**Chapter**

**1**

**Making OB Work for Me:**

**What Is OB and Why Is It Important?**

**CHAPTER CONTENTS**



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**Teaching Resource Manual: A Guide to Implementation**

The purpose of the Teaching Resource Manual (TRM) is to support you in the delivery of your chosen curriculum in either a face-to-face or online classroom formats. It also was created to help you address some of the **following challenges in higher education:**

* Addressing the inability to measure student comprehension prior to major assignments such as a midterm or project.
* Overcoming the inability to tailor your lecture to the topics that students find difficult.
* Increasing student engagement by providing opportunities for them to apply the knowledge gained in the classroom to real-world scenarios.
* Providing students with opportunities for self-reflection outside of classroom activities.
* Increasing students’ critical-thinking and problem-solving skills.

You will learn that we created many different teaching resources you can use either before, during, or after class. Because of the quantity of options, the goal of this implementation guide is to provide an overview of how you might select the many teaching resources at your disposal.

**So What Assets Can I Chose From?**

Generally, a typical class session for any course comprises three “touch points”: before, during, and after class. For a face-to-face course, your class session would normally be the day you lecture to students. For an online course, the class session would be when you recorded the lecture or when the live lecture is streamed on the Web.

Our teaching resources fall into nine categories: SmartBook, connect application exercises, videos, self-assessments, online readings, discussion starters, mini-cases and full cases, experiential or follow-up activities, and group exercises. After describing the use of SmartBook and Connect application exercises, we discuss how you might use these teaching resources before, during, or after class.

**Assigning SmartBook and Connect Application Exercises**

Connect gives you a wide array of flexibility in making assignments and creating grading policies. You may choose to:

* assign as many assignments as appropriate.
* determine point values for each question/application exercise individually.
* make available multiple attempts per assignment with options of accepting the highest score or averaging all the scores together.
* deduct points for late submissions of assignments (percentage deductions per hour/day/week/so forth) or create hard deadlines.
* show feedback on application exercises/questions immediately or at your preference.
* provide for study-attempts to allow for completion of the assignment after the due date without assigning a point value.

Some recommendations include:

* Before selecting the option for one attempt only, select unlimited or multiple attempts on the first few assignments to allow students a chance to learn and navigate the system.
* Provide a low point value for each question because multiple questions are usually assigned for each chapter. A good rule of thumb would be to make “Quiz Questions” worth 1 point each and “Application Exercises” worth 5 to 10 points each because these require more time and thought.
* Select feedback to be displayed after the assignment due date in order to limit students from giving the correct answers to other students while the application exercise is still available.

**So When Do I Assign Each Type of Teaching Resource?**

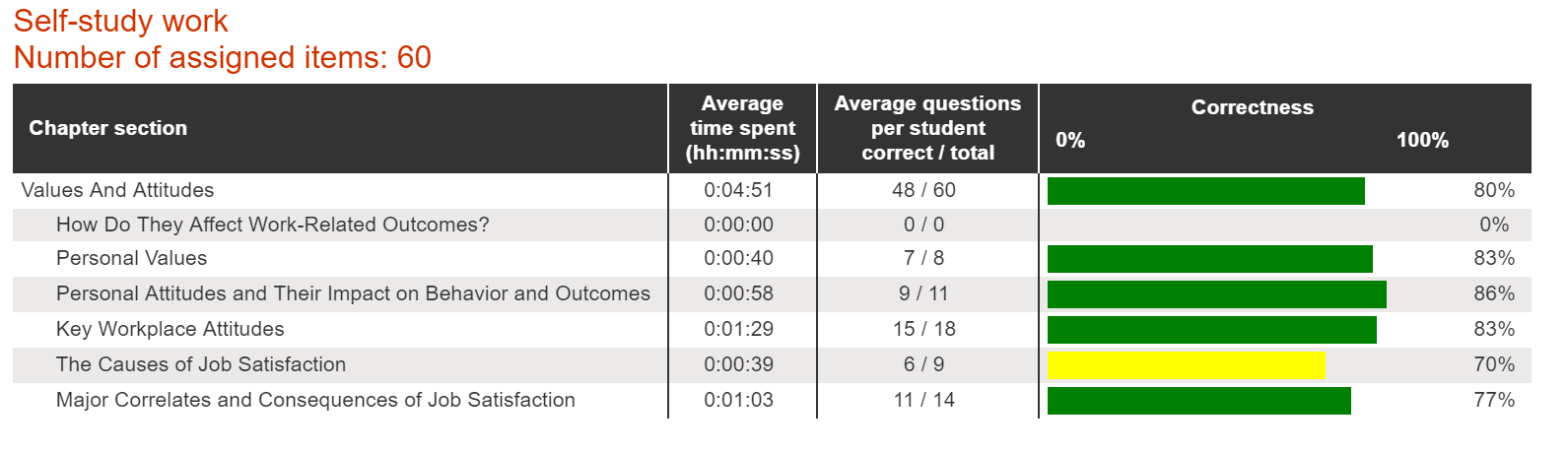
Wouldn’t it be wonderful if you could transition from simply assigning readings, lecturing, and testing to actually adapting your teaching to student needs? By utilizing the teaching resources outlined below during the three touch points, you can significantly impact students’ learning and create a learning environment that is more engaging, involving, and rewarding. In other words, you can now tailor your classrooms to pinpoint and address critical challenges, thereby creating the greatest impact. These recommendations pertain to the mentioned touch points, with an additional [matrix](#Matrix) that follows.

***Before Class***

The learning goals we have for students determines our assignments before, during and after class. For example, you may want to focus on mastering content, applying content, or using content to solve problems. Alternatively, you may want to achieve all three goals.

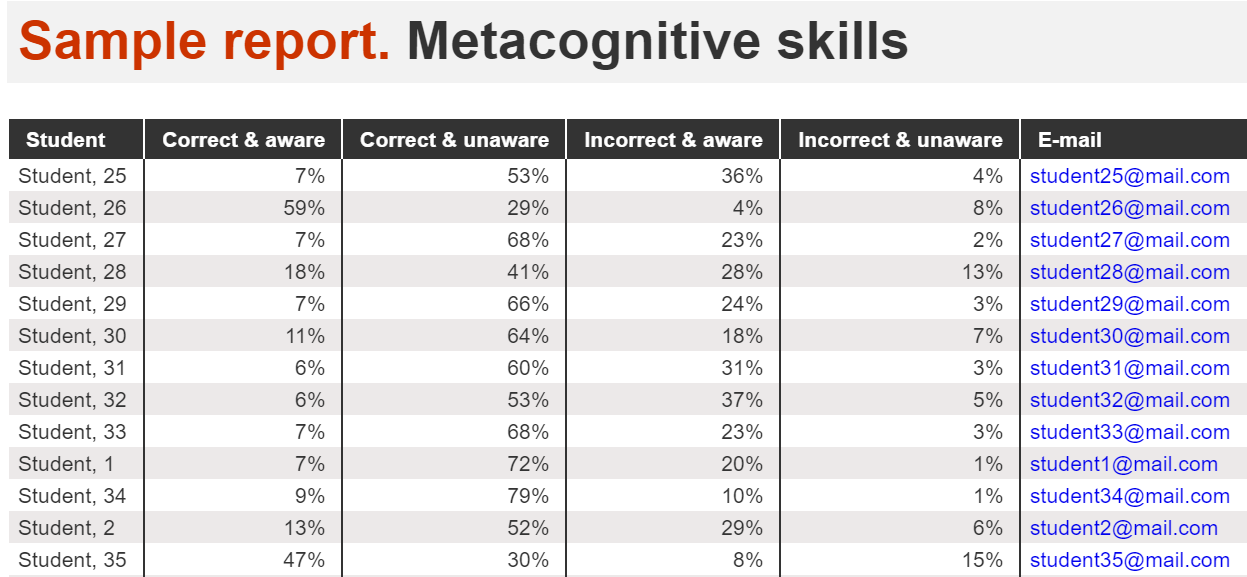
If your goal is mastery of content, Connect offers a host of additional pre-class assignments to choose from. They include case analyses, click and drags, video cases, Manager’s Hot Seats, self-assessments, and quizzes and tests. Case analyses, click and drags, and video cases are optimal exercises to be utilized prior to class, as they provide students the opportunity to practice and apply key course concepts.

A reading assignment—typically a chapter from the product in use—is a student’s initial exposure to course content. Requiring students to complete a SmartBook module either prior to class or an online lecture allows you to gauge their comprehension of the material. Having a better sense *before* class of which concepts your students are “getting” and which ones they are not, allows you to more effectively and efficiently plan your time with them *during* class. To ascertain student competency, use the reporting function of SmartBook, where you can view general results of their performance. To ascertain students’ confidence in their competency, pull a metacognitive skills analysis report. Below are screenshots of both a general results report and a metacognitive skills analysis. In the sample report of student comprehension by topic, note the percent of questions answered correctly in the last column of the report.



Sample Report of Student Comprehension by Topic shows you what topics students are struggling with.

In the sample metacognitive skills analysis, the percentages show how much students know, but didn’t realize they knew, as well as how much they *didn’t know*, but thought they did know. This allows instructors to make sure students are cognizant about what they know or don’t know, before expecting them to be competent in the concepts being taught. Such metacognitive analysis would have been unimaginable in the past because it would be difficult to find out which students had read and understood the material, let alone if they were aware or unaware of their inability to comprehend.



Sample Report of Metacognitive Skills Analysis shows you student consciousness or unconsciousness in regards to competency.

Additionally, Connect application exercises, such as case analyses, click and drags, and video cases, offer students a second exposure to important sections of the chapter after their completion of a SmartBook assignment.

Finally, you can use iSeeIt videos to emphasize content we have found difficult for students to understand. These animated videos were developed to further unpack in brief, yet effective, fashion the course topics that most commonly challenge students. Each animated video is accompanied by auto-graded multiple-choice questions that can be assigned to confirm student comprehension.

If your learning objectives include fostering application and integrating the concepts discussed with real world practice, then problem-solving application mini-cases and closing cases (PSAs) or legal/ethical challenge cases can be assigned so students can think critically and understand how what they are learning is actually practiced by successful professionals. The PSAs have multiple-choice questions that can be assigned in Connect to gauge student comprehension. You may want to have students complete the “Take-Away Applications” (TAAs) or “Self-Assessments” in order to personalize content to students’ personal and work lives. The TRM includes follow-up activities, and ideal open-ended question responses, for all the TAAs.

***During Class***

The TRM offers a host of additional materials and experiential activities you can use to bring chapter content to life.

If your goal is content mastery and you are utilizing SmartBook, you can plan lectures and class activities based on results from the general results report and the metacognitive skills report. This allows for a more tailored class period that enhances student engagement and creates more opportunities to resolve gaps in knowledge. We also provide links to online readings that you can use to supplement the content covered in the textbook. These are useful if you desire to provide additional material beyond that covered in the text.

If your goal is to create an engaging learning environment filled with student discussions and interactions, we provide multiple resources. First, each major heading in a chapter contains suggested discussion starter questions. These open-ended questions are likely to foster student discussion and engagement. We also provide additional activities (i.e., experiential exercises) for every example type box – Applying OB and OB in Action–TAA or PSA.

If your goal is to provide for additional application of material, the TRM provides solutions for the problem-solving application cases (PSACs) utilizing the three-step problem-solving approach, and Connect contains multiple choice questions that are more content focused. The TRM also provides ideal responses for the legal/ethical challenge, and has a selection of group exercises that allows instructors to focus on team learning methods.

If your goal is to jointly engage your students while applying content from the text, you can select such activities as the Manager’s Hot Seat videos, which contain additional follow-up activities in the TRM. You can also use self-assessment follow-up activities: All follow-up activities are found in the TRM. These assets are especially useful if you are “flipping” your classroom, wherein the class session is used for application and analysis of key concepts rather than lecture. [The Resources across Teaching Touch Points Matrix](#Matrix) provides a quick reference for activities that can be utilized during class.

