

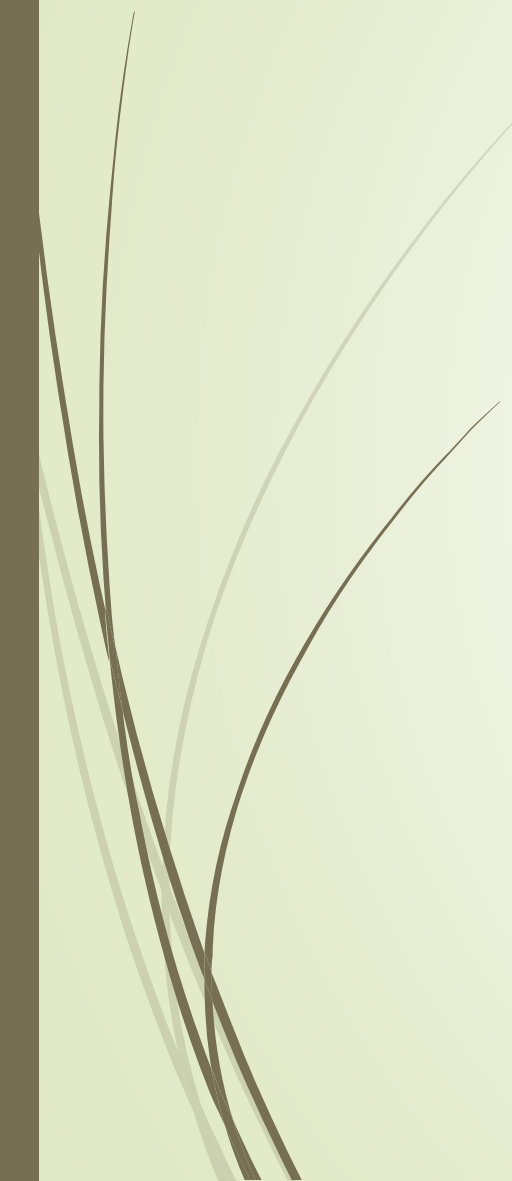



# MGMT 6500 – Managing Individuals and Groups

Jared Chapman

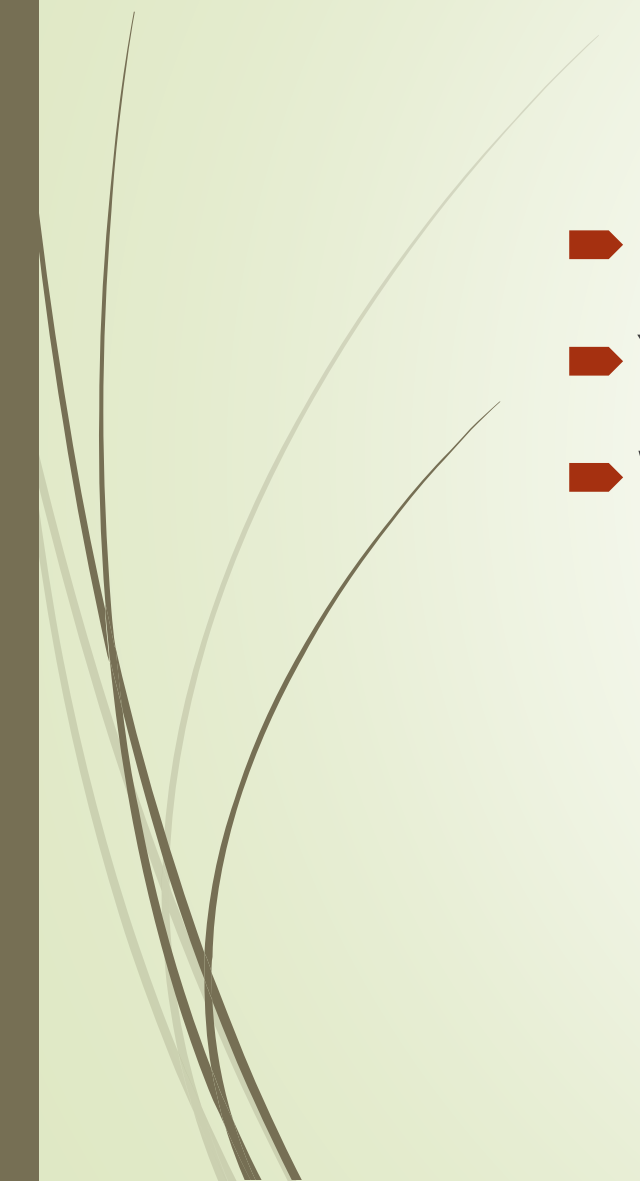


# Today's Agenda

- Introduce me
  - Review Syllabus
  - Review Case Analysis
  - General Introduction to OB
- 



# About you – Pairs activity

- Name
  - Your career destination
  - What you hope to get from this class? Why?
- 



# Syllabus

- **NO CLASS ON JULY 23<sup>rd</sup>**
  - Work on End of Semester assignments
- Delphinium vs Modules
- Before Class
  - Readings, videos, assessments
  - Quizzes (x6)
  - Case study questions (x5)
- After class
  - Discussions (x7)
  - Individual Reflection
    - x3 – 2-3 page papers (Personality, Motivation, Decisions)
  - Leadership Self-Evaluation
- Final Exam



# Cases

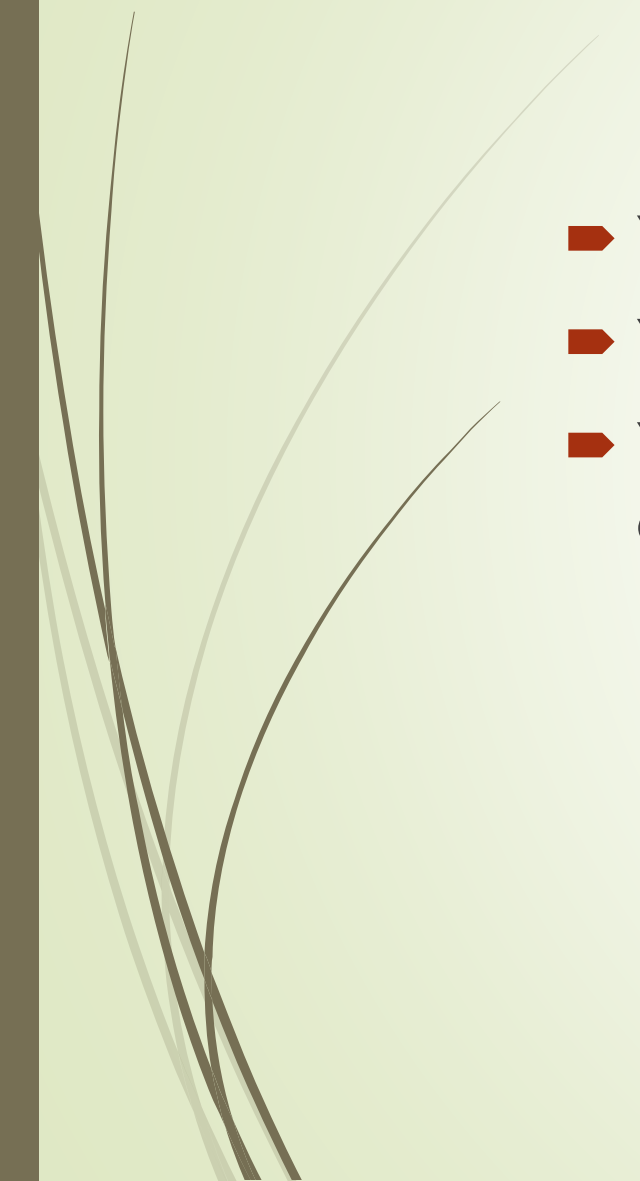
- ▶ Purpose
  - ▶ Apply class theory to 'real world' practice
  - ▶ Develop analytical and problem-solving skills
- ▶ The 'trick'
  - ▶ Figure out the 'key' issues, ignore the rest
  - ▶ Use what we are learning for context (causes and drivers)
  - ▶ Support recommendations with principles we are learning
- ▶ Tips
  - ▶ Read the discussion questions before you start
  - ▶ Be prepared to look for principles we are discussing before you start
  - ▶ Skim first for headers and key ideas
  - ▶ Reread for exhibits and data
  - ▶ Reread again for details, take notes, make connections to principles we are discussing
  - ▶ Consider multiple solution options
  - ▶ Create solutions and recommendations from case facts and class principles

# Case Rubric

<b>TRAIT</b>	<b>Unacceptable</b>	<b>Acceptable</b>	<b>Exemplary</b>	<b>Score</b>
<b>Issues</b>	Does not recognize a problem or mentions problems that are not based on facts of the case	Recognizes one or more key problems in the case.	Recognizes multiple problems in the case. Indicates some issues are more important than others and explains why	
<b>Perspectives</b>	Does not recognize the perspectives of any characters in the case	Considers the perspectives of individuals who are related to the problems	Clearly describes the unique perspectives of multiple key characters.	
<b>Knowledge</b>	Simply repeats facts listed in case and does not discuss the relevance of these facts	Considers facts from the case and cites related knowledge from theoretical or empirical research	Discusses facts of the case in relation to empirical and theoretical research and add knowledge from personal experience	
<b>Actions</b>	No action proposed or proposes infeasible action(s)	More than one reasonable action proposed.	Proposed actions seem to deal with the most important issues	
<b>Consequences</b>	No positive and negative consequences are identified	Positive and negative consequences for each action are discussed	Consequences are tied to the issues deemed most important.	

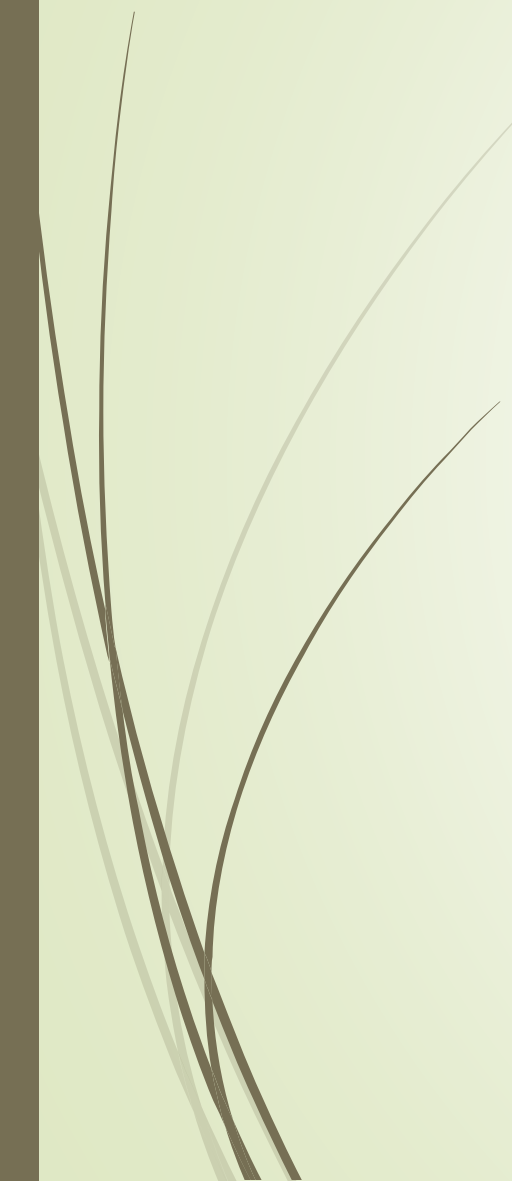


# My expectations

- ▶ You will be here in class
  - ▶ You will come prepared to discuss readings and cases
  - ▶ You will actively participate in the course, including in class discussions
- 




# Content Areas

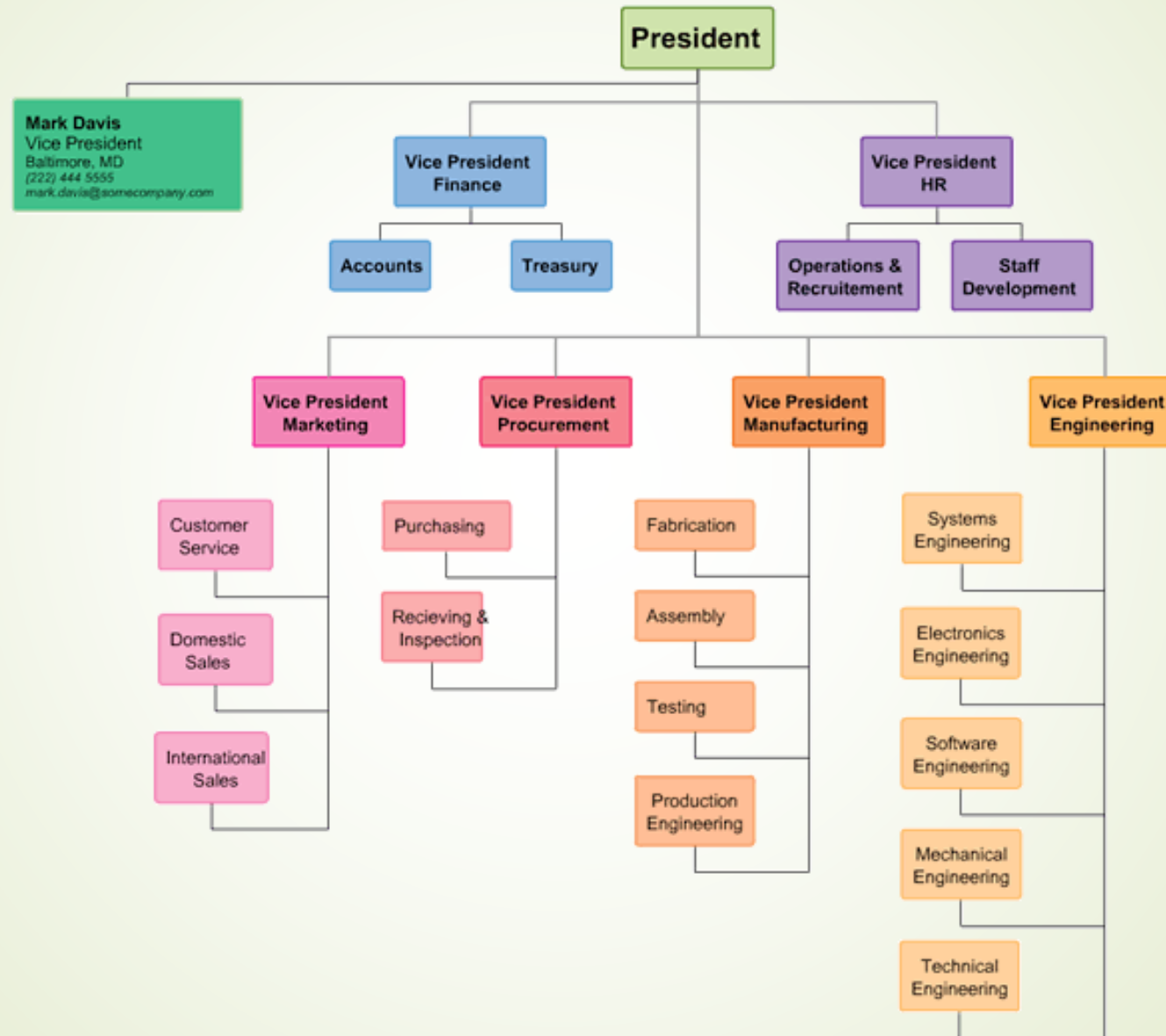
- Individual Differences
  - Groups and Teams
  - Motivation & Success
  - Interpersonal Influence
  - Leadership
  - Decision Making
  - Giving and Receiving Feedback
- 




# What is an Organization?

- ~~▶ A consciously coordinated social unit composed of two or more people that functions on a relatively continuous basis to achieve a common goal or set of goals.~~
  - ▶ A systematic grouping of people brought together to accomplish some specific purpose.
- 

People successfully fulfilling roles aligned with results = successful organization





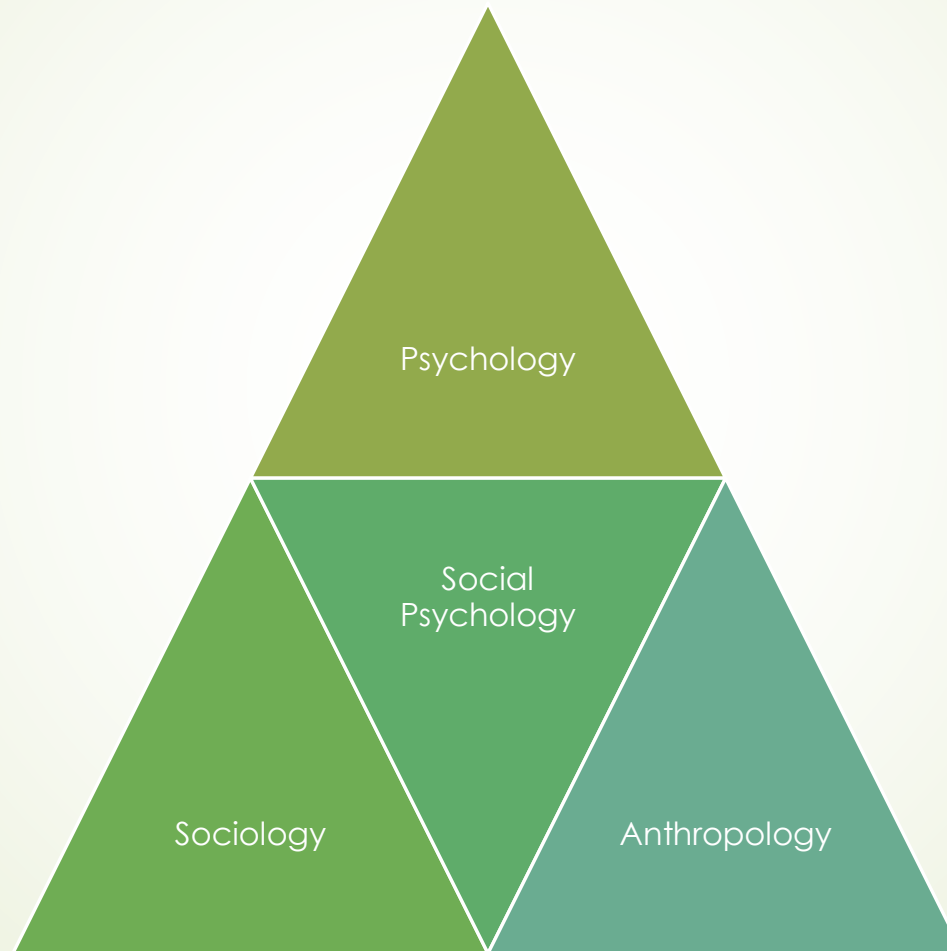
# What is Organizational Behavior Study?

- ▶ The connection between what people do (behavior)

And

- ▶ The organization's results

# Contributing Disciplines

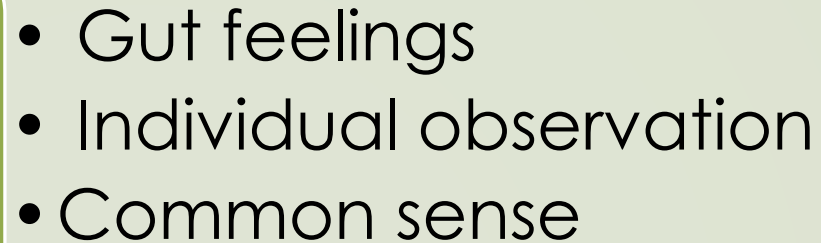




# Intuition and Systematic Study

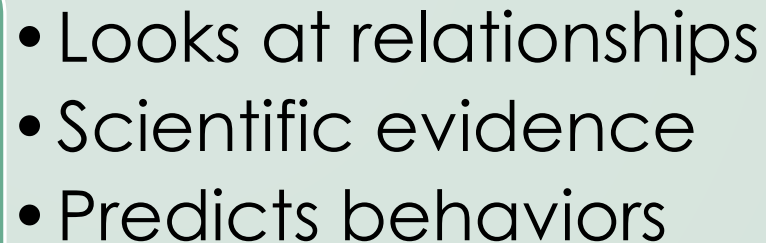


## Intuition

- Gut feelings
  - Individual observation
  - Common sense
- 



## Systematic Study

- Looks at relationships
  - Scientific evidence
  - Predicts behaviors
- 

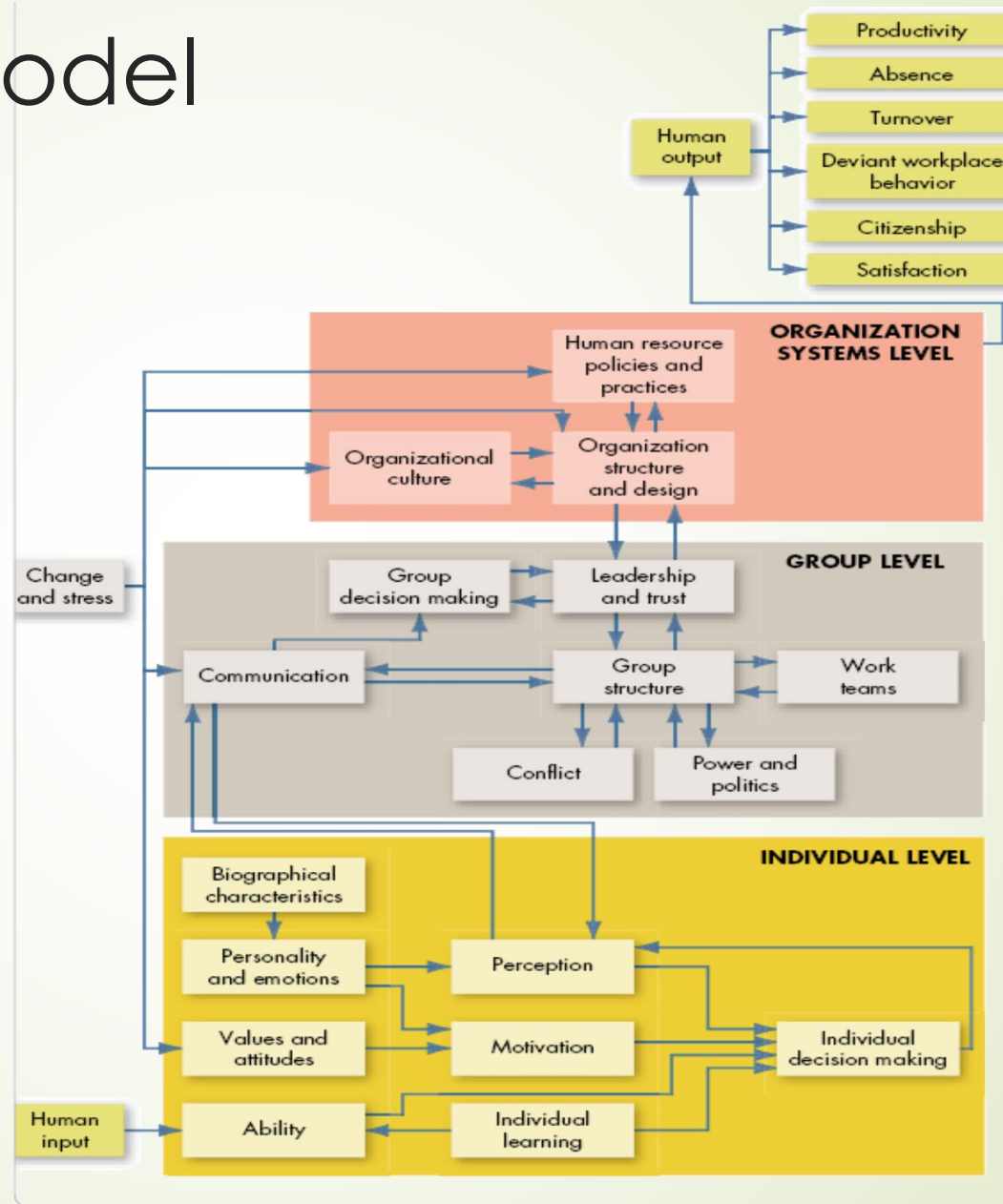
*The two are complementary means of predicting behavior.*



