INDUSTRIAL/ORGANIZATIONAL PSYCHOLOGY

PmLE **Main References: Levy, Riggio, Dessler, Muchinsky, Aamodt, McShane**

INDUSTRIAL/ORGANIZATIONAL PSYCHOLOGY

INDUSTRIAL/ORGANIZATIONAL PSYCHOLOGY – is a branch of psychology that applies the principles of psychology to the workplace

- Purpose: "to enhance the dignity and performance of human beings, and the organizations they work in, by advancing the science and knowledge of human behavior"

Approaches in I/O Psychology

- ➔ **Industrial Approach –** focuses on determining the competencies needed to perform a job, staffing the organization with employees who have those competencies, and increasing those competencies through training
- ➔ **Organizational Approach –** creates an organizational structure and culture that will motivate employees to perform well, give them the necessary information to do their jobs, and provide working conditions that are safe and result in an enjoyable and satisfying work/life environment

MAJOR FIELDS IN I/O PSYCHOLOGY

- **Personnel Psychology –** concentrates on the selection and evaluation of employees
  - Analyzing jobs
  - Recruiting applicants
  - Selecting employees
  - Determining salary levels
  - Training employees
  - Evaluating employee performance
- **Organizational Psychology –** investigates behavior of employees with the context of an organization
  - Issues of leadership
  - Job satisfaction
  - Employee motivation
  - Organizational communication
  - Conflict management
  - Organizational change
  - Group processes within an organization
- **Human Factors/Ergonomics –** interaction between humans and machines
  - Workplace design
  - Human-machine interaction
  - Ergonomics
  - Physical fatigue and stress

ETHICAL DILEMMAS – are ambiguous situations that require a personal judgment of what is right or wrong because there are no rules, policies, or laws guiding such decisions

- Individuals often rely on their morals and personal values, which often leads to different decisions by different people in similar situations

Two Types of Ethical Dilemmas

- ➔ **Type A –** there is a high level of uncertainty as to what is right or wrong, there appears to be no best solution, and there are both positive and negative consequences to a decision
- ➔ **Type B –** also called rationalizing dilemmas, the difference between right and wrong is much clearer in a Type A dilemma
  - ◆ Usually, individuals know what is right but choose the solution that is most advantageous to themselves

ORGANIZATIONAL THEORY (20)

ORGANIZATIONAL THEORY – a set of propositions that explains or predicts how groups and individuals behave in varying organizational structures and circumstances

- **Organization –** a coordinated group of people who perform tasks to produce goods or services, colloquially referred to as companies

A	**Describe the different Org. Theories, Models, and Concepts (5) & Apply the different theories of organizations to the overall understanding of human behavior in an organizational setting (5)**

ORGANIZATIONAL THEORIES

Classical Organizational Theory

- Which emerged in the first few decades of the 20th century
- Focuses mainly on structural relationships in organizations
- **4 Basic Tenets:**
  - A **system of differentiated activities**. All organizations are composed of the activities and functions performed on them and the relationships among these activities and functions
  - **People**. Although organizations are composed of activities and functions, people perform tasks and exercise authority
  - **Cooperation** toward a goal. Cooperation must exist among the people performing their various activities to achieve a unity of

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purpose in pursuit of their common goal
  - **Authority**. Is established through superior-subordinate relationships, and such authority is needed to ensure cooperation among people pursuing their goals

- **4 Major Structural Principles**
  - **Functional Principle –** the concept behind division of labor; organizations should be divided into units that perform similar functions (horizontal growth)
  - **Scalar Principle –** refers to the chain of command that grows with levels added to the organization (vertical growth)
    - Each level has its own degree of authority and responsibility in meeting organizational goals, with higher levels having more responsibility
    - **Unity of Command –** each subordinate should be accountable to only one superior
  - **Line/Staff Principle**
    - **Line Functions –** have the primary responsibility for meeting the major goals of the organization
    - **Staff Functions –** support the line's activities, but are regarded as subsidiary in overall importance to the line functions
  - **Span of Control –** the number of subordinates a manager is responsible for supervising
    - According to Lyndall Urwick; the optimal range of span of control is about 5 to 6 subordinates

Scientific Management by Frederick Taylor

- ➔ The organization is a machine—a pragmatic machine whose focus is simply to run more effectively
- ➔ **Taylorism –** as this approach was sometimes called—had as its premise the notion that there is one best way to get the job done
- ➔ Conduct studies that gather data indicating what the fastest and most efficient method is, then implement that method

4 Principles of Scientific Management

- ➔ **Developing a "Science" of Work.** Instead of relying on traditional "rule-of-thumb" methods, management observes and gathers empirical data from workers executing tasks. This information is analyzed to find the "one best way" to perform each job, replacing guesswork with standardized, optimized procedures.
- ➔ **Scientific Selection and Training.** Rather than letting workers choose their own roles or learn through trial and error, management scientifically assesses and hires the most capable individuals for specific tasks. These workers are then systematically trained and developed to reach their maximum operational efficiency.
- ➔ **Cooperation to Ensure Efficiency.** Management and workers must actively collaborate to ensure that the scientifically developed methods are properly applied. By harmonizing the optimized workflows (the data) with thoroughly trained staff, the organization maximizes productivity, increases output, and aligns the financial interests of both parties.
- ➔ **Redistribution of Work and Responsibility.** Work is deliberately divided so that management takes over the planning, organizing, and monitoring duties that were historically left to frontline workers. This functional split allows management to focus purely on strategic oversight and process design, while workers focus entirely on executing their specialized tasks at peak efficiency.

Bureaucracy by Max Weber

- ➔ **Max Weber –** a German sociologist who studied organizations in the late 1800s and early 1900s
- ➔ **Bureaucracy –** describes the structure, organization, and operation of many efficient organizations

4 Major Features of Bureaucracy

- ➔ **Division of Labor –** the process of breaking down complex operations into specialized, distinct tasks.
  - ◆ By assigning employees to specific, repetitive duties based on their expertise, organizations increase efficiency, reduce training time, and ensure that each component of a larger project is handled by specialists.
- ➔ **Top-down Pyramidal Organization (Hierarchy) –** a clear chain of command where authority flows from the highest executive levels down to the frontline staff.
  - ◆ Every lower position is directly

supervised by, and accountable to, a specific higher authority, creating a structured pyramid that ensures coordinated oversight and unified direction.

- **Delegation of Authorities –** the downward transfer of decision-making power and functional responsibilities from managers to subordinates.
  - While ultimate accountability remains with leadership, delegation empowers lower-level employees to execute tasks and resolve daily issues without creating administrative bottlenecks at the top.
- **Span of Control –** the specific number of subordinates that a single supervisor can effectively manage.
  - A narrow span of control means a manager oversees only a few employees (resulting in a taller pyramid with close supervision), while a wide span means a manager oversees many direct reports (resulting in a flatter organization with more autonomy).

Administrative Theory by Henri Fayol

- Focused on the organization and structure of work tasks; looked at how management and workers are organized within a business to allow for the completion of tasks
- In contrast to the scientific approach to management, which posited that worker efficiency would lead to managerial efficiency
- Focused on what managers do
- **5 Functions of Management**
  - **Planning.** The process of forecasting the organization's future needs and establishing a clear, strategic course of action. It involves setting goals, defining objectives, and determining the most effective strategies to achieve them while anticipating potential challenges.
  - **Organizing.** The allocation and arrangement of both human and material resources required to execute the plan. This involves building the organizational structure, defining roles, assigning tasks, and ensuring that the workforce has the necessary tools, capital, and personnel to function effectively.
  - **Commanding.** The act of leading, directing, and motivating employees to carry out their assigned duties. Management must provide clear instructions, maintain effective communication, and guide the workforce to ensure that daily operations align with the organization's broader objectives.
  - **Controlling.** The systematic monitoring and evaluation of the organization's performance against its established plans. It involves measuring actual output, identifying deviations or errors, and implementing corrective actions to ensure the organization stays on track to meet its goals.
  - **Coordinating.** The process of harmonizing and synchronizing all individual and departmental efforts within the organization. It ensures that various teams work together seamlessly, share information efficiently, and resolve conflicts, unifying disparate activities into a cohesive operation.

14 Principles of Administrative Theory

- **Division of Labor –** specialization of individuals
- **Authority –** issues commands and comes with responsibility
- **Discipline –** the subordinate must fully obey the superiors
- **Unity of Command –** only one boss from whom a worker receives instructions
- **Unity of Direction –** working under a singular plan
- **Subordination of Individual Interest –** interests of individuals are subordinate to the general interests
- **Remuneration –** compensation is used to incentivize worker performance
- **Centralization –** decision-making is either centralized or decentralized
- **Line of Authority (Scalar Chain) –** hierarchy of authority that places workers below managers in the reporting structure
- **Order –** well-defined rules and standards for the work environment and work responsibilities
- **Equity –** principle of fairness
- **Stability of Tenure –** organizations need to have low turnover

- ➔ **Initiative –** allowing employees to create plans and carry them out
- ➔ **Esprit de Corps –** sense of belonging within the organization

Neoclassical Theory – a theory developed in the 1950s that described psychological or behavioral issues associated with an organization

- **Neoclassical –** connotes a modernization or updating of the original (classical) theory, while still acknowledging its contributions
- There is no formal theory
- The primary contribution of neoclassical theory was to reveal that principles proposed by classical theory were not as universally applicable and simple as originally formulated

Core Principles of Neoclassical Organizational Theory

1. **Emphasis on the Human Factor.** Workers are viewed as complex social beings with psychological needs, emotions, and intrinsic motivations, rather than just economic extensions of machinery. Neoclassical theory asserts that organizational productivity is deeply tied to job satisfaction, employee morale, and treating workers with dignity and respect.
2. **Importance of Informal Organization.** Recognizes that alongside the formal bureaucratic hierarchy, natural social networks inevitably form among employees. These informal groups develop their own unspoken norms, peer leaders, and communication channels, which often influence worker behavior, attitudes, and overall output just as much as official company rules.
3. **Decentralization and Participation.** Advocates for a shift away from strict, top-down control by distributing decision-making power to lower levels of the organization. By actively involving employees in the decisions that affect their daily work and granting them greater autonomy, management fosters higher engagement and a stronger commitment to organizational goals.
4. **Focus on Communication and Group Dynamics.** Highlights the critical need for open, two-way communication between management and staff, ensuring feedback flows upward just as clearly as instructions flow downward. It also emphasizes that individual performance is heavily shaped by group dynamics—specifically how team members interact, collaborate, and apply social pressure to conform to collective standards.

I. **Hawthorne Experiment by Elton Mayo**
   - Demonstrated that employee productivity is influenced not just by physical work conditions but also by social factors and the feeling of being valued and observed, leading to the discovery of the "Hawthorne Effect"
   - **Hawthorne Effect –** refers to the phenomenon where individuals change their behavior when they are aware that they are being observed or studied

II. **Comprehensive Theory of Behavior In Formal Organization by Chester Barnard**
   - Organizations are cooperative systems that exist to overcome individual limitations, requiring communication, cooperation, and a shared purpose
   - Effective organizations need to ensure that employees accept and act upon legitimate orders, and authority is established through the willingness of subordinates to follow directives

III. **Application of Classical Theories to Current Situations of His Time by Herbert Simon**
   - Human decision-making is bounded by limited information and cognitive abilities, leading to "satisfying" rather than optimizing, and organizations are complex systems best understood through a contingency approach

IV. **Theory X and Theory Y by McGregor**

V. **Growth Perspective by Argyris**
   - Growth was a natural and healthy experience for an individual
   - Organizations that acknowledged and aided this growth would be more likely to prosper than those that ignored or actively inhibited this growth
   - Passive to active organisms

Modern Organizational Theory – it views organizations as complex, dynamic, and open systems that interact with their external environment

- Emphasize contingency and adaptation, recognizing that the most effective organizational structure and management style depend on the specific situation

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3 Major Perspectives within Modern Organizational Theory

1. **Systems Theory –** views the organization as a system composed of interconnected subsystems (e.g., departments, individuals, processes)
   - ➔ Emphasizes the interdependence of these subsystems and the need for integration and coordination to achieve overall organizational goals
2. **Contingency Theory (Situational Theory) –** there is no one "best" way to organize or manage
   - ➔ The most effective organizational structure and management style are contingent upon various situational factors, both internal and external
3. **Organizational Learning Theory –** focuses on how organizations learn, adapt, and develop capabilities over time
   - ➔ Emphasizes the importance of knowledge acquisition, sharing, and retention within the organization

Contingency Theory – argues that there is no single "best" way to manage or lead an organization; instead, the most effective approach depends on the specific situation or context

- The "it depends" theory

3 Contingency Theory Models

1. **Contingency Model by Joan Woodward (Technology) –** different production technologies demand different organizational structures to be effective
   - ➔ Unit and Small-Batch Production: Low-volume, customized products (e.g., prototypes, tailored clothing)
   - ➔ Large-Batch and Mass Production: Standardized, high-volume products (e.g., assembly lines)
   - ➔ Continuous-Process Production: Highly automated, continuous flow of production (e.g., oil refineries, chemical plants)
2. **Lawrence and Lorsch's Model (Environment) –** focuses on how organizations adapt to the demands of their external environment
   - ➔ **Environmental Uncertainty –** they viewed the environment as having different sub-environments with varying degrees of uncertainty
   - ➔ **Differentiation –** organizational subunits differ in terms of their goals, time horizons, interpersonal styles, and formality of structure
   - ➔ **Integration –** these differentiated subunits need to collaborate and coordinate their activities to achieve overall organizational goals
3. **Fiedler's Contingency Model (Leadership) –** focuses on leadership effectiveness being contingent on the fit between the leader's style and the favorableness of the situation
   - ➔ **Leader-Member Relations –** trust, confidence, and respect that subordinates have for their leader (good or poor)
   - ➔ **Task Structure –** which tasks are clearly defined, structured, and have clear procedures and goals (high or low)
   - ➔ **Position Power –** authority and influence the leader has due to their position in the organization (strong or weak)

Mintzberg's Contingency Model (Configuration) – organizations naturally cluster into certain configurations or types, with each configuration being a relatively stable and effective combination of structure, situation (contingencies), and strategy

- ➔ **Age and Size –** older and larger organizations tend to be more formalized
- ➔ **Technical System –** complexity and sophistication of the technology used
- ➔ **Environment –** stability, complexity, market diversity, and hostility
- ➔ **Power –** external control and the power of various stakeholders

Motivation Theory – seeks to explain why individuals behave the way they do and what drives, directs, and sustains their actions

- **Motivation –** a force that serves three functions: it energizes, or causes people to act; it directs behavior toward attainment of specific goals; and it sustains the effort expended in reaching those goals
- Three Individual Differences Traits that are Related to Work Motivation
  - **Self-Esteem –** the extent to which a person views him/herself as valuable and worthy

3 types of Self-Esteem

- ➔ **Chronic Self-Esteem –** a person's overall feeling about him/herself
- ➔ **Situational Self-Esteem –** a person's feeling about him/herself in a particular situation
- ➔ **Social Influenced Self-Esteem –** how a person feels about themselves based on the expectations of others

Experience-with-Success – the employee is given a task so easy that he will almost certainly succeed

- ➔ **Galatea Effect –** the power of self-expectations. An individual's belief in their own abilities directly impacts their performance
- ➔ **Pygmalion/Rosenthal Effect –** describes how high expectations from a superior or authority figure can lead to improved performance in a subordinate
- ➔ **Golem Effect –** is the opposite of the Pygmalion effect, where negative or low expectations from others can lead to a decrease in performance

- **Intrinsic Motivation –** they will seek to perform well because they either enjoy performing the actual tasks or enjoy the challenge of completing the task
- **Needs for Achievement and Power**

