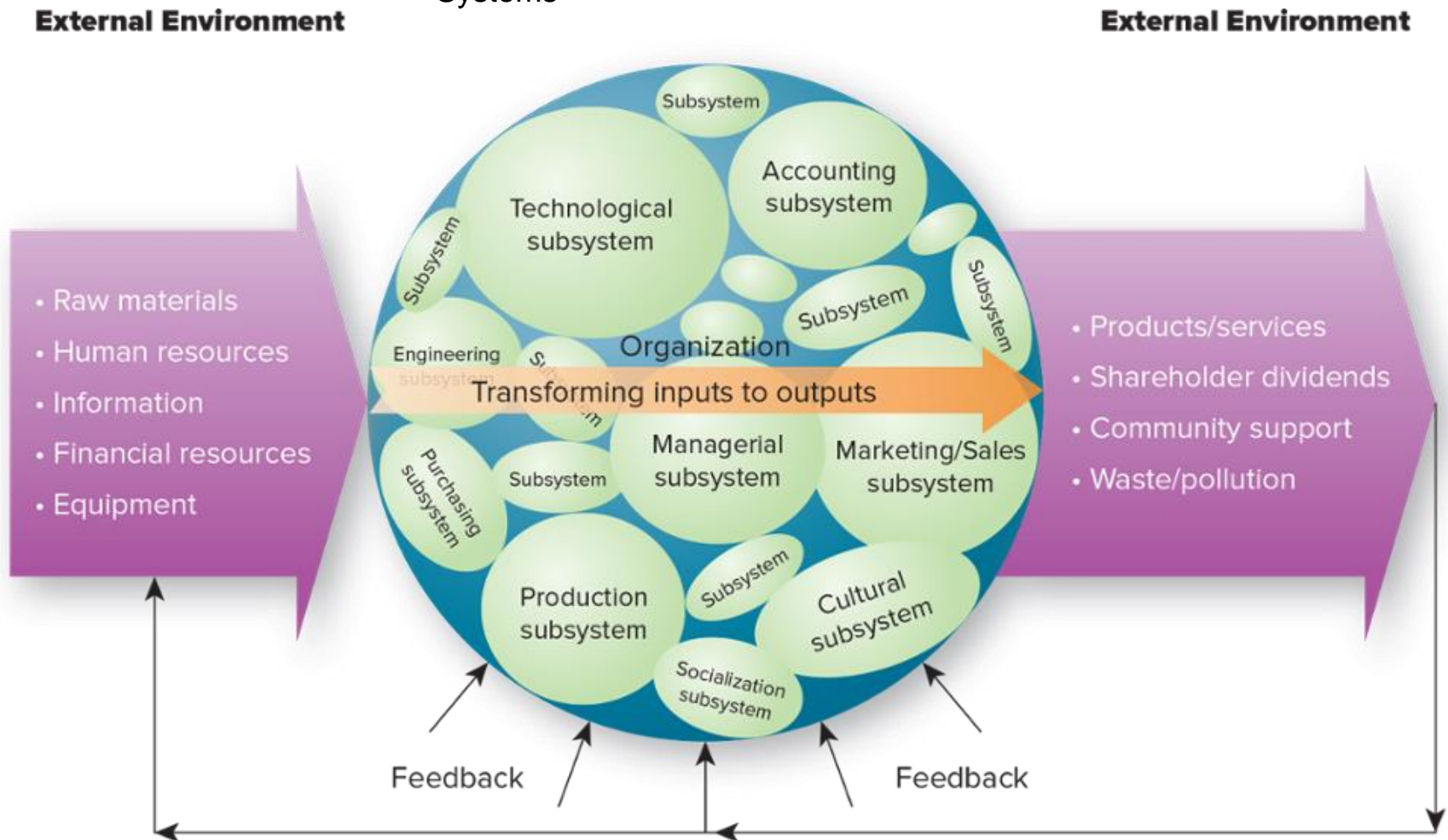
Organizational effectiveness is an ideal state in which the organization:

- Has a good fit with its external environment (open system).
- Effectively transforms inputs to outputs (human capital).
- Satisfies the needs of key stakeholders.



Organizations as Open Systems

Exhibit 1.2 Organizations as Open Systems



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Human Capital as Competitive Advantage

Knowledge, skills, abilities, creative thinking, and other valued resources that employees bring to the organization.

Human capital is:

- Essential for survival/success.
- Difficult to find or copy.
- Difficult to replace employees with technology.

Human capital improves organizational effectiveness.

- Directly improves individual behavior and performance.
- Performing diverse tasks in unfamiliar situations.
- Company's investment in employees motivates them.