***After Class***

After the face-to-face class session, or online lecture, you can assign Connect application exercises as homework to further reinforce the material covered in the textbook and lecture. You may also want to assign an iSeeIt! animated video if you notice that students are struggling with a particular topic, even after class. After each unit (individual, group/team, and organizational) students can also be assigned the VW cumulative case, which includes assignable multiple-choice and essay-based questions, as well as an opportunity for students to apply the three-step problem-solving approach. To further gauge student comprehension, you can also assign a quiz or exam. The quiz banks in Connect focus more on defining and explaining material, and the test banks focus more on application and analysis.

**Resources across Teaching Touch Points Matrix**

|  |  |  |  |
| --- | --- | --- | --- |
| **Type of Asset** | **Before-Class/Lecture** | **During-Class/Lecture** | **After-Class/Lecture** |
| Smart Book |  |  |  |
| Connect Application Exercises |  |  |  |
| Connect Application Exercise TRM Follow-up Activities |  |  |  |
| iSeeIt! Animated Videos |  |  |  |
| Self-Assessments |  |  |  |
| TRM Self-Assessment Follow-up Activities |  |  |  |
| Quizzes/Tests |  |  |  |
| Legal/Ethical Challenges |  |  |  |
| Manager’s Hot Seats |  |  |  |
| Cumulative Case |  |  |  |
| TRM Box Additional Activities (i.e. PSA and Take-Away Applications) |  |  |  |
| Problem-Solving Application Cases |  |  |  |
| Group Exercises |  |  |  |
| TRM Discussion Starters |  |  |  |
| TRM Online Readings |  |  |  |

**A Week at a Glance**

When creating a syllabus and schedule for students, you can utilize the above-mentioned matrix as a guide. Let’s use the following example: You teach a **face-to-face** Organizational Behavior, and the course meets once-a-week on Wednesday afternoons. If this is the fourth week of the semester and you are covering Chapter 2 on Values and Attitudes, the following format can be utilized:

***Before Class (before Wednesday)***

* *Assign Chapter 2 in SmartBook, making it due Tuesday evening so reporting can be reviewed prior to the lecture on Wednesday. The lecture can be customized based on what concepts in the chapter students are struggling with the most, as can be seen in the reporting function of SmartBook by going to “Reporting” then clicking the “LearnSmart” tab.*
* *A click and drag, such as one on “Employee Engagement” can be assigned. This can also be due on Wednesday so students are able to practice prior to class, and you can also review results prior to lecturing.*
* *A case analysis, such as “Herman Miller’s Sustainable Vision” can also be included so that students can learn about applying the concepts from the reading to a real-life scenario, therefore, further engaging them prior to the class session. If desired, you can then introduce a follow-up activity, found in the TRM, during class on Wednesday.*
* *A self-assessment can be assigned, such as “What Are My Core Values,” in order to follow-up on content covered in the reading, and to provide students with an opportunity to self-reflect and become engaged with the content by seeing how it affects their personal lives. This can set up a class activity to follow on Wednesday. Follow-up activities can be found in the TRM.*

***During Class (on Wednesday)***

* *You can deliver a short, yet effective, lecture and focus on areas that students are really struggling with. This can be done by reviewing the reporting from SmartBook and any assigned Connect application exercises, such as the recommended click and drag and case analysis. If students are struggling with a particular learning objective, you can then tailor the lecture and/or class activities to address those challenging concepts.*
* *If you are flipping the class and utilizing the in-person session for activities, you can utilize the follow-up activities from previously assigned Connect application exercises in the TRM.*
* *You can assign a self-assessment earlier in the week, for example “To What Extent Am I Engaged in My Studies,” and have students complete a follow-up activity during the class session based on the self-assessment results. Remember, follow-up activities for each Connect application exercise can be found in the TRM.*
* *Manager’s Hot Seats can be utilized to open up class discussion. Many of these Hot Seats cover frequent, yet controversial topics, and they ask students to describe what their decision-making process would be in those situations. Many times students will recommend conflicting approaches to solving the issues in the videos; therefore, there is more class engagement. For the values and attitudes chapter, one recommended Manager’s Hot Seat is “Bullying in the Workplace.” Follow-up activities for this, and every other Hot Seat, can be found in the TRM.*
* *If time allows, and you would like to focus on enhancing students’ critical-thinking and problem-solving skills, you can have students review the problem-solving application mini-Case titled, “Southwest Pilots Stage an Informational Picket. What Should Management Do?” and facilitate an in-class case discussion. There is also an additional in-class activity in the TRM that involves viewing an online video on Southwest and then utilizing the provided discussion questions to spur conversation.*

***After Class (after Wednesday)***

* *You can assign a Connect video case, such as “Patagonia,” to reinforce student comprehension of the material and to also test the application of concepts.*
* *You can assign an online quiz or test on the material. For example, Chapter 2 includes 20 available quiz questions and 96 test questions.*
* *If you would like students to have one final application-based, critical-thinking exercise, you can ask them to review the problem-solving application case titled, “Employee Attitudes and Turnover Are Issues at Yahoo!” After reading the case, students can utilize the three-step problem-solving approach, and/or they can complete multiple-choice questions on Connect.*

If you are teaching a **completely online course asynchronously**, then the in-person class above can be substituted for a recorded online lecture that is customized based on SmartBook reporting. Students can be instructed to complete pre-class activities prior to watching the lecture and post-class activities after the online lecture. A gap can be included between pre-class activities and the recording of the lecture so that reporting can be reviewed.

This example is simply a week out of many that will provide for rigorous learning and student impact! You can utilize this format when creating a syllabus and extrapolate the rest of the weeks.

**LEARNING OBJECTIVES**

**After studying this chapter, students should be able to answer the following questions:**

**1.1** How can I use knowledge of OB to enhance my job performance and career?

**1.2** Why do people fall into ethical lapses, even unwittingly, and what lessons can I learn from that?

**1.3** How can I apply OB in a practical way to increase my effectiveness?

**1.4** How could I explain to a fellow student the practical relevance and power of OB in problem solving?

**1.5** How can the Organizing Framework help me understand and apply OB knowledge and tools—and improve my problem-solving skills?

**1.6** How can I integrate and apply the many OB concepts and tools to solve problems?

**TEACHING RESOURCES**

|  |  |  |
| --- | --- | --- |
| **Section** | **Title** | **Resource Type** |
| **1.1: The Value of OB to My Job and Career** |  |  |
|  | [Want Happy Customers? Satisfy your Employees](http://www.usatoday.com/story/money/business/small%20business/2016/05/03/small-business-week-invest-in-your-employees/83708972/)  [Supplemental Activity](#Happy_customers_article) | Online Article with Video (2 minutes) |
|  | [100 Best Companies to Work For](http://fortune.com/best-companies/)  [Supplemental Activity](#44sinio) | Online Article |
|  | [Top 20 Employee Benefits & Perks](https://www.glassdoor.com/blog/top-20-employee-benefits-perks/)  [Supplemental Activity](#44sinio) | Online Article |
|  | [HR’s Hard Challenge: When Employees Lack Soft Skill](https://www.shrm.org/hr-today/news/hr-magazine/0416/Pages/HRs-Hard-Challenge-When-Employees-Lack-Soft-Skills.aspx)[s](http:///h)  [Supplemental Activity](#4i7ojhp) | Online Article |
|  | How Strong Is My Motivation to Manage  [Self-Assessment Activity](#Self_assessment_1_1) | Self-Assessment |
|  | [Interview Skills—Demonstrating Your Fit with the Company](https://www.youtube.com/watch?v=_iKAD83WM68)  [Supplemental Activity](#35nkun2) | Web Video (6 minutes) |
|  | [Soft vs. Hard Skills](#softhard_cd) | Connect Click & Drag |
|  | [What it Takes to Become a Management Consultant](#consultant_CA) | Connect Case Analysis |
| **1.2: Right vs. Wrong—Ethics and My Performance** |  |  |
|  | [Foreign Students Seen Cheating More than Domestic Ones](http://www.wsj.com/article_email/foreign-students-seen-cheating-more-than-domestic-ones-1465140141-lMyQjAxMTA2NDAxNzYwNjc1Wj)  [Supplemental Activity](#3dy6vkm) | Online Article |
|  | [2008 Financial Crisis: Should People Have Gone to Jail?](http://www.bloomberg.com/news/videos/2015-10-07/2008-financial-crisis-should-people-have-gone-to-jail-)  [Supplemental Activity](#2jxsxqh) | Web Video (5 minutes) |
|  | [Russia's Dark Secret](http://www.cbsnews.com/news/60-minutes-russian-doping-at-sochi-winter-olympics-exposed/)  [Supplemental Activity](#z337ya) | Web Video (14 minutes) |
|  | ['Blind' Man Caught Driving Committed Disability Fraud](http://abcnews.go.com/Nightline/video/blind-man-caught-driving-committed-disability-fraud-39112490)  [Supplemental Activity](#2xcytpi) | Web Video (8 minutes) |
|  | Assessing My Perspective on Ethics  [Self-Assessment Activity](#Self_assessment_1_2) | Self-Assessment |
|  | [HP CEO Firing](#hpceo_vc) | Connect Video Case |
|  | [What Can I Do About Unethical Behavior?](#whattodo_cd) | Connect Click and Drag |
|  | [Unethical Behavior: Causes and Consequences](#unethical_cd) | Connect Click and Drag |
| **1.3: Applying OB to Solving Problems** |  |  |
|  | [Is It Ever OK to Quit on the Spot?](http://www.wsj.com/articles/is-it-ever-ok-to-quit-on-the-spot-1466531589)  [Supplemental Activity](#Quit_article) | Online Article with Video (4 minutes) |
|  | Assessing Your Problem-Solving Potential  [Self-Assessment Activity](#SA13) | Self-Assessment |
| **1.4: Structure and Rigor in Solving Problems** |  |  |
|  | [The Dead Fish Theory Of Problem-Solving](http://www.forbes.com/sites/alastairdryburgh/2016/05/25/the-dead-fish-theory-of-problem-solving/#7b6df2f11441)  [Supplemental Activity](#Dead_Fish_article) | Online Article |
|  | [Late-Night Work E-mail: Blessing or Curse?](http://www.wsj.com/articles/late-night-work-email-blessing-or-curse-1459275326)  [Supplemental Activity](#2bn6wsx) | Online Article with Video (5 minutes) |
| **1.5: The Organizing Framework for Understanding and Applying OB** |  |  |
|  | [How One Fast-Food Chain Keeps Its Turnover Rates Absurdly Low](https://hbr.org/2016/01/how-one-fast-food-chain-keeps-its-turnover-rates-absurdly-low)  [Supplemental Activity](#Fast_food_article) | Online Article |
|  | [One Sweet Job: Life at Mars Chocolate](https://www.youtube.com/watch?v=_ramqOrG5gg)  [Supplemental Activity](#3j2qqm3) | Web Video  (3 minutes) |

|  |  |  |
| --- | --- | --- |
| **1.6: Preview of the Power of OB** |  |  |
|  | [Kinicki/Fugate: Organizational Behavior, Integrative Framework](https://www.youtube.com/watch?v=1SaQ7yho-Q8&index=5&list=PLqmcJVdRMoi2bJ964hDClrobsTsS0dTCy)  *Please note that although this video uses “Integrative Framework” in the title and “Integrative Framework” is discussed in the video, this term has been replaced with “Organizing Framework” in the second edition of the text. Content and meaning remain the same.* | Web Video (9 minutes) |
|  | [Kinicki/Fugate: Organizational Behavior, 3-Stop Problem Solving](https://www.youtube.com/watch?v=MmRhEpLzHPk) | Web Video  (6 minutes) |
| **Comprehensive Materials** |  |  |
|  | [United Airlines: How Do We Get There from Here?](#PSAC) | Problem-Solving Application |
|  | [To Tell or Not to Tell?](#Legal_Ethical_Challenge) | Legal/Ethical Challenge |
|  | [Let’s Make a Fourth Quarter Deal](#Hot_seat) | Manager’s Hot Seat |
|  | [Focusing on Ethics and People at Whole Foods](#Publisher_Video) | Publisher Video |

**OVERVIEW OF THE CHAPTER**

**1.1 The Value of OB to My Job and Career**

**Organizational Behavior (OB)** is an interdisciplinary field drawing from many disciplines. OB is an academic designation focused on understanding and managing people at work. The **contingency approach** calls for using OB concepts and tools as situationally appropriate, instead of trying to rely on “one best way.” OB moves beyond the limitations of common sense through its systematic and science-based approach to understanding people and how they behave at work. Although employees need both **hard skills** and **soft skills**, the soft skills fostered through studying OB are increasingly desired by employers.