Motivational Theories

1. **Maslow's Hierarchy of Needs –** proposes a five-tiered hierarchy of needs (physiological, safety, social, esteem, and self-actualization) that individuals seek to satisfy sequentially. Lower-level needs must be met before higher-level needs become motivators
   - ➔ **Physiological Needs –** the most basic needs for survival, including food, water, shelter, and sleep
   - ➔ **Safety Needs –** security of body, employment, resources, morality, the family, health, and property
   - ➔ **Love & Belonging Needs –** focuses on the need for social connection, including friendship, family, intimacy, and a sense of belonging
   - ➔ **Esteem Needs –** need for respect, self-respect, status, recognition, strength, and freedom
   - ➔ **Self-Actualization Needs –** is the highest level, where individuals strive to become the best they can be, to fulfill their potential, and experience personal growth
     - ◆ The first four levels (physiological, safety, love/belonging, and esteem) are often referred to as "deficiency needs" (D-needs)
     - ◆ Self-actualization, on the other hand, is a "growth need" (B-need)
2. **Herzberg's Two-Factor Theory (Motivator-Hygiene Theory) –** job satisfaction and dissatisfaction arise from different sets of factors
   - ➔ **Hygiene Factors –** (e.g., salary, working conditions) can prevent dissatisfaction, but don't necessarily motivate
   - ➔ **Motivators –** (e.g., achievement, recognition) can lead to satisfaction and motivation
3. **McClelland's Theory of Needs (Acquired Needs Theory) –** individuals have three main needs that are learned over time
   - ➔ **Need for Achievement –** the drive to excel and succeed
   - ➔ **Need for Affiliation –** the desire for close interpersonal relationships and belonging
   - ➔ **Need for Power –** the need to influence and control others
4. **Alderfer's ERG Theory –** a simplified version of Maslow's hierarchy, in which any step can be skipped in order to move into another, proposing three core needs ("succession-progression, frustration-regression theory")
   - ➔ **Existence –** physiological and safety
   - ➔ **Relatedness –** social and interpersonal
   - ➔ **Growth –** esteem and self-actualization
5. **Reinforcement Theory (B.F. Skinner) –** draws on principles of operant conditioning and states simply that behavior is motivated by its consequences
   - ➔ **Positive Reinforcers –** are events that are in and of themselves desirable to the person
   - ➔ **Negative Reinforcers –** are events that lead to the avoidance of an existing negative state or condition
   - ➔ **Punishment –** is the term used to describe any unpleasant consequence that directly follows the performance of a behavior

Factors that must be considered in determining the Effectiveness of Incentive Programs

- **Timing of Incentive –** reinforcer or punisher is most effective if it occurs soon after the performance of the behavior
- **Contingency of the Consequences –** if it is not possible to immediately reward or punish a behavior, it should be at least clear that the employee understands the behaviors that brought reward or punishment
- **Types of Incentive Used**
  - **Premack Principle –** reinforcement is relative, and a supervisor can reinforce an employee with something that, on the surface, does not appear to be a reinforcer
  - **Financial Rewards –** such as bonuses for accomplishing certain goals
  - **Recognition –** "employee of the month"
  - **Social Recognition –** personal attention, signs of approval, and expressions of appreciation; informal recognition
  - **Travel –** travel rewards rather than financial rewards
- **Individual-Based vs. Group-Based Incentive**
  - **Pay for Performance –** also called earnings-at-risk plans—pays employees according to how much they individually produce
  - **Merit Pay –** base their incentives on performance appraisal scores rather than on such objective performance measures as sales and productivity
  - **Profit Sharing –** provide employees with a percentage of profits above a certain amount
  - **Gain Sharing –** ties group-wide financial incentives to improvements in organizational performance
  - **Stock Options –** employees are allowed to purchase stock in the future

Types of Reinforcement Schedules

- **Fixed Interval –** delivered after a set amount of time, regardless of the number of responses
- **Variable Interval –** delivered after an unpredictable amount of time
- **Fixed Ratio –** delivered after a specific number of responses
- **Variable Ratio –** delivered after an unpredictable number of responses

6. **Extrinsic vs. Intrinsic Motivation**
   - **Extrinsic Motivation –** persons are motivated to perform a behavior because they receive some extrinsic reward from the environment
   - **Intrinsic Motivation –** the notion that people are motivated by internal rewards
   - To motivate workers intrinsically, jobs need to be set up so that they are interesting and challenging, and so that they call forth workers' creativity and resourcefulness
   - Moreover, relying heavily on extrinsic rewards tends to decrease intrinsic motivation
7. **Goal-setting Theory (Edwin Locke) –** emphasizes the role of specific, challenging performance goals and workers' commitment to those goals as key determinants of motivation
   - **SMART:** specific, measurable, attainable, relevant, time-bound
8. **Equity Theory (J. Stacey Adams) –** workers are motivated by a desire to be treated equitably or fairly
   - **Underpayment Inequity –** results when workers feel they are receiving fewer outcomes from the job in ratio to inputs
   - **Overpayment Inequity –** you are receiving greater outcomes from your average-level inputs
9. **Expectancy (VIE) Theory –** workers are rational, decision-making persons whose behavior will be guided by an analysis of the potential costs and benefits of a particular course of action
   - **Expectancy –** the belief that effort will lead to good performance
   - **Instrumentality –** the belief that good performance will lead to desired outcomes or rewards
   - **Valance –** the value or attractiveness that the individual places on the potential outcomes or rewards
10. **Self-Efficacy Theory (Bandura) – an** individual's belief in their own ability to succeed in specific situations or accomplish a task
11. **Consistency Theory –** employees who feel good

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about themselves are motivated to perform better at work than employees who do not feel that they are valuable and worthy people

12. **Attribution Theory –** examines how individuals explain the causes of events and how these attributions affect their subsequent motivation and behavior
13. **Four-Drive Theory –** emotions are the source of human motivation, and these emotions are generated through four infinite and universal drives
    - ➔ **Drive to Acquire –** seek out, take control, and retain objects and personal experiences
    - ➔ **Drive to Bond –** variation of need for belonging and affiliation, motivates people to cooperate and, essentially, for organizations and societies
    - ➔ **Drive to Comprehend –** need to know, discover answers to unknown
    - ➔ **Drive to Defend –** protect ourselves physically, psychologically, and socially
14. **Self-Regulation Theory –** employee monitor their own progress toward attaining goals and then make the necessary adjustments; to self-regulate
15. **Job Expectations Theory –** a discrepancy between what an employee expected a job to be like and the reality of the job can affect motivation and satisfaction
    - ➔ When expectations from the job were not met, the employee might feel unmotivated
    - ➔ RJP is really important
16. **Organizational Justice Theory –** if employees are treated fairly, they will become more satisfied and motivated
    - ➔ **Distributive Justice –** fairness of the decision itself
    - ➔ **Procedural Justice –** fairness of the procedures used to arrive at the decision
17. **MARS Model of Individual Behavior and Performance –** performance is predicted by the motivation, ability, role perception, and situational factors
    - ➔ **Motivation –** represents the forces within a person that affect his/her direction, intensity, and persistence of voluntary behavior
      - ◆ **Direction –** path along which people direct their effort
      - ◆ **Intensity –** amount of effort
      - ◆ **Persistence –** length of time
    - ➔ **Ability –** includes both natural aptitudes and learned capabilities
    - ➔ **Role Perceptions –** how clearly people understand their job duties
    - ➔ **Situational Factors –** any context beyond the employee's immediate control
18. **Self-Determination Theory –** defined as the person's ability to make choices and manage their own life
    - ➔ **Autonomy –** people need to feel in control of their own behaviors and goals
    - ➔ **Competence –** people need to gain mastery of tasks and learn different skills
    - ➔ **Connection or Relatedness –** people need to experience a sense of belonging and attachment to people

Humanistic Theory – organizational success in terms of employee motivation and the interpersonal relationships that emerge within the organization

- **Theory X and Theory Y (McGregor) –** managers' beliefs and assumptions about their employees determine how they behave toward those employees
- **Self-fulfilling Prophecy –** employees, over time, learn to act and believe in ways consistent with how managers think they act and believe

Feature	Theory X	Theory Y
View of Employees	Negative, "lazy," avoid work	Positive, enjoy work, self-motivated
Need for Direction	High	Low
Responsibility	Avoid	Seek and accept
Motivation	Primarily extrinsic (rewards, punishment)	Primarily intrinsic (satisfaction, growth)
Management Style	Authoritarian, controlling	Authoritative, controlling

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Open System Theory (Katz and Kahn) – organizations develop and change over time as a result of both external and internal forces

- Organizations (and other types of systems) are not isolated entities but are in constant interaction with their external environment
- They take in resources (*inputs*) from the environment, transform them internally (*throughput*), and release products, services, or waste (*outputs*) back into the environment

Characteristics of Open Systems Theory

- ➔ **Interaction with the Environment –** actively engage with their surroundings, exchanging information, energy, and resources
- ➔ **Permeable Boundaries –** boundaries of an open system are flexible and allow for the exchange of inputs and outputs with the environment
- ➔ **Input –** obtain resources (raw materials, information, capital, human resources) from the external environment
- ➔ **Throughput (Transformation Process) –** internal processes within the system that convert inputs into outputs (e.g., production, service delivery, information processing)
- ➔ **Output –** products, services, information, or waste that the system releases back into the environment
- ➔ **Feedback –** information from the environment about the system's outputs
- ➔ **Equifinality –** an open system can reach the same final state from different initial conditions and through various pathways
- ➔ **Entropy –** the natural tendency of closed systems to move towards disorder, decay, and eventual death
- ➔ **Negative Entropy (Negentropy) –** counteract entropy by importing more energy and resources from the environment than they expend, allowing them to grow and become more complex
- ➔ **Dynamic Equilibrium (Homeostasis) –** strives to maintain a relatively stable state by continuously adapting to environmental changes

Systems Theory – described organizations in terms of interdependent components that form a system

- Views an organization as existing in an interdependent relationship with its environment
- It is impossible to understand individual behavior or the activities of small groups apart from the social system in which they interact
- A complex organization is a social system; the various discrete segments and functions in it do not behave as isolated elements
- Systems theory views an organization as any other form of living organism
- The purpose of an organization is to reach stability, to grow, and to adapt, as all living organisms must do to survive

5 Parts of System Theory

1. **Individuals –** own personalities, abilities, and attitudes with them to the organization, which influence what they hope to attain by participating in the system
2. **Formal Organization –** an interrelated pattern of jobs that provides the structure of the system
3. **Small Group –** individuals do not work in isolation
4. **Status and Role –** differences exist among jobs within an organization, and define the behavior of individuals
5. **Physical Setting –** external physical environment and the degree of technology that characterizes the organization

Leadership Theory – is a vast and evolving field that attempts to explain how and why certain individuals become leaders, what makes them effective, and how leadership impacts individuals, groups, and organizations

Leadership Theories

- ➔ **Great Man/Woman Theory –** leaders are born, not made
- ➔ **Trait Theory –** involved identifying certain physical characteristics, including height, appearance, and energy level; other characteristics, such as intelligence; and personality traits, like extroversion, dominance, or achievement, that were associated with effective leaders
- ➔ **Lewin's Leadership Styles**
  - ◆ **Autocratic (Authoritarian) –** makes decisions independently with little input from the group
  - ◆ **Democratic (Participative) –** involves group members in decision-making, offering guidance but allowing input
  - ◆ **Laissez-Faire (Delegative) –** offers little guidance and leaves decision-making to the group
- ➔ **Fielder's Contingency Model –** a leader's effectiveness depends on the match between

their leadership style (task-oriented vs. relationship-oriented) and the favorableness of the situation (leader-member relations, task structure, position power)

- ➔ **IMPACT Theory –** each leader has one of six behavior styles
  - ◆ **Informational (Ignorance) –** provides information in a climate of ignorance, where important information is missing from the group
  - ◆ **Magnetic (Despair) –** leads through energy and optimism, but is characterized by low morale
  - ◆ **Position (Instability) –** leads by virtue of the power inherent in that position
  - ◆ **Affiliation (Anxiety) –** leads by liking and caring about others
  - ◆ **Coercive (Crisis) –** leads by controlling and punishment
  - ◆ **Tactical (Disorganization) –** leads through strategy
- ➔ **Path-Goal Theory –** a leader can adopt one of four behavioral leadership styles to handle each situation
  - ◆ **Instrumental –** calls for planning, organizing, and controlling the activities of employees
  - ◆ **Supportive –** show concern for the employees
  - ◆ **Participative –** shares information with employees and lets them participate in the decision-making
  - ◆ **Achievement-Oriented –** challenging goals and rewards increase performance
- ➔ **Situational Leadership Theory –** the ability and willingness to perform a particular task
  - ◆ **Delegating –** willing and able
  - ◆ **Directing –** unwilling and unable
  - ◆ **Coaching –** will but unable
  - ◆ **Supporting –** unwilling but able
- ➔ **Leader-Member Exchange Theory –** effective leadership is determined by the quality of the interaction between the leader and a particular workgroup member
- ➔ **Charismatic Leadership Theory –** certain leaders possess exceptional qualities that inspire extraordinary loyalty, devotion, and performance from their followers
- ➔ **Transformational Leadership Theory –** involves the leader changing the values, beliefs, and attitudes of followers
  - ◆ **Idealized Influence (Charisma) –** acting as role models and inspiring trust and respect
  - ◆ **Inspirational Motivation –** communicating a compelling vision and motivating followers to pursue it
  - ◆ **Intellectual Stimulation –** encouraging creativity, innovation, and critical thinking
  - ◆ **Individualized Consideration –** providing personal attention and support to followers' growth and development
- ➔ **Transactional Leadership Theory –** occurs when the relationship between leader and followers is based on some sort of exchange or "transaction," such as exchanging money or praise for work, or exchanging leader consideration behaviors for employee loyalty and commitment

ORGANIZATIONAL MODELS

Lewin's Change Model – change as a matter of those forces that are acting to keep things stable

- **Unfreezing Stage –** the organization must convince employees and other stakeholders that the current state of affairs is unacceptable and that change is necessary
- **Moving Stage –** the organization takes steps to move the organization to the desired state
- **Refreezing Stage –** the organization develops ways to keep the new changes in place, such as formalizing new policy, and rewarding employees for behaving in a manner consistent with the new change
- **Intervention –** the program or initiative suggested or implemented by the change agent

Person Being Changed

- ➔ **Change Agents –** are people who enjoy change and often make changes just for the sake of it
  - ◆ "If it ain't broke, break it"
- ➔ **Change Analysts –** are not afraid to change or make changes, but want to make changes only if the changes will improve the organization
  - ◆ "If it ain't broke, leave it alone; if it's broke, fix it"
- ➔ **Receptive Changers –** who probably will not instigate change but are willing to change
  - ◆ "If it's broke, I'll help fix it"

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- ➔ **Reluctant Changers –** certainly not instigate or welcome change, but they will change if necessary
  - ◆ "Are you sure it's broken?"
- ➔ **Change Resisters –** hate change, are scared by it, and will do anything they can to keep change from occurring
  - ◆ "It may be broke, but it's still better than the unknown"

Action Research Model – social problems that needed to be addressed from both methodological and social perspectives

- Cyclical nature
- Initial research about the organization
- **Sensemaking –** what employees do to gain a better understanding of their workplace

Perrow's Model – examined information technology, which refers to all aspects of jobs

- The structure of the organization adjusts to the technology

Kotter's Change Model – proposed an eight-stage model that essentially broke down Lewin's 3 steps into subcomponents based on common mistakes he saw organizations make when trying to change

- **Increase urgency.** Establishing a compelling, immediate need for change among employees and leadership. This involves openly examining market realities, identifying potential crises or major opportunities, and sparking a sense of momentum so that the organization recognizes that maintaining the status quo is no longer a viable option.
- **Build a guiding team.** Assembling a powerful, diverse coalition of individuals with enough influence, expertise, credibility, and authority to drive the change effort. This core group must learn to operate as a highly cohesive, unified team capable of guiding the rest of the organization through the upcoming transitions.
- **Develop the vision.** Creating a clear, inspiring, and easily understandable picture of the future, alongside the strategic initiatives required to achieve it. A well-crafted vision cuts through confusion, aligning and directing the workforce's efforts toward a common, tangible goal.
- **Communicate the vision.** Consistently and repeatedly sharing the new vision and strategies across all organizational levels using every available channel. Beyond just broadcasting the message, the guiding coalition must actively role-model the new behaviors expected of employees to ensure genuine comprehension and buy-in.
- **Empower action, remove obstacles.** Identifying and eliminating the structural, administrative, or cultural barriers that undermine the change effort. This includes redesigning legacy systems or job roles that conflict with the new vision, and empowering employees to take risks and execute non-traditional ideas without fear of bureaucratic friction.
- **Create short-term wins.** Deliberately planning for and achieving visible, unambiguous performance improvements early in the process. By recognizing and rewarding the individuals involved in these quick successes, leadership builds critical momentum, validates the overarching strategy, and silences cynics and early resisters.
- **Build on wins.** Using the credibility gained from initial successes to drive deeper, more extensive changes. Rather than declaring a premature victory, leadership sustains the urgency by tackling more complex organizational systems, updating policies, and continuously initiating new projects that align with the vision.
- **Embed changes into culture.** Institutionalizing the new behaviors, processes, and attitudes so they become the unquestioned norm within the organization. This requires explicitly demonstrating how the new approaches have led to corporate success and ensuring that these changes are deeply ingrained enough to survive future shifts in leadership.



