# BMT 1550: SUPERVISION (PERRY, 2021)



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# BMT 1550: Supervision

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# Licensing

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# CHAPTER OVERVIEW

## Course Learning Outcome #1: Compare and contrast the contributions of management theory


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# 1.1: History of Management Theory

**Learning Objectives**

- Describe the history of management theory

So what is management theory? First, let's break down the term. Theories help us understand our experiences by using research and observable facts. Management is the act of supervising and directing people, tasks, and things[1]. So, simply put, management theory is a collection of understandings and findings that help managers best support their teams and goals.

## The Importance of Management Theories

Management theories help organizations to focus, communicate, and evolve. Using management theory in the workplace allows leadership to focus on their main goals. When a management style or theory is implemented, it automatically streamlines the top priorities for the organization. Management theory also allows us to better communicate with people we work with which in turn allows us to work more efficiently. By understanding management theory, basic assumptions about management styles and goals can be assumed and can save time during daily interactions and meetings within an organization.

Theories can only reach so far, and management theories are no exception. There is no such thing as a one-size-fits-all management theory. What may work for one organization may not be relevant for another. Therefore, when one theory does not fit a particular situation, it is important to explore the option of developing a new theory that would lead in a new, more applicable direction. While some theories can stand the test of time, other theories may grow to be irrelevant and new theories will develop in their place.

## The Evolution of Management Theory



While the next section will get into the nitty-gritty behind the history of different types of management theory, it is important to have a basic understanding as to why management theory was such an important and ground-breaking idea. The Industrial Revolution is at the center of management theory. From the late 1700s through the early 1900s, the Industrial Revolution brought extraordinary change to the workplace and forever transformed the way companies operate.

The Industrial Revolution brought better and faster technology allowing companies to perform more efficiently than ever before and gave them the ability to dramatically increase their output. However, increased output meant lower prices which increased demand which in turn required more employees. Companies that once had a couple dozen employees were now growing into gigantic corporations. No longer was it possible for a manager to know each and every one of their employees on a friendly level. In order to meet demand, company leadership had to ensure their employees were productive. Sounds simple, right? Not exactly.

While productivity goals can be set easily, managing a team to meet productivity goals was not so simple. For the first time, managers had to find new and innovative ways to motivate a sizable number of employees to perform. Since this was a new concept, research, observations, experiments, and trial and error were all used to find new and better ways to manage employees. The Industrial Revolution gave birth to a variety of management theories and concepts, many of which are still relevant and essential in today's workforce. In addition, many management theories have developed since the end of the Industrial Revolution as society continues to evolve. Each management theory plays a role in modern management theory and how it is implemented.

Let’s take a look at some key management theories, explore their history and reasoning, and learn about the masterminds behind them.

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1. Taylor, F. W. (1914). *The Principles of Scientific Management*. Harper. ↵

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# 1.2: Different Management Theories

**Learning Objectives**

- Differentiate among Scientific, Administrative, and Bureaucratic Management Theories
- Differentiate among Human Relations, General, and X&Y Management Theories

During the Industrial Revolution, it became obvious that the ways companies operated their businesses had to drastically change. While many people were in agreement that change was inevitable, pioneers in management theory differed in how they believed things should change and operate. In this page, we are going to explore six different management theories, all of which helped to form the base of management as it is known today. Keep in mind as you read about each one, that while some parts of the theories may be common sense to us today, at the time they were developed, they were groundbreaking. While the Industrial Revolution sparked these new theories, even more innovation came in the decades that followed as companies changed to adapt to business needs.

## Scientific Management Theory

Frederick Winslow Taylor developed and published his Scientific Management Theory in 1909. At its core, scientific management theory believes that it is vital to find the most effective way to complete each and every task, no matter how small. In the early 1900s, managers would give orders to their workers with no guidance on how to accomplish them. Managers and employees rarely, if ever, had interaction with one another. Taylor believed this was an inefficient way to operate a business and recommended some key changes.

Taylor argued each task should be completed as efficiently as possible. In addition, everyone should be assigned a particular job based on their skills and abilities and must be evaluated based on the quantity and quality of their work. Taylor did not think it was fair or cost effective to pay every employee the same amount, regardless of their output. While this may sound like common sense today, this was a groundbreaking idea in the early 1900s. Another big component of scientific management theory is the idea of training and development. Taylor argued it was extremely important to monitor and train your employees on the tasks they are assigned to. By ensuring your employees are efficient at their work, the output will be larger and of a higher quality.

One part of the scientific management theory that is not common today is the idea that managers strictly manage and employees simply work. Nowadays, most companies offer room for growth and advancement for their employees as opposed to keeping a distinct barrier between management and employees. This theory had a huge impact on the way companies operated and how they were able to create a more balanced pay system, better training, and a more efficient workforce.

## Administrative Management Theory

Administrative management theory was developed by Henri Fayol in the early 1900s and is considered to be highly relevant even today. Fayol created fourteen principles which he believed outlined the basis for strong and successful companies. It is important to know that Fayol agreed with many of Taylor's ideas and ideologies, however, the main difference is that Taylor focused on the process of completing the work most effectively, and Fayol focuses on the organizational structure of a company as a whole.

Some of Fayol's principles included a clear division of labor, ensuring each employee had only one direct manager to report to, and a healthy manager-employee relationship. Another important part of Fayol's administrative management theory is the idea that everyone in a company should be aligned by organizational goals. Fayol believed that organizational structure was vital to the success and productivity of a company.

## Bureaucratic Management Theory

The word bureaucracy tends to sound pejorative, or negative, by implying that a bureaucratic organization is an impersonal machine that focuses more on numbers and output than on the wellbeing of its employees. However, its intended meaning is actually quite different. At the end of the 19th century, Max Weber created the bureaucratic management theory. Unlike today's interpretation of the word, Weber believed that bureaucracy meant carefully developing and spelling out company objectives and divisions of labor. While this included developing a hierarchy of command within the company, it also included supporting and developing employees.

Weber built onto Taylor's theory by adding a few key ideas of his own. Like Taylor, Weber believed efficiency in completing tasks was a key component to success and recommended detailed record keeping at all levels to monitor efficiency as well as areas of opportunity. He agreed that all employees need to have clear job expectations and each job should be standardized to allow for maximum productivity. The greatest difference between the scientific theory and the bureaucratic theory is that Weber believed in the importance of human emotion.

Emotion in business? This was absolutely unheard of during the Industrial Revolution. However, Weber believed the two words were closely associated. Weber argued that the increased use of technology could have a negative impact on a company's culture. Too much change can be harmful to company morale and create long lasting negative effects on company success. In addition, Weber argued it was extremely important to hire based on skill and, just as importantly, personality. To ensure the safety and longevity of a company's culture, Weber believed hiring employees based on their personality was critical.

Even in today's business world, there is an anti-bureaucratic tone. For example, the term management is often replaced with leadership. The argument for this is that management is a mundane and structured task while leadership is a unique and heroic act. With this thought process, managers are viewed in a negative light while leaders are appreciated and recognized. Although in many places managers and leaders may appear to perform their job the same way, the focus on eliminating bureaucratic tone and perceived terminology from today's workplace is evident[1].

Now that you have read about three management theories, do any of them seem familiar? Maybe you have experienced certain aspects of each of these theories first hand. During an interview process, onboarding process, or the day-to-day work environment, some parts of these theories are still active today. Try connecting some of these theories to your personal experiences as we move onto the next three theories we are going to discuss in this module: Human Relations Management Theory, General Management Theory, and X&Y Management Theory.

## Human Relations Management Theory

As the title implies, Human Relations Management Theory is centered around human interactions and relationships. Elton Mayo believed that all early management theories only focused on how money affects employee performance. He believed there were more factors that influenced how employees behaved and performed at work. To test his theory, he began a study at Chicago's Western Electric Hawthorne Plant in the 1920s and 1930s and created his own management theory based on his findings which are more commonly known today as The Hawthorne Effect.

The initial goal of the The Hawtorne Study was to determine how changing the lighting would or would not affect employee productivity. They began the study with a small group of employees who they interacted with throughout the process. The study found that regardless of how they changed the lighting, productivity increased. When they were unable to make a connection as to why productivity improved, they began branching out to other departments to see if the results were similar. They realized that the lighting changes did not affect productivity but instead the daily interactions with the employees throughout the process motivated them to work more efficiently and increase their output. They allowed employees to voice their opinions, frustrations, and successes which in turn helped the employees feel more valuable. In addition, since they knew they were being monitored, they were more motivated to perform on a higher level. This was a revolutionary discovery that put the spotlight on human relations and highlighted the importance of individual and group dynamics.

## General Systems Theory

In the 1940s, biologist Ludwig von Bertalanffy created his General Systems Theory. You might be wondering why a biologist would have any impact on management. Keep reading to see if you can connect the dots.

Ludwig von Bertalanffy believed that your body is the sum of all parts. For example, your nervous system works together with your digestive system, which work with each organ and muscle group to allow a person to function. If one function of the body fails to work, the body as a whole cannot effectively operate. Humans are most healthy and functional when all aspects of their being are working together effectively. He also argued that the environment can have an effect on each of the parts. A broken leg can prevent you from walking or the flu can have you bedridden for days. Each of these issues can damage the overall productivity of a person.

Ludwig von Bertalanffy's theory is still found today in many management styles and theories. His work shows that external factors can prove to be toxic to an environment. Although he was referring to the human body, the same can be said for the workplace. Negativity and other toxic outlooks can have a harmful effect on motivation and performance at all levels in an organization. And, like his theory states, even when only one component of the organization isn't executing properly, it will have an undesirable effect on the rest of the organization.

## X&Y Management Theory

Based on his observations in the 1950s and 1960s, Douglas McGregor developed the X&Y Management Theory, by arguing that all managers can be grouped into two categories. The first category known as Theory X explains that managers have a negative view of their employees and believe that employees need to be forced or coaxed into working. Theory X Managers tend to micromanage with the belief that employees will not motivate themselves to complete their work. This theory can be linked back to the scientific management theory and its focus on output above employee development and input.

On the opposite side of the spectrum, Theory Y Managers believe that employees are inherently motivated to work. Theory Y managers value the importance of helping their employees to thrive by providing opportunities for learning and development. Theory Y is focused on the idea of team versus independent work. McGregor argued that a team environment paired with an emphasis on individual professional development produces better results and a healthier work environment. Theory Y continues to prove its relevance and is still present in today's business world.

Now that we've discussed six different management theories, where do we go next? I'm so glad you asked! There is a very important link between management theory and organizational behavior. Although the concepts are different, these six management theories helped develop organizational behavior into its own unique field. Let's move on to learn more about how the two are connected!

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1. McCann, Leo. "From Management to Leadership." *The SAGE Sociology of Work and Employment*, edited by S Edgell, E Granter, and H Gottfried, SAGE, 2015. ↵

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# 1.3: Management Theory

**What you'll learn to do: summarize the development of management theory and the key functions of management today**

Management theory got its start during the Industrial Revolution when companies were interested in maximizing the productivity and efficiency of their workers in a scientific way. In this section you'll learn about the major contributors to the field of management theory and how their ideas are used today.

learning objectives

- Summarize the contributions of Frank and Lillian Gibreth to scientific management
- Summarize Henri Fayol's contributions to the field of management theory
- Summarize the key functions of management today

## Scientific Management Theory

Just over one hundred years ago Frederick Taylor published *Principles of Scientific Management*, a work that forever changed the way organizations view their workers and their organization. At the time of Taylor's publication, managers believed that workers were lazy and worked slowly and inefficiently in order to protect their jobs. Taylor identified a revolutionary solution:

> *The remedy for this inefficiency lies in systematic management, rather than in searching for some unusual or extraordinary man.*

You might think that a century-old theory wouldn't have any application in today's fast-paced, technology-driven world. You'd be wrong, though! In fact much of what you've already learned in this course is based on Taylor's work, and plenty of what you'll experience in the workplace will be indebted to him, too. If you recognize any of the following, you have already seen his principles of scientific management in action: organizational charts, performance evaluations, quality measurements and metrics, and sales and/or production goals.

Scientific management is a management theory that analyzes work flows to improve economic efficiency, especially labor productivity. This management theory, developed by Frederick Winslow Taylor, was popular in the 1880s and 1890s in U.S. manufacturing industries.

While the terms "scientific management" and "Taylorism" are often treated as synonymous, a more accurate view is that Taylorism is the first form of scientific management. Taylorism is sometimes called the "classical perspective," meaning that it is still observed for its influence but no longer practiced exclusively. Scientific management was best known from 1910 to 1920, but in the 1920s, competing management theories and methods emerged, rendering scientific management largely obsolete by the 1930s. However, many of the themes of scientific management are still seen in industrial engineering and management today.

### Frederick Winslow Taylor



*Frederick Winslow Taylor is considered the creator of scientific management.*

Frederick Winslow Taylor was an American mechanical engineer who sought to improve industrial efficiency by determining the amount of time it takes workers to complete a specific task and determining ways to decrease this amount of time by eliminating any potential waste in the workers' process.

A significant part of Taylorism was time studies. Taylor was concerned with reducing process time and worked with factory managers on scientific time studies. At its most basic level, time studies involve breaking down each job into component parts, timing each element, and rearranging the parts into the most efficient method of working. By counting and calculating, Taylor sought to transform management into a set of calculated and written techniques..

Taylor proposed a "neat, understandable world in the factory, an organization of men whose acts would be planned, coordinated, and controlled under continuous expert direction. " Factory production was to become a matter of efficient and scientific management—the planning and administration of workers and machines alike as components of one big machine.

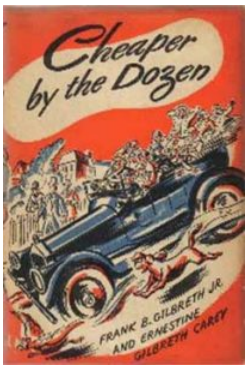
One of Taylor's most famous studies was from his time at the Bethlehem Steel Corporation in the early 1900's. He noticed that workers used the same shovel for all materials, even though the various materials differed in weight. By observing the movements of the workers and breaking the movements down into their component elements, Taylor determined that the most efficient shovel load was 21½ lb. Accordingly, he set about finding or designing different shovels to be used for each material that would scoop up that amount.

Taylor summed up his efficiency techniques in his 1911 book *The Principles of Scientific Management.* Important components of scientific management include analysis, synthesis, logic, rationality, empiricism, work ethic, efficiency, elimination of waste, and standardized best practices. All of these components focus on the efficiency of the worker and not on any specific behavioral qualities or variations among workers.

Taylor's scientific management consisted of four principles:

1. Replace rule-of-thumb work methods with methods based on a scientific study of the tasks.
2. Scientifically select, train, and develop each employee rather than passively leaving them to train themselves.
3. Provide detailed instruction and supervision of each worker in the performance of that worker's discrete task.
4. Divide work nearly equally between managers and workers, so that the managers apply scientific management principles to planning the work and the workers actually perform the tasks.

## Frank and Lillian Gilbreth




*Cheaper by the Dozen*

While Taylor was conducting his time studies, Frank and Lillian Gilbreth were completing their own work in motion studies to further scientific management. The Gilbreth name may be familiar to anyone who has read the book *Cheaper By The Dozen*, a biographical novel about the Gilbreth family, their twelve children, and the often humorous attempts of the Gilbreths to apply their efficiency methods in their own household.

The Gilbreths made use of scientific insights to develop a study method based on the analysis of work motions, consisting in part of filming the details of a worker's activities while recording the time it took to complete those activities. The films helped to create a visual record of how work was completed, and emphasized areas for improvement. Secondly, the films also served the purpose of training workers about the best way to perform their work.

This method allowed the Gilbreths to build on the best elements of the work flows and create a standardized best practice. Time and motion studies are used together to achieve rational and reasonable results and find the best practice for implementing new work methods. While Taylor's work is often associated with that of the Gilbreths, there is a clear philosophical divide between the two scientific-management theories. Taylor was focused on reducing process time, while the Gilbreths tried to make the overall process more efficient by reducing the motions involved. They saw their approach as more concerned with workers' welfare than Taylorism, in which workers were less relevant than profit. This difference led to a personal rift between Taylor and the Gilbreths, which, after Taylor's death, turned into a feud between the Gilbreths and Taylor's followers.

Even though scientific management was pioneered in the early 1900s, it continued to make significant contributions to management theory throughout the rest of the twentieth century. With the advancement of statistical methods used in scientific management, quality assurance and quality control began in the 1920s and 1930s. During the 1940s and 1950s, scientific management evolved into operations management, operations research, and management cybernetics. In the 1980s, total quality management became widely popular, and in the 1990s "re-engineering" became increasingly popular. One could validly argue that Taylorism laid the groundwork for these large and influential fields that we still practice today.

## Field of Management Theory

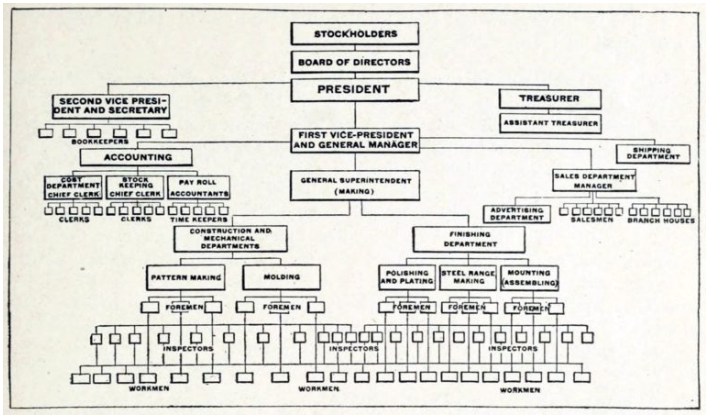


*Henri Fayol, ca. 1900*

Managers in the early 1900s had very few resources at their disposal to study or systematize their management practices. Henri Fayol, who was a French mining engineer and author, saw the need for this kind of study and, using the mines as the basis for his studies, developed what is now regarded as the foundation of modern management theory. In 1914 he published *Administration industrielle et générale*, which included his now-famous "fourteen principles of management." Fayol's practical list of principles guided early twentieth-century managers to efficiently organize and interact with employees.

Fayol recognized that management is fundamentally a process involving people. He saw that work could be managed more efficiently and smoothly by supporting the workers doing the tasks. He proposed that if managers could instill a sense of team spirit (esprit de corps) and encourage employees to contribute their own ideas, the problem of high turnover and instability in the workforce might be solved. At the time, working conditions in much of the industrialized world were terrible, and many of Fayol's principles ran counter to conventional ways of thinking about and treating workers. For instance, Fayol said that it's essential to pay a fair wage for a fair day's labor, and he claimed that productivity would actually increase if managers treated workers fairly and kindly. These were radical ideas at the time. Fayol argued that that discipline, while important to organizational success, ought to come from effective leadership—not from dictatorial or harsh management practices. Fayol recognized that a company's people, not its structure, determine success or failure.

Fayol also addressed the role of structure in building an efficient organization. Several of his management principles deal with the framework in which managers operate, touching on aspects of what we would today call "organizational structure." He encouraged companies to arrange men, machines, and materials systematically in order to maximize efficiency. In short, he applied the adage "a place for everything and everything in its place" to the operations of a business. He believed that managers ought to communicate to employees about their roles and responsibilities in a clear and compelling manner, thereby reducing uncertainty and waste. He also brought to the business environment a concept that had been used in military strategy for centuries: the chain of command. Fayol's "scalar chain" was, in effect, an organization chart of the type seen today (and below), showing the lines of communication and chain of command from the top of a company to the bottom. He believed that by means of such hierarchies, firms could achieve unity of direction and command.




*Organization Chart of a Large Stove-Manufacturing Company, 1914.*

The notion of unity of direction and command meant that "for any action whatsoever an employee should receive orders from one superior only," a concept Fayol adapted from the biblical teaching that "no man can serve two masters." He proposed that organizational activities having the same objective should be directed by a single manager using a unified plan to attain a single common goal. At the same time, that single manager oversees one group of workers all working together to reach the goal. By adhering to these principles of unity, organizations can avoid duplicating efforts and realize efficiencies instead.

These efficiencies were not possible without what Fayol established as his first and perhaps most profound principle—the division of labor or division of work. Fayol recommended that jobs be broken down to the individual tasks that comprise the whole and workers be assigned to those individual tasks or series of tasks. He believed that when someone performs the same task over and

over, he acquires speed and accuracy. Fayol observed: “The worker always on the same post, the manager always concerned with the same matters, acquires an ability, sureness, and accuracy which increases their output.”[1]

Fayol also made an enormous contribution to management theory through his scientific study of the work of management. He made a clear distinction between operational activities—manufacturing, sales, etc.—and managerial activities, which he viewed as being fundamentally concerned with human interaction. From there, he systematically examined the different aspects of the management process and spelled out the functions that managers perform.

In the following excerpt from *General and Industrial Management*, Fayol identifies five functions of management:

> *"To manage is to forecast and **plan**, to **organize**, to **command**, to **coordinate**, and to **control**. To foresee and provide means examining the future and drawing up the plan of action. To organize means building up the dual structure, material and human, of the undertaking. To command means maintaining activity among the personnel. To coordinate means binding together, unifying, and harmonizing all activity and effort. To control means seeing that everything occurs in conformity with established rule and expressed command. [Emphasis added.][2]"*

Over the years, management theorists have built upon and refined Fayol’s original work and, more recently, have combined the “command” and “coordinate” functions into one function: leading. Today, the key functions of management are considered to be the following: **planning, organizing, leading**, and **controlling**. All levels of management perform these functions; however, as with the skills required for effective management, the amount of time a manager spends on each function depends on the level of management and the needs of the organization. In the next readings we will explore each of these functions in greater depth.

1. Fayol, H. (1949). General and Industrial Management (C. Storrs, Trans.). London: Sir Isaac Pitman & Sons. ↵
2. Fayol, H. (1949). General and Industrial Management (C. Storrs, Trans.). London: Sir Isaac Pitman & Sons. ↵

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# 1.4: Management Theory and Organizational Behavior

**Learning Objectives**

- Describe the relationship between management theory and organizational behavior



Similar to some of the management theories we discussed, the foundations of organizational behavior can be traced back to the Industrial Revolution. While the Industrial Revolution began to change company management styles in hopes of increasing productivity, it was also changing the overall culture and behavior of each organization. For the first time, companies were growing at an alarming rate, forcing them to change their workflow, company policies, and management styles.

The first management theory that helped establish the foundation for organizational behavior was Taylor's Scientific Management Theory. As we discussed earlier, Taylor placed a huge focus on productivity and worked to establish the most efficient ways to accomplish every task, big and small. Taylor's theory impacted each organization's productivity and it also changed the professional and personal dynamic of its employees and managers. This classical approach to management was later challenged by the onset of the human relations management movement which helped to further develop the groundwork organizational behavior.

While effective for productivity, the scientific management theory was missing a key component, human relations. In response to the classical management approach, human relations management theory was born. The Hawthorne Studies were a shining example of how much human relations and interactions can affect the workforce. A connection was finally made between productivity and the people responsible for it. The Hawthorne Studies proved that it was important for companies to take interest in their employees in order to increase productivity and decrease turnover. Not only did the studies show that individuals performed better when given attention, it also revealed that group dynamics were equally as important as individual contentment. It was becoming clear that the individual and group dynamics in an organization were equally important and directly related to the output of a company. It was through this revelation that people began to study the behavior of organizations at multiple levels; individual, group, and whole organization.

Another big impact on the development of organizational behavior was McGregor's Theory X & Theory Y. As you read in the last section, the two theories are extremely different. Theory X states that people are inherently lazy and need to be forced to work. Theory Y on the other hand, says that people are motivated to work and argues the importance of a team dynamic. Theory Y is the more effective of the two theories and is a fundamental part of the foundation for organizational behavior.

While organizational behavior roots can be found in many management theories, it was not officially recognized as a field of its own until the 1970s. Since the 1970s, organizational behavior has developed into its own unique field covering a wide variety of topics for individual and group relations within organizations. This course will help you deep dive into the interworking of organizational behavior and help you understand how organizational behavior affects the day-to-day lives of employees in the workplace.

Let's move on to better define organizational behavior and enhance our understanding of its influence on an organization!

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# 1.5: Using Supervision Effectively

## Introduction

This chapter provides a look at the relationship between you and your supervisor at the internship site. Along with their other professional responsibilities, this individual may be the director of the agency, a department head or simply a staff member whose duties include helping interns learn about the work along with all their other professional responsibilities. For our purposes, the supervisor is the one who works with you the most at the agency and who usually is the one with whom the instructor communicates in terms of your performance or evaluations. During the internship, you will go through the different developmental stages of a professional supervisory relationship and how it pertains to your learning experience. This chapter will also discuss such things as setting goals for an internship, ideas on how to manage conflicting goals should they arise, and the purpose of assessment.

**Key Words**

- **Style:** A particular way of perceiving, understanding, and expressing oneself that is characteristic of a person and the way they either react to or go about dealing with a situation, task, or activity. Everyone has a unique style and each one has a set of related strengths and weaknesses.
- **Supervision:** The process of observing, supporting, or directing what someone does or how something is done by another. May also be seen as a resource, especially in an internship.
- **Supervisor:** In the case of human services workers or interns, the individual at the site to whom one reports or who is responsible for one's work, or the course instructor.

## Supervision

What we call internships today have their historical roots in apprenticeships. These are teaching and learning relationships in which the student learns an art, trade, or job from a skilled professional. This type of learning environment usually takes many years. It begins with a selection process, such as having a certain ability or grade point average. It involves finding someone to guide you through the learning process (e.g. an experienced craftsman or instructor). The apprenticeship often concludes with some sort of "final examination" that ends in graduation and the apprentice's recognition as a professional. As with teaching relationships in general, this one can also be mutually beneficial as most people like to share their expertise with others, and teaching often "teaches" the teacher, as well as the student.

Supervision is at the heart of fieldwork. In this sense it is like an apprenticeship although you are likely to continue to have supervisors if you go on for a graduate degree or license. Learning how supervisors interact with coworkers and clients gives you an opportunity to observe and even model similar behaviors as you start to turn theory into practice. Supervisory insight, experience, and involvement with your education will help you develop a sense of what it means to be a professional in your field as well.

Occasionally, a supervisor can also become a mentor, which is a special type of teaching-learning relationship and can have a positive impact on one's career. Most times, a supervisor will schedule individual time with an intern to go over the student's duties, clients, and caseloads. However, sometimes supervisors are too busy to give interns as much direct supervision as interns would like. While disappointing, it might be helpful to remember that supervisors usually sacrifice productive work time and space to make room for interns. So even if your supervisor does not seem to meet your expectations, that does not mean they do not care. Similarly, not all supervisors have the same style or approach, so be prepared to be as flexible and realistic with your expectations as possible.

## The Supervised Internship

Internships are an efficient and effective way of learning because they provide professional guidance. Often, supervisors can work one-on-one with you in ways that are compatible with your learning style, which is more difficult to achieve in a classroom environment. Although course work gives you an idea of what to expect, it is the guided experience that turns theory into knowledge and knowledge into ability. This fieldwork setting is like a laboratory where you can test ideas and techniques without, hopefully, things "blowing up" in your or your client's face. Similarly, supervised experience allows you to test theoretical concepts

and perspectives in a real-world environment and to find out which techniques work best in various situations. During this learning process, you are also beginning to develop your own style as a helping professional.

## Knowing Your Role

Beginning the internship can be stressful if you have not prepared for it. Researching the site and the kind of services it provides can prepare you and give you a sense of what to expect. By understanding your role as an intern, you also show the supervisor that you are a team player who will try to enact the supervisor's suggestions. Accordingly, it is important to respect the boundaries of being a student in training. Even if you think you know how to handle a situation, the supervisor ultimately makes the call as to whether you are ready to handle a client alone.

Paying attention to the daily activities in the office will help you anticipate tasks and make yourself more useful when the supervisor is busy. Offering to help with duties that are not defined on your list shows that you will be easy to work with. When the supervisor is overloaded with duties you cannot perform, you can still network at the facility. Asking questions is often a good way to interact with others and shows that you are interested in knowing what to do and how to do it.

## Developmental Stages in Your Supervisory Relationship

Like most relationships, the one that occurs between an intern and a supervisor is constantly evolving. Ideally, the quality of the relationship will improve as the degree of communication does because that allows both parties to better share information and develop interpersonal connections. Trust builds over time and helps you to talk more freely, examine your strengths and weaknesses, recognize your mistakes and achievements, and do the type of exploration that is necessary for professional development to occur. Unless the relationship is problematic for one person or the other, it usually goes through three stages: the novice stage, the learning stage, and the independent stage. Each one has its own distinct characteristics.

### Novice Stage

This stage begins when the student and the supervisor first meet and start to form impressions of one another. First impressions do matter, so be sure to dress appropriately, be friendly, and try to conform to the role of an intern, which is somewhere between a student and a professional. This stage is a bit awkward at first for the intern because everything is so new, but the supervisor is likely to be aware of that and try to reduce your anxiety. The same type of exchange goes on in many types of relationships, such as with instructors or bosses in classes or jobs you have had, so you are not as ill-equipped as it might first seem. Of course, such factors as age, individual preferences, maturity level, personality, and interpersonal skill level also play active roles in the process of forming a relationship, so they are likely to be alive here as well. Also remember, in addition to what is said, how it is said also conveys information in a relationship. Your tone of voice and other nonverbal communication cues matter, too. Over time, you will both have a better understanding of how you work together in the roles you play as supervisor and intern.

Clear communication and goal setting are crucial parts of the novice stage. It is helpful to be prepared with questions prior to the beginning of a shift. For instance, you can ask about the day's responsibilities, which tasks need to be addressed, and what expectations people have for the projects that are assigned to you. It is also helpful if you communicate what you wish to learn at the site in terms of your goals and expectations.

### Learning Stage

The next stage revolves around learning your roles, acquiring the skills necessary to fulfill them, and establishing relationships with your co-workers. Progress in these areas is usually accompanied by an increase in trust between you and your immediate supervisor, which is a two-way street. If things are going well, your development as an intern should include moving up to increasingly complex assignments or tasks and an increasing degree of responsibility or functional independence.

Supervisors usually encourage and welcome questions because they help them assess your progress and bring attention to areas that they can assist you with as you improve your abilities. Consequently, it is important that you realize it is a good idea to ask for help or at least clarification if you are unsure about how to proceed. This practice also reduces the need to have information repeated or doing an assignment poorly and then having to do it over again. Of course, timing is important when asking a question and so is the way it is framed. There may be no stupid questions, but there are poor ways to ask them!

In this stage, your ability to communicate with staff and clients improves as you learn your way around the agency and your duties. This growing sense of competence also increases learner confidence and is rewarding as well. Similarly, as you become more

familiar with the agency's rules, functions, and interpersonal culture, you are likely to expand your role and make it more your own. Some indications of progress at this level are asking to or being asked to take on more responsibilities, being treated like a member of a team, and offering to help when you see something that needs to be done instead of waiting to be told to do it.

### Independent Stage

This stage is characterized by having a more advanced set of skills, demonstrating a higher degree of decision-making ability or autonomy, and having more comfortable or friendly interactions with your colleagues at the site. A good indicator of reaching this level is the quality of the communication between you and your supervisors, as well as other members of the staff. Another one is feeling less anxious about your place in the agency and your ability to complete jobs assigned to you. At this point, successful interns usually find themselves doing the duties of an entry-level employee at the agency.

Assuming your skills have progressed, the supervisor may offer opportunities for you to work more independently, which is to say with less supervision. You may find yourself, for instance, spontaneously asking for extra assignments, though it is important to make sure you are competent enough to succeed at them. Making sure that you have already demonstrated some of the skills necessary to succeed in those tasks helps both you and those you work with, including your supervisor, see that you are ready to take the next step. Finally, it is usually good to be flexible as an intern. Not only is flexibility an important asset in human services because it helps you "go with the flow" when the need arises, it also reduces tension.

## The Dynamics of Dealing with a Supervisor

## Accommodating Supervisor Style

Every supervisor is unique in that each has their own clinical and supervisory style. A skilled supervisor will teach, guide, and sometimes even mentor you in order to better prepare you for your future in the field. However, it is important to remember that even the best supervisors may not always be as accessible as you would like, so try to be patient when necessary. Remember, they have many responsibilities at the site, including overseeing your work. Supervising your growth is an additional duty, not one that replaces another.

While it is most desirable to have a supervisor with qualities and teaching methods that mesh well with your style, sometimes those styles may conflict with one another. In order to solve conflicts in general, it is important to have good communication skills and be willing to find common ground. In this situation, the same relational dynamics that you have experienced with differing supervisory styles in the past may help here. For example, if you find yourself in an internship site where there are difficulties with supervision, try not to get discouraged. Also, seeing things from different perspectives can help. Finally, your colleagues and instructors can help you during class meetings or office hours. You may find that you are not alone when facing such a challenge. Your peers may even help you understand the strengths and weaknesses of your style, as well as those of the supervisor. Your instructor and classmates can also help you come up with ideas on how to improve or at least better deal with the situation.

Keep in mind that your supervisor has their own personality and style, too. Generally, supervisors are happy to help because they want to see you succeed. After all, they became professionals for the same reason most of us do, which is to have the opportunity to help others. However, occasionally, a supervisor may have a difficult problem or be dealing with a stressful day and seem irritable or even short-tempered because of it. No matter what kind of day it is, do the best job you can. Remember, although you supervisor's style may be irritating to you, it is not your role to change it.

It is, however, your job to learn how to deal with different styles, which means that this situation can be a learning opportunity. Although unpleasant, having a difficult supervisor is valuable because learning about different styles, and how to cope with them, are likely to come in handy in the future. This type of awareness can be an essential skill that can be carried throughout your entire career, so even a poor supervisor may turn out to be a good one in the long run, even if it is only to show what not to do! After all, there is no guarantee that says you will always have a good supervisor or boss.

Everyone has communication and relational styles. Some common examples of how they appear in the supervisory relationship are provided below. Each one is accompanied by its strengths and weaknesses. It may be helpful to try to identify your style and that of your supervisor so that you are better equipped to make appropriate adjustments when necessary.

**Examples of Supervisory Styles**

- **Over-Involved Style:** Manifested by micromanaging or sometimes by being "buddies."
- **Authoritarian (Controlling) Style:** Needing to demonstrate they are in charge, demanding perfection, having strict rules, showing a low tolerance for individuality
- **Laissez-Faire Style:** An attitude of letting things take their own course without interfering. May appear under involved, offering little direction.
- **Authoritative Style:** Knowledgeable, appropriately assertive, and open to suggestions when appropriate.

**Examples of Student Styles**

- **Passive Style:** Accepting or allowing what happens to happen. Tends to avoid active input, responses, or resistance.
- **Aggressive Style:** Pursuing one's interests too forcefully, sometimes unduly so or without listening to others.
- **Assertive Style:** Having and showing a confident, energetic, goal-oriented approach.
- **Realistic Style:** A person who accepts a situation as it is and is prepared to make the best out of the circumstances.

## Preparing for Success

The site supervisor plays an essential role in the professional lives of internship students, so they can be one of the keys to having a successful internship experience. There are several things that can be done to increase the chances of a positive relationship. For example, simple things, such as being prepared and being courteous, can go a long way to help this process. Trying your best to stick to the established schedule is important because supervisors, and sometimes even clients, count on you being there at the appointed times.

Still, life is complicated and unexpected events, such as sudden illness, bad weather, family emergencies, and so on, may happen. Thus, it is best to establish procedures to follow and to avoid schedule changes or problems as much as possible. It is a good idea to have a backup plan in place. For instance, if you have children or care-taker responsibilities, then having alternative arrangements made with someone in advance can help. If your work schedule changes, give the site or the supervisor as much advance notice as possible. Above all, avoid simply not showing up. While most supervisors are understanding, you alone are accountable for your decisions. Requesting a day off for an activity is significantly better than calling off at the last moment or just not showing up.

## Staying on Track

Some people look at time requirements of the internship and its schedule as an intrusion because of family, school, or employment responsibilities. However, sometimes it is possible to coordinate schedules in advance. For example, many schools have spring breaks that may make it possible for you to increase hours at the internship site, which reduces their impact on the rest of the semester. Working weekends may be possible at some sites, such as a residential program, if the time is supervised. This type of schedule balancing or time management also facilitates the development of a good working relationship with those at your site and fosters a sense of working with someone, as opposed to working for someone.

The ability to settle into a routine quickly helps facilitate movement through the developmental stages of the internships. Supervisors and other coworkers know that you are there to learn. They want you to feel included and part of the agency or team. If you are shy, keep in mind that many others have been through the same experience, including the people you work with. After all, they were interns or beginners at one time, just like you!

## Contracting to Meet Student Needs

It is important to have an idea about what you would like to achieve during the internship because it will help you focus your time in those directions. You should, for instance, be able to describe what your goals are so that others can help you identify opportunities or assignments that will help you reach them. This type of planning and prioritizing allows you to play an active role in your education and helps others know what to do to help make the internship a good one for you.

## Internship Forms

Your college, the placement site, or both may have certain legal obligations or routine requirements that must be met. One of them, for example, may be the need for a formal legal agreement between your educational institution and the placement site. Another

one could be a written plan detailing such things as who you will be working with, what duties you will be performing while at the site, and the educational objectives you, the site, and your instructor feel are important for you to master. One of the most empowering ways to achieve your goals is to draw up an internship or educational “agreement.”

This type of agreement is often developed in written form so that the college, agency, supervisor, and student are all quite literally on the same page in regard to expected duties, requirements, and objectives. Another benefit of a written agreement is that it allows you to track progress and provides you standing if the agency points you in directions you did not intend or agree to go.

In other words, these agreements are better handled by spelling them out on paper so that they can be used as a guide to help create a good internship plan and to maintain this focus throughout the internship experience. in this sense, the internship agreement is like a contract that you may refer to throughout the process. It should also include such information as to what your expected duties will be, the number of hours you will work, and who will supervise your time and work at the placement. Most colleges do not permit students to drive clients in their own or even agency's vehicles because of liability issues. However, some colleges will provide professional liability insurance to cover your interactions with clients. If these matters are not spelled out, you should talk to both the superviosr and your instructor about them.

Sometimes, especially when things are busy for everyone at the site, it may seem as though the supervisor or the staff does not care about what happens to the intern because they are a lower priority. However, you have some responsibility for making the internship a good training experience as well. So instead of showing up and simply following someone around, you may need to be flexible and even creative. For example, if you spot something that needs to be addressed and feel doing so is within your range of abilities, you might volunteer to take on the project. In addition to filling in hours that otherwise might go unused or be less than educational, you will also show that you have initiative and the willingness to help where you can.

Good contracts provide the foundations for a good internship experience. Consequently, your goals will also be reviewed by supervisors and agencies who will have some sound ideas and suggestions regarding your expectations and limitations. Sometimes they even see more potential in an intern than the student does. This situation can create the opportunity to grow beyond your expectations. Accordingly, sometimes it is best to modify an agreement. In that case, changes should be approved by the intern, the supervisor, and the instructor. Occasionally, a college or site will not use a contract but have only a verbal agreement with the intern. Although this isn’t the best situation, at least you can document what you agree to do, and not do, and then discuss that with your instructor.

Although rare, sometimes an internship does not work out well for a variety of reasons. For example, there may be a sudden change in supervisors or insurmountable interpersonal conflicts. Though no one wants to see things go in this direction, the clinical editor of this book has found that it is always possible to find alternatives, sometimes including finding a new site, without penalizing the student, unless they are responsible for the conflict. Your instructor may also find helpful ways of dealing with this situation if you bring it up to them.

## The Classroom and Classroom Discussion

Most internships are accompanied by a regular group meeting, class, or some other type of regular gathering. That practice is important because it is a conducive environment where students can describe their learning experiences, express how they feel about something connected to the internships, ask questions, seek help, as well as offer and receive support to and from their colleagues. This part of the internship is valuable because it is part of what case management theory calls “monitoring” (Moxely, 1989). The purpose of monitoring involves gathering information and receiving feedback about what is going on for students and how they are progressing through the stages of the internship process. This information, in turn, allows the instructor to assess the development of the intern, offer helpful guidance when needed, spot problems early on, and intervene when necessary. Even internships that do not have a regular classroom component have some sort of monitoring built into them at the site or with the instructor of the course.

Consequently, it is beneficial to attend classroom discussions as that is where people hear about, reflect on, and offer ideas to each other concerning the experiences they are having at their individual sites. Not talking about the positive and negative experiences of interning may even hinder your development and interfere with your ability to grow as a professional, not to mention limiting your ability to help your colleagues. In addition, class discussions or conferences with your instructor (if you do not have a class meeting

associated with your internship) act as a support group where you can talk about your experiences--good or bad--and the group can help you effectively work through them. Talking through certain scenarios will also show the instructor signs of your growth.

Similarly, there may be times when you feel stuck, are uncertain, or face a problem at your site. Your classroom colleagues can be an important resource for such things as brainstorming solutions and suggesting different approaches to the problem. This aspect of the internship also gives you an opportunity to see the growth process from different perspectives as everyone goes through it a little differently. Sometimes just knowing that others are dealing with the same issue is helpful all by itself.

*Example:*

You have a question about your site that could not be addressed on the day you were there. One thing you can do is to remember that you will have time to discuss these uncertainties with your classmates and your professor. Furthermore, it is important that you share your questions and concerns so that your professor can make suggestions and offer you guidance. Of course, it is also important to realize and honor the confidential nature of these discussions.

## Goals and Obstacles

You may encounter problems reaching some of your goals during the internship. Typical issues include not feeling you are learning as much as you expected, feeling lost, or feeling like a burden. Such problems can be discussed with the supervisor, with the professor, and with classmates. Classmates and professors are an outstanding resource and can be used as an information tool for self-monitoring and reflection during the internship and may help you find ways to make the experience more satisfying. Often, people use role-playing scenarios in the classroom to help deal with a problem concerning one's supervisor or a given staff worker. The goal of a good "working alliance" with your supervisor is to create an atmosphere where both of you feel free to talk to one another honestly.

## Being Under-Challenged

Sometimes students find themselves feeling like they are not getting the type of experience they expected. For instance, it may be that their priorities or goals have been pushed aside or their work at the agency has become routine. These situations arise for several reasons, most of which are not the students' fault. For example, it could be that the agency's busy season is at another time of the year or that the funding streams have changed in ways that make original agreements untenable. In general, the agency's priorities come first, so the intern needs to adjust, not the other way around.

The professor and your peers can help you adjust your goals or find new ways of meeting them during the remainder of the internship. Brainstorming ideas may help you know how to approach the supervisor, find other alternatives to meet your goals, and restructure your goals.

*Example:*

Jane is interning at a crisis center and has the goal of working face-to-face with clients in crisis. Unfortunately, since starting her internship, she has been unable to sit in on an intake session for various reasons not of her making. Instead, Jane's work has been focused on organizing paperwork and making copies for her supervisor. While Jane understands the importance of the work she is doing, she fears she will go through the entire internship missing out on other valuable experiences. Jane discusses her concerns in the classroom, and classmates encourage her to have a discussion with her supervisor. Jane then makes some suggestions to the supervisor about how to include more client contact into her routine without dumping all the paperwork on someone else. The supervisor tweaks the suggestions a bit and together they find a strategy that meets Jane's goal of increasing her clinical skills with clients in crisis while still meeting the clerical needs of the agency.

## Setting up Self-Directed Goals

Often, a supervisor will help set up a work schedule but then become too busy to adjust it in ways that lead to increasing degrees of training and skill acquisition. At that point, it may seem like they are just keeping you busy with mundane tasks to simply fill up your time to meet the hours. If you feel that the internship has lost its sense of direction or that you are not progressing any further, it is important to think proactively. Instead of complaining to the supervisor, you might consider presenting them with a plan that would move you toward your goals or increase your level of responsibility or involvement. If you have trouble formulating one, it

might be a good idea to share your situation with your instructor or classmates since they are part of your network and can act as resources who can help you generate possible solutions.

*Example:*

Mohamed is working at a busy mental health facility and found himself underutilized. Since he is interested in doing community work, he proposes to create a book of community services that can identify resources people can use to find assistance with housing, transportation, utility services, job training, food, childcare, and so on. The result of his efforts is a set of Facebook pages that list basic human services, names to contact, phone numbers to use, and active links to click on that can put clients in touch with those who can help them. The supervisor valued his contribution enough to assign someone to maintain the site even after Mohamed graduated.

## Developing More Challenging Goals

Sometimes interns reach the point where they feel they have met the goals that were set down in the original educational agreement and have time to do more. Of course, it is wise to make sure you have met those goals before discussing the situation with your supervisor. Take a moment to make sure that all expectations have been met and then try creating a goal or set of them that you think would help you grow while also offering something of value to the agency. Next, approach the supervisor with a tentative plan. If the supervisor feels that you are ready, and if there is no longer a need for you to continue to perform your current duties, you may be able to take the next step in your professional development.