**1.2** **Right vs. Wrong—Ethics and My Performance**

**Ethics** is concerned with behavior—right, wrong, and the many shades of gray in between. Many OB topics have a direct and substantial influence on the ethical conduct of individuals and organizations. Unethical behavior negatively affects not only the offending employees but also their coworkers and employers. **Ethical dilemmas** involve situations with two choices, neither of which resolves the situation in an ethically acceptable manner. **Whistleblowing** often creates a particularly challenging type of ethical dilemma since there can be significant negative ramifications for blowing the whistle on the unethical actions of others at work. While people have many rationalizations for not confronting unethical conduct at work, the chapter presents several suggestions for what people can do about unethical behavior.

**1.3** **Applying OB to Solving Problems**

OB can be applied to solve **problems**. **Problem solving** is a systematic process of closing a gap between an actual and a desired situation. In using the **3-Step Approach** for applying OB concepts, people must: (1) define the problem; (2) identify potential causes using OB concepts or theories; and (3) make recommendations. This problem-solving approach is used throughout the book, and it becomes a richer and more useful tool to students as more OB concepts and tools are presented.

**1.4 Structure and Rigor in Solving Problems**

The ability to understand and apply OB knowledge and concepts is made easier by categorizing or organizing it. One fundamental distinction in OB concepts is the person-situation distinction. **Person factors** represent the infinite number of characteristics that give individuals their unique identities. **Situation characteristics** are all the elements outside of ourselves that influence what we do, how we do it, and the ultimate results of our actions. A second distinction in OB concepts is structural level. OB distinguishes among **individual, group, and organizational levels**. It is essential to identify the right problem in order to effectively utilize OB concepts.

**1.5 The Organizing Framework for Understanding and Applying OB**

The **Organizing Framework for Understanding and Applying OB** presented in Figure 1.3 helps people to understand and apply OB knowledge and tools and improve their problem solving. The Organizing Framework is composed of inputs, processes, and outcomes, with feedback loops between the three elements. **Inputs** are classified using the person-situation distinction. **Processes** and **outcomes** are organized using the three levels of OB—individual, group, and organization. Combining the 3-Step Approach with the Organizing Framework results in a rigorous approach to problem solving. By combining both tools, relevant OB concepts can be used in Step 1 to identify the right problem; in Step 2 when considering appropriate solutions; and in Step 3 when selecting the solution that seems most appropriate.

**1.6** **Preview of the Power of OB**

Figure 1.4 presents a summary version of the Organizing Framework for Understanding and Applying OB. This model highlights the many OB concepts that are addressed in this textbook. The power of the 3-Step Approach and the Organizing Framework are demonstrated in a hypothetical scenario dealing with an employee turnover problem.

**CLASSROOM OUTLINE**

**Winning at Work: Your Future**

Knowledge, technical expertise, and training alone do not guarantee business success. The knowing-doing gap is the gap between what people know and what they actually do. OB principles can help you close this knowing-doing gap. Business and managerial success require more than common sense. Many business leaders believe that not enough new hires are prepared for success, and that new hires often lack critical skills. Problem-solving, collaboration, and critical thinking skills are highly sought-after skills for entry-level employees.

**Possible Topics for Discussion:**

* Prior to beginning this course in Organizational Behavior, what do you think the term “organizational behavior” means?
* How do you think what you will learn in this class will help you in school or in the professional world?
* Why is the study of Organizational Behavior important?

**1.1 The Value of OB to My Job and Career**

How can I use knowledge of OB to enhance my job performance and career?

PowerPoint Slides: 3-7

Section 1.1 introduces students to organizational behavior (OB) and the contingency approach to OB. It discusses the importance of studying OB and soft skills for one’s job and career.

One way that you could begin your coverage of these topics is to have the students read the *USA Today* online article “[Want Happy Customers? Satisfy your Employees](http:///h).” This article and its corresponding 2-minute video discuss ways that business owners can help their businesses grow by investing in their employees. The video specifically focuses on actions taken by Rent the Runway co-founder and CEO, Jennifer Hyman. For a supplemental activity, have the students discuss the impact of casual time spent with co-workers in contributing to a firm’s success and how Jennifer Hyman is applying OB principles.

**Possible Topics for Discussion:**

* How can knowledge of organizational behavior theories and principles enable you to be a better manager?
* If you were in charge of preparing *Fortune’s* “100 Best Companies to Work For” list, what criteria would you use to determine what companies made the list?
* Whole Foods Market co-founder John Mackey contends that: “When our team members are happy and enjoy their work, they give better service to the customers. And then if customers are happy, they continue to shop at the store, they market through word of mouth, and the business flourishes. It prospers.” Critique the merits of his perspective.

**Section 1.1 Key Concepts:**

**Organizational Behavior**

* **Organizational behavior (OB):** interdisciplinary field dedicated to better understanding and managing people at work.
* OB draws upon a diverse array of disciplines including anthropology, economics, ethics, management, organization theory, political science, psychology, sociology, statistics, and vocational counseling.
* Knowledgeable application of OB is critical for success in all fields and across disciplines since people skills, such as the ability to influence, get along with, and manage others, are as important as technical skills.

**A Contingency Perspective**

* **Contingency approach**: calls for using OB concepts and tools as situationally appropriate, instead of trying to rely on “one best way.”
* There is no single best way to manage people, teams, and organizations.
* The best or most effective course of action depends on the situation, making the contingency approach both pragmatic and demanding.
* The contingency approach allows effective managers to consider the many factors that influence behavior and performance within and among individuals, groups, and organizations.

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| **Interactive Classroom Material:**  **OB IN ACTION:** [**Google Search: “How Can We Keep Talented Employees?”**](#44sinio)  This OB in Action allows students to consider some of the practices that should be used for keeping valuable employees and allowing them to achieve work-life balance. |

**Self-Awareness**

* **Self-awareness**: knowing yourself and having knowledge of your own skills, abilities, weaknesses, strengths, and preferences.
* To have a successful career, you need to know who you are, what you want, and how others perceive you.
* There are multiple Self-Assessments in every chapter to foster self-awareness.

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| [**SELF-ASSESSMENT 1.1**](#3as4poj)  **How Strong Is My Motivation to Manage?**  This seven-question self-assessment assesses students’ own motivation to manage. Questions on authority, assertiveness, and competition are presented. |

**Uncommon Sense**

* Common sense has three main weaknesses: overreliance on hindsight (i.e., limited vision for future), lack of rigor (i.e., insufficient effort to find the real problem), and lack of objectivity (i.e., lacks a basis in science).
* OB is a scientific means for overcoming the limits and weaknesses of common sense.
* Thus the goal of OB is to give you more than common sense and thus enhance your understanding of situations at work and guide your behaviors.

**Employers Want both Hard and Soft Skills**

* **Hard skills:** technical expertise and knowledge to do a particular task or job function, such as financial analysis, accounting, or operations.
* **Soft skills:** interpersonal skills and personal attributes related to our human interactions.
* Table 1.1 lists skills most desired by employers—critical thinking, problem solving, judgment and decision making, and active listening.
* **Portable skills:** more or less relevant in every job, at every level, and throughout your career.

|  |
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| **Interactive Classroom Material:**  **TAKE-AWAY APPLICATION:** [**Learning about My Soft and Hard Skills**](#4i7ojhp)  In this Take-Away Application, students are encouraged to apply both soft and hard skills in order to see how they benefit from them at school and work. |

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| **Interactive Classroom Material:**  **CLICK AND DRAG**: Soft vs. Hard Skills  **Summary of Activity:**  This click and drag activity allows students to match given skills with either soft or hard headings, as well as indicate if the skill is portable or job specific.  **Follow-Up Activity:**  Instructors can do a more in-depth discussion of the mentioned skills and their application. For example, how can some computer skills and interpersonal skills be portable? Instructors can discuss their use in different industry and bring up commonalities. Afterwards, instructors can also discuss current events in the workforce and how soft skills are important in all trades, and the future of specific soft skills such as communication and teamwork in the 21-century workforce. |

**How OB Fits into My Career**

* Even though technical skills are important in specific fields since they provide credibility, certain soft skills increase in importance over one’s career and help set people apart from their competition.
* Technical skills are often the criteria used for making selection decisions for entry-level or starting positions within an organization.
* An employee’s perceived ability to get things done through others and manage people is often an important factor in deciding promotions, beyond the employee’s performance in the current job.
* Figure 1.1 shows how the importance of personal skills increases as job level increases.
* Even in nonmanagerial positions, people’s long-term career success (i.e., promotions, pay raises, etc.) may be impacted by their knowledge of OB.

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| **Interactive Classroom Material:**  **CASE ANALYSIS:** What It Takes to Become a Management Consultant  **Summary of Activity:**  This case analysis describes the problem-solving skills that are necessary to become a management consultant. Students are able to respond to follow-up questions to exhibit learning.  **Follow-Up Activity:**  Instructor should ask students to form small groups of four. Each group should discuss the problematic issues that arise when goals are not met. How did they employ the problem-solving analysis in their experiences? Groups should share tools that organizations and managers can employ to nurture necessary skills to analyze and overcome challenges. |

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| **Interactive Classroom Material:**  **APPLYING OB:** [**How to Ace Your Next Interview**](#35nkun2)  In this Applying OB, students are provided with five tips to better prepare them for their next interview. These tips include: create an elevator pitch, finish strong, prepare for situational questions, make your research social, and don’t trip up on the money. |

**1.2 Right vs. Wrong—Ethics and My Performance**

Why do people fall into ethical lapses, even unwittingly, and what lessons can I learn from that?

PowerPoint Slides: 8-12

Section 1.2 introduces students to ethics and presents causes of unethical behavior at work. Employees sometimes face ethical dilemmas and may be compelled to be a whistleblower, despite the potential for negative consequences.

One way that you could begin your coverage of these topics is to have the students read the *Wall Street Journal* article “[Foreign Students Seen](http://www.wsj.com/article_email/foreign-students-seen-cheating-more-than-domestic-ones-1465140141-lMyQjAxMTA2NDAxNzYwNjc1Wj) Cheating More Than Domestic Ones.” This article discusses the various factors that contribute to cheating on college campuses. For a supplemental activity, you could have the students discuss how and why students cheat at your school, and what school administrators and/or professors can do to reduce cheating.

You could also ask students how they would respond to the types of ethical scenarios they are likely to face in the types of jobs they may be working to pay their way through college, or jobs they may work as entry-level professionals after graduation. Some sample questions include:

* Assume you work at a restaurant as a server. It is the restaurant’s policy that for parties of eight or more, a 15 percent gratuity is automatically included with the bill. This fee is noted on the detailed receipt, but in such a way that many of your customers overlook it and end up “double tipping.” Would you verbally tell the customers that the gratuity has already been included when you hand the party the bill, or would you leave it up to the customers to determine if the gratuity has been included? Explain your answer.
* Assume you just started working as a bartender and some of the drinks are listed on the menu as having “premium ingredients.” You were told by your boss to always use the cheaper alcohol when making these drinks, despite what it says on the menu. Someone has just ordered one of these premium-ingredient drinks. Will you follow the directions of your boss or use the higher-end alcohol? Explain your rationale.
* Assume that you are working as a sales representative at a reputable company. One of your co-workers has told you that it is normal to disguise alcoholic drinks and personal entertainment on expense reports so the company pays for them. Will you include these types of personal expenses when prepare your expense report for the month? Explain your answer.
* In your first month of your first job after graduation, you cannot help but notice that one of your coworkers, Dave, seems to always be putting some people down and picking on others. In your mind, he is a workplace bully, despite being one of your department’s best performers in terms of output. He is now trying to get you to pick on people by saying things like, “Wasn’t Tom’s comment in the meeting just idiotic?” You don’t want to condone Dave’s behavior but you also do not want to alienate him. How do you respond?