Invisible Hand Theory (Adam Smith) – individuals are driven by self-interest and rationally will make decisions that lead to positive benefits for the whole economy

- **Rational Choice Theory –** individuals use rational calculations to make rational choices and achieve outcomes that are aligned with their own personal objectives

Vroom-Yetton Model – provide a flowchart that can tell a

leader the process to go through when making a decision

- **Autocratic I Strategy –** leaders use the available information to decide without consulting their subordinates
- **Autocratic II Strategy –** leaders obtain necessary observation from their subordinates and then make their own decisions
- **Consultative I Strategy –** share the problem on an individual basis with some or all of their subordinates and then make their own decision
- **Consultative II Strategy –** share the problems with their subordinates as a group and then make the decision
- **Group I Strategy –** the leader shares the problem with the group and lets the group reach a solution

ORGANIZATIONAL CONCEPTS

Social Systems – are intricate networks of interconnected individuals, groups, and institutions that interact according to shared cultural norms and meanings

- **Roles –** refer to the set of expectations, behaviors, and responsibilities associated with a particular position or status within a social system
  - **Role Conflict –** occurs when an individual faces incompatible or contradictory expectations regarding their behavior in a particular role
  - **Role Ambiguity –** refers to a lack of clarity, certainty, or sufficient information regarding the expectations, responsibilities, and behaviors associated with a particular role
  - **Role Overload –** occurs when the demands placed on an individual in their role(s) exceed their capacity
  - **Role Differentiation –** the process by which different roles within a social system or organization become specialized and distinct from one another
- **Norms –** are the unwritten rules and expectations that define acceptable and appropriate actions within a given group or community
  - **Descriptive Norms –** refer to what is typically done or what most people actually do in a given situation
  - **Injunctive Norms –** refer to what ought to be done, or what is approved or disapproved of by others in a given situation
- **Organizational Climate and Culture**
  - **Organizational Climate –** the "mood" or "atmosphere" of the workplace, reflecting how employees experience and perceive the organization's policies, practices, and procedures
  - **Organizational Culture –** is the deep-rooted set of values, beliefs, attitudes, assumptions, and behaviors that define a company's "DNA"

3 Layers of Organizational Culture

- ➔ **Observable Artifacts –** symbols, language, narratives, and practices
- ➔ **Espoused Artifacts –** values endorsed by the management
- ➔ **Basic Assumptions –** unobservable and are the code of the organization

Person-Organization Fit – refers to the compatibility between an individual's values, beliefs, and personality with the values, beliefs, and culture of an organization.

- It's about how well an employee's individual traits align with the organization's overall environment, leading to job satisfaction, commitment, and retention

Downsizing, Outsourcing, Offshoring

- **Downsizing –** involves reducing a company's workforce, often through layoffs, to cut costs or improve efficiency
  - **Horizontal Cut –** loss of jobs within a department
  - **Vertical Cut –** involves the elimination of all jobs in the department
- **Outsourcing –** contracting out specific business processes or functions to a third-party provider, either domestic or international
- **Offshoring –** involves relocating business operations to another country, often to take advantage of lower labor costs or access specific resources

Mergers and Acquisitions

- **Organizational Merger –** the marriage of two organizations of equal status and power
- **Acquisition –** procurement of property by another organization
  - **Hostile Takeover –** a dominant organization thus acquires an unwilling partner to enhance its financial status
- **3 Phases**
  - **Precombination –** emphasis on financial issues
  - **Combination –** clash between people as they focus on differences between

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partners
- **Postcombinations** – integrating two cultures

Organizational Development – a planned, organization-wide effort to increase organizational effectiveness through behavioral science knowledge and technology

- About promoting positive humanistic changes in organizations, that is, it's as much about helping the people in an organization as it is about helping make the organization more productive

OD's Important Characteristics
- ➔ Involve the total organization
- ➔ Be supported (and initiated) by top management
- ➔ It entails a diagnosis of the organization, as well as an implementation plan
- ➔ Be long-term processes
- ➔ Focus on changing attitudes, behaviors, and performance of groups/teams
- ➔ Emphasize the importance of goals, objectives, and planning

Power in the Organization

- **Power –** refers to the ability to gen an individual or group to do something or change in some way
- **Politics –** the process of achieving power
- **Organizational Politics –** involves any action taken to influence the behavior of others to reach personal goals
- **Ingratiation –** increasing one's personal appeal through such tactics as doing favors, praising, or flattering another
- **Assertiveness –** directly communicating one's needs, desires, and rights in a way that is respectful of others
- **Rationality –** involves using logical arguments, facts, and data to persuade others
- **Sanction –** involves the use of rewards and punishments to influence behavior
- **Exchanges –** influence is gained by offering to reciprocate favors or provide benefits in return for compliance
- **Upward Appeals –** an individual refers to the support of higher-ups in the organization to gain compliance from others
- **Blocking –** preventing others from acting, gaining resources, or achieving their goals
- **Coalition –** individuals or groups combine their resources and influence to achieve a common goal
- **Organization Power –** derived from one's position or role within the formal organizational structure
  - **Coercive Power –** is the ability to influence others through the threat of punishment or negative consequences
  - **Reward Power –** comes from the ability to offer positive incentives or benefits to influence others
  - **Legitimate Power –** stems from an individual's formal position or role within the organizational hierarchy
  - **Expert Power –** arises from an individual's specialized knowledge, skills, or expertise that others depend on or respect
  - **Referent Power –** is derived from an individual's personal characteristics, charisma, likability, and the respect or admiration they inspire in others
  - **Informational Power –** comes from an individual's access to and control over valuable and critical information that others need to make decisions or perform their jobs
- **Individual Power –** an individual possesses independent of their formal position in the organization

Communication in the Organization

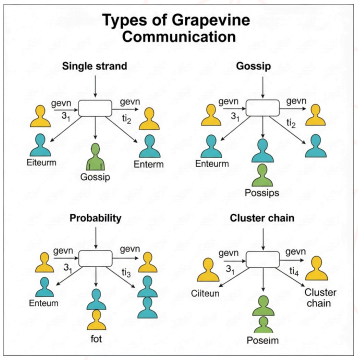
- **Upward Communication –** subordinate to superiors/employees to managers
  - Attitude surveys
  - Focus groups or exit interviews
  - Suggestion/complaints boxes
  - Third-party Facilitators

Types of Third-Party Facilitators
- ➔ **Liaison –** a person who acts as an intermediary between employees and management, or a type of employee who both sends and receives most grapevine information
- ➔ **Ombudsperson –** investigates employees' complaints and solves problems
- ➔ **Union Stewards –** serve as a liaison between unionized employees and management

- **Downward Communication –** superior to subordinate/management to employees
  - Bulletin boards
  - Policy manuals
  - Newsletters
  - Intranets
- **Business Communication –** transmission of business-related information among employees, management, and customers

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  - Memos
  - Telephone calls
  - Email or voicemail
  - Business meetings
  - Office design
- **Informal Communication –** communication among employees in an organization that is not directly related to the completion of an organizational task
  - **Grapevine –** unofficial, informal communication



  - **Isolate –** receives less than half of all grapevine information
  - **Dead-enders –** receive much grapevine information but seldom pass it on to others

Organizational Decision-Making

- **Setting organizational goals.** Defining the broad, long-term objectives and strategic direction of the organization. This step establishes the baseline for what the company ultimately wants to achieve, ensuring that any subsequent decisions align with its overarching mission and vision.
- **Establish performance criteria.** Determining the specific metrics, benchmarks, and standards that will be used to measure progress toward the organizational goals. This provides a quantifiable way to gauge whether current operations are successful and alerts management when interventions are necessary.
- **Classifying and defining the problem.** Accurately identifying the gap between the current state of affairs and the desired goals. This involves diagnosing the root causes of an issue rather than just treating its symptoms, and categorizing the problem to determine the appropriate level of management needed to address it.
- **Developing criteria for a successful solution.** Establishing the specific requirements, constraints, and "must-haves" that any viable solution must meet to be considered effective. This acts as a filter to evaluate potential actions based on available resources, budget, time limits, and alignment with organizational policies.
- **Generating alternatives.** Brainstorming and developing a wide range of potential solutions or courses of action to address the defined problem. This creative phase encourages diverse thinking and avoids premature commitment to the most obvious, easiest, or most traditional fix.
- **Comparing alternatives to the criteria.** Systematically evaluating each proposed solution against the previously established success criteria. This analytical step weighs the potential risks, costs, benefits, and overall feasibility of each option to forecast its potential effectiveness.
- **Choosing an alternative.** Making the final decision by selecting the option that best satisfies the success criteria with the most favorable balance of benefits to risks. This represents the actual point of commitment where leadership officially endorses a specific course of action.
- **Implementation.** Putting the chosen solution into action. This practical phase requires allocating resources, assigning responsibilities, communicating the plan clearly to all relevant stakeholders, and managing the physical or structural changes necessary to execute the decision.
- **Evaluation.** Monitoring the results of the implemented solution to determine if it effectively solved the defined problem. This feedback loop involves comparing actual outcomes against the original performance criteria, allowing management to make adjustments, learn from mistakes, or return to earlier steps if the problem persists.

Types of Individual Behavior

- **Task Performance –** the goal-directed behaviors under the individual's control that directly support the core technical core and operational objectives of the organization.
  - **Proficient Task Performance –** executing standard job duties accurately, efficiently, and to expected technical standards; performing routine work reliably and accurately without frequent supervision.
  - **Adaptive Task Performance –** modifying job behaviors and strategies to respond effectively to changing workplace demands, dynamic environments, new technology, or unexpected challenges.
  - **Proactive Task Performance –** taking self-directed, forward-thinking initiative to anticipate potential issues, introduce new

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ideas, improve work processes, or create opportunities for organizational growth without being explicitly asked.

- **Organizational Citizenship Behaviors –** "extra-role" behaviors that extend beyond formal job descriptions and are not explicitly rewarded by the organization's official bonus structure, yet collectively support the social, psychological, and organizational environment (e.g., helping a coworker meet a deadline, staying late to prepare a meeting room, or voluntarily participating in workplace events).
- **Counterproductive Behavior –** voluntary behaviors that violate organizational norms and threaten the well-being, efficiency, property, or reputation of the organization or its members (e.g., workplace theft, sabotage, harassment, verbal abuse, gossip, or intentional time-wasting).
- **Joining/Staying with the Organization –** behaviors related to entering the company (attracting and accepting job offers) and choosing to maintain long-term employment. Keeping key talent reduces recruitment costs, preserves institutional knowledge, and minimizes operational disruptions caused by high turnover rates.
- **Maintaining Attendance –** the degree to which an employee reliably shows up on time and fulfills scheduled working hours, which directly impacts team productivity and operational continuity.
    - **Absenteeism –** unexcused or unexpected absences from work, which can result from illness, burnout, low motivation, or poor work-life balance.
    - **Tardiness –** arriving late to work, meetings, or assigned shifts, which undermines workplace routines and team coordination.
    - **Tenure –** the duration of continuous employment with an organization, reflecting stability, commitment, and sustained contribution over time.

Perceptual Effects

- **Halo effect –** a person's overall impression of another person influences their judgments and perceptions of that person's other unrelated traits
- **False-Consensus effect (Similar-to-Me Effect) –** tend to overestimate the extent to which their own beliefs, opinions, values, and behaviors are typical or shared by others
- **Primacy Effect –** tendency to rely on the first information we receive about people to quickly form an opinion of them
- **Recency Effect –** occurs when the most recent information dominates our perception

Organizational Commitment – the extent to which an employee identifies with and is involved with an organization

- **Affective Commitment –** an employee wants to remain with the organization, cares about the organization, and is willing to exert effort on its behalf: *"I love the organization"*
- **Continuance Commitment –** an employee believes she must remain with the organization due to the time, expense, and effort that he/she has already put into it or the difficulty she would have in finding another job: *"isang taon na lang magreretire na ako"*
- **Normative Commitment –** an employee feels obligated to the organization and, as a result of this obligation, must remain with the organization: *"for the sahod kasi may anak akong apat ang paa"*

Leadership – the ability to direct a group toward the attainment of goals

- **Leader Emergence –** is the idea that people who become leaders possess traits or characteristics different from people who do not become leaders
    - **Affective Identity Motivation –** they enjoy being in charge and leading others
    - **Noncalculative Motivation –** they seek a leadership position when they perceive that such a position will result in personal gain
    - **Social-Normative Motivation –** become leaders out of a sense of duty
- **Leader Performance –** the idea that leaders who perform well possess certain characteristics that poorly performing leaders do not
    - **Self-monitoring –** especially interesting, focuses on what leaders do as opposed to what they are
    - **Cognitive Ability –** wisdom, intelligence, creativity
    - **Leadership Motive Pattern –** high need for power and low need for affiliation
    - **Gender –** both men and women appear to be equally effective leaders
- **Person-Oriented Leader –** focus on building relationships, showing concern for employees, and fostering teamwork
- **Task-Oriented Leader –** focus on organizing work, defining roles, and achieving goals
    - **Team –** both task- and person-oriented
    - **Middle of the Road –** moderate of both
    - **Impoverished –** neither nor both
- **Servant Leadership –** emphasizes that the primary role of a leader is to serve the needs of their

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followers, empowering them and fostering their growth
- **Authentic Leadership –** emphasizes the importance of leaders being genuine, self-aware, and transparent
- **Shared Leadership –** exists when employees champion the introduction of new technologies and produce
- **Managerial Leadership –** daily activities that support and guide the performance and well-being of individual employees and the work unit toward current objectives and practices

B Determine the focus and differences of Org. Theories (6)

Classical Organization Theory
- Emphasizes efficiency, productivity, and a rational, mechanistic view of organizations
- It treats organizations as machines and employees as cogs in that machine, focusing on structure, hierarchy, and control to achieve maximum output

Neoclassical Organization Theory (Human Relations Movement)
- Acknowledges the importance of human behavior and social factors within organizations
- It critiques the purely mechanistic view of classical theory by emphasizing the informal organization, employee motivation, and group dynamics

Modern Organization Theory
- Emerged in the mid-20th century as a more holistic and dynamic approach to understanding organizations
- It moves beyond the limitations of classical and neoclassical theories by adopting a multidisciplinary perspective and recognizing the complexity of organizations
- It often encompasses systems theory and contingency theory

Contingency Theory
- Argues that there is "no one best way" to organize, manage, or lead
- The most effective organizational structure, management style, or leadership approach is contingent upon (depends on) various internal and external situational factors

Motivation Theories (in Organizational Behavior)
- Explores the factors that energize, direct, and sustain individual effort in the workplace.
- These theories aim to understand why people behave in certain ways and how to influence their performance and satisfaction

Open Systems Theory
- Views organizations as dynamic systems that constantly interact with their external environment
- It emphasizes the interdependence of organizational parts and the continuous exchange of inputs, throughputs, and outputs with the environment

C Importance of Organizational Theories (4)

- Framework for Understanding
- Improved Decision-Making
- Enhancing Efficiency and Productivity
- Fostering Innovation and Adaptability
- Promoting Effective Leadership and Employee Engagement
- Solving Organizational Problems
- Managing Change Effectively
- Strategic Planning and Organizational Design
- Predicting Outcomes