# Myth or Science?

- Leaders are born.
- A high score on an IQ test is the best predictor of future success for an applicant.
- Highly cohesive groups are more productive than non-cohesive groups.
- Offering more money is the best way to motivate employees to produce more.
- The most effective groups are devoid of conflict.
- Everyone wants a challenging job.
- People are more productive when their boss is friendly, outgoing and approachable

# The OB Model





# Follow me here...

- Organizations don't exist
  - They are ideas
- Where are ideas?
  - In human minds
- So..., understanding the human mind is where we need to start to understand organizations



# Has anyone in this room EVER experienced reality?

- ▶ How do you know?
- ▶ Hands
- ▶ <https://www.youtube.com/watch?v=iL8Hw2-Lm7k>
- ▶ <https://www.youtube.com/watch?v=DdvN4WqJh6g>

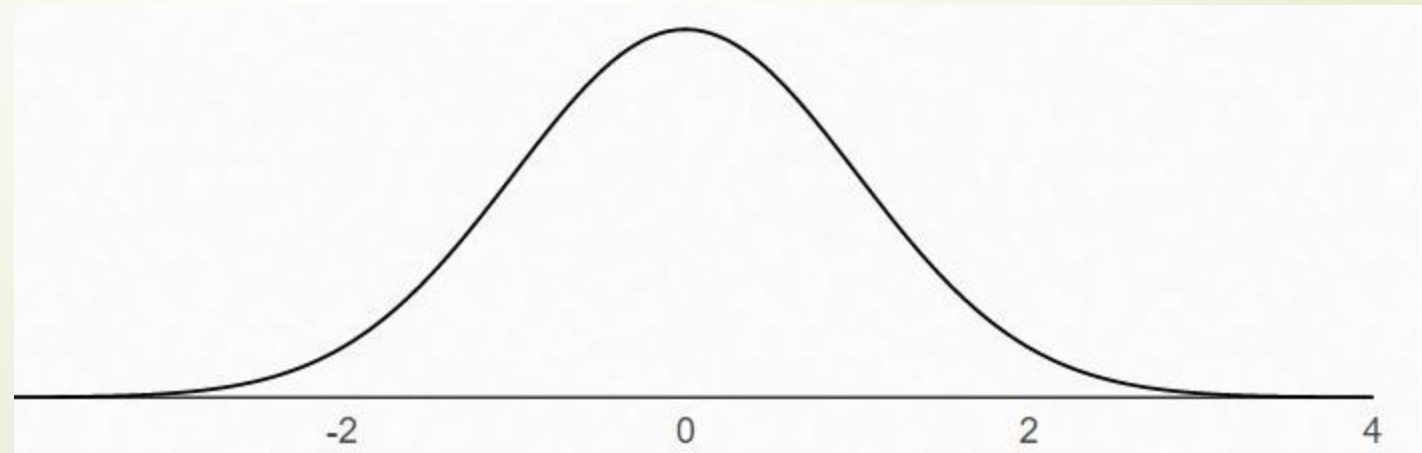



# You are living in a literal hologram

- ▶ What assurance is there that we share the same hologram?
  - ▶ Or even a similar one?
  - ▶ Whose hologram is right?
- ▶ We share the same machinery

# What's my point

- ▶ The long tails
  - ▶ Why is normal normal?
  - ▶ What if normal shifted and you weren't normal any more?
  - ▶ I suggest tolerance is your best play





# How do we all work together when our reality is dissimilar? - Normal curve

- ▶ How to get at reality? Stats
- ▶ Standard normal curve
- ▶ Empirical rule
- ▶ Most of us are in the middle
- ▶ What do we call people on the edges, odd or brilliant, depends on if they are productive.
- ▶ What if we shift the curve, would we suddenly become odd?
- ▶ How do we shift the curve? Join a different social group or culture
- ▶ This is an argument for tolerance



# Individual Differences

Jeff Peterson



# What Are Individual Differences?

- “...the field of individual differences has studied the stable differences among people, particularly those that generalize across diverse situations.<sup>1</sup>”
- Gender
- Personality
- Values
- Abilities
- Attitudes
- Emotions



# What is Personality?

- ▶ The dynamic organization within the individual of those psychophysical systems that determine his unique adjustments to his environment. - Gordon Allport
  - ▶ The sum total of ways in which an individual reacts and interacts with others, the measurable traits a person exhibits
- ▶ Measuring Personality
  - ▶ Helpful in hiring decisions
  - ▶ Most common method: self-reporting surveys
  - ▶ Observer-ratings surveys provide an independent assessment of personality – often better predictors



# Personality Determinants

## ► Heredity

- Factors determined at conception: physical stature, facial attractiveness, gender, temperament, muscle composition and reflexes, energy level, and bio-rhythms
- This “Heredity Approach” argues that genes are the source of personality
- Twin studies: raised apart but very similar personalities
- There is some personality change over long time periods

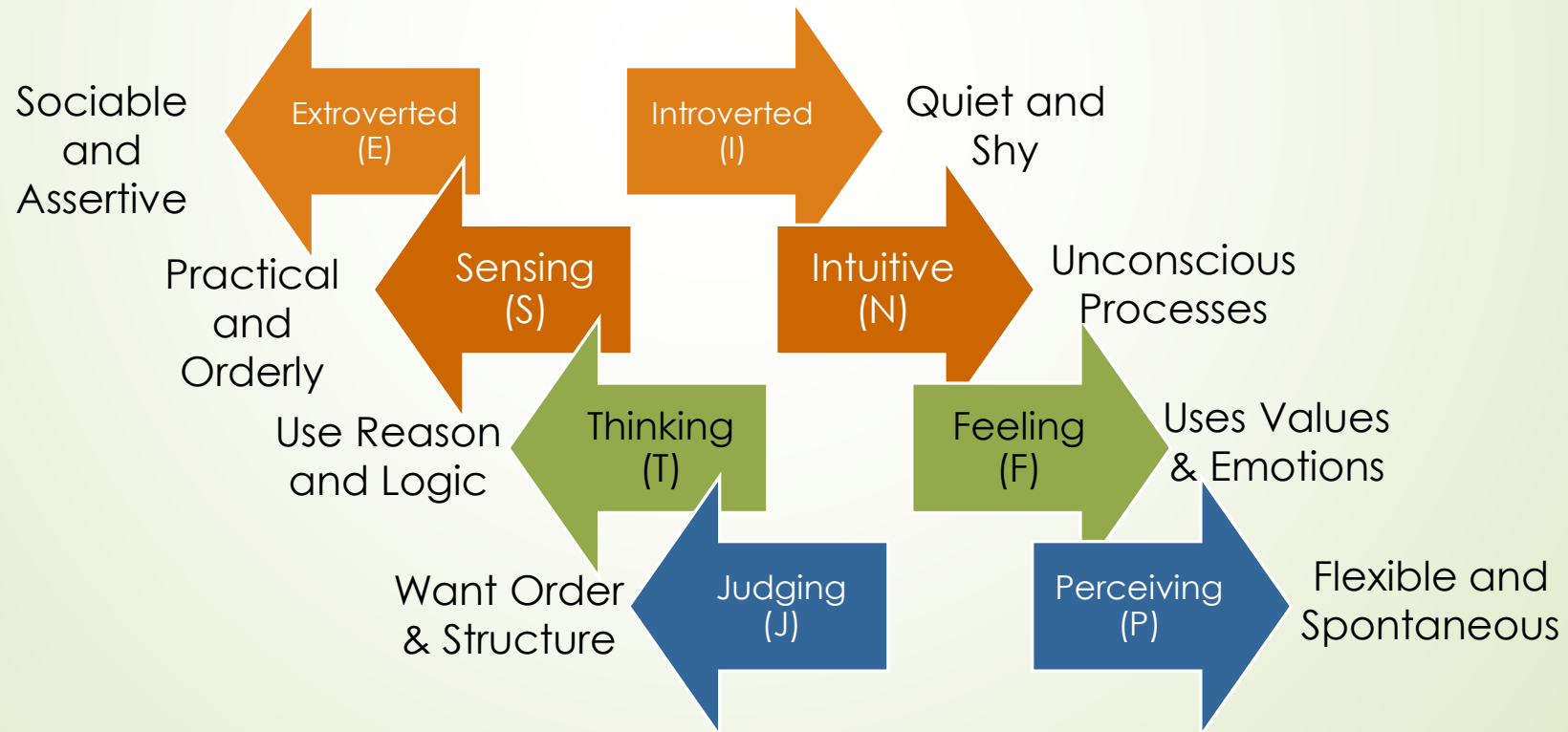


# Personality Traits

- ▶ Enduring characteristics that describe an individual's behavior
  - ▶ The more consistent the characteristic and the more frequently it occurs in diverse situations, the more important the trait.
- ▶ Two dominant frameworks used to describe personality:
  - ▶ Myers-Briggs Type Indicator (MBTI®)
  - ▶ Big Five Model

# The Myers-Briggs Type Indicator

- Most widely used instrument in the world.
- Participants are classified on four axes to determine one of 16 possible personality types, such as ENTJ.





# The Types and Their Uses

- ▶ Each of the sixteen possible combinations has a name, for instance:
  - ▶ Visionaries (INTJ) – original, stubborn, and driven
  - ▶ Organizers (ESTJ) – realistic, logical, analytical, and businesslike
  - ▶ Conceptualizer (ENTP) – entrepreneurial, innovative, individualistic, and resourceful
- ▶ Research results on validity mixed
  - ▶ MBTI® is a good tool for self-awareness and counseling.
  - ▶ Should not be used as a selection test for job candidates.



# The Big Five Model of Personality Dimensions



Extroversion

- Sociable, gregarious, and assertive



Agreeableness

- Good-natured, cooperative, and trusting



Conscientiousness

- Responsible, dependable, persistent, and organized



Emotional Stability

- Calm, self-confident, secure under stress (positive), versus nervous, depressed, and insecure under stress (negative)



Openness to Experience

- Curious, imaginative, artistic, and sensitive

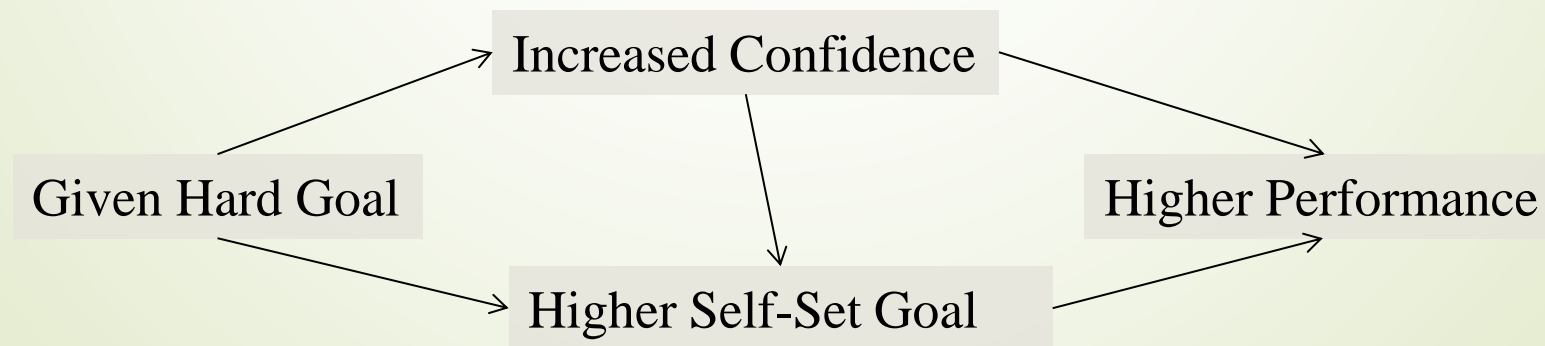


# How Do the Big Five Traits Predict Behavior?

- ▶ Research has shown this to be a better framework.
- ▶ Certain traits have been shown to strongly relate to higher job performance:
  - ▶ Highly conscientious people develop more job knowledge, exert greater effort, and have better performance.
  - ▶ Other Big Five Traits also have implications for work.
    - ▶ Emotional stability is related to job satisfaction.
    - ▶ Extroverts tend to be happier in their jobs and have good social skills.
    - ▶ Open people are more creative and can be good leaders.
    - ▶ Agreeable people are good in social settings.

# Bandura's Self-Efficacy Theory

- An individual's belief that he or she is capable of performing a task.
  - Higher efficacy is related to:
    - Greater confidence
    - Greater persistence in the face of difficulties
    - Better response to negative feedback (work harder)
  - Self-efficacy complements Goal-Setting Theory





# Increasing Self-Efficacy

- ▶ Enactive mastery
  - ▶ Most important source of efficacy
  - ▶ Gaining relevant experience with task or job
  - ▶ “Practice makes perfect”
- ▶ Vicarious modeling
  - ▶ Increasing confidence by watching others perform the task
  - ▶ Most effective when observer sees the model to be similar to him- or herself
- ▶ Verbal persuasion
  - ▶ Motivation through verbal conviction
  - ▶ Pygmalion and Galatea effects - self-fulfilling prophecies
- ▶ Arousal
  - ▶ Getting “psyched up” – emotionally aroused – to complete task
  - ▶ Can hurt performance if emotion is not a component of the task



# Other Personality Traits Relevant to OB

- ▶ Core Self-Evaluation
  - ▶ The degree to which people like or dislike themselves
  - ▶ Positive self-evaluation leads to higher job performance
- ▶ Machiavellianism
  - ▶ A pragmatic, emotionally distant power-player who believes that ends justify the means
  - ▶ High Machs are manipulative, win more often, and persuade more than they are persuaded. Flourish when:
    - ▶ Have direct interaction
    - ▶ Work with minimal rules and regulations
    - ▶ Emotions distract others
- ▶ Narcissism
  - ▶ An arrogant, entitled, self-important person who needs excessive admiration
  - ▶ Less effective in their jobs



# More Relevant Personality Traits

## ➤ Self-Monitoring

- The ability to adjust behavior to meet external, situational factors.
- High monitors conform more and are more likely to become leaders.

## ➤ Locus of Control

- View of how one influences the world around them.
- Internal Locus – I make things happen.
- External – Things happen to me.



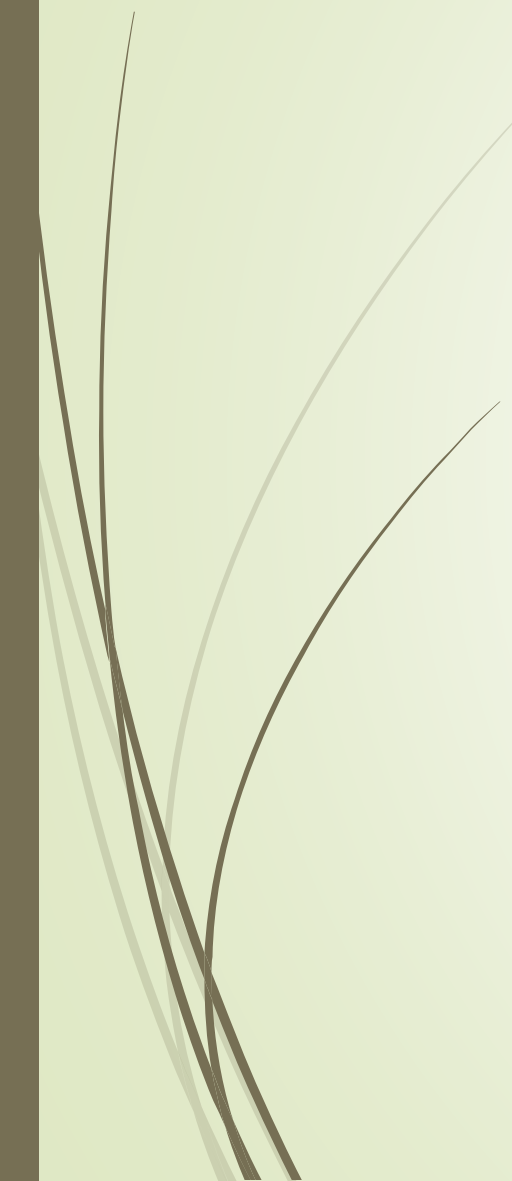
# Values



- ▶ Basic convictions on how to conduct yourself or how to live your life that is personally or socially preferable – “How To” live life properly.
- ▶ Attributes of Values:
  - ▶ Content Attribute – that the mode of conduct or end-state is important
  - ▶ Intensity Attribute – just how important that content is
- ▶ Value System
  - ▶ A person’s values rank ordered by intensity
  - ▶ Tends to be relatively constant and consistent



# Hofstede's Framework: Power Distance

- ▶ The extent to which a society accepts that power in institutions and organizations is distributed unequally.
  - ▶ Low distance
    - ▶ Relatively equal power between those with status/wealth and those without status/wealth
  - ▶ High distance
    - ▶ Extremely unequal power distribution between those with status/wealth and those without status/wealth
- 



# Hofstede's Framework: Individualism

- ▶ Individualism

- ▶ The degree to which people prefer to act as individuals rather than as member of groups

- ▶ Collectivism

- ▶ A tight social framework in which people expect others in groups of which they are a part to look after them and protect them



# Hofstede's Framework: Masculinity

- Masculinity

- The extent to which the society values work roles of achievement, power, and control, and where assertiveness and materialism are also valued

- Femininity

- The extent to which there is little differentiation between roles for men and women



# Hofstede's Framework: Uncertainty Avoidance

- ▶ The extent to which a society feels threatened by uncertain and ambiguous situations and tries to avoid them
- ▶ High Uncertainty Avoidance:
  - ▶ Society does not like ambiguous situations and tries to avoid them.
- ▶ Low Uncertainty Avoidance:
  - ▶ Society does not mind ambiguous situations and embraces them.



# Hofstede's Framework: Time Orientation

- ▶ Long-term Orientation

- ▶ A national culture attribute that emphasizes the future, thrift, and persistence

- ▶ Short-term Orientation

- ▶ A national culture attribute that emphasizes the present and the here and now

# Country Differences

Country	Power Distance <sup>a</sup>	Uncertainty Avoidance <sup>b</sup>	Individualism <sup>c</sup>	Masculinity <sup>d</sup>
Australia	7	7	2	5
Costa Rica	8 (tie)	2 (tie)	10	9
France	3	2 (tie)	4	7
West Germany	8 (tie)	5	5	3
India	2	9	6	6
Japan	5	1	7	1
Mexico	1	4	8	2
Sweden	10	10	3	10
Thailand	4	6	9	8
United States	6	8	1	4

<sup>a</sup> 1=highest power distance  
10=lowest power distance

<sup>b</sup> 1=highest uncertainty avoidance  
10=lowest uncertainty avoidance

<sup>c</sup> 1=highest individualism  
10=highest collectivism

<sup>d</sup> 1=highest masculinity  
10=highest femininity



# GLOBE Framework for Assessing Cultures

- ▶ Global Leadership and Organizational Behavior Effectiveness (GLOBE) research program
  - ▶ Nine dimensions of national culture
- ▶ Similar to Hofstede's framework with these additional dimensions:
  - ▶ Humane Orientation: how much society rewards people for being altruistic, generous, and kind
  - ▶ Performance Orientation: how much society encourages and rewards performance improvement and excellence

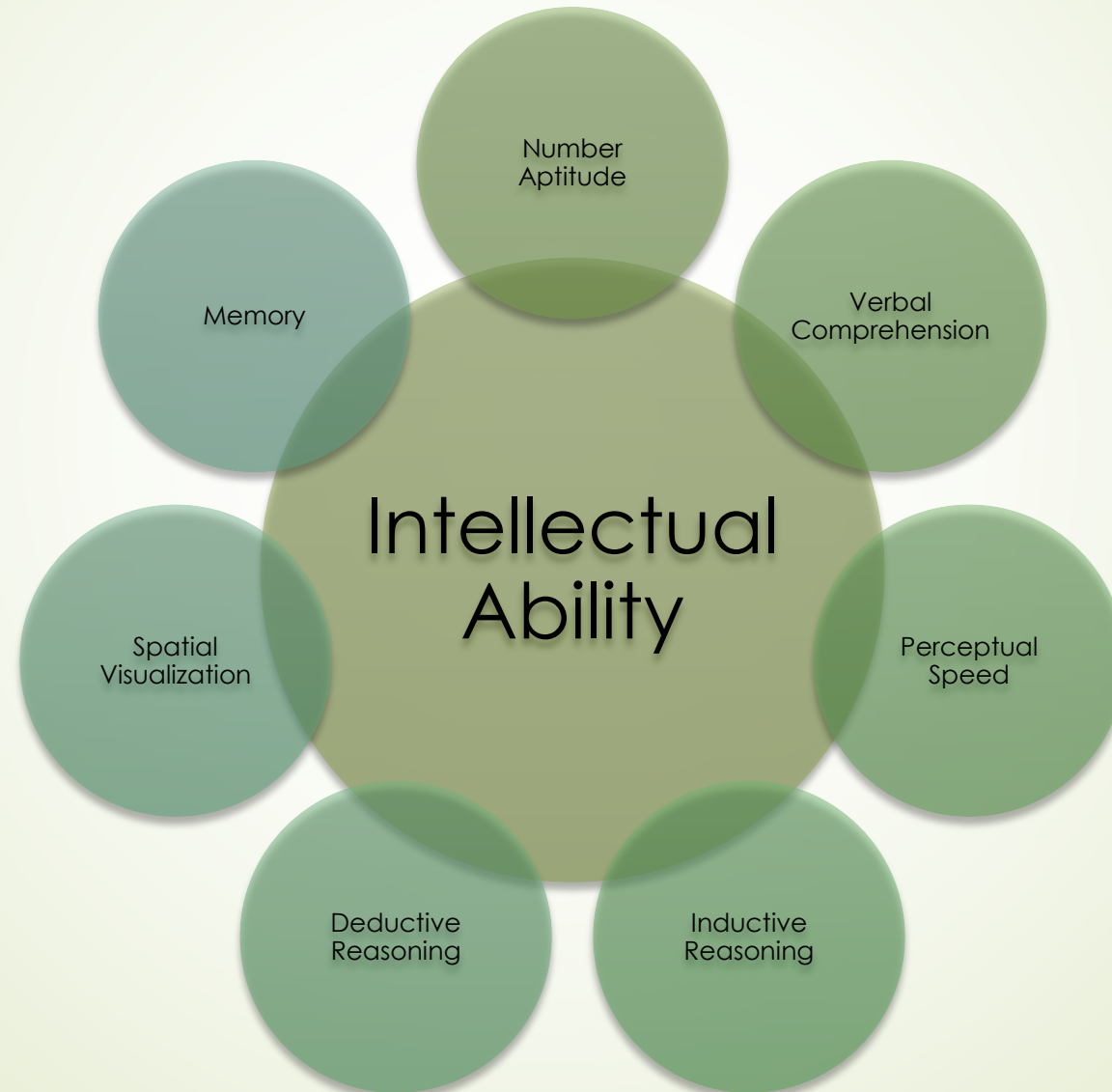


# Ability



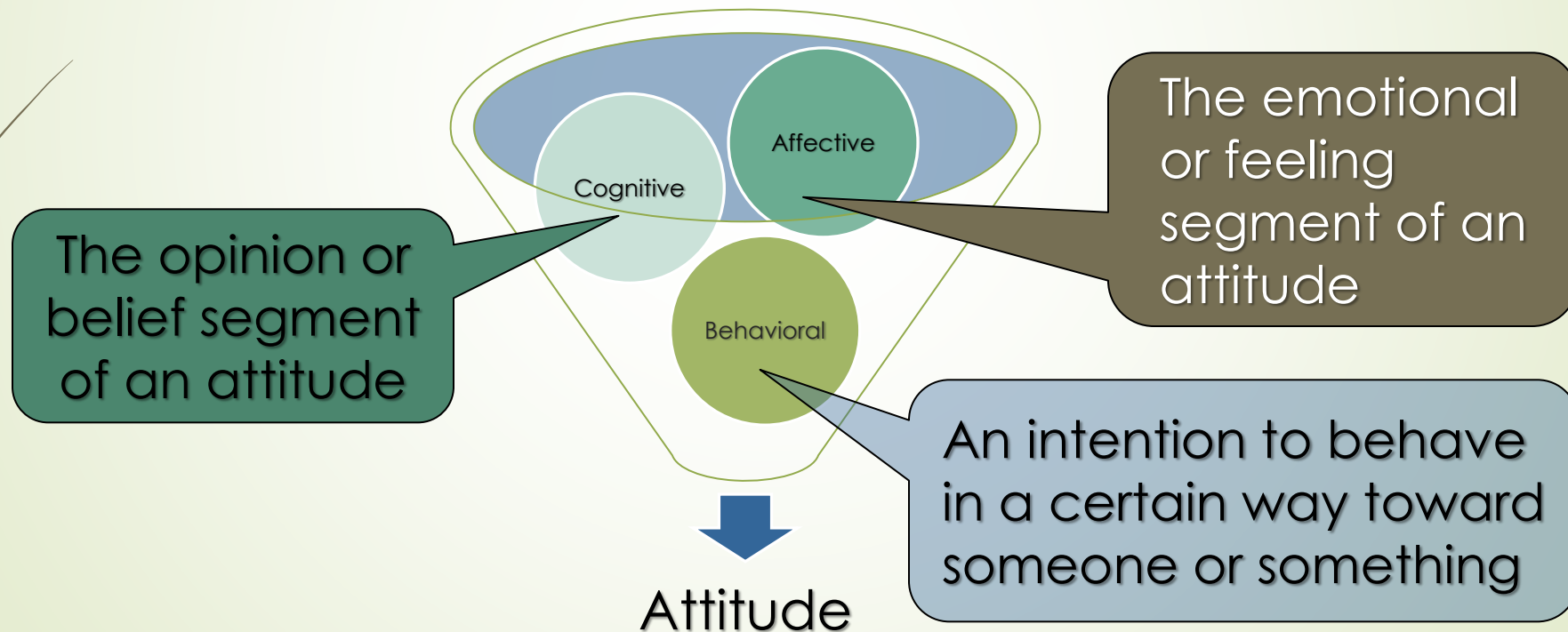
- An individual's capacity to perform the various tasks in a job.
- Made up of two sets of factors:
  - Intellectual Abilities
    - The abilities needed to perform mental activities.
    - General Mental Ability (GMA) is a measure of overall intelligence.
    - Wonderlic Personnel Test: a quick measure of intelligence for recruitment screening.
    - No correlation between intelligence and job satisfaction.
  - Physical Abilities
    - The capacity to do tasks demanding stamina, dexterity, strength, and similar characteristics.