Every person with whom you have contact may be a source of education and opportunity. Getting to know others within the agency allows you to discuss career interests with them and learn about career possibilities associated with their roles at the agency. Offering to help others in their work and creating new tasks are just a few ways to take things into your own hands when there is nothing to do or when your jobs have become routine. Taking the initiative in learning about the agency and the services it provides often makes a good impression and opens new doors.

*Example:*

Rosetta works at a center that focuses on dealing with substance abuse. In her downtime, she did research on other agencies in surrounding counties because she saw that clients often move from county to county. Consequently, Rosetta identified, compiled, and printed out a list of AA/NA meeting schedules for each county so that clients would have the opportunity to continue to attend meetings after they moved.

## Evaluations

A good supervisor will regularly assess your ability to take on new tasks. However, it is important for interns to evaluate themselves from time to time as well. Most interns will want to review their objectives periodically and conduct reflective self-assessments. This process can be done informally, or through keeping a journal, a file on a computer or phone, and so on. Near the end of the internship, the instructor often requests that the supervisor do a final report, evaluation, or summary of the student and their performance at the site. Of course, you are likely to have a general feel about how things are going based on the supervisor's reactions or meetings regarding your work performance. So, if the internship does not seem to be allowing yours goals to be met, requesting time for a meeting before the semester is over can prevent problems.

Regardless of how challenging the tasks may be, always do your best work. If you take pride in your work, coworkers and supervisors will notice. Remember, these people are now in your network. When it comes to future jobs, they could be potential references.

## Handling the Discomfort of Negative Feedback

It is also important to keep in mind that no two interns will progress at the same rate. Sometimes interns feel that they are not given the freedom to develop more fully. Other times they may feel they were asked to do too much. You may look at the situation and feel discouraged or lose confidence in your abilities. It is important to discuss this reaction with your supervisor and ask for suggestions for improvement. Learning how to accept constructive criticism is a crucial component of this process, especially if

you are a beginner. Try your best to listen, but also realize that the supervisor is looking at the bigger agency picture that you cannot see.

In situations where it seems that the supervisor and staff are talking about you in a way that does not feel good, be sure to avoid forming any cognitive distortions or irrational thoughts about it. Avoid overgeneralizing, personalizing, and surrendering to emotional reasoning. Be sure to look those terms up if they are unfamiliar to you (Mruk, 2013). After all, they may be discussing progress as well as the lack of it and your potential rather than your limitations. If you feel that the discussions are taking place in a negative way, or if it seems that the problem is a personality conflict you are having with the supervisor or their style, it is advisable to talk with your instructor about it. After all, the instructor is the individual who oversees your internship and who has the responsibility to make sure it is progressing properly. It is also likely that the instructor is more interested in your professional development than anything else.

## Embrace Learning Opportunities

It is a good practice to experience as many dimensions of the internship and agency as possible. In addition to the supervisor, other staff members and your duties are opportunities for you to learn something new.

## Learning from Co-workers and Supervisors

Talking with co-workers at the internship site is a good way to build rapport and to network. They can teach you about diverse community resources. Office staff also tend to have the benefit of direct contact, can offer insights, and have more time for you than supervisors. They might even take a liking to you and become an informal mentor. This person might be able to teach you many aspects of the job that your supervisor does not have the time to do. Consequently, make sure you ask to be introduced to other co-workers. Often, they know more about “office politics” than anyone else and can offer insights or support about this more subtle and informal dimension of the agency. Talking with people in the break room or at lunch can be instructional if you approach it as a potential learning opportunity!

*Example:*

A supervisor was constantly busy dealing with different departments but made time to have the intern attend a professional team meeting. The intern watched how co-workers conversed with each other about different cases. They were able to support one another in finding solutions for different situations when dealing with clients and found the experience of working with others beneficial. One staff member at the meeting with whom the intern had little previous contact seemed to respond very positively when the intern volunteered additional information about the client. After this meeting, the intern made it a point to seek out that staff member and began an amicable, professional relationship that blossomed over time.

## Learning from Clients

The clients at the site can also be a source of learning, perhaps even the greatest one in the long run as they should be the focus of your work. Clients usually have their own perspective about the site and how it works. Learning about how someone else experiences the process is another opportunity to gain insight. In fact, client perspectives are necessary to appreciate if you truly want to grasp the whole picture. Positive and negative client-related experiences can be some of the most instructional ones you have as you learn how to become a professional. Most of us in the field, including the clinical editor of this book, still remember what we learned from clients many years after the interaction or relationship ended.

## Observing and Modeling Others

Being a student in the internship course offers an opportunity to observe the instructor, supervisor, and the staff around you. The internship gives you a chance to see first-hand how people in the field dress, greet people, comport themselves with colleagues, contact other agencies, as well as their clients. You will also have the chance to form interpersonal relationship with staff at the facility during your lunch and break periods. Reflecting on what you observe is a good source of insight or learning that cannot be found in classrooms or textbooks. If you happen to find yourself admiring someone's professional capabilities, interpersonal style, and ways of approaching the work, you can experiment modeling your own behavior after theirs. Learning what feels good to you, what is compatible with your style, and then trying it out can be a great way of increasing your skill set and confidence.

## Challenges Along the Way

Often unexpected circumstances and events happen when working with the public. Although they may cause anxiety in the beginning, these are times when you can start relying on your developing professional skills. Observing how your supervisor handles delicate situations, for example, may help you navigate your way through a similar situation or task. Seeing how someone handles an irate, sad, frustrated, or anxious client effectively gives you a larger range of possible responses when you encounter similar situations. Therefore, part of the learning process involves noting good professional skills in action, including such things as the individual's mannerisms, tone of voice, non-verbal behaviors, and so on. Observing and reflecting on this type of information may help prepare you for the unexpected situations you encounter at your site and later in your career.

*Example:*

When the family of a client demands information and answers to questions that they are not privileged to, the family member may become demanding and agitated toward you. In this case, if possible, you might remember how someone else at the agency handled the situation effectively. For example, listening intently and responding in a calm, clear manner is often helpful. Be sure to report such situations to staff or your supervisor and document everything that transpired. Then reflect on what you learned from the experience.

**Tools for Chapter 4**

**General Suggestions**

- Be prepared before meeting with your supervisor by making a list of personal goals you want to achieve at the site.
- Ask to be introduced to other co-workers who can provide information and support when needed. Be sure to note their names and titles for future use.
- Listen for new learning opportunities and experiences.
- Learn to speak up when appropriate so others know you want to be involved at the site.
- Feel free to ask questions when needed.
- Be sure you understand what is required before you take on a task.
- Try to have patience and understanding with others.
- NEVER put yourself in danger or in a situation that feels threatening.
- ALWAYS try to do the best you can. Do not just put forth the minimum effort required to get the job done.

Going above and beyond the minimum effort and taking pride in your work is noticed by others. If possible, find time to talk with your supervisor, instructors, and colleagues about the postive and negative events that stood out to you in the last week or so. This type of "debriefing" allows you to examine the experience, reflect on it, make observations, and consolidate your learning. It also helps to review the objectives of the internship every so often and evaluate your progress.

**Activity 1: What would you do?**

You have been at your internship site for a few weeks now. You and your supervisor have a good working alliance, and she is entrusting you with a small set of duties each week. As you are reporting to your supervisor, she seems almost annoyed if not angry that you are telling her about your day-to-day experiences at the agency. Your supervisor did not finish listening to you before she gathered a stack of papers from their desk and told you they had to go. These are the courses of action you can take:

- Follow her out of the room and demand an explanation.
- Talk to her about it when you come back next time.
- Talk to co-workers about your supervisor.
- Do not let it get to you; she is a busy lady, and she could just be running late.

What do you do? Why? Discuss the options with your classmates.

**Activity 2: True or False?**

- You should be angry when your supervisor is too busy to help you.
- You should meet with your professor and go to the classroom session if you have any problems at your internship site.
- You can discuss case information with a client without supervision because you are providing the service.

- You should not talk to your supervisor about future career plans.

*A. False, B. True, C. False, D. False

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# 1.6: Leadership and Organization

**Learning Objectives**

- Describe key and terms associated with management and leadership, including Theory X and Theory Y and transactional and transformational leadership
- Explain the significance of organizational culture

## Management and Organizational Structure

A significant portion of I-O research focuses on management and human relations. Douglas McGregor (1960) combined **scientific management** (a theory of management that analyzes and synthesizes workflows with the main objective of improving economic efficiency, especially labor productivity) and human relations into the notion of leadership behavior. His theory lays out two different styles called Theory X and Theory Y. In the **Theory X** approach to management, managers assume that most people dislike work and are not innately self-directed. Theory X managers perceive employees as people who prefer to be led and told which tasks to perform and when. Their employees have to be watched carefully to be sure that they work hard enough to fulfill the organization's goals. Theory X workplaces will often have employees punch a clock when arriving and leaving the workplace: Tardiness is punished. Supervisors, not employees, determine whether an employee needs to stay late, and even this decision would require someone higher up in the command chain to approve the extra hours. Theory X supervisors will ignore employees' suggestions for improved efficiency and reprimand employees for speaking out of order. These supervisors blame efficiency failures on individual employees rather than the systems or policies in place. Managerial goals are achieved through a system of punishments and threats rather than enticements and rewards. Managers are suspicious of employees' motivations and always suspect selfish motivations for their behavior at work (e.g., being paid is their sole motivation for working).

In the **Theory Y** approach, on the other hand, managers assume that most people seek inner satisfaction and fulfillment from their work. Employees function better under leadership that allows them to participate in, and provide input about, setting their personal and work goals. In Theory Y workplaces, employees participate in decisions about prioritizing tasks; they may belong to teams that, once given a goal, decide themselves how it will be accomplished. In such a workplace, employees are able to provide input on matters of efficiency and safety. One example of Theroy Y in action is the policy of Toyota production lines that allows any employee to stop the entire line if a defect or other issue appears, so that the defect can be fixed and its cause remedied (Toyota Motor Manufacturing, 2013). A Theory Y workplace will also meaningfully consult employees on any changes to the work process or management system. In addition, the organization will encourage employees to contribute their own ideas. McGregor (1960) characterized Theory X as the traditional method of management used in the United States. He argued that a Theory Y approach was needed to improve organizational output and the wellbeing of individuals. The table below summarizes how these two management approaches differ.

**Table 1. Theory X and Theory Y Management Styles**

| Theory X | Theory Y |
|---|---|
| People dislike work and avoid it. | People enjoy work and find it natural. |
| People avoid responsibility. | People are more satisified when given responsibility. |
| People want to be told what to do. | People want to take part in setting their own work goals. |
| Goals are achieved through rules and punishments. | Goals are achieved through enticements and rewards. |

Another management style was described by Donald Clifton, who focused his research on how an organization can best use an individual's strengths, an approach he called strengths-based management. He and his colleagues interviewed 8,000 managers and concluded that it is important to focus on a person's strengths, not their weaknesses. A strength is a particular enduring talent possessed by an individual that allows her to provide consistent, near-perfect performance in tasks involving that talent. Clifton argued that our strengths provide the greatest opportunity for growth (Buckingham & Clifton, 2001). An example of a strength is public speaking or the ability to plan a successful event. The strengths-based approach is very popular although its effect on

organization performance is not well-studied. However, Kaiser & Overfield (2011) found that managers often neglected improving their weaknesses and overused their strengths, both of which interfered with performance.

Leadership is an important element of management. Leadership styles have been of major interest within I-O research, and researchers have proposed numerous theories of leadership. Bass (1985) popularized and developed the concepts of transactional leadership versus transformational leadership styles. In **transactional leadership**, the focus is on supervision and organizational goals, which are achieved through a system of rewards and punishments (i.e., transactions). Transactional leaders maintain the status quo: They are managers. This is in contrast to the transformational leader. People who have **transformational leadership** possess four attributes to varying degrees: They are charismatic (highly liked role models), inspirational (optimistic about goal attainment), intellectually stimulating (encourage critical thinking and problem solving), and considerate (Bass, Avolio, & Atwater, 1996).

As women increasingly take on leadership roles in corporations, questions have arisen as to whether there are differences in leadership styles between men and women (Eagly, Johannesen-Schmidt, & van Engen, 2003). Eagly & Johnson (1990) conducted a meta-analysis to examine gender and leadership style. They found, to a slight but significant degree, that women tend to practice an interpersonal style of leadership (i.e., she focuses on the morale and welfare of the employees) and men practice a task-oriented style (i.e., he focuses on accomplishing tasks). However, the differences were less pronounced when one looked only at organizational studies and excluded laboratory experiments or surveys that did not involve actual organizational leaders. Larger sex-related differences were observed when leadership style was categorized as democratic or autocratic, and these differences were consistent across all types of studies. The authors suggest that similarities between the sexes in leadership styles are attributable to both sexes needing to conform the organization's culture; additionally, they propose that sex-related differences reflect inherent differences in the strengths each sex brings to bear on leadership practice. In another meta-analysis of leadership style, Eagly, Johannesen-Schmidt, & van Engen (2003) found that women tended to exhibit the characteristics of transformational leaders, while men were more likely to be transactional leaders. However, the differences are not absolute; for example, women were found to use methods of reward for performance more often than men, which is a component of transactional leadership. The differences they found were relatively small. As Eagly, Johannesen-Schmidt, & van Engen (2003) point out, research shows that transformational leadership approaches are more effective than transactional approaches, although individual leaders typically exhibit elements of both approaches.

A new and emerging area of research within psychology focuses on leadership and the relationship with leaders from the perspective of a follower. This "followership" research suggests that studies need to examine the leader-follower relationship in both directions—instead of focusing only on leadership—to better understand the dynamics of the relationship. Put differently, people are individuals, and because they are different, there probably is no single best leadership-follower dynamic between leaders and followers. For instance, think about the differences between yourself and someone you know well. Do you respond the same way to criticism? Maybe one of you likes a lot of structure and other seems to work best with less structure. Perhaps, one of you is ready to try a new restaurant at any time and the other prefers to go to the tried-and-true place that you've visited so many times the servers know your order before you place it.

Some early research has discovered that the characteristics of individual followers will result in different types of relationships with a leader depending on the leadership style. It appears that not all leadership styles work well with all follower types. One characteristic of followers, for example, is their degree of extroversion. Previous research suggests that individuals with a high degree of extroversion would need a larger amount of interaction with their leaders in order to function well; however, other research suggests this may not necessarily be the case and instead other factors may be at work (Phillips & Bedeian; Bauer et al, 2006).

Another characteristic of followers is their individual need for growth. For followers who have a strong desire to learn and grow within their organization, a leader who provides developmental opportunities might be better received than one who does not. In addition, for those followers who are low on growth and need strength, leaders who push them to grow may make them less satisfied followers as they feel forced into further development and training, possibly signaling a lower level of achievement from their supervisor. Training for leaders in both helping employees who have a strong drive for growth and those who do not appears to be helpful in improving the relationship between both types of followers and their leaders (Schyns, Kroon, & Moors, 2008).

Finally, an employee's need for leadership is an important component of the leader-follower relationship. Some individuals are significantly more autonomous than others and as a result do not respond as well to leaders who provide a lot of structure and

rigidity of processes, in turn reducing the quality of their relationship with their leader. Other employees who are high in need for leadership have a better relationship with their leader if they are provided with a well-structured environment with clear responsibilities and little ambiguity in their work. These followers work best in situations where they feel they can comfortably perform the work with little requirement to think outside of the guidelines that have been provided. For these individuals, having a leader who is able to set a clear path forward for the employee with little need for deviation promotes a strong positive leader-follower relationship (Felfe & Schyns, 2006).

Try It

## Goals, Teamwork, and Work Teams



**Figure 1**. Teamwork is an essential part of the modern workplace.

The workplace today is rapidly changing due to a variety of factors, such as shifts in technology, economics, foreign competition, globalization, and workplace demographics. Organizations need to respond quickly to changes in these factors. Many companies are responding to these changes by structuring their organizations so that work can be delegated to work teams, which bring together diverse skills, experience, and expertise. This is in contrast to organizational structures that have individuals at their base (Naquin & Tynan, 2003). In the team-based approach, teams are brought together and given a specific task or goal to accomplish. Despite their burgeoning popularity, team structures do not always deliver greater productivity—the work of teams is an active area of research (Naquin & Tynan, 2003).

Why do some teams work well while others do not? There are many contributing factors. For example, teams can mask team members that are not working (i.e., social loafing). Teams can be inefficient due to poor communication; they can have poor decision-making skills due to conformity effects; and, they can have conflict within the group. The popularity of teams may in part result from the team halo effect: Teams are given credit for their successes. but individuals within a team are blamed for team failures (Naquin & Tynan, 2003). One aspect of team diversity is their gender mix. Researchers have explored whether gender mix has an effect on team performance. On the one hand, diversity can introduce communication and interpersonal-relationship problems that hinder performance, but on the other hand diversity can also increase the team's skill set, which may include skills that can actually improve team member interactions. Hoogendoorn, Oosterbeek, & van Praag (2013) studied project teams in a university business school in which the gender mix of the teams was manipulated. They found that gender-balanced teams (i.e., nearly equal numbers of men and women) performed better, as measured by sales and profits, than predominantly male teams. The study did not have enough data to determine the relative performance of female dominated teams. The study was unsuccessful in identifying which mechanism (interpersonal relationships, learning, or skills mixes) accounted for performance improvement.

There are three basic types of teams: problem resolution teams, creative teams, and tactical teams. Problem resolution teams are created for the purpose of solving a particular problem or issue; for example, the diagnostic teams at the Centers for Disease Control. Creative teams are used to develop innovative possibilities or solutions; for example, design teams for car manufacturers create new vehicle models. Tactical teams are used to execute a well-defined plan or objective, such as a police or FBI SWAT team handling a hostage situation (Larson & LaFasto, 1989). One area of active research involves a fourth kind of team—the virtual team; these studies examine how groups of geographically disparate people brought together using digital communications

technology function (Powell, Piccoli, & Ives, 2004). Virtual teams are more common due to the growing globalization of organizations and the use of consulting and partnerships facilitated by digital communication.

## Organizational Culture

Each company and organization has an organizational culture. **Organizational culture** encompasses the values, visions, hierarchies, norms, and interactions among its employees. It is how an organization is run, how it operates, and how it makes decisions—the industry in which the organization participates may have an influence. Different departments within one company can develop their own subculture within the organization's culture. Ostroff, Kinicki, and Tamkins (2003) identify three layers in organizational culture: observable artifacts, espoused values, and basic assumptions. Observable artifacts are the symbols, language (jargon, slang, and humor), narratives (stories and legends), and practices (rituals) that represent the underlying cultural assumptions. Espoused values are concepts or beliefs that the management or the entire organization endorses. They are the rules that allow employees to know which actions they should take in different situations and which information they should adhere to. These basic assumptions generally are unobservable and unquestioned. Researchers have developed survey instruments to measure organizational culture.

With the workforce being a global marketplace, your company may have a supplier in Korea and another in Honduras and have employees in the United States, China, and South Africa. You may have coworkers of different religious, ethnic, or racial backgrounds than yourself. Your coworkers may be from different places around the globe. Many workplaces offer diversity training to help everyone involved bridge and understand cultural differences. **Diversity training** educates participants about cultural differences with the goal of improving teamwork. There is always the potential for prejudice between members of two groups, but the evidence suggests that simply working together, particularly if the conditions of work are set carefully that such prejudice can be reduced or eliminated. Pettigrew and Tropp (2006) conducted a meta-analysis to examine the question of whether contact between groups reduced prejudice between those groups. They found that there was a moderate but significant effect. They also found that, as previously theorized, the effect was enhanced when the two groups met under conditions in which they have equal standing, common goals, cooperation between the groups, and especially support on the part of the institution or authorities for the contact.

### Try It

### Dig Deeper: Managing Generational Differences

An important consideration in managing employees is age. Workers' expectations and attitudes are developed in part by experience in particular cultural time periods. Generational constructs are somewhat arbitrary, yet they may be helpful in setting broad directions to organizational management as one generation leaves the workforce and another enters it. The baby boomer generation (born between 1946 and 1964) is in the process of leaving the workforce and will continue to depart it for a decade or more. Generation X (born between the early 1960s and the 1980s) are now in the middle of their careers. Millennials (born from 1979 to the early 1994) began to come of age at the turn of the century, and are early in their careers.

Today, as these three different generations work side by side in the workplace, employers and managers need to be able to identify their unique characteristics. Each generation has distinctive expectations, habits, attitudes, and motivations (Elmore, 2010). One of the major differences among these generations is knowledge of the use of technology in the workplace. Millennials are technologically sophisticated and believe their use of technology sets them apart from other generations. They have also been characterized as self-centered and overly self-confident. Their attitudinal differences have raised concerns for managers about maintaining their motivation as employees and their ability to integrate into organizational culture created by baby boomers (Myers & Sadaghiani, 2010). For example, millennials may expect to hear that they need to pay their dues in their jobs from baby boomers who believe they paid their dues in their time. Yet millennials may resist doing so because they value life outside of work to a greater degree (Myers & Sadaghiani, 2010). Meister & Willyerd (2010) suggest alternative approaches to training and mentoring that will engage millennials and adapt to their need for feedback from supervisors: reverse mentoring, in which a younger employee educates a senior employee in social media or other digital resources. The senior employee then has the opportunity to provide useful guidance within a less demanding role.

Recruiting and retaining millennials and Generation X employees poses challenges that did not exist in previous generations. The concept of building a career with the company is not relatable to most Generation X employees, who do not expect to stay with one employer for their career. This expectation arises from of a reduced sense of loyalty because they do not expect their employer to be loyal to them (Gibson, Greenwood, & Murphy, 2009). Retaining Generation X workers thus relies on motivating them by making their work meaningful (Gibson, Greenwood, & Murphy, 2009). Since millennials lack an inherent loyalty to the company, retaining them also requires effort in the form of nurturing through frequent rewards, praise, and feedback.

Millennials are also interested in having many choices, including options in work scheduling, choice of job duties, and so on. They also expect more training and education from their employers. Companies that offer the best benefit package and brand attract millennials (Myers & Sadaghiani, 2010).

One well-recognized negative aspect of organizational culture is a culture of **harassment**, including sexual harassment. Most organizations of any size have developed sexual harassment policies that define sexual harassment (or harassment in general) and the procedures the organization has set in place to prevent and address it when it does occur. Thus, in most jobs you have held, you were probably made aware of the company's sexual harassment policy and procedures, and may have received training related to the policy. The U.S. Equal Employment Opportunity Commission (n.d.) provides the following description of **sexual harassment**:

> *Unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature constitute sexual harassment when this conduct explicitly or implicitly affects an individual's employment, unreasonably interferes with an individual's work performance, or creates an intimidating, hostile, or offensive work environment. (par. 2)*

One form of sexual harassment is called quid pro quo. Quid pro quo means you give something to get something, and it refers to a situation in which organizational rewards are offered in exchange for sexual favors. Quid pro quo harassment is often between an employee and a person with greater power in the organization. For example, a supervisor might request an action, such as a kiss or a touch, in exchange for a promotion, a positive performance review, or a pay raise. Another form of sexual harassment is the threat of withholding a reward if a sexual request is refused. Hostile environment sexual harassment is another type of workplace harassment. In this situation, an employee experiences conditions in the workplace that are considered hostile or intimidating. For example, a work environment that allows offensive language or jokes or displays sexually explicit images. Isolated occurrences of these events do not constitute harassment, but a pattern of repeated occurrences does. In addition to violating organizational policies against sexual harassment, these forms of harassment are illegal.

Harassment does not have to be sexual; it may be related to any of the protected classes in the statutes regulated by the EEOC: race, national origin, religion, or age.

## Violence in the Workplace

In the summer of August 1986, a part-time postal worker with a troubled work history walked into the Edmond, Oklahoma, post office and shot and killed 15 people, including himself. From his action, the term "going postal" was coined, describing a troubled employee who engages in extreme violence.

Workplace violence is one aspect of workplace safety that I-O psychologists study. **Workplace violence** is any act or threat of physical violence, harassment, intimidation, or other threatening, disruptive behavior that occurs at the workplace. It ranges from threats and verbal abuse to physical assaults and even homicide (Occupational Safety & Health Administration, 2014).

There are different targets of workplace violence: a person could commit violence against coworkers, supervisors, or property. Warning signs often precede such actions: intimidating behavior, threats, sabotaging equipment, or radical changes in a coworker's behavior. Often there is intimidation and then escalation that leads to even further escalation. It is important for employees to involve their immediate supervisor if they ever feel intimidated or unsafe.

Murder is the second leading cause of death in the workplace. It is also the primary cause of death for women in the workplace. Every year there are nearly two million workers who are physically assaulted or threatened with assault. Many are murdered in domestic violence situations by boyfriends or husbands who chose the woman's workplace to commit their crimes.

There are many triggers for workplace violence. A significant trigger is the feeling of being treated unfairly, unjustly, or disrespectfully. In a research experiment, Greenberg (1993) examined the reactions of students who were given pay for a task. In one group, the students were given extensive explanations for the pay rate. In the second group, the students were given a curt uninformative explanation. The students were made to believe the supervisor would not know how much money the student withdrew for payment. The rate of stealing (taking more pay than they were told they deserved) was higher in the group who had been given the limited explanation. This is a demonstration of the importance of procedural justice in organizations. **Procedural justice** refers to the fairness of the processes by which outcomes are determined in conflicts with or among employees.

In another study by Greenberg & Barling (1999), they found a history of aggression and amount of alcohol consumed to be accurate predictors of workplace violence against a coworker. Aggression against a supervisor was predicted if a worker felt unfairly treated or untrusted. Job security and alcohol consumption predicted aggression against a subordinate. To understand and predict workplace violence, Greenberg & Barling (1999) emphasize the importance of considering the employee target of aggression or violence and characteristics of both the workplace characteristics and the aggressive or violent person.

Try It

## Glossary

**diversity training:** training employees about cultural differences with the goal of improving teamwork

**organizational culture:** values, visions, hierarchies, norms and interactions between its employees; how an organization is run, how it operates, and how it makes decisions

**procedural justice:** fairness by which means are used to achieve results in an organization

**sexual harassment:** sexually-based behavior that is knowingly unwanted and has an adverse effect of a person's employment status, interferes with a person's job performance, or creates a hostile or intimidating work environment

**scientific management:** theory of management that analyzed and synthesized workflows with the main objective of improving economic efficiency, especially labor productivity

**Theory X:** assumes workers are inherently lazy and unproductive; managers must have control and use punishments

**Theory Y:** assumes workers are people who seek to work hard and productively; managers and workers can find creative solutions to problems; workers do not need to be controlled and punished

**transactional leadership style:** characteristic of leaders who focus on supervision and organizational goals achieved through a system of rewards and punishments; maintenance of the organizational status quo

**transformational leadership style:** characteristic of leaders who are charismatic role models, inspirational, intellectually stimulating, and individually considerate and who seek to change the organization

**workplace violence:** violence or the threat of violence against workers; can occur inside or outside the workplace

**work team:** group of people within an organization or company given a specific task to achieve together

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# 1.7: The Importance of Ethics

## Introduction

Chapter 5 discusses ethics in the human services setting. It is likely that the topic and importance of ethics were mentioned in several of your classes. The internship involves working with other people who are being offered a service of one type or another, so ethical principles and practices must be a focus of the experience. It is your responsibility as a human services intern to uphold them in everything you do and say.

**Key Words**

- **Code of Ethics:** A group of principles that guide an individual or organization and their practices. The principles act as guidelines or rules based on the values of an organization or individual that set the limits for such things as how to identify conflict, how to avoid, or how to deal with problems.
- **Competence:** Possessing the skills, knowledge, or abilities necessary to successfully or efficiently form various tasks associated with a discipline or position.
- **Conflict of Interest:** A relationship or situation where one's own activities or interests can be advanced at the expense of another who has less power, authority, or resources. Often associated with an imbalance of equity.
- **Cultural Diversity/Multiculturalism:** The variety of different values, preferences, practices, and behaviors that exist between groups. Multiculturalism is an alternative, more inclusive term.
- **Dual Relationship:** A relationship between a human services worker and another person or group that involves a conflict of interest. Common examples include dating a client or using a client for the clinician's own personal or financial gain.
- **Ethics:** A system of moral principles to guide behavior
- **Ethnocentric:** A conscious or unconscious belief that one's own ethnic group or culture is inherently superior to another. An inclination toward viewing others from one's own cultural or ethnic perspective. Extreme forms include such things believing that one's own group is better than others and acting on this position, such as in the case of racism.

## Ethics and Laws

Ethics are the rules of conduct. Often, they are recognized as the best practices based on the underlying principles of a given profession. Ethics are not laws, which are actual regulations one must comply with because they are established by an authority with judicial responsibility and the power of enforcement. In the most basic sense, ethics are principles, and laws are requirements.

At many internship sites, one may see dedicated people working in ways that are consistent with a code of ethics that they take seriously. Typically, their mission is to ensure that people are treated fairly, equally, and respectfully. It is easy to understand how ethics and laws, such as licensing laws, protect clients as they help ensure clients of reasonable treatment.

However, it is almost equally important to realize that ethics and laws also protect the workers. They provide rules that may be helpful in guiding us through difficult or risky professional situations. In addition, new circumstances are constantly emerging and must be examined by the professions and courts, sometimes resulting in revised or new codes of conduct, laws, and regulations. Understanding these issues ensures the clients' safety and keeps a worker out of future legal trouble. Staying up to date and adhering to the standards of practice might be the only defense from a lawsuit. Most professions will offer classes or continuing education that focus on existing ethics and laws, particularly those that require credentialing. Students should ask instructors and supervisors about the practices that apply to their profession and their placement site and what the laws are and why they are in place. Moreover, the instructors and supervisors should advise students on how to handle ethical issues when the students encounter them.

## Codes of Ethics and Human Services

Each human services discipline has its own code of ethics and some of them have licensing laws as well. Ethics are usually specified by the profession and based on professional values while laws are made by states, although there is often overlap between the two. For instance, the National Association of Social Workers (National Association of Social Workers, 2019) offers a code of ethics summarizing ethical principles that reflect the profession's core values and uses them to establish a set of specific standards that should be used to guide social work practice based on the identified value. Some examples include:

- **Value:** *Service*

  **Ethical Principle:** *A social worker's primary goal is to help people in need and to address social problems.*

- **Value:** *Social Justice*

  **Ethical Principle:** *A social worker challenges social injustice.*

- **Value:** *Dignity and Worth of the Person*

  **Ethical Principle:** *A social worker respects the inherent dignity and worth of the person*. Again, each discipline will have its own professional code of ethics that embodies the values the discipline embraces and includes a set of behavioral guidelines as well. They can be found in counseling, criminal justice, psychology, social work, as well as in other areas. It is incumbent upon the intern to know about them. Your instructor and supervisor should make a point of helping you know where to look.

## Agency Ethics

Ethical codes and licensing laws are intended to protect the client, the practitioner, and the agency by ensuring that clients receive the best treatment within a set of behavioral boundaries. Sometimes the ethics of two professions or agencies may conflict. For example, Catholic Charities offers behavioral and mental health services that do not include abortion, while Planned Parenthood provides women's wellness programs that emphasize choice. If you find that the views of an agency conflict with yours, it is important to think seriously about those conflicts, perhaps even re-evaluate the selection of that site if the conflicts seem to be insurmountable. In general, if you agree to be an intern at a site, you have also agreed to act in ways that do not contradict its prevailing values and standards unless they are illegal. Should you decide you cannot do that, then you should discuss the problem with your supervisor. If a compromise is not possible, then the ethical path for all concerned may be for you to consider another type of agency.

## Personal Codes of Ethics

In addition to having a thorough understanding of the ethical code in your profession and the facility in which you work, it is important to become aware of and develop your personal code of ethics. Professionally, a major reason for this general rule is that, in practice, your ethical principles might be challenged or come into play, often quite unexpectedly.

The more you know about what you believe and value in advance, the better prepared you may be when this time arises. Consequently, self-awareness is helpful in these situations. After all, people are rarely simple, and a client's behavior may evoke conscious or unconscious feelings or reactions based on your experiences and background. Though this process is mostly an introspective one, it is often helpful to discuss these issues with others, such as your colleagues, instructor, and supervisor. Taking the time to develop a clear and reasonably articulate ethical foundation will help you face challenging situations in the future, and often will provide a sense of direction. Having a firm grasp of your personal beliefs may also be of value when making rapid decisions, such as in a critical relational moment or when dealing with a crisis.

*Example:*

You are a social worker at your local agency and someone you dislike walks through the door looking for help. Perhaps you are a criminal justice major who has just found out that you will be dealing with someone you grew up with but have not seen in years. Maybe you are a case manager driving a client to their medication appointment and you think you smell marijuana coming out of the apartment when the individual opens the door. Perhaps your next client is accused of child, spousal, or elder abuse. All these situations are examples that are likely to stir up conscious and unconscious reactions that challenge your ability to conduct yourself in a professional manner. The more you know about your personal values and ethics, the better able you will be to conduct yourself in accordance with your professional ethics and obligations without being overly judgmental or jumping to premature conclusions.

## General Ethical Guidelines

There are many ethical concerns when it comes to clients. A few things to keep in mind are listed below:

- Be committed to helping people at the site, regardless of your personal preferences, no matter who the client may be. It may be helpful to keep in mind Carl Roger's notion of unconditional positive regard, which means that you value everyone's essential

humanity, though you may not necessarily agree with or approve of their behavior.

- Having cultural awareness is necessary. Always remember that every culture handles situations differently. Educate yourself on the different cultures that the agency will be working with as that type of information will give you better insight, understanding, and direction on how to proceed with a client. Similarly, educating yourself about a client's respective culture before meeting with them can help you achieve a rapport with the client and avoid creating unnecessary obstacles in your work.
- Conflicts can and will arise. Some of them might be unethical or even illegal to engage in. If a situation presents itself and you begin feeling uncertain, make sure to inform a supervisor and instructor as soon as you can to examine possible responses before making any decisions.
- Always be as proper and respectful as possible. Choose your written and oral words responsibly. Be aware of facial expressions and other non-verbal signals you may be conveying to your client. If non-verbal signals do not match what and how you are saying something, it may be more difficult for the client to believe what you are saying is true.
- Pay attention to ethical and legal mandates. Most human services professionals are mandated-reporter occupations. States have laws concerning when and under what circumstances situations need to be reported. Suspicions can be based on circumstances that would cause a reasonable person in a similar position to suspect that a client has suffered or faces a threat of physical or mental harm. This practice is especially necessary if the situation involves a child under the age of 18 or an intellectually challenged, developmentally disabled, or physically impaired person under the age of 21. It also may apply to suspected spousal or elder abuse. Suicidality and homicidality are other possibilities to be aware of. If such situations arise at the site, they must be taken seriously and should be discussed immediately with your supervisor.
- A good ethical and professional guideline is to remember The Golden Rule: Treat others the way you would want to be treated.

## Practicing Ethics at the Site

Maintaining professional ethics is not always easy. For example, it is important to remember that although you may not agree with all your workplace's codes, you are usually obliged to abide by them. Learning how to integrate the ethics of the workplace and profession with your own is helpful and could enhance your professional image. For instance, you can fulfill your corporate social responsibility by recycling goods on site. Embodying ethics in this way may also serve as a role model for clients, especially children, who often look to you for guidance.

## Dual Relationships

Part of a professional code of ethics and law that can cause people considerable trouble concerns avoiding dual relationships, especially if one is living or working in a small town. Dual or multiple relationships occur when a professional has more than one type of relationship with a client. More specifically, the relationship must be such that there is an unequal distribution of influence or power between the provider and the recipient of the services. For example, having a friendship is usually based on an equal distribution of influence, but having a professional relationship with a friend is not. What makes dual or multiple relationships unethical is the chance that the client might be exploited, and, as a result, potentially harmed. One clear violation of the code of ethics in most disciplines is that a provider and a recipient of services *cannot* have a sexual or financial relationship with one another.

## Countertransference

Countertransference, or the professional's conscious and especially unconscious reactions to the client, should be something you learned about in other classes or coursework related to your major. Risks of countertransference are especially high when the clinician projects their unresolved conflicts and interpersonal issues onto the client. At times, for instance, a client might remind you of a person who you are close to, such as a parent, sibling, partner or ex-partner. Depending on your degree of self-awareness, sometimes you might not even be aware of it as the process often happens unconsciously. That is what makes the situation especially difficult or even dangerous. Self-awareness helps spot these possibilities before they become a problem, but general awareness of them helps too. One way to increase this ability to spot these problems is to ask yourself if the person you are working with reminds you of anyone else in your earlier or current life. If the answer is "yes," then countertransference is likely to be a part of the situation. As you continue the internship, keep in mind that your job is to help the client in an appropriate way, with the emphasis on appropriate.

Even though you may believe you have a clear understanding of what countertransference is and how it works, it remains tricky because countertransference always happens in our psychological blind spots. While working with the elderly, for example, it is very easy to find yourself responding too much to a client, until you realize that they remind you of your own grandparent. Once again, if someone really irritates you, it may help to ask yourself who else have you responded to in this way from your childhood or from a current relationship. While such self-awareness might seem simple, it is difficult to achieve when countertransference is occurring.

*Example:*

An older person you are working with reminds you of someone you once knew and always makes you smile. They seem so "nice" and need a little money for rent or medications. You think nothing of offering to "lend" them some or even pay for it because you are supposed to help those in trouble, and, after all, it isn't that much money. To do so, of course, would cross ethical lines. Once that happens, it is easy to form an attachment that could lead to other things, such as dependency, unrealistic expectations, and problematic behaviors that compromise your position when your behavior becomes known to others. In this way, a well-intentioned, but ill-considered action may lead to an ethical mess.

## Confidentiality

Confidentiality, as most interns know, is a key ethical responsibility. There are many dimensions to this issue, such as keeping client and staff information confidential, as well as conversations and observations made at the site and in classroom discussions. Another dimension of confidentiality to consider is outside of your work and academic environments.

Most people have a natural desire to talk about their experiences, particularly meaningful ones, with others. Always check with the supervisor to find out the limitations as to what can and cannot be discussed within and outside of the workplace. Keep in mind that when talking outside of the workplace, a person's real name and identifying information (information that can be used to identify someone such as gender, age, physical characteristics, behavioral history, place of residence, occupation, and so on) should never be used. The same rules apply to journals, notes, and, of course, social media. In fact, it is probably best not to even think about "discussing" anything from your practicum using social media as that record never goes away.

*Example:*

You are in your practicum class and say, "I was taken by surprise at my internship site when Suzie, my best friend from high school, came out of the therapist's office who treats only opioid addicts." It may seem like you have "permission" to share this information at your classroom meeting because there are many Suzies in the world, and you did not mention a last name.

However, that would be a mistake because you have revealed what is called personally identifying information, in fact, quite a bit of it. For example, you identified the person as having a common name. Furthermore, you also specified a location and a relationship. Together, these three bits of information are more than enough to identify someone. In this case, someone in the class may have known a Suzie in your high school and that she had a best friend who had your first name! Or, perhaps the school's social media pages showed a picture of you and Suzie together at an event.

HIPPA regulations concerning client confidentiality often apply to human services settings, too. HIPAA is an acronym for the Health Insurance Portability and Accountability Act that Congress passed in 1996 and is a compliance requirement for any health professional or setting. Most human services professionals talk about these requirements when discussing ethics, but it is also the law, which makes honoring these rules more than just an ethical obligation. These rules apply to all forms of information, including paper, oral, and electronic forms. Furthermore, only the minimum health information necessary to conduct business is to be used or shared. Criminal justice settings may have different rules concerning confidentiality because some records are open to the public for the asking, such as crime reports, so it is always advisable to discuss the rules with your supervisor early in your internship.

## Dependency vs. Empowerment

One of the more challenging ethical issues that many interns in the helping professions face is the tendency or inclination to do too much for clients. In the extreme form, such practices involve going far beyond what is required to help the individual such that the client becomes dependent on you and expects you to do the work for them. This is a common ethical dilemma because the helping

profession tends to hire workers who genuinely want to help the lives of others, and the clients generally do need help. However, crossing this line may lead to major problems, such as loaning people money, buying them things, and, on rare occasions, even taking them home, which usually leads to people being fired!

One way of preventing this type of ethical dilemma is to constantly involve the clients in the helping process as active participants so that they may learn to help themselves. For instance, if a client is looking for housing, you can involve them in the process of finding a home, which includes learning how to find advertisements, make calls, get references in order, have a bank account, and so forth. The proverbial Biblical story that discusses the difference between giving a person a fish and teaching them how to fish comes to mind here: “Give a man a fish and you feed him for a day. Teach him how to fish and you feed him for life.” Even though well intended, doing too much for a client is unethical or at least detrimental.

If you find yourself in a situation where the client has become dependent, then appropriate action needs to be taken. You can help the client to recognize and rely on their own strengths thereby fostering their independence. Encouraging clients to develop their own plans, getting them to identify goals, and directing them to the appropriate resources is a win-win for both of you in the long run.

Sometimes you and your client will disagree on a plan, goal, or resource. Try to be professional when these situations come up and remember that often people learn by making mistakes. If they are small ones, you can think about stepping back a bit and allowing the client to figure out what happened in order to avoid the error in the future. Small mistakes can be used as learning tools and build up confidence, if you continue to be supportive. Supervisors, of course, may sometimes take the same approach with you!

## Client Resistance

Sometimes you may encounter a client who seems unwilling to help themselves. This situation may be especially frustrating to interns because we all want to demonstrate that we do care, are competent, and can do the work. Before doing anything, be sure to reflect on whether there is a cultural issue involved. It may be that the client is doing what they think they should be doing from their cultural perspective. For instance, most Americans expect eye contact and plenty of dialogue to occur when interacting with other people. However, in another culture, maintaining eye contact with a person in authority or speaking up is considered impolite or even rude. So, if an American is dealing with someone from that culture who appears politely reserved, we might regard them as depressed, bored, or resistant when they are not. Cultural competence is important in the human services field because we deal with human diversity all the time in our work.

However, sometimes the client is just not prepared for change or really does not know how to start the process. It is important to do your best in these situations and offer support and guidance to the individual even though the person may not accept it until later. Of course, there are other types of resistance, some of which concern personality conflicts, differences in individual styles, and mental health issues, all of which should be brought up to your supervisor when they occur.

## Referrals

Sometimes referring the client to a different case manager or specialist is what the client may need. For instance, if you are working in the area of domestic violence and find that a client is an alcoholic, it helps to refer the individual to someone who specializes in doing therapy with people who suffer from addictions. There are several other reasons a referral may be necessary, such as having to end the internship experience before the client’s needs are completely met, a therapist changing jobs, or taking Family and Medical Leave Act (FMLA) leaves, to name a few.

One of the most delicate situations is when you and the client come to an impasse. Massive transference or countertransference problems, a lack of training and skills in an area that must be addressed in order to move forward, or a client’s resistance to change all create special problems in treatment. In general, it is important to realize that the client should never be abandoned. Instead, you, the supervisor, or the site should set up an alternative pathway to get clients the help they need and deserve.

Sometimes clients may also ask to be referred to someone else. Try not to be offended if that happens. There are plenty of reasons why a client may ask to be referred to another professional and not many of them have to do with you or your style, though that can happen, too. Be sure to discuss the issue with your supervisor. That way you may be able to find out what went wrong, if anything, and gain knowledge.

## Asking for Help

If you ever find yourself in a position that you are not sure how to handle, ask the supervisor or your instructor for guidance. If you are at the site and the supervisor is not available, it may be possible to check with one of the other staff members. If no one is available and you must act quickly, you will probably have to make the best decision you can based on your training and individual principles. These situations may be intimidating, but they can also be great learning opportunities. Afterward, you should process the experience with the supervisor and ask questions. Although there may be dumb questions somewhere in the universe, it is not during the internship.

## Documentation

Documentation, or an approved way to record events and transactions with a client(s) is extremely important in most human services settings. From mental health to criminal justice settings, documentation is valuable in at least two ways. First, it lets others know what transpired if you are not available. Imagine what being in a hospital would be like for nurses if there were no charts on the patients to turn to as you come on your shift! Second, documentation often has legal standing. It is a record of what you saw and did in response to a client. Good documentation not only protects the well-being of the client, but it protects you as well, as it can show that you followed appropriate procedures in your work with the individual.

Some people like to say, “If it is not on paper, then it didn’t happen.” Although that may be an exaggeration, the concept is a good one. Always follow agency policy on taking detailed notes and on documentation. Also, if a situation with a client occurs, or if you are injured in any way, tell the supervisor, and keep clear documentation of the incident. These are standards of practice at most agencies. Your internship site and your role there will determine such things as how to record information, what to write, how detailed it should be, and which format to use. Be sure to ask about these things if you are not told about them.