ORGANIZATIONAL STRUCTURE (20)

ORGANIZATIONAL STRUCTURE – defines how activities like task allocation and coordination are directed towards achieving organizational goals
- **Structure –** the arrangement of work functions within an organization, designed to achieve and control
- **5 Coordinating Mechanisms**
  1. Mutual Adjustment
  2. Direct Supervision
  3. Standardization of Work Processes
  4. Standardization of Work Output
  5. Standardization of Skills and Knowledge
- **Elements of Organization**
  1. Chain of Command
  2. Span of Control
  3. Centralization and decentralization
  4. Formalization
  5. Mechanistic vs. Organic Structure

Basic Parts of an Organization
1. **Operating Core –** who are responsible for conducting the basic work duties that give the organization its defining purpose

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2. **Strategic Apex –** responsible for the overall success of the entire organization
3. **Middle Line –** who have the day-to-day authority for ensuring that the overall goals are met
4. **Technostructure –** possesses specific technical expertise that facilitates the overall operation of the organization
5. **Support Staff –** provides services that aid the basic mission of the organization and typically includes the mailroom, switchboard, security, and janitorial services
6. **Ideology –** a belief system that compels commitment to a particular value
7. **Politics –** side effects of ideology, causes divisiveness and conflict

TRADITIONAL VS. NONTRADITIONAL ORG. STRUCTURE

➔ **Traditional Org. Structure –** have formally defined roles in their members, are very rule-driven, and are stable and resistant to change

- ◆ **Bureaucracy –** a well-defined authority hierarchy with strict rules for governing work behavior

6 Characteristics of Bureaucratic Organization

1. Specialization of Labor
2. A Well-Defined Authority Hierarchy
3. Formal Rules and Procedures
4. Impersonality
5. Employment Decisions Based on Merit
6. Emphasis on Written Records

- ◆ **Line-Staff Organizational Structure –** composed of one group of employees who achieve the goals of the organization (line) and another group who support the line (staff)

➔ **Nontraditional Org. Structure –** less formalized work roles and procedures

- ◆ **Team Organization –** workers have defined jobs, not narrowly specialized positions, common to traditionally structured organizations, collaborate among workers, and share skills and resources
- ◆ **Project Task Force –** a temporary, nontraditional organization of members from different departments or positions within a traditional structure who are assembled to complete a specific job or project
- ◆ **Matrix Organization –** structured both by product and function simultaneously

A **Pros and Cons of Different Types of Organizational Structure (6) + 2**

Hierarchical Structure – traditional, top-down structure with multiple layers of management and a clear chain of command

- Often depicted as a pyramid

Pros	Cons
Chair Authority Specialization Career Progression Control Stability	Slow Decision-Making Limited Collaboration Reduced Autonomy Communication Gaps Expensive

Functional Structure – groups employees based on their specialized functions or departments (e.g., marketing, finance, production, HR)

Pros	Cons
Deep Expertise Efficiency Clear Roles Accountability	Silos Limited Innovation Decision Bottlenecks Difficulty Adapting

Multidivisional/Divisional Structure – organizes the company into separate, semi-autonomous divisions, often based on products, services, geographical regions, or customer segments

- Each division typically has its own functional departments

Pros	Cons
Flexibility and Adaptability Accountability Focus Managerial Department	Duplication of Resources Lack of Central Control Internal Competition Communication Challenges

Simple Structure – characterized by low departmentalization, wide spans of control, centralized authority, and little formalization

- Common in small businesses and startups

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Pros	Cons
Fast Decision-Making Flexibility Low Cost Clear Accountability	Limited Growth Potential Overdependence Lack of Specialization Potential for Burnout

Flat Structure – has few or no levels of middle management between staff and the executive team, promoting direct communication and greater employee autonomy

Pros	Cons
Faster Decision-Making Increased Autonomy Improved Communication Cost-Effective Higher Morale	Limited Career Progression Potential Power Struggles Overwhelm for Managers Scalability Challenges

Tall Structure – characterized by many layers of management, narrow spans of control, and a long chain of command

- Essentially, a more extreme version of a hierarchical structure

Pros	Cons
Tight Control Specialization Clear Progression Structured Environment	Slow Communication Bureaucracy High Costs Less Agility Lower Employee Autonomy

Matrix Structure – combines elements of functional and product/project structures

- Employees report to both a functional manager and a project or product manager

Pros	Cons
Enhanced Communication & Collaboration Resource Sharing Flexibility Employee Development	Dual Reporting Power Struggles Slower Decision-Making Increased Complexity

Team-Based Structure – organizes work around teams rather than traditional departments

- Teams are empowered to make decisions and are often cross-functional

Pros	Cons
Improved Communication Increased Flexibility Higher Productivity Employee Enrichment Decentralized Decision-Making	Role Ambiguity Potential for Conflict Unequal Work Distribution Career Progression Coordination Challenges

Project Task Force – a temporary, cross-functional team assembled to complete a specific project or address a particular issue, typically with a defined lifespan

Pros	Cons
Focused Effort Flexibility Problem-Solving Cross-Functional Collaboration	Temporary Nature Resource Allocation Accountability Issues Expensive

Network Structure – a decentralized and flexible structure that leverages external partners, contractors, and alliances to perform various functions

- The core organization focuses on its core competencies

Pros	Cons
High Flexibility and Agility Reduced Overhead Access to Specialized Expertise Global Reach	Coordination Challenges Loss of Control Communication problems Unclear Lines of Authority Reliance on Others

Centralized Structure – decision-making authority is concentrated at the top level of the organization

Pros	Cons
Clear Direction Control and Consistency Efficiency Risk Management	Slow Decision-making Limited Employee Input Stifled innovation Less Adaptable

Decentralized Structure – decision-making authority is distributed to lower levels of management and employees throughout the organization

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Pros	Cons
Faster Decision-Making Increased Employee Motivation Greater Adaptability Innovation Better Use of Expertise	Inconsistency Loss of Control Duplication of Efforts Communication Challenges

Mechanistic Structure – characterized by high specialization, rigid departmentalization, a clear chain of command, narrow spans of control, high formalization, and centralized decision-making

- Similar to a bureaucracy or tall structure

Pros	Cons
Efficiency and Predictability Clear Roles Strong Control Standardization	Inflexibility Low Employee Autonomy Bureaucratic Communication Barriers

Organic Structure – characterized by low specialization, loose departmentalization, cross-functional teams, wide spans of control, low formalization, and decentralized decision-making

- Often seen as the opposite of a mechanistic structure

Pros	Cons
Flexibility and Adaptability Innovation and Creativity High Employee Morale Faster Decision-Making Enhanced Collaboration	Lack of Clarity Potential for Conflict Coordination Challenges Difficult to Scale

B | Organizational Elements (2) + 6

Job Design – is the process of defining the specific tasks, duties, responsibilities, and working conditions for an individual job

- **Job Specialization** – breaking down tasks into small, repetitive steps, often associated with efficiency, but can lead to monotony
- **Job Enlargement** – increasing the number of tasks at the same level of responsibility to add variety
- **Job Enrichment** – increasing the depth of responsibility and control over the work, giving employees more autonomy and decision-making power
- **Job Rotation** – shifting employees between different tasks or jobs to increase skill variety and reduce boredom
- **Job Characteristics Model (JCM)** – a framework that suggests five core job dimensions (skill variety, task identity, task significance, autonomy, and feedback) that lead to positive personal and work outcomes
- **Re-engineering** – fundamental rethinking and radical redesign of business processes to achieve dramatic improvements in critical contemporary measures of performance, such as costs, quality, service, and speed
- **Duty Allocation** – the company creates a team or group of departments, with each having a specific role
- **Job Crafting** – informal changes that an employee makes in their job
    - **Organizational Citizenship Behaviors** – are voluntary, discretionary behaviors performed by employees that are not formally recognized or rewarded by the organization's formal reward system, but which, in aggregate, contribute to the efficient and effective functioning of the organization
- **Hackman and Oldham's Job Characteristics Theory/Model** – emphasizes the role of certain aspects or characteristics of jobs in influencing work motivation
    - **Skill Variety** – a job requires the worker to use a variety of abilities and skills to perform work-related tasks
    - **Task Identity** – a job requires the completion of an entire job or function
    - **Task Significance** – a job has a substantial impact on other people within the organization, such as coworkers, or persons outside of the organization, such as consumers
    - **Autonomy** – he job gives the worker freedom and independence to choose how to schedule and carry out the necessary tasks
    - **Feedback** – the job allows the worker to receive direct and clear information about the effectiveness of performance

Departmentalization – is the process of grouping jobs so that common tasks can be coordinated

- It's about organizing the various functions and activities of an organization into distinct units or departments

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- This allows for specialized focus and better management of similar activities

Types of Departmentalization

- ➔ **Simple –** few people, minimal hierarchy
- ➔ **Functional –** organizes employees around specific knowledge or other resources
- ➔ **Divisional –** group employees around geographic areas, outputs, or clients
- ➔ **Team-based –** built around self-directed (especially) teams that complete an entire piece of work
- ➔ **Matrix –** overlays two structures to leverage the benefits of both
- ➔ **Network –** design and build a product or serve a client through an alliance of several organizations

Delegation – is the assignment of authority to another person (normally from a manager to a subordinate) to carry out specific activities

- It's the process of entrusting a task or responsibility to someone else, along with the authority to make decisions necessary to complete that task
- Delegation does not mean abdication; the delegator remains ultimately accountable for the outcome
- **Micromanagers –** try to take charge of everything that goes on in the organization, rather than holding employees responsible for the individual tasks

Span of Control – refers to the number of subordinates a manager can effectively and efficiently supervise

- It determines the number of levels and managers an organization has
- Also known a Span of Management

Types of Span of Control

- ➔ **Narrow Span of Control –** a manager supervises only a few subordinates.
  - ◆ This leads to a "tall" organizational structure with many layers of management
- ➔ **Wide Span of Control –** a manager supervises many subordinates
  - ◆ This leads to a "flat" organizational structure with fewer management layers

Chain of Command – is the unbroken line of authority that extends from the top of the organization to the lowest echelon, clarifying who reports to whom

- It defines the formal reporting relationships and the hierarchy within an organization

C Importance of Aligning the Org. Structure with Business Strategy (2)

- Facilitates Strategy Execution
- Enhances Communication and Collaboration
- Improves Decision-Making Speed and Quality
- Boosts Employee Engagement and Motivation
- Optimizes Adaptability and Flexibility
- Ensures Accountability

D 4 Business Elements (4)

- **People (Human Capital) –** refers to all the individuals involved in the business: employees, management, leaders, and even external consultants or contractors
- **Processes –** the established sequences of activities or steps that transform inputs into outputs
- **Products/Services (Offerings) –** represent what the business sells or provides to its customers
- **Customers (Market) –** the individuals or organizations who purchase or use the business's products or services

HUMAN RESOURCE DEVELOPMENT AND HUMAN RESOURCE MANAGEMENT (25)

HUMAN RESOURCE MANAGEMENT – the process of managing an organization's employees

- Includes all aspects of people management to effectively meet an organization's goals
- Involves staffing, compensation, benefits, and defining/designing work
- A.k.a. strategic HRM

Functions of HRM

- ➔ **Selection and Staffing –** the process of recruitment and selection of staff
- ➔ **HR Planning –** ensures that the organization has the right type of person at the right time and place
- ➔ **Organization and Job Design –** compliance with the organizational structure/hierarchy
- ➔ **Training and Development –** involves an organized attempt to find out the training needs of the individuals

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- → **Union/Labor Relations –** important in enhancing peace and productivity in an organization
- → **Personnel Research & Information System –** continues research to improve the exchange of information through effective communication systems
- → **Employee Assistance –** an assistance program that aligns with an employee's unique character, personality, expectations, and temperament
- → **Compensation & Benefits –** area of wages and salary administration, where wages and compensation are fixed
- → **Organizational Development –** generating healthy interpersonal and intergroup relationships within the organization

HUMAN RESOURCE DEVELOPMENT – cultivation of the organization's employees

- Entails providing workers with skills and relevant knowledge that may help them grow in the workplace

Functions of HRD

- → **Training Development –** depends on the organization, which skills need to be developed via a training needs assessment
- → **Career Management –** the process of enabling employees to better understand and develop their skills and interests
- → **Career Development –** involves setting long-term goals, exploring professional development opportunities, and gaining new work experience
- → **Career Planning –** a deliberate process through which someone becomes aware of personal skills, interests, knowledge, motivations, and other characteristics

A **Differentiating HRD and HRM, HRD and OD, HRD and Employee Training (5)**

HRM vs. HRD

HRM	HRD
Primarily concerned with the administrative and operational aspects of managing employees	Primarily focused on enhancing employee skills, knowledge, and abilities to improve organizational performance
Ensuring the organization has the right people, in the right place, at the right time	Investing in employees' growth and development to maximize their potential
Maintaining compliance with labor laws and regulations	Creating a learning culture within the organization
Focused on the present needs of the organization and its members	Focused on the future needs of the organization and its members

HRD vs. OD

HRD	OD
Primarily on the individual employee and their development	Primarily on the organization as a whole and its overall health, efficiency, and effectiveness
Enhance the skills, knowledge, and abilities of employees to improve their job performance and foster their professional growth	Improve organizational processes, culture, structure, and long-term performance, enabling the organization to adapt to change and achieve its strategic objectives

HRD vs. Employee Training

HRD	Employee Training
Focus on the holistic growth and long-term development of employees and the organization as a whole.	Primarily on acquiring specific knowledge and skills to improve an employee's performance in their current job role
It encompasses a wider range of activities aimed at enhancing individuals' capabilities for both current and future roles, and for overall career progression	Bridge immediate skill gaps, enhance job proficiency, and ensure employees can effectively perform their assigned tasks
Long-term and continuous	Typically short-term
Broad and strategic, encompassing individual, group, and organizational	Narrow and task-oriented, focusing on individual or team competency for existing roles

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development	

B | Identify the Involved in Activities in HR Development (3)

Training and Development – the heart of a continuous effort designed to improve employee consistency and organizational performance

- Includes training, career development, organizational development, and organizational learning

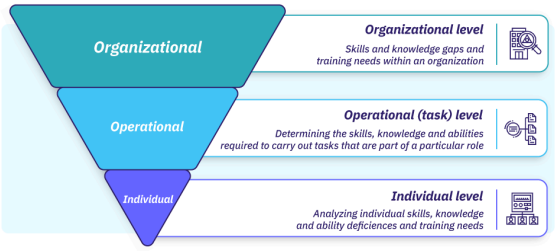
Training vs. Development

- ➔ **Training –** provides learners with the knowledge and skills needed for their present job
- ➔ **Development –** involves learning that goes beyond today's job and has a more long-term focus

I. Determining Specific Training & Development Needs (**Analyze**)

Needs Analysis – to determine the types of training that are a practical means of achieving an organization's goals

- **Organizational Analysis –** determine those organizational factors that either facilitate or inhibit training effectiveness
  - Focus on the goals the organization wants to achieve, the extent to which training will help achieve those goals, and the organization's ability to conduct training
- **Task Analysis –** use the job analysis methods to identify tasks performed by each employee, the conditions under which these tasks are performed, and the competencies needed to perform the tasks under the identified conditions
  - Interviews, observations, and task inventories
- **Person Analysis –** determining which employees need training and which areas
  - **Performance Appraisal Scores –** a rating representing some aspects of an employee's work performance
  - **Surveys –** asking employees through questionnaires about the areas in which they feel they need training
  - **Interviews –** can yield even more in-depth answers to questions about training needs
  - **Skills and Knowledge Test –** a test that measures employees' skills and knowledge about the job
  - **Critical Incidents –** sorted into dimensions and separated into good and poor performance



II. Establish Specific T&D Objectives (**Design**)

- Must have clear and concise objectives and be developed to achieve organizational goals, designing an overall training program
- Training goals and objectives should concretely state the following:
  - What learners are expected to do
  - The conditions under which they are expected to do it
  - The level at which they are expected to do it