# Dimensions of Intellectual Ability



# Attitudes

- Evaluative statements or judgments concerning objects, people, or events
- Three components of an attitude:



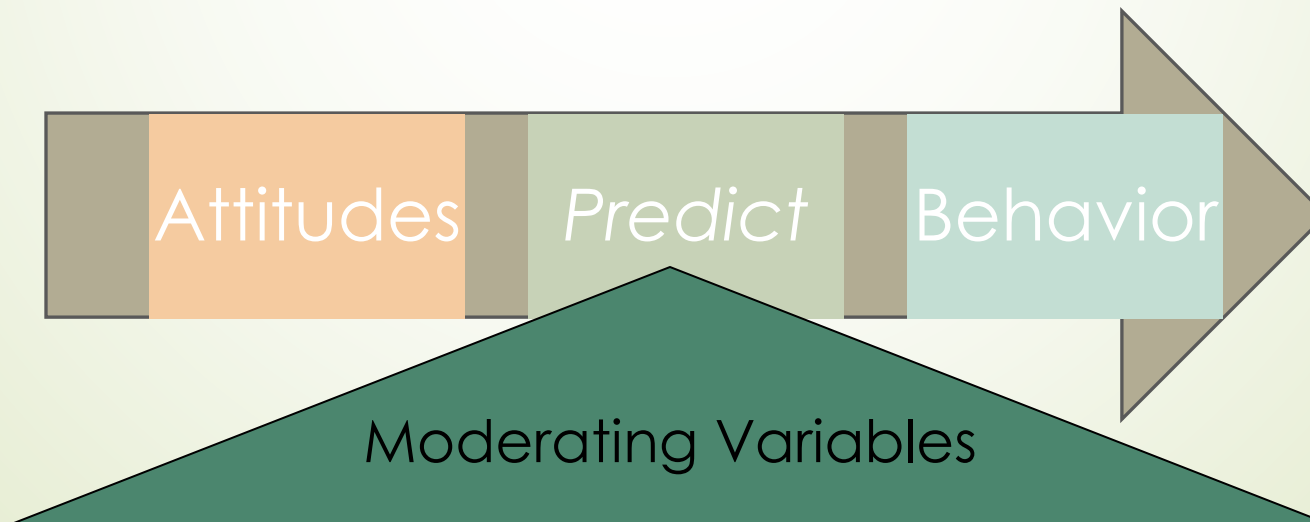


# Does Behavior Always Follow from Attitudes?

- ▶ Leon Festinger – No, the reverse is sometimes true!
- ▶ Cognitive Dissonance: Any incompatibility between two or more attitudes or between behavior and attitudes
  - ▶ Individuals seek to reduce this uncomfortable gap, or dissonance, to reach stability and consistency
  - ▶ Consistency is achieved by changing the attitudes, modifying the behaviors, or through rationalization
  - ▶ Desire to reduce dissonance depends on:
    - ▶ Importance of elements
    - ▶ Degree of individual influence
    - ▶ Rewards involved in dissonance

# Moderating Variables

- ▶ The most powerful moderators of the attitude-behavior relationship are:
  - ▶ Importance of the attitude
  - ▶ Correspondence to behavior
  - ▶ Accessibility
  - ▶ Existence of social pressures
  - ▶ Personal and direct experience of the attitude





# What are the Major Job Attitudes?

- ▶ Job Satisfaction
  - ▶ A positive feeling about the job resulting from an evaluation of its characteristics
- ▶ Job Involvement
  - ▶ Degree of psychological identification with the job where perceived performance is important to self-worth
- ▶ Psychological Empowerment
  - ▶ Belief in the degree of influence over the job, competence, job meaningfulness, and autonomy



# Another Major Job Attitude

- ▶ Organizational Commitment
  - ▶ Identifying with a particular organization and its goals, while wishing to maintain membership in the organization.
  - ▶ Three dimensions:
    - ▶ Affective – emotional attachment to organization
    - ▶ Continuance Commitment – economic value of staying
    - ▶ Normative – moral or ethical obligations
  - ▶ Has some relation to performance, especially for new employees.
  - ▶ Less important now than in the past – now perhaps more of an occupational commitment, loyalty to profession rather than a given employer.



# And Yet More Major Job Attitudes...

- ▶ Perceived Organizational Support (POS)
  - ▶ Degree to which employees believe the organization values their contribution and cares about their well-being.
  - ▶ Higher when rewards are fair, employees are involved in decision making, and supervisors are seen as supportive.
  - ▶ High POS is related to higher OCBs and performance.
- ▶ Employee Engagement
  - ▶ The degree of involvement with, satisfaction with, and enthusiasm for the job.
  - ▶ Engaged employees are passionate about their work and company.

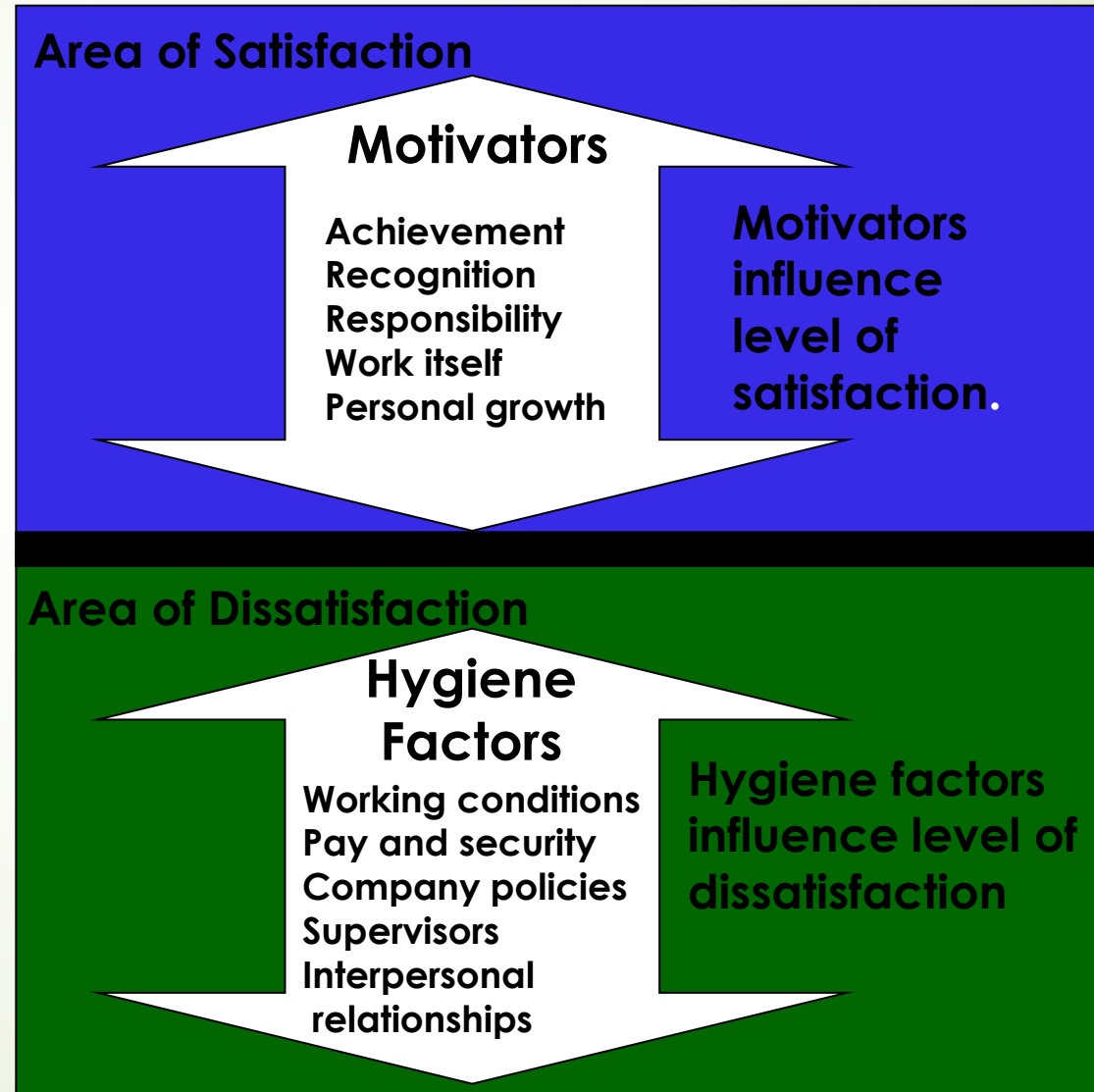


# Job Satisfaction

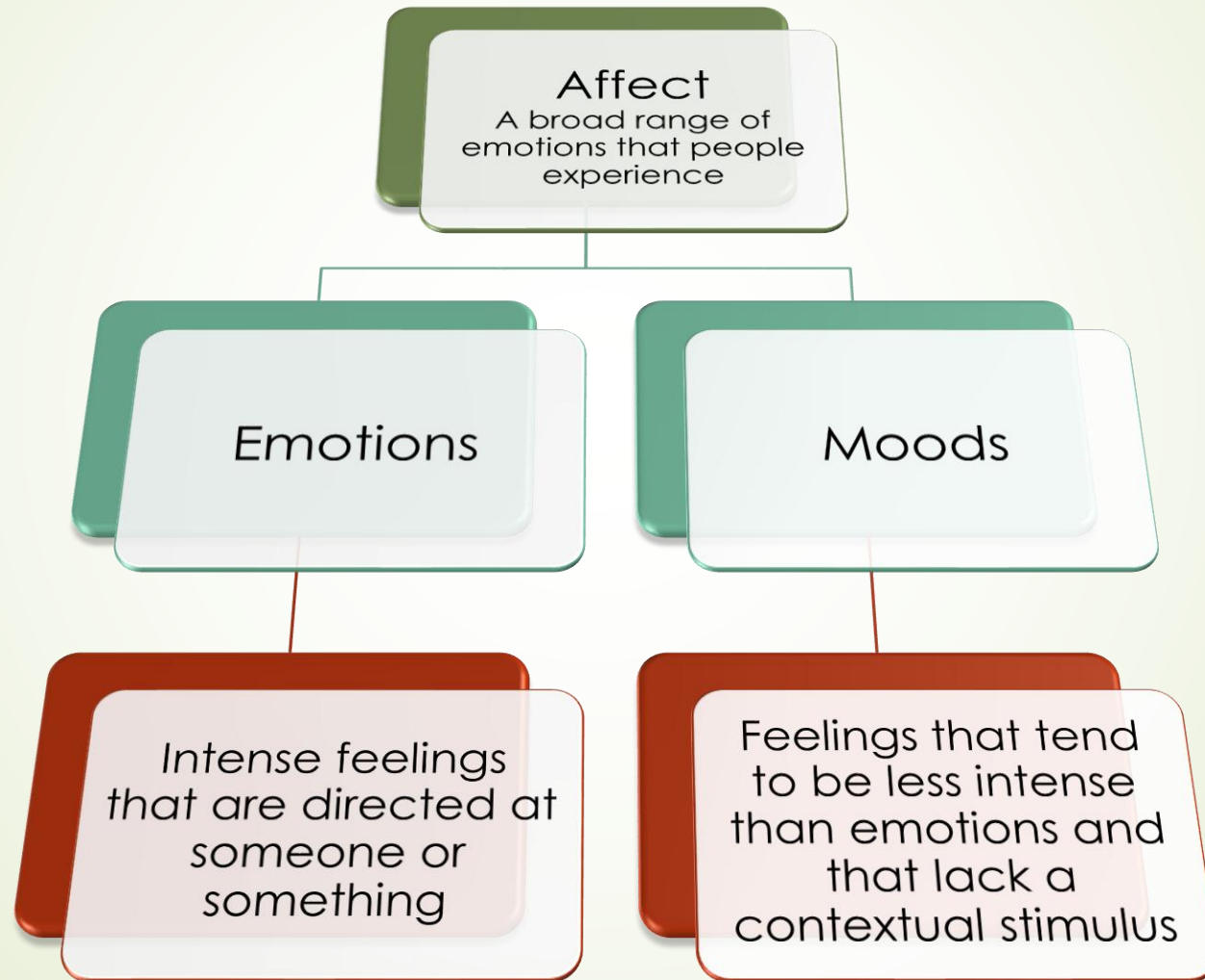
- ▶ One of the primary job attitudes measured.
  - ▶ Broad term involving a complex individual summation of a number of discrete job elements.
- ▶ How to measure?
  - ▶ Single global rating (one question/one answer) - Best
  - ▶ Summation score (many questions/one average) - OK
- ▶ Are people satisfied in their jobs?
  - ▶ In the U. S., yes, but the level appears to be dropping.
  - ▶ Results vary by employee facets of the job.
  - ▶ Pay and promotion are the most problematic elements.

# Two Factor Motivation Theory

- Key Point: Satisfaction and dissatisfaction are not opposites but separate constructs



# What are Emotions and Moods?



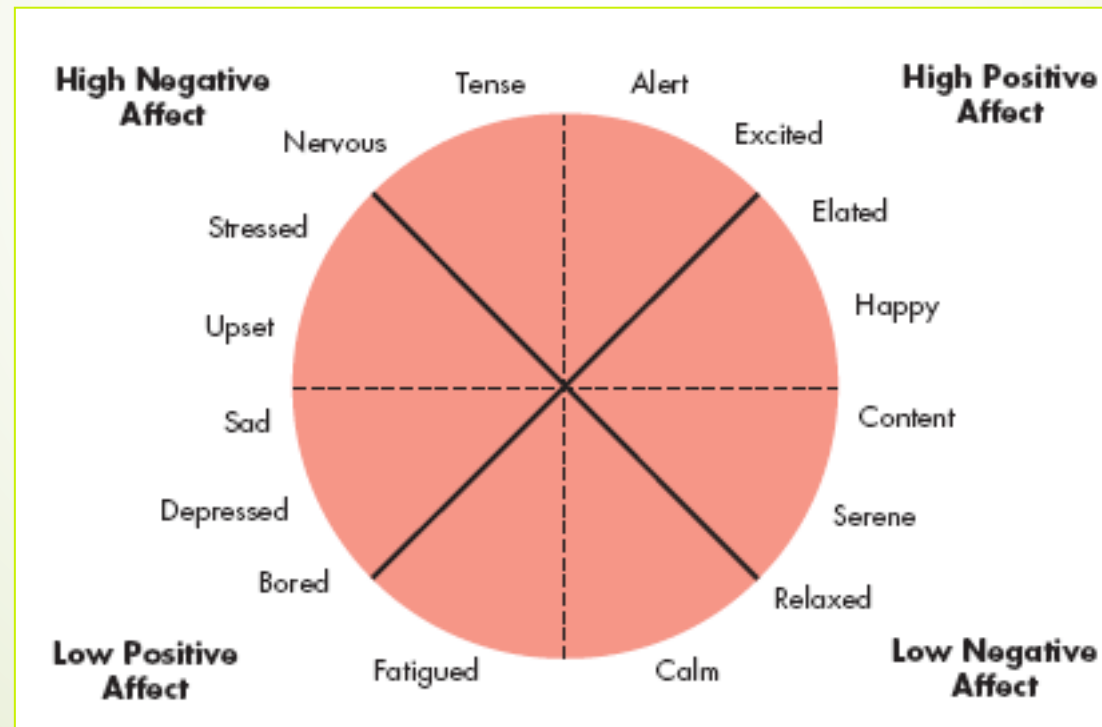


# The Basic Emotions

- ▶ While not universally accepted, there appear to be six basic emotions:
  - ▶ Anger
  - ▶ Fear
  - ▶ Sadness
  - ▶ Happiness
  - ▶ Disgust
  - ▶ Surprise
- ▶ All other emotions are subsumed under these six
- ▶ May even be placed in a spectrum of emotion:
  - ▶ Happiness – surprise – fear – sadness – anger – disgust

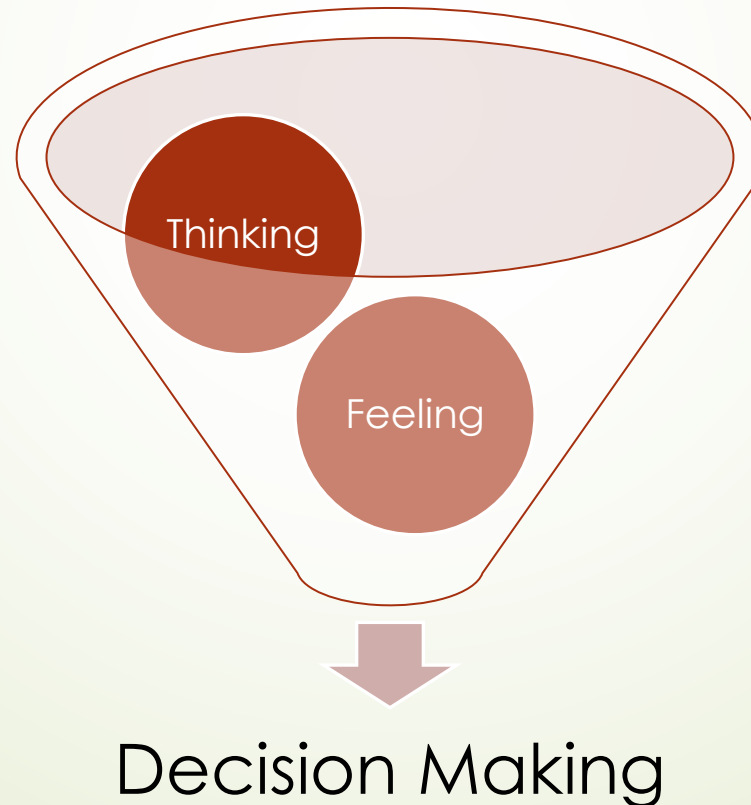
# Basic Moods: Positive and Negative Affect

- ▶ Emotions cannot be neutral.
- ▶ Emotions (“markers”) are grouped into general mood states.



# What Is the Function of Emotion?

- ▶ Emotions can aid in our decision-making process. Many researchers have shown that emotions are necessary for rational decisions.