Depending on the agency, you should be cautious about signing documentation. After all, if you do sign something, it can be understood to mean that you agree with what is written. Therefore, if you must sign a document, make sure that it is accurate or that you agree with it. If you do not agree, it is important to see your supervisor and discuss this problem with them before signing.

## Identifying and Dealing with Dilemmas

Being able to identify legal or ethical dilemmas is the first step toward properly handling them. Most likely you have already heard of some potential issues and some examples which have occurred with other interns or professionals. You should expect to experience dilemmas as well. One of the more common ones occurs when witnessing someone else doing something that you feel is wrong. Like it or not, once you have knowledge of the issue, an ethical burden lands on your shoulders. Since these situations are often difficult, it might be a good idea to spend some time considering how you might handle them in advance. For example, you may want to explore ethical dilemmas in the classroom component of the internship. It is also possible to review some hypothetical situations with your supervisor at the site. Such “imaginal variation,” as it is called, may help you handle yourself in a professional manner when such situations arise.

If something like this does come up, remember to pause and take a deep breath before responding to a situation. Self-monitoring is important, as sometimes the first thing out of one’s mouth does not necessarily come out as intended. It is also always important to protect the interests of the client. While you never want to act without thinking things through, choosing to do nothing is still a choice. Failure to act is a decision, and, like all decisions, it has its own consequences.

## Critical Thinking and Decision Making

Knowledge of ethical standards only goes so far. Sometimes, you will have to rely on your own ability to deal with dilemmas that are not always clear-cut. Making an ethical decision is complex and difficult, but sometimes it simply must be done. As with any type of problem-solving, it is a good idea to view it from multiple perspectives because different points of view reflect different interests and priorities. Ideally, of course, you should discuss the situation with your supervisor or coworkers and take time to come up with the best solution. Keep in mind, though, that there will be times when you must act immediately and use your best judgment.

As discussed earlier, reflecting on your own code of ethics as well as knowing those of the agency and profession in advance helps. Staying calm is usually beneficial in these situations as well. Having a realistic view of yourself will help, too, as well as being

aware of such factors as tone of voice, timing, non-verbal expression, and word choice. Once you successfully face a few of these situations, your confidence in your professional decision-making process is likely to increase.

## After the Decision

It is not unusual to dwell on a difficult decision you made after the event is over. Having a good working alliance with your supervisor, colleagues, and instructor are especially helpful. These relationships can allow you to talk through issues and gain different perspectives on them. You may receive some constructive criticism about your decisions from time to time. After all, no one is perfect; otherwise, if you were, why would you even be in an internship? Try to understand this feedback as a part of the learning process that is concerned with helping you become better prepared for future situations. Learning this way may also help reduce second guessing yourself. While difficult, partial successes and failures can be the most valuable parts of an internship because they show you some of the more complicated facets of working with human experiences before you are accountable in the way that a full-time employee would be.

## Self-Care

Self-care is essential in all helping professions due to the possibility of burnout. Burnout is a type of exhaustion that has a negative impact on physical, mental, and emotional health because it saps your energies in all three areas. It is easier to fall prey to burnout if you are not routinely trying to take care of yourself in these ways. Luckily, the reality of burnout is becoming more and more recognized every day, but you still must be active in identifying your own vulnerabilities. Though you may feel that you are “just an intern,” the need for self-care is still essential because your clients depend on you, and this level of responsibility should be treated respectfully. Also, interns are regularly juggling many demands while serving internships, such as class, family, and job obligations.

## Ethics and Continuing Education

From social work to police work, human services usually require professionals to stay informed about up-to-date practices in order to deliver better service. Though each career has its own standards, keep in mind that it is your responsibility to understand and fulfill requirements and that those requirements frequently change. That is the reason that most human services professions, as a rule, offer and require continuing education credit. Most internship sites will have some of these professional educational opportunities, and it is a good idea to at least sit in on them. Another advantage is that sometimes sites offer access to high-level seminars, workshops, and programs. All can add to your growth and knowledge as a human services professional.

Some of these events may include the opportunity to learn from outstanding experts in your field. If your agency is offering one of these events or sending people to a regional or national convention or workshop, try to be included. Sometimes training certifications are awarded, and each one of the higher-level events can become a resume item, not to mention a wonderful networking opportunity.

## Challenges Along the Way

## Asking for and Giving Help

It is important to remember that while at your practicum site, you can be an asset to the team. First, remember to always ask for help if you need it. This could be asking for help from your supervisor, coworkers, or any colleagues with whom you have worked. Second, remember you are at your site to gain knowledge and experience as a helping professional. Third, try to move toward increasing degrees of reasonable independence as your internship progresses. Finally, take advantage of any downtime to do or learn something new. Nonprofit internship sites always have work that needs to be done and showing initiative in this way is usually a win-win for all concerned.

**Tools for Chapter 5**

**Activity 1: What Would You Do?**

In the helping professions, you will often face problems without clear-cut solutions. Consider the following scenario:

Funding sources have recently changed at the non-profit organization where you are employed. You are the one responsible for telling a few fellow employees that if they wish to continue in their positions, they must accept a significant pay cut. You are close

with these individuals and you know some have families and that others are already struggling financially. There are four courses of action you can take:

- Look into transferring the employees. (The closest opening is 100 miles away).
- Ask for additional funding. (Grant writing takes time and is usually competitive)
- Choose who goes and who stays.
- Hold a staff meeting to discuss funding cuts.

Now, what do you do? Why? With your classmates, discuss all the options provided. Did you or any classmates include standards for ethical practice?

**Activity 2: Caring for Your Most Valuable "Tool"**

Believe it or not, you are your most valuable tool in any human services field because all of them require that you rely on your ability to understand people and respond to them appropriately. Just like any other tool that is important for your work, you must take advantage of it, which is why self-care is important. It is also different for everyone and what works for you can change day to day. Here are some practical strategies you can use to reduce stress:

- Recognize stress: Identify those situations that make you most vulnerable to stress so that you may minimize them or at least anticipate them and act to lessen any negative impact.
- Try to get more or better sleep: It is no secret that as you try to juggle your personal and professional life, you will find yourself growing busier by the second, so getting enough sleep is key for overall work productivity.
- Talk it out: Your site supervisor and professor overseeing your internship are also valuable tools for you. Good mentors will understand your stress and be patient with it. Also, remember that asking for assistance when you are struggling is not a setback, but a way to be better in the future.
- Try mindfulness meditation: A lot of research supports the idea that mindfulness meditation (Kabat-Zinn, 2019), when done on a regular basis, is a low-cost and effective way of reducing or at least managing stress. There are many online videos and phone applications to guide you through 10- to 15-minute sessions of mindfulness meditation. Mindfulness meditation is simple yet powerful. The more you practice it the more effective it is at reducing stress.

**Activity 3: Exploring Ethics**

Make a list of your personal ethics. Next, compare them with the standards offered by your profession or internship site. Note any similarities and discrepancies. The similarities may help give you more confidence when dealing with an ethical dilemma, and the discrepancies will give you something to think more about. Either way, you gain something.

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# 1.8: Appreciating Cultural Diversity (Multiculturalism)

## Introduction

This chapter discusses how to become more culturally aware and inclusive in our work. As a human services professional, you will interact with clients who come from a myriad of backgrounds, so it is important to be knowledgeable about such differences. Physical challenges, educational backgrounds, criminal histories, as well as citizenship status, can also contribute to differences, which can make interactions between human services workers and clients more complex.

**Key Words**

- **Cultural Diversity/Multiculturalism:** The variety of different values, preferences, practices, and behaviors that exist between groups. Multiculturalism is an alternative, more inclusive term.
- **Ethnocentric:** A conscious or unconscious belief that one's own ethnic group or culture is inherently superior to another. An inclination toward viewing others from one's own cultural or ethnic perspective. Extreme forms include such things believing that one's own group is better than others and acting on this position, such as in the case of racism.
- **Self- Monitoring:** The process by which an individual becomes sensitive to, reflects upon, and analyzes one's own behavior and actions. Involves self-awareness, introspection, and reflection or contemplation.

## Developing Cultural Sensitivity in the Internship

During the internship, you will have an opportunity to interact with clients who have different cultural backgrounds and experiences. Consequently, it is important to be able to demonstrate culturally competent and appropriately inclusive behavior when interacting with people from cultures and backgrounds different from your own. Utilizing your internship site to appreciate the types of diversity that are present in your community may help you determine what type of cultural skills you need to develop. For instance, if your site assists the Amish and Mennonite communities, you may wish to learn the differences between the two groups to better tailor your approach and services.

Of course, knowing all the nuances for every culture is impossible. However, familiarizing yourself with those cultures you are most likely to encounter is a reasonable expectation for interns, agencies, and clients to have. If the type of internship you select is like your own cultural background, you may want to consider volunteering at an agency that is more diverse.

Keep in mind that you are still in a learning process, which means it is appropriate to ask the supervisor about the suitable methods of interaction with various types of people or groups. The willingness to understand, appreciate, and experience cultural diversity will help you develop greater communication skills and cultural competency. Your internship may even be a platform for expanding your cultural awareness and ability to work with people of different perspectives and orientations. Indeed, the experience may even help you identify personal biases. Becoming aware of them is often the first step in overcoming and preventing the types of countertransference that can arise based on such things as how one sees gender, ethnicity, socioeconomic status, and so forth.

## The Reality of Cultural Differences

Cultural diversity is a much broader concept than just differences based on race or ethnicity, as it may also include equally powerful and important differences in gender, religion, and socioeconomic status. Sometimes these differences are obvious and can even be expressed by the type of clothing that is worn. At other times, the differences may be far more subtle, such as in the way conversations are held, how frequently people touch others, or how much interpersonal space they prefer.

*Example:*

> In Western culture, patting a child on the head can simply mean “Atta boy” or “What a sweetheart,” whereas, in some tribal cultures, touching a child’s head signifies that you have a negative or even evil wish for that child.

Preparing for and gaining knowledge of cultural norms prepares you to notice important differences, increases your understanding of those you work with, and helps you to communicate more effectively. What human services worker would not want those types of skills in their work with others? Cultivating a culturally sensitive approach is vital to having a successful client-human services worker relationship and benefits both professionals as well as the clients they serve.

## Developing Cultural Awareness

When experiencing cultural differences at the practicum site, you may come to have new or uncomfortable emotions. As a human services worker, one way to prepare yourself for these new experiences is to become more aware of your own cultural preferences and habits, both positive and negative ones. Knowing your cultural practices better helps you assess whether they are appropriate in a situation and better enables you to adjust, if necessary. Otherwise, you may appear naive, underprepared, insensitive, or even ignorant.

Each one of us is a partial product of our biology, gender, age, and social class. If all we had to do in life is interact with people who have the same backgrounds, there would be little need for cultural awareness, sensitivity, and competence because we would all reflect similar environments and could take them for granted. However, that is hardly ever the case in the real world. Instead, one thing all of us can do is to become aware of, and learn how to recognize, our own culturally-based perceptions, expectations, and reactions and then make appropriate adjustments when dealing with others from different backgrounds.

Learning about the various cultural differences of the people you are likely to encounter or work with will assist you as an intern. Becoming more culturally competent will also help you in your career. After all, consciously or unconsciously holding on to thoughts, ideas, jargon, or mannerisms that one's culture is superior to another will certainly be noticeable to clients. Such narrow views may create unnecessary barriers in your work that only make it harder for both parties.

## Self-Awareness

In order to appreciate cultural differences, it is often necessary to enhance your own self-awareness. To be effective in the field of human services, professionals need to be aware of the dynamics of power that are associated with privileges that you may have based on your race, ethnicity, gender, age, or social class, including education and income. The first step in that process may be to recognize that historical inequality does exist in these areas. Every culture has a hierarchy of power and privilege. Awareness of your own biases, power, and preconceived ideas of various populations is essential to be an effective culturally-competent worker. By recognizing your privileges, you can begin to understand the disadvantages other cultures experience.

*Example:*

In Western cultures, privilege is often given to people who are heterosexual, white, young, tall, Christian, wealthy, educated, healthy, and male. Conversely, any person who does not fall into one of the favored or privileged categories may suffer some type of social, emotional, or economic disadvantage. It is also important to realize as a human services worker that even if a client does fit into a "privileged" category, it is still necessary to treat that person as an individual and not as though they are "privileged."

**Activity:** At this point, it might be worth reflecting on what you have experienced that could be a privilege in your life, stemming from such things as your race, ethnicity, gender, or age. What about your socioeconomic status, including that of your family, your current social class, level of education, and so on might be important to know? Do you have any privilege based on these factors? What are your feelings about these factors in relation to others, especially the client population you are working with? Remember, you also can have unconscious feelings and beliefs about these things. Knowing about them is important because they can give rise to both transference and countertransference when dealing with others. If you like, make a list of those you are likely to encounter in your internship and what you feel or believe about them, and then reflect on that list.

## Personal Style

Everyone deals with cultural diversity differently. Therefore, it is important to pay attention to one's verbal and nonverbal ways of reacting and communicating. Personal style, or the way you characteristically perceive, react to, and attempt to deal with the world, is going to affect how you comport yourself in cultural situations. If you find yourself reacting or acting uncomfortably or anxiously in a situation that has strong cultural undertones and do not feel able to navigate this territory appropriately, then talking to co-workers, teachers, or a supervisor may be the best course of action. After all, they might have experience in that area and could make helpful suggestions. It may seem as though these encounters are uncomfortable at first, but the reason for doing an internship is to gain knowledge. Part of that process involves finding one's own strengths and weaknesses so that you can maximize the former and minimize the latter.

An ethnocentric individual often judges other people and groups by comparing them to the culture that the person grew up in or favors. Fortunately, this type of bias can be moderated by increasing self-awareness, avoiding stereotypes, and being open minded, all of which help a person to step out of their cultural box and see people as individuals instead. Appreciating diversity in this way can benefit any agency, organization, or nation. Hence, it is best to try to respect and appreciate the diversity in one's immediate environment. After all, every culture is unique and has its own strengths.

It does take time and effort to gain a deeper understanding of other cultures. Yet, the more you learn about clients and their cultures, the better able you are to help them. Probably the most effective way to increase your awareness and appreciation of other cultures is through direct experience and observation. However, indirect methods help as well. For instance, reading books or articles, watching movies, viewing internet videos, listening to TED talks, and so forth are effective ways of accessing cultural information. In addition, your practicum supervisor may have some suggestions about expanding your awareness while at the site. You may find it useful researching certain cultures to avoid the uncomfortable feeling of offending someone by unintentionally saying the wrong thing or acting inappropriately.

## Relating to Other Cultures

As an intern, you are likely to meet people who are different from you every day. There are many ways to react to these differences, and your ability to display a non-defensive posture, to learn about the client, and to become aware of your own reactions will need to be developed. Most human services workers will try to learn about the client population in a variety of ways to improve the quality of the services they provide. The better the intern can relate to the client, the more likely the client is to develop trust in the intern and share their concerns and problems. Continuing Education programs often help professionals learn more about how to effectively deal with cultural diversity and inclusion or multiculturalism. Once a professional relationship begins to form, some clients are willing to discuss their culture and belief systems, especially if you have expressed interest in learning about them.

## Acceptance and Cultural Competence

Successful internships usually require developing some degree of skill in cultural competence. After all, one mission of human services is to empower the client, so knowing how that works in each individual's environment is important. Each discipline, from social work to law enforcement, will require its own set of skills. However, some things are important for all of them. In general, the principle of acceptance is part of a foundation for building a working relationship between the client and the human services worker. Although it is not necessary to agree with any given practice, acceptance usually involves some degree of empathy or concern. Mutual respect is also established as a result of affirming someone's individuality and recognizing the strengths of the person, including those of their cultural background. In a sense, successful human services workers embrace each person's unique contribution to humanity.

## Self-Monitoring

It is important to be aware that your personal views and beliefs may have an impact on your client's life. Consequently, it behooves you to practice monitoring your own reactions while interacting with them. After all, you will probably express your own beliefs nonverbally through such things as facial expressions, speech patterns, and the like. People pay a lot of attention to nonverbal signs, so it is important to self-monitor (the process by which an individual analyzes their own behavior and actions). This activity involves self-reflection so that you can identify times when who you are either helps or hurts your work. Such awareness increases your chances of responding more effectively in the future. Self-monitoring, then, is an important skill to have, and your internship is an excellent place to begin to acquire this ability or improve it.

## Dealing with Mistakes

Mistakes are inevitable. However, each one is also an opportunity to learn. As a student, you are in a unique situation to take advantage of this possibility because you are under an umbrella of protections provided by your professor, supervisor, and your role of being a learner, and not a professional yet. This status allows you some room to stumble as you learn to walk, so-to-speak. Indeed, the internship may be the last time in your career you have this much room to learn without suffering serious consequences.

As an intern, if you find yourself in an awkward situation you do not know how to handle, it is not the end of the world. This status also permits you to be honest about mistakes, apologize for them if necessary, and then discuss them with your supervisor or

instructor so that you can move forward by learning from the situation. Dwelling on the mistake is not going to change it, so it is helpful to focus on how it can be handled better next time.

Doing a little homework is another way to deal with being new or inexperienced. For instance, if you know that some duty or interaction is likely to be challenging for you, then it may help to prepare for it. Role-playing is often helpful because it allows you to practice alternate ways to deal with such situations and learn what feels most comfortable or compatible with your personality and style. A colleague or coworker may be willing to assist with this role-playing activity. It also helps to know that interns are seldom in situations where what they do can result in serious damage or harm, providing they pay attention to safety.

## Typical Examples of Diverse Human Phenomena

There are many cultural, racial, and ethnic differences to appreciate in understanding human behavior – far too many to consider in any book, let alone one this size. Fortunately, your other classes should have discussed many of these issues as they affect people's perception, experience, and behavior. In addition, it is important to remember what we said about the four great "isms" that we are all prone to, consciously and unconsciously: racism, sexism, ageism, and classism. Your internship is likely to be focused on or deal with certain groups more than others. However, there are some general forms of diversity we can at least point out here. Before you read through some of the possibilities that follow, it might be a good idea to reflect on your own conscious and unconscious views and feelings about each one. That way, you may also gain some insight into your worldview.

## Differing Age-Related Perspectives

Age is something we all deal with when it comes to diversity since each developmental stage involves facing its own challenges. Further, as we move through the life cycle, our perspectives change. For example, a child sees things differently than an adult and an older adult may see things differently than a younger one. These are age-related factors you may encounter in your internship, which create a diversity of perception and experience. Many internships involve working with just a portion of the life cycle, such as agencies that specialize in various age-related populations ranging from children's services through geriatric services. Other internships involve a wide range of ages. Whichever the case, this aspect of the internship becomes more complex when there is a significant gap in the age of the intern and the clientele the agency serves.

## Working with Children

Agencies that provide services primarily to children, such as those in daycare or educational settings, are the most likely to have clear guidelines and rules governing internship behavior. As a group, children share more similarities than adolescents, adults, or the aged because they have not had as much time to differentiate themselves. Still, depending on how diverse the center's clientele is, there may be many differences you encounter because parenting expectations and practices reflect cultures as well as backgrounds.

Because children are a vulnerable population, you are likely to encounter such things as background checks, state rules, specific agency requirements, and close supervision in these settings. In addition, most students who intern at these sites either have experience with children or a strong interest in them. If sitting on the floor, getting down on your hands and knees, participating in spontaneous play, and dealing with rapid changes in behavior are not a part of your personal style, then this type of setting may not be for you.

## Working with Adolescents

Adolescence is often a time when young adults struggle to do well in a given area or areas, and the clinician can point them in a positive direction. However, working with adolescents is sometimes said to be similar to walking a tight rope: If a professional leans too much in one direction, they risk appearing authoritarian, which may lead to a loss of trust or even rebellion by the adolescent. If the professional leans too far toward being a buddy, then they will likely lose their authority, which means they may not be taken seriously. Effectively dealing with age-related diversity requires keeping a good balance between what is needed for the client to succeed and helping that adolescent take the necessary steps they need to get there without doing it for the individual. Walking this tight rope can be difficult and exhausting at first, but like many things, ability comes with practice.

When working with adolescents, it may help to think back to your adolescent years, especially if they were challenging. For example, it might be a good idea to remember what it was like to make decisions on your own for the first time. Sometimes

adolescents feel that they know what is best for them, and they perceive everyone else as stupid, especially adults – which can include you! In this case, telling someone what to do is unlikely to be helpful.

Simply asking questions to ensure that adolescents have thought things through fully might be more effective. Sometimes, of course, the decisions adolescents make are not the best choices. When that happens, be careful not to be quick to judge but instead to view this development as an opportunity to talk to them about what they have learned from the decision. When working with adolescents, it is easy to feel like your work does not matter because no one is even listening. However, it is often the case that they may be paying more attention than meets the eye through such processes as observational learning or modeling!

Working with adolescents is a skill that comes with education, practice, and field experience because, in part, different cultures expect different types of interactions with adolescents. Are you a human services worker aiding a family that expects children to be seen and not heard? Or, are you working with a family that gives children and adolescents free reign to express themselves in whatever manner they choose? In either instance, it may be helpful to realize these cultural and socioeconomic differences are active in each family or social situation. Similarly, it is important to know about and to recognize adolescent subcultures that affect your client. Learning subculture and counterculture behaviors may assist with better understanding and provide more accurate and appropriate methods of helping the client.

## Working with the Elderly

There are at least two important factors related to age to keep in mind when working with older populations. One is that people become increasingly diverse in terms of their background and preferences as they age. After all, they have had more time to experience the possibilities life has to offer! Everyone has their own story that they have played an active role in creating. The other dimension to consider is that for the most part, the intern is much younger than the client in this setting. That difference creates special challenges. The greater the age gap, the more drastic the differences can be. Some cultures genuinely appreciate the elderly. In general, however, ours tends to value youth more than the aged. Like any other challenge, differences in age can be worked through. In addition, working with a population that is further along on life's timeline than you are can be viewed as an important learning opportunity. If the human services worker is considerably younger than the client, the client may have difficulty seeing the intern as credible. How could the client trust what the human services worker is telling them if that person has not lived as long and experienced what they have? Sometimes an interesting reversal occurs when an intern happens to be older than the supervisor or instructor. In either case, the general guidelines are the same: Be respectful, keep an open mind, and focus on the matter at hand. Sometimes it is helpful to acknowledge the age difference and talk about it as a way of bridging these gaps.

## Differing Socioeconomic Perspectives

Socioeconomic status includes such factors as the income level and social class in which clients are raised, their educational level, their occupation (or the lack of one), etc. All these phenomena can affect an individual's perspective on the world, how they view others, their personal and social expectations, mannerisms, language, and more. For example, a client who is constantly dipping below the poverty line will have problems and face decisions that more economically-secure clients may never face. Understanding the reality of a client's life will help you to establish greater credibility and rapport. Maintaining an open mind by discarding preconceived notions you may have about people in various socioeconomic situations will help.

Of course, social interaction always goes two ways. Thus, you may want to be aware of how the client views you in terms of differences as well. For example, a struggling client may resent a human services worker who seems to be living a more "luxurious" lifestyle. Someone else might "fall between the cracks," meaning they make too much money to qualify for a program but still need help. A wealthy client may become uncomfortable about working with someone who makes much less money than they do. Right or wrong, these reactions happen all the time and will need to be addressed. These situations and many others may make it difficult for clients to open up to you.

## Differing Gender Perspectives

The roles of men and women have changed over time, but there have always been distinct differences between the two. People are trained in their gender roles from birth, and gender role expectations are reinforced throughout one's life. This gender training eventually results in a personal view of masculinity or femininity and an idea of where the individual and others fit within that framework. Sometimes people develop certain ideas about what jobs men do and what jobs women do, especially those who come

from a traditional background or culture. Thus, they may be surprised when they encounter people working in fields that challenge these fixed notions of gender roles.

Marital therapists often deal with differences between the communication styles of men and women. For example, men are often found to focus more on concrete issues, problem-solving, and action. Women tend to place a greater emphasis on interaction and on the emotional aspects of a situation. These differences in both verbal and nonverbal communication styles can also influence even the way men and women explain a given situation. Because of these differences, each member of a partnership may describe the same incident in an entirely different way.

*Example:*

When behaving similarly in identical situations, a man may be described as assertive, whereas a woman might be described as aggressive. Similarly, behavior seen as sensitive or nurturing when carried out by a woman may be perceived as weak or effeminate when carried out by a man.

## Differing Religious Perspectives

The religious beliefs of a client population can vary tremendously and may range from outright fanaticism to complete atheism. This type of diversity often reflects the nature of the community an individual inhabits and ties into ethnicity as well. Many, if not most, clients rely on their religiosity to guide them through difficult times or when making important decisions. Sometimes, this dimension of their lives involves groups or community, such a church, synagogue, or mosque. Though it is often best not to pry, human services workers should try to develop a basic understanding of a client's religious views. Not only can doing so demonstrate interest and respect, but it can also help one develop a better sense of who a person is, what their social resources are, and how they cope with problems. Ignoring one's religious beliefs may also seem offensive to some.

As a human services professional, you'll want to understand how spirituality is formed. Some people are born into a faith and are immersed in it from a young age. Others may develop a connection with a religion later in their lives. Often, people start off in a certain religious direction but later in life move away from it. Occasionally, people have conversion experiences, which are very powerful and often transformative. The bottom line, then, is that it is important to work within a client's own belief system rather than ignoring or "fighting" with it.

*Example:*

In some cultures, a female has little "voice," meaning that many decisions are made for her in life, often by a male figure, whether it be a husband, a father, a grandfather, or an uncle. Although acceptance does not necessarily mean agreement, not understanding or appreciating these cultural practices may make work very difficult for the human services professional and could even be destructive to the relationship.

## Differences in Family Perspectives

Human services workers of all types, including interns, may encounter ways of viewing the family that are unfamiliar to them. Every family unit is unique and not all relationships within families have the same type of impact on their family structure. Someone who is married may have a very different expectation about their personal relationships than someone who is single. Divorce is becoming more prevalent today but there are also some groups and individuals who look down on it. Part of our responsibility is to become familiar with individuals and not stereotypes.

Each family is unique and can be its own "mini culture." Since family plays such a large role in forming an individual's personality, worldview, values, and behaviors, understanding a client's family of origin can help you to understand the client. The same holds true, of course, for the individual's current family situation. Therefore, knowing about the role the family plays in a person's life is important.

If, for example, a client is close with their family, they are more likely to have a strong support system behind them. Sometimes, however, the client has no family and their only support is their case worker. Frequently, the family is the source of many of the client's current problems. In small towns, even the family's reputation may be important to know about, as others often make assumptions and treat people based on that reputation, for good and for ill.

## The Single “Family”

A single person is not, by definition, a “family.” However, they do come from families. They often see friends as family and the “single experience” is becoming far more common as a preferred choice. Often, being single means having to deal with other people’s biases about families. For example, a single person’s family of origin may exert pressure on them to have a family. Friends and family often ask single people when they are going to get married. Married people all too often think that everyone wants to be married just like them. Including a single friend in group activities can make the friend feel like the odd person out. In addition, employers may “expect” more from them because they do not have a spouse, partner, or child to take care of after work. The result for the single person may be working longer hours, more evenings, on more holidays or weekends than those who are married and have families.

Single people must deal with both positive and negative perceptions. For example, people only see their freedom or think that single people are lonely, sad, or that there is something “wrong” with them for following this lifestyle. The fact of the matter is that some people just do not want to get married. In other instances, single people see marriage as a possibility but not a priority as their careers or personal interests might be more important to them.

## Couples Without Children

Approximately 10 percent of married couples do not have children. About half of those cannot have them biologically. Some who want children, then, may adopt while others do not. Either way, other people may judge these couples as having a deep flaw in their biological makeup or character. However, not all individuals or couples are ready or interested in becoming parents. In fact, many couples who choose not to adopt or have children of their own are quite happy, even happier than couples who do have children because children often decrease marital satisfaction for a good number of years. In addition, times are changing, and it is becoming more common to be unmarried or even un-partnered. Some people are dedicated to their work. Others are involved in meaningful activities that tie up much of their time. Some couples are simply happy with one another and do not feel that they need anything else in their relationship. It is important to be free of pre-judgments when assessing any families. There are so many factors that influence the life decisions we make, and it is our job to be open and understanding to these varying conditions.

## The Single Parent

There are also single parents who are judged in negative ways by others. It is interesting when some people see or hear about a single dad; they think that the man must be a good dad for stepping in and taking care of his child. Yet, when they see a single mom, often society looks at her very differently. The fact that moms do not get as much credit as single dads do is a problem. Sometimes they are often seen as women just wanting to get money from the government, and, at other times, single moms are pitied for having a child with a “father who does not have any involvement with the child/children.” Of course, many people also look down on “deadbeat dads,” who fail to live up to their parental responsibilities.

The fact of the matter children constitute the largest number of poor people in America and most of them live with single parents. Most single parents are younger, poorly educated or trained women. It does not take much thought to realize under these conditions that being a single parent is incredibly difficult, especially if you are among the so-called working poor who earn too much money and do not qualify for welfare or childcare benefits. Imagine how hard it would be to take care of small children, survive on a minimum wage without health care benefits, and try to better yourself all at the same time!

## The Blended Family and “Nonstandard” Parents

Blended families come in all shapes and sizes. In fact, they may even become the norm soon as the nuclear family declines. Blended families include divorced and remarried parents, homes that care for foster children, as well as situations where relatives are raising another family member’s child(ren), such as grandparents parenting their grandchildren. In addition, many couples today live together without being married, but still have children. No matter how blended families are put together, they face the same challenges that other families do and often even more.

## Same Sex Couples

People hold different views on same sex marriages. Some accept same-sex marriages (and parenthood), believing that you fall in love with who you fall in love with. Others believe that same sex relationships are wrong based on religious beliefs. However, it is

important to realize that same sex couples may face the same interpersonal, financial, and social problems so-called “straight” couples and parents do, and sometimes even more.

## Differing Gender Orientations

Sexual values and orientations are based on the personal beliefs of an individual, and one’s attitudes or feelings about sex and sexuality. People hold different beliefs about sexual values and practices based on such things as their backgrounds. No matter what one’s sexual values may be, unless they involve abuse, a human services worker should keep an open mind on the matter. It is not up to the human services worker to judge the client but to help the client to the best of the worker’s ability. If an intern is not able to separate their values from those of the client when it comes to sexual values and orientations, then they should discuss the matter with the instructor or supervisor.

Issues involving sexual orientation can be intense and emotionally driven. Sexual orientation does, however, have a great impact on an individual’s life and how they experience the world. As a society, the United States does not uniformly accept homosexuality. Because views on homosexuality are strongly influenced by family and religion, it is difficult to alter these perceptions. Some sex researchers use the term non-heterosexual rather than homosexual because that term is more inclusive. For instance, non-heterosexual includes transgender and non-binary persons as well. Regardless of one’s opinion, a human services worker must do their best to treat everyone equally. Even though same sex marriage is legal in an increasing number of countries, including the United States, there is still discrimination against the LGBTQ+ community.

Sexual identity, orientation, and behavior are sensitive topics at the personal, interpersonal, and social levels. Therefore, you may want to think about how you would respond if a client shared this kind of information with you. Reacting negatively or carelessly may irreparably damage your relationship with a client.

## Geographic Perspectives

Like many countries, the United States has several regional cultures. Typically, they include New England, the South, the Midwest, and Southwest, and the West and East coasts, though it is possible to break the country into even smaller geographic regions if desired. Typically, they include historical, socioeconomic, cultural, political, and linguistic or “accent” differences. People are heavily influenced by their environments, especially their places of origin. Even when we move to a different geographical region, we often retain the values and ways of life that we are accustomed to after even becoming “acculturated” to the new region. For example, people from the North, especially New York City, usually talk, walk, and live life “faster” than those from the South, particularly the Deep South. American Indians have several geographic tribal regions, each of which has its own customs.

There are at least two good reasons to do some research on your client’s geographic background. First, if you are not familiar with their customs, you may strongly offend them and damage any future relationship. Second, by becoming familiar with their customs, the human services worker will build rapport with clients, who, in turn, may become more likely to trust the worker and be more open to assistance.

## Physically Challenged Perspectives

When encountering someone who is physically or mentally challenged, people often react with a sense of pity, superiority, or ignorance. Sometimes people even feel frightened or worry that something similar could happen to them and pull away from those who are challenged. The most common reaction, though, is feeling awkward and uncomfortable. It can be difficult to know how to act or what to say when you encounter clients with these challenges.

People with physical and mental challenges are often labeled. If they have a physical or mental handicap, they are sometimes seen as incompetent or even dangerous as in the case of an intellectual disability (formerly known as retardation) or schizophrenia. Seeing these possibilities instead of the individual is likely to cause unnecessary problems for the intern and the client. One of the key things to remember when you encounter someone with a physical or mental disability is that the disability is only one aspect of the person’s life. Each person with a disability is a distinct individual with a unique personality and set of life circumstances.

It is also important to realize that a disability affects each client differently depending on a variety of factors, including how long the person has dealt with the disability, the severity of the disability, and the individual’s personality and coping style. Keep in mind that people with physical and/or mental problems and disabilities are fully human: We all have dreams, fears, challenges, and hopes that puts us in the same boat. Though they may look or act differently, each client has their own thoughts, feelings, issues,

strengths, and ideas to bring to the table, just like any other person. Sometimes the client's ideas, adjustments, and solutions may be better than yours!

## Unique Circumstances

### Persons with a Criminal Background

Some internship sites focus on working with people who have criminal backgrounds. In some agency settings, you may encounter clients who also have a criminal background even though your work focuses on helping them in other areas. Some clients may have committed crimes for typically criminal reasons like greed. Others may have done so in relation to a mental health problem like addiction or poverty. People who have a criminal past but have reformed oftentimes still carry the stigma and bear the prejudice of being an "ex-con." Sometimes interns need to "get used" to these kinds of criminal backgrounds if they have never encountered them before. Still, all human services workers must still see these individuals for who, not what, they are if they come to you for help.

It may help to remember that prison is not a nice place. Sometimes crimes are committed there as well, which means that your client may have suffered in some terrible ways, such as being raped, but did not report it. Regardless, trauma is trauma and will have deleterious effects on whomever suffers it. For the most part, clients with criminal records need to be treated as just another person who needs assistance, unless, of course, they pose a risk to one's safety.

*Example:*

An intern is working at a place such as Job and Family Services. The intern feels that since they follow the law, it is unfair to get an ex-con a job while there are people on the caseload with no criminal records who need the same help. In this case, the intern may need to examine their values and look for the possibility of countertransference, especially if the intern happened to be a victim of a crime. After all, someone with a criminal background who is trying to reform means fewer tax dollars spent on crime, and more tax revenues, which benefit society overall. In addition, many recovering addicts have a criminal past, and helping them become fully engaged citizens brings similar benefits.

### Undocumented Persons

Undocumented persons create a unique situation for some interns. If one comes across a client who is an undocumented person, the clinician should first make sure he or she is familiar with the agencies policies on that matter. If there is no policy, the clinician should then talk to the supervisor as to what to do about the situation. Remember, there are some legal and ethical issues associated with this area of human services work, such as the risk of deportation if authorities find the client is here illegally.

Be sure to consider your own views on these matters and do some research on the issues as some beliefs are not supported by facts. For example, sometimes people think that those who illegally enter this country are here to steal jobs or commit violent crimes. However, it turns out that most of the jobs that undocumented persons take are difficult, undesirable, and pay low wages, even below minimum wage. Moreover, illegal immigrants have a lower incidence of violent crime than legal citizens since they have much to lose if they become involved in the criminal justice system.

## Challenges Along the Way

*Scenario:* A young man, around 25-years-old, comes into the agency. He happens to be an immigrant from Iraq. The intern had a family member die in the 9/11 attacks and has strong anti-Muslim feelings. In this case, the intern should probably reflect on the situation. If they realize that their personal issues may have a negative impact on the work, then the individual should talk with the supervisor about the possibility of countertransference and how to handle it.

**Tools for Chapter 6**

No matter what the person's life story may include, clients come from all sorts of perspectives and backgrounds. They come to see a professional because they need help, not to deal with someone else's biases. Having a strong sense of self-awareness is one way to make sure one provides equal service to culturally diverse clients. Take some time to reflect more on your own thoughts and beliefs about cultural diversity. It may be helpful to write down your self-reflections and even to compare them with those of a

colleague or a friend. However, it is important to remember that no one likes to admit biases or prejudices. Though honesty is essential for self-awareness, it also helps to find someone who you trust to discuss sensitive issues.

**Activity 1: What Would You Do?**

Today you are meeting a new client, and your job, according to your supervisor, is to help the man get a job. As you read over the file and all the information about the individual, you wonder why a man in his mid-thirties has had only two low-paying jobs before. Then you learn that the client has three criminal charges for a non-violent crime. As you talk to the client, you learn that he is a recovering addict and committed these crimes to support his drug habit. There are four courses of action you can take:

- Tell your supervisor you refuse to take this case for “personal reasons.”
- Figure out how to get this man a job, so you can tell your boss this case is completed.
- Push this file to the back burner until you find a more deserving client a job first.
- Tell the client he is on his own and check in on his progress from week to week.

What would you do? Why? Discuss your thoughts on all the options with your classmates. What would you do if the individual was convicted of a violent crime such as robbery, assault, or domestic violence?

**Activity 2: Self-Reflections**

Go back through the various areas of diversity and identify which ones apply to you or your internship. Then reflect on your own views as well as reactions to them. It might be helpful to do this activity with a friend or in a supervised small group situation like your internship classroom.

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# CHAPTER OVERVIEW

## Course Learning Outcome #2: Explain the role of the modern supervisor in relation to upper management, unions and governmental regulations.


2.1: The Nature of Management

2.2: Modern Organizational Design

2.3: History of Common Structures

2.4: Authority—Establishing Organizational Relationships

2.5: Building Organizational Structures

2.6: Labor and Management Rights under the Federal Labor Laws

2.7: Current Issues - Internal Affairs and Discipline


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# 2.1: The Nature of Management

3. What is expected of a manager?

If organizations are to be successful in meeting these challenges, management must lead the way. With effective management, contemporary companies can accomplish a great deal toward becoming more competitive in the global environment. On the other hand, ineffective management dooms the organization to mediocrity and sometimes outright failure. Because of this, we turn now to a look at the nature of management. However, we want to point out that even though our focus is on managers, what we discuss is also relevant to the actions of nonmanagers. On the basis of this examination, we should be ready to begin our analysis of what managers can learn from the behavioral sciences to improve their effectiveness in a competitive environment.

## What is Management?

Many years ago, Mary Parker Follett defined management as "the art of getting things done through people." A manager coordinates and oversees the work of others to accomplish ends he could not attain alone. Today this definition has been broadened. **Management** is generally defined as the process of planning, organizing, directing, and controlling the activities of employees in combination with other resources to accomplish organizational objectives. In a broad sense, then, the task of management is to facilitate the organization's effectiveness and long-term goal attainment by coordinating and efficiently utilizing available resources. Based on this definition, it is clear that the topics of effectively managing individuals, groups, or organizational systems is relevant to anyone who must work with others to accomplish organizational objectives.

Management exists in virtually all goal-seeking organizations, whether they are public or private, large or small, profit-making or not-for-profit, socialist or capitalist. For many, the mark of an excellent company or organization is the quality of its managers.

## Managerial Responsibilities

An important question often raised about managers is: What responsibilities do managers have in organizations? According to our definition, managers are involved in planning, organizing, directing, and controlling. Managers have described their responsibilities that can be aggregated into nine major types of activities. These include:

1. *Long-range planning*. Managers occupying executive positions are frequently involved in strategic planning and development.
2. *Controlling*. Managers evaluate and take corrective action concerning the allocation and use of human, financial, and material resources.
3. *Environmental scanning*. Managers must continually watch for changes in the business environment and monitor business indicators such as returns on equity or investment, economic indicators, business cycles, and so forth.
4. *Supervision*. Managers continually oversee the work of their subordinates.
5. *Coordinating*. Managers often must coordinate the work of others both inside the work unit and out.
6. *Customer relations and marketing*. Certain managers are involved in direct contact with customers and potential customers.
7. *Community relations*. Contact must be maintained and nurtured with representatives from various constituencies outside the company, including state and federal agencies, local civic groups, and suppliers
8. *Internal consulting*. Some managers make use of their technical expertise to solve internal problems, acting as inside consultants for organizational change and development.
9. *Monitoring products and services*. Managers get involved in planning, scheduling, and monitoring the design, development, production, and delivery of the organization's products and services.

As we shall see, not every manager engages in all of these activities. Rather, different managers serve different roles and carry different responsibilities, depending upon where they are in the organizational hierarchy. We will begin by looking at several of the variations in managerial work.

## Variations in Managerial Work

Although each manager may have a diverse set of responsibilities, including those mentioned above, the amount of time spent on each activity and the importance of that activity will vary considerably. The two most salient perceptions of a manager are (1) the manager's level in the organizational hierarchy and (2) the type of department or function for which he is responsible. Let us briefly consider each of these.

**Management by Level.** We can distinguish three general levels of management: executives, **middle management**, and **first-line management** (see **Exhibit 1.6**). **Executive managers** are at the top of the hierarchy and are responsible for the entire organization, especially its strategic direction. Middle managers, who are at the middle of the hierarchy, are responsible for major departments and may supervise other lower-level managers. Finally, first-line managers supervise rank-and-file employees and carry out day-to-day activities within departments.

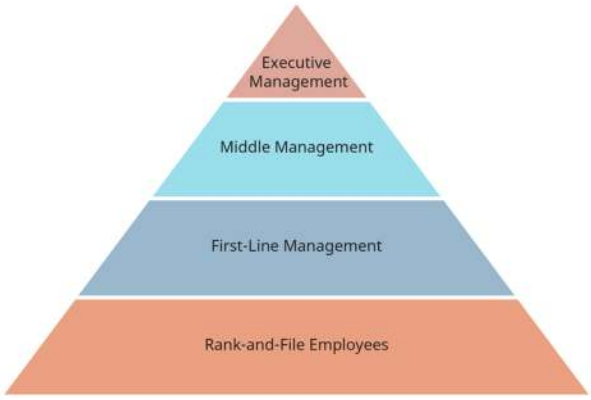



Figure 2.1.1: Levels in the Management Hierarchy

Figure 2.1.1 shows differences in managerial activities by hierarchical level. Senior executives will devote more of their time to conceptual issues, while first-line managers will concentrate their efforts on technical issues. For example, top managers rate high on such activities as **long-range planning**, monitoring business indicators, coordinating, and internal consulting. Lower-level managers, by contrast, rate high on supervising because their responsibility is to accomplish tasks through rank-and-file employees. Middle managers rate near the middle for all activities. We can distinguish three types of managerial skills:[8]

1. *Technical skills*. Managers must have the ability to use the tools, procedures, and techniques of their special areas. An accountant must have expertise in accounting principles, whereas a production manager must know operations management. These skills are the mechanics of the job.
2. *Human relations skills*. Human relations skills involve the ability to work with people and understand employee motivation and group processes. These skills allow the manager to become involved with and lead his or her group.
3. *Conceptual skills*. These skills represent a manager's ability to organize and analyze information in order to improve organizational performance. They include the ability to see the organization as a whole and to understand how various parts fit together to work as an integrated unit. These skills are required to coordinate the departments and divisions successfully so that the entire organization can pull together.

As shown in Figure 2.1.2, different levels of these skills are required at different stages of the managerial hierarchy. That is, success in executive positions requires far more conceptual skill and less use of technical skills in most (but not all) situations, whereas first-line managers generally require more technical skills and fewer conceptual skills. Note, however, that human or people skills remain important for success at all three levels in the hierarchy.