Organizations and their Stakeholders

- Stakeholders: Any entity who affects or is affected by the firm's objectives and actions.
- Firms need to understand, manage, and satisfy stakeholders.
- Challenges: Conflicting interests, limited resources.
- Values are relatively stable, evaluative beliefs that guide preferences, courses of action.

Stakeholders and CSR

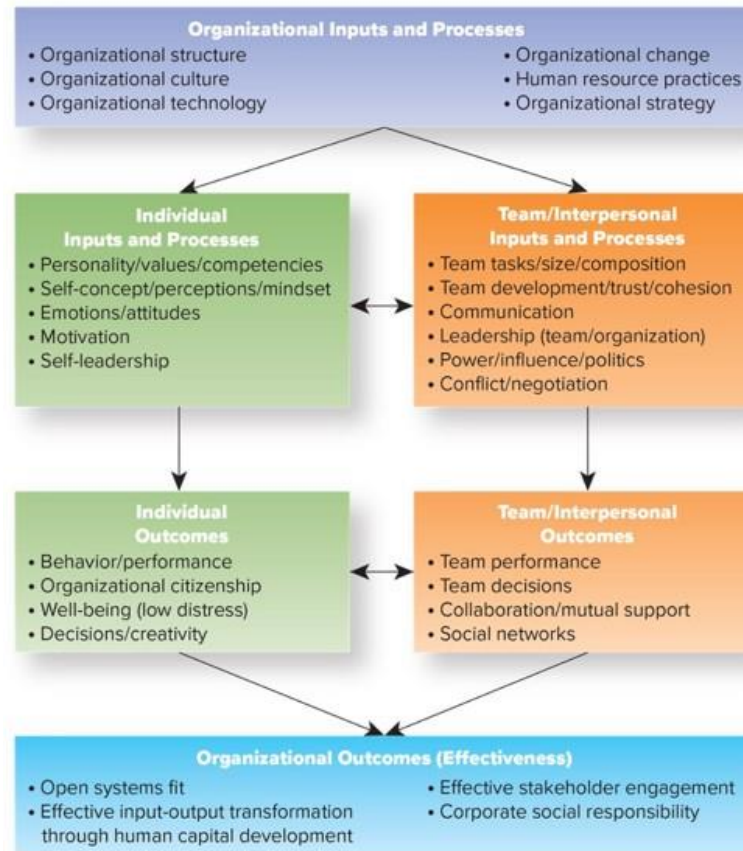
Corporate social responsibility (CSR): activities intended to benefit society and the environment beyond the firm's immediate financial interests or legal obligations.

Triple-bottom-line philosophy:

- Economic.
- Society.
- Environment.

Integrative Model of OB

Exhibit 1.3 An Integrative Model of OB



[Access the text alternative for slide images.](#)

Organizational Behavior Anchors

Systematic research anchor.

- Study organizations using systematic research methods.

Practical orientation anchor.

- Ensure that OB theories are useful in organizations.

Multidisciplinary anchor.

- Import knowledge from other disciplines (not just created by OB research).

Contingency anchor.

- Recognize that the effectiveness of an action may depends on the situation.

Multiple levels of analysis anchor.

- Understand OB events from three levels of analysis: Individual, team, organizational.

Emerging Workplace: Inclusive Workplace

Inclusive workplace:

- Values people of all identities.
- Diversity viewed as a valued resource.
- Evidence at individual and collective level.

Surface-level diversity.

Deep-level diversity.

Workplace Diversity Benefits and Challenges

Benefits of diversity:

- Better decisions, employee attitudes, team performance.
- More team creativity, better decisions in complex situations.
- Better representation of community needs.
- Moral/legal imperative.
- Inclusive workplace develops a culture of respect.

Challenges of diversity:

- Team take longer to perform effectively together.
- Higher dysfunctional conflict, lower info sharing and morale.

Emerging Workplace: Work-Life Integration

Effectively engaged in work and nonwork roles with low role conflict.

Problem: Depleting personal resources in one role starves other roles.

Practicing work-life integration.

- Integrate two or more roles.
- Schedule flexible work.
- Align work and nonwork roles with personal characteristics.
- Boundary management.



Emerging Workplace: Remote Work

- Performing the job away from the organization's physical work site.
- Usually working from home or other non-client site.
- Remote employees are connected through information technology.
- Some companies are completely remote (distributed).

Remote Work Benefits and Risks

Remote work benefits:

- Better work-life integration.
- Valued benefit, less turnover.
- Higher productivity.
- Better for environment.
- Lower corporate costs.

Remote work disadvantages:

- More social isolation.
- Less informal communication.
- Lower team cohesion.
- Weaker organizational culture.

Remote Work Contingencies

Employee characteristics:

- High self-motivation.
- High self-organization.
- High need for autonomy.
- Good information technology skills.
- Fulfill social needs outside work.