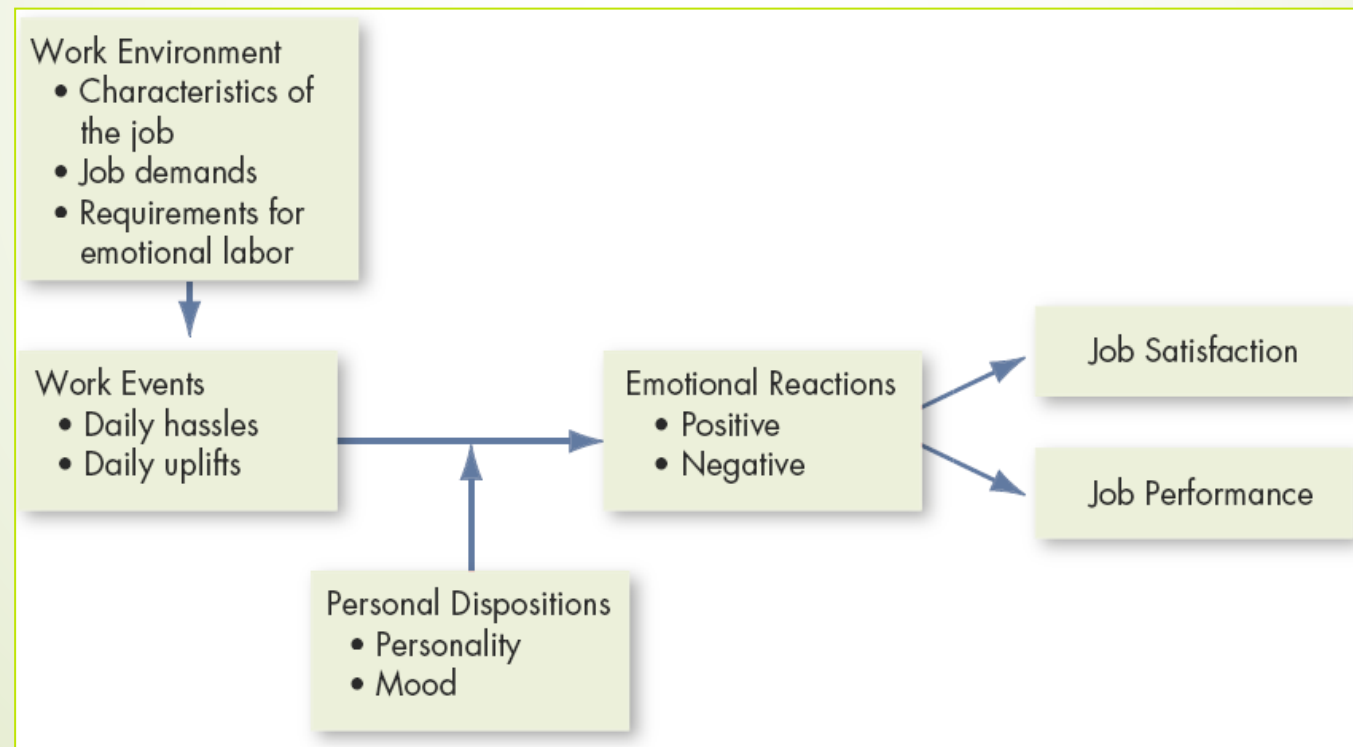


# Emotional Labor

- ▶ An employee's expression of organizationally desired emotions during interpersonal transactions at work.
- ▶ Emotional Dissonance:
  - ▶ Employees have to project one emotion while simultaneously feeling another
  - ▶ Can be very damaging and lead to burnout
- ▶ Types of Emotions:
  - ▶ Felt: the individual's actual emotions
  - ▶ Displayed: required or appropriate emotions
    - ▶ Surface Acting: displaying appropriately but not feeling those emotions internally
    - ▶ Deep Acting: changing internal feelings to match display rules - very stressful

# Affective Events Theory (AET)

- ▶ An event in the work environment triggers positive or negative emotional reactions
  - ▶ Personality and mood determine response intensity
  - ▶ Emotions can influence a broad range of work variables





# Implications of AET

1. An emotional episode is actually the result of a series of emotional experiences triggered by a single event
  2. Current and past emotions affect job satisfaction
  3. Emotional fluctuations over time create variations in job performance
  4. Emotion-driven behaviors are typically brief and variable
  5. Both negative and positive emotions can distract workers and reduce job performance
- Emotions provide valuable insights about behavior
  - Emotions, and the minor events that cause them, should not be ignored at work; they accumulate



# Foundations of Group Behavior

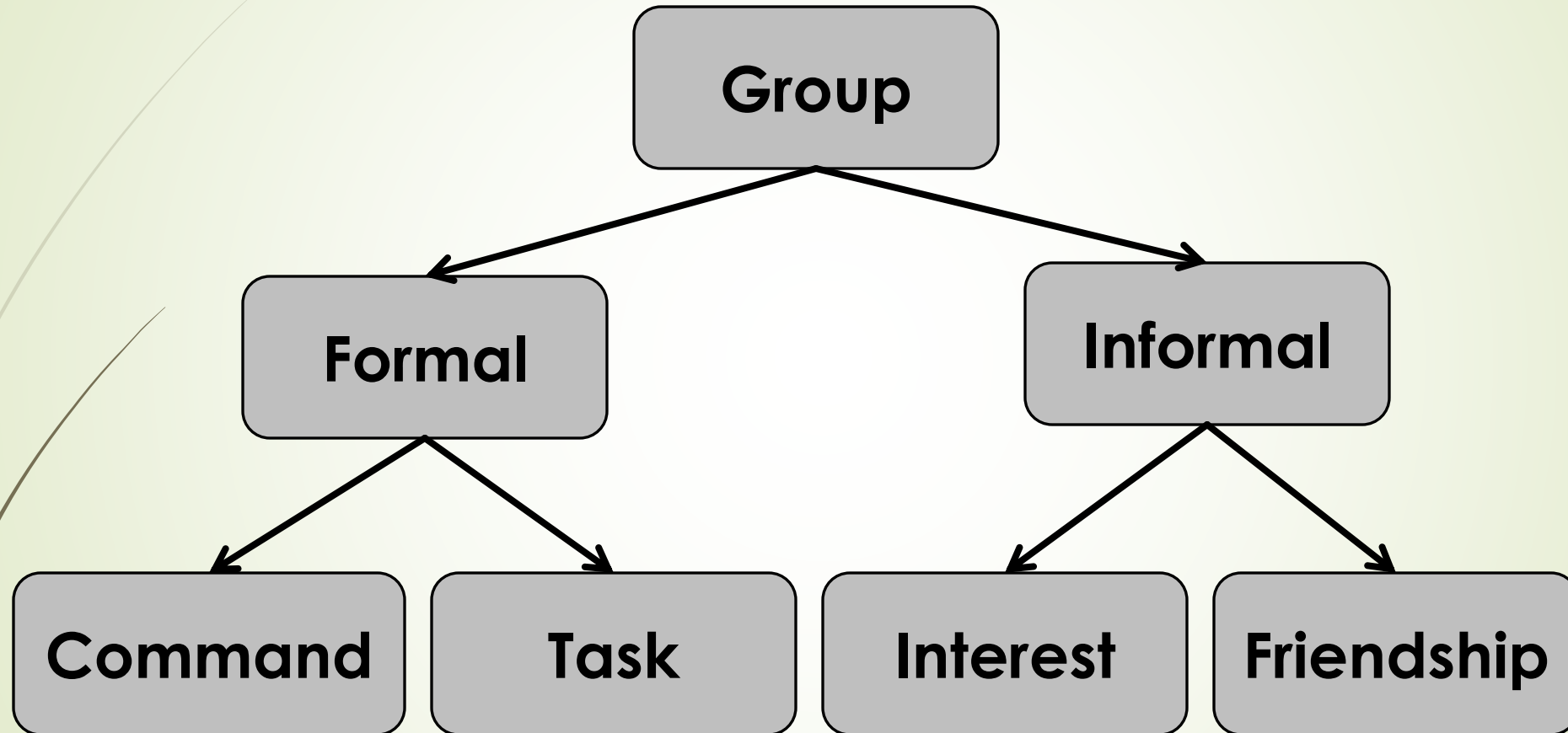
Jeff Peterson



# Defining and Classifying Groups

- ▶ Group:
  - ▶ Two or more individuals interacting and interdependent, who have come together to achieve particular objectives
- ▶ Formal Group:
  - ▶ Defined by the organization's structure with designated work assignments establishing tasks
- ▶ Informal Group:
  - ▶ Alliances that are neither formally structured nor organizationally determined
  - ▶ Appear naturally in response to the need for social contact
  - ▶ Deeply affect behavior and performance

# Groups & Teams





# Subclassifications of Groups

## Formal Groups

- ▶ Command Group
  - ▶ A group composed of the individuals who report directly to a given manager
- ▶ Task Group
  - ▶ Those working together to complete a job or task in an organization but not limited by hierarchical boundaries

## Informal Groups

- ▶ Interest Group
  - ▶ Members work together to attain a specific objective with which each is concerned
- ▶ Friendship Group
  - ▶ Those brought together because they share one or more common characteristics

# Team Formation Stages

## 1. Forming

Group members try to get to know each other and establish a common understanding.

## 2. Storming

Group is in conflict, members resist being controlled by the group, and disagreements arise concerning leadership in the group.

## 3. Norming

Group members develop close ties, feelings of friendship and camaraderie abound, and group members share a common purpose.

## 4. Performing

Group members work toward achieving their goals.

## 5. Adjourning

The group disbands once its goals have been achieved.

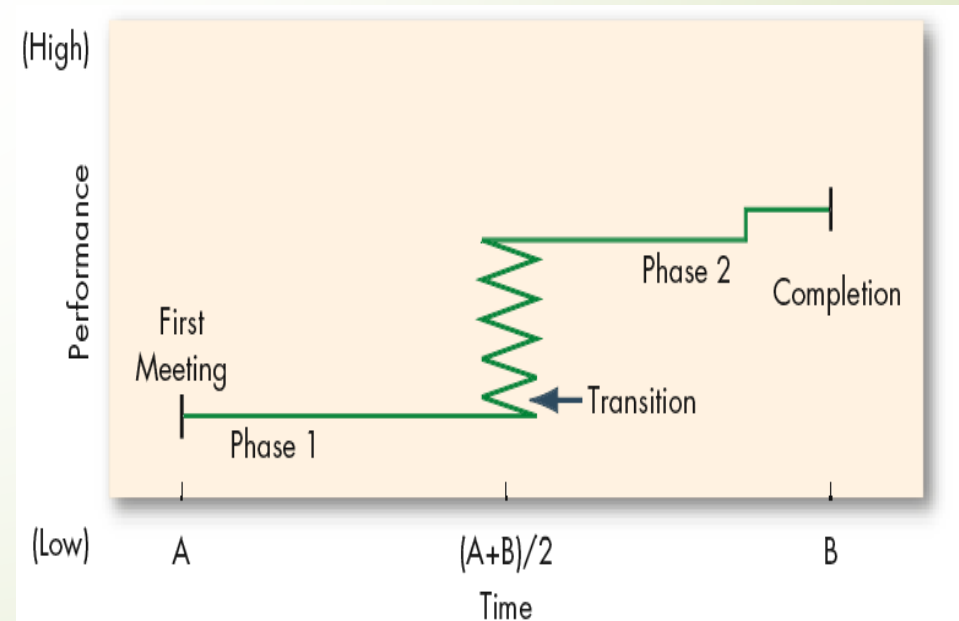


# Critique of the Five-Stage Model

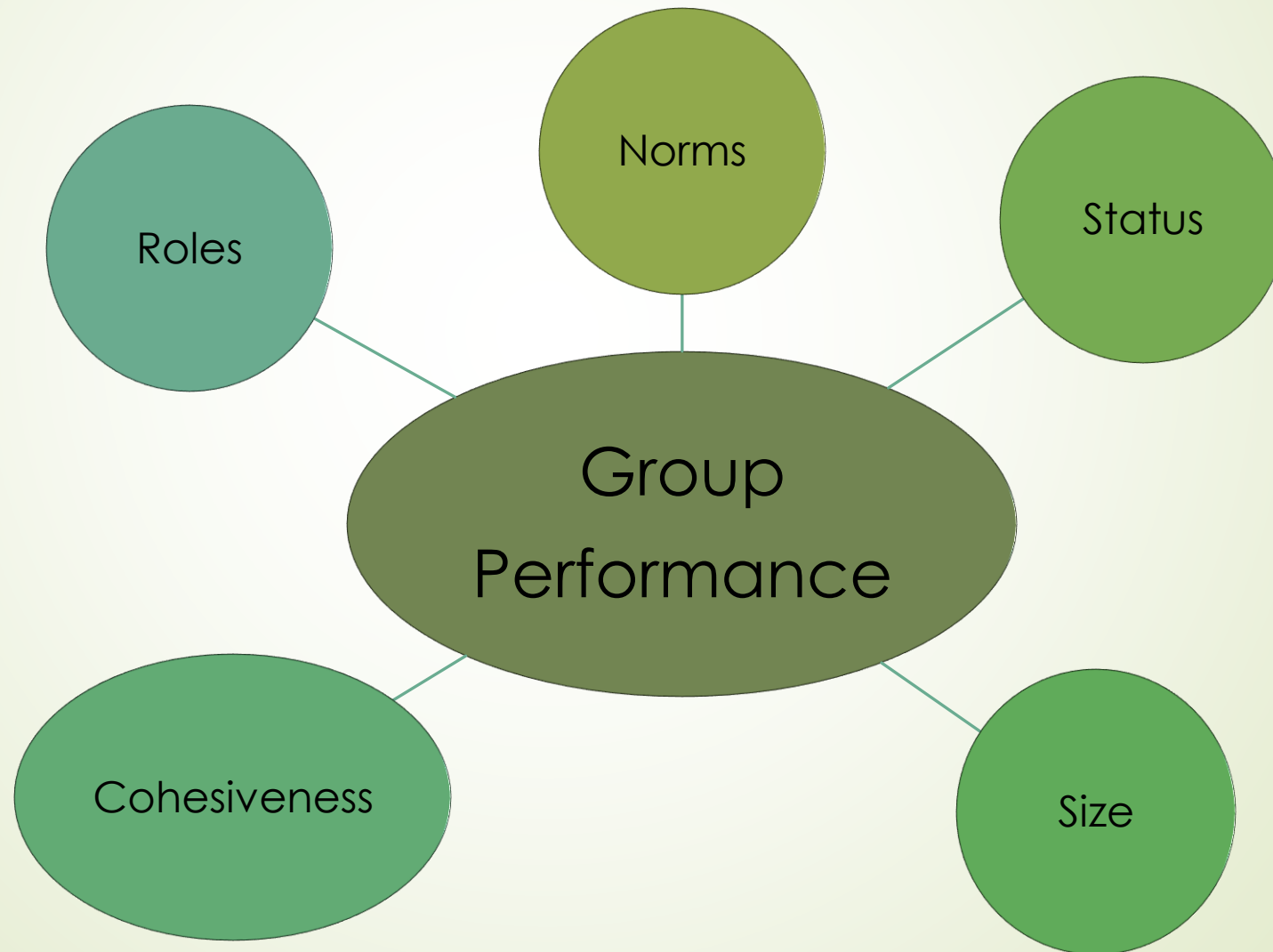
- Assumption: the group becomes more effective as it progresses through the first four stages
  - Not always true – group behavior is more complex
  - High levels of conflict may be conducive to high performance
  - The process is not always linear
  - Several stages may occur simultaneously
  - Groups may regress
- Ignores the organizational context

# An Alternative Model for Group Formation

- ▶ Temporary groups with deadlines don't follow the five-stage model
- ▶ Punctuated-Equilibrium Model
  - ▶ Temporary groups under deadlines go through transitions between inertia and activity—at the halfway point, they experience an increase in productivity.
  - ▶ Sequence of Actions
    - ▶ Setting group direction
    - ▶ First phase of inertia
    - ▶ Half-way point transition
    - ▶ Major changes
    - ▶ Second phase of inertia
    - ▶ Accelerated activity



# Group Properties





# Group Property 1: Roles

- ▶ Role
  - ▶ A set of expected behavior patterns attributed to someone occupying a given position in a social unit
- ▶ Role Perception
  - ▶ An individual's view of how he or she is supposed to act in a given situation – received by external stimuli
- ▶ Role Expectations
  - ▶ How others believe a person should act in a given situation
  - ▶ Psychological Contract: an unwritten agreement that sets out mutual expectations of management and employees
- ▶ Role Conflict
  - ▶ A situation in which an individual is confronted by divergent role expectations



# Zimbardo's Prison Experiment

- Faked a prison using student volunteers
- Randomly assigned to guard and prisoner roles
- Within six days the experiment was halted due to concerns
  - Guards had dehumanized the prisoners
  - Prisoners were subservient
  - Fell into the roles as they understood them
  - No real resistance felt



# Group Property 2: Norms

## ➤ Norms

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

## ➤ Classes of Norms

- Performance norms - level of acceptable work
- Appearance norms - what to wear
- Social arrangement norms - friendships and the like
- Allocation of resources norms - distribution and assignments of jobs and material



# Group Norms and the Hawthorne Studies

- ▶ A series of studies undertaken by Elton Mayo at Western Electric Company's Hawthorne Works in Chicago between 1924 and 1932
- ▶ Research Conclusions
  - ▶ Worker behavior and sentiments were closely related.
  - ▶ Group influences (norms) were significant in affecting individual behavior.
  - ▶ Group standards (norms) were highly effective in establishing individual worker output.
  - ▶ Money was less a factor in determining worker output than were group standards, sentiments, and security.



# Norms and Behavior

- Conformity

- Gaining acceptance by adjusting one's behavior to align with the norms of the group

- Reference Groups

- Important groups to which individuals belong or hope to belong and with whose norms individuals are likely to conform

- Asch Studies

- Demonstrated the power of conformance
- Culture-based and declining in importance



# Group Property 3: Status

- ▶ A socially defined position or rank given to groups or group members by others – it differentiates group members
  - ▶ Important factor in understanding behavior
  - ▶ Significant motivator
- ▶ Status Characteristics Theory
  - ▶ Status derived from one of three sources:
    - ▶ Power a person has over others
    - ▶ Ability to contribute to group goals
    - ▶ Personal characteristics



# Status Effects

- ▶ On Norms and Conformity
  - ▶ High-status members are less restrained by norms and pressure to conform
  - ▶ Some level of deviance is allowed to high-status members so long as it doesn't affect group goal achievement
- ▶ On Group Interaction
  - ▶ High-status members are more assertive
  - ▶ Large status differences limit diversity of ideas and creativity
- ▶ On Equity
  - ▶ If status is perceived to be inequitable, it will result in various forms of corrective behavior.



# Property 4: Group Size

- ▶ Social Loafing

- ▶ The tendency for individuals to expend less effort when working collectively than when working individually
- ▶ Ringelmann's Rope Pull: greater levels of productivity but with diminishing returns as group size increases
- ▶ Caused by either equity concerns or a diffusion of responsibility (free riders)

- ▶ Managerial Implications

- ▶ Build in individual accountability
- ▶ Prevent social loafing by:
  - ▶ Setting group goals
  - ▶ Increasing intergroup competition
  - ▶ Using peer evaluation
  - ▶ Distributing group rewards based on individual effort



# Group Property 5: Cohesiveness

- ▶ Degree to which group members are attracted to each other and are motivated to stay in the group
- ▶ Managerial Implication
  - ▶ To increase cohesiveness:
    - ▶ Make the group smaller.
    - ▶ Encourage agreement with group goals.
    - ▶ Increase time members spend together.
    - ▶ Increase group status and admission difficulty.
    - ▶ Stimulate competition with other groups.
    - ▶ Give rewards to the group, not individuals.
    - ▶ Physically isolate the group.



# Group Decision Making vs. Individual Choice

- ▶ Group Strengths:

- ▶ Generate more complete information and knowledge
- ▶ Offer increased diversity of views and greater creativity
- ▶ Increased acceptance of decisions
- ▶ Generally more accurate (but not as accurate as the most accurate group member)

- ▶ Group Weaknesses:

- ▶ Time-consuming activity
- ▶ Conformity pressures in the group
- ▶ Discussions can be dominated by a few members
- ▶ A situation of ambiguous responsibility



# Group Decision-Making Phenomena

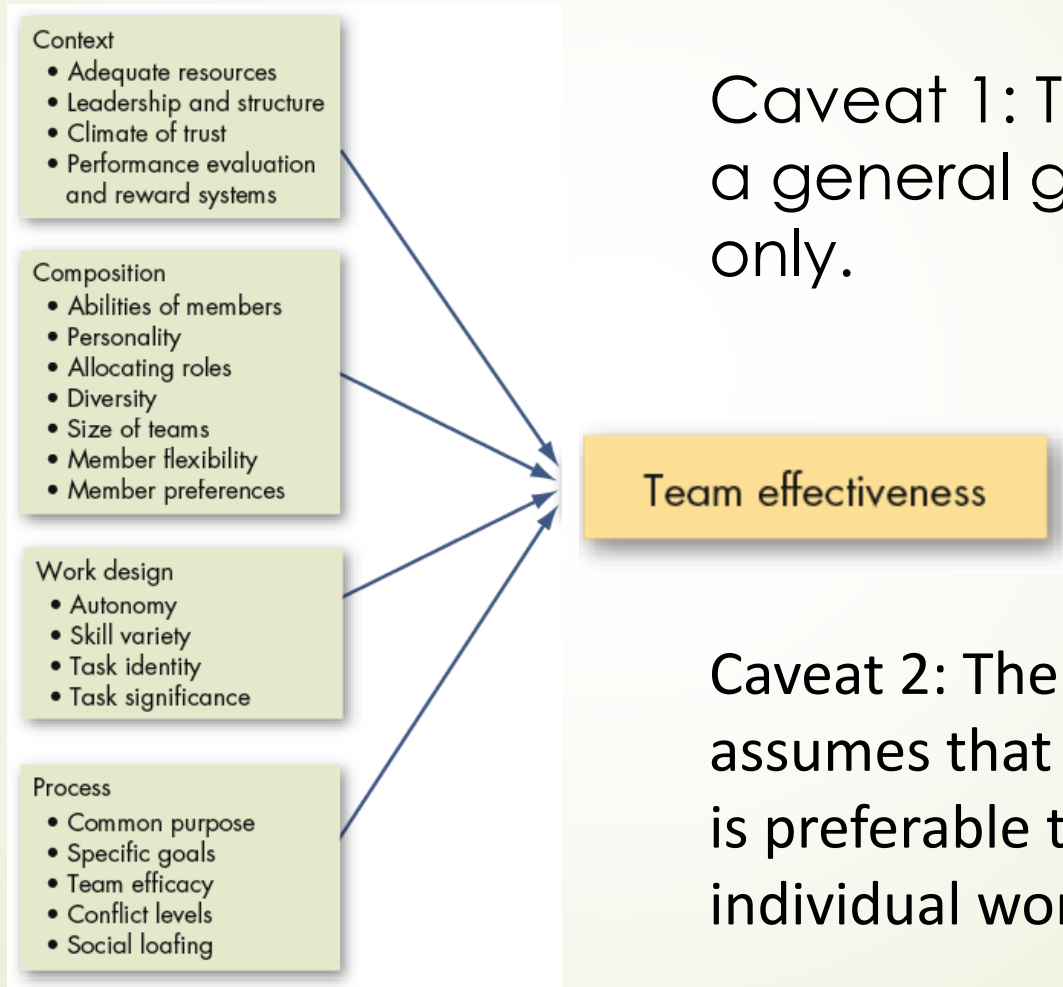
## ➤ Groupthink

- Situations where group pressures for conformity deter the group from critically appraising unusual, minority, or unpopular views
- Hinders performance

## ➤ Groupshift

- When discussing a given set of alternatives and arriving at a solution, group members tend to exaggerate the initial positions that they hold. This causes a shift to more conservative or more risky behavior.

# A Team-Effectiveness Model



Caveat 1: This is a general guide only.

Caveat 2: The model assumes that teamwork is preferable to individual work.