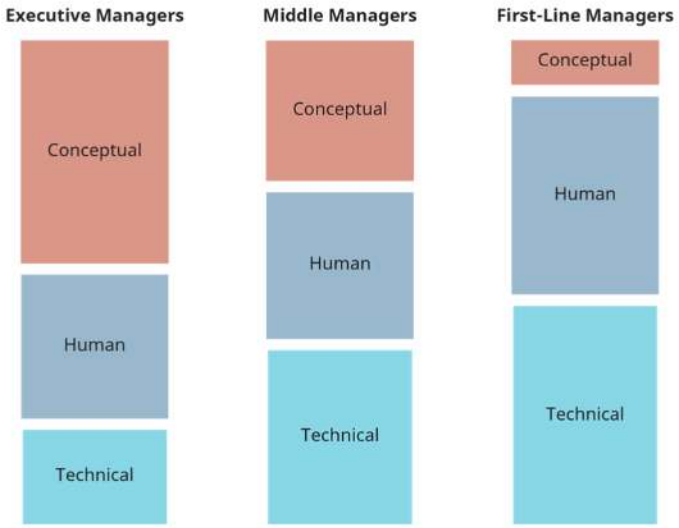



Figure 2.1.2: Difference in Skills Required for Successful Management According to Level in the Hierarchy

**Management by Department or Function.** In addition to level in the hierarchy, managerial responsibilities also differ with respect to the type of department or function. There are differences found for quality assurance, manufacturing, marketing, accounting and finance, and human resource management departments. For instance, manufacturing department managers will concentrate their efforts on products and services, controlling, and supervising. Marketing managers, in comparison, focus less on planning, coordinating, and consulting but more on customer relations and external contact. Managers in both accounting and human resource management departments rate high on long-range planning, but will spend less time on the organization's products and service offerings. Managers in accounting and finance are also concerned with controlling and with monitoring performance indicators, while human resource managers provide consulting expertise, coordination, and external contacts. The emphasis on and intensity of managerial activities varies considerably by the department the manager is assigned to.

At a personal level, knowing that the mix of conceptual, human, and technical skills changes over time and that different functional areas require different levels of specific management activities can serve at least two important functions. First, if you choose to become a manager, knowing that the mix of skills changes over time can help you avoid a common complaint that often young employees want to think and act like a CEO before they have mastered being a first-line supervisor. Second, knowing the different mix of management activities by functional area can facilitate your selection of an area or areas that best match your skills and interests.

In many firms, managers are rotated through departments as they move up in the hierarchy. In this way they obtain a well-rounded perspective on the responsibilities of the various departments. In their day-to-day tasks they must emphasize the right activities for their departments and their managerial levels. Knowing what types of activity to emphasize is the core of the manager's job. In any event, we shall return to this issue when we address the nature of individual differences in the next chapter.

## The Twenty-First Century Manager

We discussed above many of the changes and challenges facing organizations in the twenty-first century. Because of changes such as these, the managers and executives of tomorrow will have to change their approaches to their jobs if they are to succeed in meeting the new challenges. In fact, their profiles may even look somewhat different than they often do today. Consider the five skills that *Fast Company* predicts that successful future managers, compared to the senior manager in the year 2000, will need. The five skills are: the ability to think of new solutions, being comfortable with chaos, an understanding of technology, high emotional intelligence, and the ability to work with people and technology together.

For the past several decades, executive profiles have typically looked like this: He started out in finance with an undergraduate degree in accounting. He methodically worked his way up through the company from the controller's office in a division, to running that division, to the top job. His military background shows. He is used to giving orders—and to having them obeyed. As head of the philanthropic efforts, he is a big man in his community. However, the first time he traveled overseas on business was as chief executive. Computers, which became ubiquitous during his career, make him nervous.[9]

Her [or his] undergraduate degree might be in French literature, but she also has a joint MBA/engineering degree. She started in research and was quickly picked out as a potential CEO. She is able to think creatively and thrives in a chaotic environment. She zigzagged from research to marketing to finance. She is comfortable with technology and people, with a high degree of emotional intelligence. She proved valuable in Brazil by turning around a failing joint venture. She speaks multiple languages and is on a first-name basis with commerce ministers in half a dozen countries. Unlike her predecessor's predecessor, she isn't a drill sergeant. She is first among equals in a five-person office of the chief executive.

Clearly, the future holds considerable excitement and promise for future managers and executives who are properly prepared to meet the challenges. How do we prepare them? One study suggested that the manager of the future must be able to fill at least the following four roles:[10]

**Global strategist.** Executives of the future must understand world markets and think internationally. They must have a capacity to identify unique business opportunities and then move quickly to exploit them.

**Master of technology.** Executives and managers of the future must be able to get the most out of emerging technologies, whether these technologies are in manufacturing, communications, marketing, or other areas.

**Leadership that embraces vulnerability.** The successful executive of the future will understand how to cut through red tape to get a job done, how to build bridges with key people from highly divergent backgrounds and points of view, and how to make coalitions and joint ventures work.

**Follow-from-the-front motivator.** Finally, the executive of tomorrow must understand group dynamics and how to counsel, coach, and command work teams and individuals so they perform at their best. Future organizations will place greater emphasis on teams and coordinated efforts, requiring managers to understand participative management techniques.

**Great communicator.** To this list of four, we would add that managers of the future must be great communicators. They must be able to communicate effectively with an increasingly diverse set of employees as well as customers, suppliers, and community and government leaders.

Whether these predictions are completely accurate is difficult to know. Suffice it to say that most futurists agree that the organizational world of the twenty-first century will likely resemble, to some extent, the portrait described here. The task for future managers, then, is to attempt to develop these requisite skills to the extent possible so they will be ready for the challenges of the next decade.

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8 R. Katz, "Skills of an Effective Administrator," *Harvard Business Review,* September-October 1974, pp. 34–56.

9 J. Lindzon, "Five Skills That You'll Need to Lead the Company of the Future," Fast Company, May 18, 2017, https://www.fastcompany.com/40420957...-of-the-future; A. Bennett, "Going Global: The Chief Executives in the Year 2000 Are Likely to Have Had Much Foreign Experience," *Wall Street Journal*, February 27, 1989, p. A–4.

10 Jacob Morgan, "5 Qualities of the Modern Manager," *Forbes*, July 23, 2013, https://www.forbes.com/sites/jacobmo.../#644a2b6a3a0b.

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Exhibit 1.7 (Attribution: Copyright Rice University, OpenStax, under CC BY-NC-SA 4.0 license)

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# 2.2: Modern Organizational Design

**Learning Objectives**

- Identify modern organizational design options

"Post-bureaucratic" organizational structures continue to be developed to enhance how organizations do business and remain competitive. Let's talk about some of these new options, designed to help organizations do business in today's world.

## The Team Structure

In an organizational structure based on teams, the structure breaks down department barriers and decentralizes decision making to the level of the team. Team structures usually require employees to be generalists as well as specialists.

A team structure can define a whole company. Whole Foods Market boasts a team-based organizational structure, with the teams shaped around their departments within the store—there was a produce team, a meat team, and so on. Based on the shape of the organizational chart in Figure 2.2.1, you can understand why Whole Foods refers to its mission statement as the "Declaration of Interdependence." Indeed, each of the teams is dependent on and answers to the other members of their own team and the other teams.

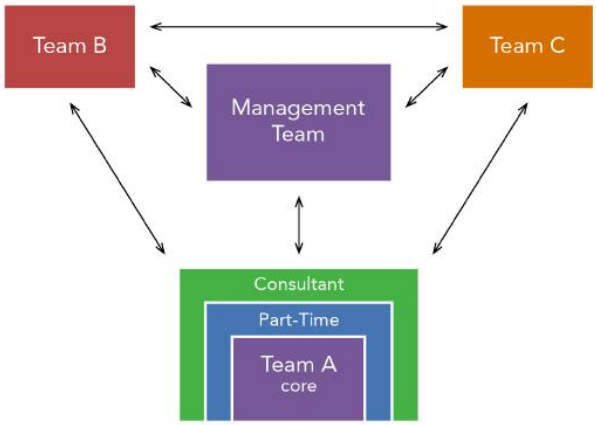



Figure 2.2.1: Team-Based Organizational Chart

More often than not, when larger organizations decide to use teams, they do so as a part of a bureaucratic structure rather than a straight team structure. Moving from a bureaucratic to a team structure requires a great deal of change, so larger organizations will assemble teams and add a quasi-team structure into their bureaucratic org chart.

## Virtual Organization

A virtual organization is a small, core organization that outsources major business functions. Think of it as "renting" departments rather than owning them.

Back in the early days of Hollywood, movies were made by big studios with large bureaucratic organizational structures and a laundry list of celebrities. Now, when you sit down to watch a movie, you see several different production companies' logos on the screen before the movie even starts. It might begin with "Paramount." And then you see "Bad Robot." And maybe two other companies. Each one of those companies has played a role in making the film. During the credits, you see animation companies and sound editing companies. Paramount may be acting as the central "organization." The businesses to which Paramount sends work would make up the balance of the virtual organization.

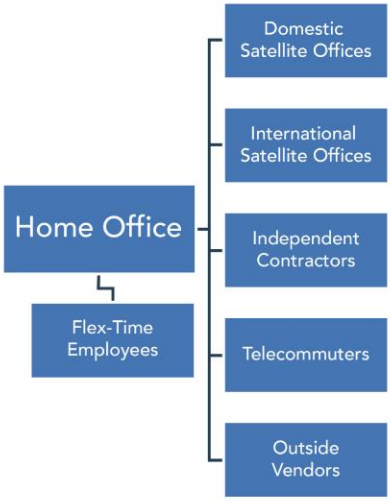



Figure 2.2.1: Virtual Organizational Chart

The chart in Figure 2 illustrates a typical virtual organization, which includes employees that practice flex-time in a home office, ones that are in satellite offices domestically and internationally, and then a group of independent contractors, telecommuters and vendors.Paul Newman's food product company, Newman's Own, runs on a virtual organizational structure. Newman's Own employs only 18 people, and outsources almost everything—manufacturing, procurement, shipping and the like.

Large organizations dabbling in the virtual organizational structure usually do so to outsource manufacturing. Thousands of well-known organizations are virtual in one way or another. General Motors, Nike, and Cisco are just a few of them. The flexibility a virtual organization provides is hard for organizations to resist, as it allows them to contract out any function they feel another organization can do more cheaply than them.

The virtual organization is definitely on the other side of the spectrum from bureaucratic organizational structure. The bureaucratic organizational structure seeks control in multiple levels and, if there is a downfall to the virtual organizational structure, it is that there is far less control over the different parts of the business.

## Boundaryless Organizational Structure

American business executive and former CEO of General Electric, Jack Welch, coined the term "boundaryless organization" when he described his ideal General Electric. He wanted to eliminate vertical and horizontal boundaries within GE and break down barriers between the company and its customers and suppliers.

When an organization removes the vertical boundaries, the hierarchy flattens. Status and rank are minimized. Functional departments create horizontal boundaries, and those boundaries can stifle interactions between departments. Functional departments can be replaced with cross-functional teams, and activities can be organized around process.

General Electric used tools like 360 performance appraisals, where peers, subordinates and managers could evaluate an employee's performance. They put together cross-hierarchical teams and employed participative decision making processes.

The boundaryless organizational structure, when fully operational, breaks down barriers to external partners (suppliers, customers, etc.) and barriers created by geography. Telecommuting blurs organizational boundaries as well. In fact, this structure relies heavily on technology to achieve, and so sometimes it's called the T-form structure.

## Holacracy

This video explains the concept of holacracy as a method of decentralized management and organizational governance in which decision making and authority are distributed amongst self-organizing teams.




Brian Robertson of Ternary Software in Exton, Pennsylvania, developed the system of Holacracy by experimenting with more democratic forms of organizational structure. It's a flat organization system, meaning there are few or no levels of middle management between staff and executives. The objective behind a flat organizational system is that employees are more involved in the decision making process rather than being directly and closely supervised by many layers of management.

The essential elements of Holacracy include:

- **Roles instead of job descriptions.** An individual can hold multiple roles within this construct. Roles are defined by each circle —or team—via a collective governance process.
- **Circle structure.** Each circle is a team. Circles are organized hierarchically and each circle is assigned a clear purpose and accountabilities by its broader circle. But the employees within that circle need to determine how to best achieve its goals. Each circle has a "lead link" and "rep link," and those people sit in the meetings of both their circle and the broader circle to ensure alignment with the organization's mission and strategy.
- **Governance process.** Circles use a defined process to create and regularly update its own roles and policies.
- **Operational process.** Circles align around operational needs and requires that each member of the circle fulfill duties. Members have a lot of autonomy and authority and can decide on their own how to best achieve these goals.

Zappos is famously using the Holacracy model in their work, and they chose to use that model so they could provide excellent customer service. Their theory was that they were able to put customer service decisions into the hands of the employees and eliminate burden on upper management.

It should be noted that the term "Holacracy" is a registered trademark of HolacracyOne, LLC.

Which modern organizational structure best positions an organization for success? Well, like we mentioned, organizations—especially large ones—are committed to a bureaucratic org chart, and any additional changes in this direction are sometimes incorporated into the bureaucratic structure.

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# 2.3: History of Common Structures

**Learning Objectives**

- Discuss common organizational structures and their historical origins

Fayol introduced chain of command, separation of jobs, power, and authority; Weber introduced the bureaucratic approach, and Taylor introduced job specialization. They championed the idea of structure within an organization to support efficiency and effective operations, but they never actually prescribed what an organizational structure should look like. In fact, organizational structure was a matter of choice and could differ from organization to organization. The only criterion for any proposed structure was that it be effective.

It wasn't until the 1930s that organizational structures started becoming a bit more standard. As human relations theory took hold, researchers pondered an organizational structure that would allow for the needs, knowledge and opinions of employees to be better recognized.

An organization's structure contains the six elements we described, and is laid out in such a way that employees are able to, be productive, make a profit, and accomplish the organization's mission. Let's take a look at some of the older, simpler organizational structures that companies have adopted. They're still very much in use today.

## The Simple Structure

The simple structure is aptly named because, well, there's just not much to it. Simple structures have

- A low degree of departmentalization
- Wide spans of control
- Centralized authority
- Little formalization

The typical simple organization structure is flat:

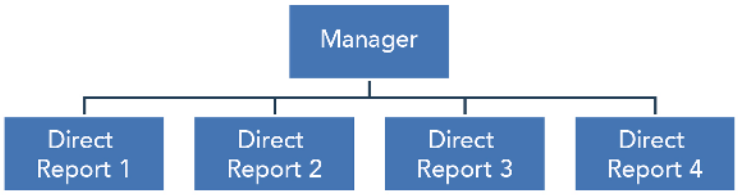



Figure 2.3.1: A typical simple organization structure

This type of organizational structure is inexpensive to maintain and accountability is very clear. However, it's difficult to maintain this kind of structure in any but a small organization. When this kind of organization structure increases in size, decision making slows down and the manager becomes overly burdened as the go-to decision maker for 50-100 people. It's also risky – everything depends on one person, and should that person become ill or die, it puts the business in jeopardy.

The simple structure is often referred to as "pre-bureaucratic," in that it lacks a standardization of tasks.

## Bureaucratic Structure

Bureaucratic organizational structures take a chapter out of researcher Max Weber's book, with clearly defined roles and responsibilities, hierarchical structure and respect for merit. This organizational structure is characterized by

- Highly routine operating tasks achieved through specialization
- Very formalized rules and regulations
- Functional departmentalization
- Centralized authority
- Narrow spans of control
- Decision making that follows the chain of command

Bureaucratic organizational structures are pyramid-like, with a CEO atop the chain of command in the corporate structure and a clear chain of command underneath. A bureaucratic organizational structure might look like this:

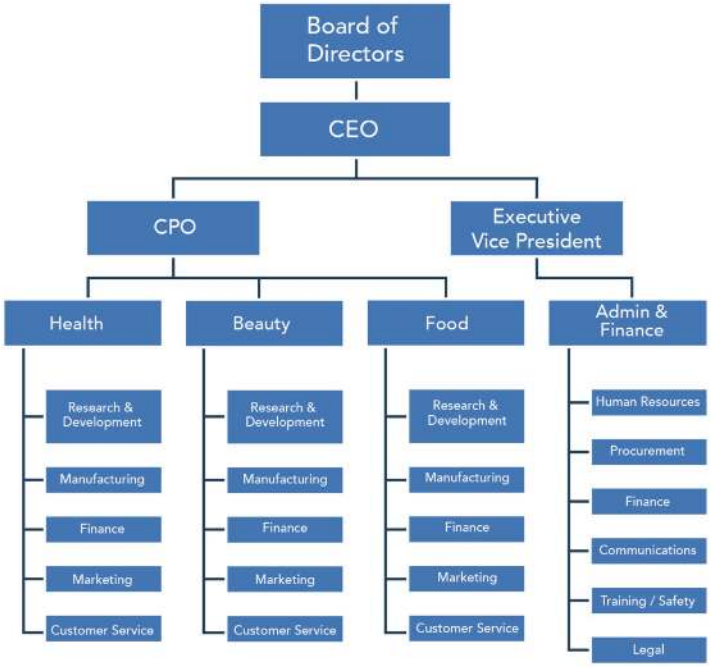



Figure 2.3.2: A bureaucratic organizational structure

Bureaucratic organizational structures are ideal for organizations that require standardization (think banks, government offices). They're ideal for organizations looking for the ability to perform standard tasks highly efficiently. Organizations with bureaucratic structures can get by with less talented people at lower levels, because decision making almost always falls to senior leaders.

The downfalls of bureaucratic structures are that they create silos – functional areas that often don't talk to each other.

If the bureaucratic organizational structure looks familiar, it's because it's still tremendously popular with organizations today. Even as trends are changing toward teams and other types of structures that help businesses compete, organizations still hold onto the hierarchical structure of the bureaucratic structure as the norm.

## The Matrix Structure

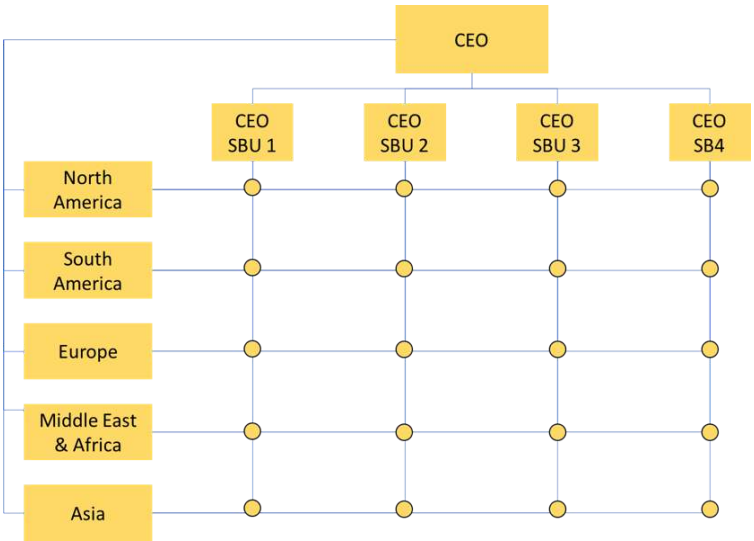



Figure 2.3.3: Matrix structure with geographic and product (SBU) structure.

A matrix structure creates dual lines of authority and combines functional and product departmentalization.

Ad agencies, hospitals, universities and management consulting firms use the matrix organizational structure. It's easy to see why – by creating a dual reporting situation, a manager who's working with a company on advertising would be able to manage a team that included a representative from each of the needed areas to get a campaign running—a graphic designer, a space planner and so on.

This structure allows for the efficient allocation of specialists. Information is more easily exchanged, as the contact between the different departments is increased.

The major disadvantage is the ability to get all these people moving at the same time, with clear priorities, to deliver a solution that's on time and on budget. It can also create power struggles, because it tosses aside the idea of unity of command.

The matrix structure is among those that are considered "post-bureaucratic," in that it does contrast in some ways with Weber's ideals. That said, the matrix structure doesn't really depart from Weber's in that hierarchy and authority still exist here.

Organizational structures continue to evolve to meet the globalization and economic demands of today's business world. Let's take a look at some more modern types of structures.

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# 2.4: Authority—Establishing Organizational Relationships

## What tools do companies use to establish relationships within their organizations?

Once companies choose a method of departmentalization, they must then establish the relationships within that structure. In other words, the company must decide how many layers of management it needs and who will report to whom. The company must also decide how much control to invest in each of its managers and where in the organization decisions will be made and implemented.

### Managerial Hierarchy

**Managerial hierarchy** (also called the *management pyramid*) is defined by the levels of management within an organization. Generally, the management structure has three levels: top, middle, and supervisory management. In a managerial hierarchy, each organizational unit is controlled and supervised by a manager in a higher unit. The person with the most formal authority is at the top of the hierarchy. The higher a manager, the more power he or she has. Thus, the amount of power decreases as you move down the management pyramid. At the same time, the number of employees increases as you move down the hierarchy.

Not all companies today are using this traditional configuration. One company that has eliminated hierarchy altogether is The Morning Star Company, the largest tomato processor in the world. Based in Woodland, California, the company employs 600 permanent "colleagues" and an additional 4,000 workers during harvest season. Founder and sole owner Chris Rufer started the company and based its vision on the philosophy of self-management, in which professionals initiate communication and coordination of their activities with colleagues, customers, suppliers, and others, and take personal responsibility for helping the company achieve its corporate goals.[12]

An organization with a well-defined hierarchy has a clear **chain of command**, which is the line of authority that extends from one level of the organization to the next, from top to bottom, and makes clear who reports to whom. The chain of command is shown in the organization chart and can be traced from the CEO all the way down to the employees producing goods and services. Under the *unity of command* principle, everyone reports to and gets instructions from only one boss. Unity of command guarantees that everyone will have a direct supervisor and will not be taking orders from a number of different supervisors. Unity of command and chain of command give everyone in the organization clear directions and help coordinate people doing different jobs.

Matrix organizations automatically violate the unity of command principle because employees report to more than one boss, if only for the duration of a project. For example, Unilever, the consumer-products company that makes Dove soap, Ben & Jerry's ice cream, and Hellmann's mayonnaise, used to have a matrix structure with one CEO for North America and another for Europe. But employees in divisions that operated in both locations were unsure about which CEO's decisions took precedence. Today, the company uses a product departmentalization structure.[13] Companies like Unilever tend to abandon matrix structures because of problems associated with unclear or duplicate reporting relationships, in other words, with a lack of unity of command.

Individuals who are part of the chain of command have authority over other persons in the organization. **Authority** is legitimate power, granted by the organization and acknowledged by employees, that allows an individual to request action and expect compliance. Exercising authority means making decisions and seeing that they are carried out. Most managers *delegate*, or assign, some degree of authority and responsibility to others below them in the chain of command. The **delegation of authority** makes the employees accountable to their supervisor. *Accountability* means responsibility for outcomes. Typically, authority and responsibility move downward through the organization as managers assign activities to, and share decision-making with, their subordinates. Accountability moves upward in the organization as managers in each successively higher level are held accountable for the actions of their subordinates.

### Span of Control

Each firm must decide how many managers are needed at each level of the management hierarchy to effectively supervise the work performed within organizational units. A manager's **span of control** (sometimes called *span of management*) is the number of employees the manager directly supervises. It can be as narrow as two or three employees or as wide as 50 or more. In general, the larger the span of control, the more efficient the organization. As Table 2.4.1 shows, however, both narrow and wide spans of control have benefits and drawbacks.

Table 2.4.1: Narrow and Wide Spans of Control

| | Advantages | Disadvantages |
|---|---|---|
| **Narrow span of control** | • This approach allows a high degree of control.<br>• Fewer subordinates may mean the manager is more familiar with each individual.<br>• Close supervision can provide immediate feedback. | • More levels of management mean that it is more expensive.<br>• Decision-making is slower due to vertical layers.<br>• Top management are isolated.<br>• This approach discourages employee autonomy. |
| **Wide span of control** | • Fewer levels of management means increased efficiency and reduced costs.<br>• Increased subordinate autonomy leads to quicker decision-making.<br>• This approach allows for greater organizational flexibility.<br>• This approach creates higher levels of job satisfaction due to employee empowerment. | • This approach allows for less control.<br>• Managers may lack familiarity with their subordinates due to the large number.<br>• Managers can be spread so thin that they can't provide necessary leadership or support.<br>• There may be a lack of coordination or synchronization. |

If hundreds of employees perform the same job, one supervisor may be able to manage a very large number of employees. Such might be the case at a clothing plant, where hundreds of sewing machine operators work from identical patterns. But if employees perform complex and dissimilar tasks, a manager can effectively supervise only a much smaller number. For instance, a supervisor in the research and development area of a pharmaceutical company might oversee just a few research chemists due to the highly complex nature of their jobs.

## CONCEPT CHECK

1. How does the chain of command clarify reporting relationships?
2. What is the role of a staff position in a line-and-staff organization?
3. What factors determine the optimal span of control?

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# 2.5: Building Organizational Structures

## What are the traditional forms of organizational structure?

The key functions that managers perform include planning, organizing, leading, and controlling. This module focuses specifically on the organizing function. *Organizing* involves coordinating and allocating a firm's resources so that the firm can carry out its plans and achieve its goals. This organizing, or structuring, process is accomplished by:

- Determining work activities and dividing up tasks *(division of labor)*
- Grouping jobs and employees *(departmentalization)*
- Assigning authority and responsibilities *(delegation)*

The result of the organizing process is a formal structure within an organization. An **organization** is the order and design of relationships within a company or firm. It consists of two or more people working together with a common objective and clarity of purpose. Formal organizations also have well-defined lines of authority, channels for information flow, and means of control. Human, material, financial, and information resources are deliberately connected to form the business organization. Some connections are long-lasting, such as the links among people in the finance or marketing department. Others can be changed at almost any time—for example, when a committee is formed to study a problem.

Every organization has some kind of underlying structure. Typically, organizations base their frameworks on traditional, contemporary, or team-based approaches. Traditional structures are more rigid and group employees by function, products, processes, customers, or regions. Contemporary and team-based structures are more flexible and assemble employees to respond quickly to dynamic business environments. Regardless of the structural framework a company chooses to implement, all managers must first consider what kind of work needs to be done within the firm.




Figure 2.5.1: Founded in 1943, Sweden retailer IKEA has grown from a small mail-order operation to a global force in home furnishings with more than 390 stores throughout Europe, North America, Africa, Australia, and Asia. Best known for its contemporary furniture designs, highly trafficked store openings, and quirky advertising, the IKEA Group consists of multiple divisions corresponding to the company's retail, supply chain, sales, and design and manufacturing functions. *What factors likely influenced the development of IKEA's organizational structure as the company expanded over the years?* (Credit: JJBers/ flickr/ Attribution 2.0 Generic (CC BY 2.0))

## Division of Labor

The process of dividing work into separate jobs and assigning tasks to workers is called **division of labor**. In a fast-food restaurant, for example, some employees take or fill orders, others prepare food, a few clean and maintain equipment, and at least one supervises all the others. In an auto assembly plant, some workers install rearview mirrors, while others mount bumpers on bumper brackets. The degree to which the tasks are subdivided into smaller jobs is called **specialization**. Employees who work at highly specialized jobs, such as assembly-line workers, perform a limited number and variety of tasks. Employees who become specialists at one task, or a small number of tasks, develop greater skill in doing that particular job. This can lead to greater efficiency and

consistency in production and other work activities. However, a high degree of specialization can also result in employees who are disinterested or bored due to the lack of variety and challenge.

## Traditional Structures

After a company divides the work it needs to do into specific jobs, managers then group the jobs together so that similar or associated tasks and activities can be coordinated. This grouping of people, tasks, and resources into organizational units is called **departmentalization**. It facilitates the planning, leading, and control processes.

An **organization chart** is a visual representation of the structured relationships among tasks and the people given the authority to do those tasks. In the organization chart in Figure 2.5.2, each figure represents a job, and each job includes several tasks. The sales manager, for instance, must hire salespeople, establish sales territories, motivate and train the salespeople, and control sales operations. The chart also indicates the general type of work done in each position. As Figure 2.5.3 shows, five basic types of departmentalization are commonly used in organizations:

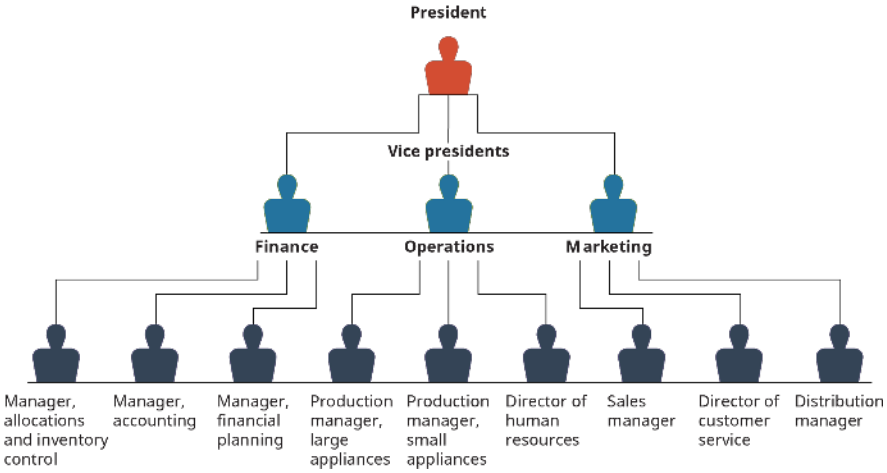



Figure 2.5.2: **Organization Chart for a Typical Appliance Manufacturer** Attribution: Copyright Rice University, OpenStax, under CC BY-NC-SA 4.0 license

1. ***Functional departmentalization***, which is based on the primary functions performed within an organizational unit (marketing, finance, production, sales, and so on). Ethan Allen Interiors, a vertically integrated home furnishings manufacturer, continues its successful departmentalization by function, including retail, manufacturing and sourcing, product design, logistics, and operations, which includes tight financial controls.[1]

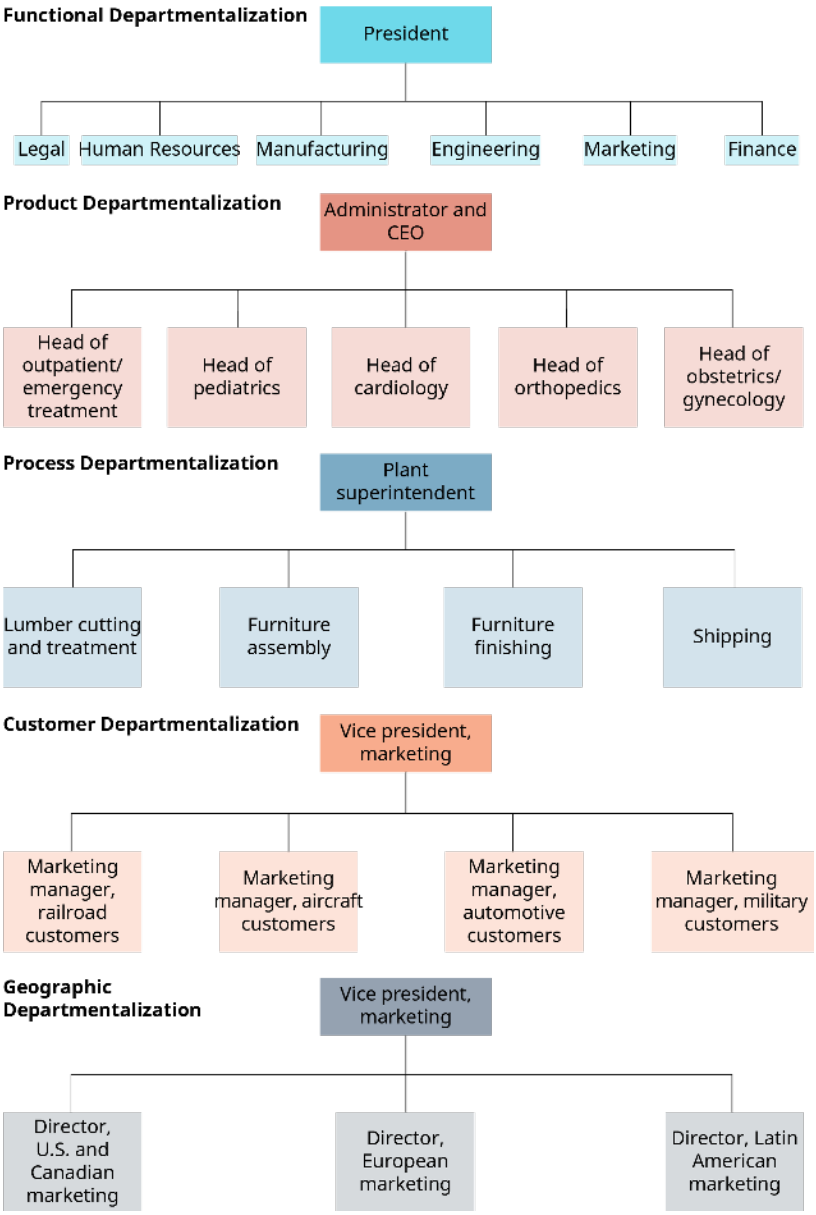



Figure 2.5.3: **Exhibit** 7.5: **Five Traditional Ways to Organize** (Attribution: Copyright Rice University, OpenStax, under CC BY 4.0 license.)

2. ***Product departmentalization***, which is based on the goods or services produced or sold by the organizational unit (such as outpatient/emergency services, pediatrics, cardiology, and orthopedics). For example, ITT is a diversified leading manufacturer of highly engineered components and customized technology solutions for the transportation, industrial, and oil and gas markets. The company is organized into four product divisions: Industrial Process (pumps, valves, and wastewater treatment equipment), Control Technologies (motion control and vibration isolation products), Motion Technologies (shock absorbers, brake pads, and friction materials), and Interconnect Solutions (connectors for a variety of markets).[2]
3. ***Process departmentalization***, which is based on the production process used by the organizational unit (such as lumber cutting and treatment, furniture finishing, and shipping). For example, the organization of Gazprom Neft, a Russian oil company, reflects the activities the company needs to perform to extract oil from the ground and turn it into a final product: exploration and research, production (drilling), refining, and marketing and distribution.[3] Pixar, the animated-movie company now part of Disney, is divided into three parallel yet interactive process-based groups: technology development, which delivers computer-graphics tools; creative development, which creates stories and characters and animates them; and production, which coordinates the film-making process.[4]

4. ***Customer departmentalization***, which is based on the primary type of customer served by the organizational unit (such as wholesale or retail purchasers). The PNC Financial Services Group offers a wide range of services for all of its customers and is structured by the type of consumer it serves: retail banking for consumers; the asset management group, with specific focus on individuals as well as corporations, unions, municipalities, and others; and corporate and institutional banking for middle-market companies nationwide.[5]

## ETHICS IN PRACTICE

### Ethics in Practice

**Panera's Menu Comes Clean**Making a strategic change to a company's overall philosophy and the way it does business affects every part of the organizational structure. And when that change pertains to sustainability and "clean food," Panera Bread Company took on the challenge more than a decade ago and now has a menu free of man-made preservatives, sweeteners, colors, and flavors.

In 2015, Ron Shaich, company founder and CEO, announced Panera's "no-no" list of nearly 100 ingredients, which he vowed would be eliminated or never used again in menu items. Two years later, the company announced that its menu was "100 percent clean," but the process was not an easy one.

Panera used thousands of labor hours to review the 450 ingredients used in menu items, eventually reformulating more than 120 of them to eliminate artificial ingredients. Once the team identified the ingredients that were not "clean," they worked with the company's 300 vendors—and in some instances, a vendor's supplier—to reformulate an ingredient to make it preservative-free. For example, the recipe for the company's popular broccoli cheddar soup had to be revised 60 times to remove artificial ingredients without losing the soup's taste and texture. According to Shaich, the trial-and-error approach was about finding the right balance of milk, cream, and emulsifiers, like Dijon mustard, to replace sodium phosphate (a no-no item) while keeping the soup's texture creamy. Panera also created a new cheddar cheese to use in the soup and used a Dijon mustard that contained unpreserved vinegar as a substitute for the banned sodium phosphate.

Sara Burnett, Panera's director of wellness and food policy, believes that the company's responsibility goes beyond just serving its customers. She believes that Panera can make a difference by using its voice and purchasing power to have a positive impact on the overall food system. In addition, the company's Herculean effort to remove artificial ingredients from its menu items also helped it take a close look at its supply chain and other processes that Panera could simplify by using better ingredients.

Panera is not yet satisfied with its commitment to clean food. The food chain recently announced its goal of sourcing 100 percent cage-free eggs for all of its U.S. Panera bakery-cafés by 2020.

Critical Thinking Questions

1. How does Panera's approach to clean eating provide the company with a competitive advantage?
2. What kind of impact does this commitment to preservative-free food have on the company's organizational structure?
3. Does "clean food" put additional pressure on Panera and its vendors? Explain your reasoning.

Sources: "Our Food Policy," www.panerabread.com, accessed July 24, 2017; Emily Payne, "Panera Bread's Sara Burnett on Shifting Demand for a Better Food System," *Food Tank*, http://foodtank.com, accessed July 18, 2017; Julie Jargon, "What Panera Had to Change to Make Its Menu 'Clean,'" *The Wall Street Journal*, https://www.wsj.com, February 20, 2017; John Kell, "Panera Says Its Food Menu Is Now 100% 'Clean Eating,'" *Fortune*, http://fortune.com, January 13, 2017; Lani Furbank, "Seven Questions with Sara Burnett, Director of Wellness and Food Policy at Panera Bread," *Food Tank*, https://foodtank.com, April 12, 2016.

5. ***Geographic departmentalization***, which is based on the geographic segmentation of organizational units (such as U.S. and Canadian marketing, European marketing, and Latin American marketing).

People are assigned to a particular organizational unit because they perform similar or related tasks, or because they are jointly responsible for a product, client, or market. Decisions about how to departmentalize affect the way management assigns authority, distributes resources, rewards performance, and sets up lines of communication. Many large organizations use several types of departmentalization. For example, Procter & Gamble (P&G), the multibillion-dollar consumer-products company, integrates four different types of departmentalization, which the company refers to as "four pillars." First, the Global Business Units (GBU) divide the company according to products (baby, feminine, and family care; beauty; fabric and home care; and health and grooming). Then, P&G uses a geographical approach, creating business units to market its products around the world. There are Selling and

Market Operations (SMO) groups for North America; Latin America; Europe; Asia Pacific; Greater China; and India, the Middle East, and Africa. P&G's third pillar is Global Business Services division (GBS), which also uses geographic departmentalization. GBS provides technology processes and standard data tools to enable the GBUs and SMOs to better understand the business and to serve consumers and customers better. It supports P&G business units in areas such as accounting and financial reporting, information technology, purchases, payroll and benefits administration, and facilities management. Finally, the divisions of the Corporate Functions pillar provide a safety net to all the other pillars. These divisions are comprised of functional specialties such as customer business development; external relations; human resources; legal, marketing, consumer, and market knowledge; research and development; and workplace services.[6]

## Line-and-Staff Organization

The **line organization** is designed with direct, clear lines of authority and communication flowing from the top managers downward. Managers have direct control over all activities, including administrative duties. An organization chart for this type of structure would show that all positions in the firm are directly connected via an imaginary line extending from the highest position in the organization to the lowest (where production of goods and services takes place). This structure, with its simple design and broad managerial control, is often well-suited to small, entrepreneurial firms.

As an organization grows and becomes more complex, the line organization can be enhanced by adding staff positions to the design. Staff positions provide specialized advisory and support services to line managers in the **line-and-staff organization**, shown in Figure 2.5.4. In daily operations, individuals in **line positions** are directly involved in the processes used to create goods and services. Individuals in **staff positions** provide the administrative and support services that line employees need to achieve the firm's goals. Line positions in organizations are typically in areas such as production, marketing, and finance. Staff positions are found in areas such as legal counseling, managerial consulting, public relations, and human resource management.

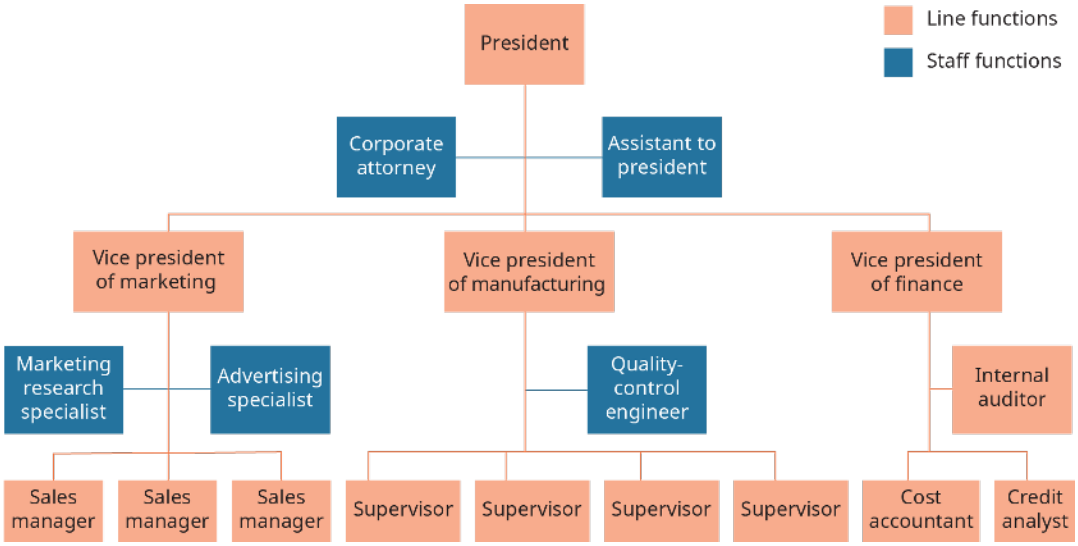



Figure 2.5.4: **Line-and-Staff Organization** (Attribution: Copyright Rice University, OpenStax, under CC BY 4.0 license.)

## CONCEPT CHECK

1. How does specialization lead to greater efficiency and consistency in production?
2. What are the five types of departmentalization?

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# 2.6: Labor and Management Rights under the Federal Labor Laws

**Learning Objectives**

By the end of this section, you will be able to:

- Describe and explain the process for the National Labor Relations Board to choose a particular union as the exclusive bargaining representative.
- Describe and explain the various duties that employers have in bargaining.
- Indicate the ways in which employers may commit unfair labor practice by interfering with union activity.
- Explain the union's right to strike and the difference between an economic strike and a strike over an unfair labor practice.
- Explain secondary boycotts and hot cargo agreements and why they are controversial.

## Choosing the Union as the Exclusive Bargaining Representative

### Determining the Appropriate Union

As long as a union has a valid contract with the employer, no rival union may seek an election to oust it except within sixty to ninety days before the contract expires. Nor may an election be held if an election has already been held in the bargaining unit during the preceding twelve months.

Whom does the union represent? In companies of even moderate size, employees work at different tasks and have different interests. Must the secretaries, punch press operators, drivers, and clerical help all belong to the same union in a small factory? The National Labor Relations Board (NLRB) has the authority to determine which group of employees will constitute the appropriate bargaining unit. To make its determination, the board must look at the history of collective bargaining among similar workers in the industry; the employees' duties, wages, skills, and working conditions; the relationship between the proposed unit and the structure of the employer's organization; and the desires of the employees themselves.

Two groups must be excluded from any bargaining unit—supervisory employees and independent contractors. Determining whether or not a particular employee is a supervisor is left to the discretion of the board.

### Interfering with Employee Communication

To conduct an organizing drive, a union must be able to communicate with the employees. But the employer has valid interests in seeing that employees and organizers do not interfere with company operations. Several different problems arise from the need to balance these interests.

One problem is the protection of the employer's property rights. May nonemployee union organizers come onto the employer's property to distribute union literature—for example, by standing in the company's parking lots to hand out leaflets when employees go to and from work? May organizers, whether employees or not, picket or hand out literature in private shopping centers in order to reach the public—for example, to protest a company's policies toward its nonunion employees? The interests of both employees and employers under the NLRB are twofold: (1) the right of the employees (a) to communicate with each other or the public and (b) to hear what union organizers have to say, and (2) the employers' (a) property rights and (b) their interest in managing the business efficiently and profitably.

The rules that govern in these situations are complex, but in general they appear to provide these answers: (1) If the persons doing the soliciting are not employees, the employer may bar them from entering its private property, even if they are attempting to reach employees—assuming that the employer does not discriminate and applies a rule against use of its property equally to everyone.*NLRB v. Babcock Wilcox Co.*, 351 U.S. 105 (1956). (2) If the solicitors are not employees and they are trying to reach the public, they have no right to enter the employer's private property. (3) If the solicitors are employees who are seeking to reach the public, they have the right to distribute on the employer's property—in a common case, in a shopping center—unless they have a convenient way to reach their audience on public property off the employer's premises.*Hudgens v. NLRB*, 424 U.S. 507 (1976). (4) If the solicitors are employees seeking to reach employees, the employer is permitted to limit the distribution of literature or other solicitations to avoid litter or the interruption of work, but it cannot prohibit solicitation on company property altogether.

In the leading case of *Republic Aviation Corp. v. NLRB*, the employer, a nonunion plant, had a standing rule against any kind of solicitation on the premises.*Republic Aviation Corp. v. NLRB*, 324 U.S. 793 (1945). Thereafter, certain employees attempted to organize the plant. The employer fired one employee for soliciting on behalf of the union and three others for wearing union buttons. The Supreme Court upheld the board's determination that the discharges constituted an unfair labor practice under Section 8(a) of the NLRA. It does not matter, the Court said, whether the employees had other means of communicating with each other or that the employer's rule against solicitation may have no effect on the union's attempt to organize the workers. In other words, the employer's intent or motive is irrelevant. The only question is whether the employer's actions might tend to interfere with the employees' exercise of their rights under the NLRB.