III. Select T&D methods and **Delivery** Systems – developing the course

➔ **Training & Development Methods** (What is taught and how)

- **On-the-Job Training (OJT) Methods –** involve learning while performing actual work tasks
  - **Job Instruction Training (JIT) –** a structured, step-by-step approach where the trainer demonstrates the task, the trainee practices, and feedback is given
  - **Apprenticeships –** long-term programs combining on-the-job experience with formal classroom instruction, often for skilled trades
  - **Coaching –** a more experienced individual (coach) provides guidance, feedback, and support to a less experienced individual (coachee) in a specific area
  - **Mentoring –** a relationship where a senior, experienced individual provides broader career and personal development guidance to a junior employee
  - **Job Rotation –** moving employees through a series of different jobs or departments to broaden their skills and understanding of the organization
  - **Job Shadowing –** observing an experienced employee performing their job to learn about the tasks, processes, and environment
  - **Cross-Training –** training employees to perform tasks outside of their usual roles,

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increasing versatility and flexibility

- **Off-the-Job Training Methods –** take place away from the immediate work environment, often in a classroom or simulated setting
    - **Lectures/Presentations –** traditional method for delivering information to a large group, good for conveying factual material
    - **Case Studies –** trainees analyze real or hypothetical organizational problems and propose solutions, developing analytical and problem-solving skills
    - **Role-Playing –** act out realistic scenarios to practice interpersonal skills, such as communication, negotiation, or conflict resolution
    - **Simulations –** creating realistic work environments or situations where trainees can practice skills without real-world risks (e.g., flight simulators, surgical simulations, business games)
    - **Experiential Exercises –** involve learners actively, promoting self-discovery and application of concepts (e.g., outdoor team-building exercises)
    - **Programmed Instruction –** a self-paced learning method where information is presented in small chunks, followed by questions and immediate feedback
    - **Conferences & Seminars –** opportunities for employees to learn from experts, network, and gain new perspectives on industry trends or specific topics
    - **Workshops –** interactive sessions focused on the practical application of skills, often involving group activities and hands-on exercises

➔ **Training & Development Delivery Systems** (How training is made available)

- **Instructor-Led Training (ILT)**
    - **Traditional Classroom Training –** face-to-face sessions in a dedicated training room, allowing for direct interaction with the instructor and peers, immediate feedback, and group dynamics
    - **Virtual Instructor-Led Training (VILT) –** live, online sessions conducted via video conferencing platforms, allowing remote participants to interact with an instructor and each other in real-time
- **Technology-Based Training**
    - **E-Learning (Online Courses) –** self-paced modules delivered via a Learning Management System (LMS), offering flexibility in terms of time and location
    - **Mobile Learning –** training content optimized for delivery on mobile devices, allowing for learning on the go
    - **Blended Learning –** combines elements of both online and in-person training
    - **Simulations (Computer-Based) –** software programs that replicate real-world scenarios, allowing learners to make decisions and see the consequences in a safe, controlled environment
    - **Virtual Reality (VR) & Augmented Reality (AR) –** immersive technologies that provide highly realistic and interactive training experiences, particularly useful for complex or dangerous tasks
    - **Webinars –** online seminars or presentations, often delivered live but also can be recorded for on-demand viewing, suitable for delivering information to large, geographically dispersed audiences

IV. **Implement** T&D Programs – a perfectly conceived program will fail if management cannot convince participants of its merits

- Motivating employees to attend training:
    - Relate the training to an employee's immediate job
    - Make training interesting
    - Increase employee buy-in
    - Provide incentives
    - Provide food
    - Reduce stress associated with attending

V. **Evaluate** T&D Programs

- **Reactions –** the extent to which trainees liked the training program related to its usefulness, and the quality of conduct
- **Learning –** the extent to which the principles, facts, and techniques were understood and retained in memory by the employee
- **Behavior Change –** changes in job-related behaviors or performance that can be attributed to training
    - **Transfer of Training –** the extent to which an employee generalizes knowledge and skill learned in training to the workplace, as well as maintains the level of skill proficiency or knowledge learned in training
    - **Overlearning –** practicing a task even after it has been successfully learned
- **Organizational Results –** refer to such outcomes as enhanced productivity, lower costs, and higher product or service quality

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- **Benchmarking** – the process of monitoring and measuring a firm's internal processes, such as operations, and then comparing the data with information from companies that excel in those areas

Factors Influencing T&D
- ➔ Top Management Support
- ➔ Shortage of Skilled Workers
- ➔ Technological Advances
- ➔ Global Complexity
- ➔ Learning Styles

Orientation/Onboarding – inform new employees about the company, the job, and the work group
- Employee benefits
- Personnel policies
- Safety measures and regulations
- Facilities tour
- Making new employees feel special and proud about working for the company is advisable
- New employees should receive (and sign for) print or internet-based employee handbooks covering such matters

Career – a general course that a person chooses to pursue throughout his/her working life
- ➔ **Career Path** – a flexible line of movement through which a person may travel during his/her work life
- ➔ **Career Management** – a process for enabling employees to better understand and develop their career skills and interests, and to use these skills and interests more effectively
- ➔ **Career Planning** – a deliberate process through which someone becomes aware of personal skills, interests, knowledge, motivations, and other characteristics and establishes action plans to attain specific goals
  - ◆ Self- and Formal Assessment

Different Types of Career Paths

Traditional/Linear Career Path (Vertical Advancement)
- ➔ An individual starts at an entry-level position and systematically moves up through hierarchical roles within the same organization or industry
- ➔ Clear progression, often well-defined steps, emphasis on promotion, long-term commitment to one company or industry

Lateral Career Path (Horizontal Movement)
- ➔ An individual moves across to a different role at a similar level within the same organization or to a similar role in a different industry
- ➔ The goal is often to gain new skills, broaden experience, explore different functions, or prepare for a future vertical move
- ➔ Focus on skill diversification and cross-functional understanding, which often involves taking on projects or roles with new responsibilities and can lead to increased versatility

Spiral/Portfolio Career Path
- ➔ This path involves making significant, but related, career changes every few years, often building on transferable skills.
- ➔ It's not a single upward climb, but rather a series of interconnected roles that create a diverse portfolio of experiences
- ➔ Diversification of skills and exploration of different facets of a broader field, often driven by intellectual curiosity or a desire to expand expertise

Expert/Specialist Career Path (Individual Contributor)
- ➔ Individuals on this path focus on deepening their expertise in a specific technical, scientific, or creative field
- ➔ Their "advancement" often comes through increased influence, recognition, and the ability to tackle more complex problems
- ➔ Deep technical knowledge, continuous learning within a niche, often avoids managerial responsibilities, focus on being a "thought leader" or highly skilled practitioner

Entrepreneurial Career Path
- ➔ It's characterized by innovation, risk-taking, self-reliance, and the pursuit of opportunities to create value
- ➔ High autonomy, significant risk and reward, requires diverse business skills (sales, marketing, finance, operations), often driven by a passion to solve a problem or build something new

Freelance/Gig Economy Career Path
- ➔ Individuals on this path work independently on a project-by-project basis for multiple clients, rather than being a full-time employee of one organization
- ➔ Flexibility, autonomy, variety of work require strong self-management and marketing skills; income can be variable

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Dual Career Ladder

- ➔ This allows highly skilled individual contributors to advance in pay and prestige without having to take on management responsibilities
- ➔ Provides an alternative to management for specialists, recognizes and rewards technical expertise, and helps retain valuable technical talent

Demotion – the process of moving a worker to a lower level of duties and responsibilities, typically involves a reduction in pay

Career Development – a lifelong series of activities that contribute to a person's career exploration, establishment, success, and fulfillment

- **Formal –** includes short-term training programs, education, certification, workshops, or seminars that can help build skill sets for a particular job or industry
- **Informal –** includes mentorship opportunities, network events, online courses, internships, and volunteering experiences

Different Types of Career Development

Manager/Employee Self-Service – providing managers with the online ability to assist employees in planning their career paths and developing required competencies

Discussions with Knowledgeable Individuals – HR, psychologists, counselors, etc.

Company Material – tailors to the firm's special needs

Workshops – employees define and match their specific career objectives with the needs of the company

Management Development – is a systematic and ongoing process of enhancing the skills, knowledge, and abilities of individuals in managerial positions or those aspiring to such roles

- Any attempt to improve managerial performance by imparting knowledge, changing attitudes, or increasing skills
- **Succession Planning –** involves developing workplace plans for the company's top positions
- **Mentoring –** emphasizes long-term career and personal development by leveraging a mentor's experience and guidance to build the mentee's confidence, knowledge, and network
  - **Reverse Mentoring –** a process in which older employees learn from younger ones
- **Coaching –** focuses on immediate performance improvement by providing targeted support and feedback to develop specific skills and knowledge

Two Types of Managers

- ➔ **Program Manager –** supervisees' long-term strategies that consist of multiple smaller projects
- ➔ **Project Manager –** supervises individual projects that meet program objectives

Performance Appraisal – evaluating an employee's current and/or past performance relative to his/her performance standards

- Identify Strengths and Weaknesses. Evaluating employee performance systematically to highlight areas of excellence and pinpoint skill gaps. This diagnosis gives management and employees a clear understanding of where the worker excels and where performance requires targeted support or skill-building.
- Provide Feedback. Delivering constructive, timely, and actionable performance insights to employees regarding their daily output and behaviors. Regular feedback fosters open communication, reinforces positive work habits, and allows workers to make mid-course corrections before minor issues become major performance gaps.
- Set Development Goals. Establishing specific, measurable, and forward-looking objectives to help employees expand their skills and capabilities. These goals guide professional growth, address identified weaknesses, and prepare employees to take on higher levels of responsibility within the organization.
- Career Planning. Aligning an individual's personal career aspirations with the long-term talent needs of the organization. Performance appraisals serve as a roadmap to identify high-potential employees, map out potential career pathways, and plan relevant mentoring or training opportunities.
- Basis for Compensation Decisions. Providing objective performance data to justify wage adjustments, merit pay increases, annual bonuses, or commission structures. Linking appraisal results directly to financial rewards ensures equitable pay distribution based on actual contributions.
- Promotion/Demotion Decisions. Supplying concrete performance metrics to determine whether an employee is ready to advance into a higher-level role or, conversely, needs to be reassigned to a

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lower-level position due to persistent underperformance or skill misalignment.

- Retention/Termination Decisions. Informing critical employment decisions regarding who the organization should retain, retrain, or dismiss. Performance records provide a clear, defensible basis for retaining top performers and terminating chronic underperformers when developmental interventions fail.
- Documentation. Creating a legally sound, chronological paper trail of an employee's work history, performance evaluations, and disciplinary records. Formal documentation protects the organization against legal liabilities (e.g., wrongful termination claims) and ensures transparency across administrative processes.
- Recognition and Reward. Formalizing the acknowledgment of exceptional contributions, high productivity, and outstanding work ethic. Regular recognition boosts employee morale, increases job satisfaction, and reinforces a culture of high performance across teams.
- Goal Alignment. Connecting individual daily tasks and personal key performance indicators (KPIs) directly to the broader strategic goals of the organization. This alignment ensures that every employee understands how their specific output contributes to overall corporate success.
- Clarity of Expectations. Establishing mutual understanding between supervisors and subordinates regarding job roles, performance standards, quality benchmarks, and deliverables. Clear expectations eliminate ambiguity, reduce role conflict, and set predictable standards for success.

Who Will Evaluate the Performance?

- → **Supervisors –** the most common source of performance appraisal; they can see the result
- → **Peers –** ratings from employees who work directly with an employee; can see the behavior
- → **Subordinates –** upward feedback; provide a different view about the supervisor's behaviors
- → **Customers or Clients –** complaints or compliments
  - ◆ **Secret Shoppers –** current customers who have been enlisted by a company to periodically evaluate the service they receive
- → **Self-Appraisal –** evaluating own behavior and performance
- → **Rating Committees –** consists of the employee's immediate supervisor and three or four other supervisors

360-Degree Feedback – feedback is obtained from multiple sources; it collects performance information from all around the employee

Techniques of Appraising Performance

Graphic Rating Scale – one of the oldest and most common appraisal methods. It lists a set of performance factors (e.g., quality of work, teamwork, communication, initiative) and a scale for rating each factor

Alteration Ranking Method – involves ranking employees from best to worst on a specific trait or overall performance

Paired Comparison – involves comparing every employee with every other employee in a group, one pair at a time, on a single performance criterion (e.g., overall effectiveness)

Forced Distribution (Rank or Yank) – requires the appraiser to place a certain percentage of employees into various performance categories

Critical Incident Method – involves the supervisor keeping a running log or record of specific, observable examples of an employee's effective and ineffective job behaviors (critical incidents) throughout the appraisal period

Narrative Forms/Report – involves the supervisor writing a detailed, open-ended report or essay describing the employee's performance, strengths, weaknesses, and areas for improvement

Behaviorally Anchored Rating Scales – it uses specific behavioral examples (critical incidents) to define different levels of performance for each performance dimension

Management by Objectives – is a goal-oriented approach where the supervisor and employee collaboratively set specific, measurable, achievable, relevant, and time-bound (SMART) objectives for the upcoming appraisal period

Computerized and Web-based Performance – involves using software platforms and online systems to manage the entire performance appraisal process, from goal setting and feedback collection to performance reviews and reporting

Electronic Performance Monitoring – involves using

technology to electronically track and monitor an employee's work activities, output, and behavior

Conversation Days – is a more modern, informal, and continuous approach to performance management that emphasizes regular, open, and two-way dialogues between managers and employees about performance, development, and career aspirations

Rating Errors

- **Unclear Standards** – occurs when the performance criteria or standards used for evaluation are vague, ambiguous, or not clearly defined
- **Halo Effect** – is the tendency for a rater's overall positive impression or a high rating on one specific characteristic of an employee to influence the ratings of other, unrelated performance dimensions
- **Central Tendency Error** – when a rater tends to rate most or all employees around the midpoint of the rating scale
- **Leniency Error** – a rater to consistently give higher-than-deserved ratings to most or all employees
- **Strictness Error** – the tendency for a rater to consistently give lower-than-deserved ratings to most or all employees
- **Low Reliability Across Raters** – isn't a single error but rather an indicator that several individual rater errors are causing significant inconsistency in ratings given by different appraisers for similar performance
- **Proximity Error** – occurs when a rater gives similar ratings to items that are grouped closely together on an appraisal form, even if the employee's performance on those items genuinely differs
- **Recency Effect** – is the tendency for a rater to heavily weigh recent performance when conducting an appraisal, while overlooking or giving less weight to performance that occurred earlier in the appraisal period
- **Infrequent Observation** – occurs when a rater does not have sufficient opportunities to observe the employee's performance directly and consistently over the entire appraisal period

Performance Management – is a continuous, ongoing process of communicating and clarifying job responsibilities, priorities, and performance expectations, then reviewing an employee's performance against those expectations

- **Job Withdrawal** – refers to actions taken by employees to distance themselves from their work
  - **Job Withdrawal Process** – tends to be incremental, often evolving from daydreaming to absences to quitting
- **Promotions** – are the advancement of an employee to a higher-level position within the same organization
  - **Glass Cliff** – is a phenomenon where women (and other minority groups) are more likely to be appointed to leadership positions that are precarious, risky, or have a high likelihood of failure, especially during times of crisis or downturn
  - **Glass Ceiling** – describes what happens after the ascent, being placed in a position where success is less likely, potentially leading to reputational damage or further career stagnation
- **Turnover** – refers to the rate at which employees leave an organization and are replaced by new employees
  - **Voluntary Turnover** – occurs when employees choose to leave an organization on their own initiative
- **Transfer** – involves moving an employee from one job to another within the same organization, typically at the same level of responsibility, status, and pay
- **Dismissal** – (also known as termination or firing) is the involuntary separation of an employee from their employment by the employer
  - **Statutory Exceptions** – an employer can terminate an employee for any reason (or no reason) as long as it's not illegal, and an employee can leave at any time
  - **Common Law Exceptions** – established through judicial decisions (court rulings) rather than legislative statutes
  - **Public Policy Exception** – it holds that an employer cannot terminate an employee for reasons that violate a clear public policy, as established by law, constitutional provision, or judicial decision
  - **Wrongful Discharge** – refers to a situation where an employee's employment is terminated illegally or in violation of an employment contract or public policy