# Motivation

Jeff Peterson

Spring 2019

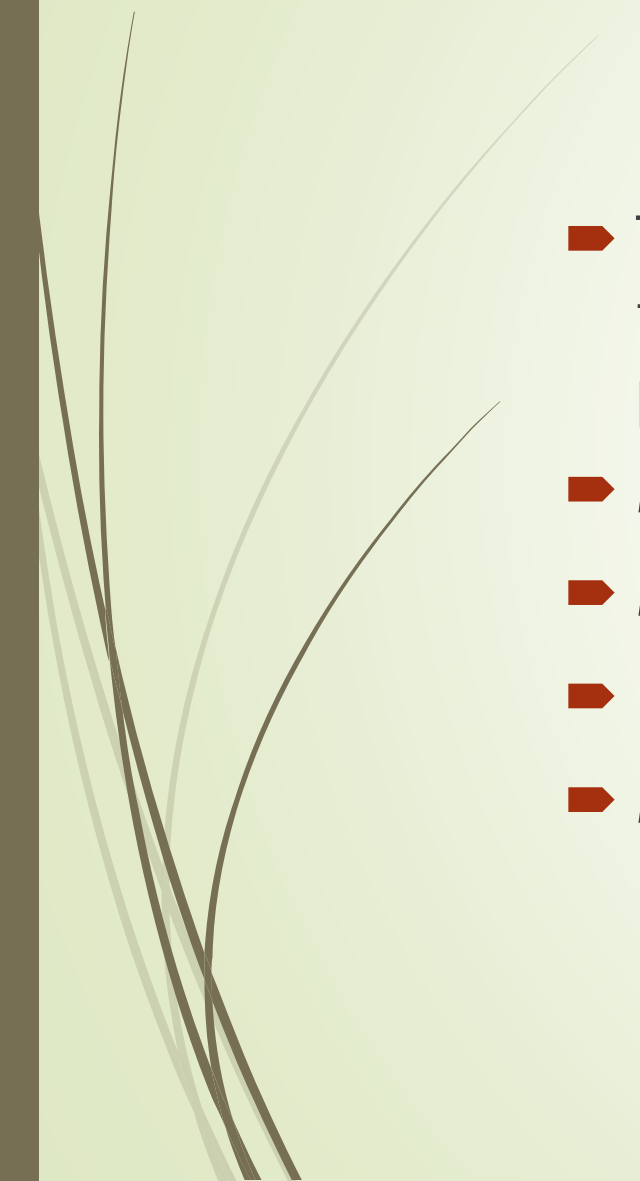


# Defining Motivation

- The result of the interaction between the individual and the situation.
- The processes that account for an individual's intensity, direction, and persistence of effort toward attaining a goal – specifically, an organizational goal.
- Three key elements:
  - Intensity – how hard a person tries
  - Direction – effort that is channeled toward, and consistent with, organizational goals
  - Persistence – how long a person can maintain effort



# Early Theories of Motivation

- These early theories may not be valid, but they do form the basis for contemporary theories and are still used by practicing managers.
  - Maslow's Hierarchy of Needs Theory
  - McGregor's Theory X and Theory Y
  - Herzberg's Two-Factor Theory
  - McClelland's Theory of Needs
- 

# Maslow's Hierarchy of Needs

- There is a hierarchy of five needs. As each need is substantially satisfied, the next need becomes dominant.
- Assumptions
  - Individuals cannot move to the next higher level until all needs at the current (lower) level are satisfied
  - Must move in hierarchical order

**Higher Order  
Internal**

Self-Actualization

Esteem

Social

**Lower Order  
External**

Safety

Physiological

# McGregor's Theory X and Theory Y

- Two distinct views of human beings: Theory X (basically negative) and Theory Y (positive).
  - Managers used a set of assumptions based on their view
  - The assumptions molded their behavior toward employees

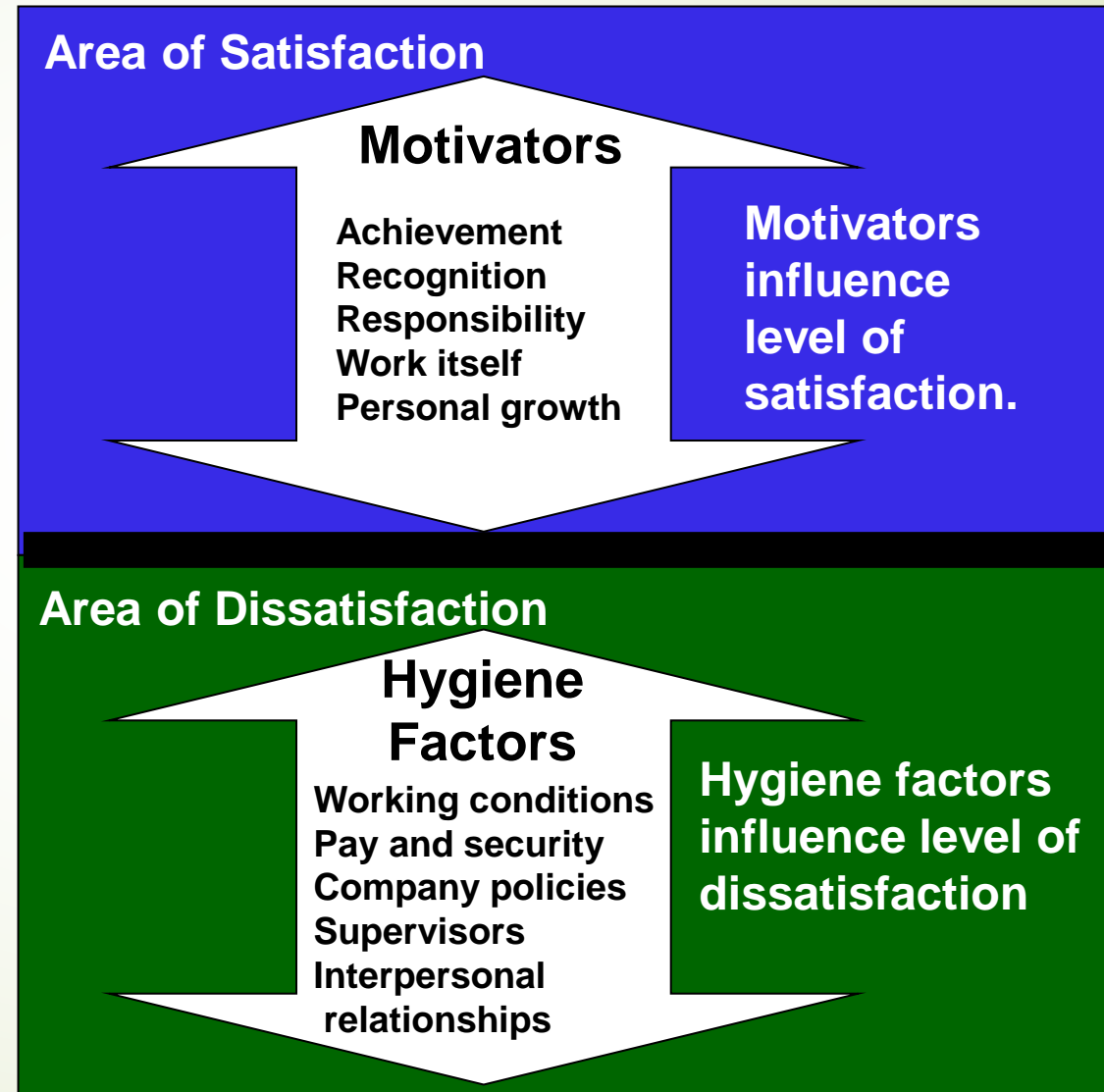
Theory X
<ul style="list-style-type: none"><li>• Workers have little ambition</li><li>• Dislike work</li><li>• Avoid responsibility</li></ul>

Theory Y
<ul style="list-style-type: none"><li>• Workers are self-directed</li><li>• Enjoy work</li><li>• Accept responsibility</li></ul>

- No empirical evidence to support this theory.

# Two Factor Motivation Theory

- ▶ Key Point:  
Satisfaction and dissatisfaction are not opposites but separate constructs





# Criticisms of Two-Factor Theory

- Herzberg says that hygiene factors must be met to remove dissatisfaction. If motivators are given, then satisfaction can occur.
- Herzberg is limited by his methodology
  - Participants had self-serving bias
- Reliability of raters questioned
  - Bias or errors of observation
- No overall measure of satisfaction was used
- Herzberg assumed, but didn't research, a strong relationship between satisfaction and productivity



# McClelland's Three Needs Theory

- Need for Achievement (nAch)
  - The drive to excel, to achieve in relation to a set of standards, to strive to succeed
- Need for Power (nPow)
  - The need to make others behave in a way that they would not have behaved otherwise
- Need for Affiliation (nAff)
  - The desire for friendly and close interpersonal relationships
- People have varying levels of each of the three needs.
  - Hard to measure

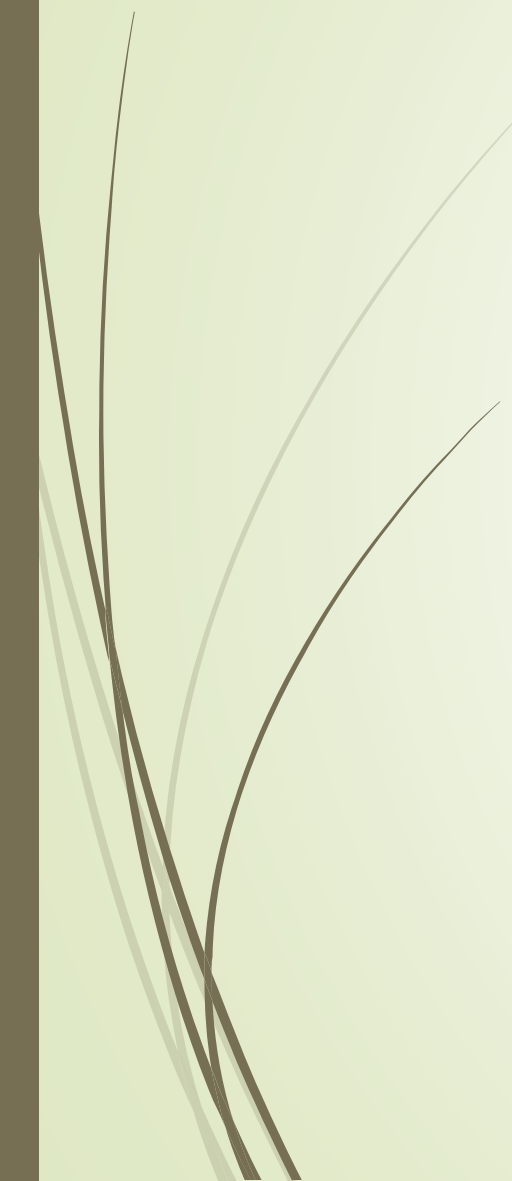


# Performance Predictions for High nAch

- ▶ People with a high need for achievement are likely to:
  - ▶ Prefer to undertake activities with a 50/50 chance of success, avoiding very low- or high-risk situations
  - ▶ Be motivated in jobs that offer high degree of personal responsibility, feedback, and moderate risk
  - ▶ Not necessarily make good managers – too personal a focus. Most good general managers do NOT have a high nAch
  - ▶ Need high level of nPow and low nAff for managerial success
- ▶ Good research support, but it is not a very practical theory



# Contemporary Theories of Motivation

- Self-Determination Theory
  - Goal-Setting Theory
    - Management by Objectives (MBO)
  - Self-Efficacy Theory
    - Also known as Social Cognitive Theory or Social Learning Theory
  - Reinforcement Theory
  - Equity Theory
  - Expectancy Theory
- 



# Self-Determination Theory

- ▶ People prefer to feel they have control over their actions, so anything that makes a previously enjoyed task feel more like an obligation than a freely chosen activity will undermine motivation.
- ▶ Major Implications for Work Rewards
  - ▶ Intrinsic and extrinsic rewards are not independent
  - ▶ Extrinsic rewards may decrease intrinsic rewards
  - ▶ Goal setting is more effective in improving motivation
  - ▶ Verbal rewards increase intrinsic motivation; tangible rewards reduce it



# Locke's Goal-Setting Theory

- Basic Premise:
  - That specific and difficult goals, with self-generated feedback, lead to higher performance
- Difficult Goals:
  - Focus and direct attention
  - Energize the person to work harder
  - Difficulty increases persistence
  - Force people to be more effective and efficient
- Relationship between goals and performance depends on:
  - Goal commitment (the more public the better!)
  - Task characteristics (simple, well-learned)
  - Culture (best match is in North America)



# Implementation: Management by Objectives

- ▶ MBO is a systematic way to utilize goal-setting.
- ▶ Goals must be:
  - ▶ Tangible
  - ▶ Verifiable
  - ▶ Measurable
- ▶ Corporate goals are broken down into smaller, more specific goals at each level of organization.
- ▶ Four common ingredients to MBO programs:
  - ▶ Goal specificity
  - ▶ Participative decision making
  - ▶ Explicit time period
  - ▶ Performance feedback

# Bandura's Self-Efficacy Theory

- ▶ An individual's belief that he or she is capable of performing a task.
  - ▶ Higher efficacy is related to:
    - ▶ Greater confidence
    - ▶ Greater persistence in the face of difficulties
    - ▶ Better response to negative feedback (work harder)
  - ▶ Self-efficacy complements Goal-Setting Theory





# Increasing Self-Efficacy

- ▶ Enactive mastery
  - ▶ Most important source of efficacy
  - ▶ Gaining relevant experience with task or job
  - ▶ “Practice makes perfect”
- ▶ Vicarious modeling
  - ▶ Increasing confidence by watching others perform the task
  - ▶ Most effective when observer sees the model to be similar to him- or herself
- ▶ Verbal persuasion
  - ▶ Motivation through verbal conviction
  - ▶ Pygmalion and Galatea effects - self-fulfilling prophecies
- ▶ Arousal
  - ▶ Getting “psyched up” – emotionally aroused – to complete task
  - ▶ Can hurt performance if emotion is not a component of the task



# Reinforcement Theory

- ▶ Similar to Goal-Setting Theory, but focused on a behavioral approach rather than a cognitive one
  - ▶ Behavior is environmentally caused
  - ▶ Thought (internal cognitive event) is not important
    - ▶ Feelings, attitudes, and expectations are ignored
  - ▶ Behavior is controlled by its consequences – reinforcers
  - ▶ Is not a motivational theory but a means of analysis of behavior
  - ▶ Reinforcement strongly influences behavior but is not likely to be the sole cause

# Adams' Equity Theory

- ▶ An individual compares his/her outcome/input ratio to that of the referent to see if they are in balance:

$$\frac{\text{Self}}{\text{Referent}} \frac{\text{Outcomes}}{\text{Inputs}} = \frac{\text{Outcomes}}{\text{Inputs}}$$

- ▶ Overpayment inequity exists when a person perceives that her outcome/input ratio is greater than the ratio of the referent.
- ▶ Underpayment inequity exists when a person perceives that her outcome/input ratio is less than the ratio of the referent.



# Equity Theory's "Relevant Others"

Can be four different situations:

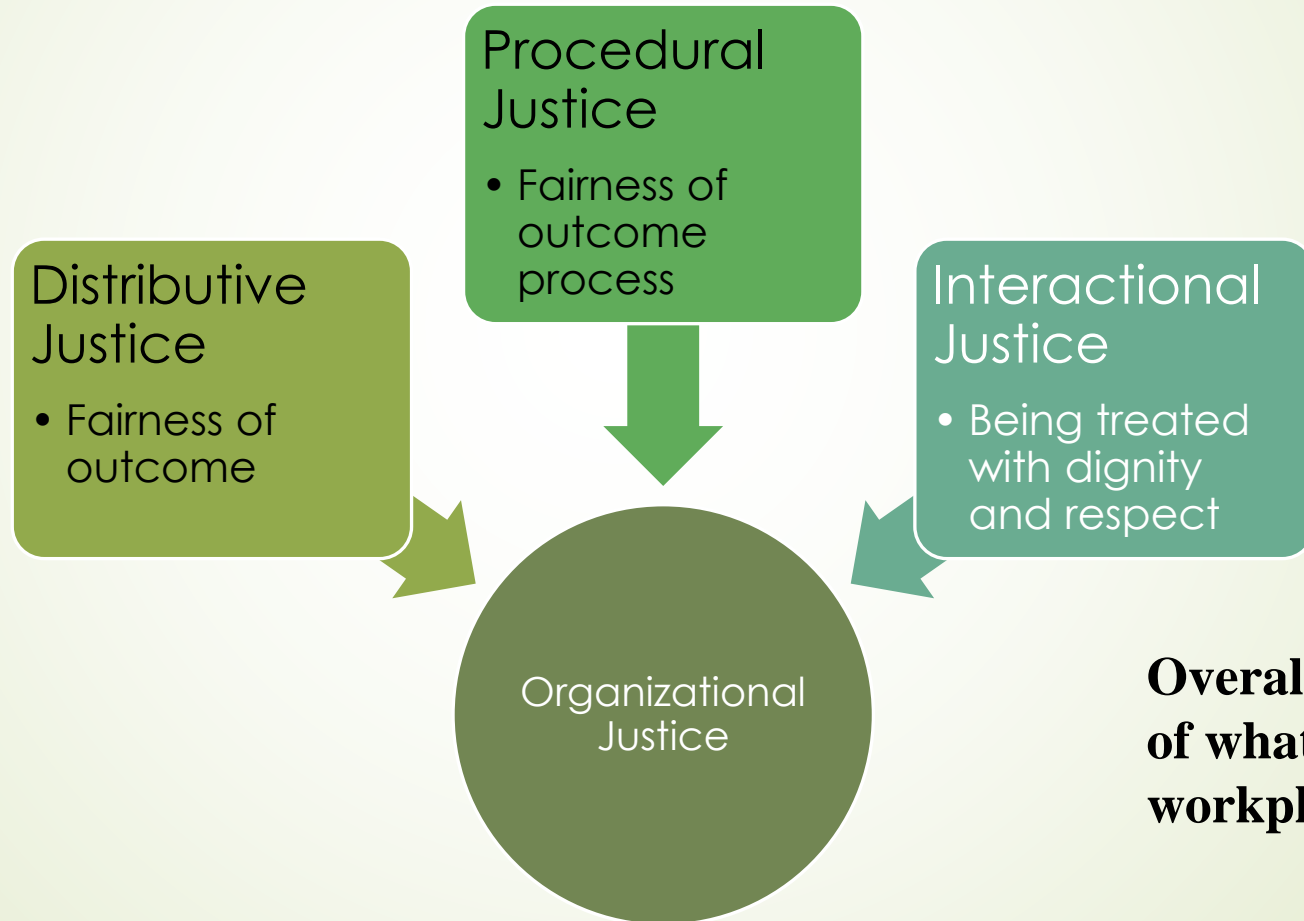
- ▶ Self-Inside
  - ▶ The person's experience in a different job in the same organization
- ▶ Self-Outside
  - ▶ The person's experience in a different job in a different organization
- ▶ Other-Inside
  - ▶ Another individual or group within the organization
- ▶ Other-Outside
  - ▶ Another individual or group outside of the organization



# Reactions to Inequity

- ▶ Employee behaviors to create equity:
  - ▶ Change inputs (slack off)
  - ▶ Change outcomes (increase output)
  - ▶ Distort/change perceptions of self
  - ▶ Distort/change perceptions of others
  - ▶ Choose a different referent person
  - ▶ Leave the field (quit the job)
- ▶ Propositions relating to inequitable pay:
  - ▶ Paid by time:
    - ▶ Overrewarded employees produce more
    - ▶ Underrewarded employees produce less with low quality
  - ▶ Paid by quality:
    - ▶ Overrewarded employees give higher quality
    - ▶ Underrewarded employees make more of low quality

# Justice and Equity Theory



**Overall perception of what is fair in the workplace.**



# Expectancy Theory

- Motivation depends on individuals' expectations about their ability to perform tasks and receive desired rewards
- Concerned not with identifying types of needs but with the thinking process that individuals use to achieve rewards
- Keys to the theory:
  - Valence (attractiveness)
  - Instrumentality (performance/reward linkage)
  - Expectancy (effort/performance linkage)



# Expectancy Components

- Valence - The desirability of an outcome to an individual (positive or negative).
- Instrumentality - A perception about the extent to which performance of one or more behaviors will lead to the attainment of a particular outcome (-1 to +1).
- Expectancy - A perception about the extent to which effort will result in a certain level of performance (0 to +1).



# Power, Influence & Negotiation



# A Definition of Power

- Power

- The capacity that A has to influence the behavior of B so that B acts in accordance with A's wishes
- Exists as a potential or fully actualized influence over a dependent relationship

- Dependency

- B's relationship to A when A possesses something that B requires
- The greater B's dependence, the more power A has




# Dependency: The Key to Power

- The General Dependency Postulate
  - The greater B's dependency on A, the greater the power A has over B
  - Possession/control of scarce organizational resources that others need makes a manager powerful
  - Access to optional resources (e.g., multiple suppliers) reduces the resource holder's power
- Dependency increases when resources are:
  - Important
  - Scarce
  - Nonsubstitutable



# Bases of Power: Formal Power

- ▶ Formal Power
  - ▶ Established by an individual's position in an organization
  - ▶ Three bases:
    - ▶ Coercive Power
      - ▶ A power base dependent on fear of negative results
    - ▶ Reward Power
      - ▶ Compliance achieved based on the ability to distribute rewards that others view as valuable
    - ▶ Legitimate Power
      - ▶ The formal authority to control and use resources based on a person's position in the formal hierarchy



# Bases of Power: Personal Power

- ▶ Power that comes from an individual's unique characteristics – these are the most effective
  - ▶ Expert Power
    - ▶ Influence based on special skills or knowledge
  - ▶ Referent Power
    - ▶ Influence based on possession by an individual of desirable resources or personal traits



# Power Tactics


- ▶ Power Tactics

- ▶ Ways in which individuals translate power bases into specific actions

- ▶ Nine influence tactics:

- ▶ Legitimacy
    - ▶ Rational persuasion\*
    - ▶ Inspirational appeals\*
    - ▶ Consultation\*
    - ▶ Exchange
    - ▶ Personal appeals
    - ▶ Ingratiation
    - ▶ Pressure
    - ▶ Coalitions

\* Most effective  
(Pressure is the least effective)



# Factors Influencing Power Tactics

- ▶ Choice and effectiveness of influence tactics are moderated by:
  - ▶ Sequencing of tactics
    - ▶ Softer to harder tactics work best
  - ▶ Political skill of the user
  - ▶ The culture of the organization
    - ▶ Culture affects user's choice of tactic



# Influence: The Science of Persuasion

- Liking
  - Reciprocity
  - Social Proof
  - Consistency
  - Authority
  - Scarcity
- 



# Impression Management (IM)

- The process by which individuals attempt to control the impression others form of them
- IM Techniques
  - Conformity
  - Excuses
  - Apologies
  - Self-Promotion
  - Flattery
  - Favors
  - Association



# IM Effectiveness

- Job Interview Success
  - IM does work and most people use it
  - Self-promotion techniques are important
  - Ingratiation is of secondary importance
- Performance Evaluations
  - Ingratiation is positively related to ratings
  - Self-promotion tends to backfire



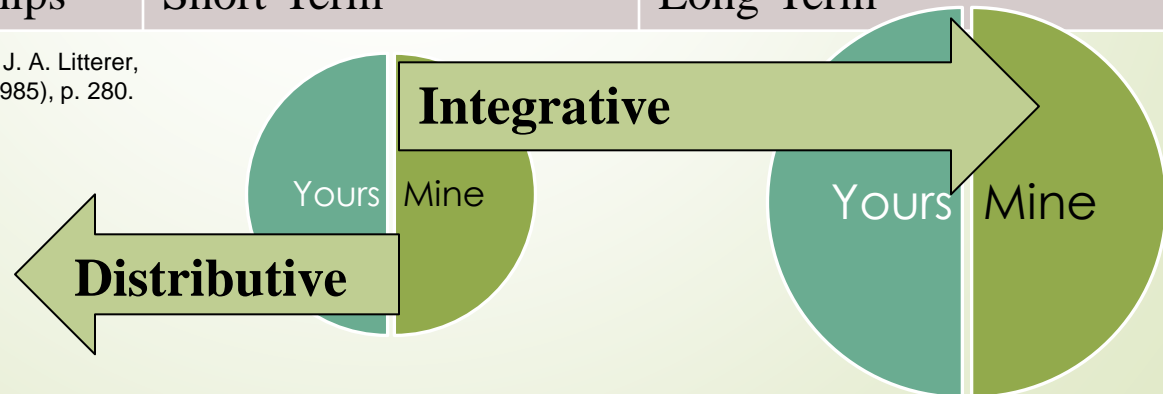
# Negotiation

- Negotiation (Bargaining)
  - A process in which two or more parties exchange goods or services and attempt to agree on the exchange rate for them
- Two General Approaches:
  - Distributive Bargaining
    - Negotiation that seeks to divide up a fixed amount of resources; a win-lose situation
  - Integrative Bargaining
    - Negotiation that seeks one or more settlements that can create a win-win solution

# Distributive versus Integrative Bargaining

Bargaining Characteristic	Distributive Bargaining	Integrative Bargaining
Goal	Get all the pie you can	Expand the pie
Motivation	Win-Lose	Win-Win
Focus	Positions	Interests
Information Sharing	Low	High
Duration of Relationships	Short-Term	Long-Term

Source: Based on R. J. Lewicki and J. A. Litterer, *Negotiation* (Homewood, IL: Irwin, 1985), p. 280.