**Possible Topics for Discussion:**

* Provide an example of an ethical dilemma you faced at school or work and discuss how you dealt with the issue.
* Given the risks to whistleblowers, why do some people report the wrongdoings of their employers? Is it just about the money?
* Assume you are interviewing a potential job candidate for your organization and she acknowledges that she was fired from her last employer for whistleblowing. Are you more or less likely to hire the person? Defend your point of view.

**Section 1.2 Key Concepts:**

**Ethics**

* **Ethics** guides behavior by identifying right, wrong, and the many shades of gray in between.
* Employees are confronted with ethical challenges at all levels of organizations and throughout their careers.
* Unethical behavior damages relationships, erodes trust, and thus makes it difficult to conduct business.
* Unethical behavior reduces cooperation, loyalty, and contribution, hurting the performance of individuals, teams, and organizations.
* OB topics such as reward systems, decision making, leader behavior, and organizational culture have a direct and substantial influence on the ethical conduct of individuals and organizations.

**Cheating**

* Various studies show that many students cheat, and they are likely to continue to cheat after leaving school.
* Many people have been fired for cheating, and some are even serving jail time for their cheating.

**Ethical Lapses—Legality, Frequency, Causes, and Solutions**

* Knowledge of OB can help us understand how a work environment can produce unethical conduct from people who are otherwise good, well-intentioned, and on the right side of the law.
* Forms of unethical conduct vary in severity, but few unethical acts are illegal, most are not punished in any way, and even if illegal, few are prosecuted.
* People should not rely on the legal system to manage or assure ethical conduct at work.
* Unethical behavior negatively affects not only the offending employees but also their coworkers and employers.
* Unethical behavior by anyone in the company can tarnish the professional reputation of anyone who worked for the company, thereby damaging their career.

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| **Interactive Classroom Material:**  **OB IN ACTION:** [**Wrong? Absolutely! Illegal? Seemingly Not.**](#2jxsxqh)  This OB in Action discusses how unethical behavior contributed to the financial crisis of 2008-2009 and the ensuing Great Recession. |

**Ethical Dilemmas**

* **Ethical dilemmas:** situations with two choices, neither of which resolves the situation in an ethically acceptable manner.
* Choosing among available options is not always a pure choice between right versus wrong.

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| **Interactive Classroom Material:**  **OB IN ACTION:** [**The Whistleblower’s Dilemma**](#z337ya)  This OB in Action highlights the advantages and disadvantages of when someone “blows the whistle” on the illegal actions of his or her company. Some whistleblowers are rewarded financially for their actions, but others pay a heavy price in the form of retaliation. |

**What Causes Unethical Behavior?**

* Research by Bazerman and Tenbrunsel demonstrated that while criminally minded people exist in the workplace, most employees are in fact good people with good intentions.
* They contend that cognitive biases and organizational practices can blind managers to unethical behavior.
* Table 1.2 summarizes Bazerman and Tenbrunsel’s findings, outlines causes of unethical behavior, and what can be done to address that behavior as employees and managers.

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| **Interactive Classroom Material:**  **VIDEO CASE:** HP CEO Firing  **Summary of Activity:**  This video case profiles the firing of HP’s former CEO, Mark Hurd. The firing resulted from an extramarital affair and falsified expenses to cover it up. Students can respond to questions after the video to exhibit understanding of the ethical lapses portrayed in the video.  **Follow-Up Activity:**  Instructors can begin a discussion on the often debatable issue of: should we fire an executive who is doing a good job, even if he/she has not broken the law? The discussion can start with a show of hands on who would have fired Hurd and who would not have, and go more in depth from there. Instructors can play the role of devil’s advocate and try to get students to see opposing points of view. This type of a discussion is a good starting point to show how OB can often include controversial issues without a perfect answer. |

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| **Interactive Classroom Material:**  **TAKE-AWAY APPLICATION:** [**Identifying Unethical Behavior at School and Work**](#2xcytpi)  In this Take-Away Application, students reflect on common forms of unethical behavior at their school or workplace. |

**Unethical Behavior in College and When Applying for Jobs**

* Research has found that peer behavior was by far the strongest predictor of why students cheated, followed by severity of potential penalties, and certainty of being reported.
* Research has found that more than 40 percent of people lied about their work histories or education backgrounds when applying for work.
* Reasons for unethical behavior at work include:
  + One’s personal motivation to perform (“I must be number 1”).
  + Pressure from a supervisor via unrealistic performance goals along with threats for underperforming.
  + Reward systems that honor unethical behavior.
  + Employees’ perception of little or no consequences for crossing the line.

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| **Interactive Classroom Material:**  **CLICK AND DRAG:** Unethical Behavior: Causes and Consequences  **Summary of Activity:**  This drag and drop activity allows students to match unethical behaviors with their potential root causes.  **Follow-Up Activity:**  Instructors can bring up a memorable past ethical dilemma, or a current event, and have students attempt to identify the causes of this behavior. Students can also bring up in-depth remedies for the selected dilemma. This can include students writing a short code of ethics that includes the remedy. |

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| [**SELF-ASSESSMENT 1.2**](#1pxezwc)  **Assessing My Perspective on Ethics**  This 12-question self-assessment assesses students’ perspectives of ethics at their current or former jobs. Questions on risk, welfare, and interpersonal relations are presented to see if students score higher on idealism or relativism. |

**What Can I Do about It?**

* People often have many excuses for not confronting unethical conduct at work.
* To avoid rationalizations for not confronting unethical conduct, people can:
  + Treat ethical issues as business issues by providing data to present a convincing case against the unethical conduct.
  + Accept that confronting ethical concerns is part of their job.
  + Challenge the rationale.
  + Use their lack of seniority or status as an asset.
  + Consider and explain long-term consequences.
  + Provide an alternative course or solution, not just a complaint.

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| **Interactive Classroom Material:**  **CLICK AND DRAG:** What Can I Do About Unethical Behavior?  **Summary of Activity:**  This click and drag activity allows students to match methods for confronting ethical issues at work to the ethical dilemmas provided.  **Follow-Up Activity:**  Students can create a simple company code of ethics that addresses what employees should do to alleviate ethical dilemmas. The code of ethics would not need to be long, but should provide instructions for employees and can be tied to the methods described in the Connect activity. |

**1.3 Applying OB to Solving Problems**

How can I apply OB in a practical way to increase my effectiveness?

PowerPoint Slides: 13-14

Section 1.3 introduces students to how OB can be applied to solve problems. The 3-Step Approach to problem solving is explained.

One way to begin the discussion of these topics is to have the students read the *Wall Street Journal* article “[Is It Ever OK to Quit on the Spot?](http://www.wsj.com/articles/is-it-ever-ok-to-quit-on-the-spot-1466531589)” This article and the corresponding 4-minute video discuss how a growing number of employees are not giving the traditional two weeks’ notice prior to quitting their jobs. For a supplemental activity, you could have the students apply the 3-Step Approach to address the issue of employees quitting, focusing specifically on OB concepts that may be related to the problem.

**Possible Topics for Discussion:**

* One of the critical first steps in being able to apply OB principles is to accurately define the problem. Why might it be difficult to effectively define the problem?
* Discuss how studying OB is likely to make you a better problem solver.
* Provide an example of how you could apply the 3-Step Approach to solve a problem you are experiencing at work or in your personal life.

**Section 1.3 Key Concepts:**

**Problem Solving**

* **Problem:** a difference or gap between an actual and a desired state or outcome.
* **Problem solving:** a systematic process of closing a gap between an actual and a desired situation.
* Problem-solving skills are increasingly needed in today’s complex world.

**3-Step Approach**

* Step 1: Define the Problem.
  + People need to define the problem and determine the desired outcome.
  + Problems should be defined in terms of desired outcomes or end states—the difference between what you want and what you have.
* Step 2: Identify Potential Causes Using OB Concepts and Theories.
  + Many OB theories and concepts will be presented throughout the book that can be used as appropriate responses to problems.
  + Test your causes by asking, “Why or how does this cause the problem?”
  + Asking “why” multiple times and following the line of reasoning will lead you to define and identify problems and causes more accurately.
* Step 3: Make Recommendations and (if Appropriate) Take Action.
  + Sometimes people will only make their recommendations to others, but often they are asked to implement the recommendations.
  + Be certain your recommendations address the causes you identified in Step 2.

**Tools to Reinforce My Problem-Solving Skills**

* The textbook provides numerous opportunities for students to master their problem-solving skills, through Problem-Solving Application Mini Cases, Self-Assessments, Take-Away Applications, End of Chapter Problem-Solving Application Cases and Legal/Ethical Challenge cases.
* Self-awareness of their problem-solving skills will help students learn about OB and improve performance.

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| [**SELF-ASSESSMENT 1.1**](#3as4poj)  **Assessing Your Problem-Solving Potential**  This 12-question self-assessment measures students’ problem-solving potential. Questions on effective and timely solutions are presented. |

**1.4 Structure and Rigor in Solving Problems**

How could I explain to a fellow student the practical relevance and power of OB to help solve problems?

PowerPoint Slides: 15-16

Section 1.4 of the chapter describes ways to structure problems to ensure the right problem is solved. The person-situation distinction is important for accurately defining a problem. It is also important to consider the three levels of OB—individual, group and organization.

One way to begin the discussion of these topics is to have the students read the *Forbes* article “[The Dead Fish Theory Of Problem-Solving](http://www.forbes.com/sites/alastairdryburgh/2016/05/25/the-dead-fish-theory-of-problem-solving/#7b6df2f11441).” This article illustrates that the place where a problem manifests itself in an organization may not be where the problem was created. For a supplemental activity, have the students discuss how applying the “dead fish” approach can result in better problem solving.

**Possible Topics for Discussion:**

* Assume that you are not performing to your desired level academic performance in this class. What factors would you offer to your academic advisor as to the reason why?
* Of the factors you discussed above, which factors are person factors and which ones are situation factors?
* Based on your OB knowledge to date, give examples of individual, group, and organizational level outcomes that the president of your college or university likely considers to be important outcomes.
* Discuss how using the person versus situation classification and the three organizational levels can help you to identify the right problem when solving problems.

**Section 1.4 Key Concepts:**

**The Person−Situation Distinction**

* OB concepts and theories can be classified into two broad categories: person factors and situation characteristics.
  + **Person factors:** represent the infinite number of characteristics that give individuals their unique identities.
  + **Situation characteristics:** all the elements outside of ourselves that influence what we do, how we do it, and the ultimate results of our actions.
* A potentially infinite number of situation factors can either help or hinder someone when trying to accomplish something.
* Many person−situation characteristics influence a host of important outcomes, such as job satisfaction, performance, and turnover.

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| **Interactive Classroom Material:**  **PROBLEM-SOLVING APPLICATION:** [**Technology, a Situation Factor that Affects My Performance**](#2bn6wsx)  In this Problem-Solving Application, students are asked to analyze the pros and cons of the increasing use of technology in the workplace. |

**Importance of Person versus Situation Factors**

* Researchers and managers have debated for decades the answer to the question of if person or situation factors matter more.
* **Interactional perspective:** states that behavior is a function of interdependent person and situation factors.
* Neither people nor situations are static, and the two change each other.
* Managers need to understand the interplay between both person and situation factors to be an effective employee and manager.
* The person−situation distinction provides a means for classifying OB concepts and theories into causes of behavior.

**Levels—Individual, Group/Team, and Organization**

* OB distinguishes among three organizational levels: individual, group, and organizational.
* Understanding and considering levels increases a manager’s problem-solving effectiveness and performance.

**Applying OB Concepts to Identify the Right Problem**

* If a problem is not accurately defined, then all subsequent problem-solving efforts would be adversely affected.
* By considering person factors, situation characteristics, and level (i.e., individual, group/team, or organizational) during problem solving, people will review a larger number of possible causes for the problem, increasing the likelihood they will identify the right problem.