### Regulating Campaign Statements

A union election drive is not like a polite conversation over coffee; it is, like political campaigns, full of charges and countercharges. Employers who do not want their employees unionized may warn darkly of the effect of the union on profitability; organizers may exaggerate the company's financial position. In a 1982 NLRB case, *NLRB v. Midland National Life Ins. Co.*, the board said it would not set aside an election if the parties misrepresented the issues or facts but that it would do so if the statements were made in a deceptive manner—for example, through forged documents.Midland National Life Ins. Co., 263 N.L.R.B. 130 (1982). The board also watches for threats and promises of rewards; for example, the employer might threaten to close the plant if the union succeeds. In *NLRB v. Gissel Packing Co.*, the employer stated his worries throughout the campaign that a union would prompt a strike and force the plant to close.*NLRB v. Gissel Packing Co.*, 395 U.S. 575 (1969). The board ruled that the employer's statements were an impermissible threat. To the employer's claim that he was simply exercising his First Amendment rights, the Supreme Court held that although employers do enjoy freedom of speech, it is an unfair labor practice to threaten consequences that are not rooted in economic realities.

A union campaign has become an intricate legal duel, heavily dependent on strategic considerations of law and public relations. Neither management nor labor can afford to wage a union campaign without specialized advisers who can guide the thrust and parry of the antagonists. Labor usually has such advisers because very few organizational drives are begun without outside organizers who have access to union lawyers. A business person who attempts to fight a union, like a labor organizer or an employee who attempts to organize one, takes a sizeable risk when acting alone, without competent advice. For example, an employer's simple statement like "We will get the heating fixed" in response to a seemingly innocent question about the "drafty old building" at a meeting with employees can lead to an NLRB decision to set aside an election if the union loses, because the answer can easily be construed as a promise, and under Section 8(c) of the National Labor Relations Act (NLRA), a promise of reward or benefit during an organization campaign is an unfair labor practice by management. Few union election campaigns occur without questions, meetings, and pamphleteering carefully worked out in advance.

The results of all the electioneering are worth noting. In the 1980s, some 20 percent of the total US workforce was unionized. As of 2009, the union membership rate was 12.3 percent, and more union members were public employees than private sector employees. Fairly or unfairly, public employee unions were under attack as of 2010, as their wages generally exceeded the average wages of other categories of workers.

### Exclusivity

Once selected as the bargaining representative for an appropriate group of employees, the union has the exclusive right to bargain. Thereafter, individual employees may not enter into separate contracts with the employer, even if they voted against the particular union or against having a union at all. The principle of exclusivity is fundamental to the collective bargaining process. Just how basic it is can be seen in *Emporium Capwell Co. v. Western Addition Community Organization* (Section 17.4.1 "Exclusivity"), in which one group of employees protested what they thought were racially discriminatory work assignments, barred under the collective bargaining agreement (the contract between the union and the employer). Certain of the employees filed grievances with the union, which looked into the problem more slowly than the employees thought necessary. They urged that the union permit them to picket, but the union refused. They picketed anyway, calling for a consumer boycott. The employer warned them to desist, but they continued and were fired. The question was whether they were discharged for engaging in concerted activity protected under Section 7 of the NLRA.

## The Duty to Bargain

### The Duty to Bargain in Good Faith

The NLRA holds both employer and union to a duty to "bargain in good faith." What these words mean has long been the subject of controversy. Suppose Mr. Mardian, a company's chief negotiator, announces to Mr. Ulasewicz, the company's chief union negotiator, "I will sit down and talk with you, but be damned if I will agree to a penny more an hour than the people are getting now." That is not a refusal to bargain: it is a statement of the company's position, and only Mardian's actual conduct during the negotiations will determine whether he was bargaining in good faith. Of course, if he refused to talk to Ulasewicz, he would have been guilty of a failure to bargain in good faith.

Suppose Mardian has steadily insisted during the bargaining sessions that the company must have complete control over every aspect of the labor relationship, including the right to hire and fire exactly as it saw fit, the right to raise or lower wages whenever it wanted, and the right to determine which employee was to do which job. The Supreme Court has said that an employer is not obligated to accept any particular term in a proposed collective bargaining agreement and that the NLRB may not second-guess any agreement eventually reached.*NLRB v. American National Insurance Co.*, 343 U.S. 395 (1962). However, the employer must actually engage in bargaining, and a stubborn insistence on leaving everything entirely to the discretion of management has been construed as a failure to bargain.*NLRB v. Reed St Prince Manufacturing Co.*, 205 F.2d 131 (1st Cir. 1953).

Suppose Mardian had responded to Ulasewicz's request for a ten-cent-an-hour raise: "If we do that, we'll go broke." Suppose further that Ulasewicz then demanded, on behalf of the union, that Mardian prove his contention but that Mardian refused. Under these circumstances, the Supreme Court has ruled, the NLRB is entitled to hold that management has failed to bargain in good faith, for once having raised the issue, the employer must in good faith demonstrate veracity.*NLRB v. Truitt Manufacturer Co.*, 351 U.S. 149 (1956).

### Mandatory Subjects of Bargaining

The NLRB requires employers and unions to bargain over "terms and condition of employment." Wages, hours, and working conditions—whether workers must wear uniforms, when the lunch hour begins, the type of safety equipment on hand—are well-understood terms and conditions of employment. But the statutory phrase is vague, and the cases abound with debates over whether a term insisted on by union or management is within the statutory phrase. No simple rule can be stated for determining whether a desire of union or management is mandatory or nonmandatory. The cases do suggest that management retains the right to determine the scope and direction of the enterprise, so that, for example, the decision to invest in labor-saving machinery is a nonmandatory subject—meaning that a union could not insist that an employer bargain over it, although the employer may negotiate if it desires. Once a subject is incorporated in a collective bargaining agreement, neither side may demand that it be renegotiated during the term of the agreement.

### The Board's Power to Compel an Agreement

A mere refusal to agree, without more, is not evidence of bad-faith bargaining. That may seem a difficult conclusion to reach in view of what has just been said. Nevertheless, the law is clear that a company may refuse to accede to a union's demand for any reason other than an unwillingness to consider the matter in the first place. If a union negotiator cannot talk management into accepting his demand, then the union may take other actions—including strikes to try to force management to bow. It follows from this conclusion that the NLRB has no power to *compel* agreement—even if management is guilty of negotiating in bad faith. The federal labor laws are premised on the fundamental principle that the parties are free to bargain.

## Interference and Discrimination by the Employer

### Union Activity on Company Property

The employer may not issue a rule flatly prohibiting solicitation or distribution of literature during "working time" or "working hours"—a valid rule against solicitation or distribution must permit these activities during employees' free time, such as on breaks and at meals. A rule that barred solicitation on the plant floor during actual work would be presumptively valid. However, the NLRB has the power to enjoin its enforcement if the employer used the rule to stop union soliciting but permitted employees during the forbidden times to solicit for charitable and other causes.

### "Runaway Shop"

A business may lawfully decide to move a factory for economic reasons, but it may not do so to discourage a union or break it apart. The removal of a plant from one location to another is known as a runaway shop. An employer's representative who conceals from union representatives that a move is contemplated commits an unfair labor practice because the union is deprived of the opportunity to negotiate over an important part of its members' working conditions. If a company moves a plant and it is later determined that the move was to interfere with union activity, the board may order the employer to offer affected workers employment at the new site and the cost of transportation.

### Other Types of Interference

Since "interference" is not a precise term but descriptive of a purpose embodied in the law, many activities lie within its scope. These include hiring professional strikebreakers to disrupt a strike, showing favoritism toward a particular union to discourage another one, awarding or withholding benefits to encourage or discourage unionization, engaging in misrepresentations and other acts during election campaigns, spying on workers, making employment contracts with individual members of a union, blacklisting workers, attacking union activists physically or verbally, and disseminating various forms of antiunion propaganda.

### Discrimination against Union Members

Under Section 8(a)(3) of the NLRA, an employer may not discriminate against employees in hiring or tenure to encourage or discourage membership in a labor organization. Thus an employer may not refuse to hire a union activist and may not fire an employee who is actively supporting the union or an organizational effort if the employee is otherwise performing adequately on the job. Nor may an employer discriminate among employees seeking reinstatement after a strike or discriminatory layoff or lockout (a closing of the job site to prevent employees from coming to work), hiring only those who were less vocal in their support of the union.

The provision against employer discrimination in hiring prohibits certain types of compulsory unionism. Four basic types of compulsory unionism are possible: the closed shop, the union shop, maintenance-of-membership agreements, and preferential hiring agreements. In addition, a fifth arrangement—the agency shop—while not strictly compulsory unionism, has characteristics similar to it. Section 8(a)(3) prohibits the closed shop and preferential hiring. But Section 14 permits states to enact more stringent standards and thus to outlaw the union shop, the agency shop, and maintenance of membership as well.

1. **Closed shop.** This type of agreement requires a potential employee to belong to the union before being hired and to remain a member during employment. It is unlawful, because it would require an employer to discriminate on the basis of membership in deciding whether to hire.
2. Union shop**.** An employer who enters into a union shop agreement with the union may hire a nonunion employee, but all employees who are hired must then become members of the union and remain members so long as they work at the job. Because the employer may hire anyone, a union or nonunion member, the union shop is lawful unless barred by state law.
3. **Maintenance-of-membership agreements.** These agreements require employees who are members of the union before being hired to remain as members once they are hired unless they take advantage of an "escape clause" to resign within a time fixed in the collective bargaining agreement. Workers who were not members of the union before being hired are not required to join once they are on the job. This type of agreement is lawful unless barred by state law.
4. **Preferential hiring.** An employer who accepts a preferential hiring clause agrees to hire only union members as long as the union can supply him with a sufficient number of qualified workers. These clauses are unlawful.
5. **Agency shop.** The agency shop is not true compulsory unionism, for it specifically permits an employee not to belong to the union. However, it does require the employee to pay into the union the same amount required as dues of union members. The legality of an agency shop is determined by state law. If permissible under state law, it is permissible under federal law.

### The Right to Strike

Section 13 of the NLRA says that "nothing in this Act, except as specifically provided for herein, shall be construed so as either to interfere with or impede or diminish in any way the right to strike, or to affect the limitations or qualifications on that right." The labor statutes distinguish between two types of strikes: the economic strike and the strike over an unfair labor practice. In the former, employees go on strike to try to force the employer to give in to the workers' demands. In the latter, the strikers are protesting the employer's committing an unfair labor practice. The importance of the distinction lies in whether the employees are

entitled to regain their jobs after the strike is over. In either type of strike, an employer may hire substitute employees during the strike. When it concludes, however, a difference arises. In *NLRB v. International Van Lines*, the Supreme Court said that an employer may hire permanent employees to take over during an economic strike and need not discharge the substitute employees when it is done.*NLRB v. International Van Lines*, 409 U.S. 48 (1972). That is not true for a strike over an unfair labor practice: an employee who makes an unconditional offer to return to his job is entitled to it, even though in the meantime the employer may have replaced him.

These rules do not apply to unlawful strikes. Not every walkout by workers is permissible. Their collective bargaining agreement may contain a no-strike clause barring strikes during the life of the contract. Most public employees—that is, those who work for the government—are prohibited from striking. Sit-down strikes, in which the employees stay on the work site, precluding the employer from using the facility, are unlawful. So are wildcat strikes, when a faction within the union walks out without authorization. Also unlawful are violent strikes, jurisdictional strikes, secondary strikes and boycotts, and strikes intended to force the employer to sign "hot cargo" agreements (see Section 17.3.6 "Hot Cargo Agreement").

To combat strikes, especially when many employers are involved with a single union trying to bargain for better conditions throughout an industry, an employer may resort to a lockout. Typically, the union will call a whipsaw strike, striking some of the employers but not all. The whipsaw strike puts pressure on the struck employers because their competitors are still in business. The employers who are not struck may lawfully respond by locking out all employees who belong to the multiemployer union. This is known as a defensive lockout. In several cases, the Supreme Court has ruled that an offensive lockout, which occurs when the employer, anticipating a strike, locks the employees out, is also permissible.

### Secondary Boycotts

Section 8(b)(4), added to the NLRA by the Taft-Hartley Act, prohibits workers from engaging in secondary boycotts—strikes, refusals to handle goods, threats, coercion, restraints, and other actions aimed at forcing any person to refrain from performing services for or handling products of any producer other than the employer, or to stop doing business with any other person. Like the Robinson-Patman Act (Chapter 26), this section of the NLRA is extremely difficult to parse and has led to many convoluted interpretations. However, its essence is to prevent workers from picketing employers not involved in the primary labor dispute.

Suppose that the Amalgamated Widget Workers of America puts up a picket line around the Ace Widget Company to force the company to recognize the union as the exclusive bargaining agent for Ace's employees. The employees themselves do not join in the picketing, but when a delivery truck shows up at the plant gates and discovers the pickets, it turns back because the driver's policy is never to cross a picket line. This activity falls within the literal terms of Section (8)(b)(4): it seeks to prevent the employees of Ace's suppliers from doing business with Ace. But in *NLRB v. International Rice Milling Co.*, the Supreme Court declared that this sort of primary activity—aimed directly at the employer involved in the primary dispute—is not unlawful.*NLRB v. International Rice Milling Co.*, 341 U.S. 665 (1951). So it is permissible to throw up a picket line to attempt to stop anyone from doing business with the employer—whether suppliers, customers, or even the employer's other employees (e.g., those belonging to other unions). That is why a single striking union is so often successful in closing down an entire plant: when the striking union goes out, the other unions "honor the picket line" by refusing to cross it and thus stay out of work as well. The employer might have been able to replace the striking workers if they were only a small part of the plant's labor force, but it becomes nearly impossible to replace all the workers within a dozen or more unions.

Suppose the United Sanders Union strikes the Ace Widget Company. Nonunion sanders refuse to cross the picket line. So Ace sends out its unsanded widgets to Acme Sanders, a job shop across town, to do the sanding job. When the strikers learn what Ace has done, they begin to picket Acme, at which point Acme's sanders honor the picket line and refuse to enter the premises. Acme goes to court to enjoin the pickets—an exception to the Norris–La Guardia Act permits the federal courts to enjoin picketing in cases of unlawful secondary boycotts. Should the court grant the injunction? It might seem so, but under the so-called ally doctrine, the court will not. Since Acme is joined with Ace to help it finish the work, the courts deem the second employer an ally (or extension) of the first. The second picket line, therefore, is not secondary.

Suppose that despite the strike, Ace manages to ship its finished product to the Dime Store, which sells a variety of goods, including widgets. The union puts up a picket around the store; the picketers bear signs that urge shoppers to refrain from buying any Ace widgets at the Dime Store. Is this an unlawful secondary boycott? Again, the answer is no. A proviso to Section 8(b)(4)

permits publicity aimed at truthfully advising the public that products of a primary employer with whom the union is on strike are being distributed by a secondary employer.

Now suppose that the picketers carried signs and orally urged shoppers not to enter the Dime Store at all until it stopped carrying Ace's widgets. That would be unlawful: a union may not picket a secondary site to persuade consumers to refrain from purchasing any of the secondary employer's products. Likewise, the union may not picket in order to cause the secondary employees (the salesclerks at the Dime Store) to refuse to go to work at the secondary employer. The latter is a classic example of inducing a secondary work stoppage, and it is barred by Section 8(b)(4). However, in *DeBartolo Corp. v. Florida Gulf Coast Building and Construction Trades Council*, the Supreme Court opened what may prove to be a significant loophole in the prohibition against secondary boycotts.*DeBartolo Corp. v. Florida Gulf Coast Building and Construction Trades Council*, 485 U.S. 568 (1988). Instead of picketing, the union distributed handbills at the entrance to a shopping mall, asking customers not to patronize any stores in the mall until the mall owner, in building new stores, promised to deal only with contractors paying "fair wages." The Court approved the handbilling, calling it "only an attempt to persuade customers not to shop in the mall," distinguishing it from picketing, which the Court said would constitute a secondary boycott.

### Hot Cargo Agreement

A union might find it advantageous to include in a collective bargaining agreement a provision under which the employer agrees to refrain from dealing with certain people or from purchasing their products. For example, suppose the Teamsters Union negotiates a contract with its employers that permits truckers to refuse to carry goods to an employer being struck by the Teamsters or any other union. The struck employer is the primary employer; the employer who has agreed to the clause—known as a hot cargo clause—is the secondary employer. The Supreme Court upheld these clauses in *United Brotherhood of Carpenters and Joiners, Local 1976 v. NLRB*, but the following year, Congress outlawed them in Section 8(e), with a partial exemption for the construction industry and a full exemption for garment and apparel workers.*United Brotherhood of Carpenters and Joiners, Local 1976 v. NLRB*, 357 U.S. 93 (1958).

## Discrimination by Unions

A union certified as the exclusive bargaining representative in the appropriate bargaining unit is obligated to represent employees within that unit, even those who are not members of the union. Various provisions of the labor statutes prohibit unions from entering into agreements with employers to discriminate against nonmembers. The laws also prohibit unions from treating employees unfairly on the basis of race, creed, color, or national origin.

### Jurisdictional Disputes

Ace Widget, a peaceful employer, has a distinguished labor history. It did not resist the first union, which came calling in 1936, just after the NLRA was enacted; by 1987, it had twenty-three different unions representing 7,200 workers at forty-eight sites throughout the United States. Then, because of increasingly more powerful and efficient machinery, United Widget Workers realized that it was losing jobs throughout the industry. It decided to attempt to bring within its purview jobs currently performed by members of other unions. United Widget Workers asked Ace to assign all sanding work to its members. Since sanding work was already being done by members of the United Sanders, Ace management refused. United Widget Workers decided to go on strike over the issue. Is the strike lawful? Under Section 8(b)(4)(D), regulating jurisdictional disputes, it is not. It is an unfair labor practice for a union to strike or engage in other concerted actions to pressure an employer to assign or reassign work to one union rather than another.

### Bankruptcy and the Collective Bargaining Agreement

An employer is bound by a collective bargaining agreement to pay the wages of unionized workers specified in the agreement. But obviously, no paper agreement can guarantee wages when an insolvent company goes out of business. Suppose a company files for reorganization under the bankruptcy laws (see Chapter 13). May it then ignore its contractual obligation to pay wages previously bargained for? In the early 1980s, several major companies—for example, Continental Airlines and Oklahoma-based Wilson Foods Corporation—sought the protection of federal bankruptcy law in part to cut union wages. Alarmed, Congress, in 1984, amended the bankruptcy code to require companies to attempt to negotiate a modification of their contracts in good faith. In Bankruptcy Code Section 1113, Congress set forth several requirements for a debtor to extinguish its obligations under a collective bargaining agreement (CBA). Among other requirements, the debtor must make a proposal to the union modifying the CBA based on accurate

and complete information, and meet with union leaders and confer in good faith after making the proposal and before the bankruptcy judge would rule.

If negotiations fail, a bankruptcy judge may approve the modification if it is necessary to allow the debtor to reorganize, and if all creditors, the debtor, and affected parties are treated fairly and equitably. If the union rejects the proposal without good cause, and the debtor has met its obligations of fairness and consultation from section 1113, the bankruptcy judge can accept the proposed modification to the CBA. In 1986, the US court of appeals in Philadelphia ruled that Wheeling-Pittsburgh Steel Corporation could not modify its contract with the United Steelworkers simply because it was financially distressed. The court pointed to the company's failure to provide a "snap-back" clause in its new agreement. Such a clause would restore wages to the higher levels of the original contract if the company made a comeback faster than anticipated.*Wheeling-Pittsburgh Steel Corp. v. United Steelworkers of America*, 791 F.2d 1071 (3d Cir. 1986). But in the 2006 case involving Northwest Airlines Chapter 11 reorganization,*In re Northwest Airlines Corp.*, 2006 Bankr. LEXIS 1159 (So. District N.Y.). the court found that Northwest had to reduce labor costs if it were going to successfully reorganize, that it had made an equitable proposal and consulted in good faith with the union, but that the union had rejected the proposed modification without good cause. Section 1113 was satisfied, and Northwest was allowed to modify its CBA with the union.

## Key Takeaway

The NLRB determines the appropriate bargaining unit and also supervises union organizing drives. It must balance protecting the employer's rights, including property rights and the right to manage the business efficiently, with the right of employees to communicate with each other. The NLRB will select a union and give it the exclusive right to bargain, and the result will usually be a collective bargaining unit. The employer should not interfere with the unionizing process or interfere once the union is in place. The union has the right to strike, subject to certain very important restrictions.

## Exercises

1. Suppose that employees of the Shop Rite chain elect the Allied Food Workers Union as their exclusive bargaining agent. Negotiations for an initial collective bargaining agreement begin, but after six months, no agreement has been reached. The company finds excess damage to merchandise in its warehouse and believes that this was intentional sabotage by dissident employees. The company notifies the union representative that any employees doing such acts will be terminated, and the union, in turn, notifies the employees. Soon thereafter, a Shop Rite manager notices an employee in the flour section—where he has no right to be—making quick motions with his hands. The manager then finds several bags of flour that have been cut. The employee is fired, whereupon a fellow employee and union member leads more than two dozen employees in an immediate walkout. The company discharges these employees and refuses to rehire them. The employees file a grievance with the NLRB. Are they entitled to get their jobs back?*NLRB v. Shop Rite Foods*, 430 F.2d 786 (5th Cir. 1970).
2. American Shipbuilding Company has a shipyard in Chicago, Illinois. During winter months, it repairs ships operating on the Great Lakes, and the workers at the shipyard are represented by several different unions. In 1961, the unions notified the company of their intention to seek a modification of the current collective bargaining agreement. On five previous occasions, agreements had been preceded by strikes (including illegal strikes) that were called just after ships arrived in the shipyard for repairs. In this way, the unions had greatly increased their leverage in bargaining with the company. Because of this history, the company was anxious about the unions' strike plans. In August 1961, after extended negotiations, the company and the unions reached an impasse. The company then decided to lay off most of the workers and sent the following notice: "Because of the labor dispute which has been unresolved since August of 1961, you are laid off until further notice." The unions filed unfair labor practice charges with the NLRB. Did the company engage in an unfair labor practice?*American Shipbuilding Company v. NLRB*, 380 U.S. 300 (1965).

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# 2.7: Current Issues - Internal Affairs and Discipline

Internal affairs (IA) exists to hold officers accountable for their actions. Whenever there is an issue, either brought forth by another officer, a supervisor or a member of the general public, the IA division of the police department is responsible for conducting a thorough investigation into the incident. Members of the IA division work directly under the Chief or Sheriff.

In the 1960s the overwhelming number of riots revealed the problem of corruption and misconduct in policing- one of the most significant issues centered around citizen complaints against officers and the lack of proper investigation into the complaint. Most officers back then were found exonerated (not guilty) when a complaint ensued, and this did not bode with the public. [1]

### Supervisors in Policing Example

As a young girl, I never had dreams of one day being a supervisor in the police world. In fact, I didn't even want to be a cop! However, life would direct me towards policing, and after years of testing, I found myself hired as a police officer in Las Vegas. The life of an officer is full of wonder and excitement, but it is also full of stress, and a lot of pressure! After I completed the police academy, field training, and probation I soon learned that all supervisors (sergeants and lieutenants) were not created equal.I received my first police oficer annual evaluation and found that I ONLY met standards in the areas evaluated. How could that be, I thought? I had never worked harder! I always stayed late, I wrote amazing reports, I volunteered and helped out my community, I engaged in constant training, I did everything I knew AND was trained to do. Yet, I still only met standards. Now I wasn't delusional. I knew that I was a new police officer and had many things to learn, but why was my sergeant failing to mentor or recognize me for my above average efforts in many areas? I was even told by a female sergeant, that she had to work harder than any other police officer because she was a female, so I should have to do the same. Where was mentoring? Where was the training offered by supervision? I soon learned it did not exist and the only way to create it was to test for promotion myself and enter the world of supervision as a sergeant. Don't get me wrong, throughout my tenure as a police officer I did encounter some amazing supervisors, but they were rare and an exception to the rule. I did the test for promotion, and I was promoted to sergeant. My goals were to change the way officers were supervised at my department. I worked hard to create a sergeant training program that ensured future supervisors received the knowledge and power of how-to mentor and train their employees. Three years later I tested and promoted to lieutenant. I took advantage of my new position in adminstration to mentor many young officers and help them to succeed in their careers.

**Discipline**

Police departments are paramilitary organizations or a semi-militarized force whose organizational structure, tactics, training, subculture, and (often) function are similar to those of a professional military, but which is formally not part of a government's armed forces. Therefore, the handling of discipline is serious business. If an officer is accused of a minor infraction, such as the use of profanity, the officer's immediate supervisor will generally handle the policy infraction and note what occurred in the officer's file and counsel the officer of the following: 1- Inform the police officer why the conduct was wrong 2- Inform the police officer how to stop engaging in the conduct 3- Inform the police officer when the conduct must stop 4- Inform the police officer the time elapsed after the conduct and a scheduled meeting to review and ensure the conduct is still not occurring. Depending on the conduct, the supervisor may require the officer to attend training to assist the officer.

Another answer was to create external civilian review boards to hold police accountable for their actions by reviewing all use of force incidents. With the onset of the 21st century and new technology, came new tools in policing. One such tool was a new program called IA Pro. This program followed individual officers throughout their entire career. A scheming grass or meat eater officer could bid on a new shift each year, gaining a new supervisor who would be oblivious to past infractions. IA Pro ensured any, and all infractions by an officer were recorded and followed through upon by the applicable supervisor. If an officer used profanity, the program would require the officer to attend training. If the officer used profanity a second time within the prescribed time limits, the officer would be placed on an timed employee development program and could face discipline up to termination. IA Pro was not a panacea, but it would significantly lower the number of officers allowed to continue to operate as grass or meat eaters.

If an officer is accused of a more serious infraction, such as excessive use of force or lying, the officer will immediately be placed on administrative leave and The Internal Affairs Division of the department will investigate the incident. The Internal Affairs Division will offer a finding of 1- Sustained Complaint 2- Not-Sustained Complaint 3- Exonerated Complaint 4- Unfounded

Complaint. Once one of the above complaint dispositions is assigned, it is then forwarded to the Command Staff (Chief or Sheriff and Assistant Chief/Sheriff, Deputy Chief/Sheriff, and Captains) for review and discipline. Discipline can include time-off up to termination.

### When an Officer Does Something Illegal Example

I was a lieutenant over two sergeants and dozens of officers when I received the dreaded phone call. One of my officers was being placed on administrative leave by Internal Affairs due to a horrendous allegation. The officer had been pulling over female drivers for 'so-called' traffic violations and offering them an 'out' if they performed some sort of sexual activity. My heart sank, how could this have happened and on my watch? After weeks of investigation, I learned that the officer had been engaging in this illegal activity for months. It took several brave women to contact our Internal Affairs Division and tell their stories, to stop it. I racked my brain as to what I could have done to prevent the officer. Did I miss the signs? Should I have been sterner? What could I have done? Even years later it tears at my soul. What those women had to endure. How scared they must have been. It must have been their worst nightmare come true. I have played many scenarios in my head as to what I could have done or should have done to stop this officer's actions. And I finally learned that some people are just ethically and morally corrupt. No matter how hard we, in supervision, try to identify them through the L.E.T. Process or keep tabs on them when they engage in such acts, sometimes they slip through the cracks and are allowed to spread their evilness. This is what happened with this officer. The officer was smart enough to engage in this activity while alone on patrol, knowing that he could stop this action if another officer or supervisor assisted on the traffic stop. His actions were scary and should send a message to every police department and every supervisor that they must always be on the look-out for those officers that are corrupt and will use their power to engage in illegal and horrendous crimes. This was a hard lesson for me to learn, but an eye-opening one that would forever change the way I supervised those officers in my command.

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1. Goldstein, H. (1977). *Policing a free society*. Cambridge, MA: Ballinger. ↵

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# CHAPTER OVERVIEW

## Course Learning Objective #3: Evaluate the various communication techniques (phone, fax, e-mail, mail, face to face, etc.) used in business organizations and when, where and why they are appropriate.


3.1: Managerial Communication

3.1.1: The Process of Managerial Communication

3.1.2: Types of Communications in Organizations

3.1.3: Factors Affecting Communications and the Roles of Managers

3.1.4: Managerial Communication and Corporate Reputation

3.1.5: The Major Channels of Management Communication Are Talking, Listening, Reading, and Writing

3.1.6: Summary

3.2: The Roles Managers Play

3.3: Relationships at Work

3.4: The Dark Side of Relationships

3.5: Factors Affecting Communications and the Roles of Managers

3.6: Speaking in Business Settings

3.7: Speaking via Electronic Media

3.8: Small Group Communication

3.8.1: Understanding Small Groups

3.8.2: Small Group Development

3.8.3: Small Group Dynamics


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# SECTION OVERVIEW

## 3.1: Managerial Communication



Figure 3.1.1: (Credit: UC Davis College of Engineering/ flickr/ Attribution 2.0 Generic (CC BY 2.0))

### Learning Objectives

After reading this chapter, you should be able to answer these questions:

1. Understand and describe the communication process.
2. Know the types of communications that occur in organizations.
3. Understand how power, status, purpose, and interpersonal skills affect communications in organizations.
4. Describe how corporate reputations are defined by how an organization communicates to all of its stakeholders.
5. Know why talking, listening, reading, and writing are vital to managing effectively.

### EXPLORING MANAGERIAL CAREERS

#### John Legere, T-Mobile

The chief executive officer is often the face of the company. He or she is often the North Star of the company, providing guidance and direction for the entire organization. With other stakeholders, such as shareholders, suppliers, regulatory agencies, and customers, CEOs often take more reserved and structured approaches. One CEO who definitely stands out is John Legere, the CEO of T-Mobile. The unconventional CEO of the self-proclaimed “un-carrier” hosts a Sunday morning podcast called “Slow Cooker Sunday” on Facebook Live, and where most CEOs appear on television interviews in standard business attire, Legere appears with shoulder-length hair dressed in a magenta T-shirt, black jacket, and pink sneakers. Whereas most CEOs use well-scripted language to address business issues and competitors, Legere refers to T-Mobile’s largest competitors, AT&T and Verizon, as “dumb and dumber.”

In the mobile phone market, T-Mobile is the number-three player competing with giants AT&T and Verizon and recently came to an agreement to merge with Sprint. Of all the consolidation sweeping through the media and telecommunications arena, T-Mobile and Sprint are the most direct of competitors. Their merger would reduce the number of national wireless carriers from four to three, a move the Federal Communications Commission has firmly opposed in the past. Then again, the wireless market looks a bit different now, as does the administration in power.

John Legere and other CEOs such as Mark Cuban, Elon Musk, and Richard Branson have a more public profile than executives at other companies that keep a lower profile and are more guarded in their public comments, often restricting their public statements to quarterly investor and analyst meetings. It is likely that the personality and communication style that the executives reveal in public is also the way that they relate to their employees. The outgoing personality of someone such as John Legere will motivate some employees, but he might be seen as too much of a cheerleader by other employees.

Sometimes the unscripted comments and colorful language that Legere uses can cause issues with employees and the public. For instance, some T-Mobile employees in their call center admonished Legere for comments at a press event where he said Verizon

and AT&T were “raping” customers for every penny they have. Legere’s comments caused lengthy discussions in online forums such as Reddit about his choice of words. Legere is known for speaking his mind in public and often uses profanity, but many thought this comment crossed the line. While frank, open communication is often appreciated and leads to a clarity of message, senders of communication, be it in a public forum, an internal memo, or even a text message, should always think through the consequences of their words.

sources

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Steve Kovach, T-Mobile Employees Speak Out and Call CEO’s Recent Rape Comments “Violent” and “Traumatizing”,” *Business Insider*, June 27, 2014, https://www.businessinsider.com/t-mo...comment-2014-6;

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We will distinguish between communication between two individuals and communication amongst several individuals (groups) and communication outside the organization. We will show that managers spend a majority of their time in communication with others. We will examine the reasons for communication and discuss the basic model of interpersonal communication, the types of interpersonal communication, and major influences on the communication process. We will also discuss how organizational reputation is defined by communication with stakeholders.


### 3.1.1: The Process of Managerial Communication

### 3.1.2: Types of Communications in Organizations

### 3.1.3: Factors Affecting Communications and the Roles of Managers

### 3.1.4: Managerial Communication and Corporate Reputation

### 3.1.5: The Major Channels of Management Communication Are Talking, Listening, Reading, and Writing

### 3.1.6: Summary



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# 3.1.1: The Process of Managerial Communication

**Learning Objectives**

1. Understand and describe the communication process.

Interpersonal communication is an important part of being an effective manager:

- It influences the opinions, attitude, motivation, and behaviors of others.
- It expresses our feelings, emotions, and intentions to others.
- It is the vehicle for providing, receiving, and exchanging information regarding events or issues that concern us.
- It reinforces the formal structure of the organization by such means as making use of formal channels of communication.

Interpersonal communication allows employees at all levels of an organization to interact with others, to secure desired results, to request or extend assistance, and to make use of and reinforce the formal design of the organization. These purposes serve not only the individuals involved, but the larger goal of improving the quality of organizational effectiveness.

The model that we present here is an oversimplification of what really happens in communication, but this model will be useful in creating a diagram to be used to discuss the topic. Figure 16.1.1 illustrates a simple communication episode where a communicator encodes a message and a receiver decodes the message.[1]

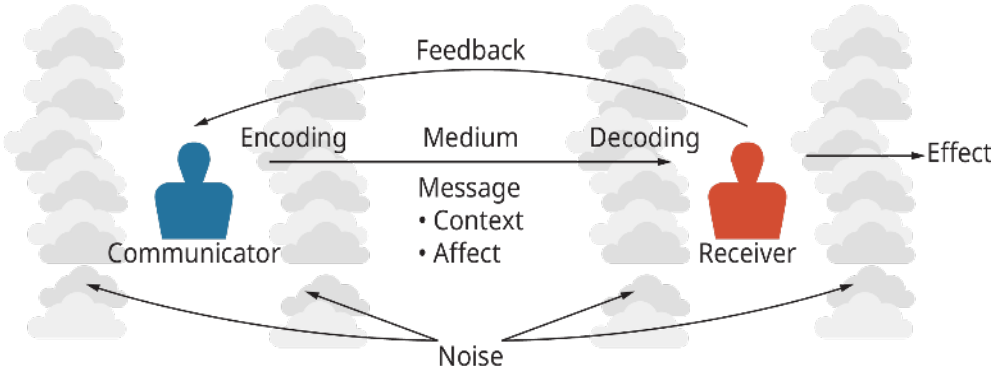



Figure 3.1.1.1: The Basic Communication Model (Attribution: Copyright Rice University, OpenStax, under CC-BY 4.0 license)

## Encoding and Decoding

Two important aspects of this model are encoding and decoding. Encoding is the process by which individuals initiating the communication translate their ideas into a systematic set of symbols (language), either written or spoken. Encoding is influenced by the sender's previous experiences with the topic or issue, her emotional state at the time of the message, the importance of the message, and the people involved. Decoding is the process by which the recipient of the message interprets it. The receiver attaches meaning to the message and tries to uncover its underlying intent. Decoding is also influenced by the receiver's previous experiences and frame of reference at the time of receiving the message.

## Feedback

Several types of feedback can occur after a message is sent from the communicator to the receiver. Feedback can be viewed as the last step in completing a communication episode and may take several forms, such as a verbal response, a nod of the head, a response asking for more information, or no response at all. As with the initial message, the response also involves encoding, medium, and decoding.

There are three basic types of feedback that occur in communication.[2] These are informational, corrective, and reinforcing. In informational feedback, the receiver provides nonevaluative information to the communicator. An example is the level of inventory at the end of the month. In corrective feedback, the receiver responds by challenging the original message. The receiver might respond that it is not her responsibility to monitor inventory. In reinforcing feedback, the receiver communicated that she has

clearly received the message and its intentions. For instance, the grade that you receive on a term paper (either positive or negative) is reinforcing feedback on your term paper (your original communication).

## Noise

There is, however, a variety of ways that the intended message can get distorted. Factors that distort message clarity are **noise**. Noise can occur at any point along the model shown in Figure 16.1.1, including the decoding process. For example, a manager might be under pressure and issue a directive, “I want this job completed today, and I don’t care what it costs,” when the manager does care what it costs.

**? concept check**

1. Describe the communication process.
2. Why is feedback a critical part of the communication process?
3. What are some things that managers can do to reduce noise in communication?

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# 3.1.2: Types of Communications in Organizations

**Learning Objectives**

1. Know the types of communications that occur in organizations.

In the communication model described above, three types of communication can be used by either the communicator in the initial transmission phase or the receiver in the feedback phase. These three types are discussed next.

## Oral Communication

This consists of all messages or exchanges of information that are spoken, and it's the most prevalent type of communication.

## Written Communication

This includes e-mail, texts, letters, reports, manuals, and annotations on sticky notes. Although managers prefer oral communication for its efficiency and immediacy, the increase in electronic communication is undeniable. As well, some managers prefer written communication for important messages, such as a change in a company policy, where precision of language and documentation of the message are important.

## Managerial Leadership

### Dealing with Information Overload

One of the challenges in many organizations is dealing with a deluge of emails, texts, voicemails, and other communication. Organizations have become flatter, outsourced many functions, and layered technology to speed communication with an integrated communication programs such as Slack, which allows users to manage all their communication and access shared resources in one place. This can lead to information overload, and crucial messages may be drowned out by the volume in your inbox.

Add the practice of "reply to all," which can add to the volume of communication, that many coworkers use, and that means that you may get five or six versions of an initial e-mail and need to understand all of the responses as well as the initial communication before responding or deciding that the issue is resolved and no response is needed. Here are suggestions to dealing with e-mail overload upward, horizontally, and downward within your organization and externally to stakeholders and customers.

One way to reduce the volume and the time you spend on e-mail is to turn off the spigot of incoming messages. There are obvious practices that help, such as unsubscribing to e-newsletters or turning off notifications from social media accounts such as Facebook and Twitter. Also, consider whether your colleagues or direct reports are copying you on too many emails as an FYI. If yes, explain that you only need to be updated at certain times or when a final decision is made.

You will also want to set up a system that will organize your inbox into "folders" that will allow you to manage the flow of messages into groups that will allow you to address them appropriately. Your system might look something like this:

1. Inbox: Treat this as a holding pen. E-mails shouldn't stay here any longer than it takes for you to file them into another folder. The exception is when you respond immediately and are waiting for an immediate response.
2. Today: This is for items that need a response today.
3. This week: This is for messages that require a response before the end of the week.
4. This month/quarter: This is for everything that needs a longer-term response. Depending on your role, you may need a monthly or quarterly folder.
5. FYI: This is for any items that are for information only and that you may want to refer back to in the future.

This system prioritizes e-mails based on timescales rather than the e-mails' senders, enabling you to better schedule work and set deadlines.

Another thing to consider is your outgoing e-mail. If your outgoing messages are not specific, too long, unclear, or are copied too widely, your colleagues are likely to follow the same practice when communicating with you. Keep your communication clear and to the point, and managing your outbox will help make your inbound e-mails manageable.

**? critical thinking questions**

1. How are you managing your e-mails now? Are you mixing personal and school and work-related e-mails in the same account?
2. How would you communicate to a colleague that is sending too many FYI e-mails, sending too may unclear e-mails, or copying too many people on her messages?

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## Nonverbal Communication

There is also the transformation of information without speaking or writing. Some examples of this are things such as traffic lights and sirens as well as things such as office size and placement, which connote something or someone of importance. As well, things such as body language and facial expression can convey either conscious or unconscious messages to others.



Figure 3.1.2.1: Your body language can send messages during a meeting. (Credit: Amtec Photos/ Flickr/ Attribution 2.0 Generic (CC BY 2.0))

## Major Influences on Interpersonal Communication

Regardless of the type of communication involved, the nature, direction, and quality of interpersonal communication processes can be influenced by several factors.[3]

### Social Influences

Communication is a social process, as it takes at least two people to have a communication episode. There is a variety of social influences that can affect the accuracy of the intended message. For example, status barriers between employees at different levels of the organization can influence things such as addressing a colleague as at a director level as "Ms. Jones" or a coworker at the same level as "Mike." Prevailing norms and roles can dictate who speaks to whom and how someone responds. Figure 16.2.2 illustrates a variety of communications that illustrate social influences in the workplace.

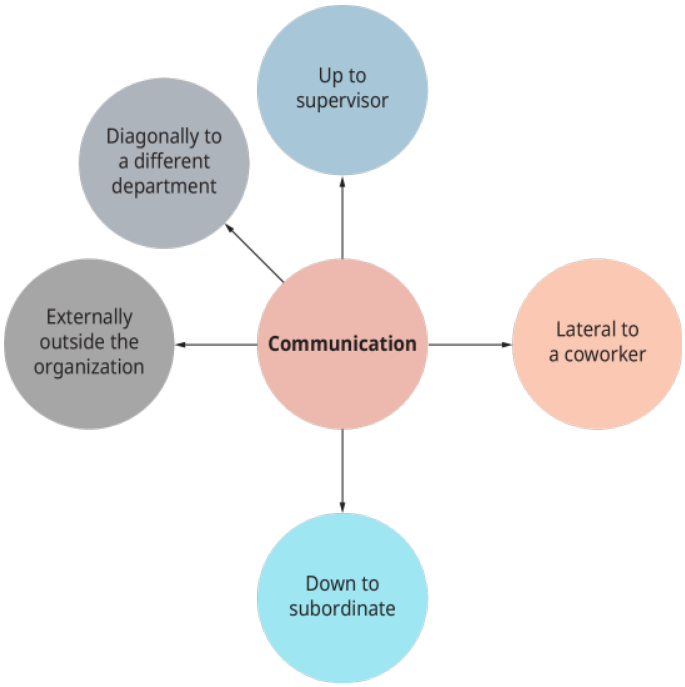



Figure 3.1.2.2: Patterns of Managerial Communication (Attribution: Copyright Rice University, OpenStax, under CC-BY 4.0 license)

### Perception

In addition, the communication process is heavily influenced by perceptual processes. The extent to which an employee accurately receives job instructions from a manager may be influences by her perception of the manager, especially if the job instructions conflict with her interest in the job or if they are controversial. If an employee has stereotyped the manager as incompetent, chances are that little that the manager says will be taken seriously. If the boss is well regarded or seen as influential in the company, everything that she says may be interpreted as important.

### Interaction Involvement

Communication effectiveness can be influenced by the extent to which one or both parties are involved in conversation. This attentiveness is called interaction attentiveness or interaction involvement.[4] If the intended receiver of the message is preoccupied with other issues, the effectiveness of the message may be diminished. Interaction involvement consists of three interrelated dimensions: responsiveness, perceptiveness, and attentiveness.

### Organizational Design

The communication process can also be influenced by the design of the organization. It has often been argued to decentralize an organization because that will lead to a more participative structure and lead to improved communication in the organization. When messages must travel through multiple levels of an organization, the possibility of distortion can also occur, which would be diminished with more face-to-face communication.



Figure 3.1.2.3: Smart managers understand that not all of a company's influential relationships appear as part of the organization chart. A web of informal, personal connections exists between workers, and vital information and knowledge pass through this web constantly. Using social media analysis software and other tracking tools, managers can map and quantify the normally invisible relationships that form between employees at all levels of an organization. How might identifying a company's informal organization help managers foster teamwork, motivate employees, and boost productivity? (Credit: Exeter/ flickr/ Attribution 2.0 Generic (CC BY 2.0))

**? concept check**

1. What are the three major types of communication?
2. How can you manage the inflow of electronic communication?
3. What are the major influences on organizational communication, and how can organizational design affect communication?

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# 3.1.3: Factors Affecting Communications and the Roles of Managers

**Learning Objectives**

1. Understand how power, status, purpose, and interpersonal skills affect communications in organizations.

## The Roles Managers Play

In Mintzberg's seminal study of managers and their jobs, he found the majority of them clustered around three core management roles.[5]

### Interpersonal Roles

Managers are required to interact with a substantial number of people during a workweek. They host receptions; take clients and customers to dinner; meet with business prospects and partners; conduct hiring and performance interviews; and form alliances, friendships, and personal relationships with many others. Numerous studies have shown that such relationships are the richest source of information for managers because of their immediate and personal nature.[6]

Three of a manager's roles arise directly from formal authority and involve basic interpersonal relationships. First is the figurehead role. As the head of an organizational unit, every manager must perform some ceremonial duties. In Mintzberg's study, chief executives spent 12% of their contact time on ceremonial duties; 17% of their incoming mail dealt with acknowledgments and requests related to their status. One example is a company president who requested free merchandise for a handicapped schoolchild.[7]

Managers are also responsible for the work of the people in their unit, and their actions in this regard are directly related to their role as a leader. The influence of managers is most clearly seen, according to Mintzberg, in the leader role. Formal authority vests them with great potential power. Leadership determines, in large part, how much power they will realize.