# The Negotiation Process

- BATNA
  - The Best Alternative To a Negotiated Agreement
  - The lowest acceptable value (outcome) to an individual for a negotiated agreement
- The “Bottom Line” for negotiations

Preparation and  
planning

Definition of  
ground rules

Clarification and  
justification

Bargaining and  
problem solving

Closure and  
implementation



# Individual Differences in Negotiation Effectiveness

- ▶ Personality Traits
  - ▶ Extroverts and agreeable people weaker at distributive negotiation – disagreeable introvert is best
  - ▶ Intelligence is a weak indicator of effectiveness
- ▶ Mood and Emotion
  - ▶ Ability to show anger helps in distributive bargaining
  - ▶ Positive moods and emotions help integrative bargaining
- ▶ Gender
  - ▶ Men and women negotiate the same way, but may experience different outcomes
  - ▶ Women and men take on gender stereotypes in negotiations: tender and tough
  - ▶ Women are less likely to negotiate



# Third-Party Negotiations

- ▶ Four Basic Third-Party Roles

- ▶ Mediator

- ▶ A neutral third party who facilitates a negotiated solution by using reasoning, persuasion, and suggestions for alternatives

- ▶ Arbitrator

- ▶ A third party to a negotiation who has the authority to dictate an agreement.

- ▶ Conciliator

- ▶ A trusted third party who provides an informal communication link between the negotiator and the opponent

- ▶ Consultant

- ▶ An impartial third party, skilled in conflict management, who attempts to facilitate creative problem solving through communication and analysis



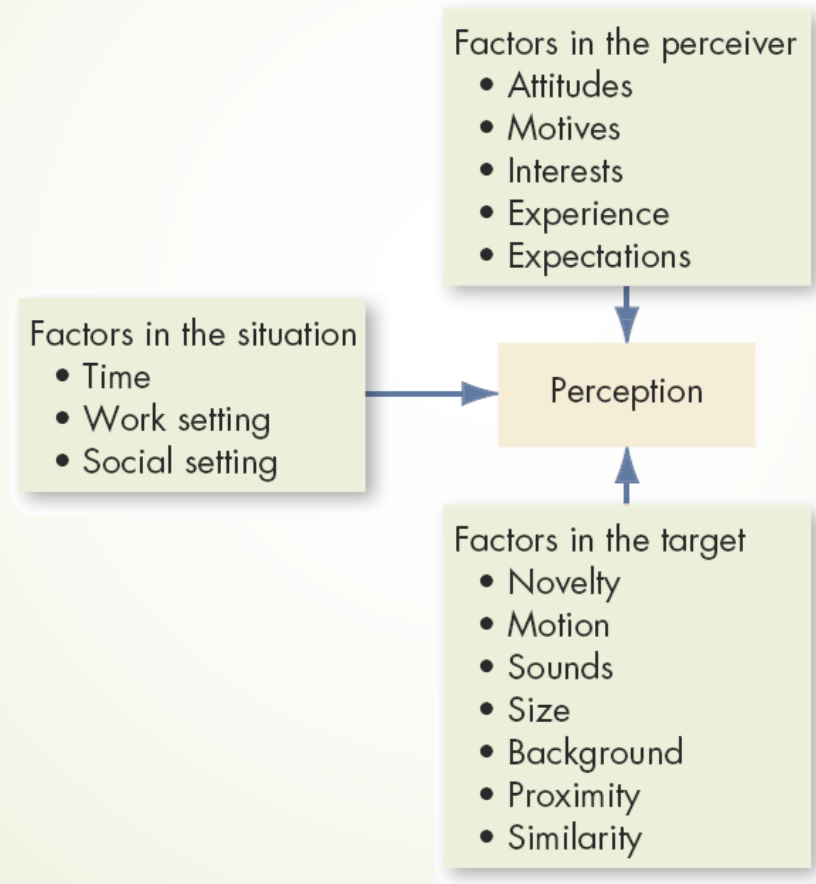
# Perception and Decision Making



# What is Perception?

- ▶ A process by which individuals organize and interpret their sensory impressions in order to give meaning to their environment.
- ▶ People's behavior is based on their perception of what reality is, not on reality itself.
- ▶ The world as it is perceived is the world that is behaviorally important.

# Factors that Influence Perception

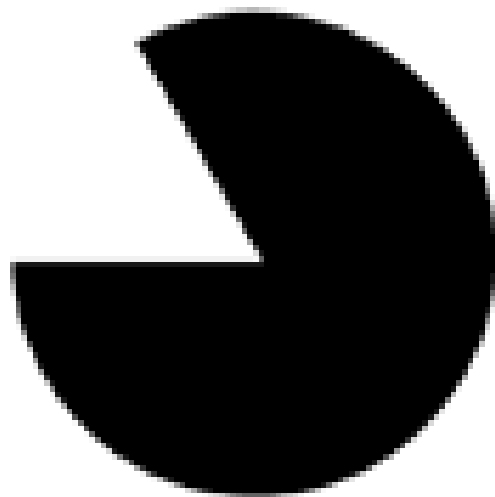
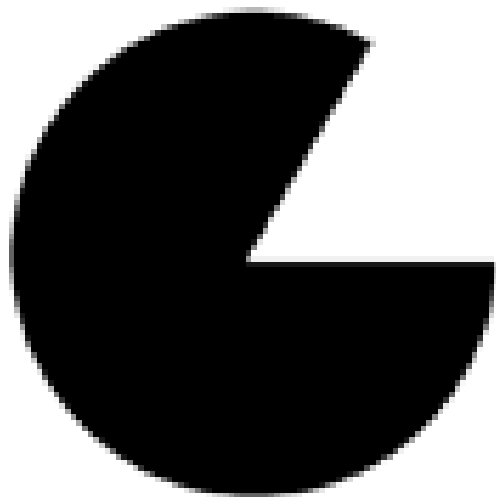


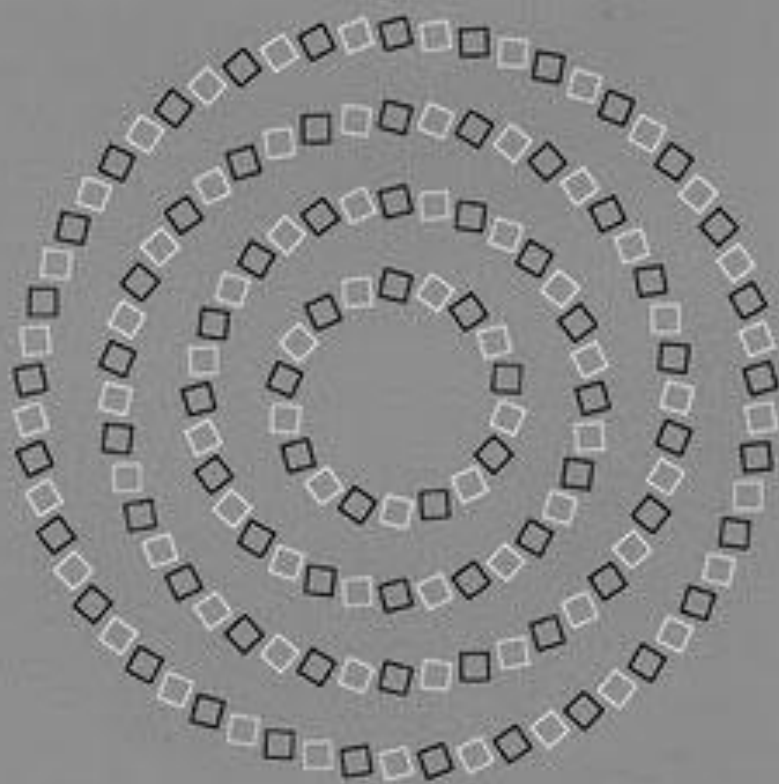


# Frequently Used Shortcuts in Judging Others

- ▶ Selective Perception
  - ▶ People selectively interpret what they see on the basis of their interests, background, experience, and attitudes
- ▶ Halo Effect
  - ▶ Drawing a general impression about an individual on the basis of a single characteristic
- ▶ Contrast Effects
  - ▶ Evaluation of a person's characteristics that are affected by comparisons with other people recently encountered who rank higher or lower on the same characteristics







**Four perfect concentric circles (or not?)**







# Another Shortcut: Stereotyping

- ▶ Judging someone on the basis of one's perception of the group to which that person belongs – a prevalent and often useful, if not always accurate, generalization
- ▶ Profiling
  - ▶ A form of stereotyping in which members of a group are singled out for intense scrutiny based on a single, often racial, trait.



# Perceptions and Individual Decision Making

- Problem

- A perceived discrepancy between the current state of affairs and a desired state

- Decisions

- Choices made from among alternatives developed from data

- Perception Linkage:

- All elements of problem identification and the decision-making process are influenced by perception.
  - Problems must be recognized
  - Data must be selected and evaluated



# Decision-Making Models in Organizations

- ▶ Rational Decision Making
  - ▶ The “perfect world” model: assumes complete information, all options known, and maximum payoff
  - ▶ Six-step decision-making process
- ▶ Bounded Reality
  - ▶ The “real world” model: seeks satisfactory and sufficient solutions from limited data and alternatives
- ▶ Intuition
  - ▶ A non-conscious process created from distilled experience that results in quick decisions
    - ▶ Relies on holistic associations
    - ▶ Affectively charged – engaging the emotions

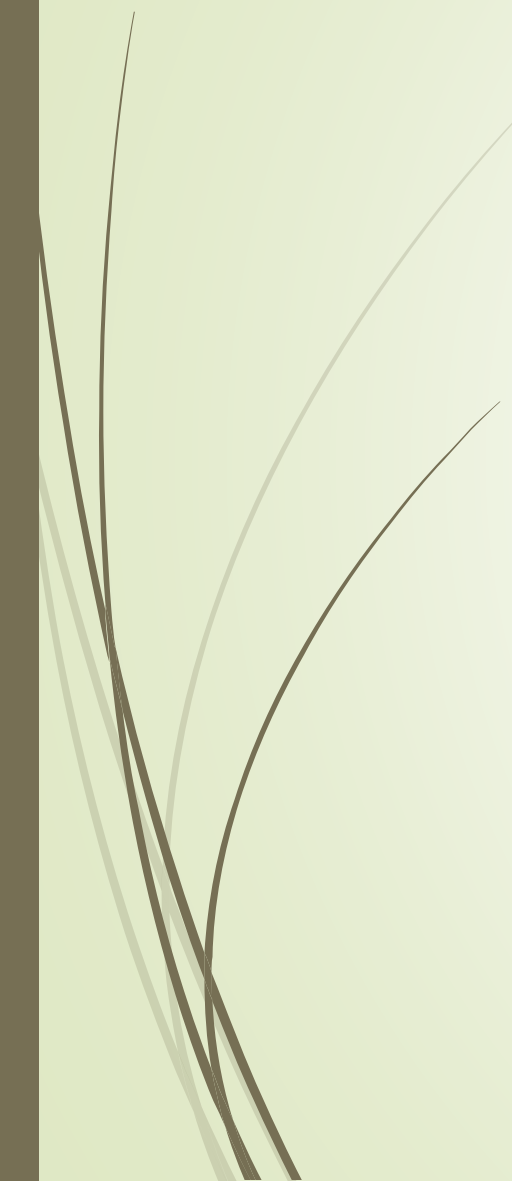


# The Rational Decision-Making Process - Description

- ▶ A prescriptive model of decision making that rests on two major assumptions:
  - ▶ People have access to all the information they need to make a decision
  - ▶ People make decisions by choosing the best possible solution to a problem or response to an opportunity
- ▶ Additional Assumptions
  - ▶ Problem clarity
  - ▶ Known options
  - ▶ Clear preferences.
  - ▶ Constant preferences
  - ▶ No time or cost constraints
  - ▶ Maximum payoff



# The Rational Decision-Making Process - Steps

- 1. Define the problem
  - 2. Identify decision criteria
  - 3. Weight the criteria
  - 4. Generate alternatives
  - 5. Rate each alternative on each criterion
  - 6. Compute the optimal decision
- 



# How Decisions Are Actually Made In Organizations?

- ▶ Are decision makers in organizations rational?
- ▶ When decision makers are faced with a simple problem having few alternative courses of action, and when the cost of searching out and evaluating alternatives is low, the rational model provides a fairly accurate description of the decision-making process.
- ▶ But such situations are the exception. Most decisions in the real world do not follow the rational model.



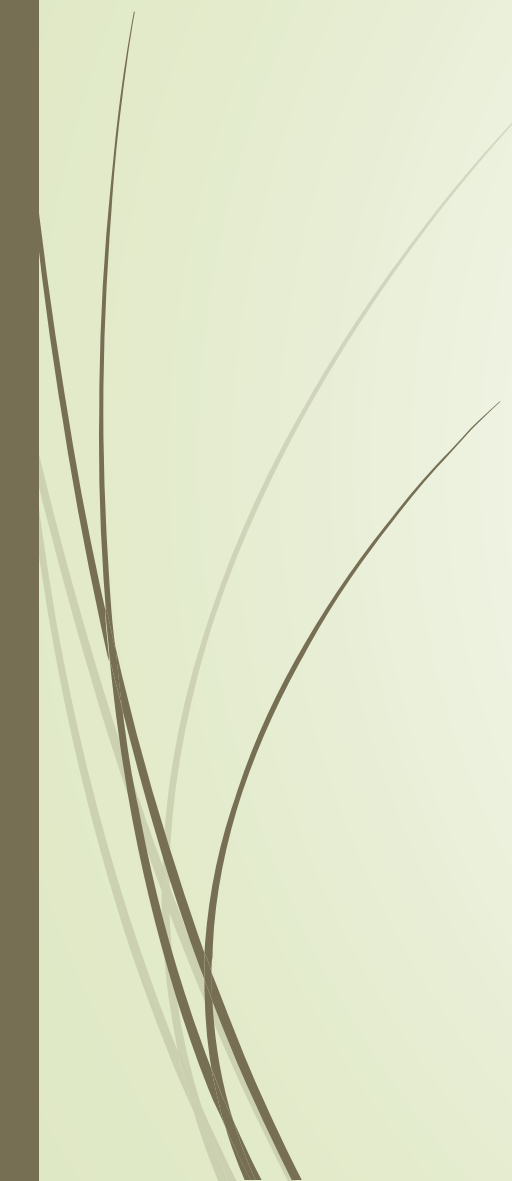
# Bounded Rationality



- ▶ Bounded rationality: Due to the limited capacity of the human mind to meet the requirements of being fully rational; people construct simplified models that extract the essential features from complex problems without capturing all of their complexity
- ▶ Satisficing: means that decision makers choose the first solution alternative that satisfies minimal decision criteria



# Bounded Rationality

- ▶ The decision maker limits alternatives to the more conspicuous choices.
  - ▶ The limited set of alternatives is reviewed.
  - ▶ The first alternative that meets the "good enough" criterion ends the search.
  - ▶ So the final solution represents a "satisficing" choice rather than an optimal one.
- 



# Bounded Rationality

- ▶ The order in which alternatives are considered is critical in determining which alternative is selected because the "satisficing" choice will be the first acceptable one the decision maker encounters.
- ▶ Solutions that depart least from the status quo and meet the decision criteria are most likely to be selected.




# Common Biases and Errors in Decision Making

- ▶ Overconfidence Bias
  - ▶ Believing too much in our own ability to make good decisions – especially when outside of own expertise
- ▶ Anchoring Bias
  - ▶ Using early, first received information as the basis for making subsequent judgments
- ▶ Confirmation Bias
  - ▶ Selecting and using only facts that support our decision
- ▶ Availability Bias
  - ▶ Emphasizing information that is most readily at hand
    - ▶ Recent
    - ▶ Vivid



# More Common Decision-Making Errors

- ▶ Escalation of Commitment
  - ▶ Increasing commitment to a decision in spite of evidence that it is wrong – especially if responsible for the decision!
- ▶ Randomness Error
  - ▶ Creating meaning out of random events – superstitions
- ▶ Winner's Curse
  - ▶ Highest bidder pays too much due to value overestimation
  - ▶ Likelihood increases with the number of people in auction
- ▶ Hindsight Bias
  - ▶ After an outcome is already known, believing it could have been accurately predicted beforehand



# Individual Differences in Decision Making

- ▶ Personality
  - ▶ Conscientiousness may effect escalation of commitment
    - ▶ Achievement strivers are likely to increase commitment
    - ▶ Dutiful people are less likely to have this bias
  - ▶ Self-Esteem
    - ▶ High self-esteem people are susceptible to self-serving bias
- ▶ Gender
  - ▶ Women analyze decisions more than men – rumination
  - ▶ Differences develop early
- ▶ Mental Ability



# Summary and Managerial Implications

- Perception:

- People act based on how they view their world
- What exists is not as important as what is believed
- Managers must also manage perception

- Individual Decision Making

- Most use bounded rationality: they satisfice
- Combine traditional methods with intuition and creativity for better decisions
  - Analyze the situation and adjust to culture and organizational reward criteria
  - Be aware of, and minimize, biases



# Leadership

Jeff Peterson



# Leadership versus Management

## Management

- ▶ Use of authority inherent in designated formal rank to obtain compliance from organizational members
  - ▶ Coping with Complexity
  - ▶ Promotes stability, order and problem solving within existing organizational structure and systems

## Leadership

- ▶ The ability to influence a group toward the achievement of goals
  - ▶ Coping with Change
  - ▶ Promotes vision, creativity, and change



# Leadership Traits



- Traits - early efforts to understand leadership success focused on leader's personal characteristics
- Great man approach - early research focused on leaders who had achieved a level of greatness
  - Find out what made them great
  - Find people with same traits

# Personal Characteristics of Leaders

## Physical Characteristics

Energy

Physical stamina

## Social Background

Education

Mobility

## Intelligence and Ability

Judgment,  
decisiveness

Knowledge

Intelligence, cognitive  
ability

## Personality

Self-confidence

Honesty & integrity

Enthusiasm

Desire to lead

Independence

## Social Characteristics

Sociability, interpersonal skills

Cooperativeness

Ability to enlist cooperation

Tact, diplomacy

## Work-related Characteristics

Achievement drive

Drive to excel

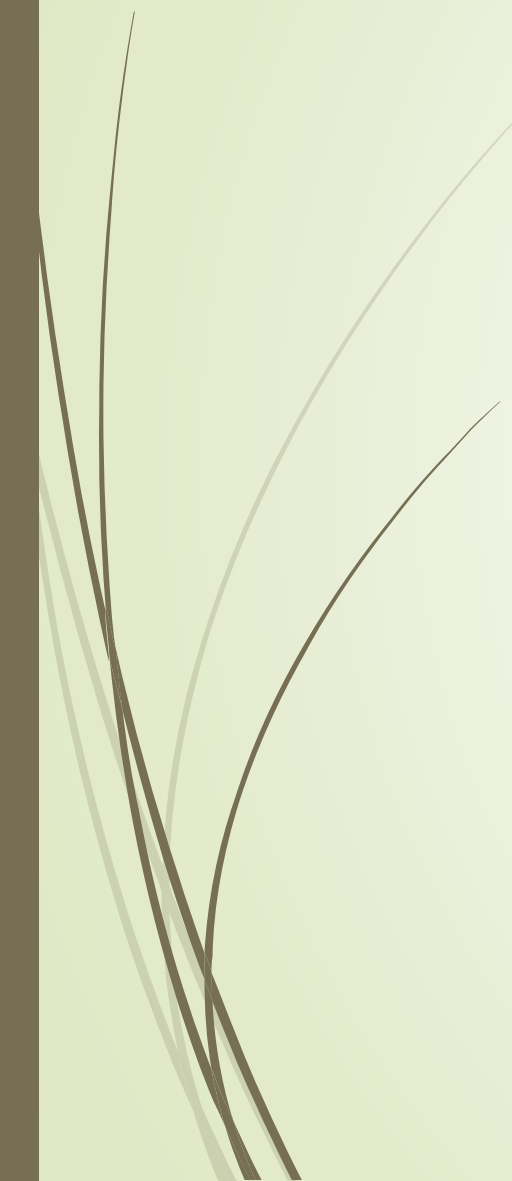
Conscientiousness in pursuit of goals


Persistence against obstacles, tenacity

Source: Adapted from Bernard M. Bass, *Stogdill's Handbook of Leadership*, rev. Ed. (New York: Free Press, 1981), 75-76. This adaptation appeared in R. Albanese and D. D. Van Fleet, *Organizational Behavior: A managerial Viewpoint* (Hinsdale, Ill.: The Dryden Press, 1983).