Job characteristics:

- Tasks don't require office resources.
- Low task interdependence.
- Task performance is measurable.

Organizational characteristics:

- Reward performance, not presence.
- Maintaining team cohesion and psychological connectedness.

Emerging Workplace: Employment Relationships

Three main employment relationships:

1. Direct employment: Employee working directly with employer.
2. Indirect employment: Outsourced or agency work.
3. Contract employment: Worker is one firm serving a client.

Consequences of emerging employment relationships:

Direct employment:

- Higher work quality, innovation, and agility.
- Lower satisfaction, commitment when working with indirect workers.

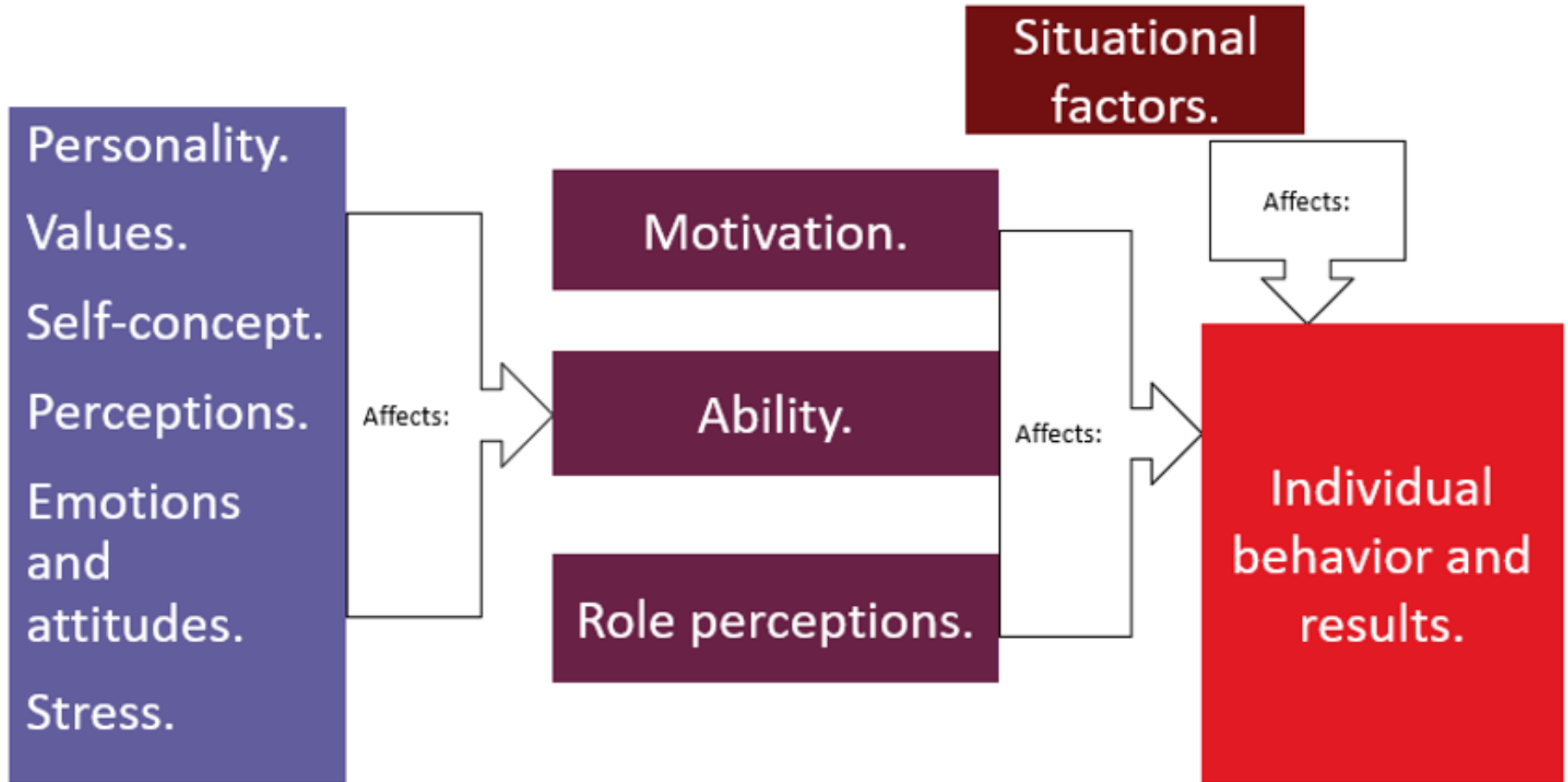
Indirect employment:

- Lower job satisfaction than other employment types.

Teams with direct and indirect workers:

- Weaker social networks, less information sharing.
- Ambiguous manager roles, less discretion over indirect workers.