Does the leader's role matter? Ask the employees of Chrysler Corporation (now Fiat Chrysler). When Sergio Marchionne, who passed away in 2018, took over the company in the wake of the financial crisis, the once-great auto manufacturer was in bankruptcy, teetering on the verge of extinction. He formed new relationships with the United Auto Workers, reorganized the senior management of the company, and—perhaps, most importantly—convinced the U.S. federal government to guarantee a series of bank loans that would make the company solvent again. The loan guarantees, the union response, and the reaction of the marketplace, especially for the Jeep brand, were due in large measure to Marchionne's leadership style and personal charisma. More recent examples include the return of Starbucks founder Howard Schultz to reenergize and steer his company and Amazon CEO Jeff Bezos and his ability to innovate during a downturn in the economy.[8]

Popular management literature has had little to say about the liaison role until recently. This role, in which managers establish and maintain contacts outside the vertical chain of command, becomes especially important in view of the finding of virtually every study of managerial work that managers spend as much time with peers and other people outside of their units as they do with their own subordinates. Surprisingly, they spend little time with their own superiors. In Rosemary Stewart's (1967) study, 160 British middle and top managers spent 47% of their time with peers, 41% of their time with people inside their unit, and only 12% of their time with superiors. Guest's (1956) study of U.S. manufacturing supervisors revealed similar findings.

### Informational Roles

Managers are required to gather, collate, analyze, store, and disseminate many kinds of information. In doing so, they become information resource centers, often storing huge amounts of information in their own heads, moving quickly from the role of gatherer to the role of disseminator in minutes. Although many business organizations install large, expensive management information systems to perform many of those functions, nothing can match the speed and intuitive power of a well-trained manager's brain for information processing. Not surprisingly, most managers prefer it that way.

As monitors, managers are constantly scanning the environment for information, talking with liaison contacts and subordinates, and receiving unsolicited information, much of it because of their network of personal contacts. A good portion of this information arrives in verbal form, often as gossip, hearsay, and speculation.[9]

In the disseminator role, managers pass privileged information directly to subordinates, who might otherwise have no access to it. Managers must decide not only who should receive such information, but how much of it, how often, and in what form. Increasingly, managers are being asked to decide whether subordinates, peers, customers, business partners, and others should have direct access to information 24 hours a day without having to contact the manager directly.[10]

In the spokesperson role, managers send information to people outside of their organizations: an executive makes a speech to lobby for an organizational cause, or a supervisor suggests a product modification to a supplier. Increasingly, managers are also being asked to deal with representatives of the news media, providing both factual and opinion-based responses that will be printed or broadcast to vast unseen audiences, often directly or with little editing. The risks in such circumstances are enormous, but so too are the potential rewards in terms of brand recognition, public image, and organizational visibility.[11]

### Decisional Roles

Ultimately, managers are charged with the responsibility of making decisions on behalf of both the organization and the stakeholders with an interest in it. Such decisions are often made under circumstances of high ambiguity and with inadequate information. Often, the other two managerial roles—interpersonal and informational—will assist a manager in making difficult decisions in which outcomes are not clear and interests are often conflicting.

In the role of entrepreneur, managers seek to improve their businesses, adapt to changing market conditions, and react to opportunities as they present themselves. Managers who take a longer-term view of their responsibilities are among the first to realize that they will need to reinvent themselves, their product and service lines, their marketing strategies, and their ways of doing business as older methods become obsolete and competitors gain advantage.

While the entrepreneur role describes managers who initiate change, the disturbance or crisis handler role depicts managers who must involuntarily react to conditions. Crises can arise because bad managers let circumstances deteriorate or spin out of control, but just as often good managers find themselves in the midst of a crisis that they could not have anticipated but must react to just the same.[12]

The third decisional role of resource allocator involves managers making decisions about who gets what, how much, when, and why. Resources, including funding, equipment, human labor, office or production space, and even the boss's time, are all limited, and demand inevitably outstrips supply. Managers must make sensible decisions about such matters while still retaining, motivating, and developing the best of their employees.

The final decisional role is that of negotiator. Managers spend considerable amounts of time in negotiations: over budget allocations, labor and collective bargaining agreements, and other formal dispute resolutions. During a week, managers will often make dozens of decisions that are the result of brief but important negotiations between and among employees, customers and clients, suppliers, and others with whom managers must deal.[13]

**? concept check**

1. What are the major roles that managers play in communicating with employees?
2. Why are negotiations often brought in to communications by managers?

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# 3.1.4: Managerial Communication and Corporate Reputation

**Learning Objectives**

1. Describe how corporate reputations are defined by how an organization communicates to its stakeholders.

Management communication is a central discipline in the study of communication and corporate reputation. An understanding of language and its inherent powers, combined with the skill to speak, write, listen, and form interpersonal relationships, will determine whether companies succeed or fail and whether they are rewarded or penalized for their reputations.

At the midpoint of the twentieth century, Peter Drucker wrote, "Managers have to learn to know language, to understand what words are and what they mean. Perhaps most important, they have to acquire respect for language as [our] most precious gift and heritage. The manager must understand the meaning of the old definition of rhetoric as 'the art which draws men's hearts to the love of true knowledge.'"[14]

Later, Eccles and Nohria reframed Drucker's view to offer a perspective of management that few others have seen: "To see management in its proper light, managers need first to take language seriously."[15] In particular, they argue, a coherent view of management must focus on three issues: the use of rhetoric to achieve a manager's goals, the shaping of a managerial identity, and taking action to achieve the goals of the organizations that employ us. Above all, they say, "the essence of what management is all about [is] the effective use of language to get things done."[16] One of the things managers get done is the creation, management, and monitoring of corporate reputation.

The job of becoming a competent, effective manager thus becomes one of understanding language and action. It also involves finding ways to shape how others see and think of *you* in *your* role as a manager. Many noted researchers have examined the important relationship between communication and action within large and complex organizations and conclude that the two are inseparable. Without the right words, used in the right way, it is unlikely that the right reputations develop. "Words do matter," write Eccles and Nohria. "They matter very much. Without words, we have no way of expressing strategic concepts, structural forms, or designs for performance measurement systems." Language, they conclude, "is too important to managers to be taken for granted or, even worse, abused."[17]

So, if language is a manager's key to corporate reputation management, the next question is obvious: How good are managers at using language? Managers' ability to act—to hire a talented workforce, to change an organization's reputation, to launch a new product line—depends entirely on how effectively they use management communication, both as a speaker and as a listener. Managers' effectiveness as a speaker and writer will determine how well they are able to manage the firm's reputation. And their effectiveness as listeners will determine how well they understand and respond to others and can change the organization in response to their feedback.

We will now examine the role management communication plays in corporate reputation formation, management, and change and the position occupied by rhetoric in the life of business organizations. Though, this chapter will focus on the skills, abilities, and competencies for using language, attempting to influence others, and responding to the requirements of peers, superiors, stakeholders, and the organization in which managers and employees work.

Management communication is about the movement of information and the skills that facilitate it—speaking, writing, listening, and processes of critical thinking. It's also about understanding who your organization is (identity), who others think your organization is (reputation), and the contributions individuals can make to the success of their business considering their organization's existing reputation. It is also about confidence—the knowledge that one can speak and write well, listen with great skill as others speak, and both seek out and provide the feedback essential to creating, managing, or changing their organization's reputation.

At the heart of this chapter, though, is the notion that communication, in many ways, is the work of managers. We will now examine the roles of writing and speaking in the role of management, as well as other specific applications and challenges managers face as they play their role in the creation, maintenance, and change of corporate reputation.

? concept check

1. How are corporate reputations affected by the communication of managers and public statements?
2. Why is corporate reputation important?

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# 3.1.5: The Major Channels of Management Communication Are Talking, Listening, Reading, and Writing

**Learning Objective**

1. Know why talking, listening, reading, and writing are vital to managing effectively.

The major channels of managerial communication displayed in Figure 16.5.1 are talking, listening, reading, and writing. Among these, talking is the predominant method of communicating, but as e-mail and texting increase, reading and writing are increasing. Managers across industries, according to Deirdre Borden, spend about 75% of their time in verbal interaction. Those daily interactions include the following.

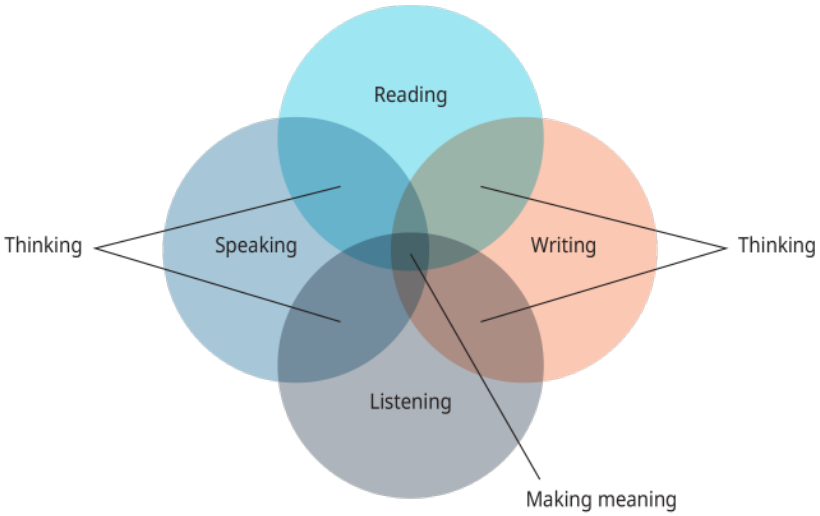



Figure 3.1.5.1: Reading, Writing, Speaking, and Listening: How They Help in Creating Meaning (Attribution: Copyright Rice University, OpenStax, under CC-BY 4.0 license)

## One-on-One Conversations

Increasingly, managers find that information is passed orally, often face-to-face in offices, hallways, conference rooms, cafeterias, restrooms, athletic facilities, parking lots, and literally dozens of other venues. An enormous amount of information is exchanged, validated, confirmed, and passed back and forth under highly informal circumstances.

## Telephone Conversations

Managers spend an astounding amount of time on the telephone these days. Curiously, the amount of time per telephone call is decreasing, but the number of calls per day is increasing. With the nearly universal availability of cellular and satellite telephone service, very few people are out of reach of the office for very long. The decision to switch off a cellular telephone, in fact, is now considered a decision in favor of work-life balance.

## Video Teleconferencing

Bridging time zones as well as cultures, videoconferencing facilities make direct conversations with employees, colleagues, customers, and business partners across the nation or around the world a simple matter. Carrier Corporation, the air-conditioning manufacturer, is now typical of firms using desktop videoconferencing to conduct everything from staff meetings to technical training. Engineers at Carrier's Farmington, Connecticut, headquarters can hook up with service managers in branch offices thousands of miles away to explain new product developments, demonstrate repair techniques, and update field staff on matters that would, just recently, have required extensive travel or expensive, broadcast-quality television programming. Their exchanges are informal, conversational, and not much different than they would be if the people were in the same room.[18]

## Presentations to Small Groups

Managers frequently find themselves making presentations, formal and informal, to groups of three to eight people for many different reasons: they pass along information given to them by executives, they review the status of projects in process, and they explain changes in everything from working schedules to organizational goals. Such presentations are sometimes supported by overhead transparencies or printed outlines, but they are oral in nature and retain much of the conversational character of one-to-one conversations.

## Public Speaking to Larger Audiences

Most managers are unable to escape the periodic requirement to speak to larger audiences of several dozen or, perhaps, several hundred people. Such presentations are usually more formal in structure and are often supported by PowerPoint or Prezi software that can deliver data from text files, graphics, photos, and even motion clips from streaming video. Despite the more formal atmosphere and sophisticated audio-visual support systems, such presentations still involve one manager talking to others, framing, shaping, and passing information to an audience.

A series of scientific studies, beginning with Rankin, Nichols and Stevens, and Wolvin and Coakley, confirm: most managers spend the largest portion of their day talking and listening.[19] Werner's thesis, in fact, found that North American adults spend more than 78% of their communication time either talking or listening to others who are talking.

According to Werner and others who study the communication habits of postmodern business organizations, managers are involved in more than just speeches and presentations from the dais or teleconference podium. They spend their days in meetings, on the telephone, conducting interviews, giving tours, supervising informal visits to their facilities, and at a wide variety of social events.[20]



Figure 3.1.5.2: Public speaking is often a terrifying but crucial skill for managers. (Credit: Mike Mozart/ flickr/ Attribution 2.0 Generic (CC BY 2.0))

Each of these activities may look to some managers like an obligation imposed by the job. Shrewd managers see them as opportunities to hear what others are thinking, to gather information informally from the grapevine, to listen in on office gossip, to pass along viewpoints that haven't yet made their way to the more formal channels of communication, or to catch up with a colleague or friend in a more relaxed setting. No matter what the intention of each manager who engages in these activities, the information they produce and the insight that follows from them can be put to work the same day to achieve organizational and personal objectives. "To understand why effective managers behave as they do," writes Kotter, "it is essential first to recognize two fundamental challenges and dilemmas found in most of their jobs." Managers must first figure out what to do, despite an enormous amount of potentially relevant information (along with much that is not), and then they must get things done "through a large and diverse group of people despite having little direct control over most of them."[21]

## The Role of Writing

Writing plays an important role in the life of any organization. In some organizations, it becomes more important than in others. At Procter & Gamble, for example, brand managers cannot raise a work-related issue in a team meeting unless the ideas are first circulated in writing. For P&G managers, this approach means explaining their ideas in explicit detail in a standard one-to-three-page memo, complete with background, financial discussion, implementation details, and justification for the ideas proposed.

Other organizations are more oral in their traditions—3M Canada is a “spoken” organization—but the fact remains: the most important projects, decisions, and ideas end up in writing. Writing also provides analysis, justification, documentation, and analytic discipline, particularly as managers approach important decisions that will affect the profitability and strategic direction of the company.

Writing is a career sifter. If managers demonstrate their inability to put ideas on paper in a clear, unambiguous fashion, they’re not likely to last. Stories of bad writers who’ve been shown the door early in their careers are legion. Managers’ principal objective, at least during the first few years of their career, is to keep their name out of such stories. Remember: those who are most likely to notice the quality and skill in managers’ written documents are the very people most likely to matter to managers’ future.

Managers do most of their own writing and editing. The days when managers could lean back and thoughtfully dictate a letter or memo to a skilled secretarial assistant are mostly gone. Some senior executives know how efficient dictation can be, especially with a top-notch administrative assistant taking shorthand, but how many managers have that advantage today? Very few, mostly because buying a computer and printer is substantially cheaper than hiring another employee. Managers at all levels of most organizations draft, review, edit, and dispatch their own correspondence, reports, and proposals.

Documents take on lives of their own. Once it’s gone from the manager’s desk, it isn’t theirs anymore. When they sign a letter and put it in the mail, it’s no longer their letter—it’s the property of the person or organization it was sent to. As a result, the recipient is free to do as she sees fit with the writing, including using it against the sender. If the ideas are ill-considered or not well expressed, others in the organization who are not especially sympathetic to the manager’s views may head for the copy machine with the manager’s work in hand. The advice for managers is simple: do not mail the first draft, and do not ever sign your name to a document you are not proud of.

## Communication Is Invention

Without question, communication is a process of invention. Managers literally create meaning through communication. A company, for example, is not in default until a team of auditors sits down to examine the books and review the matter. Only after extended discussion do the accountants conclude that the company is, in fact, in default. It is their discussion that creates the outcome. Until that point, default was simply one of many possibilities.

The fact is managers create meaning through communication. It is largely through discussion and verbal exchange—often heated and passionate—that managers decide who they wish to be: market leaders, takeover artists, innovators, or defenders of the economy. It is only through communication that meaning is created for shareholders, employees, customers, and others. Those long, detailed, and intense discussions determine how much the company will declare in dividends this year, whether the company is willing to risk a strike or labor action, and how soon to roll out the new product line customers are asking for. Additionally, it is important to note that managers usually figure things out by talking about them as much as they talk about the things they have already figured out. Talk serves as a wonderful palliative: justifying, analyzing, dissecting, reassuring, and analyzing the events that confront managers each day.

## Information Is Socially Constructed

If we are to understand just how important human discourse is in the life of a business, several points seem especially important.

Information is created, shared, and interpreted by people. Meaning is a truly human phenomenon. An issue is only important if people think it is. Facts are facts only if we can agree upon their definition. Perceptions and assumptions are as important as truth itself in a discussion about what a manager should do next.[22] Information never speaks for itself. It is not uncommon for a manager to rise to address a group of her colleagues and say, “The numbers speak for themselves.” Frankly, the numbers never speak for themselves. They almost always require some sort of interpretation, some sort of explanation or context. Do not assume that others see the facts in the same way managers do, and never assume that what is seen is the truth. Others may see the same set of facts or evidence but may not reach the same conclusions. Few things in life are self-explanatory.

Context always drives meaning. The backdrop to a message is always of paramount importance to the listener, viewer, or reader in reaching a reasonable, rational conclusion about what she sees and hears. What’s in the news these days as we take up this subject? What moment in history do we occupy? What related or relevant information is under consideration as this new message arrives? We cannot possibly derive meaning from one message without considering everything else that surrounds it.

A messenger always accompanies a message. It is difficult to separate a message from its messenger. We often want to react more to the source of the information than we do to the information itself. That's natural and entirely normal. People speak for a reason, and we often judge their reasons for speaking before analyzing what they have to say. Keep in mind that, in every organization, message recipients will judge the value, power, purpose, intent, and outcomes of the messages they receive by the source of those messages as much as by the content and intent of the messages themselves. If the messages managers send are to have the impact hoped for, they must come from a source the receiver knows, respects, and understands.

## Managers' Greatest Challenge

Every manager knows communication is vital, but every manager also seems to "know" that she is great at it. Managers' greatest challenge is to admit to flaws in their skill set and work tirelessly to improve them. First, managers must admit to the flaws.

Larkin and Larkin write, "Deep down, managers believe they are communicating effectively. In ten years of management consulting, we have never had a manager say to us that he or she was a poor communicator. They admit to the occasional screw-up, but overall, everyone, without exception, believes he or she is basically a good communicator."[23]

## Managers' Task as Professionals

As a professional manager, the first task is to recognize and understand one's strengths and weaknesses as a communicator. Until these communication tasks at which one is most and least skilled are identified, there will be little opportunity for improvement and advancement.

Foremost among managers' goals should be to improve existing skills. Improve one's ability to do what is done best. Be alert to opportunities, however, to develop new skills. Managers should add to their inventory of abilities to keep themselves employable and promotable.

Two other suggestions come to mind for improving managers' professional standing. First, acquire a knowledge base that will work for the years ahead. That means speaking with and listening to other professionals in their company, industry, and community. They should be alert to trends that could affect their company's products and services, as well as their own future.

It also means reading. Managers should read at least one national newspaper each day, including the *Wall Street Journal*, the *New York Times*, or the *Financial Times*, as well as a local newspaper. Their reading should include weekly news magazines, such as *U.S. News & World Report, Bloomberg's Business Week*, and the *Economist*. Subscribe to monthly magazines such as *Fast Company* and *Fortune*. And they should read at least one new hardcover title a month. A dozen books each year is the bare minimum on which one should depend for new ideas, insights, and managerial guidance.

Managers' final challenge is to develop the confidence needed to succeed as a manager, particularly under conditions of uncertainty, change, and challenge.

## ETHICS IN PRACTICE

### Disney and H-1B Visas

On January 30, 2015, The Walt Disney Company laid off 250 of its IT workers. In a letter to the laid-off workers, Disney outlined the conditions for receipt of a "stay bonus," which would entitle each worker to a lump-sum payment of 10% of her annual salary.

Of course, there was a catch. Only those workers who trained their replacements over a 90-day period would receive the bonus. One American worker in his 40s who agreed to Disney's severance terms explained how it worked in action:

> *"The first 30 days was all capturing what I did. The next 30 days, they worked side by side with me, and the last 30 days, they took over my job completely. I had to make sure they were doing my job correctly."*

To outside observers, this added insult to injury. It was bad enough to replace U.S. workers with cheaper, foreign labor. But to ask, let alone strong-arm, the laid-off workers into training their replacements seemed a bit much.

However unfortunate, layoffs are commonplace. But this was different. From the timing to the apparent neglect of employee pride, the sequence of events struck a nerve. For many, the issue was simple, and Disney's actions seemed wrong at a visceral level. As

criticism mounted, it became clear that this story would develop legs. Disney had a problem.

For David Powers and Leo Perrero, each a 10-year information technology (IT) veteran at Disney, the invitation came from a vice president of the company. It had to be good news, the men thought. After all, they were not far removed from strong performance reviews—perhaps they would be awarded performance bonuses. Well, not exactly. Leo Perrero, one of the summoned workers, explains what happened next.

"I'm in the room with about two-dozen people, and very shortly thereafter an executive delivers the news that all of our jobs are ending in 90 days, and that we have 90 days to train our replacements or we won't get a bonus that we've been offered."

Powers explained the deflating effect of the news: "When a guillotine falls down on you, in that moment you're dead . . . and I was dead."

These layoffs and the hiring of foreign workers under the H-1B program lay at the center of this issue. Initially introduced by the Immigration and Nationality Act of 1965, subsequent modifications produced the current iteration of the H-1B visa program in 1990. Importantly, at that time, the United States faced a shortage of skilled workers necessary to fill highly technical jobs. Enter the H-1B visa program as the solution. This program permits U.S. employers to temporarily employ foreign workers in highly specialized occupations. "Specialty occupations" are defined as those in the fields of architecture, engineering, mathematics, science, medicine, and others that require technical and skilled expertise.

Congress limited the number of H-1B visas issued to 85,000 per year. That total is divided into two subcategories: "65,000 new H-1B visas issued for overseas workers in professional or specialty occupation positions, and an additional 20,000 visas available for those with an advanced degree from a U.S. academic institution." Further, foreign workers are not able to apply for an H-1B visa. Instead, a U.S. employer must petition on their behalf no earlier than six months before the starting date of employment.

In order to be eligible for an employer to apply a foreign worker for an H-1B visa, the worker needed to meet certain requirements, such as an employee-employer relationship with the petitioning U.S. employer and a position in a specialty occupation related to the employee's field of study, where the employee must meet one of the following criteria: a bachelor's degree or the foreign equivalent of a bachelor's degree, a degree that is standard for the position, or previous qualified experience within the specialty occupation.

If approved, the initial term of the visa is three years, which may be extended an additional three years. While residing in the United States on an H-1B visa, a worker may apply to become a permanent resident and receive a green card, which would entitle the worker to remain indefinitely.

U.S. employers are required to file a Labor Condition Application (LCA) on behalf of each foreign worker they seek to employ. That application must be approved by the U.S. Department of Labor. The LCA requires the employer to assure that the foreign worker will be paid a wage and be provided working conditions and benefits that meet or exceed the local prevailing market and to assure that the foreign worker will not displace a U.S. worker in the employer's workforce.

Given these representations, U.S. employers have increasingly been criticized for abuse of the H-1B program. Most significantly, there is rising sentiment that U.S. employers are displacing domestic workers in favor of cheaper foreign labor. Research indicates that a U.S. worker's salary for these specialty occupations often exceeds $100,000, while that of a foreign worker is roughly $62,000 for the very same job. The latter figure is telling, since $60,000 is the threshold below which a salary would trigger a penalty.

Disney faced huge backlash and negative press because of the layoffs and hiring of foreign workers. Because of this, Disney had communication challenges, both internally and externally.

Disney executives framed the layoffs as part of a larger plan of reorganization intended to enable its IT division to focus on driving innovation. Walt Disney World spokesperson Jacquee Wahler gave the following explanation:

> *"We have restructured our global technology organization to significantly increase our cast member focus on future innovation and new capabilities, and are continuing to work with leading technical firms to maintain our existing systems as needed." (Italics added for emphasis.)*

That statement is consistent with a leaked memo drafted by Disney Parks and Resort CIO Tilak Mandadi, which he sent to select employees on November 10, 2014 (not including those who would be laid off), to explain the rationale for the impending layoffs. The memo read, in part, as follows:

> *"To enable a majority of our team to shift focus to new capabilities, we have executed five new managed services agreements to support testing services and application maintenance. Last week, we began working with both our internal subject matter experts and the suppliers to start transition planning for these agreements. We expect knowledge transfer to start later this month and last through January. Those Cast Members who are involved will be contacted in the next several weeks."*

Responding to the critical *New York Times* article, Disney represented that when all was said and done, the company had in fact produced a net jobs increase. According to Disney spokesperson Kim Prunty:

> *"Disney has created almost 30,000 new jobs in the U.S. over the past decade, and the recent changes to our parks' IT team resulted in a larger organization with 70 additional in-house positions in the U.S. External support firms are responsible for complying with all applicable employment laws for their employees."*

New jobs were promised due to the restructuring, Disney officials said, and employees targeted for termination were pushed to apply for those positions. According to a confidential Disney source, of the approximately 250 laid-off employees, 120 found new jobs within Disney, 40 took early retirement, and 90 were unable to secure new jobs with Disney.

On June 11, 2015, Senator Richard Durbin of Illinois and Senator Jeffrey Sessions of Alabama released a statement regarding a bipartisan letter issued to the attorney general, the Department Homeland Security, and the Department of Labor.

> *"A number of U.S. employers, including some large, well-known, publicly-traded corporations, have laid off thousands of American workers and replaced them with H-1B visa holders . . . . To add insult to injury, many of the replaced American employees report that they have been forced to train the foreign workers who are taking their jobs. That's just plain wrong and we'll continue to press the Administration to help solve this problem."*

In response to request for comment on the communications issues raised by the Disney layoffs and aftermath, *New York Times* columnist Julia Preston shared the following exclusive analysis:

> *"I would say Disney's handling of those lay-offs is a case study in how not to do things. But in the end it's not about the communications, it's about the company. Those layoffs showed a company that was not living up to its core vaunted family values and no amount of shouting by their communications folks could change the facts of what happened."*

**? questions for discussion**

1. Is it ethical for U.S. companies to lay off workers and hire foreign workers under the H-1B program? Should foreign countries restrict the hiring of foreign workers that meet their workforce requirements?
2. Discuss the internal and external communications that Disney employed in this situation. The examples here are of the formal written communications. What should Disney have been communicating verbally to their employees and externally?

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## ? concept check

1. What are the four components of communication discussed in this section?
2. Why is it important to understand your limitations in communicating to others and in larger groups?
3. Why should managers always strive to improve their skills?


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## 3.1.6: Summary

key terms

**communicator**
The individual, group, or organization that needs or wants to share information with another individual, group, or organization.

**decoding**
Interpreting and understanding and making sense of a message.

**encoding**
Translating a message into symbols or language that a receiver can understand.

**noise**
Anything that interferes with the communication process.

**receiver**
The individual, group, or organization for which information is intended.

**interaction attentiveness/ interaction involvement**
A measure of how the receiver of a message is paying close attention and is alert or observant.

**figurehead role**
A necessary **role** for a manager who wants to inspire people within the organization to feel connected to each other and to the institution, to support the policies and decisions made on behalf of the organization, and to work harder for the good of the institution.

### The Process of Managerial Communication

1. Understand and describe the communication process.

The basic model of interpersonal communication consists of an encoded message, a decoded message, feedback, and noise. Noise refers to the distortions that inhibit message clarity.

### Types of Communications in Organizations

1. Know the types of communications that occur in organizations.

Interpersonal communication can be oral, written, or nonverbal. Body language refers to conveying messages to others through such techniques as facial expressions, posture, and eye movements.

### Factors Affecting Communications and the Roles of Managers

1. Understand how power, status, purpose, and interpersonal skills affect communications in organizations.

Interpersonal communication is influenced by social situations, perception, interaction involvement, and organizational design. Organizational communication can travel upward, downward, or horizontally. Each direction of information flow has specific challenges.

### Managerial Communication and Corporate Reputation

1. Describe how corporate reputations are defined by how an organization communicates to all of its stakeholders.

It is important for managers to understand what your organization stands for (identity), what others think your organization is (reputation), and the contributions individuals can make to the success of the business considering their organization's existing

reputation. It is also about confidence—the knowledge that one can speak and write well, listen with great skill as others speak, and both seek out and provide the feedback essential to creating, managing, or changing their organization's reputation.

## The Major Channels of Management Communication Are Talking, Listening, Reading, and Writing

1. Describe the roles that managers perform in organizations.

There are special communication roles that can be identified. Managers may serve as gatekeepers, liaisons, or opinion leaders. They can also assume some combination of these roles. It is important to recognize that communication processes involve people in different functions and that all functions need to operate effectively to achieve organizational objectives.

### ? chapter review questions

1. Describe the communication process.
2. Why is feedback a critical part of the communication process?
3. What are some things that managers can do to reduce noise in communication?
4. Compare and contrast the three primary forms of interpersonal communication.
5. Describe the various individual communication roles in organizations.
6. How can managers better manage their effectiveness by managing e-mail communication?
7. Which communication roles are most important in facilitating managerial effectiveness?
8. Identify barriers to effective communication.
9. How can barriers to effective communication be overcome by managers?

### ? management skills application exercises

1. The e-mails below are not written as clearly or concisely as they could be. In addition, they may have problems in organization or tone or mechanical errors. Rewrite them so they are appropriate for the audience and their purpose. Correct grammatical and mechanical errors. Finally, add a subject line to each.

> ***E-Mail 1***
>
> *To: Employees of The Enormously Successful Corporation*
>
> *From: CEO of The Enormously Successful Corporation*
>
> *Subject:*
>
> *Stop bringing bottled soft drinks, juices and plastic straws to work. Its an environment problem that increases our waste and the quality of our water is great. People don't realize how much wasted energy goes into shipping all that stuff around, and plastic bottles, aluminum cans and straws are ruining our oceans and filling land fills. Have you seen the floating island of waste in the Pacific Ocean? Some of this stuff comes from other countries like Canada Dry I think is from canada and we are taking there water and Canadians will be thirsty. Fancy drinks isn't as good as the water we have and tastes better anyway.*

> ***E-Mail 2***
>
> *To: All Employees*
>
> *From: Management*
>
> *Subject:*

> *Our Committee to Improve Inter-Office Communication has decided that there needs to be an update and revision of our policy on emailing messages to and from those who work with us as employees of this company. The following are the results of the committee's decisions, and constitute recommendations for the improvement of every aspect of email communication.*
>
> 1. *Too much wordiness means people have to read the same thing over and over repeatedly, time after time. Eliminating unnecessary words, emails can be made to be shorter and more to the point, making them concise and taking less time to read.*
> 2. *You are only allowed to send and receive messages between 8:30 AM east coat time and 4:30 PM east coast time. You are also not allowed to read e-mails outside of these times. We know that for those of you on the west coast or traveling internationally it will reduce the time that you are allowed to attend to e-mail, but we need this to get it under control.*
> 3. *You are only allowed to have up to 3 recipients on each e-mail. If more people need to be informed it is up to the people to inform them.*

2. Write a self-evaluation that focuses specifically on your class participation in this course. Making comments during class allows you to improve your ability to speak extemporaneously, which is exactly what you will have to do in all kinds of business situations (e.g., meetings, asking questions at presentations, one-on-one conversations). Thus, write a short memo (two or three paragraphs) in which you describe the frequency with which you make comments in class, the nature of those comments, and what is easy and difficult for you when it comes to speaking up in class.

   If you have made few (or no) comments during class, this is a time for us to come up with a plan to help you overcome your shyness. Our experience is that as soon as a person talks in front of a group once or twice, it becomes much easier—so we need to come up with a way to help you break the ice.

   Finally, please comment on what you see as the strengths and weaknesses of your discussions and presentations in this class.

3. Refer to the photo in Figure 16.2.1. Comment on the body language exhibited by each person at the meeting and how engaged they are in the communication.
4. In the movie *The Martian*, astronaut Mark Watney (played by Matt Damon) is stranded on Mars with limited ability to communicate with mission control. Watney holds up questions to a camera that can transmit photographs of his questions, and mission control could respond by pointing the camera at a "yes" or "no" card with the camera. Eventually, they are able to exchange "text" messages but no voice exchanges. Also, there is a significant time delay between the sending and receipt of the messages. Which part of the communication process would have to be addressed to ensure that the encoding of the messages, the decoding of the messages, and that noise is minimized by Watney and mission control?

### ? managerial decision exercises

1. Ginni Rometty is the CEO of IBM. Shortly after taking on the role of CEO and being frustrated by the progress and sales performance, Rometty released a five-minute video to all 400,000 plus IBM employees criticizing the lack of securing deals to competitors and lashed out at the sales organization for poor sales in the preceding quarter. Six months later, Rometty sent another critical message, this time via e-mail. How effective will the video and e-mail be in communicating with employees? How should she follow up on these messages?
2. Social media, such as Facebook, is now widespread. Place yourself as a manager that has just received a "friend" request from one of your direct reports. Do you accept, reject, or ignore the request? Why, and what additional communication would you have regarding this with the employee?

3. During a cross-functional meeting, one of the attendees who reports to a manager who is also at the meeting accuses one of your reports of not being fit for the position she is in. You disagree and feel that your report is a good fit for her role. How do you handle this?

## Critical Thinking Case

### Facebook, Inc.

Facebook has been in the news with criticism of its privacy policies, sharing customer information with Fusion GPS, and criticism regarding the attempts to influence the 2016 election. In March 2014, Facebook released a study entitled "Experimental evidence of massive-scale emotional contagion through social networks." It was published in the *Proceedings of the National Academy of Sciences (PNAS)*, a prestigious, peer-reviewed scientific journal. The paper explains how social media can readily transfer emotional states from person to person through Facebook's News Feed platform. Facebook conducted an experiment on members to see how people would respond to changes in a percentage of both positive and negative posts. The results suggest that emotional contagion does occur online and that users' positive expressions can generate positive reactions, while, in turn, negative expressions can generate negative reactions.

Facebook has two separate value propositions aimed at two different markets with entirely different goals.

Originally, Facebook's main market was its end users—people looking to connect with family and friends. At first, it was aimed only at college students at a handful of elite schools. The site is now open to anyone with an Internet connection. Users can share status updates and photographs with friends and family. And all of this comes at no cost to the users.

Facebook's other major market is advertisers, who buy information about Facebook's users. The company regularly gathers data about page views and browsing behavior of users in order to display targeted advertisements to users for the benefit of its advertising partners.

The value proposition of the Facebook News Feed experiment was to determine whether emotional manipulation would be possible through the use of social networks. This clearly could be of great value to one of Facebook's target audiences—its advertisers.

The results suggest that the emotions of friends on social networks influence our own emotions, thereby demonstrating emotional contagion via social networks. Emotional contagion is the tendency to feel and express emotions similar to and influenced by those of others. Originally, it was studied by psychologists as the transference of emotions between two people.

According to Sandra Collins, a social psychologist and University of Notre Dame professor of management, it is clearly unethical to conduct psychological experiments without the informed consent of the test subjects. While tests do not always measure what the people conducting the tests claim, the subjects need to at least know that they are, indeed, part of a test. The subjects of this test on Facebook were not explicitly informed that they were participating in an emotional contagion experiment. Facebook did not obtain informed consent as it is generally defined by researchers, nor did it allow participants to opt-out.

When information about the experiment was released, the media response was overwhelmingly critical. Tech blogs, newspapers, and media reports reacted quickly.

Josh Constine of TechCrunch wrote:

> *" . . . there is some material danger to experiments that depress people. Some people who are at risk of depression were almost surely part of Facebook's study group that were shown a more depressing feed, which could be considered dangerous. Facebook will endure a whole new level of backlash if any of those participants were found to have committed suicide or had other depression-related outcomes after the study."*

The *New York Times* quoted Brian Blau, a technology analyst with the research firm Gartner, "Facebook didn't do anything illegal, but they didn't do right by their customers. Doing psychological testing on people crosses the line." Facebook should have informed its users, he said. "They keep on pushing the boundaries, and this is one of the reasons people are upset."

While some of the researchers have since expressed some regret about the experiment, Facebook as a company was unapologetic about the experiment. The company maintained that it received consent from its users through its terms of service. A Facebook

spokesperson defended the research, saying, “We do research to improve our services and make the content people see on Facebook as relevant and engaging as possible. . . . We carefully consider what research we do and have a strong internal review process.”

With the more recent events, Facebook is changing the privacy settings but still collects an enormous amount of information about its users and can use that information to manipulate what users see. Additionally, these items are not listed on Facebook’s main terms of service page. Users must click on a link inside a different set of terms to arrive at the data policy page, making these terms onerous to find. This positioning raises questions about how Facebook will employ its users’ behaviors in the future.

### ? critical thinking questions

1. How should Facebook respond to the 2014 research situation? How could an earlier response have helped the company avoid the 2018 controversies and keep the trust of its users?
2. Should the company promise to never again conduct a survey of this sort? Should it go even further and explicitly ban research intended to manipulate the responses of its users?
3. How can Facebook balance the concerns of its users with the necessity of generating revenue through advertising?
4. What processes or structures should Facebook establish to make sure it does not encounter these issues again?
5. Respond in writing to the issues presented in this case by preparing two documents: a communication strategy memo and a professional business letter to advertisers.

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# 3.2: The Roles Managers Play

**Learning Objectives**

1. What are the roles that managers play in organizations?

In Mintzberg's seminal study of managers and their jobs, he found the majority of them clustered around three core management roles.

## Interpersonal Roles

Managers are required to interact with a substantial number of people in the course of a workweek. They host receptions; take clients and customers to dinner; meet with business prospects and partners; conduct hiring and performance interviews; and form alliances, friendships, and personal relationships with many others. Numerous studies have shown that such relationships are the richest source of information for managers because of their immediate and personal nature.14

Three of a manager's roles arise directly from formal authority and involve basic interpersonal relationships. First is the **figurehead role**. As the head of an organizational unit, every manager must perform some ceremonial duties. In Mintzberg's study, chief executives spent 12% of their contact time on ceremonial duties; 17% of their incoming mail dealt with acknowledgments and requests related to their status. One example is a company president who requested free merchandise for a handicapped schoolchild.15

Managers are also responsible for the work of the people in their unit, and their actions in this regard are directly related to their role as a leader. The influence of managers is most clearly seen, according to Mintzberg, in the **leader** role. Formal authority vests them with great potential power. Leadership determines, in large part, how much power they will realize.16

Does the leader's role matter? Ask the employees of Chrysler Corporation (now DaimlerChrysler). When Lee Iacocca took over the company in the 1980s, the once-great auto manufacturer was in bankruptcy, teetering on the verge of extinction. He formed new relationships with the United Auto Workers, reorganized the senior management of the company, and—perhaps most importantly—convinced the U.S. federal government to guarantee a series of bank loans that would make the company solvent again. The loan guarantees, the union response, and the reaction of the marketplace were due in large measure to Iacocca's leadership style and personal charisma. More recent examples include the return of Starbucks founder Howard Schultz to reenergize and steer his company, and Amazon CEO Jeff Bezos and his ability to innovate during a downturn in the economy.17



Figure 3.2.1 Howard Schultz Howard Schultz, executive chairman of Starbucks Corporation, speaks after receiving the Distinguished Business Leadership Award during the Atlantic Council's Distinguished Leadership Awards dinner in Washington, D.C. The awards recognize pillars of the transatlantic relationship for their achievement in the fields of politics, military, business, humanitarian, and artistic leadership. (Credit: Chairman of the Joint Chief of Staff/ flickr/ Attribution 2.0 Generic (CC BY 2.0))

Popular management literature has had little to say about the **liaison** role until recently. This role, in which managers establish and maintain contacts outside the vertical chain of command, becomes especially important in view of the finding of virtually every study of managerial work that managers spend as much time with peers and other people outside of their units as they do with their own subordinates. Surprisingly, they spend little time with their own superiors. In Rosemary Stewart's study, 160 British middle and top managers spent 47% of their time with peers, 41% of their time with people inside their unit, and only 12% of their time with superiors. Guest's (1956) study of U.S. manufacturing supervisors revealed similar findings.18

## Informational Roles

Managers are required to gather, collate, analyze, store, and disseminate many kinds of information. In doing so, they become information resource centers, often storing huge amounts of information in their own heads, moving quickly from the role of gatherer to the role of disseminator in minutes. Although many business organizations install large, expensive management information systems to perform many of those functions, nothing can match the speed and intuitive power of a well-trained manager's brain for information processing. Not surprisingly, most managers prefer it that way.

As **monitors**, managers are constantly scanning the environment for information, talking with liaison contacts and subordinates, and receiving unsolicited information, much of it as a result of their network of personal contacts. A good portion of this information arrives in verbal form, often as gossip, hearsay, and speculation.

In the **disseminator** role, managers pass privileged information directly to subordinates, who might otherwise have no access to it. Managers must not only decide who should receive such information, but how much of it, how often, and in what form. Increasingly, managers are being asked to decide whether subordinates, peers, customers, business partners, and others should have direct access to information 24 hours a day without having to contact the manager directly.

In the **spokesperson** role, managers send information to people outside of their organizations: an executive makes a speech to lobby for an organizational cause, or a supervisor suggests a product modification to a supplier. Increasingly, managers are also being asked to deal with representatives of the news media, providing both factual and opinion-based responses that will be printed or broadcast to vast unseen audiences, often directly or with little editing. The risks in such circumstances are enormous, but so too are the potential rewards in terms of brand recognition, public image, and organizational visibility.

## Decisional Roles

Ultimately, managers are charged with the responsibility of making decisions on behalf of both the organization and the stakeholders with an interest in it. Such decisions are often made under circumstances of high ambiguity and with inadequate information. Often, the other two managerial roles—interpersonal and informational—will assist a manager in making difficult decisions in which outcomes are not clear and interests are often conflicting.

In the role of **entrepreneur**, managers seek to improve their businesses, adapt to changing market conditions, and react to opportunities as they present themselves. Managers who take a longer-term view of their responsibilities are among the first to realize that they will need to reinvent themselves, their product and service lines, their marketing strategies, and their ways of doing business as older methods become obsolete and competitors gain advantage.

While the entrepreneur role describes managers who initiate change, the **disturbance** or **crisis handler** role depicts managers who must involuntarily react to conditions. Crises can arise because bad managers let circumstances deteriorate or spin out of control, but just as often good managers find themselves in the midst of a crisis that they could not have anticipated but must react to just the same.

The third decisional role of **resource allocator** involves managers making decisions about who gets what, how much, when, and why. Resources, including funding, equipment, human labor, office or production space, and even the boss's time are all limited, and demand inevitably outstrips supply. Managers must make sensible decisions about such matters while still retaining, motivating, and developing the best of their employees.




Figure 3.2.2: Thomas Pendergast Thomas F. Prendergast, the president of the Metropolitan Transit Authority of New York State, updates media on today's labor negotiations with the LIRR unions. In his role negotiating a new contract with the union, he must take on several managerial roles. (Credit: Metropolitan Transit Authority of New York State/ flickr/ Attribution 2.0 Generic (CC BY 2.0))

The final decisional role is that of **negotiator**. Managers spend considerable amounts of time in negotiations: over budget allocations, labor and collective bargaining agreements, and other formal dispute resolutions. In the course of a week, managers will often make dozens of decisions that are the result of brief but important negotiations between and among employees, customers and clients, suppliers, and others with whom managers must deal.19 A visual interpretation of the roles managers play is illustrated in Figure 3.2.3

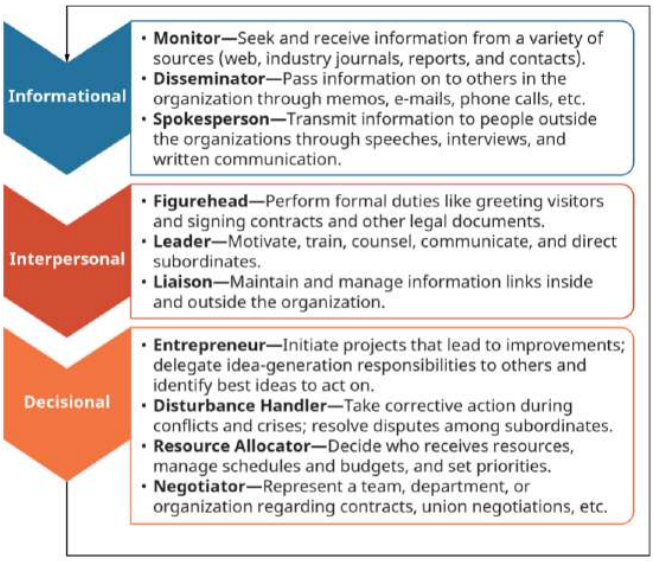



Figure 3.2.3: The Roles Managers Play (Attribution: Copyright Rice University, OpenStax, under CC-BY 4.0 license)

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# 3.3: Relationships at Work

**Learning Objectives**

1. List the different types of workplace relationships.
2. Describe the communication patterns in the supervisor-subordinate relationship.
3. Describe the different types of peer coworker relationships.
4. Evaluate the positives and negatives of workplace romances.