# Universal Traits for Leadership

- Drive
  - Leadership Motivation
  - Honesty and integrity
  - Self-confidence
  - Cognitive ability
  - Knowledge of business
- 



# Behavioral Approaches Ohio State Studies

- ▶ Consideration: - people-oriented behavior
  - ▶ Is mindful of subordinates
  - ▶ Establishes mutual trust
  - ▶ Provides open communication
  - ▶ Develops teamwork
- ▶ Initiating Structure: task-oriented behavior
  - ▶ Directs subordinate work activities toward goal attainment
  - ▶ Typically gives instructions, spends time planning, and emphasizes deadlines
  - ▶ Provides explicit schedules of work activities



# Behavioral Approaches Michigan Studies

- ▶ University of Michigan compared the behavior of effective and ineffective supervisors
  - ▶ Employee-centered leaders
  - ▶ Job-centered leaders




# Scoring Leadership Style

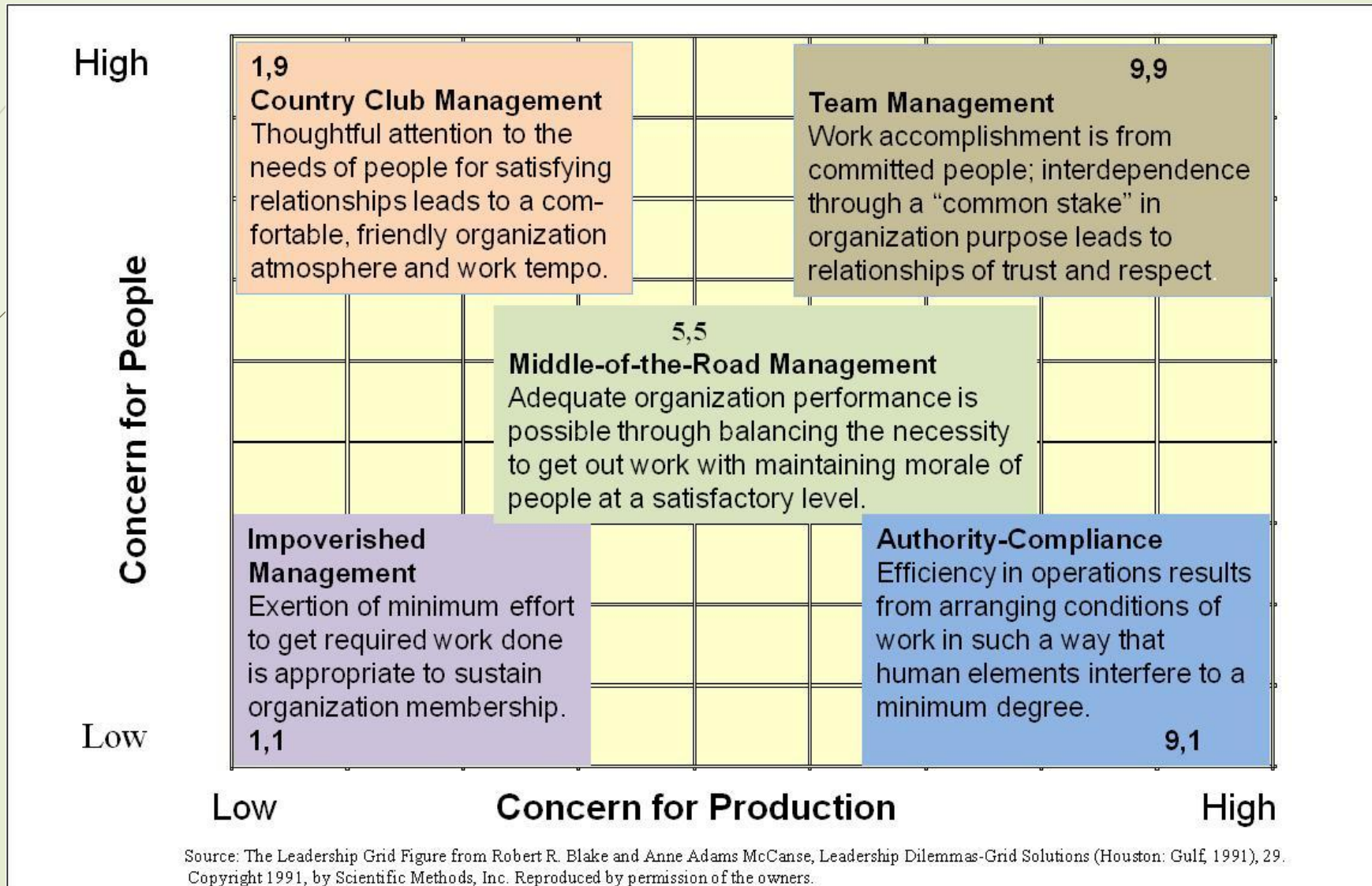
- Circle item number for items 8, 12, 17, 18, 19, 30 and 35.
- Write the number 1 in front of a circled item if you selected S or N.
- Write the number 1 in front of a non-circled item if you selected A or F
- Circle the number of 1s in front of 3, 5, 8, 10, 15, 18, 19, 22, 24, 26, 28, 30, 32, 34 and 35
- Count the number of circled 1s. this is your People Score
- Count the number of uncircled 1s. this is your Task Score



# The Leadership Grid

- ▶ Two-dimensional leadership theory that measures the leader's concern for people and for production
  - ▶ Builds on the work of Ohio State and Michigan studies
- 

# The Leadership Grid





# Contingency Approaches

- Hersey and Blanchard Situational Theory
  - Fiedler's Contingency Theory
  - Evans and House Path Goal Theory
- 

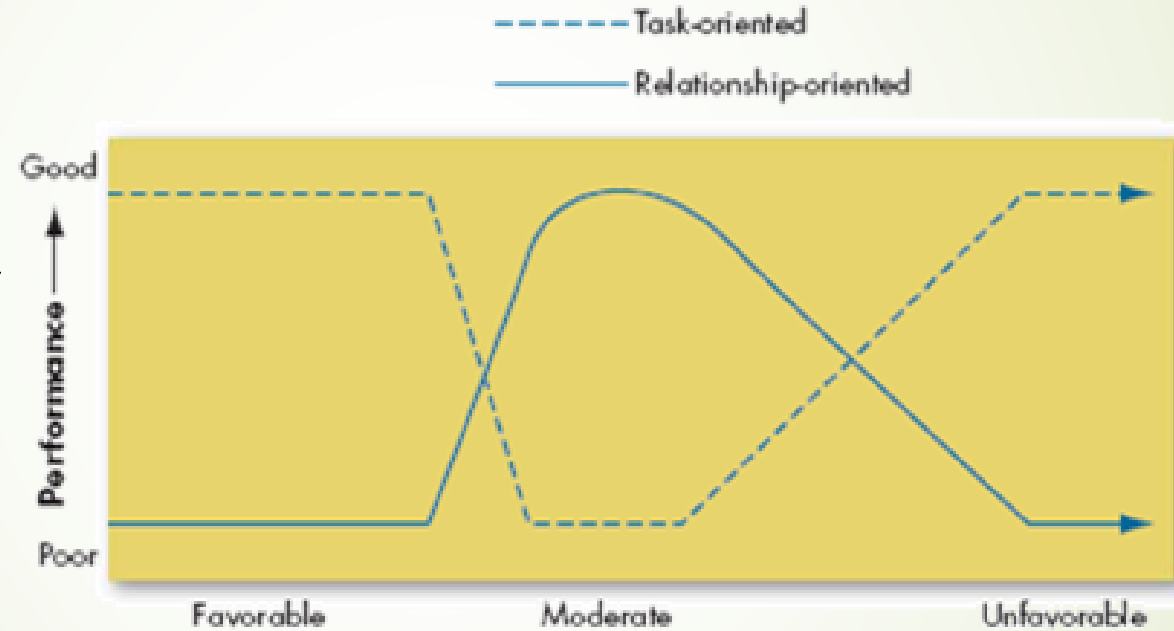


# Fiedler's Classification of Situation Favorableness

- ▶ Leaders needs to know
  - ▶ Whether they have a relationship- or task-oriented style
  - ▶ Should diagnose the situation and determine the favorableness of the following three areas
  - ▶ Assumes that leadership style (based on orientation revealed in LPC questionnaire) is fixed

# Graphic Representation of Fiedler's Model

Used to determine which type of leader to use in a given situation



Category	I	II	III	IV	V	VI	VII	VIII
Leader-member relations	Good	Good	Good	Good	Poor	Poor	Poor	Poor
Task structure	High	High	Low	Low	High	High	Low	Low
Position power	Strong	Weak	Strong	Weak	Strong	Weak	Strong	Weak



# Assessment of Fiedler's Model

## ➤ Positives:

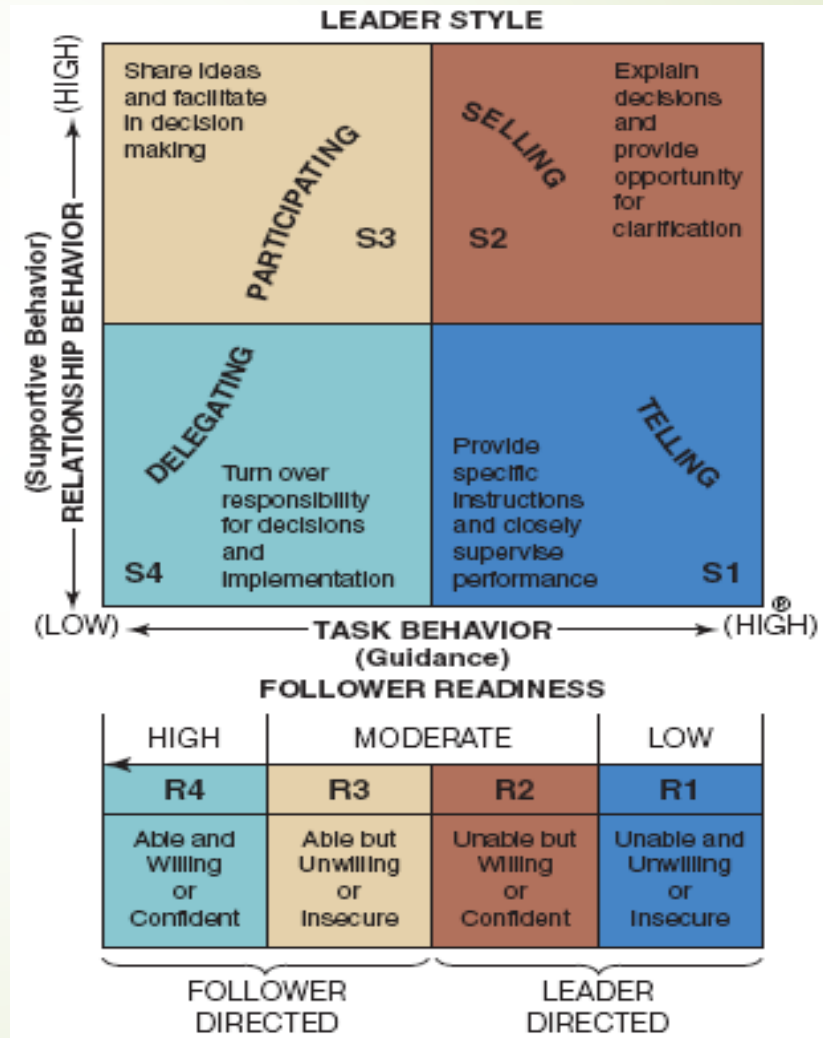
- Considerable evidence supports the model, especially if the original eight situations are grouped into three

## ➤ Problems:

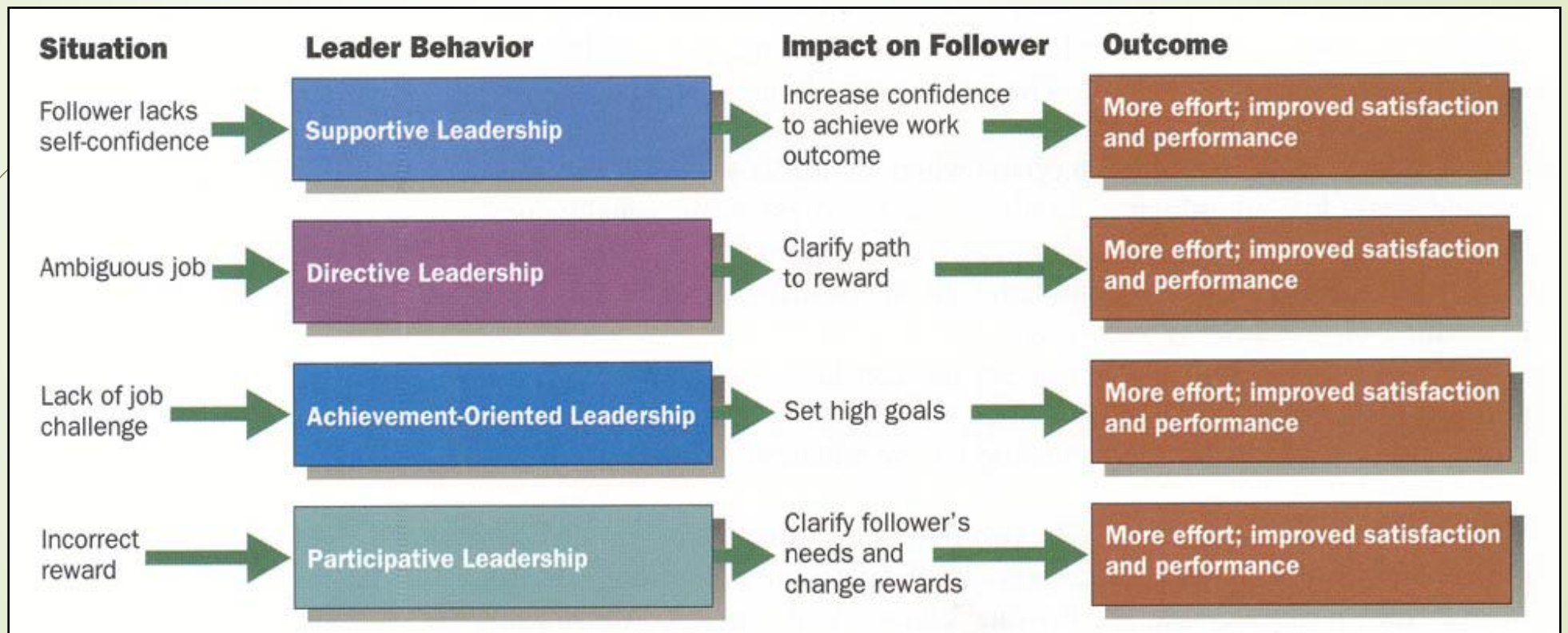
- The logic behind the LPC scale is not well understood
- LPC scores are not stable
- Contingency variables are complex and hard to determine

# Hersey-Blanchard's Situational Theory of Leadership

- Leadership Styles = Telling, Selling, Participating, Delegating
- Follower readiness = Ability level + Willingness to follow



# Path-Goal Situations & Preferred Leader Behavior



Source: Adapted from Gary A. Yukl, *Leadership in Organizations* (Englewood Cliffs, N.J.: Prentice-Hall, 1981), 146-152.



# Leader-Member Exchange (LMX) Theory

## ➤ In Groups

- Members are similar to leader
- In the leader's inner circle of communication
- Receives more time and attention from leader
- Gives greater responsibility and rewards

## ➤ Out Groups

- Managed by formal rules and policies
- Receive less of the leader's attention / fewer exchanges
- More likely to retaliate against the organization

# Transformational Leaders

- Inspire followers to transcend their self-interests for the good of the organization

## Transactional

- Contingent Reward
- Management by Exception (active)
- Management by Exception (passive)
- Laissez-Faire

## Transformational

- Idealized Influence
- Inspirational Motivation
- Intellectual Stimulation
- Individualized Consideration

# Charismatic Leadership

- ▶ Charisma means gift in Greek



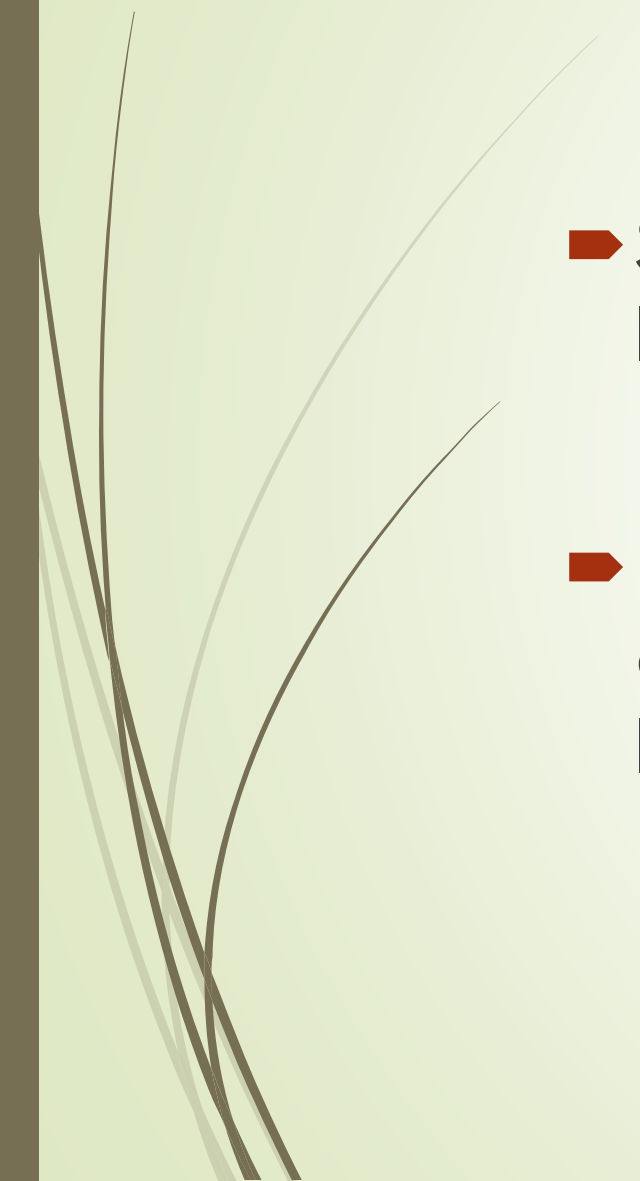
# Charismatic Leadership

► How do charismatic leaders influence followers?





# Substitutes for Leadership

- Substitute = situational variable that makes a leadership style unnecessary or redundant
  - Neutralizer = situational variable that counteracts a leadership style and prevents the leader from displaying certain behaviors
- 

# MBA Final Exam

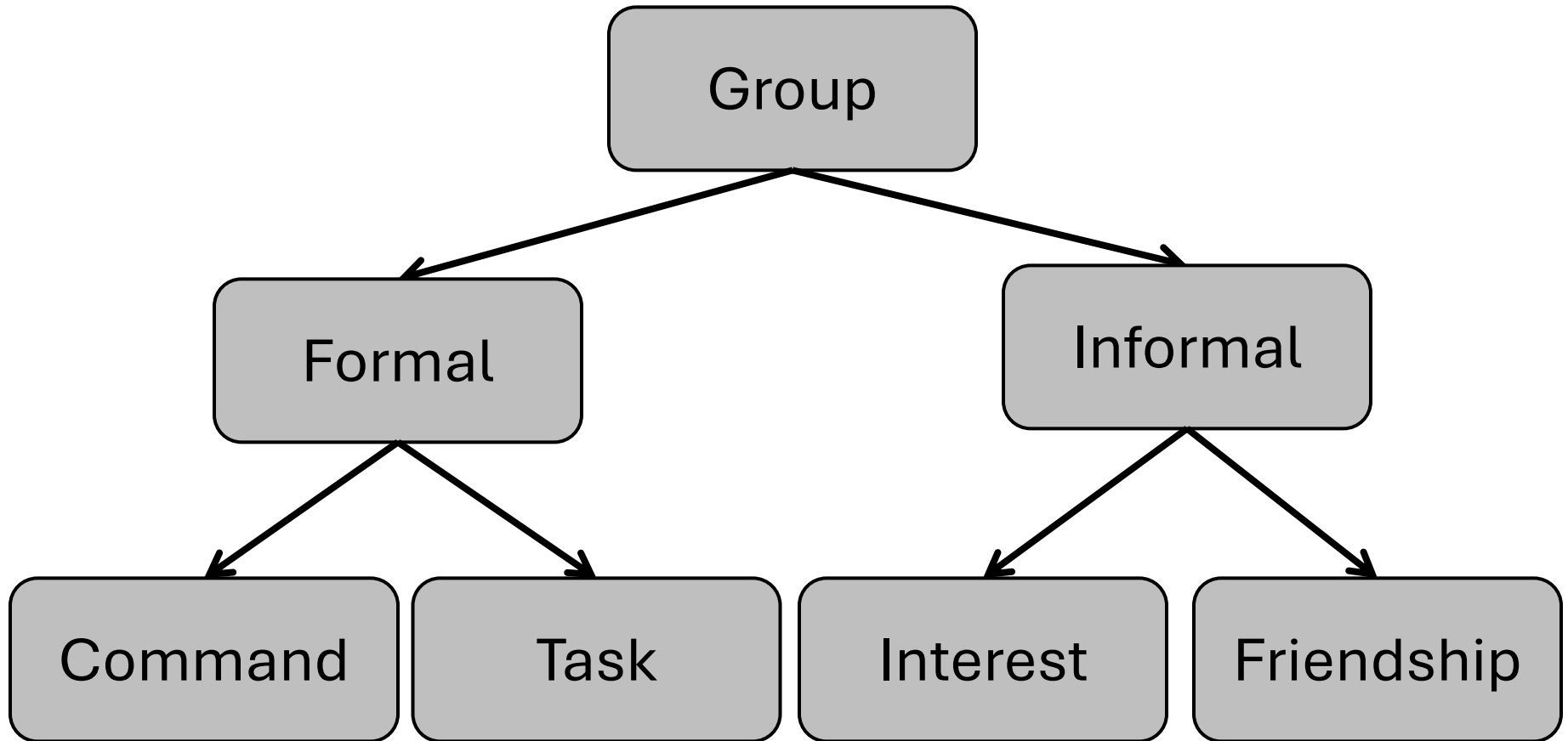
# Format

- 50 Multiple Choice Questions
- Available from Monday Until Saturday Midnight
- Test is timed, with 5 hours once you begin
- I am providing you chapters from a text to help.

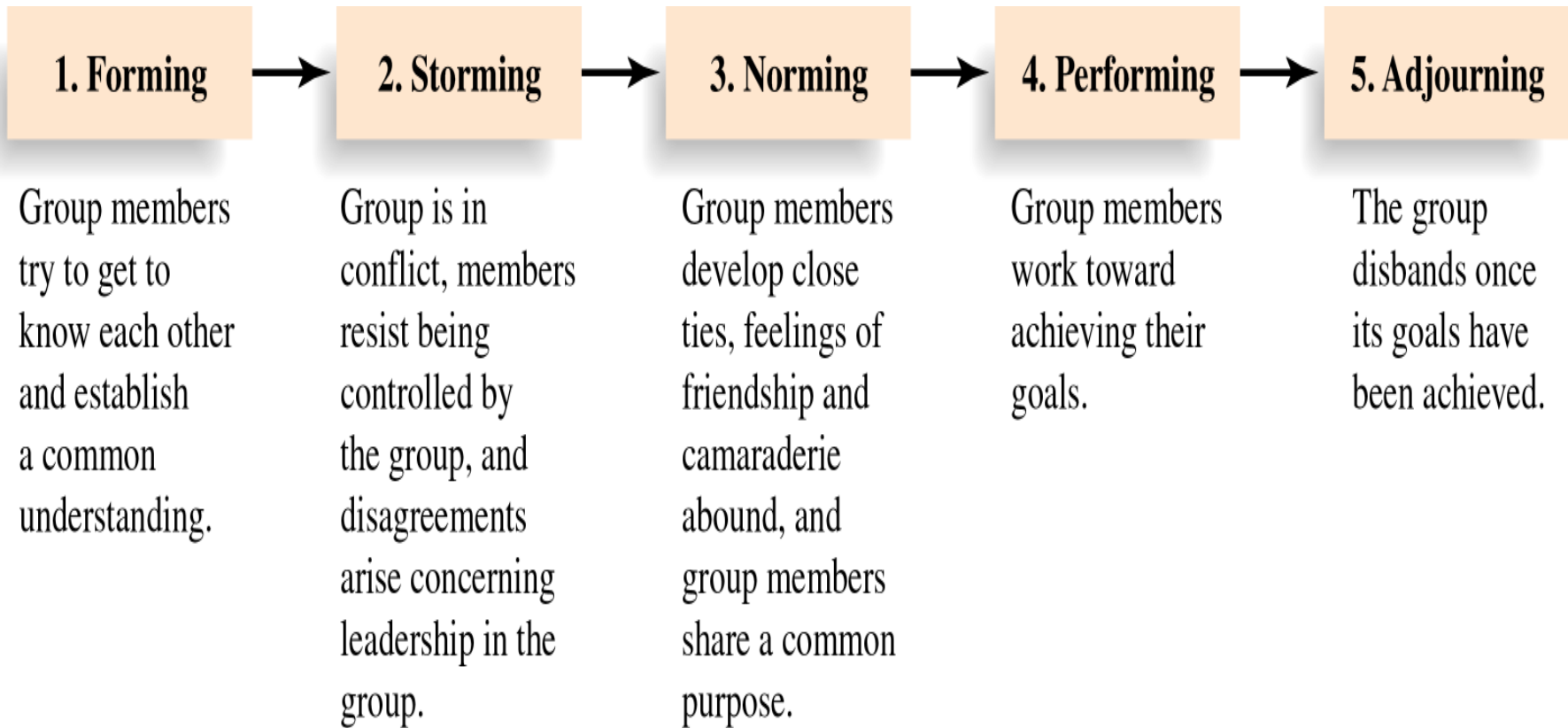
# Define and Classify Groups

- Group:
  - Two or more individuals interacting and interdependent, who have come together to achieve particular objectives
- Formal Group:
  - Defined by the organization's structure with designated work assignments establishing tasks
- Informal Group:
  - Alliances that are neither formally structured nor organizationally determined
  - Appear naturally in response to the need for social contact
  - Deeply affect behavior and performance