**1.5 The Organizing Framework for Understanding and Applying OB**

**How can the Organizing Framework help me understand and apply OB knowledge and tools—and improve my problem-solving skills?**

PowerPoint Slides: 17-20

Section 1.5 introduces the Organizing Framework for Understanding and Applying OB. The Organizing Framework is used throughout the textbook to help the students organize the various OB theories and concepts, and it is a way for the students to apply the 3-Step Approach to problem solving.

One way to begin your discussion of these topics is to have the students read the *Harvard Business Review* online article “[How One Fast-Food Chain Keeps Its Turnover Rates Absurdly Low](https://hbr.org/2016/01/how-one-fast-food-chain-keeps-its-turnover-rates-absurdly-low).” This article profiles the management tactics used at Pal’s Sudden Service to provide efficient and effective service. For a supplemental activity, you can have the students apply the Organizing Framework to identify the inputs and processes that help to keep turnover rates low at Pal’s.

**Possible Topics for Discussion:**

* Explain how using the Organizing Framework will help you to organize and apply the various OB theories and concepts to be presented during the course.
* Discuss how you could apply the Organizing Framework and the 3-Step Approach to improve your academic performance in this class or in a class in which you are struggling.
* Describe the benefits of using the 3-Step Approach for dealing with the types of situations you are likely to experience as a manager.

**Section 1.5 Key Concepts:**

**A Basic Version of the Organizing Framework**

* The framework uses a systems approach for analyzing problems.
* Person and situation factors are inputs.
* Processes and outcomes are organized into individual, group/team, and organizational levels.
* The framework implies that person factors and situation characteristics are the initial drivers of all outcomes that managers want to achieve because inputs affect processes, and processes affect outcomes.
* Since events are dynamic and ongoing, many outcomes will in turn impact inputs and processes, as shown by the feedback loops in the framework.
* Determining the causal relationships between inputs, processes, and outcomes often depends on a particular point in time—an outcome at one point in time may be an input at another.

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| **Interactive Classroom Material:**  **OB IN ACTION:** [**Life Is Sweeter on Mars**](#3j2qqm3)  This OB in Action profiles the company Mars and discusses some of the inputs, processes, and outcomes of the company that may differ from other companies with which students may be familiar. |

**Using the Organizing Framework for Problem Solving**

* The 3-Step Approach can be used in conjunction with the Organizing Framework to make the problem-solving process more rigorous.
* The Organizing Framework can be used at all three steps of the problem-solving journey: Step 1—make sure you are identifying the right problem; Step 2—consider appropriate causes; and Step 3—select the solution that seems most appropriate.
* Some managers like to rely largely on intuition and experience, while others use more analytical or systematic methods to select a solution.
* Most people lack the time, knowledge, or access to data to routinely follow a rigorous selection procedure.
* Constraints such as time, money, authority, and information may impact the ultimate selection.

**Applied Approaches to Selecting a Solution**

* Resolving a problem simply means choosing a satisfactory solution, one that works but is less than ideal.
* Problems are solved by implementing the optimal or ideal response.
* Dissolving problems requires changing or eliminating the situation in which the problem occurs.

**Basic Elements for Selecting an Effective Solution**

* When selecting the most effective solution, decision makers should consider selection criteria, consequences, and choice process.
  + Selection criteria for a decision can be based on its effects on bottom-line profits, its impact on others, its impact on the reputation with customers or the community, the organization’s values, and ethical implications.
  + The consequences of each alternative should be considered, including the trade-offs between who wins and loses, ideal versus practical options, perfection versus excellence, and superior versus satisfactory results.
  + The final choice process may be an individual, team, or third-party decision, and if more than one person is involved, the decision-making method must be determined.
* It is important to consider the necessary resources, including which people will be key sources of support for (and resistance to) the ultimate selection.
* The OB knowledge and tools presented in this book can help tremendously in selecting and implementing the “best” solution, given the situation.

**1.6 Preview of the Power of OB**

**How can I integrate and apply the many OB concepts and tools to solve problems?**

Section 1.6 introduces students to the many OB concepts they will learn about by reading this textbook. It also presents a more expansive version of the Organizing Framework for Understanding and Applying OB. Finally, it applies the 3-Step Approach and the Organizing Framework to solve the problem of employee turnover.

One way to expand your coverage of the Organizing Framework is to let the textbook authors describe the framework and how it should be used. [Click here](https://www.youtube.com/watch?v=1SaQ7yho-Q8&index=5&list=PLqmcJVdRMoi2bJ964hDClrobsTsS0dTCy) to see a 9-minute video of Angelo Kinicki describing the Organizing Framework. [Click here](https://www.youtube.com/watch?v=MmRhEpLzHPk&index=9&list=PLqmcJVdRMoi2bJ964hDClrobsTsS0dTCy) to see a 5-minute video of Mel Fugate discussing and applying the 3-Step Approach. (Note that the authors used the terms *Integrative Framework* and *3-Stop Approach* for earlier versions of this textbook, but the principles are the same as the models described here.)

**Section 1.6 Key Concepts:**

**A Hypothetical Problem-Solving Scenario**

* This scenario walks the students through how to use the 3-Step Approach and the Organizing Framework to address a problem of employee turnover.
  + Students should apply the 3-Step Approach: (1) to determine the problem; (2) apply OB to highlight the causes; and (3) make recommendations for solving the problem.
  + The Organizing Framework can provide insights into the relevant inputs, processes, and outcomes for each step of the 3-Step Approach.
* Figure 1.4 illustrates a summary version of the Organizing Framework and key insights are:
  + There are more person factors that affect processes than situation factors.
  + Solving problems requires you to think across levels.
  + OB concepts are both inputs and processes.
  + Given that 28 different outcomes are affected by OB-related inputs and processes, knowledge about OB is important.

**CHALLENGE: MAJOR QUESTIONS**

* 1. **How can I use knowledge of OB to enhance my job performance and career?**

*OB concepts can be used to manage the behaviors of individuals, groups/teams, and organizations. By using the contingency perspective of OB, you will be able to apply the appropriate knowledge and tools for a given situation, rather than assuming that you can use a “one best way” across all situations. For example, if you are a manager of a department and you recognize that you have high turnover rates by your most talented employees, you will realize that you need to make adjustments to either inputs or processes in order to change this outcome (i.e., lower turnover rates). Using OB knowledge and effective problem-solving techniques will make you more effective at identifying problems and proposing effective solutions. Employers want employees with problem-solving and critical-thinking skills that are fostered as a result of using OB. Effectively using OB principles will allow you to perform better at your job, thus giving you credibility, which can help to get you promoted.*

* 1. **Why do people fall into ethical lapses, even unwittingly, and what lessons can I learn from that?**

*The work environment can produce unethical conduct from people who are otherwise good and well-intentioned employees. Unethical behavior at work can be caused by ill-conceived goals, motivated blindness, indirect blindness, the slippery slope, and overvalued outcomes. For example, you can set a goal to achieve an “A” in all of your classes, despite the fact that you are working full-time. This may cause you to ask your roommate to write a paper for you because you don’t have sufficient time to do it yourself (i.e., ill-conceived goals). You may ignore the fact that asking your roommate to write a paper for you can result in your roommate facing charges of academic dishonesty because it is in your best interest to focus on your needs (i.e., motivated blindness). You may engage in indirect blindness when you know one of your teammates downloaded his part of your group project from the Internet, but you submit the group paper anyway. You may go down the slippery slope if each time you have to write a research paper, you ask your roommate to write more and more of the paper, after initially just asking the roommate to review your work for grammatical accuracy the first time you asked for his assistance. You may overvalue the outcomes if your unethical actions result in you passing the class, when otherwise you would have been forced to re-take the course next term. By knowing these causes of unethical behavior at work and the remedy for each cause, you will be less likely to engage in unethical behavior. Brainstorming about unintended consequence can help to prevent the formation of ill-conceived goals. Motivated blindness can be reduced by rooting out conflicts of interest. To prevent indirect blindness, you should consider what might invite unethical behavior. You can avoid the slippery slope by addressing even trivial ethical infractions. Finally, to avoid overvaluing outcomes, you should reward solid decision processes, not just good outcomes.*

* 1. **How can I apply OB in a practical way to increase my effectiveness?**

*Problem solving is a systematic means for closing a difference or gap between a current and a desired situation. The 3-Step Approach to problem solving involves defining the problem, using OB concepts and theories to identify potential causes, and making recommendations and action plans to solve the problem. The 3-Step Approach will provide you an organized way to apply the many concepts and theories of OB to solve problems in all facets of your life—school, work, or personal life. For example, if you find yourself performing poorly in one of your classes (i.e., an individual-level outcome), you could use the Organizing Framework and the 3-Step Approach to understand why. You may be able to identify person and/or situation factors that are impacting your motivation, which in turn is impacting your task performance. The tools used throughout this book will allow you to more effectively solve a variety of problems.*

* 1. **How could I explain to a fellow student the practical relevance and power of OB in problem solving?**

*The practical relevance and the power of OB are in its ability to provide structure and rigor when solving problems. You should explain to fellow students that structure will help them to organize and apply their OB knowledge more effectively. Using structure also results in a more rigorous approach to solving problems since it helps ensure that important information is not overlooked. Two structures used in OB are person-situation and structural level. Person factors represent the vast number of characteristics that give individuals their unique identities. Situation characteristics consist of all the elements outside of ourselves that influence what we do, how we do it, and the ultimate results of our actions. Workplace behavior occurs at three levels—individual, group/team, and organizational. Organizing OB concepts into these categories would enhance your fellow students’ ability to understand and apply OB knowledge. By considering person and situation inputs, and individual, group/team, and organizational processes and outcomes, your fellow students will realize the power of OB to systematically solve problems in all spheres of their lives.*

* 1. **How can the Organizing Framework help me understand and apply OB knowledge and tools—and improve my problem-solving skills?**

*The Organizing Framework for OB is based on the systems approach. The structures used in the Organizing Framework will help you to excel at solving problems. Inputs are structured as person and situation factors, and processes and outcomes are organized into individual, group/team, and organizational levels. By using the Organizing Framework with the 3-Step Approach to problem solving, you will be better able to define problems, identify their causes, and create recommendations. Using the Organizing Framework and the 3-Step Approach will help to ensure that you are identifying the right problem (i.e., Step 1), considering appropriate solutions (i.e., Step 2), and selecting the solution that seems most appropriate (i.e., Step 3).*

* 1. **How can I integrate and apply the many OB concepts and tools to solve problems?**

*You can integrate and apply the many OB concepts and tools to solve problems by using the 3-Step Approach and the Organizing Framework. With the 3-Step Approach, you first define the problem. Next, you apply OB concepts to highlight the causes of the problem. Finally, you generate effective recommendations. The input, processes, and outcomes identified in the Organizing Framework allow you to determine the correct OB concepts in each phase of the 3-Step Approach. The 3-Step Approach, combined with the Organizing Framework, can help you to more effectively solve problems in all aspects of your life, professional and personal included.*

**PROBLEM-SOLVING APPLICATION CASE (PSAC): United Airlines:   
How Do We Get There from Here?**

### Apply the 3-Step Problem-Solving Approach to OB

This problem-solving application case discusses the challenges United faced after its merger with Continental Airlines. United faced industry performance issues, customer satisfaction woes, and employee relations problems, among other challenges. The case outlines the behavior of United’s former CEO Jeff Smisek, and its new CEO Oscar Munoz, and asks students to identify the problems and their causes, as well as recommendations for solutions.