Reasons for Dismissal

- Unsatisfactory performance
- Misconduct
- Lack of qualification for the job

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- ➔ Changed requirements of the job
- ➔ **Insubordination –** unwillingness to carry out the manager's orders and disrespectful behavior

- **Termination Interview –** is a formal meeting between an employer and an employee to inform them that their employment is being terminated

HRD Manager – empower their employees so that they can become a major asset of the company

- Give the employees training and opportunities for career growth, with the hope that they will use what they learned for the organization
- In charge of retraining talent

C | Scope, Coverage, and Processes across the different areas of HRD (5)	
Training and Development	Providing employees with the skills and knowledge they need to perform their job effectively
Learning	Facilitating continuous learning and development opportunities
Career Development	Helping employees plan and manage their career paths
Talent Management	Identifying and developing high-potential employees
Performance Appraisal	Using performance evaluations to identify areas for improvement and guide development
Employee Engagement	Fostering a positive and motivating work environment
Empowerment	Giving employees the autonomy and resources to make decisions
Organizational Development	Implementing interventions to improve the overall effectiveness of the organization
Employee Training	Creating and managing training programs

D | Organizational Activities involved in HRM (8)

Managers – someone who is responsible for accomplishing the organization's goals, and who does so by managing the efforts of the organization's people

Manpower Planning

- **Strategic Planning –** is the process of aligning HR strategies and practices with the overall business strategy to achieve long-term organizational goals
  - Analyzing business objectives
  - Forecasting workforce need
  - Assessing current capabilities
  - Gap analysis
  - Developing HR strategies
  - Implementation and monitoring
- **Manpower Planning –** the primary source for any company, the process of estimating the optimum number of people required to complete a project, task, or goal within time
  - It's about ensuring you have "enough hands on deck" to meet immediate operational demands
  - It tends to be more short-term and focuses on staffing levels
- **Human Capital Planning –** emphasizes the view of employees not just as expenses, but as valuable assets (human capital) that contribute to the organization's long-term value and competitive advantage
  - **Segmentation –** refers to the process of categorizing employees into distinct groups based on various criteria
  - **Less Specificity –** level of analysis in HCP is job roles, families, or functions
  - **Time Frame –** generally covers 3 to 5 years or even longer (up to 10+ years)

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Integral Parts of Manpower Planning

Strategy and Workforce Planning – workforce/employment planning is the best way to understand as an outgrowth of the firm's strategic and business planning

Forecasting Personnel Needs (Labor Demands) – involves predicting the number of employees and the specific skills required to meet future business objectives, based on factors like historical data, market trends, and anticipated growth

Forecasting the Supply of Inside Candidates – assessing the current workforce's skills, qualifications, and potential for promotion or lateral movement within the organization to meet projected needs

Forecasting the Supply of Outside Candidates – evaluating the external labor market to identify potential candidates with the necessary skills and experience to fill anticipated staffing gaps

Predictive Workforce Monitoring – utilizes data analysis and predictive modeling to track and anticipate future workforce trends, including potential skill gaps or labor shortages

Matching Projected Labor Supply and Labor Demand – involves comparing the forecasted supply of both internal and external candidates with the projected labor demands to identify potential shortfalls or surpluses and develop strategies to address them

Succession Planning – the process involves identifying and developing high-potential employees to prepare them for future leadership roles when current positions become vacant

Staffing – is the process of acquiring, deploying, and retaining a workforce of sufficient quantity and quality to create positive impacts on an organization's effectiveness

- It's often seen as a core function of human resources that includes recruitment, selection, and hiring

Forecasting Tools (Quantitative Methods)

- ➔ **Trend Analysis –** involves studying past employment levels over a period of years to predict future needs
  - ◆ It identifies patterns and changes in the number of employees required by the organization
- ➔ **Ratio Analysis –** uses historical ratios between a causal factor (like sales volume or production output) and the number of employees needed
- ➔ **Scatter Plot –** is a graphical method used to visually represent the relationship between two variables, such as a measure of business activity (e.g., revenue, output) and the company's staffing levels

Forecasting Tools (Quantitative Methods)

- ➔ **Managerial Judgment –** relies on the insights, experience, and opinions of managers and subject matter experts
  - ◆ **Personnel Replacement Charts –** are visual tools (often in chart form) that identify key positions within an organization and list potential internal candidates who could fill those positions if they become vacant
  - ◆ **Markov Analysis –** it tracks the movement of employees from one job category or level to another over a specific period
- ➔ **Job Analysis –** is a systematic process of gathering and analyzing information about the content, context, and human requirements of a job
  - ◆ Involves determining the tasks, duties, responsibilities, skills, knowledge, abilities, and other characteristics (KSAOs) required to perform a job effectively
  - ◆ **Job Description –** written statement of what the job entails, its duties, responsibilities, and working conditions
  - ◆ **Job Specification –** statement of the minimum qualifications a person must possess to perform a given job successfully (e.g., education, experience, skills)
- ➔ **Recruitment –** is the process of identifying, attracting, and screening potential candidates for job vacancies within an organization
  - ◆ **Internal Recruitment –** within the organization
  - ◆ **External Recruitment –** outside
- ➔ **Attraction-Selection-Attrition Framework –** organizations become more homogeneous in terms of the types of people they employ, which reinforces and strengthens their existing culture
  - ◆ by Benjamin Schneider
  - ◆ **Selection –** refers to the formal and informal procedures used by companies in the recruitment and hiring of people with attributes they desire
  - ◆ **Attrition –** people leaving the organization

Types of Recruitment

Media Ads – Newspapers and Magazines, Trade and Professional Journals, Radio and Television

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Employee Agencies and Search Firms

- ➔ **Employment Agencies –** outsourced agencies that help the company with recruitment
- ➔ **Public Employment Agencies** (Government-run) – free or low-cost, primarily focusing on matching unemployed individuals with entry-level or blue-collar jobs
- ➔ **Executive Search Firms** (Headhunters) – the jobs they represent tend to be higher-paying, non-entry-level positions

Employee Referrals – existing employees recommend candidates from their professional and personal networks for open positions

Direct Mail – involves sending personalized letters, brochures, or job announcements directly to potential candidates

Internet – employer-based, internet recruiters

Job Fairs – multiple employers gather at a single location to meet and interact with potential job applicants

Nontraditional Population – refers to targeting specific demographic groups or individuals who might be overlooked by conventional recruitment methods, but possess valuable skills and potential

Passive Applicants – are individuals who are currently employed and are not actively seeking a new job, but who might be open to a new opportunity if the right one comes along

- **Interview –** the most commonly used method to select employees
  - **Clarifiers –** to gain more detail, clear up ambiguities, or get a deeper understanding of information already provided
  - **Disqualifiers –** to quickly determine if a candidate meets minimum essential requirements for the job. These are typically "must-have" criteria, and failure to meet them would disqualify the candidate from further consideration
  - **Skill-Level Determiners –** to assess the candidate's actual proficiency and depth of knowledge in specific skills or competencies critical to the job
  - **Future-Focused/Situational Questions –** gauge how a candidate would react or behave in hypothetical future situations relevant to the job
  - **Past-Focused/Patterned Behavior Question –** to understand how a candidate has behaved in real-life past situations, believing that past behavior is the best predictor of future behavior
  - **Organizational-Fit Question –** to assess how well a candidate's values, work style, personality, and professional preferences align with the organization's culture, values, and team dynamics

Interview Structure

Structured – is a standardized and systematic approach to interviewing candidates

- ➔ Predetermined Questions
- ➔ Standardized Scoring
- ➔ Job-Related Questions
- ➔ Limited Follow-up
- ➔ Focus on Consistency and Objectivity

Unstructured – is a more free-flowing and spontaneous discussion between the interviewer and the candidate

- ➔ **Primacy Effects –** first impression bias
- ➔ **Contrast Effects –** tendency to evaluate a candidate by comparing them to the immediately preceding candidates, rather than evaluating them against objective job requirements or a consistent standard
- ➔ **Negative-Information Bias –** tendency for interviewers to give more weight or attention to negative information about a candidate than to positive information
- ➔ **Interviewer-Interviewee Similarity –** tendency for interviewers to unconsciously favor or give higher ratings to candidates who share similar characteristics, backgrounds, interests, or attitudes with themselves

Styles of Interview

One-on-One – one interviewer, one applicant

Serial – a series of single interviews

Return – similar to a serial interview, with the difference being a passing of time between the first and next interview

Panel – multiple interviewers, one applicant

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Group – multiple applicants were interviewed at the same time

Serial-Panel-Group – series of panel and group interviews

Media of Interview

Face-to-Face – both applicant and interviewer are in the same room

Telephone – used to screen applicants through phone calls, and does not allow the use of visual cues

Videoconference – the applicant and the interviewer can hear and see each other, but the interview is remote

Written – involves the applicant answering a series of written questions

- **Resume** – summaries of an applicant's professional and educational background
  - **Chronological** – lists of previous jobs in order from most to least recent
  - **Functional** – organizes jobs based on the skills required to perform
  - **Psychological** – a combination of both functional and chronological
- **Utility Analysis**
  - **Taylor-Russell Tables** – are a set of tables used to estimate the proportion of selected applicants who will be successful on the job
  - **Proportion of Correct Decisions** – refers to the percentage of times a selection decision (to hire or not hire) was accurate
  - **Lawshe Tables** – probability that a particular applicant will be successful (content validity)
  - **Brogden-Cronbach-Glesser Formula** – is used to estimate the monetary value or financial gain that an organization can expect to achieve by using a particular selection procedure compared to random selection or an existing, less valid procedure

Cutoff Score Method

Top-Down Selection – applicants are rank-ordered based on their test scores

Rule of Three – the names of the top three scorers are given to the person making the hiring decision

Passing Scores – determine the lowest score on a test that is associated with acceptable performance on the job

Multiple Cutoff Approach – the applicant would be administered all of the tests at one time (simultaneous)

Multiple Hurdle Approach – applicant is administered one test at a time (one at a time)

Banding – attempts to hire the top scorers while allowing some flexibility for affirmative action

Developing, Monitoring, Maintaining, Managing Relationships

- **Leading** – getting others to get the job done, maintaining morale, and motivating subordinates
- **Controlling** – setting standards such as sales quota, quality standards, or production levels, checking to see actual performance compared with the standards

Evaluation

- **Performance Appraisal** – evaluating an employee's current and/or past performance relative to his/her performance
- **Focus of the Appraisal Dimensions**
  - **Trait-Focused** – concentrates on such employee attributes
  - **Competency-Focused** – concentrates on employees' KSAOs
  - **Task-Focused** – organized the similarity of tasks that are performed
  - **Goal-Focused** – based on the goals accomplished by the employee
  - **Contextual-Performance** – the effort an employee makes to get along with peers (OCB)

Key Functions of HRM	
Manpower Planning	Forecasting future staffing needs
Staffing	Recruitment and Selection Attracting, hiring, and onboarding employees

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Compensation and Benefits	Designing and administering pay and benefit programs
Labor Relations	Managing relationships with unions and employee representatives
Performance Management	Evaluating employee performance for administrative purposes (e.g., pay raises, promotions)
Compliance	Ensuring adherence to legal and regulatory requirements
Maintaining	Managing the records of employees and the processes of offboarding
Managing Relationships and Evaluating	Managing the relationships between the company and the employees, and evaluating the effectiveness of the HRM processes

E **Compare the role of HRM and HRD in an Organization (4)**

Human Resource Management

- Primarily concerned with the administrative and operational aspects of managing employees
- Ensuring the organization has the right people, in the right place, at the right time
- Maintaining compliance with labor laws and regulations

Human Resource Development

- Primarily focused on enhancing employee skills, knowledge, and abilities to improve organizational performance
- Investing in employees' growth and development to maximize their potential
- Creating a learning culture within the organization

TEAM DYNAMICS (15)

TEAM DYNAMICS – refers to the behavioral, psychological, and social interactions within a group of people working towards a shared goal

- It encompasses how team members communicate, collaborate, resolve conflicts, and interact with each other, ultimately influencing the group's performance and cohesion

A **Importance and Impact of Team Dynamics in an Organization (3) + 4**

Group – two or more people who perceive themselves as a group and interact with each other

- The goal is usually work-related: producing a product or service
- Groups at work may form merely to develop and maintain social relationships
- A collection of people to be called a group:
  - The members of the group must see themselves as a unit
  - The group must provide rewards to its members
  - Anything that happens to one member of the group affects every other member
  - The members of the group must share a common goal
- Groups must have multiple members
  - **Dyad** – 2 people
  - **Triad** – 3 people
  - **Small Group** – 4 to 20 people
- **Group Rewards –** membership must be rewarding for each individual in the group
- **Corresponding Effects –** an event that affects one group should also affect all group members
- **Common Goal –** an aim or purpose shared by members of a group

Two Types of Groups

- ➔ **Formal Group –** put together by an organization to perform certain tasks and handle specific responsibilities
  - ◆ **Work Group –** an interdependent collection of individuals who share responsibility for specific outcomes for their organization
  - ◆ Subunits that the organization has actually established
- ➔ **Informal Groups –** develop naturally, might include groups of workers who regularly get together after work to discuss their jobs
  - ◆ Develop apart from the official structure of the organization and exist relatively independently of it

Teams – consists of interdependent workers with complementary skills working toward a shared goal or outcome

- **Important Components of a Team**
  - All teams exist to fulfill some purpose
  - Team members are held together by their interdependence and need for collaboration to achieve common goals
  - Team members influence each other
  - A team exists when its members perceive themselves to be a team
- **Team Permanence –** refers to the stability and longevity of a team's membership
- **Skill Diversity –** describes the range of different skills, knowledge, and expertise present within a team
- **Authority Dispersion –** the distribution of decision-making power and control within a team
- **Identification –** the degree to which individual members feel a sense of belonging and connection to the team
- **Power Differentiation –** the extent to which there are clear distinctions in power and influence among team members
- **Social Distance –** the perceived closeness or separation between team members

Types of Teams in an Organization

- ➔ **Departmental Teams –** the most traditional and common teams, organized around specific functions or departments within an organization
  - ◆ Members typically have similar skills and expertise within their specialized area
  - ◆ Usually permanent and ongoing
  - ◆ Roles and responsibilities are often clearly defined and assigned by a manager
  - ◆ Can sometimes lead to "silos" where departments don't communicate effectively with each other
- ➔ **Self-Directed Teams –** they have a high degree of autonomy and are responsible for a complete work process or segment that delivers a product or service.
  - ◆ They operate without a traditional manager and share leadership and responsibility
- ➔ **Task Force (Project) Teams (Cross-Functional) –** temporary teams formed to address a specific, often complex, problem, project, or challenge
  - ◆ They bring together individuals from different departments or functional areas
  - ◆ **Cross-Functional –** members possess diverse skills, knowledge, and perspectives from various parts of the organization
  - ◆ **Temporary –** disbanded once the specific goal or project is achieved
- ➔ **Production Teams –** are responsible for the ongoing production of goods or services
  - ◆ They are often found in manufacturing or service delivery environments
  - ◆ Focus on efficiency, quality, and meeting production targets
  - ◆ Members work together to complete a specific process or set of tasks
  - ◆ Can range from highly supervised to self-managed, depending on the organizational structure
- ➔ **Management Teams –** consist of individuals at various levels of management (e.g., top executives, departmental heads) who are responsible for the overall direction, strategy, and operations of the organization or a specific unit
  - ◆ Focus on strategic planning, decision-making, resource allocation, and problem-solving at an organizational level
  - ◆ Can be formal or informal
- ➔ **Advisory Teams –** composed of experts who provide guidance, recommendations, and specialized knowledge to decision-makers or other teams
  - ◆ Offer specialized insights and perspectives
  - ◆ Often temporary, formed to provide input on a specific issue
  - ◆ Examples: a legal advisory team, a scientific advisory board
- ➔ **Skunkworks –** often used to describe a small, typically independent, and often secretive team within a larger organization that is given a high degree of autonomy to work on innovative, often risky, projects
  - ◆ Focus on rapid prototyping, experimentation, and breakthrough innovation
  - ◆ Operate outside traditional organizational constraints and bureaucracy
  - ◆ High risk, high reward
- ➔ **Communities of Practice –** are groups of people who share a common concern, a set of problems, or a passion about a topic, and who deepen their knowledge and expertise in this area by interacting on an ongoing basis