Although some careers require less interaction than others, all jobs require interpersonal communication skills. Shows like *The Office* and *The Apprentice* offer glimpses into the world of workplace relationships. These humorous examples often highlight the dysfunction that can occur within a workplace. Since many people spend as much time at work as they do with their family and friends, the workplace becomes a key site for relational development. The workplace relationships we'll discuss in this section include supervisor-subordinate relationships, workplace friendships, and workplace romances (Sias, 2009).

## Supervisor-Subordinate Relationships

Given that most workplaces are based on hierarchy, it is not surprising that relationships between supervisors and their subordinates develop (Sias, 2009). The supervisor-subordinate relationship can be primarily based in mentoring, friendship, or romance and includes two people, one of whom has formal authority over the other. In any case, these relationships involve some communication challenges and rewards that are distinct from other workplace relationships.

Information exchange is an important part of any relationship, whether it is self-disclosure about personal issues or disclosing information about a workplace to a new employee. Supervisors are key providers of information, especially for newly hired employees who have to negotiate through much uncertainty as they are getting oriented. The role a supervisor plays in orienting a new employee is important, but it is not based on the same norm of reciprocity that many other relationships experience at their onset. On a first date, for example, people usually take turns communicating as they learn about each other. Supervisors, on the other hand, have information power because they possess information that the employees need to do their jobs. The imbalanced flow of communication in this instance is also evident in the supervisor's role as evaluator. Most supervisors are tasked with giving their employees formal and informal feedback on their job performance. In this role, positive feedback can motivate employees, but what happens when a supervisor has negative feedback? Research shows that supervisors are more likely to avoid giving negative feedback if possible, even though negative feedback has been shown to be more important than positive feedback for employee development. This can lead to strains in a relationship if behavior that is in need of correcting persists, potentially threatening the employer's business and the employee's job.

We're all aware that some supervisors are better than others and may have even experienced working under good and bad bosses. So what do workers want in a supervisor? Research has shown that employees more positively evaluate supervisors when they are of the same gender and race (Sias, 2009). This isn't surprising, given that we've already learned that attraction is often based on similarity. In terms of age, however, employees prefer their supervisors be older than them, which is likely explained by the notion that knowledge and wisdom come from experience built over time. Additionally, employees are more satisfied with supervisors who exhibit a more controlling personality than their own, likely because of the trust that develops when an employee can trust that their supervisor can handle his or her responsibilities. Obviously, if a supervisor becomes coercive or is an annoying micromanager, the controlling has gone too far. High-quality supervisor-subordinate relationships in a workplace reduce employee turnover and have an overall positive impact on the organizational climate (Sias, 2005). Another positive effect of high-quality supervisor-subordinate relationships is the possibility of mentoring.

The mentoring relationship can be influential in establishing or advancing a person's career, and supervisors are often in a position to mentor select employees. In a mentoring relationship, one person functions as a guide, helping another navigate toward career goals (Sias, 2009). Through workplace programs or initiatives sponsored by professional organizations, some mentoring relationships are formalized. Informal mentoring relationships develop as shared interests or goals bring two people together. Unlike regular relationships between a supervisor and subordinate that focus on a specific job or tasks related to a job, the mentoring relationship is more extensive. In fact, if a mentoring relationship succeeds, it is likely that the two people will be separated as the mentee is promoted within the organization or accepts a more advanced job elsewhere—especially if the mentoring

relationship was formalized. Mentoring relationships can continue in spite of geographic distance, as many mentoring tasks can be completed via electronic communication or through planned encounters at conferences or other professional gatherings. Supervisors aren't the only source of mentors, however, as peer coworkers can also serve in this role.

## Workplace Friendships

Relationships in a workplace can range from someone you say hello to almost daily without knowing her or his name, to an acquaintance in another department, to your best friend that you go on vacations with. We've already learned that proximity plays an important role in determining our relationships, and most of us will spend much of our time at work in proximity to and sharing tasks with particular people. However, we do not become friends with all our coworkers.

As with other relationships, perceived similarity and self-disclosure play important roles in workplace relationship formation. Most coworkers are already in close proximity, but they may break down into smaller subgroups based on department, age, or even whether or not they are partnered or have children (Sias, 2005). As individuals form relationships that extend beyond being acquaintances at work, they become peer coworkers. A peer coworker relationship refers to a workplace relationship between two people who have no formal authority over the other and are interdependent in some way. This is the most common type of interpersonal workplace relationship, given that most of us have many people we would consider peer coworkers and only one supervisor (Sias, 2005).

Peer coworkers can be broken down into three categories: information, collegial, and special peers (Sias, 2005). Information peers communicate about work-related topics only, and there is a low level of self-disclosure and trust. These are the most superficial of the peer coworker relationships, but that doesn't mean they are worthless. Almost all workplace relationships start as information peer relationships. As noted, information exchange is an important part of workplace relationships, and information peers can be very important in helping us through the day-to-day functioning of our jobs. We often form information peers with people based on a particular role they play within an organization. Communicating with a union representative, for example, would be an important information-based relationship for an employee. Collegial peers engage in more self-disclosure about work and personal topics and communicate emotional support. These peers also provide informal feedback through daily conversations that help the employee develop a professional identity (Sias, 2009). In an average-sized workplace, an employee would likely have several people they consider collegial peers. Special peers have high levels of self-disclosure with relatively few limitations and are highly interdependent in terms of providing emotional and professional support for one another (Kram & Isabella, 1985). Special peer relationships are the rarest and mirror the intimate relationships we might have with a partner, close sibling, or parent. As some relationships with information peers grow toward collegial peers, elements of a friendship develop.



Figure 3.3.1: Having coworkers who are also friends enhances information exchange and can lead to greater job satisfaction. Chris Hunkeler – Three Coworkers – CC BY-SA 2.0.

Even though we might not have a choice about whom we work with, we do choose who our friends at work will be. Coworker relationships move from strangers to friends much like other friendships. Perceived similarity may lead to more communication about workplace issues, which may lead to self-disclosure about non-work-related topics, moving a dyad from acquaintances to friends. Coworker friendships may then become closer as a result of personal or professional problems. For example, talking about

family or romantic troubles with a coworker may lead to increased closeness as self-disclosure becomes deeper and more personal. Increased time together outside of work may also strengthen a workplace friendship (Sias & Cahill, 1998). Interestingly, research has shown that close friendships are more likely to develop among coworkers when they perceive their supervisor to be unfair or unsupportive. In short, a bad boss apparently leads people to establish closer friendships with coworkers, perhaps as a way to get the functional and relational support they are missing from their supervisor.

Friendships between peer coworkers have many benefits, including making a workplace more intrinsically rewarding, helping manage job-related stress, and reducing employee turnover. Peer friendships may also supplement or take the place of more formal mentoring relationships (Sias & Cahill, 1998). Coworker friendships also serve communicative functions, creating an information chain, as each person can convey information they know about what's going on in different areas of an organization and let each other know about opportunities for promotion or who to avoid. Friendships across departmental boundaries in particular have been shown to help an organization adapt to changing contexts. Workplace friendships may also have negative effects. Obviously information chains can be used for workplace gossip, which can be unproductive. Additionally, if a close friendship at work leads someone to continue to stay in a job that they don't like for the sake of the friendship, then the friendship is not serving the interests of either person or the organization. Although this section has focused on peer coworker friendships, some friendships have the potential to develop into workplace romances.

## Romantic Workplace Relationships

Workplace romances involve two people who are emotionally and physically attracted to one another (Sias, 2009). We don't have to look far to find evidence that this relationship type is the most controversial of all the workplace relationships. For example, the president of the American Red Cross was fired in 2007 for having a personal relationship with a subordinate. That same year, the president of the World Bank resigned after controversy over a relationship with an employee (Boyd, 2010). So what makes these relationships so problematic?

Some research supports the claim that workplace romances are bad for business, while other research claims workplace romances enhance employee satisfaction and productivity. Despite this controversy, workplace romances are not rare or isolated, as research shows 75 to 85 percent of people are affected by a romantic relationship at work as a participant or observer (Sias, 2009). People who are opposed to workplace romances cite several common reasons. More so than friendships, workplace romances bring into the office emotions that have the potential to become intense. This doesn't mesh well with a general belief that the workplace should not be an emotional space. Additionally, romance brings sexuality into workplaces that are supposed to be asexual, which also creates a gray area in which the line between sexual attraction and sexual harassment is blurred (Sias, 2009). People who support workplace relationships argue that companies shouldn't have a say in the personal lives of their employees and cite research showing that workplace romances increase productivity. Obviously, this is not a debate that we can settle here. Instead, let's examine some of the communicative elements that affect this relationship type.

Individuals may engage in workplace romances for many reasons, three of which are job motives, ego motives, and love motives (Sias, 2009). Job motives include gaining rewards such as power, money, or job security. Ego motives include the "thrill of the chase" and the self-esteem boost one may get. Love motives include the desire for genuine affection and companionship. Despite the motives, workplace romances impact coworkers, the individuals in the relationship, and workplace policies. Romances at work may fuel gossip, especially if the couple is trying to conceal their relationship. This could lead to hurt feelings, loss of trust, or even jealousy. If coworkers perceive the relationship is due to job motives, they may resent the appearance of favoritism and feel unfairly treated. The individuals in the relationship may experience positive effects such as increased satisfaction if they get to spend time together at work and may even be more productive. Romances between subordinates and supervisors are more likely to slow productivity. If a relationship begins to deteriorate, the individuals may experience more stress than other couples would, since they may be required to continue to work together daily.

Over the past couple decades, there has been a national discussion about whether or not organizations should have policies related to workplace relationships, and there are many different opinions. Company policies range from complete prohibition of romantic relationships, to policies that only specify supervisor-subordinate relationships as off-limits, to policies that don't prohibit but discourage love affairs in the workplace (Sias, 2009). One trend that seeks to find middle ground is the "love contract" or "dating waiver" (Boyd, 2010). This requires individuals who are romantically involved to disclose their relationship to the company and sign a document saying that it is consensual and they will not engage in favoritism. Some businesses are taking another route and

encouraging workplace romances. Southwest Airlines, for example, allows employees of any status to date each other and even allows their employees to ask passengers out on a date. Other companies like AT&T and Ben and Jerry's have similar open policies (Boyd, 2010).

## Key Takeaways

- The supervisor-subordinate relationship includes much information exchange that usually benefits the subordinate. However, these relationships also have the potential to create important mentoring opportunities.
- Peer coworker relationships range from those that are purely information based to those that are collegial and include many or all of the dimensions of a friendship.
- Workplace romances are controversial because they bring the potential for sexuality and intense emotions into the workplace, which many people find uncomfortable. However, research has shown that these relationships also increase employee satisfaction and productivity in some cases.

## Exercises

1. Describe a relationship that you have had where you were either the mentor or the mentee. How did the relationship form? What did you and the other person gain from the relationship?
2. Think of a job you have had and try to identify someone you worked with who fit the characteristics of an information and a collegial peer. Why do you think the relationship with the information peer didn't grow to become a collegial peer? What led you to move from information peer to collegial peer with the other person? Remember that special peers are the rarest, so you may not have an experience with one. If you do, what set this person apart from other coworkers that led to such a close relationship?
3. If you were a business owner, what would your policy on workplace romances be and why?

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# 3.4: The Dark Side of Relationships

**Learning Objectives**

1. Define the dark side of relationships.
2. Explain how lying affects relationships.
3. Explain how sexual and emotional cheating affects relationships.
4. Define the various types of interpersonal violence and explain how they are similar and different.

In the course of a given day, it is likely that we will encounter the light and dark sides of interpersonal relationships. So what constitutes the dark side of relationships? There are two dimensions of the dark side of relationships: one is the degree to which something is deemed acceptable or not by society; the other includes the degree to which something functions productively to improve a relationship or not (Spitzberg & Cupach, 2007). These dimensions become more complicated when we realize that there can be overlap between them, meaning that it may not always be easy to identify something as exclusively light or dark.

Some communication patterns may be viewed as appropriate by society but still serve a relationally destructive function. Our society generally presumes that increased understanding of a relationship and relational partner would benefit the relationship. However, numerous research studies have found that increased understanding of a relationship and relational partner may be negative. In fact, by avoiding discussing certain topics that might cause conflict, some couples create and sustain positive illusions about their relationship that may cover up a darker reality. Despite this, the couple may report that they are very satisfied with their relationship. In this case, the old saying “ignorance is bliss” seems appropriate. Likewise, communication that is presumed inappropriate by society may be productive for a given relationship (Spitzberg & Cupach, 2007). For example, our society ascribes to an ideology of openness that promotes honesty. However, as we will discuss more next, honesty may not always be the best policy. Lies intended to protect a relational partner (called altruistic lies) may net an overall positive result improving the functioning of a relationship.

## Lying

It’s important to start off this section by noting that lying doesn’t always constitute a “dark side” of relationships. Although many people have a negative connotation of lying, we have all lied or concealed information in order to protect the feelings of someone else. One research study found that only 27 percent of the participants agreed that a successful relationship must include complete honesty, which shows there is an understanding that lying is a communicative reality in all relationships (Spitzberg & Cupach, 2007). Given this reality, it is important to understand the types of lies we tell and the motivations for and consequences of lying.

We tend to lie more during the initiating phase of a relationship (Knapp, 2006). At this time, people may lie about their personality, past relationships, income, or skill sets as they engage in impression management and try to project themselves as likable and competent. For example, while on a first date, a person may lie and say they recently won an award at work. People sometimes rationalize these lies by exaggerating something that actually happened. So perhaps this person did get recognized at work, but it wasn’t actually an award. Lying may be more frequent at this stage, too, because the two people don’t know each other, meaning it’s unlikely the other person would have any information that would contradict the statement or discover the lie. Aside from lying to make ourselves look better, we may also lie to make someone else feel better. Although trustworthiness and honesty have been listed by survey respondents as the most desired traits in a dating partner, total honesty in some situations could harm a relationship (Knapp, 2006). Altruistic lies are lies told to build the self-esteem of our relational partner, communicate loyalty, or bend the truth to spare someone from hurtful information. Part of altruistic lying is telling people what they want to hear. For example, you might tell a friend that his painting is really pretty when you don’t actually see the merit of it, or tell your mom you enjoyed her meatloaf when you really didn’t. These other-oriented lies may help maintain a smooth relationship, but they could also become so prevalent that the receiver of the lies develops a skewed self-concept and is later hurt. If your friend goes to art school only to be heavily critiqued, did your altruistic lie contribute to that?



Figure 3.4.1: Some lies are meant to protect someone or make someone feel better. Pamela Jackson – crossed fingers – CC BY-NC-ND 2.0.

As we grow closer to someone, we lie less frequently, and the way we go about lying also changes. In fact, it becomes more common to conceal information than to verbally deceive someone outright. We could conceal information by avoiding communication about subjects that could lead to exposure of the lie. When we are asked a direct question that could expose a lie, we may respond equivocally, meaning we don't really answer a question (Knapp, 2006). When we do engage in direct lying in our close relationships, there may be the need to tell supplemental lies to maintain the original lie. So what happens when we suspect or find out that someone is lying?

Research has found that we are a little better at detecting lies than random chance, with an average of about 54 percent detection (Knapp, 2006). In addition, couples who had been together for an average of four years were better at detecting lies in their partner than were friends they had recently made (Comadena, 1982). This shows that closeness can make us better lie detectors. But closeness can also lead some people to put the relationship above the need for the truth, meaning that a partner who suspects the other of lying might intentionally avoid a particular topic to avoid discovering a lie. Generally, people in close relationships also have a truth bias, meaning they think they know their relational partners and think positively of them, which predisposes them to believe their partner is telling the truth. Discovering lies can negatively affect both parties and the relationship as emotions are stirred up, feelings are hurt, trust and commitment are lessened, and perhaps revenge is sought.

## Sexual and Emotional Cheating

Extradyadic romantic activity (ERA) includes sexual or emotional interaction with someone other than a primary romantic partner. Given that most romantic couples aim to have sexually exclusive relationships, ERA is commonly referred to as *cheating* or *infidelity* and viewed as destructive and wrong. Despite this common sentiment, ERA is not a rare occurrence. Comparing data from more than fifty research studies shows that about 30 percent of people report that they have cheated on a romantic partner, and there is good reason to assume that the actual number is higher than that (Tafoya & Spitzberg, 2007).

Although views of what is considered "cheating" vary among cultures and individual couples, sexual activity outside a primary partnership equates to cheating for most. Emotional infidelity is more of a gray area. While some individuals who are secure in their commitment to their partner may not be bothered by their partner's occasional flirting, others consider a double-glance by a partner at another attractive person a violation of the trust in the relationship. You only have to watch a few episodes of *The Jerry Springer Show* to see how actual or perceived infidelity can lead to jealousy, anger, and potentially violence. While research supports the general belief that infidelity leads to conflict, violence, and relational dissatisfaction, it also shows that there is a small percentage of relationships that are unaffected or improve following the discovery of infidelity (Spitzberg & Cupach, 2007). This again shows the complexity of the dark side of relationships.

The increase in technology and personal media has made extradyadic relationships somewhat easier to conceal, since smartphones and laptops can be taken anywhere and people can communicate to fulfill emotional and/or sexual desires. In some cases, this may only be to live out a fantasy and may not extend beyond electronic communication. But is sexual or emotional computer-mediated communication considered cheating? You may recall the case of former Congressman Anthony Weiner, who resigned his position

in the US House of Representatives after it was discovered that he was engaging in sexually explicit communication with people using Twitter, Facebook, and e-mail. The view of this type of communication as a dark side of relationships is evidenced by the pressure put on Weiner to resign. So what leads people to engage in ERA? Generally, ERA is triggered by jealousy, sexual desire, or revenge (Tafoya & Spitzberg, 2007).

Jealousy, as we will explore more later, is a complicated part of the emotional dark side of interpersonal relationships. Jealousy may also motivate or justify ERA. Let's take the following case as an example. Julie and Mohammed have been together for five years. Mohammed's job as a corporate communication consultant involves travel to meet clients and attend conferences. Julie starts to become jealous when she meets some of Mohammed's new young and attractive coworkers. Julie's jealousy builds as she listens to Mohammed talk about the fun he had with them during his last business trip. The next time Mohammed goes out of town, Julie has a one-night-stand and begins to drop hints about it to Mohammed when he returns. In this case, Julie is engaging in counterjealousy induction—meaning she cheated on Mohammed in order to elicit in him the same jealousy she feels. She may also use jealousy as a justification for her ERA, claiming that the jealous state induced by Mohammed's behavior caused her to cheat.

Sexual desire can also motivate or be used to justify ERA. Individuals may seek out sexual activity to boost their self-esteem or prove sexual attractiveness. In some cases, sexual incompatibility with a partner such as different sex drives or sexual interests can motivate or be used to justify ERA. Men and women may seek out sexual ERA for the thrill of sexual variety, and affairs can have short-term positive effects on emotional states as an individual relives the kind of passion that often sparks at the beginning of a relationship (Buunk & Dijkstra, 2006). However, the sexual gratification and emotional exhilaration of an affair can give way to a variety of negative consequences for psychological and physical health. In terms of physical health, increased numbers of sexual partners increases one's risk for contracting sexually transmitted infections (STIs) and may increase the chance for unplanned pregnancy. While sexual desire is a strong physiological motive for ERA, revenge is a strong emotional motive.

Engaging in ERA to get revenge may result from a sense of betrayal by a partner and a desire to get back at them. In some cases, an individual may try to make the infidelity and the revenge more personal by engaging in ERA with a relative, friend, or ex of their partner. In general, people who would engage in this type of behavior are predisposed to negative reciprocity as a way to deal with conflict and feel like getting back at someone is the best way to get justice. Whether it is motivated by jealousy, sexual desire, or revenge, ERA has the potential to stir up emotions from the dark side of relationships. Emotionally, anxiety about being "found out" and feelings of guilt and shame by the person who had the affair may be met with feelings of anger, jealousy, or betrayal from the other partner.

## Anger and Aggression

We only have to look at some statistics to get a startling picture of violence and aggression in our society: 25 percent of workers are chronically angry; 60 percent of people experience hurt feelings more than once a month; 61 percent of children have experienced rejection at least once in the past month; 25 percent of women and 16 percent of men have been stalked; 46 percent of children have been hit, shoved, kicked, or tripped in the past month; and nearly two million people report being the victim of workplace violence each year (Spitzberg & Cupach, 2007; Occupational Safety and Healthy and Safety Administration, 2011). Violence and abuse definitely constitute a dark side of interpersonal relationships. Even though we often focus on the physical aspects of violence, communication plays an important role in contributing to, preventing, and understanding interpersonal violence. Unlike violence that is purely situational, like a mugging, interpersonal violence is constituted within ongoing relationships, and it is often not an isolated incident (Johnson, 2006). Violence occurs in all types of relationships, but our discussion focuses on intimate partner violence and family violence.

Intimate partner violence (IPV) refers to physical, verbal, and emotional violence that occurs between two people who are in or were recently in a romantic relationship. In order to understand the complexity of IPV, it is important to understand that there are three types: intimate terrorism, violent resistance, and situational couple violence (Johnson, 2006). While control is often the cause of violence, it is usually short-term control (e.g., a threat to get you to turn over your money during a mugging). In intimate terrorism (IT), one partner uses violence to have general control over the other. The quest for control takes the following forms: economic abuse by controlling access to money; using children by getting them on the abuser's side and turning them against the abused partner or threatening to hurt or take children away; keeping the abused partner in isolation from their friends and family; and emotional abuse by degrading self-esteem and intimidating the other partner.

Violent resistance (VR) is another type of violence between intimate partners and is often a reaction or response to intimate terrorism (IT). The key pattern in VR is that the person resisting uses violence as a response to a partner that is violent and controlling; however, the resistor is not attempting to control. In short, VR is most often triggered by living with an intimate terrorist. There are very clear and established gender influences on these two types of violence. The overwhelming majority of IT violence is committed by men and directed toward women, and most VR is committed by women and directed at men who are intimate terrorists. Statistics on violence show that more than one thousand women a year are killed by their male partners, while three hundred men are killed by their female partners, mostly as an act of violent resistance to ongoing intimate terrorism (Johnson, 2006). The influence of gender on the third type of IPV is not as uneven.

Situational couple violence (SCV) is the most common type of IPV and does not involve a quest for control in the relationship. Instead, SCV is provoked by a particular situation that is emotional or difficult that leads someone to respond or react with violence. SCV can play out in many ways, ranging from more to less severe and isolated to frequent. Even if SCV is frequent and severe, the absence of a drive for control distinguishes it from intimate terrorism. This is the type of violence we most often imagine when we hear the term *domestic violence*. However, domestic violence doesn't capture the various ways that violence plays out between people, especially the way intimate terrorism weaves its way into all aspects of a relationship. Domestic violence also includes other types of abuse such as child-to-parent abuse, sibling abuse, and elder abuse.

Child abuse is another type of interpersonal violence that presents a serious problem in the United States, with over one million cases confirmed yearly by Child Protective Services (Morgan & Wilson, 2007). But what are the communicative aspects of child abuse? Research has found that one interaction pattern related to child abuse is evaluation and attribution of behavior (Morgan & Wilson, 2007). As you'll recall from our earlier discussion, attributions are links we make to identify the cause of a behavior. In the case of abusive parents, they are not as able to distinguish between mistakes and intentional behaviors, often seeing honest mistakes as intended and reacting negatively to the child. Abusive parents also communicate generally negative evaluations to their child by saying, for example, "You can't do anything right!" or "You're a bad girl." When children do exhibit positive behaviors, abusive parents are more likely to use external attributions, which diminish the achievement of the child by saying, for example, "You only won because the other team was off their game." In general, abusive parents have unpredictable reactions to their children's positive and negative behavior, which creates an uncertain and often scary climate for a child. Other negative effects of child abuse include lower self-esteem and erratic or aggressive behavior. Although we most often think of children as the targets of violence, they can also be perpetrators.

Reports of adolescent-to-parent abuse are increasing, although there is no reliable statistic on how prevalent this form of domestic violence is, given that parents may be embarrassed to report it or may hope that they can handle the situation themselves without police intervention. Adolescent-to-parent abuse usually onsets between ages ten and fourteen (Eckstein, 2007). Mothers are more likely to be the target of this abuse than fathers, and when the abuse is directed at fathers, it most often comes from sons. Abusive adolescents may also direct their aggression at their siblings. Research shows that abusive adolescents are usually not reacting to abuse directed at them. Parents report that their children engage in verbal, emotional, and physical attacks in order to wear them down to get what they want.



Figure 3.4.2: Aggression and even abuse directed from child to parent is becoming more of an issue. The Mighty Tim Inconnu – Aggressive Children – CC BY 2.0.

While physical violence has great potential for causing injury or even death, psychological and emotional abuse can also be present in any relationship form. A statistic I found surprising states that almost all people have experienced at least one incident of psychological or verbal aggression from a current or past dating partner (Dailey, Lee, & Spitzberg, 2007). Psychological abuse is most often carried out through communicative aggression, which is recurring verbal or nonverbal communication that significantly and negatively affects a person's sense of self. The following are examples of communicative aggression (Dailey, Lee, & Spitzberg, 2007):

- Degrading (humiliating, blaming, berating, name-calling)
- Physically or emotionally withdrawing (giving someone the cold shoulder, neglecting)
- Restricting another person's actions (overmonitoring/controlling money or access to friends and family)
- Dominating (bossing around, controlling decisions)
- Threatening physical harm (threatening self, relational partner, or friends/family/pets of relational partner)

While incidents of communicative aggression might not reach the level of abuse found in an intimate terrorism situation, it is a pervasive form of abuse. Even though we may view physical or sexual abuse as the most harmful, research indicates that psychological abuse can be more damaging and have more wide-ranging and persistent effects than the other types of abuse (Dailey, Lee, & Spitzberg, 2007). Psychological abuse can lead to higher rates of depression, anxiety, stress, eating disorders, and attempts at suicide. The discussion of the dark side of relationships shows us that communication can be hurtful on a variety of fronts.

### "Getting Competent"

Handling Communicative Aggression at Work

Workplace bullying is a form of communicative aggression that occurs between coworkers as one employee (the bully) attempts to degrade, intimidate, or humiliate another employee (the target), and research shows that one in three adults has experienced workplace bullying (Petrecca, 2010). In fact, there is an organization called Civility Partners, LLC devoted to ending workplace bullying—you can visit their website at http://www.noworkplacebullies.com/home. This type of behavior has psychological and emotional consequences, but it also has the potential to damage a company's reputation and finances. While there are often mechanisms in place to help an employee deal with harassment—reporting to Human Resources for example—the situation may be trickier if the bully is your boss. In this case, many employees may be afraid to complain for fear of retaliation like getting fired, and transferring to another part of the company or getting another job altogether is a less viable option in a struggling economy. Apply the communication concepts you've learned so far to address the following questions.

1. How can you distinguish between a boss who is demanding or a perfectionist and a boss who is a bully?
2. If you were being bullied by someone at work, what would you do?

## Key Takeaways

- The dark side of relationships exists in relation to the light side and includes actions that are deemed unacceptable by society at large and actions that are unproductive for those in the relationship.
- Lying does not always constitute a dark side of relationships, as altruistic lies may do more good than harm. However, the closer a relationship, the more potential there is for lying to have negative effects.
- Extradyadic romantic activity involves sexual or emotional contact with someone other than a primary romantic partner and is most often considered cheating or infidelity and can result in jealousy, anger, or aggression.
- There are three main types of intimate partner violence (IPV).
  - Intimate terrorism (IT) involves violence used to have general control over the other person.
  - Violent resistance (VR) is usually a response or reaction to violence from an intimate terrorist.
  - Situational couple violence (SCV) is the most common type of IPV and is a reaction to stressful situations and does not involve a quest for control.
- Communicative aggression is recurring verbal or nonverbal communication that negatively affects another person's sense of self and can take the form of verbal, psychological, or emotional abuse.

## Exercises

1. Describe a situation in which lying affected one of your interpersonal relationships. What was the purpose of the lie and how did the lie affect the relationship?
2. How do you think technology has affected extradyadic romantic activity?
3. Getting integrated: In what ways might the "dark side of relationships" manifest in your personal relationships in academic contexts, professional contexts, and civic contexts?

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# 3.5: Factors Affecting Communications and the Roles of Managers

**Learning Objectives**

1. Understand how power, status, purpose, and interpersonal skills affect communications in organizations.

## The Roles Managers Play

In Mintzberg's seminal study of managers and their jobs, he found the majority of them clustered around three core management roles.[5]

### Interpersonal Roles

Managers are required to interact with a substantial number of people during a workweek. They host receptions; take clients and customers to dinner; meet with business prospects and partners; conduct hiring and performance interviews; and form alliances, friendships, and personal relationships with many others. Numerous studies have shown that such relationships are the richest source of information for managers because of their immediate and personal nature.[6]

Three of a manager's roles arise directly from formal authority and involve basic interpersonal relationships. First is the figurehead role. As the head of an organizational unit, every manager must perform some ceremonial duties. In Mintzberg's study, chief executives spent 12% of their contact time on ceremonial duties; 17% of their incoming mail dealt with acknowledgments and requests related to their status. One example is a company president who requested free merchandise for a handicapped schoolchild.[7]

Managers are also responsible for the work of the people in their unit, and their actions in this regard are directly related to their role as a leader. The influence of managers is most clearly seen, according to Mintzberg, in the leader role. Formal authority vests them with great potential power. Leadership determines, in large part, how much power they will realize.

Does the leader's role matter? Ask the employees of Chrysler Corporation (now Fiat Chrysler). When Sergio Marchionne, who passed away in 2018, took over the company in the wake of the financial crisis, the once-great auto manufacturer was in bankruptcy, teetering on the verge of extinction. He formed new relationships with the United Auto Workers, reorganized the senior management of the company, and—perhaps, most importantly—convinced the U.S. federal government to guarantee a series of bank loans that would make the company solvent again. The loan guarantees, the union response, and the reaction of the marketplace, especially for the Jeep brand, were due in large measure to Marchionne's leadership style and personal charisma. More recent examples include the return of Starbucks founder Howard Schultz to reenergize and steer his company and Amazon CEO Jeff Bezos and his ability to innovate during a downturn in the economy.[8]

Popular management literature has had little to say about the liaison role until recently. This role, in which managers establish and maintain contacts outside the vertical chain of command, becomes especially important in view of the finding of virtually every study of managerial work that managers spend as much time with peers and other people outside of their units as they do with their own subordinates. Surprisingly, they spend little time with their own superiors. In Rosemary Stewart's (1967) study, 160 British middle and top managers spent 47% of their time with peers, 41% of their time with people inside their unit, and only 12% of their time with superiors. Guest's (1956) study of U.S. manufacturing supervisors revealed similar findings.

### Informational Roles

Managers are required to gather, collate, analyze, store, and disseminate many kinds of information. In doing so, they become information resource centers, often storing huge amounts of information in their own heads, moving quickly from the role of gatherer to the role of disseminator in minutes. Although many business organizations install large, expensive management information systems to perform many of those functions, nothing can match the speed and intuitive power of a well-trained manager's brain for information processing. Not surprisingly, most managers prefer it that way.

As monitors, managers are constantly scanning the environment for information, talking with liaison contacts and subordinates, and receiving unsolicited information, much of it because of their network of personal contacts. A good portion of this information arrives in verbal form, often as gossip, hearsay, and speculation.[9]

In the disseminator role, managers pass privileged information directly to subordinates, who might otherwise have no access to it. Managers must decide not only who should receive such information, but how much of it, how often, and in what form. Increasingly, managers are being asked to decide whether subordinates, peers, customers, business partners, and others should have direct access to information 24 hours a day without having to contact the manager directly.[10]

In the spokesperson role, managers send information to people outside of their organizations: an executive makes a speech to lobby for an organizational cause, or a supervisor suggests a product modification to a supplier. Increasingly, managers are also being asked to deal with representatives of the news media, providing both factual and opinion-based responses that will be printed or broadcast to vast unseen audiences, often directly or with little editing. The risks in such circumstances are enormous, but so too are the potential rewards in terms of brand recognition, public image, and organizational visibility.[11]

### Decisional Roles

Ultimately, managers are charged with the responsibility of making decisions on behalf of both the organization and the stakeholders with an interest in it. Such decisions are often made under circumstances of high ambiguity and with inadequate information. Often, the other two managerial roles—interpersonal and informational—will assist a manager in making difficult decisions in which outcomes are not clear and interests are often conflicting.

In the role of entrepreneur, managers seek to improve their businesses, adapt to changing market conditions, and react to opportunities as they present themselves. Managers who take a longer-term view of their responsibilities are among the first to realize that they will need to reinvent themselves, their product and service lines, their marketing strategies, and their ways of doing business as older methods become obsolete and competitors gain advantage.

While the entrepreneur role describes managers who initiate change, the disturbance or crisis handler role depicts managers who must involuntarily react to conditions. Crises can arise because bad managers let circumstances deteriorate or spin out of control, but just as often good managers find themselves in the midst of a crisis that they could not have anticipated but must react to just the same.[12]

The third decisional role of resource allocator involves managers making decisions about who gets what, how much, when, and why. Resources, including funding, equipment, human labor, office or production space, and even the boss's time, are all limited, and demand inevitably outstrips supply. Managers must make sensible decisions about such matters while still retaining, motivating, and developing the best of their employees.

The final decisional role is that of negotiator. Managers spend considerable amounts of time in negotiations: over budget allocations, labor and collective bargaining agreements, and other formal dispute resolutions. During a week, managers will often make dozens of decisions that are the result of brief but important negotiations between and among employees, customers and clients, suppliers, and others with whom managers must deal.[13]

**? concept check**

1. What are the major roles that managers play in communicating with employees?
2. Why are negotiations often brought in to communications by managers?

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# 3.6: Speaking in Business Settings

**Learning Objectives**

1. Employ audience analysis to adapt communication to supervisors, colleagues, employees, and clients.
2. Explain the role of intercultural communication competence in intercultural business communication contexts.
3. Identify strategies for handling question-and-answer periods.
4. Identify strategies for effectively planning and delivering common business presentations, including briefings, reports, training, and meetings.

Most people's goal for a college degree is to work in a desired career field. Many of you are probably working while taking this class and already have experience with speaking in business settings. As you advance in your career, and potentially change career paths as many Americans do now, the nature of your communication and the contexts in which you speak will change. Today's workers must be able to adapt content, level of formality, and format to various audiences including the public, clients, and colleagues (Dannels, 2001). What counts as a good communicator for one audience and in one field may not in another. There is wide variety of research and resources related to business communication that cannot be included in this section. The International Association of Business Communicators is a good resource for people interested in a career in this area: http://www.iabc.com.

## Adapt to Your Audience

Speaking in business settings requires adaptability as a communicator. Hopefully the skills that you are building to improve your communication competence by taking this class will enable you to be adaptable and successful. The following suggestions for adapting to your audience are based on general characteristics; therefore expect variations and exceptions. A competent communicator can use categories and strategies like these as a starting point but must always monitor the communication taking place and adapt as needed. In many cases, you may have a diverse audience with supervisors, colleagues, and employees, in which case you would need to employ multiple strategies for effective business communication.

Even though much of the day-to-day communication within organizations is written in the form of memos, e-mails, and reports, oral communication has an important place. The increase in documentation is related to an epidemic of poor listening. Many people can't or don't try to retain information they receive aurally, while written communication provides a record and proof that all the required and detailed information was conveyed. An increase in written communication adds time and costs that oral communication doesn't. Writing and reading are slower forms of communication than speaking, and face-to-face speaking uses more human senses, allows for feedback and clarification, and helps establish relationships (Nichols & Stevens, 1999).



Figure 3.6.1: Much communication in the workplace is written for the sake of documentation. Oral communication, however, is often more efficient if people practice good listening skills. Queen's University – Alumn i Volunteer Summit – CC BY-NC-ND 2.0.

It's important to remember that many people do not practice good listening skills and that being understood contributes to effectiveness and success. You obviously can't make someone listen better or require him or her to listen actively, but you can strive to make your communication more listenable and digestible for various audiences.

## Speaking to Executives/Supervisors

Upward communication includes speeches, proposals, or briefings that are directed at audience members who hold higher positions in the organizational hierarchy than the sender. Upward communication is usually the most lacking within an organization, so it is important to take advantage of the opportunity and use it to your advantage (Nichols & Stevens, 1999). These messages usually function to inform supervisors about the status or results of projects and provide suggestions for improvement, which can help people feel included in the organizational process and lead to an increased understanding and acceptance of management decisions (Adler & Elmhorst, 2005). So how do we adapt messages for upward communication?

The "executive summary" emerged from the fact that executives have tightly scheduled days and prefer concise, relevant information. Executive summaries are usually produced in written form but must also be conveyed orally. You should build some repetition and redundancy into an oral presentation of an executive summary, but you do not need such repetition in the written version. This allows you to emphasize a main idea while leaving some of the supporting facts out of an oral presentation. If an executive or supervisor leaves a presentation with a clear understanding of the main idea, the supporting material and facts will be meaningful when they are reviewed later. However, leaving a presentation with facts but not the main idea may result in the need for another presentation or briefing, which costs an organization time and money. Even when such a misunderstanding is due to the executives' poor listening skills, it will likely be you who is blamed.

Employees want to be seen as competent, and demonstrating oral communication skills is a good way to be noticed and show off your technical and professional abilities (Bartolome, 1999). Presentations are "high-visibility tasks" that establish a person's credibility when performed well (Weinholdt, 2006). Don't take advantage of this visibility to the point that you perform only for the boss or focus on him or her at the expense of other people in the audience. Do, however, tailor your message to the "language of executives." Executives and supervisors often have a more macro perspective of an organization and may be concerned with how day-to-day tasks match with the mission and vision of the organization. So making this connection explicit in your presentation can help make your presentation stand out.

Be aware of the organizational hierarchy and territory when speaking to executives and supervisors. Steering into terrain that is under someone else's purview can get you in trouble if that person guards his or her territory (McCaskey, 1999). For example, making a suggestion about marketing during a presentation about human resources can ruffle the marketing manager's feathers and lead to negative consequences for you. Also be aware that it can be challenging to deliver bad news to a boss. When delivering bad news, frame it in a way that highlights your concern for the health of the organization. An employee's reluctance to discuss problems with a boss leads to more risk for an organization (Bartolome, 1999). The sooner a problem is known, the better for the organization.

## Speaking to Colleagues

Much of our day-to-day communication in business settings is horizontal communication with our colleagues or people who are on the same approximate level in the organizational hierarchy. This communication may occur between colleagues working in the same area or between colleagues with different areas of expertise. Such horizontal communication usually functions to help people coordinate tasks, solve problems, and share information. When effective, this can lead to more cooperation among employees and a greater understanding of the "big picture" or larger function of an organization. When it is not effective, this can lead to territoriality, rivalry, and miscommunication when speaking across knowledge and task areas that require specialization (Adler & Elmhorst, 2005).

Many colleagues work collaboratively to share ideas and accomplish tasks together. In a sharing environment, it can be easy to forget where an idea started. This becomes an issue when it comes time for credit or recognition to be given. Make sure to give credit to people who worked with you on a project or an idea. If you can't remember where an idea came from, it may be better to note that it was a "group effort" than to assume it was yours and risk alienating a colleague.

## Speaking to Supervisees/Employees

Downward communication includes messages directed at audience members who hold a lower place on the organizational hierarchy than the sender. As a supervisor, you will also have to speak to people whom you manage or employ. Downward communication usually involves job instructions, explanations of organizational policies, providing feedback, and welcoming newcomers to an organization.



Figure 3.6.2: Supervisors can set a good example by keeping a good flow of information going to their employees. Wikimedia Commons – public domain.

This type of communication can have positive results in terms of preventing or correcting employee errors and increasing job satisfaction and morale. If the communication is not effective, it can lead to unclear messages that lead to misunderstandings and mistakes (Adler & Elmhorst, 2005).

During this type of "top-down" communication, employees may not ask valuable questions. So it is important to create an open atmosphere that encourages questions. Even though including an open discussion after a presentation takes more time, it helps prevent avoidable mistakes and wasted time and money. Let your audience know before a presentation that you will take questions, and then officially open the floor to questions when you are ready. Question-and-answer sessions are a good way to keep information flowing in an organization, and there is more information about handling these sessions in the "Getting Competent" box in this chapter.

A good supervisor should keep his or her employees informed, provide constructive feedback, explain the decisions and policies of the organization, be honest about challenges and problems, and facilitate the flow of information (Bartolome, 1999). Information should flow to and away from supervisors. Supervisors help set the tone for the communication climate of an organization and can serve as models of expectations of oral communication. Being prepared, consistent, open, and engaging helps sustain communication, which helps sustain morale. Supervisors also send messages, intentional or unintentional, based on where they deliver their presentations. For example, making people come to the executive conference room may be convenient for the boss but intimidating for other workers (Larkin & Larkin, 1999).

## Speaking to Clients / Customers / Funding Sources

Communication to outside stakeholders includes messages sent from service providers to people who are not employed by the organization but conduct business with or support it. These stakeholders include clients, customers, and funding sources. Communication to stakeholders may be informative or persuasive. When first starting a relationship with one of these stakeholders, the communication is likely to be persuasive in nature, trying to convince either a client to take services, a customer to buy a product, or a funding source to provide financing. Once a relationship is established, communication may take the form of more informative progress reports and again turn persuasive when it comes time to renegotiate or renew a contract or agreement.

As with other types of workplace communication, information flow is important. Many people see a lack of information flow as a sign of trouble, so make sure to be consistent in your level of communication through progress reports or status briefings even if there isn't a major development to report. Strategic ambiguity may be useful in some situations, but too much ambiguity also leads

to suspicions that can damage a provider-client relationship. Make sure your nonverbal communication doesn't contradict your verbal communication.

When preparing for a presentation to clients, customers, or funding sources, start to establish a relationship before actually presenting. This will help you understand what they want and need and will allow you to tailor your presentation to their needs. These interactions also help establish rapport, which can increase your credibility. Many people making a proposal mistakenly focus on themselves or their product or service. Focus instead on the needs of the client. Listen closely to what they say and then explain their needs as you see them and how your product or service will satisfy those needs (Adler & Elmhorst, 2005). Focus on the positive consequences or benefits that will result from initiating a business relationship with you. If you'll recall from the chapter titled "Informative and Persuasive Speaking", this is similar to Monroe's Motivated Sequence organization pattern, which gets the audience's attention, establishes the existence of a need or problem, presents a solution to fill the need, asks the audience to visualize positive results of adopting the solution, and then calls the audience to action.

Use sophisticated and professional visual aids to help sell your idea, service, or product. You can use strategies from our earlier discussion of visual aids, but add a sales twist. Develop a "money slide" that gets the audience's attention with compelling and hopefully selling content that makes audience members want to reach for their pen to sign a check or a contract (Morgan & Whitener, 2006).



Figure 3.6.3: Include a "money slide" in your presentation to potential clients or customers that really sells your idea. Yair Aronshtam – Slide projector – CC BY-SA 2.0.

Proposals and pitches may be cut short, so imagine what you would do if you arrived to present and were told that you had to cut it down to one minute. If you were prepared, you could pull out your money slide. The money slide could be the most important finding, a startling or compelling statistic, an instructive figure or chart, or some other combination of text and graphic that connects to the listener. Avoid the temptation to make a complicated money slide. The point isn't to fit as much as you can onto one slide but to best communicate the most important idea or piece of information you have. A verbal version of the money slide is the elevator speech. This is your sales pitch that captures the highlights of what you have to offer that can be delivered in a short time frame. I recommend developing a thirty-second, one-minute, and two-minute version of your elevator speech and having it on standby at all times.

## Speaking in Intercultural Contexts

It's no surprise that business communication is occurring in more intercultural contexts. Many companies and consulting firms offer cross-cultural training for businesspeople, and college programs in cross-cultural training and international business also help prepare people to conduct business in intercultural contexts. For specific information about conducting business in more than thirty-two countries, you can visit the following link: http://www.cyborlink.com.