**Step 1:** Define the problem.

*There are multiple problems in this case. First, executives are leaving the organization. Second, there are many cases of flight delays and cancellations due to a faulty operations system. This, in addition to other reasons, is leading to a lot of customer complaints. Third, United operates one of the oldest fleets. There are also ethical issues that have led to decreased employee job satisfaction, such as the unethical conduct by former CEO Smisek.*

**Step 2:** Identify causes of the problem.

*There are a few different causes students may bring up. First and foremost, United is more focused on cost cutting rather than processes and customer service. Moreover, the organizational climate at United was becoming toxic as top management was not paying attention to the needs of employees. Students may bring up other causes, which are either inputs or processes.*

**Step 3:** Make recommendations for solving the problem.

*United needs to listen to the needs of all of its stakeholders, especially its customers and employees. Current CEO Munoz has done a good job of listening to employees and progressing on some contract negotiations, but he should also reach out to customers and make sure their needs are met as well. Student responses should also focus on other issues, such as ethical considerations, operations processes, etc.*

**LEGAL/ETHICAL CHALLENGE**

## **To Tell or Not to Tell?**

Assume you are a nursing director for a nursing home. You’ve been working at your facility for a few short months when you learn the company that owns the home has been improperly overbilling Medicare for the care and services provided to your residents. You bring this to the attention of the company’s managers, but they do nothing. You then notify the appropriate authorities (becoming a whistle-blower) and, dismayed by the fraud and other problems, you quit.

Several months later you interview for a new position as nursing director at another company. The interview is with a panel of 10 decision makers, including the CEO, medical director, and other administrators, who will decide whether you get the job.

One other important detail: This facility is just two miles from the one you reported to the authorities before quitting. Nursing, like other industries, tends to be a very close circle of people who often cross paths repeatedly in different jobs over time.

### **Your Response**

**What would you do about divulging information regarding your allegations against your previous employer? Choose your answer from the options below. Be sure to explain and justify your choice.**

1. **Do not divulge the whistle-blowing.**

*The first consideration here is if you can even divulge the whistle-blowing. Many times, you cannot divulge that information, and doing so can look bad on your part. Aside from this, it is important to consider the pros and cons of divulging this. On the positive side, you would look strong, ethical, and as someone who believes in good values. On the negative side, you could be looked at as a disrupter and someone who will blow the whistle even if you may be mistaken.*

1. **Wait until you learn the outcome of the interview; if you don’t get the offer, don’t share the information.**

*This may be a wiser move, unless you believe sharing the information will provide you with a better chance of securing the job. Moreover, the privacy of the previous organization, whether they did something good or bad, should be a consideration in this tight knit industry just like there may be an expectation that they keep your privacy.*

1. **Wait until you learn the outcome of the panel interview; if you get a job offer, then tell the person who makes you the offer about the allegations.**

*This is very similar to the second outcome. The decision to divulge the information after the interview may be wiser than divulging during the interview process. Another question to be asked is what you would gain by divulging after the interview? Is there a point to be made? Just divulging to divulge may look hostile. If the authorities were notified, then there may not be that much left to consider.*

1. **Tell all members of the panel during your interview.**

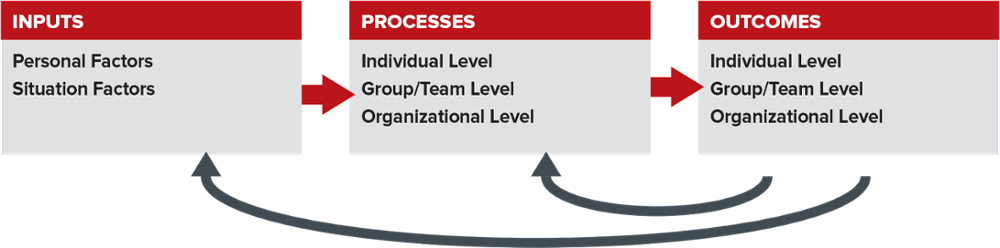
*Students should provide rationale about the difference between one or many members of the panel knowing.*

1. **Create and explain another course of action.**

*Students’ answers may vary here.*

**FIGURE 1.5 Organizing Framework for Understanding and Applying OB**

**REVISITING THE INTEGRATIVE FRAMEWORK: FIGURE 1.5**



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This chapter introduces the Organizing Framework for Understanding and Applying OB and the 3-Step Approach for problem solving. The Organizing Framework is based on systems theory, which contends that all systems have inputs, processes, and outcomes. Inputs are what are put into a system. When considering OB, inputs can be classified as either person factors or situation factors. Person factors give individuals their unique identifiers, while situation characteristics are elements outside of ourselves. Processes are actions directed toward some end state. Individual, group, and organizational-level processes are important for understanding OB. Outcomes are the results of the system’s activity. Outcomes are also classified based on individual, group, and organizational-levels. As students work their way through the textbook, they will learn more about the inputs, processes, and outcomes that are the focus of OB research and practice.

The 3-Step Approach for solving problems should be used in conjunction with the Organizing Framework. In Step 1, students need to define the problem, which is a difference or gap between an actual and a desired situation. It is important to accurately identify the problem, otherwise recommendations to solve the wrong problem may be proposed. Step 2 is to identify potential causes of the problem using OB concepts and theories. The Organizing Framework is particularly useful in this step by helping students to organize the OB theories and concepts which may be applicable. Step 3 is to make recommendations, and potentially take actions to implement them. In order for Step 3 to be successful, it is necessary to define the problem appropriately and to accurately identify the true causes of the problem. Students will have many opportunities to apply the 3-Step Approach and the Organizing Framework throughout the remaining chapters.

**APPLYING OB**



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| **APPLYING OB: How to Ace Your Next Interview**  In this Applying OB, students are provided with five tips to better prepare them for their next interview. These tips include: create an elevator pitch, finish strong, prepare for situational questions, make your research social, and don’t trip up on the money.  **Additional Activities:**  One way that you could build on this Applying OB is to have the students watch the video “[Interview Skills—Demonstrating Your Fit with the Company](https://www.youtube.com/watch?v=_iKAD83WM68).” This 6-minute video posted by The Ohio State University Fisher College of Business Office of Career Management provides practical suggestions on how to gather information about a potential employer to determine if you fit with the company. It also shows a sample job interview that your students can critique. Consider using the following discussion questions:  Discuss steps that you can take to learn more about a company with which you have an upcoming job interview.  Provide examples of interesting situation questions that were used as part of a job interview in which you participated. How effectively do you believe you answered the question? How would you handle the question differently today?  Critique the student’s performance in the sample job interview. What other recommendations would you give to the student? |

**OB IN ACTIONS**

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| **OB IN ACTION: Google Search: “How Can We Keep Talented Employees?”**  This OB in Action allows students to consider some of the practices that should be used for keeping valuable employees and allowing them to achieve work-life balance.  **YOUR THOUGHTS?**  **If you alone could make policies at Google (or your workplace), what would you do to keep valuable employees?**  *Students’ answers will vary according to students’ opinions. The Organizing Framework can be used to identify inputs (i.e., person factors and situation characteristics) and processes (individual-, group- and organizational-level) that might be contributing to the problem. Personal factors that could be considered are new parents’ values and needs (i.e., the desire to feel like a good parent). Situation characteristics that should be discussed include job design (e.g., allowing for telecommuting for new parents), human resource practices such as flextime or job sharing, and/or making sure reward processes don’t negatively impact those that take parental leave. Unless the organization’s mission, vision, and values support parental leave, employees may be more inclined to quit. For processes, performance management practices, human resource policies, and organizational culture could all impact new parent turnover. By having appropriate policies and procedures to prevent avoidable turnover, firms can enjoy the positive outcomes of higher levels of performance, higher levels of job satisfaction, and lower turnover.*  **How could you apply the contingency approach to make these and other policies more effective?**  *When applying the contingency model to this situation, it is important for students to recognize that each employee’s inputs may be different, and thus a one-size-fits-all approach to parental leave likely would not be most effective.*  **What else would you do? Why?**  *Recommendations will differ, but evaluate students’ responses based on their understanding of the Organizing Framework.*  **Additional Activities:**  One way to build on this OB in Action is to have the students learn more about the companies that top *Fortune’s* “[100 Best Companies to Work For](http://fortune.com/best-companies/)” list. The list of employers changes each year, but the 2016 list is currently available at: <http://fortune.com/best-companies/>. Place the students in groups of four to five and assign them one of the companies from the list to research in more detail. Have the students read through their company’s profile and then summarize for the class what benefits or programs they found most interesting or unique about their company. You could also have students read the *Glassdoor* article “[Top 20 Employee Benefits & Perks](https://www.glassdoor.com/blog/top-20-employee-benefits-perks/).” Consider using the following discussion questions:  What factors do you think contributed to your assigned firm earning a spot on the Best Companies to Work For list?  Of the various benefits and programs offered by the employers on the list, which ones would be most important to you when making a career decision about where to work?  Which company that you learned about would you be most interested in working for and why? |

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| **OB IN ACTION: Wrong? Absolutely! Illegal? Seemingly Not.**  This OB in Action discusses how unethical behavior contributed to the financial crisis of 2008-2009 and the ensuing Great Recession.  **YOUR THOUGHTS?**  **What is your reaction?**  *Students’ reactions and answers will vary. It may be interesting to discuss how even if an illegal act occurred, it does not necessarily mean that legal action would have been taken against the responsible party or parties. Prosecutors are under pressure to win cases if they file charges and may have been reluctant to file charges if they felt the chances of winning the case were low.*  **If you think the executives (and perhaps other employees) of financial institutions should be punished, then describe what you think is appropriate.**  *Responses will vary. Student perceptions of if executives and other employees of financial institutions should be punished might be influenced by the extent to which the student was personally impacted by the Great Recession (e.g., a parent lost his or her job, the family lost their house, etc.).*  **Alternatively, if you think they should not be punished, then explain why.**  *Responses will vary. Students may believe that the actions of the firm represent actions of “rogue” employees, not necessarily the CEOs of the companies. Alternatively, students may believe that the actions of the CEOs and other high-level executives represented negligent risk-taking rather than criminal activity (i.e., they were just bad at their jobs, not criminals).*  **Additional Activities:**  One way to build on this OB in Action is to have the students watch the *Bloomberg* video “[2008 Financial Crisis: Should People Have Gone to Jail?](http://www.bloomberg.com/news/videos/2015-10-07/2008-financial-crisis-should-people-have-gone-to-jail-)” In this 5-minute video, former Treasury Secretary Larry Summers debates some of the challenges of prosecuting those involved with the financial crisis. Consider using the following discussion questions:  Discuss the reasons why it is difficult to hold individuals accountable for the actions of companies.  Respond to Larry Summers’s comment that you must convince a jury “beyond a reasonable doubt” as a reason why there are not more criminal convictions surrounding the events leading to the Great Recession.  What can companies do to better protect themselves from “stupidity” contributing to ethical lapses? |



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| **OB IN ACTION: The Whistleblower’s Dilemma**  This OB in Action highlights the advantages and disadvantages of when someone “blows the whistle” on the illegal actions of his or her company. Some whistleblowers are rewarded financially for their actions, but others pay a heavy price in the form of retaliation.  **YOUR THOUGHTS?**  **What can employers do to encourage and avoid punishing whistleblowers?**  *Employers can encourage whistleblowers to come forward, and avoid punishing them by creating and following codes of ethics and nonretaliation policies. Employers should have clear and comprehensive policies for how employees can disclose the wrongdoings of others and should train all managers on the importance of not retaliating against a whistleblower.*  **What can you do as an individual employee when you witness or become aware of unethical conduct?**  *Students’ answers on what they could do if they witnessed or became aware of unethical conduct may vary based on their perceptions of how well their employer (or school) has followed the suggestions on how to foster an environment that not only encourages, but rewards whistleblowers.*  **Additional Activities:**  One way to build on this OB in Action is to have the students watch the *60 Minutes* segment "[Russia's Dark Secret](http://www.cbsnews.com/news/60-minutes-russian-doping-at-sochi-winter-olympics-exposed/)." This 14-minute video profiles the whistleblower couple that brought Russia’s athletic doping scandal to light. Consider using the following discussion questions:  Critique the actions taken by Yuliya Stepanov. Do you believe that she would have blown the whistle if she had not gotten injured? Defend your point of view.  Discuss some of the potential ramifications or unintended consequences one can face by being a whistleblower.  What can create a "culture of cheating" at an organization? |