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➔ **Virtual Teams –** members are geographically dispersed and rely heavily on technology (e.g., video conferencing, collaboration software, email) to communicate and coordinate their work

Process Losses – teams have additional costs and resources depending on the team development and maintenance, rather than performing the task

- Non-motivational element of a group situation that detracts from the group's performance

Brook's Law

➔ Adding more people to a project team when the project is already ongoing, the project will more likely finish longer than in shorter span of time

Presence of Others

- **Social Facilitation –** involves the positive effect of the presence of others on an individual's behavior
- **Social Inhibition –** involves the negative effects of others' presence
- **Audience Effect –** takes place when a group of people passively watches an individual
- **Coaction –** the effect on behavior when two or more people are performing the same task in the presence of one another
- **Mere Presence –** the most basic level of social influence, suggesting that the simple, passive physical presence of other people is sufficient to elicit a change in an individual's performance
- **Comparison –** the idea that the presence of others (especially coactors or peers) can influence our performance because we compare ourselves to them
- **Evaluation Apprehension –** the presence of others is influential not just because they are there, but because we apprehend or anticipate that they are evaluating us
- **Distracting –** suggests that the presence of others can affect performance because they act as a distraction, drawing our attention away from the primary task

Social Loafing – considers the effect on individual performance when people work together on a task, exerting less effort in group work than in individual

- **Social Enhancement –** occurred among group members who were working on a task that was high in attractiveness
- **Free-Rider Theory –** individuals may reduce their effort when working in a group because they believe their individual contribution is dispensable or unnecessary for the group's success, and they can still benefit from the group's collective output without putting in their full effort
- **Sucker Effect –** a motivational loss that occurs when individuals reduce their effort in response to perceiving that others in the group are free-riding or not contributing their fair share
- **Social Compensation –** motivational gain in groups, where an individual increases their effort when working in a group to compensate for the anticipated or perceived poor performance of other group members

To minimize Social Loafing

➔ Form a smaller group
➔ Specialize tasks
➔ Measure individual performance
➔ Increase job enrichment
➔ Select motivated, team-oriented employees

Groupthink – members become cohesive and like-minded that they make poor decisions despite contrary information that might reasonably lead them to other options

- **Illusion of Invulnerability –** develops an excessive optimism and belief in their inherent rightness and good fortune, which encourages them to take extreme risks and ignore clear warnings of danger. The group is too special or powerful to fail
- **Illusion of Morality –** believe unquestioningly in the inherent morality of their group and its actions, leading them to ignore the ethical or moral consequences of their decisions. They assume their objectives are just and good
- **Shared Negative Stereotypes –** constructs negative, simplistic, and often dehumanizing stereotypes of rivals or critics outside the group. This allows them to dismiss external warnings or alternative viewpoints without careful consideration
- **Collective Rationalizations –** collectively invent arguments and explanations to justify their decisions and courses of action, dismissing or ignoring any warnings, negative feedback, or contradictory information that might challenge their shared assumptions
- **Self-censorship –** individuals within the group suppress their own dissenting thoughts, doubts, or counterarguments, especially when they perceive that their views go against the apparent consensus of the group. They keep quiet to avoid disrupting group harmony or facing disapproval
- **Illusion of Unanimity –** group members falsely believe that there is unanimous agreement on a

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decision. Silence or lack of strong objection is interpreted as consent

- **Direct Conformity Pressure –** directly exerts pressure on any individual who expresses doubts, questions the group's shared illusions, or argues against the group's consensus. This pressure often involves implying that dissent is disloyalty
- **Mindguards –** actively protecting the group from information that might contradict the group's shared beliefs or challenge their consensus. They might filter information, discourage critical thinking, or keep dissenting information from reaching the group

Types of Group Size – the number of members in a group

- ➔ Types of Group Tasks
  - ◆ **Additive Tasks –** group's output is the sum of each member's contributions
  - ◆ **Conjunctive Tasks –** determined by the weakest or least capable member
  - ◆ **Disjunctive Tasks –** determined by its best or most capable member

Social Impact Theory – provides a framework for understanding how the presence and actions of others influence an individual's thoughts, feelings, and behavior

Mental Model – an organized knowledge structure that enhances the interaction of an individual with his/her environment

- **Shared Mental Models –** organized structures combining the knowledge, beliefs, and understandings of two or more individuals that help coordinate their efforts

Group Roles – the extent to which its members assume different roles

- **Task-Oriented Roles –** involves behaviors such as offering new ideas, coordinating activities, and finding new information
- **Social-Oriented Roles –** involves encouraging cohesiveness and participation
- **Individual Roles –** includes blocking group activities, calling attention to oneself, and avoiding group interaction

5C's of Effective Team Members

- ➔ **Cooperating –** willing and able to work together rather than alone
- ➔ **Coordinating –** actively manage the team's work so that it is performed efficiently and harmoniously
- ➔ **Communicating –** transmit information freely, efficiently, and respectfully
- ➔ **Comforting –** help co-workers to maintain a positive and healthy psychological state
- ➔ **Conflict Handling –** skills and motivation to resolve dysfunctional disagreements among team members

Group Homogeneity

- **Homogeneous Group –** contains members who are similar in some or most ways
- **Heterogeneous Group –** contains members who are more different than alike
- **Slightly Homogeneous Group –** between heterogeneous and homogenous groups

Roles – a set of behaviors that people are expected to perform because they hold certain positions in a team and organization

- **Consider the Context of Behavior –** an individual's behavior is jointly determined by internal forces (e.g., values, attitudes, and needs) and external forces (e.g., social pressure and job requirements)
- **Role Concept –** used to describe how people perceive the various situational forces acting on them
- **Role Differentiation –** the process by which a group or organization establishes distinct roles for various members of the group or organization

Conflict – is the psychological and behavioral reaction to a perception that another person is keeping you from reaching a goal, taking away your right to behave in a particular way, or violating the expectancies of a relationship

- Relationship Conflict, Task Conflict, Process Conflict

Team Building – consists of formal activities to improve the development and functioning of a work team

- Team volunteering events
- Team scavenger hunt/treasure hunt
- Team sport/exercise competitions
- Team music ensemble events

Norm – shared expectations about appropriate ways of responding in a group

- **Descriptive Norms –** define what most people tend to do, feel, or think in a particular situation
- **Prescriptive Norms –** suggest what people should do, feel, or think in a particular situation

Team Cohesion – the degree of attraction people feel toward the team and their motivation to remain members

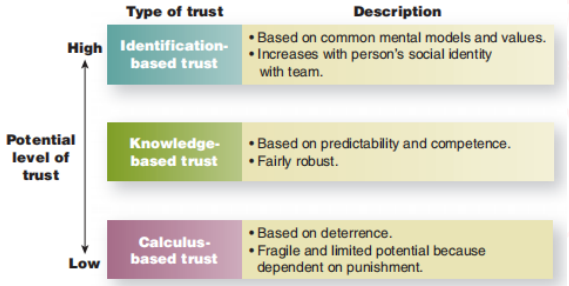
- **Similarity-Attraction Effect –** occurs when people assume people are more trustworthy and more

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acceptable if they are similar to them

Team Trust – positive expectations one person has toward another person in situations involving risk

- **Calculus-Based Trust** – logical calculation that other team members will act appropriately because they face sanctions in their actions violate reasonable expectations
- **Knowledge-Based Trust** – based on the predictability of another team member's behavior
- **Identification-Based Trust** – mutual understanding and an emotional bond among team members



B Stages of Team Development (3)

Tuckman's Stages of Group Development

- **Forming** – orienting with others, defining the task, establishing ground rules
- **Storming** – addressing conflict, establishing norms, clarifying roles, and building trust
- **Norming** – building unity, developing shared understanding, establishing processes, and increasing collaboration
- **Performing** – achieving goals, continuous improvement, innovation, and high-level problem-solving
- **Adjourning** – applies to temporary teams or project teams that eventually disband

Punctuated Equilibrium – rather than forming in stages, teams develop direction and strategy in the first meeting, follow this direction for a period of time, then drastically revise their strategy about halfway through

C Group Processes that Affect Team Effectiveness (2)

3 Dimensions of Work Team-Effectiveness

- **Team Performance** – refers to the quality and quantity of the team's output in relation to its assigned task or goals
- **Attitudes** – focuses on the internal experience of team members and their feelings about being part of the team and the work they do
- **Withdrawal Behaviors** – refers to the behaviors that indicate a lack of engagement or a desire to disengage from the team

Diversity

- ➔ Diverse teams possess better resources for tackling complex or novel problems
- ➔ Diverse teams have a broader pool of technical competencies
- ➔ Provide better representation of the team's constituents
- ➔ Diversity often creates challenges to the internal functioning of the team
- ➔ Diverse employees take longer to become a high-performing team
- ➔ Types of Diversity:
  - ◆ **Demographic Diversity** – visible differences like age, gender, ethnicity, race
  - ◆ **Psychological/Cognitive Diversity** – differences in skills, knowledge, perspectives, problem-solving styles, and values
  - ◆ **Functional Diversity** – differences in departmental or functional backgrounds

Taskwork – which involves the task-oriented aspects of work; entails specific individual behaviors required for success

Teamwork – which involves the process-oriented aspects of work, includes a wide range of activities aimed at maintaining and enhancing team performance

Predictors of Work-Team Effectiveness

- ➔ **Organizational Context**: rewards, goals, feedback, training
- ➔ **Group Composition & Size**: cognitive ability of group members, personality traits, demographic characteristics
- ➔ **Group Work Design**: member task interdependence, member goal interdependence
- ➔ **Intragroup Processes**: group cohesion, group efficacy, or communication processes
- ➔ **External Group Process**: communication outside the group, external interaction pattern

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Group Processes that Affect Team Effectiveness

- **Communication –** the exchange of information, ideas, and feelings among team members
- **Decision-Making –** the process by which a team chooses a course of action from available alternatives
- **Conflict Management –** how a team identifies, addresses, and resolves disagreements among its members
- **Coordination & Planning –** the process by which team members integrate their individual efforts and resources to achieve a common goal
- **Cohesion –** group members are attracted to each other and motivated to stay in the group
- **Norms –** informal rules and expectations that guide behavior within the group; stated or unspoken
- **Trust –** willingness of team members to be vulnerable to the actions of others because they believe the other party is competent, reliable, and will act in their best interest
- **Collective Efficacy –** shared belief among team members that the team can successfully perform a given task or achieve its goals

D Common Problems that Occur in Teams (3)

Constraints of Team Decision Making

- **Production Blocking –** teams take longer than individuals to decide because they require time to build rapport, agree on rules and norms, and understand each other's ideas
- **Evaluation Apprehension –** based on an individual's desire to create a favorable self-presentation and need to protect self-esteem
- **Team Efficacy –** collective confidence in how well they work together and the likely success of their team effort

Why Teams Don't Always Work

- Team is not a team
- Excessive meeting requirements
- Lack of empowerment
- Lack of skill
- Distrust of the team process
- Unclear objectives

Group Conflict

- **Dysfunctional Conflict –** keeps people working together, lessens productivity, spreads to other areas, and increases turnover
- **Functional Conflict –** moderate levels of conflict can stimulate new ideas, increase friendly competition, and increase team effectiveness

Types of Conflict

- **Internal Conflict –** one person is faced with two sets of incompatible goals
- **Interpersonal Conflict –** between two people is quite common in groups and organizations, and a major source of interpersonal self
- **Individual-Group Conflict –** between one person or a function within a group and the other group members
- **Group-Group Conflict –** occurs between two or more groups

Causes of Conflict

- Competition for Resources
- **Task Interdependence –** the extent to which team members must share materials, information, or expertise to perform their jobs
    - **Pooled Interdependence –** occurs when an employee or work unit shares a common resource, such as machinery, administrative support, or a budget, with other employees or work units
    - **Sequential Interdependence –** the output of one person becomes the direct input for another person or unit
    - **Reciprocal Interdependence –** work output is exchanged back and forth among individuals, producing the highest degree of interdependence
- **Jurisdictional Ambiguity –** geographical boundaries or lines of authority are unclear
- Communication Barriers
- Beliefs
- Personalities

Classification of Difficult People (Bramson)

➔ People with high needs for **control** are obsessed with completing a task and take great pride in getting a job done quickly
- ◆ **Tank –** pushes, yells, gives orders, intimidates
- ◆ **Sniper –** uses sarcasm, criticises, humiliates others
- ◆ **Know-It-All –** dominates conversations, doesn't listen

➔ People with high needs for **perfection** are obsessed with completing a task correctly
- ◆ **Whiner –** constantly complains
- ◆ **No Person –** disagrees with everything
- ◆ **Nothing Person –** doesn't do anything

➔ People with high needs for **approval** are obsessed with being liked
- ◆ **Yes Person –** agrees to everything

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- **Maybe Person –** won't commit or make a decision

→ People with high needs for **attention** are obsessed with being appreciated

- **Grenade –** throws tantrums
- **Friendly Sniper –** uses jokes to pick people up
- **Think-They-Know-It-All –** exaggerates, lies, gives advice

Conflict Styles

- **Avoiding Style –** suppressing the conflict, not allowing it to come into the open, or simplifying, withdrawing from the situation
  - **Triangling –** when an employee discusses the conflict with a third party
  - **Withdrawal –** an approach to handling conflict in which one of the parties removes him/herself from the situation to avoid conflict
- **Accommodating Style –** giving in or acting in a self-sacrificing manner to resolve the conflict, "lose-win strategy"
- **Forcing Style –** persisting in the conflict until one party's goal is achieved at the expense of those of the other, "win-lose strategy"
  - **Winning At All Costs –** occurs especially when a person seeks to win regardless of the damage to the other side
- **Collaborating Style –** parties try to cooperate and reach a mutually beneficial situation, "win-win situation"
- **Compromising Style –** each party must give up something, "lose-lose strategy"
  - Negotiating and Bargaining – a method of resolving conflict in which two sides use verbal skills and strategy to reach an agreement

Resolving Conflict

- When conflict first occurs between coworkers or between a supervisor and a subordinate, the two parties should be encouraged to use the conflict resolution skills they learned in training to resolve the conflict on their own
- Third-party Intervention
  - **Mediation –** a neutral third party is asked to help both parties reach a mutually agreeable solution to the conflict
  - **Arbitration –** a neutral third party listens to both sides' arguments and then makes a decision

Individual vs. Group Performance

- **Nominal Group –** when several people individually work on a problem but do not interact
- **Interacting Group –** when several individuals interact to solve a problem
- **Brainstorming –** group members are encouraged to say aloud any ideas that come to mind, and are not allowed to comment on the ideas until all have been given
- **Brainwriting –** removing conversations during the idea generation
- **Group Polarization –** the tendency for groups to make decisions that are more extreme than those made by individuals

ORGANIZATIONAL CHANGE AND DEVELOPMENT (20)

ORGANIZATIONAL CHANGE – refers to the action by which a company or business alters major components of its organization, such as culture, technology, infrastructure, etc

- **Sacred Cow Hunt –** is an organization-wide attempt to get rid of practices that serve no useful purpose

3 Types of Sacred Cow Hunt

1. **Paper Cow –** unnecessary paperwork
2. **Meeting Cow –** number and length of meetings
3. **Speed Cow –** unnecessary deadlines

- **Carnall's 5 Stages of Change Acceptance**
  1. **Stage 1: Denial**. Employees deny that any changes will actually take place, try to convince themselves that the old way is working, and create reasons why the proposed changes will never work
  2. **Stage 2: Defense**. They become defensive and try to justify their positions and ways of doing things
  3. **Stage 3: Discarding**. Employees begin to realize not only that the organization is going to change, but that the employees are going to have to change as well
  4. **Stage 4: Adaptation**. Employees test the new system, learn how it functions, and begin to make adjustments in the way they perform
  5. **Stage 5: Internalization**. Employees have become immersed in the new culture and are comfortable with the new system, and have accepted their new coworkers and work environment