# Groups & Teams

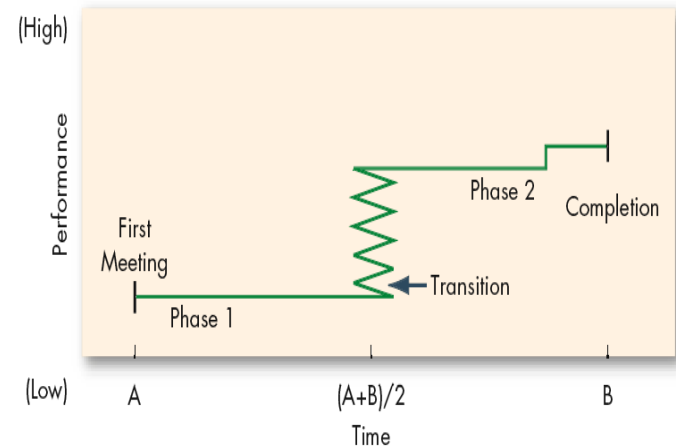


# Know Team Formation Stages

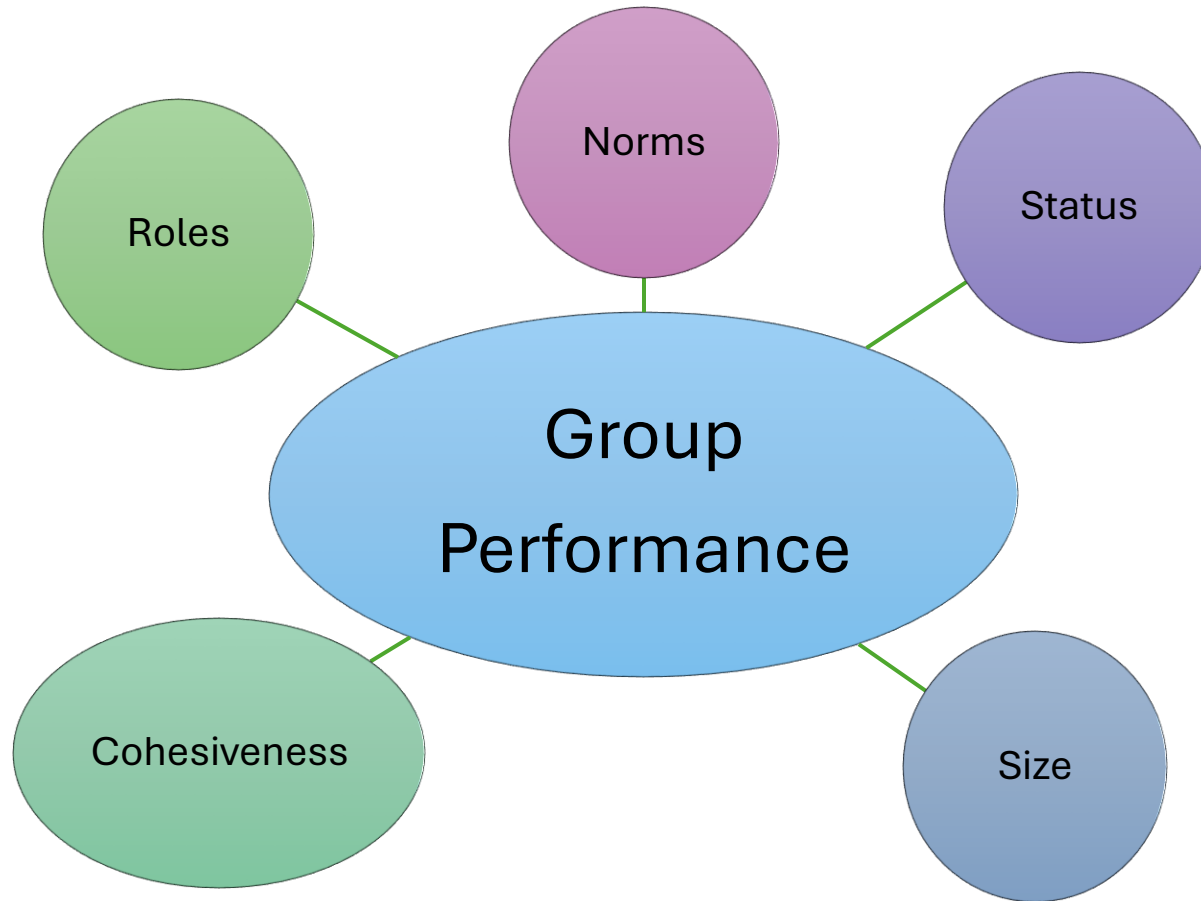


# Explain Punctuated-Equilibrium Model

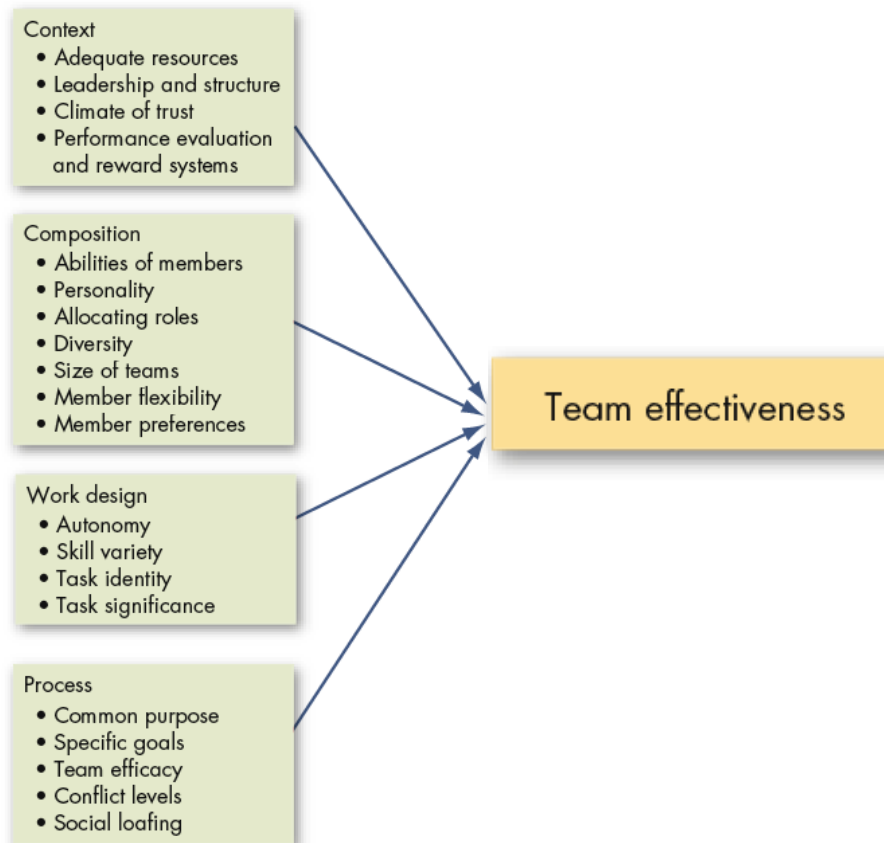
- Punctuated-Equilibrium Model
  - Temporary groups under deadlines go through transitions between inertia and activity—at the halfway point, they experience an increase in productivity.
  - Sequence of Actions
    - Setting group direction
    - First phase of inertia
    - Half-way point transition
    - Major changes
    - Second phase of inertia
    - Accelerated activity



# Explain how Group Properties Impact Performance



# Explain the Team-Effectiveness Model



# Be Able to Explain the Difference Between These Two Types of Diversity

Surface-level  
diversity

Deep-level  
diversity



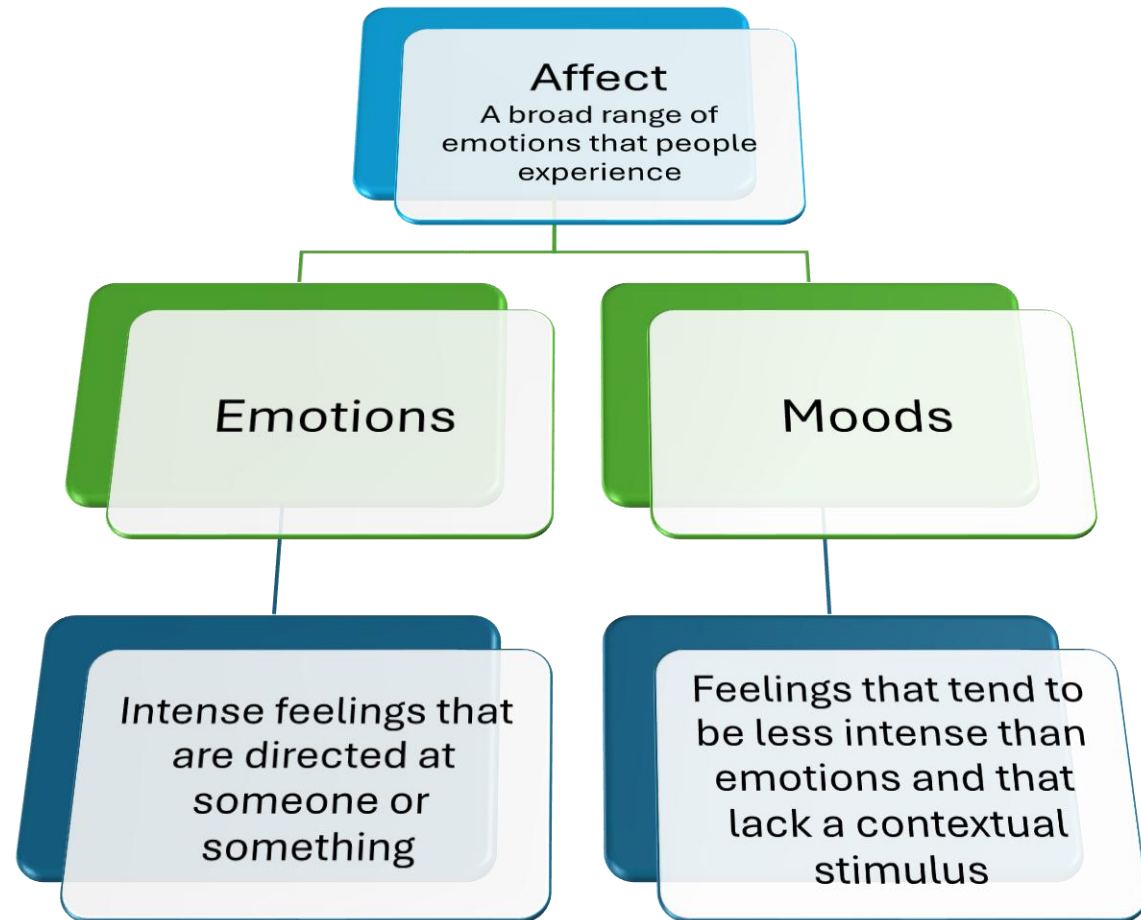
# Be Able to Explain the Differences Between These Terms

- Discrimination
  - Noting of a difference between things
- Unfair discrimination
  - Making judgments about individuals based on stereotypes regarding their demographic group
- Stereotyping
  - To place a person in a group, based on an attribute and then assign all of the assumed qualities of the group on that person

# Know How Biographical Characteristics Affect (or Don't Effect Performance)

- Age
- Gender
- Race & Ethnicity
- Tenure
- Religion
- Sexual Orientation
- Gender Identity

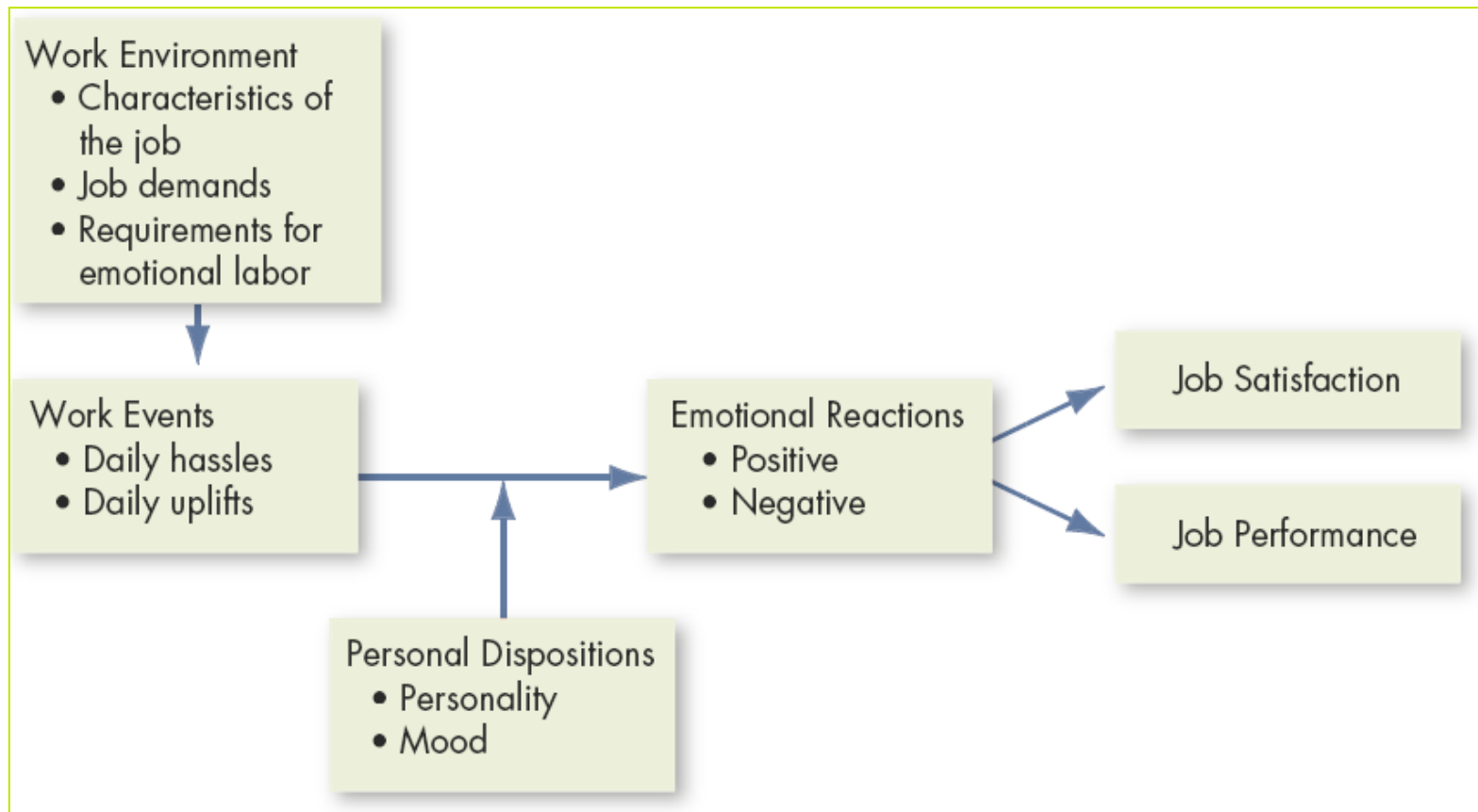
# Be Able to Compare and Contrast Emotions and Moods



# Be Able to Explain Emotional Labor

- An employee's expression of organizationally desired emotions during interpersonal transactions at work.
- Types of Emotions:
  - Felt: the individual's actual emotions
  - Displayed: required or appropriate emotions
- Emotional Labor takes place when the emotions that are felt and those that are displayed are different

# Be Able to Explain Affective Events Theory (AET)



# Be Able to Explain Emotional Intelligence (EI)

- A person's ability to:
  - Be self-aware
  - Detect emotions in others
  - Manage emotional cues and information

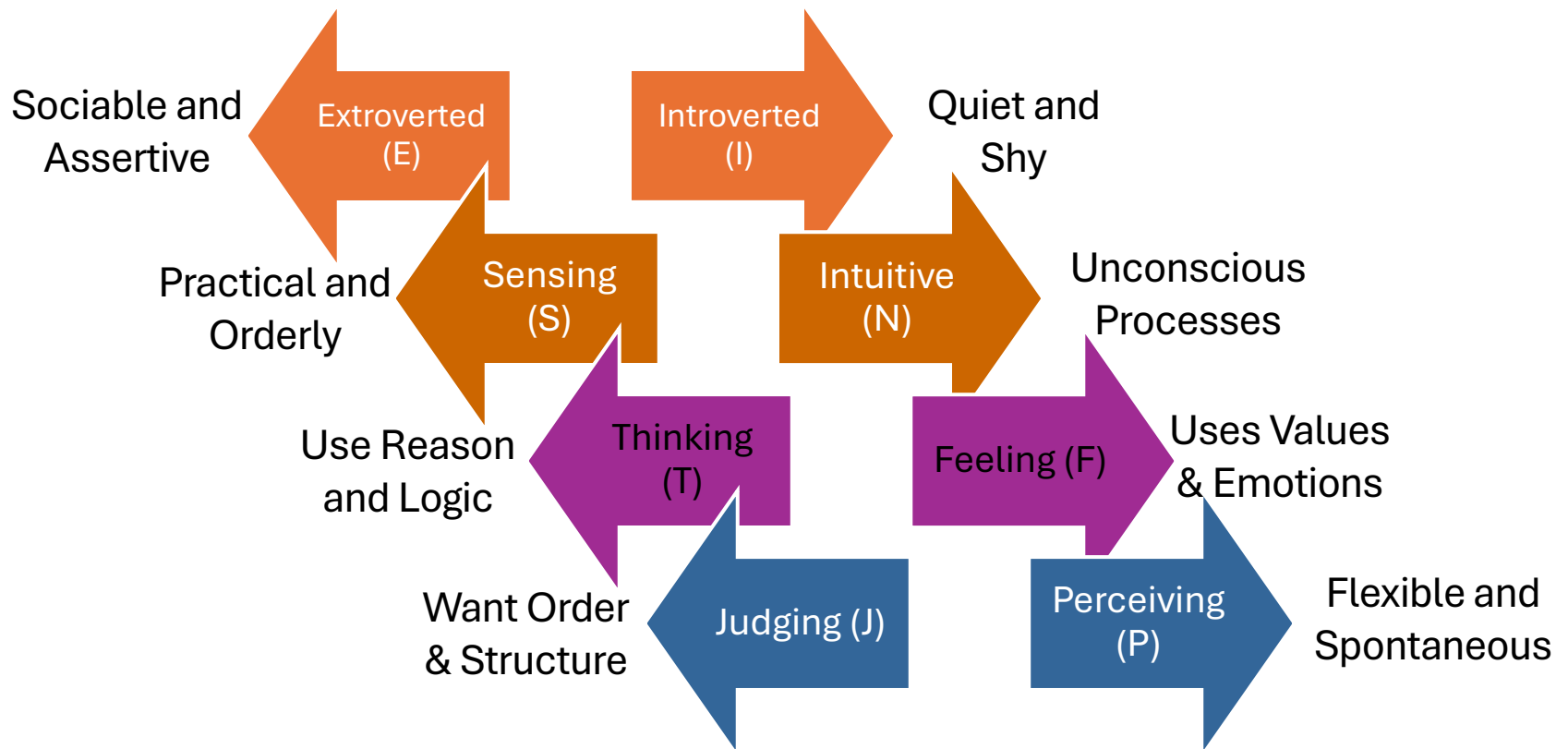
# Know How Emotions and Moods Impact These Areas

- Negotiation
- Customer Service
- Job Attitudes
- Deviant Workplace Behaviors

# Be able to Define Personality?

- The sum total of ways in which an individual reacts and interacts with others, the measurable traits a person exhibits
  - Includes both genetics (heredity) and life experience

# Know The Four Pairs in the Myers-Briggs Type Indicator



# Be Able Explain Each of The Big Five Model of Personality Dimensions

Extroversion

- Sociable, gregarious, and assertive

Agreeableness

- Good-natured, cooperative, and trusting

Conscientiousness

- Responsible, dependable, persistent, and organized

Emotional Stability

- Calm, self-confident, secure under stress (positive), versus nervous, depressed, and insecure under stress (negative)

Openness to Experience

- Curious, imaginative, artistic, and sensitive

# Be Able to Define Other Personality Traits Relevant to OB

- Core Self-Evaluation
- Machiavellianism
- Narcissism
- Self-monitoring
- Risk-taking
- Type A Personality

# Be Able to Define Values

- Basic convictions on how to conduct yourself or how to live your life that is personally or socially preferable – “How To” live life properly.

# Understand the Difference Between Terminal and Instrumental Values

- Terminal Values
  - Desirable end-states of existence; the goals that a person would like to achieve during his or her lifetime
- Instrumental Values
  - Preferable modes of behavior or means of achieving one's terminal values

# A Definition of Power

- Power
  - The capacity that A has to influence the behavior of B so that B acts in accordance with A's wishes
- Dependency
  - B's relationship to A when A possesses something that B requires
  - The greater B's dependence, the more power A has

# Bases of Power: Formal & Informal Power

- Formal Power – Established by an individual's position in an organization
  - Three bases:
    - Coercive Power
    - Reward Power
    - Legitimate Power
- Personal Power – power that comes from an individual's unique characteristics
  - Two Bases
    - Expert Power
    - Referent Power

# Power Tactics

- Power Tactics

- Ways in which individuals translate power bases into specific actions

- Nine influence tactics:

- Legitimacy
    - Rational persuasion\*
    - Inspirational appeals\*
    - Consultation\*
    - Exchange
    - Personal appeals
    - Ingratiation
    - Pressure
    - Coalitions

\* Most effective  
(Pressure is the least effective)

# Know Chaldini's Influence Tactics

- Liking
- Reciprocity
- Consistency and Commitment
- Social Proof
- Authority
- Scarcity

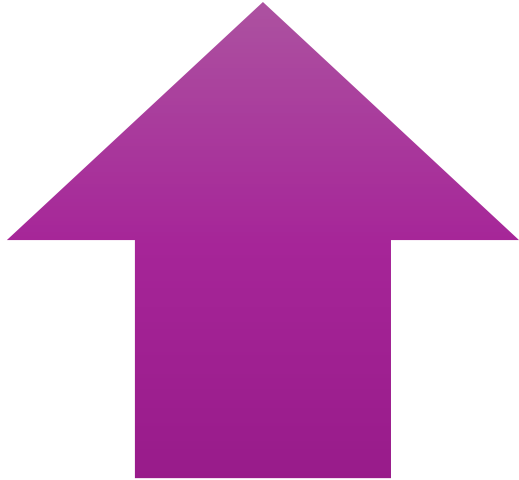
# Impression Management (IM)

- The process by which individuals attempt to control the impression others form of them
- IM Techniques
  - Conformity
  - Excuses
  - Apologies
  - Self-Promotion
  - Flattery
  - Favors
  - Association

# Transitions in Conflict Thought

- Traditional View of Conflict
  - The belief that all conflict is harmful and must be avoided
- Human Relations View of Conflict
  - The belief that conflict is a natural and inevitable outcome in any group
- Interactionist View of Conflict
  - The belief that conflict is not only a positive force in a group but that it is absolutely necessary for a group to perform effectively

# Forms of Interactionist Conflict



## Functional Conflict

- Conflict that supports the goals of the group and improves its performance



## Dysfunctional Conflict

- Conflict that hinders group performance

# Types of Interactionist Conflict

- Task Conflict
  - Conflicts over content and goals of the work
  - Low-to-moderate levels of this type are FUNCTIONAL
- Relationship Conflict
  - Conflict based on interpersonal relationships
  - Almost always DYSFUNCTIONAL
- Process Conflict
  - Conflict over how work gets done
  - Low levels of this type are FUNCTIONAL