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| **OB IN ACTION: Life Is Sweeter on Mars**  This OB in Action profiles the company Mars and discusses some of the inputs, processes, and outcomes of the company that may differ from other companies with which students may be familiar.  **YOUR THOUGHTS?**  **What positive outcomes does Mars produce at the individual level?**  *Answers to the discussion questions will vary but positive individual-level outcomes students may mention are higher levels of job satisfaction, employee engagement, organizational commitment, less work-family conflict, and lower levels of absenteeism and turnover.*  **What positive outcomes does Mars produce at the organizational level?**  *Positive organizational-level outcomes likely to be mentioned are fewer vacant job positions, enhanced customer service, lower costs, greater profitability, enhanced productivity, more product innovation, and perhaps higher sales due to positive marketplace reputation for corporate social responsibility.*  **What inputs and processes help produce each of these outcomes?**  *Relevant inputs would include the needs, values, and attitudes of the workers, and the egalitarian corporate culture of the firm. Important processes to be discussed include leadership, compensation practices (e.g., pay-for-performance), decision-making approaches, communication styles, and socialization, to name a few.*  **Additional Activities:**  One way to supplement the material in this OB in Action is to have the students watch the video “[One Sweet Job: Life at Mars Chocolate](https://www.youtube.com/watch?v=_ramqOrG5gg).” This 3-minute video published by Mars Inc. further elaborates on what it’s like to be a “Martian” at Mars. Consider using the following discussion questions:   * Describe positive aspects of the company’s work environment that you observed in the video. * Discuss strategic challenges you think the firm is going to experience in the next few years. * Mars is a privately-held company, and regarded as a highly secretive one as well. Discuss how this likely impacts the firm’s ability to achieve its strategic goals. |

**TAKE-AWAY APPLICATIONS**

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| **TAKE-AWAY APPLICATION: Learning about My Soft and Hard Skills**  In this Take-Away Application, students are encouraged to apply both soft and hard skills in order to see how they benefit them at school and work.  **Questions:**  **List what you think are your two strongest soft skills. Also briefly, and specifically, explain how they can or do benefit you at school and work.**  *Student answers will vary. Soft skills should include interpersonal skills and personal attributes, such as the way students communicate and interact with others.*  **List what you think are your two strongest hard skills. Explain specifically how they can or do benefit you at work and school.**  *Student answers will vary. Hard skills include expertise and knowledge. This could include math skills, financial skills, computer skills, etc.*  **Additional Activities:**  One way to build on this Take-Away Application is to have the students read the *HR Magazine* article “[HR’s Hard Challenge: When Employees Lack Soft Skills](https://www.shrm.org/hr-today/news/hr-magazine/0416/Pages/HRs-Hard-Challenge-When-Employees-Lack-Soft-Skills.aspx).” This article from the April 2016 issue analyzes whether employers should hire for or develop the soft skills their employees need for the organization to be successful. Consider using the following discussion questions:  Of the various soft skills, which do you think is most important in your current or most recent position? What can you do to improve your skills in that area?  Discuss the factors that influence if companies should hire for soft skills or hire for technical skills and develop soft skills.  Do you feel that your academic institution and program of study are doing enough to develop your soft skills? What changes to your program would you recommend? |

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| **TAKE-AWAY APPLICATION: Identifying Unethical Behavior at School and Work**  In this Take-Away Application, students reflect on common forms of unethical behavior at their school or workplace.  **Questions:**  **Identify the three most common forms of unethical behavior at school or where you work. Be specific.**  *Common forms of unethical behavior at school might include having someone else write assignments for you, pretending to be sick to get extra time to prepare for an exam, or “recycling” a project or paper from one class for another course. Common forms of unethical behavior at work might include “exaggerating” on a resume to get a job, taking a “sick day” when you are not sick, or taking company supplies such as paper home for personal use. Responses will vary according to students’ experiences.*  **Using Table 1.2, determine what the likely causes are for each.**  *Examples of ill-conceived goals may be when professors have too many assignments due at the same time, creating time pressures for students, or if professors assign projects that seem to have no real-world relevance to the students (i.e., perceived as busy work). Students may experience motivated blindness if they know one of their colleagues has cheated on a group assignment, but they don’t have time to correct the project before it is due. Students may experience indirect blindness if they allow one of their friends to submit, as his or her original work, a paper they had previously written for a different semester or course. Students may slide down a slippery slope if each time they write a paper, they take more and more content directly from the internet but yet the professors never notice. Students may overvalue outcomes if they helped someone cheat on an assignment, and as a result the student who was struggling in the class was able to pass the course and avoid taking summer school.*  **Describe one thing that can be done to prevent or remedy each of the three most common unethical behaviors you noted in question 1. Use Table 1.4 for ideas/suggestions.**  *For ill-conceived goals, individuals should consider unintended consequences. To prevent motivated blindness, people should determine and remove any conflicts of interest; and to prevent indirect blindness, people should take ownership of any potential unethical consequences of involving others in the assignment. People should take corrective action after even seemingly trivial ethical infractions to avoid sliding down the slippery slope. People must reward only solid decision processes, not just the final outcome to avoid overvaluing outcomes.*  **Additional Activities:**  One way to build on this Take-Away Application is to have the students watch the *ABC News* video “['Blind' Man Caught Driving Committed Disability Fraud](http://abcnews.go.com/Nightline/video/blind-man-caught-driving-committed-disability-fraud-39112490).” This 8-minute video profiles egregious examples of people illegally receiving disability payments. Consider using the following discussion questions:Video Camera Icon Red  Using Table 1.2 as your foundation, discuss reasons which would cause someone to commit disability fraud.  Assume that you believe that one of your employees is inappropriately receiving workers’ compensation payments by lying about the extent to which she suffered physical injuries as a result of a workplace accident. Is it acceptable for you to engage in surveillance or monitoring of the employee’s actions to gather evidence against her? What surveillance techniques would be acceptable? Defend your point of view.  Assume that one of your closest friends at work is inappropriately receiving workers’ compensation payments for an injury that he claims occurred at work, and you know that the injury had nothing to do with his work. Would you report your friend’s deception to anyone, such as your boss, human resources, or the government? Why or why not? |

**PROBLEM-SOLVING APPLICATIONS**

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| **PROBLEM-SOLVING APPLICATION: Technology, a Situation Factor that Affects My Performance**  In this Problem-Solving Application, students are asked to analyze the pros and cons of the increasing use of technology in the workplace.  **Your Call:**  **Step 1: What problem is described in this example?**  *One possible problem statement that students may identify is that workplace technology is making it difficult for employees to achieve work-life balance because they cannot prevent their work hours from “spilling over” into their personal life hours. Another possible problem statement is that encouraging or allowing employees to use technology to perform work away from the office and/or outside of their normal work hours may create a legal obligation for employers to pay those workers for that compensable time.*  **Step 2: Identify two potential causes (be sure to link the causes to the problem you identified).**  *Possible causes for the problems identified include the fact that employers are under strategic pressure to do more with less; employees may receive a high degree of satisfaction from their jobs and may spend too much time on work activities to the detriment of their personal lives; or employees receive positive reinforcement from their supervisors for being willing to perform work outside of traditional work hours.*  **Step 3: Make a recommendation aimed at the cause that you feel will improve or remove the problem.**  *When evaluating students’ responses, evaluate the extent to which there is a causal connection between the recommendations they have made and the causes of the problem they identify (i.e., their proposals will get to the root cause of the problem(s) they identified).*  **Additional Activities:**  One way to build on this Problem-Solving Application is to have the students read the *Wall Street Journal* article “[Late-Night Work E-mail: Blessing or Curse?](http://www.wsj.com/articles/late-night-work-email-blessing-or-curse-1459275326)” This article profiles how employees can have different views on the advantages of being able to perform work outside of the office. Differing styles can cause tension when employees have different views. Consider using the following discussion questions:  Do you prefer to be an integrator or a separator? Explain why.  Describe a time when your work preference conflicted with someone else’s, such as a boss, co-worker, or client. How did you deal with the situation?  As a future manager, discuss how you might need to adapt your management style as a function of the preferences of your employees. |

**SELF-ASSESSMENTS**

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| **SELF-ASSESSMENT 1.1**  **How Strong Is My Motivation to Manage?**  This Self-Assessment asks students to reflect on their motivation to be managers based on seven dimensions that may be predictors of managerial success.  **Questions:**  **Does this instrument accurately assess your potential as a manager? Explain.**  *Students responses will vary based on their previous experiences and/or their own view of how well they see themselves suited to be a manager.*  **Which of the seven dimensions do you think is likely the best predictor of managerial success? Which is the least? Explain.**  *Students should choose from authority, competitive games, competitive situations, assertive roles, imposing wishes, standing out from the group and routine administrative functions as indicators of managerial success.*  **The instrument emphasizes competition with others in a win-lose mentality. Describe the pros and cons of this approach to management.**  *Students should be aware that having a win-lose mentality as a manager can hinder one’s ability to gain consensus and commitment from others; however, there are times that not everyone will be happy with a decision that is being made. Students can be made aware that forthcoming chapters on decision making, power, influence and leadership will provide guidance on this.* |
| **Supplemental Activity:**   1. The class should be split into small groups based on their motivation to manage self-assessment scores. High scorers should be grouped together and low scorers should be grouped together. 2. Groups should connect each dimension of motivating to manage to an example from the workplace. After 15-20 minutes, students can write these examples on the board. 3. Instructors can then review with the class as a whole and see if the self-assessment scores of the groups affected the type of example used.    1. Have students been particularly successful, or not, based on their motivation to manage scores?    2. Which dimension of motivation to manage is the most important for student success? Why do they believe that? |

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| **SELF-ASSESSMENT 1.2**  **Assessing My Perspective on Ethics**  This Self-Assessment encourages students to reflect on if their views on ethics are more idealistic (i.e., ethical principles or standards apply universally across situations and time) or more relativistic (i.e., ethical standards are dependent on the situation).  **Questions:**  **Are your views more idealistic or more relativistic?**  *Reponses will vary based on scores.*  **What do you think about students cheating on homework assignments in school? What about them cheating on exams?**  *Those students with idealistic views of ethics would see cheating on a homework assignment, no matter how minor the work, the same as cheating on an exam. Those with a relativistic view believe that cheating on a minor assignment is not the same as cheating on an exam.*  **Are your answers consistent with your score? Explain.**  *Students who believe that the type of assignment or the person involved should not impact how they approach cheating should score high on idealism, while those who believe context or circumstances do matter should score high on relativism***.**  **Given your score, and assuming you’re a manager, what are the implications for how you would handle the unethical behavior of somebody you manage? What about the unethical behavior of your boss?**  *Those students who have idealistic views of ethics would likely treat the unethical behavior of someone they manage no different than unethical actions taken by their boss. In contrast, those with a relativistic view might hold subordinates and bosses to different ethical standards.*  **Supplemental Activity:**   1. Students should be assigned to groups based on their self-assessment scores. Students with high idealism scores should be grouped together, and students with high relativism should be grouped together. 2. Each group should create a code of ethics for an organization of its choosing. The code of ethics should include the four points provided above.    1. How can a stronger ethical climate be created through codification?    2. What types of employees would you be looking for?    3. Are there training programs that can be developed?    4. What types of rewards should be provided for ethical behavior?    5. What protections for whistle-blowers? 3. Each group should present its code of ethics to the class. The instructor should look for differences in the codes of ethics based on the group leaning more toward idealism or relativism |

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| **SELF-ASSESSMENT 1.3**  **Assessing Your Problem-Solving Potential**  This Self-Assessment encourages students to reflect on their problem-solving skills. The items assess one’s ability to define problems, generate effective solutions and implement solutions.  **Questions:**  **What do items 1-3 tell you about your ability to define problems?**  *Responses will vary. Students may realize that they need to focus more on problems, to consider more relevant factors, or establish appropriate goals.*  **Do your scores on items 4-6 match your perceptions of your ability to generate effective solutions?**  *Responses will vary. Students may realize that they need to generate more possible solutions, they need to better understand underlying concepts and issues related to work problems, or understand the possible consequences associated with possible solutions.*  **Using the individual items, describe the pros and cons of your tendencies toward implementing solutions.**  *Students may come to realize that they need to consider more relevant factors when analyzing problems, generate more solutions and more fully consider their implications, and/or ensure solutions are implemented in a timely, effective manner.* |
| **Supplemental Activity:**   1. Students can be divided into groups based on their scores on the assessment. The groups can review the scenario below.   *Parker and Melissa are managers at Telenet Solutions. Parker has noticed that Melissa’s team submits their earnings reports in an ambiguous way and seem to not properly portray revenues. This leads to a bonus for the team every quarter, but a loss for the company. Parker decides to call a meeting with upper management and Melissa to discuss this situation.*  *If you were the CEO of Telenet Solutions, what would you do at the meeting?*   1. Each group is to write a one-two paragraph speech that the CEO is to give to the company’s employees that discusses the ethical dilemma presented. The 3-step approach should be utilized in this speech. 2. The class should discuss as a whole based on each groups’ scores on the assessment. Did the scores affect the type of speech given? |

**GROUP EXERCISE**

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**Timeless Advice**

**Objectives**

1. To get to know some of your fellow students.
2. To put the management of people into a lively and interesting historical context.
3. To begin to develop your teamwork skills.