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Type of Change (Warner Burke, 2014)

- ➔ **Evolutionary Change –** a continual process of upgrading or improving processes
- ➔ **Revolutionary Change –** "real jolt to the system" that drastically changes the way things are done

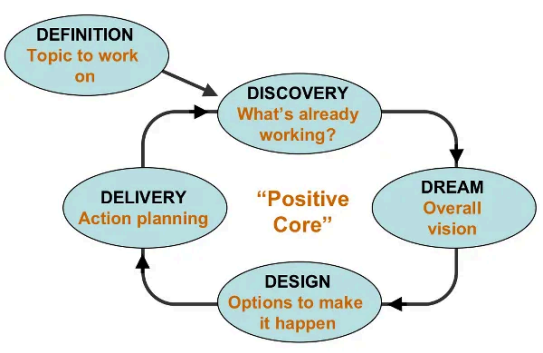
ORGANIZATIONAL DEVELOPMENT – a system-planned intervention designed to change an organization's structure and/or processes to achieve a higher level of functioning

- The greater strength of environmental pressures prompting change
- The speed at which change must occur
- The acceptance that responsiveness to change is a continuous organizational process
- The pervasiveness of organizations caught up in and affected by changing environmental conditions

Organizational Development Intervention

- ➔ **Survey Feedback –** the systematic collection of data via a survey
  - ◆ Top management supports and actively participates in the survey process
  - ◆ An anonymous survey is administered to organization members, tapping their attitudes, perceptions, and beliefs
  - ◆ Survey results are compiled by department, plant, or demographic segment
  - ◆ The consultant provides feedback to organizational members in the form of a data compilation and summary
  - ◆ Managers, task forces, and other employees meet with the consultant to identify potential changes for implementation
- ➔ **Team Building –** a technique used by organizations to develop teams or to enhance the effectiveness of existing teams
  - ◆ Clarifying role expectations and responsibilities among team members
  - ◆ Improving supervisor-subordinate relations
  - ◆ Improving problem-solving, decision-making, and planning by team members
  - ◆ Reducing conflict among team members
  - ◆ Developing a vision, mission, or set of goals
  - ◆ Building cohesion and unity within the team
- ➔ **Total Quality Management (TQM) –** focuses on employee involvement in the control of quality in organizations
- ➔ **Gainsharing –** is an OD intervention that involves paying employees a bonus based on improvements in productivity
- ➔ **Technostructural Interventions –** focus on the technology and structure of organizations have increased in popularity as organizations have become more and more focused on effectiveness, efficiency, and productivity
  - ◆ **Functional Organizational Design –** according to the various functions of the employees
  - ◆ **Product-based Organizational Design –** structured by product rather than function
  - ◆ **Matrix Organizational Design –** combines the function and product structures
  - ◆ **Reengineering –** involves the fundamental rethinking and redesign of business processes to improve critical performance as measured by cost, quality, service, and speed
  - ◆ **Fundamental Element –** an examination of what the company does and why
  - ◆ **Radical Element –** a willingness to make crucial and far-reaching organizational changes rather than merely superficial changes
  - ◆ **Dramatic Element –** focuses on making striking performance improvements rather than slight performance improvements
  - ◆ The last element is the idea that the reengineering intervention is centered on the processes of the organization, not just the tasks, jobs, or structures
- ➔ **Positive Organizational Development**
  - ◆ **Positive Psychology –** focuses on the strengths and virtues of individuals rather than on their weaknesses and impairments
  - ◆ **Appreciative Inquiry (AI) –** which engages employees by focusing on positive messages, the best of what the employees have to offer, and the affirmation of past and present strengths and successes
    - **Define –** identify the key areas

of focus or questions for inquiry
- **Discover** – explore past successes and best practices, and identify what is working
- **Dream** – imagine and envision a positive future based on the discoveries
- **Design** – develop strategies and plans to bring the envisioned future to life
- **Deliver** – implement the plans and work towards achieving the desired future



➔ **Organizational Transformation** – refers to any intervention primarily directed toward creating a new vision for an organization and changing its beliefs, purpose, and mission
- ◆ **Culture Change** – the alteration of a pattern of beliefs, values, norms, and expectations shared by organizational members
- ◆ **Knowledge Management** – a method in which organizations enhance their operations through attempts to generate, transform, disseminate, and use knowledge

ORGANIZATIONAL TRANSFORMATION – intended to move your organization from where it is currently to a desired future state

ORGANIZATIONAL TRANSITION – implementation of change through systematic planning, organizing, and implementation of change to reach a desirable future state without affecting the continuity of business

A Org. Change vs. Org. Development vs. Org. Transformation (3)

Organizational Change
- Can be narrow or broad, affecting a department, a specific process, or the entire organization
- Can be planned or unplanned, reactive (responding to a problem) or proactive (seizing an opportunity)
- Primarily, on implementing specific modifications to achieve a particular outcome
- Can be short-term, focusing on the efficient implementation of a defined change

Organizational Development
- Holistic and organization-wide, aiming to improve the entire system
- Planned, ongoing, and focuses on long-term growth and continuous improvement. It often involves a deep understanding of human behavior and organizational systems
- Enhancing organizational capacity, fostering adaptability, improving communication, developing leadership, and promoting a positive culture. It often emphasizes employee engagement and participation
- Long-term process, involving continuous adjustments and improvements that can take years

Organizational Transformation
- Comprehensive and all-encompassing, impacting the entire organization from the ground up, including its fundamental "DNA"
- Usually, a response to significant market disruptions, technological advancements, or a need for a complete strategic overhaul. It's often iterative, experimental, and more unpredictable than typical change
- Redefining the company's core identity, purpose, and how it delivers value. It involves significant shifts in mindset, values, and capabilities
- Typically, a lengthy and complex process, often spanning multiple years, with effects that may not be immediately apparent

B Different Factors Driving Org. Change (6)

Internal Factors
- **Changes in Leadership/Management** – new leaders often bring fresh perspectives, strategies, and visions, which can lead to significant

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organizational changes in structure, culture, and priorities

- **Performance Gaps/Declining Effectiveness**
  - **Poor Financial Performance –** decreasing revenues, profits, or market share often necessitate changes in strategy, operations, or cost structures
  - **Operational Inefficiencies –** bottlenecks, outdated processes, or low productivity can trigger a need for process improvement or technological upgrades
  - **Low Employee Morale/Productivity –** dissatisfaction, high turnover, or lack of engagement can indicate a need for changes in leadership styles, HR policies, or organizational culture
- **Changes in Corporate Strategy –** when an organization revises its mission, vision, or strategic goals (e.g., entering new markets, launching new products, shifting business models), it requires corresponding changes in structure, processes, and resource allocation
- **Growth or Decline**
  - **Growth –** rapid expansion often demands restructuring, new communication channels, increased hiring, and formalization of processes
  - **Decline/Downsizing –** contraction may require layoffs, streamlining operations, and a re-evaluation of core competencies
- **New Technology Adoption –** implementing new internal systems, software, or automation tools to improve efficiency, communication, or data management often necessitates changes in workflows, roles, and employee skills
- **Organizational Culture Issues –** a culture that is resistant to change, siloed, or does not support innovation can become a driver for cultural change initiatives to foster adaptability and collaboration
- **Innovation & New Product/Service Development –** the pursuit of new ideas and offerings can lead to changes in R&D processes, market strategies, and internal capabilities
- **Employee Demands and Workforce Dynamics –** changes in employee expectations regarding work-life balance, flexible work arrangements, diversity and inclusion, or career development can push organizations to adapt their policies and culture

External Factors

- **Technological Advancements**
  - **Disruptive Technologies –** the emergence of AI, automation, big data, or new digital platforms can fundamentally alter industries, forcing companies to innovate or risk obsolescence
  - **New Tools & Software –** constant evolution of software, hardware, and communication tools requires organizations to regularly update their systems and train their workforce
- **Market Competition**
  - **New Entrants –** new competitors with innovative business models or lower costs can force established players to adapt
  - **Competitor Actions –** new product launches, aggressive marketing, or strategic alliances by rivals often necessitate a response from an organization
  - **Globalization –** increased global competition means organizations must constantly innovate and improve to remain competitive on an international scale
- **Customer Demands and Preferences**
  - **Evolving Needs –** changes in what customers want, their buying habits, or their expectations for service can compel organizations to change products, services, or customer interaction models
  - **Social Media & Transparency –** the rise of social media means customer feedback (both positive and negative) can spread rapidly, putting pressure on companies to respond quickly and adapt
- **Economic Factors**
  - **Recessions/Booms –** economic downturns can force cost-cutting, restructuring, and a focus on survival, while periods of growth may lead to expansion and investment
  - **Inflation/Deflation –** changes in purchasing power or material costs can impact pricing strategies, supply chain management, and overall business models
  - **Interest Rates/Capital Availability –** the effect on investment decisions, mergers, and acquisitions
- **Sociocultural Trends**
  - **Demographic Shifts –** changes in population age, diversity, or education levels can impact workforce availability, consumer markets, and organizational culture
  - **Changing Values –** growing emphasis on

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sustainability, ethical practices, social responsibility, or work-life balance can influence corporate policies and brand image

- **Political and Legal Factors**
  - **Government Regulations –** new laws, industry standards, or regulatory frameworks (e.g., environmental regulations, data privacy laws like GDPR) can force organizations to alter operations, products, or reporting
  - **Political Stability –** changes in government policies or political climates can create uncertainty or new opportunities, demanding organizational adaptation
  - **Trade Agreements –** international agreements can impact supply chains, market access, and competitive landscapes
- **Crises –** natural disasters, pandemics, or other unforeseen crises can force rapid and often drastic organizational changes to ensure business continuity, employee safety, or adaptation to new realities

C Different Types of Large-Scale Organizational Changes (6)

12 Different Types of Large-Scale Organizational Change

1. **Transformational Change –** involves a major overhaul of an organization's strategies, processes, systems, and structures, often resulting in a significant shift in how the company operates
2. **Incremental Change –** focuses on making small, continuous improvements to existing practices and routines, building upon current strengths rather than introducing radical shifts
3. **Developmental Change –** aims to enhance existing capabilities and performance levels within the organization, often involving training and development initiatives
4. **Remedial Change –** addresses existing problems or weaknesses within the organization, aiming to fix issues and improve performance
5. **Process and System Change –** involves modifications to the way work is done within the organization, including changes to workflows, procedures, and the systems used to support those processes
6. **People and Culture Change –** focuses on altering employee behaviors, attitudes, skills, and the overall organizational culture
7. **Structural Change –** involves modifications to the organizational structure, such as reporting lines, departmental configurations, or the overall hierarchy
8. **Merger and Acquisition Change –** occurs when two or more organizations combine or one acquires another, leading to significant changes in ownership, structure, and operations
9. **De-Merger Change –** is the opposite of a merger, where a single organization separates into two or more independent entities
10. **Downsizing Change –** involves reducing the size of the organization, often through layoffs or the elimination of departments or roles
11. **Relocation Change –** involves moving the organization's operations to a new location, which can impact various aspects of the business, including its workforce, infrastructure, and customer base
12. **Rebranding Change –** involves altering the organization's brand identity, including its logo, messaging, and overall brand image, often to target a new market or reposition the company

D Different Types of Org. Interventions Used to Enhance Org. Effectiveness, Well-Being, and Productivity (3)

Lewin's Force Field Analysis Model

- ➔ **Unfreezing Stage –** the organization must convince employees and other stakeholders that the current state of affairs is unacceptable and that change is necessary
- ➔ **Moving Stage –** the organization takes steps to move the organization to the desired state
- ➔ **Refreezing Stage –** the organization develops ways to keep the new changes in place, such as formalizing new policy, and rewarding employees for behaving in a manner consistent with the new change

Human Process Interventions – related to interpersonal relations, groups, and organizational dynamics

- **Process Consultation –** creation of a relationship that permits the client to perceive, understand, and act on the process events that occur in his/her internal and external environment in order to improve the situation as defined by the client
- **Group Process**
  - Communication
  - Functional Roles of Group Members
  - Group Problem Solving and

Decision-making
  - Group Norms
  - The use of Leadership and Authority
- **Basic Process Interventions**
  - **Individual Intervention –** help people be more effective in their communication with others
  - Group Interventions

Different Types of Group Interventions

- ➔ **Process Interventions –** help the group become more aware of its own internal dynamics and develop better ways of interacting, thereby increasing its ability to solve its own problems and improve future performance
- ➔ **Content Interventions –** help the group improve its effectiveness by addressing substantive issues related to its mission or deliverables
- ➔ **Structural Interventions –** create a more effective structure that supports better group functioning and performance
  - ◆ **Team Building –** enhance team cohesion, communication, problem-solving abilities, role clarity, and intergroup relations
  - ◆ **Confrontation Meeting –** designed to quickly diagnose and address serious problems within an organizational unit or team
  - ◆ **Microcosm Groups –** a small, heterogeneous group, formed to address a specific organizational problem or represent diverse perspectives
  - ◆ **Large-Group Interventions –** involve bringing together a significant portion, or even the entire population, of an organization or a large system

Technocultural Interventions – targeted toward structural and technological issues such as organizational design, work redesign, and employee engagement

- **Employee Involvement Applications**
  - **Parallel Structures –** temporary or permanent structures (like committees, task forces, or quality circles) designed to address specific problems or foster innovation that the regular, more bureaucratic structure might not be well-suited for
  - **Total Quality Management –** is a comprehensive, organization-wide approach to continuous improvement that emphasizes meeting customer requirements and empowering employees to take responsibility for quality at every level
  - **High Involvement Organizations –** represent the most extensive and integrated application of employee involvement principles throughout an entire organization

Human Resource Management Interventions – impact areas such as performance management, talent development, DEIB, and well-being in the workplace

- **Performance Management –** is a continuous, ongoing process of communication between an employee and their supervisor that involves setting expectations, developing goals, providing feedback, coaching, and reviewing results
- **Goal Setting –** is the process of defining clear, specific, and measurable objectives that an employee or team is expected to achieve within a certain timeframe
- **Performance Appraisal –** is a formal, periodic assessment of an employee's job performance over a specific period
- **Reward System –** encompasses all the monetary, non-monetary, and psychological payments or benefits that an organization provides to its employees in exchange for their work and performance

Strategic Change Interventions – revolves around transformational change, restructuring, and uniting two or more organizations together during a merger

E | **Different Types of Org. Interventions Used to Enhance Org. Effectiveness, Well-Being, and Productivity (3)**

Motivating Change

- **Creating Readiness for Change –** creating a felt need for a change by making people so dissatisfied with the status quo
- **Overcoming Resistance to Change**
  - **Technical Resistance –** stemming from issues related to the practical, operational, or technical aspects of the change
  - **Political Resistance –** driven by concerns about power, influence, resource allocation, and personal or departmental self-interest
  - **Cultural Resistance –** rooted in the deeply ingrained values, beliefs, norms, traditions,

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and shared assumptions that characterize an organization's culture

3 Major Strategies for Dealing with Resistance to Change

- ➔ Empathy and Support
- ➔ Communication
- ➔ Participation Involvement

Creating a Vision – to provide valued direction for designing, implementing, and assessing organizational changes.

Developing Political Support – by assessing change agent power, identifying key stakeholders, and influencing them

Managing the Transition

- **Activity Planning –** breaking down the overall change initiative into specific, manageable tasks, activities, and milestones
- **Commitment Planning –** a proactive process focused on identifying key stakeholders and developing strategies to gain their active support, buy-in, and commitment to the change
- **Change-Management Structures –** the formal and informal organizational arrangements, roles, and teams established specifically to lead, manage, and support the change effort
- **Managing Learning Process –** focuses on ensuring that individuals and the organization acquire the necessary knowledge, skills, and behaviors to operate effectively in the new future state

Sustaining Momentum – by building a support system for change agents, developing new competencies and skills, reinforcing new behaviors, and staying in the course

END

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