MARS Model of Individual Behavior

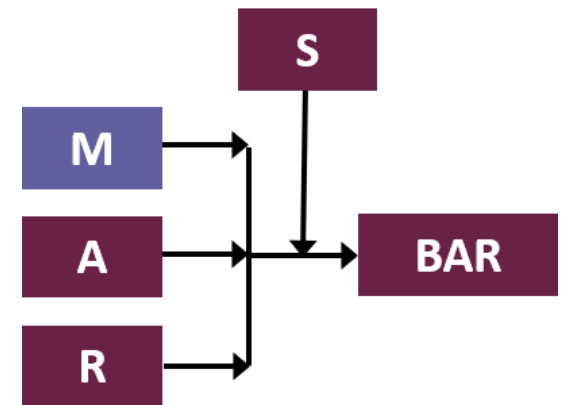


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MARS Model: Motivation

Internal forces that affect a person's effort for voluntary behavior:

- Direction.
- Intensity.
- Persistence.

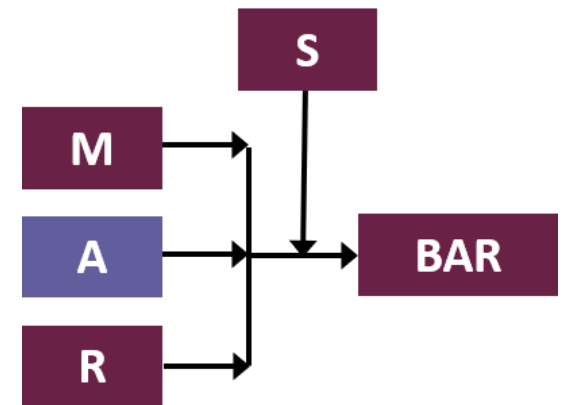


MARS Model: Ability

Aptitudes and learned capabilities required to successfully complete a task.

Person–job matching.

- Selecting.
- Developing.
- Redesigning.



MARS Model: Role Perceptions

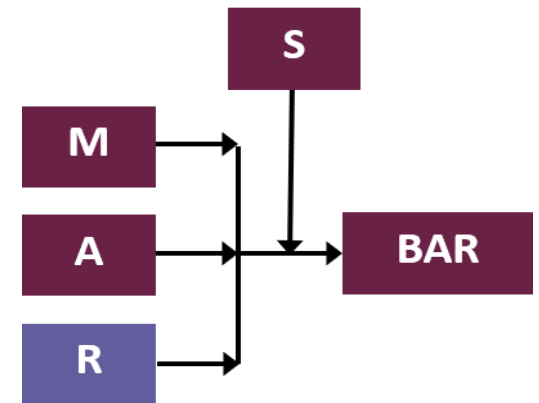
Understand the job duties expected of us.

Role perceptions are clearer when we understand:

- Our tasks or accountable consequences.
- Task and performance priorities.
- Preferred behaviors and procedures.

Benefits of clear role perceptions.

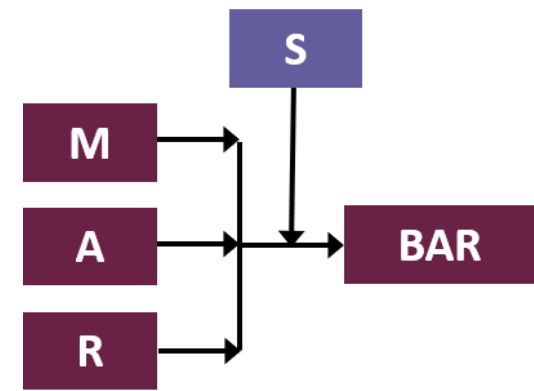
- More proficient job performance.
- Better coordination with others.
- Higher motivation.



MARS Model: Situational Factors

Conditions beyond person's short-term control that constrain or facilitate behavior.

- Constraints are time, budget, facilities, etc.
- Cues: signs warning of nearby hazards.



Types of Individual Behavior ¹

Task performance:

- Voluntary goal-directed behaviors.
- Three types of performance:
 1. Proficient.
 2. Adaptive.
 3. Proactive.

Organizational citizenship behaviors (OCBs):

- Cooperation with or helpfulness, supports work context.
- OCBs are directed toward individuals and organization.
- Some OCBs are discretionary, others implicit job requirement.
- OCBs may have negative consequences.

Types of Individual Behavior ₂

Counterproductive work behaviors.

- Voluntary behaviors that may harm the organization.

Joining and staying with the organization.

- Problems with skills shortages and high turnover.

Maintaining work attendance.

- Absences due mainly to situation and motivation.
- Presenteeism: attending scheduled work during significantly reduced capacity (illness, injury).



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