**Introduction**

Your creative energy, willingness to see familiar things in unfamiliar ways, and ability to have fun while learning are keys to the success of this warm-up exercise. A 20-minute, small-group session will be followed by brief presentations and a general class discussion. Total time required is approximately 40-45 minutes.

**Instructions**

Your instructor will divide your class randomly into groups of four to six people. With everyone offering ideas and one person serving as official recorder, each team will be responsible for writing a one-page memo to the rest of the class. The subject matter is: “My advice for managing people today is ….” The fun and creative part of this exercise is that you will write the memo from the viewpoint of a person assigned to your group by your instructor.

Among the people you might be assigned are the following:

1. Marissa Mayer (CEO of Yahoo).
2. An ancient Egyptian slave master (building the Great Pyramid of Giza).
3. Tony Hsieh (CEO of Zappos).
4. Reid Hoffman (cofounder of LinkedIn).
5. A contingency management theorist.
6. Alan Mulally (CEO of Ford Motor Company).
7. The CEO of Microsoft in the year 2030.
8. Bernie Madoff.
9. Others, as assigned by your instructor.

Be as specific and realistic as possible, trying to remain true to any historical facts you uncover, but also use your imagination. Remember, the idea is to provide advice about managing people from another person’s point of view and, in some cases, at another point in time. Make sure everyone participates, and manage your 20-minute time limit. For instance, spend two to three minutes thinking about the exercise, putting it into perspective, and researching as necessary. Next, spend about 10 to 12 minutes brainstorming ideas while the designated team member records your ideas. Then use the remaining time to write your one-page memo. Pick a spokesperson to read your group’s memo to the class.

**Questions for Discussion**

1. What valuable lessons about managing people have you heard?

*Answer: Student responses will vary. One theme that should develop is that a contingency approach to management should be used and that a one-size-fits-all approach to management is inappropriate.*

1. What have you learned about how not to manage people?

*Answer: Student responses will vary. Groups may consider the views of McGregor’s Theory X to be outdated.*

1. From the distant past to today, what significant shifts in the management of people seem to have taken place?

*Answer: The field of OB has evolved over time, and the views of some of the historical figures suggested as viewpoints might have rather different perspectives than more contemporary managers. Over time, it has become increasingly clear that money is not the sole motivator for people and that leaders need to acknowledge the intrinsic sources of motivation of their employees.*

1. Where does the management of people appear to be headed?

*Answer: Student responses will vary. Students may suggest that ethics will take on increased importance. Other teams may mention the importance of human and social capital. The impact of social media may be a trend that will be mentioned. Virtual management of employees who telecommute can be addressed. The ability to implement change management and to deal with rapidly changing technology is another key issue that will likely impact future management styles.*

1. All things considered, what mistakes are today’s managers typically making when managing people?

*Answer: Student responses will vary. Teams may indicate that managers fail to use the 3-Step process to accurately define the problem, which can result in an inappropriate solution being applied. Teams may suggest that managers fail to use the contingency approach to management or that they apply OB concepts that are not well suited to solve the specific problem.*

1. How well did your group function as a “team”?

*Answer: Student responses will vary. As will be discussed in Chapter 8, not all groups function as a team. A team is committed to a common purpose, performance goals, and approach for which they hold themselves mutually accountable. A group becomes a team when leadership is a shared activity; accountability shifts from strictly individual to both individual and collective; the group develops its own purpose or mission; problem solving is a way of life; and effectiveness is measured by the group’s collective outcomes and products. If the groups used in this exercise are left intact for the entire semester, then the group might develop into a team at the performing stage of group development. Otherwise, the groups in this exercise likely did not move beyond the forming stage and would not meet the criteria of a true team.*

**MANAGER’S HOT SEAT**

Students may complete the “Let’s Make a Fourth Quarter Deal” Manager’s Hot Seat exercises in Connect for this chapter.

**Introduction**

This scenario provides a depiction of the ethical dilemmas that may arise when two legitimate organizational goals are in conflict: generating revenue, and legal business practices. The manager in this situation is presented with a risky course of action that, if it worked, would have tremendous benefits for his company and department. Interpersonal communication styles and influence tactics are also demonstrated and provide a stimulus for discussion among students.

**Learning Objectives**

1. To analyze the causes of ethical dilemmas
2. To evaluate influence techniques and communication styles
3. To apply principles of ethical decision making

**Scenario Description:**

***Overview***

A Wall Street trading company, Smith/Blackwell, is coming to the end of their 4th Quarter. BesTel Inc. has offered to invest 4 million dollars with Smith/Blackwell which would not only save the department from lay-offs but would create year-end bonuses for the manager’s team, which in recent months has been plagued by very low morale. In order to process the investment before year’s end, some procedural steps would need to be “abbreviated/skipped/ignored.” The shareholders of BesTel will not meet until mid-January and therefore will not approve the investment until then. Therefore, Gina presents a situation in which she plans to side-step procedure to arrive at the advantageous outcome for the department and wants Jason’s support. While the Chairman of the Board, Jack, has assured Gina that the vote will pass and that he’s talked to the key shareholders personally, the truth is, he does not have the power to make this decision without the board’s actual vote.

***Profile***

* Jason Powell, Director of New Accounts, manages a team of 25 people. He has held the position for four years but in the past two years, investments have fallen by over 50 percent departmentwide.
* Gina Travers, Assets Manager. Gina has been working in the financial industry for over nine years. She has been with Smith/Blackwell for four years and was hired by Powell. To date, Gina has brought in 3.5 million dollars in investments.

**Discussion Questions:**

*Learning Objective #1:* *To* *analyze the causes of ethical dilemmas*

What is the source of this conflict, and what role has the organization played to contribute to this dilemma?

The account representative is very motivated to make this deal go through because the organization has tied her bonuses and salary increases to the dollar amount of investments she brings to the company. The manager also is rewarded if his department makes sales. On the other hand, he has the responsibility to protect the company’s assets and reputation by engaging in lawful business agreements. Thus, these competing goals set up difficult ethical decisions for the manager and employees.

Which of the “Concepts in Ethical Behavior” are relevant to this scenario? Why?

Most would be considered in this scenario; students’ answers will vary. Certainly professional ethics would be a driving factor in this case because there are rules and procedures to which individuals in this profession are bound. Also, organizational stakeholders should be considered because if the company engages in an unlawful deal, the reputation and ultimate longevity of the company could be at risk. On the other hand, some of the employees may lose their jobs if revenue doesn’t come in this quarter.

*Learning Objective #2: To evaluate influence techniques and communication styles*

Describe Gina’s initial approach with Jason. What influence tactic does she use initially? Is it successful?

Initially, Gina relies on the common goals she and Jason share with regard to making their fourth quarter numbers to save the department from potential lay-offs. Her emotion and elation at the solution is an attempt to appeal to Jason emotionally so that he’ll gloss over the important details that may prevent the deal. Clearly, she is not successful as he begins to examine the deal more closely.

How does Gina handle Jason’s hesitation to move forward on the deal? How does her reaction affect Jason?

Gina gets flustered and does not use rational case to argue her point. She begins to get defensive and uses a “bulldozer” approach to influence Jason rather than a thoughtful, rational one. This causes Jason to become even more skeptical of the deal and increasingly reluctant. He does effectively stay calm and does not raise his voice.

*Learning Objective #3: To apply principles of ethical decision making*

Consider each of the principles to guide ethical conduct. Analyze this situation from both Gina’s and Jason’s perspectives using these principles. Which model did Gina rely on most heavily? Jason?

Answers will vary. An argument could be made for any of the models. Gina’s comment about the “greater good” resembles the Utilitarian model. However, the negative consequence of the action could impact even more people than those who might enjoy positive consequences. Jason might argue the Moral Rights position in that not allowing the shareholders to vote before the deal is done violates their rights.

**PUBLISHER VIDEO**

The following video is sponsored by McGraw-Hill Education and can be found on either the Principles of Management/Organizational Behavior DVD (Volume 1), or via instructor resources on Connect:

**Focusing on Ethics and People at Whole Foods**

**Time:** 9:03

**Key people and companies**

Whole Foods

John Mackey – CEO of Whole Foods

**Overview**

In 1978 John Mackey and Rene Lawson Hardy opened a health food store called “SaferWay” in Austin, Texas. Two years later, SaferWay began the first of a series of mergers and acquisitions and opened the original Whole Foods Market. From there, Whole Foods Market began expanding by opening new stores and acquiring other natural foods stores.

The mission of Whole Foods is “Whole Foods, Whole People, Whole Planet.” First, the mission reflects the company’s commitment to providing natural and pure foods to consumers. The second part of the mission refers to the company’s commitment to their employees. The company aims for a “self-directed team culture” and a “respectful workplace where people are treated fairly and are highly motivated to succeed” (<http://www.wholefoodsmarket.com/company/index.php>). The third part of the mission is a commitment to protecting the environment and planet.

The video demonstrates concepts related to ethics, corporate social responsibility, environmental sustainability, people-centered organizations, and employee empowerment.

**Preparing students before the video**

Ask students what they know about Whole Foods and if they have shopped there. Ask students what makes Whole Foods different from other food retailers and why customers shop at Whole Foods despite higher prices than competitors.

**Major issues in the case**

* Ethics
* Stakeholder analysis
* The importance of the management philosophy

**Discussion Questions**

1. *What stakeholders are impacted by the actions and decisions of Whole Foods?*

Whole Foods (and all organizations) must respond to a variety of stakeholders with varying needs. Consumers, for example, are stakeholders. Whole Foods aims to provide natural and pure foods to consumers. Employees are also stakeholders. Whole Foods is committed to providing good pay, benefits, and working conditions to employees. Companies must also consider the interests of shareholders who expect a return on their financial investments. The community and environment also can be considered stakeholders. Organizations impact the community and environment in which they act and should be mindful and responsible of that impact.

1. *Give examples of how Whole Foods creates a “people-centered” culture for employees?*

Whole Foods employees can vote on which people they want to hire on their team, and they share in other decisions as well as company profits. The company promotes transparency in salary, and its employees are among the highest paid in the industry. Whole Foods also has a salary cap for top executives. John Mackey makes a salary far less than that of most CEOs of similarly sized companies. The company also provides full benefits to most employees.

1. *Is it possible to be both a strong competitor and also ethical in business?*

Answers will vary. The video shows John Mackey discussing acquisitions of other companies and admits to being very driven and a strong competitor. However, he also is committed to his ethical principles and management philosophy.

1. *Do you think customers are willing to pay higher prices to purchase products and services from companies that are socially responsible?*

Answers will vary. The success of Whole Foods does show that there definitely is a group of consumers who desire this type of shopping experience. Moreover, empirical research shows a positive correlation between corporate social responsibility and corporate financial performance (Orlitzky, Schmidt & Reynes, 2003).

Orlitzky, M., Schmidt, F.L., and Reynes, S.L., (2003), ‘‘Corporate social and financial performance: A meta-analysis,” *Organization Studies, 24*, 403-441.