While these trainings and resources are beneficial, many people expect intercultural business communication training to be reduced to a series of checklists or rules for various intercultural interactions that may be conveyed in a two-hour, predeparture "everything you need to know about Japanese business culture" training. This type of culture-specific approach to cross-cultural training does not really stand up to the complex situations in which international business communicators find themselves (Victor, 1993). Scholars trained more recently in culture and communication prefer a culture-general approach that focuses on "tools" rather than "rules." Remember that intercultural competence is relative to the native and host cultures of the people involved in an intercultural

encounter, and therefore notions of what is interculturally competent change quickly (Ulijn et al., 2000). To review some of our earlier discussion, elements of intercultural competence involve the ability to identify potential misunderstandings before they occur, be a high self-monitor, and be aware of how self and others make judgments of value (Ulijn et al., 2000).

I will overview some intercultural business communication tips that are more like rules, but remember there are always exceptions, so other competent communication skills should be on standby to help you adapt when the rules approach stops working (Thrush, 1993).

In terms of verbal communication, make sure to use good pronunciation and articulation. Even if you speak a different language than your audience, clearer communication on your part will help the message get through better. Avoid idiomatic expressions and acronyms, since the meaning of those types of verbal communication are usually only known to cultural insiders. Try to use geographically and culturally relevant examples—for example, referencing the World Cup instead of the World Series. Be aware of differences in communication between high- and low-context cultures. Note that people from low-context cultures may feel frustrated by the ambiguity of speakers from high-context cultures, while speakers from high-context cultures may feel overwhelmed or even insulted by the level of detail used by low-context communicators. The long history of family businesses doing business with family businesses in France means that communication at meetings and in business letters operates at a high context. Dates and prices may not be mentioned at all, which could be very frustrating for an American businessperson used to highly detailed negotiations. The high level of detail used by US Americans may be seen as simplistic or childish to audience members from high-context cultures. Include some materials in the native language or include a glossary of terms if you're using specific or new vocabulary. Don't assume that the audience needs it, but have it just in case.

Also be aware that different cultures interpret graphics differently. Two well-known cases of differing interpretations of graphics involve computer icons. First, the "trash" icon first used on Mac desktops doesn't match what wastebaskets look like in many other countries. Second, the US-style "mailbox" used as an icon for many e-mail programs doesn't match with the mail experiences of people in most other countries and has since been replaced by the much more universally recognizable envelope icon. Nonelectronic symbols also have different cultural meanings. People in the United States often note that they are pursuing the "blue ribbon" prize or standard in their business, which is the color ribbon used to designate second place in the United Kingdom.

### "Getting Competent": Handling Question-and-Answer Periods

Question-and-answer (Q&A) periods allow for important interaction between a speaker and his or her audience. Speakers should always be accountable for the content of their speech, whether informative or persuasive, and making yourself available for questions is a good way to demonstrate such accountability. Question-and-answer sessions can take many forms in many contexts. You may entertain questions after a classroom or conference presentation. Colleagues often have questions after a briefing or training. Your supervisor or customers may have questions after a demonstration. Some question-and-answer periods, like ones after sales pitches or after presentations to a supervisor, may be evaluative, meaning you are being judged in terms of your content and presentation. Others may be more information based, meaning that people ask follow-up questions or seek clarification or more detail. In any case, there are some guidelines that may help you more effectively handle question-and-answer periods (Toastmasters International, 2012; Morgan & Whitener, 2006).

**Setting the stage for Q&A.** If you know you will have a Q&A period after your presentation, alert your audience ahead of time. This will prompt them to take note of questions as they arise, so they don't forget them by the end of the talk. Try to anticipate questions that the audience may have and try to proactively answer them in the presentation if possible; otherwise, be prepared to answer them at the end. At the end of your presentation, verbally and nonverbally indicate that the Q&A session is open. You can verbally invite questions and nonverbally shift your posture or position to indicate the change in format.

**Reacting to questions.** In evaluative or informative Q&A periods, speakers may feel defensive of their idea, position, or presentation style. Don't let this show to the audience. Remember, accountability is a good thing as a speaker, and audience members usually ask pertinent and valid questions, even if you think they aren't initially. Repeating a question after it is asked serves several functions. It ensures that people not around the person asking the question get to hear it. It allows speakers to start to formulate a response as they repeat the question. It also allows speakers to ensure they understood the question correctly by saying something like "What I hear you asking is…" Once you've repeated the question, respond to the person who posed the question, but also address the whole audience. It is awkward when a speaker just talks to one person. Be cautious not to overuse the statement "That's a good question." Saying that more than once or twice lessens its sincerity.

**Keeping the Q&A on track.** To help keep the Q&A period on track, tie a question to one of the main ideas from your presentation and make that connection explicit in your response. Having a clearly stated and repeated main idea for your presentation will help set useful parameters for which questions fall within the scope of the presentation and which do not. If someone poses a question that is irrelevant or off track, you can politely ask them to relate it to a main idea from the talk. If they can't, you can offer to talk to them individually about their question after the session. Don't engage with an irrelevant question, even if you know the answer. Answering one "off-track" question invites more, which veers the Q&A session further from the main idea.

**Responding to multipart questions.** People often ask more than one question at a time. As a speaker and audience member this can be frustrating. Countless times, I have seen a speaker only address the second question and then never get back to the first. By that point, the person who asked the question and the audience have also usually forgotten about the first part of the question. As a speaker, it is perfectly OK to take notes during a Q&A session. I personally take notes to help me address multipart questions. You can also verbally reiterate the question to make sure you know which parts need to be addressed, and then address the parts in order.

**Managing "Uh-oh!" moments.** If a person corrects something you said in error during your presentation, thank them for the correction. After the presentation, verify whether or not it was indeed a mistake, and if it was, make sure to correct your information so you don't repeat the mistake in future talks. Admit when you don't know the answer to a question. It's better to admit that you do not know the answer than to try to fake your way through it. An audience member may also "correct" you with what you know is incorrect information. In such cases, do not get into a back-and-forth argument with the person; instead, note that the information you have is different and say you will look into it.

**Concluding the Q&A session.** Finally, take control of your presentation again toward the end of the Q&A session. Stop taking questions in time to provide a brief wrap-up of the questions, reiterate the main idea, thank the audience for their questions, and conclude the presentation. This helps provide a sense of closure and completeness for the presentation.

1. Which of these tips could you have applied to previous question-and-answer sessions that you have participated in to make them more effective?
2. Imagine you are giving a presentation on diversity in organizations and someone asks a question about affirmative action, which was not a part of your presentation. What could you say to the person?
3. In what situations in academic, professional, or personal contexts of your life might you be engaged in an evaluative Q&A session? An information-based Q&A session?

## Common Business Presentations

Now you know how to consider your audience in terms of upward, downward, or horizontal communication. You also know some of the communication preferences of common career fields. Now we will turn our attention to some of the most frequent types of business presentations: briefings, reports, training, and meetings.

## Briefings

Briefings are short presentations that either update listeners about recent events or provide instructions for how to do something job related (Adler & Elmhorst, 2005). Briefings may occur as upward, downward, or horizontal communication. An industrial designer briefing project managers on the preliminary results of testing on a new product design is an example of upward briefing. A nurse who is the shift manager briefing an incoming shift of nurses on the events of the previous shift is an example of downward briefing. A representative from human resources briefing colleagues on how to use the new workplace identification badges is an example of horizontal briefing. Briefings that provide instructions like how to use a new identification badge are called technical briefings, and they are the most common type of workplace presentation (Toastmasters International, 2012). For technical briefings, consider whether your audience is composed of insiders, outsiders, or a mixture of people different levels of familiarity with the function, operation, and/or specifications of the focus of the briefing. As we have already discussed, technical speaking requires an ability to translate unfamiliar or complex information into content that is understandable and manageable for others.


Figure 3.6.4:Technical briefings, which explain how something functions or works, are the most common type of workplace presentations. Shamim Mohamed – Debrief – CC BY-SA 2.0.

As the name suggests, briefings are *brief*—usually two or three minutes. Since they are content focused, they do not require formal speech organization, complete with introduction and conclusion. Briefings are often delivered as a series of bullet points, organized topically or chronologically. The content of a briefing is usually a summary of information or a series of distilled facts, so there are rarely elements of persuasion in a briefing or much supporting information. A speaker may use simple visual aids, like an object or even a one-page handout, but more complex visual aids are usually not appropriate. In terms of delivery, briefings should be organized. Since they are usually delivered under time constraints and contain important information, brief notes and extemporaneous delivery are effective (Adler & Elmhorst, 2005).

## Reports

There are numerous types of reports. The line between a briefing and short oral report is fuzzy, but in general a report is a more substantial presentation on the progress or status of a task. Reports can focus on the past, present, or future. Reports on past events may result from some type of investigation. For example, a company may be interested in finding the cause of a 15 percent decline in revenue for a branch office. Investigative reports are also focused on past events and may include a follow-up on a customer or employee complaint.

Reports on the present are often status or progress reports. Various departments or teams that make up an organization, or committees that make up a governing board, are likely to give status reports. Status reports may focus on a specific project or task or simply report on the regular functioning of a group.

**Components of a Status Report** (Adler & Elmhorst, 2005)

1. State the group or committee's task or purpose.
2. Describe the current status, including work done by the group and/or individuals and the methods used.
3. Report on obstacles encountered and efforts to overcome them
4. Describe the next goal or milestone of the group and offer concrete action steps and a timeline for achieving the goal.

Final reports are presented at the conclusion of a task and are similar to a progress report but include a discussion and analysis of the results of an effort. While some progress reports may only be delivered verbally, with no written component, a final report almost always has an associated written document. The written final report usually contains much more detail than is included in the oral final report, and this detail is referenced for audience members to consult if they desire more information (Adler & Elmhorst, 2005).

A common future-focused report is the feasibility report, which explores potential actions or steps and then makes recommendations for future action based on methodical evaluation. The purpose of these reports is basically to determine if an action or step is a good idea for an organization. Facebook made a much-discussed move to go public in 2012, a decision that was no doubt made after analyzing many feasibility reports.

**Components of a Feasibility Report** (Adler & Elmhorst, 2005)

1. Introduction to a problem or situation and its potential consequences

2. Overview of the standards used for evaluating potential courses of action
3. Overview of process used to identify and evaluate courses of action
4. Details of potential courses of action
5. Evaluation of the potential courses of action
6. Recommendation of best course of action

## Training

People in supervisory or leadership positions often provide training, which includes presentations that prepare new employees for their jobs or provide instruction or development opportunities for existing employees. While some training is conducted by inside and outside consultants, the US Bureau of Labor and Statistics notes that about 75 percent of training is delivered informally while on the job (Adler & Elmhorst, 2005). As the training and development field expands, this informal training is likely to be replaced by more formalized training delivered by training professionals, many of whom will be employees of the company who have been certified to train specific areas. Organizations are investing more time and money in training because they recognize the value in having well-trained employees and then regularly adding to that training with continued development opportunities. Common focuses of training include the following:

- **Compliance with company policies.** Includes training and orienting new hires and ongoing training for existing employees related to new or changing company policies.
- **Changing workplace environments.** Diversity training and cross-cultural training for international business.
- **Compliance with legal policies.** Sexual harassment, equal employment, Americans with Disabilities Act, and ethics training.
- **Technical training.** Instructions for software, hardware, and machinery.

Companies are also investing money in training for recent college graduates who have degrees but lack the technical training needed to do a specific job. This upfront investment pays off in many situations, as this type of standardized training in field-specific communication skills and technology can lead to increased productivity.



Figure 3.6.5: Corporate trainers prepare new employees for their jobs and provide development opportunities for existing employees. Louisiana GOHSEP – Employees Attend Training Classes – CC BY-SA 2.0.

Trainers require specific skills and an ability to adapt to adult learners (Ray, 1993). Important training skills include technical skills specific to a discipline, interpersonal skills, organizational skills, and critical thinking skills. Trainers must also be able to adapt to adult learners, who may have more experience than the trainer. Training formats usually include a mixture of information presentation formats such as minilecture and discussion as well as experiential opportunities for trainees to demonstrate competence such as role-play, simulation, and case-study analysis and application. Trainers should remember that adult learners learn best by doing, have previous experience that trainers can and should draw on, have different motivations for learning than typical students, and have more competing thoughts and distractions. Adult learners often want information distilled down to the "bottom line"; demonstrating how content is relevant to a specific part of their work duties or personal success is important.

**Steps in Developing a Training Curriculum**(Beebe, Mottet, & Roach, 2004)

1. Do background research based on literature on and observations of the training context you will be in.
2. Conduct a needs assessment to see what sort of training is desired/needed.
3. Develop training objectives based on research, observations, and needs assessment. Objectives should be observable, measurable, attainable, and specific.
4. Develop content that connects to the needs assessment.
5. Determine the time frame for training; make the training as efficient as possible.
6. Determine methods for delivering content that connect with objectives developed earlier.
7. Select and/or create training materials.
8. Create a participant's guide that contains each activity and module of the training.
9. Include the following for each training activity: objectives, training content, time frame, method, and materials needed.
10. Test the training plan on a focus group or with experts in the field to evaluate and revise if necessary.

## Meetings

Over eleven million meetings are held each day in the United States, so it is likely that you will attend and lead meetings during your career. Why do we have meetings? The fundamental reason is to get a group of people with different experiences and viewpoints together to share their knowledge and/or solve a problem. Despite their frequency and our familiarity with them, meetings are often criticized for being worthless, a waste of time, and unnecessary. Before you call a meeting, ask yourself if it is necessary, since some issues are better resolved through a phone call, an e-mail, or a series of one-on-one meetings. Ask the following questions to help make sure the meeting is necessary: What is the goal of the meeting? What would be the consequences of not having it? How will I judge whether the meeting was successful or not? (Jay, 1999)

Meetings are important at the early stages of completing a task, as they help define a work team since the members share a space and interact with each other. Subsequent meetings should be called when people need to pool knowledge, refine ideas, consider new information, or deliberate over a decision. Most meetings are committee size, which ranges from three to ten people. The frequency of the meeting will help determine how the meeting should be run. Groups that meet daily will develop a higher level of cohesion and be able to work through an agenda quickly with little review. Most groups meet less frequently, so there typically needs to be a structured meeting agenda that includes informational items, old business, and new business.

In determining the meeting agenda, define the objectives for various items. Some items will be informative, meaning they transmit information and don't require a decision or an action. Other items will be constructive, in that they require something new to be devised or decided, such as determining a new policy or procedure. Once a new policy or procedure has been determined, a group must decide on the executive components of their decision, such as how it will be implemented and who will have responsibilities in the process. As the items progress from informational, to constructive, to executive, the amount of time required for each item increases, which will have an effect on the planning of the agenda (Jay, 1999).

After completing the agenda, continue to plan for the meeting by providing attendees with the agenda and any important supporting or supplementary materials such as meeting minutes or reports ahead of time. Consult with people who will attend a meeting beforehand to see if they have any questions about the meeting and to remind them to review the materials. You can also give people a "heads up" about any items for discussion that may be lengthy or controversial. Make sure the meeting room can accommodate the number of attendees and arrange the seating to a suitable structure, typically one where everyone can see each other. A meeting leader may also want to divide items up as "for information," "for discussion," or "for decision." Start the meeting by sharing the objective(s) that you determined in your planning. This will help hold you and the other attendees accountable and give you something to assess to determine the value of the meeting.

People's attention spans wane after the first twenty minutes of a meeting, so it may be useful to put items that warrant the most attention early on the agenda. It is also a good idea to put items that the group can agree on and will unify around before more controversial items on which the group may be divided. Anything presented at the meeting that wasn't circulated ahead of time should be brief, so people aren't spending the meeting reading through documents. To help expedite the agenda, put the length of time you think will be needed for each item or category of items on the agenda. It is important to know when to move from one item to the next. Sometimes people continue to talk even after agreement has been reached, which is usually a waste of time. You want to manage the communication within the meeting but still encourage people to speak up and share ideas. Some people take a more hands-on approach to managing the conversation than others. As the president of the graduate student body, I attended a few

board of trustees meetings at my university. The chairperson of the committee had a small bell that she would ring when people got off track, engaged in personal conversations, or were being disruptive to the order of the group.

At the end of the meeting make sure to recap what was accomplished. Return to the objective you shared at the beginning and assess whether or not you accomplished it. If people feel like they get somewhere during a meeting, they will think more positively about the next one. Compile the meeting minutes in a timely fashion, within a few days and no more than a week after the meeting (Jay, 1999).

**Tips for Running Effective Meetings**

1. Distribute an agenda to attendees two to three days in advance of the meeting.
2. Divide items up on the agenda into "for information," "for discussion," and "for decision."
3. Put items that warrant close attention early on the agenda.
4. Since senior attendees' comments may influence or limit junior people's comments, ask for comments from junior attendees first.
5. People sometimes continue talking even after agreement has been reached, so it's important to know when to move on to the next item in the agenda.
6. At the end of a meeting, recap what was accomplished and set goals for the next meeting.
7. Compile meeting minutes within forty-eight hours and distribute them to the attendees.

## Key Takeaways

- What counts as being a good communicator in one business context doesn't in another, so being able to adapt to various business settings and audiences will help you be more successful in your career.
- Upward business communication involves communicating messages up the organizational hierarchy. This type of communication is usually the most lacking in organizations. However, since oral presentations are a "high-visibility" activity, taking advantage of these opportunities can help you get noticed by bosses and, if done well, can move you up the organizational ladder. Present information succinctly in an executive summary format, building in repetition of main ideas in the oral delivery that aren't necessary for the written version. Don't just focus on the boss if there are other people present, but do connect to the vision and mission of the organization, since most managers and executives have a "big picture" view of the organization.
- Horizontal communication is communication among colleagues on the same level within an organizational hierarchy. This type of communication helps coordinate tasks and lets people from various parts of an organization get a better idea of how the whole organization functions. Many workplaces are becoming more collaborative and team oriented, but make sure you share credit for ideas and work accomplished collaboratively so as not to offend a colleague.
- Downward communication includes messages traveling down the organizational hierarchy. These messages usually focus on giving instructions, explaining company policies, or providing feedback. As a supervisor, make sure to encourage employees to ask questions following a presentation. Good information flow helps prevent employee errors and misunderstandings, which saves money.
- Initial communication with clients, customers, or funding sources is usually persuasive in nature, as you will be trying to secure their business. Later communication may be more informative status reports. Connect your message to their needs rather than focusing on what you offer. Use persuasive strategies like positive motivation, and always have a "money slide" prepared that gets across the essence of what you offer in one attractive message.
- When adapting business communication to intercultural contexts, take a "tools not rules" approach that focuses on broad and adaptable intercultural communication competence.
- There are various types of business presentations for which a speaker should be prepared:
  - Briefings are short, two- to three-minute "how-to" or "update" presentations that are similar to factual bullet points.
  - Reports can be past, present, or future focused and include status, final, and feasibility reports.
  - Trainings are informal or formal presentations that help get new employees ready for their jobs and keep existing employees informed about changing policies, workplace climates, and legal issues.
- To have an effective meeting, first make sure it is necessary to have, then set a solid foundation by distributing an agenda in advance, manage the flow of communication during the meeting, and take note of accomplishments to promote a positive view

of future meetings.

## Exercises

1. Identify a recent instance when you engaged in upward, horizontal, downward, or intercultural communication in a business setting. Analyze that communication encounter based on the information in the corresponding section of this chapter. What was done well and what could have been improved?
2. Prepare a briefing presentation on how to prepare a briefing. Make sure to follow the suggestions in the chapter.
3. Think of a time when you received training in a business or academic setting. Was the communication of the trainer effective? Why or why not?

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# 3.7: Speaking via Electronic Media

**Learning Objectives**

1. Identify strategies for speaking on radio and television.
2. Describe the communication skills necessary to be a spokesperson.
3. Explain the role of crisis communication professionals.

Although radio and television messages may be broadcast to thousands or millions of people, it is important for speakers to realize they are speaking to individuals, not a crowd. Radio and television both seek to make personal connections with listeners or viewers, but it can be difficult to concentrate on making that connection if you aren't prepared for the microphones, lights, and monitors that may surround you. This section will help you be prepared to speak on the radio, speak on the television, conduct a media interview, and speak on behalf of someone else in a regular or crisis situation.

## Speaking on Radio and Television

My current university has rather well-established radio and television broadcasting programs for our students. We have a television station and a radio station that undergraduate students interested in careers in broadcasting get to actually work in to gain experience and hone their skills. At the start of each semester there are some definite rough spots—for example, as I watch a broadcast meteorology major make his or her first appearance in front of the green screen weather map or listen to a radio broadcasting student deliver the hourly news update on the radio. But it is wonderful to be able to watch these young broadcasters improve over the course of the semester, some of them growing to rival the seasoned reporters on our regional network stations.

## Radio

Although many people think of radio as an old-fashioned form of media, it is still important in many aspects of life and continues to adapt to changing markets, expanding to include Internet and satellite formats. People may think radio is as easy as sitting in a chair and talking into a microphone, but it takes practice and verbal and nonverbal skills to effectively communicate on the radio (Hyde, 1983). Aside from reading over words without stumbling and ad-libbing content as needed, speaking on the radio requires communicators to interpret and emphasize using their voice. Even though radio is sound only, nonverbal communication is still important. The audience can't see your gestures and facial expressions, but using them makes the verbal delivery more engaging and effective.




Figure 3.7.1: Although the radio reaches thousands of people at a time, radio presenters should imagine that they are connecting with individuals as they speak. Cyclyst – radio dj – CC BY-NC-ND 2.0.

Some people, including me, have "mic fright," which is increased nervousness due to the presence of a microphone (Hyde, 1983). I actually didn't realize that I had mic fright until the first time I was interviewed on the radio. Even after many years of public speaking experience and skill and confidence development, sitting in a radio booth with headphones on and a big microphone in front of me brought on communication anxiety like I hadn't experienced in years. Luckily my segment was recorded to tape, so by the time it aired it had been edited and I didn't sound as nervous and incoherent as I felt in that moment. To help avoid nervousness,

practice with a microphone just so you're used to seeing it. Some people's nervousness stems from a dislike of hearing their own voice. Many people don't like the way they sound when recorded, but that's the way we actually sound and the way others hear us, so it's important to get used to hearing our own voice. When we normally hear our voice, we hear what comes out of our mouth and is conducted through the air but also the internal resonance and vibration that happens as our voice is conducted through the bones and structures of our head and neck. Other people only hear the way our voice sounds as conducted through air *without* the added effect of the bone resonance. So, when we hear ourselves recorded, we hear our voice as others hear it, because the recording only captures the air and not the bone vibrations. We may not like it, but everyone else is already used to hearing it that way, because they've never heard our voice the way we hear it.

Here are some final tips for radio communication. Be aware of microphones, and follow instructions for how close or distant your mouth should be from a microphone and what kind of volume you need to use. Avoid rattling papers, popping consonant sounds like *p*, or breathing directly into a microphone. Watch your verbal fillers, even more noticeable on the radio than they are in person or on the television. Many professional radio and television announcers practice a version of American English that doesn't give away any regional affiliation. Unless you are doing this for a career, you do not need to try to change an accent or dialect, as that will probably make you sound strange. Just speak in a natural voice, but make sure to articulate and enunciate your words so you can be understood.

## Television

You don't have to be famous to be on television. People are often surprised to find themselves in a situation where they will be on camera. Although many people in the digital generation are used to being recorded via webcam or even on a smartphone, being in front of a television camera creates a completely different atmosphere.

Since television is a visual medium, appearance is important. In terms of clothing, avoid too much contrast between colors, like black on white. Also avoid clothing that is too striped or patterned, as it may bleed onscreen (Lewis, 1966). Keep in mind that jewelry, watches, or anything reflective may catch the studio lights and create a distracting glare on camera. Also avoid wearing colors that are close to your skin tone (Hyde, 1983). You may be offered makeup; if you are, take it.

Once you are on set, you'll need to orient yourself to the surroundings. Hopefully there will be a producer or other staff person there to explain things to you. You will want to be aware of video and audio monitors. Video monitors are televisions that allow the on-air person to monitor their movements and see what viewers are seeing. One usually shows the video feed exactly as it will appear on viewer's screens and one may be a fixed monitor that basically functions as a mirror so you can see that you are framed properly and look all right. Avoid the common temptation to stare at or constantly check the monitors.

In terms of audio, there may be a lavaliere microphone that will be attached to you beforehand. In some situations you may also get an audio monitor that allows you to hear yourself, studio producers, or another person communicating with you off site. If off-camera producers need to communicate with you, the monitor may be an earpiece, which is standard for news anchors. If you are doing a remote live segment, the sound monitor will likely be a simple speaker. You may be asked to do microphone, sound, and video checks. Just follow the instructions, but make sure to speak up if something doesn't seem to be working right. You want to make sure you can hear and see what you need to.



Figure 3.7.2: Television studios are fast-paced, technical environments that can make speakers very nervous if they aren't prepared. Sascha Grant – The Reviewers – CC BY-NC-ND 2.0.

It's OK to practice what you're going to say aloud a few times before you actually present. People in television studios are used to on-air announcers and reporters walking around talking to themselves. As with radio, think about the audience you're reaching as individuals rather than a mass of people. Develop a mental picture of a definite person watching, which will help you create the illusion of a personal connection to the viewer (Lewis, 1966). I'm sure we've all been drawn into that illusion many times, even though we know better. As a fan of Brian Williams and the NBC Nightly News, I catch myself saying goodnight to Brian after he says goodnight to me (and a few million other people) at the end of his broadcast.

Once the recording begins, become your own director by monitoring your communication (Lewis, 1966). Do not monitor yourself so much that you get stuck in your head, worrying about the camera, the monitor, and where to look to the point that you forget to use even normal facial expressions and vocal variety. Remember that your face conveys your thoughts and emotions, sometimes without you knowing it. Don't try to impersonate other people's facial expressions and tone of voice, because it will probably come off as an imitation, rather than as genuine. Hand motions should be a little slower on television than in real life, but don't overthink them either. Remember to keep your head up as much as possible, so only divert your eyes down to review notes; don't let your whole head turn down. Avoid extra movements and stay on your mark if you are given one. A mark may be made using tape on the floor and indicates where you should stand. If a camera is zoomed in, even a small movement can take you out of the frame or out of focus. Movements can also take you out of set lighting or a sound area.

When speaking to someone else on camera, you will need to "cheat out" a little, which may seem awkward in person but will look fine on camera. When we talk to someone, we usually face him or her directly, but on television that would leave us with only a profile shot. Each person should be at about a 25-degree angle from each other so they can see and talk to each other but also be open to the camera. When addressing the camera, look at the lens and focus about a foot behind it, because that creates the illusion that you are looking at the viewer (Hyde, 1983). If you are going to be presenting to more than one camera, be prepared to shift your focus. You will usually get a cue from a producer and can then follow the "tally light," which is the red light above the camera. Producers usually give these signals very close to the camera, but you will need to rely on your peripheral vision and not let your focus be shifted to the signaler. You do not need to send a message back, nonverbally or verbally, that the signal has been received (Hyde, 1983).

At the end of a television segment, especially a live one, you may have to hold a position as a segment is tossed to another presenter or there is a transition to a commercial break. Don't assume you are off the air until someone tells you. You don't want to end up with a blooper where you say something embarrassing or start to get up before you are off camera. It may feel like an eternity, but be prepared to hold your position for a few moments while looking into the camera, at the monitor, or at another person.

## Media Interview

People often appear on the radio or television as a result of participating in a media interview with a reporter or radio or television representative. Handling a media interview is also something that many people aren't prepared for. Unless you are responding to a crisis situation, which we will discuss later, you will likely have time to prepare for a media interview. Make sure to use this time. If you are contacted by a reporter or station representative to schedule an interview, the first thing you should do is ask some preliminary questions to help with your interview preparation.

**Questions to Ask before a Media Interview**(KC Associations, 2012)

- Who will be interviewing me?
- How can I access some of this person's previous interviews?
- What is the segment or show I will be featured on?
- What information will you need from me?
- Will the interview be live?
- How long will the interview last?
- If the interview is being recorded and edited, how long will the aired segment be?
- Is there a deadline for the story?

If the interview is part of a series, you may also ask whom they've already talked to and what information they have already gotten (Wadsworth, 2005). Don't feel like you have to begin the interview right away or agree to the interview on the spot. You can ask the person to give you a little time to prepare and then get back in touch with them.

Once you have gotten some preliminary information, do some research on the interviewer and the organization he or she represents. If the interview is about a personal context, then you have more freedom with your content. If you are representing a company or organization, you will want to contact your supervisor before accepting an interview. Many companies have policies about who can speak to the media, and some even have communications departments or designated speakers that they assign to such roles. If you are given approval to do the interview, you will probably want to run your content by your supervisor for approval as well.

Then come up with two to three key messages or main points that you want to convey in the interview. Interviews that aren't live are usually edited, and only some of what you say will make it into the final cut. Due to time constraints, media interviewers are often looking for the "sound bite": a verbal bullet point that is about ten seconds or twenty-six words long. While this can be frustrating, especially when you're discussing a complicated and contextual topic, it is a media reality. Think of a sound bite as a verbal bullet point for your speech.

**A Good Sound Bite**(Wadsworoth, 2005)

- Is about ten seconds or twenty-six words for radio or television
- Connects to something current, culturally relevant, or of interest to the public
- Mentions you and/or your company's name (media interviews are often good publicity)
- Offers a claim and some brief support for the claim
- Paints a picture
- Is memorable and leaves a lasting impression

So narrowing your content down to these few main points and then identifying some key sound bites within the points will ensure that at least some of the important material will make it into the story instead of something you get sidetracked onto.

Many people doing television or radio interviews are afraid of creating dead air and say more than they need to, which can get the interview off track. When interviews get off track, you may only be able to address one of your three main points—remember television and radio segments are usually short. The interviewers are more afraid of dead air than the interviewee is, and it's their job to worry about it, so you can stop answering the question once you've addressed it and let them make the next move. Be concise in your answers to the interviewer's questions. If they need more information, they will ask follow-up questions. If an interviewer tries to get you "off message," be prepared to briefly engage the question and pivot back to your prepared content; in some cases, it is even OK to deflect the question by saying something like "That's not really what I thought we were going to talk

about today. I'm here to discuss…" Although politicians often dodge legitimate questions, you can watch them interact with the press for pointers on how to pivot and stay on message.

If you don't know the answer to a question, say so, but offer to follow up if the question is relevant to your expertise and experience or refer the interviewer to someone else who may have the answer. Don't answer a question with "No comment," as that arouses suspicion. It is OK to tell an interviewer that their question falls outside of your area of expertise, falls outside of the scope of the interview as you understood it, or gets into issues of privacy that you cannot discuss due to ethics or policy.

Interviewers, especially if they are reporters, are good at making you feel like you are only talking to them. While this is true in the case of the interview, don't forget that you are actually talking to a larger audience of viewers and/or listeners, so keep them in mind. After the interview, ask the interviewee what they are likely to use in the final segment. You may also want to follow up with a written record of any specific facts, especially if it's technical or needs to be precise.

## Speaking on Behalf of Others

Some careers specifically involve speaking on behalf of others. For example, spokespeople, crisis communicators, and other public relations professionals speak for other individuals or organizations. Many organizations do not have designated spokespeople, so you may just find yourself speaking on behalf of others because you were asked or told to. This section explores specific communication skills and knowledge that are useful when speaking for others.

## Speaking as a Spokesperson or Representative

Organizations that do not have public relations or communications departments may tap someone as needed to interact with the media or release a statement. Spokespeople speak to external audiences, primarily the media, on behalf of an individual or group. Some key attributes for an effective spokesperson are the abilities to establish rapport, tell an engaging story, handle difficult and unexpected questions, respond to nonverbal cues, and adjust communication to match audience preferences (SpokesComm, 2012). Ideally, spokespeople facilitate a question-and-answer session after they present their statement. We have all seen people read prepared statements and then retreat without addressing questions, which usually creates a negative impression. Spokespeople must maintain their credibility, and being open is a way to do this.



Figure 3.7.3:: A spokesperson must be perceived as credible to effectively deliver the message of another person or group.
AMISOM Public Information – AMISOM Spokesperson Handover 05 – public domain.

To prepare for questions and answers, corporate spokespeople are usually given briefing materials to review. They are sometimes given question-and-answer (Q&A) documents that have been drafted ahead of time that contain examples of friendly and hostile questions that may be asked (Gibson, 2012). The spokesperson should be involved in drafting the answers rather than being expected to read them as a script. Audiences can usually tell when someone isn't speaking his or her own words, which raises suspicion. The message can still be carefully crafted, but it will appear more natural if the spokesperson is a coauthor of the message. Spokespeople may rely on particular phrases to enhance the audience's perception of their honesty. This becomes

problematic when the phrases are overused and therefore lose their meaning. Some examples of phrases to avoid overusing are “to be perfectly honest,” “frankly,” and “truthfully.”

Being an effective spokesperson requires training and preparation (Gibson, 2012). Spokespeople should be evaluated and assessed in simulations to help prepare for delivering actual messages. Once a spokesperson is in the job, a debriefing should follow every interview to evaluate strengths and weaknesses. As with many other types of presentations, watching a video recording for evaluation purposes can be instructive. Some spokespeople are communications professionals who have general training in communication skills. There are also subject matter experts who serve as spokespeople. These speakers are useful when dealing with complex information, but they should also be trained in communication skills—content knowledge is not enough to be a good spokesperson. Speakers who are subject matter experts should avoid acronyms and other forms of insider language and be able to convey their message in concrete terms. It may be useful to pair a subject matter expert up with a communication expert and have the communication expert set up the interview and then turn it over to the subject matter expert.

## Crisis Communication

Crisis communication is a fast-growing field of study within communication studies as many businesses and organizations realize the value in finding someone to prepare for potential crises, interact with stakeholders during a crisis, and assess crisis responses after they have occurred. Crisis communication occurs as a result of a major event outside of normal expectations that has potential negative results, runs the risk of escalating in intensity, may result in close media or government scrutiny, and creates pressure for a timely and effective response (Zaremba, 2010). Some examples of crises include natural disasters, management/employee misconduct, product tampering or failure, and workplace violence.

The need for crisis communication professionals is increasing, as various developments have made organizations more susceptible to crises (Coombs, 2012). Since the 1990s, organizations have increasingly viewed their reputations as assets that must be protected. Whereas reputations used to be built on word-of-mouth communication and one-on-one relationships, technology, mass media, and now social media have made it easier for stakeholders to praise or question an organization’s reputation. A Facebook post or a Tweet can now turn into widespread consumer activism that organizations must be able to respond to quickly and effectively. In addition, organizations are being held liable for “negligent failure to plan,” which means that an organization didn’t take “reasonable action to reduce or eliminate known or reasonably foreseeable risks that could result in harm” (Coombs, 2012). Look around your classroom and the academic building you are in. You will likely see emergency plans posted that may include instructions on what to do in situations ranging from a tornado, to a power outage, to an active shooter. As a response to the mass shooting that took place at Virginia Tech in 2006, most colleges and universities now have emergency notification systems and actively train campus police and faculty and staff on what to do in the case of an active shooter on campus. Post–Virginia Tech, a campus’s failure to institute such procedures could be deemed as negligent failure to plan if a similar incident were to occur on that campus.

Crisis communicators don’t just interact with the media; they communicate with a variety of stakeholders. Stakeholders are the various audiences that have been identified as needing information during a crisis. These people and groups have a “stake” in the organization or the public interest or as a user of a product or service. Internal stakeholders are people within an organization or focal area, such as employees and management. External stakeholders are people outside the organization or focal area such as customers, clients, media, regulators, and the general public (Zaremba, 2010).

Four main areas of crisis communication research are relationships, reputation, responsibility, and response (Zaremba, 2010). Relationships and reputation are built and maintained before a crisis occurs. Organizations create relationships with their stakeholders, and their track record of quality, customer service, dependability, and communication determines their reputation. *Responsibility* refers to the degree to which stakeholders hold an organization responsible for the crisis at hand. Judgments about responsibility will vary depending on the circumstances of a crisis. An unpreventable natural disaster will be interpreted differently than a product failure resulting from cutting corners on maintenance work to save money. *Response* refers to how an organization reacts to a crisis in terms of its communication and behaviors.

"Getting Real"

Crisis Communication Professionals

Crisis communication professionals create crisis communication plans that identify internal and external audiences that need information during crisis events. Effective crisis communication plans can lessen the impact of or even prevent crises. Aside from preparing for crises and identifying stakeholders/audiences, crisis communicators also construct the messages to be communicated to the stakeholders and select the channels through which those messages will be sent. The crisis communicator or another representative could deliver a speech or press conference, send messages through social media, send e-mail or text message blasts out, or buy ad space in newspapers or on television (Zaremba, 2010).

Crisis communicators must have good public speaking skills. Communicating during a crisis naturally increases anxiety, so it's important that speakers have advanced skills at managing anxiety and apprehension. In terms of delivery, while there will be times when impromptu responses are necessary—for example, during a question-and-answer period—manuscript or extemporaneous delivery are the best options. It is also important that a crisis communicator be skilled at developing ethos, or credibility as a speaker. This is an important part of the preparatory stages of crisis communication when relationships are formed and reputations are established. The importance of ethos is related to the emphasis on honesty and disclosure over stonewalling and denial.

A myth regarding crisis communicators is that their goal is to "spin" a message to adjust reality or create an illusion that makes their organization look better. While some crisis communicators undoubtedly do this, it is not the best practice in terms of effectiveness, competence, or ethics. Crisis communication research and case studies show that honesty is the best policy. A quick and complete disclosure may create more scrutiny or damage in the short term, but it can minimize reputational damage in the long term (Zaremba, 2010). Denying a problem, blaming others instead of taking responsibility, or ignoring a problem in hope that it will go away may actually prolong media coverage, invite more investigation, and permanently damage an organization's image.

1. Why do you think extemporaneous and manuscript delivery are the preferred delivery methods for crisis communicators? What do these delivery styles offer that memorized and impromptu do not? In what situations would it be better to have a manuscript? To deliver extemporaneously?
2. Consider the following scenario, which we all hope we will never encounter: Several reports come into the campus police station that gunshots were heard outside the administrative building on campus. Eyewitnesses say that an unidentified armed person was seen walking into the building. Answer the following questions based on what you have learned about crisis communication: Who are the internal and external stakeholders in this situation? As a student (and stakeholder), what steps would you want your organization to take in response to this situation? What message should be sent? To whom should the message be sent? What media channels should be used?

## Key Takeaways

- Although radio and television are mass-communication media, presenters should imagine that they are speaking to select individuals rather than a mass crowd. Radio and television try to create the illusion of a personal connection between the speaker and audience.
- Radio requires verbal and nonverbal communication skills even though it is an aural form of media. People not used to speaking on the radio should prepare for the possibility of experiencing "mic fright."
- Since television is a visual media, appearance is important. Certain types of clothes, makeup, and accessories are preferred for people presenting on air. Be prepared to work with audio and video monitors to help make sure you can see and hear what you need to while you are presenting. Avoid extra movements once you are put on your mark, as camera angles, lighting, and sound may be set to cover only a limited area.
- Ask questions before a media interview to ensure that you can be adequately prepared. Come up with two to three key messages and some relevant "sound bites," and then stay on those messages during the interview.
- Spokespeople need to be good at establishing rapport, storytelling, and managing their nonverbal communication. Even though spokespeople deliver other people's messages, they should be involved in drafting the wording of the messages so their communication sounds natural and not forced.

- As organizations realize the increasing value of their reputations and the power of social media to rapidly enhance or destroy a reputation, they are more frequently employing crisis communication professionals who prepare for before, coordinate the response during, and assess an organization's response after a crisis.

## Exercises

1. Have you ever spoken on the radio or television? If so, how did your experiences match up with the content of this section? If not, what would you be worried and/or excited about?
2. Come up with three good "sound bites" related to the current speech you're working on. Make sure to follow the guidelines for a good sound bite outlined in this section.
3. Do some Internet research to find an example of an organization that responded poorly to a crisis situation. What could they have done better based on the information you learned in this chapter? (Doing a Google search for "crisis communication case study," or some other related terms, will help you find an example.)

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# SECTION OVERVIEW

## 3.8: Small Group Communication

### 3.8.1: Understanding Small Groups

### 3.8.2: Small Group Development

### 3.8.3: Small Group Dynamics

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# 3.8.1: Understanding Small Groups

**Learning Objectives**

1. Define small group communication.
2. Discuss the characteristics of small groups.
3. Explain the functions of small groups.
4. Compare and contrast different types of small groups.
5. Discuss advantages and disadvantages of small groups.

Most of the communication skills discussed in this book are directed toward dyadic communication, meaning that they are applied in two-person interactions. While many of these skills can be transferred to and used in small group contexts, the more complex nature of group interaction necessitates some adaptation and some additional skills. Small group communication refers to interactions among three or more people who are connected through a common purpose, mutual influence, and a shared identity. In this section, we will learn about the characteristics, functions, and types of small groups.

## Characteristics of Small Groups

Different groups have different characteristics, serve different purposes, and can lead to positive, neutral, or negative experiences. While our interpersonal relationships primarily focus on relationship building, small groups usually focus on some sort of task completion or goal accomplishment. A college learning community focused on math and science, a campaign team for a state senator, and a group of local organic farmers are examples of small groups that would all have a different size, structure, identity, and interaction pattern.

## Size of Small Groups

There is no set number of members for the ideal small group. A small group requires a minimum of three people (because two people would be a pair or dyad), but the upper range of group size is contingent on the purpose of the group. When groups grow beyond fifteen to twenty members, it becomes difficult to consider them a small group based on the previous definition. An analysis of the number of unique connections between members of small groups shows that they are deceptively complex. For example, within a six-person group, there are fifteen separate potential dyadic connections, and a twelve-person group would have sixty-six potential dyadic connections (Hargie, 2011). As you can see, when we double the number of group members, we more than double the number of connections, which shows that network connection points in small groups grow exponentially as membership increases. So, while there is no set upper limit on the number of group members, it makes sense that the number of group members should be limited to those necessary to accomplish the goal or serve the purpose of the group. Small groups that add too many members increase the potential for group members to feel overwhelmed or disconnected.

## Structure of Small Groups

Internal and external influences affect a group's structure. In terms of internal influences, member characteristics play a role in initial group formation. For instance, a person who is well informed about the group's task and/or highly motivated as a group member may emerge as a leader and set into motion internal decision-making processes, such as recruiting new members or assigning group roles, that affect the structure of a group (Ellis & Fisher, 1994). Different members will also gravitate toward different roles within the group and will advocate for certain procedures and courses of action over others. External factors such as group size, task, and resources also affect group structure. Some groups will have more control over these external factors through decision making than others. For example, a commission that is put together by a legislative body to look into ethical violations in athletic organizations will likely have less control over its external factors than a self-created weekly book club.



Figure 3.8.1.1: A self-formed study group likely has a more flexible structure than a city council committee. William Rotza – Group – CC BY-NC-ND 2.0.

Group structure is also formed through formal and informal network connections. In terms of formal networks, groups may have clearly defined roles and responsibilities or a hierarchy that shows how members are connected. The group itself may also be a part of an organizational hierarchy that networks the group into a larger organizational structure. This type of formal network is especially important in groups that have to report to external stakeholders. These external stakeholders may influence the group's formal network, leaving the group little or no control over its structure. Conversely, groups have more control over their informal networks, which are connections among individuals within the group and among group members and people outside of the group that aren't official. For example, a group member's friend or relative may be able to secure a space to hold a fundraiser at a discounted rate, which helps the group achieve its task. Both types of networks are important because they may help facilitate information exchange within a group and extend a group's reach in order to access other resources.

Size and structure also affect communication within a group (Ellis & Fisher, 1994). In terms of size, the more people in a group, the more issues with scheduling and coordination of communication. Remember that time is an important resource in most group interactions and a resource that is usually strained. Structure can increase or decrease the flow of communication. Reachability refers to the way in which one member is or isn't connected to other group members. For example, the "Circle" group structure in Figure 3.8.1.1 shows that each group member is connected to two other members. This can make coordination easy when only one or two people need to be brought in for a decision. In this case, Erik and Callie are very reachable by Winston, who could easily coordinate with them. However, if Winston needed to coordinate with Bill or Stephanie, he would have to wait on Erik or Callie to reach that person, which could create delays. The circle can be a good structure for groups who are passing along a task and in which each member is expected to progressively build on the others' work. A group of scholars coauthoring a research paper may work in such a manner, with each person adding to the paper and then passing it on to the next person in the circle. In this case, they can ask the previous person questions and write with the next person's area of expertise in mind. The "Wheel" group structure in Figure 3.8.1.1 shows an alternative organization pattern. In this structure, Tara is very reachable by all members of the group. This can be a useful structure when Tara is the person with the most expertise in the task or the leader who needs to review and approve work at each step before it is passed along to other group members. But Phillip and Shadow, for example, wouldn't likely work together without Tara being involved.

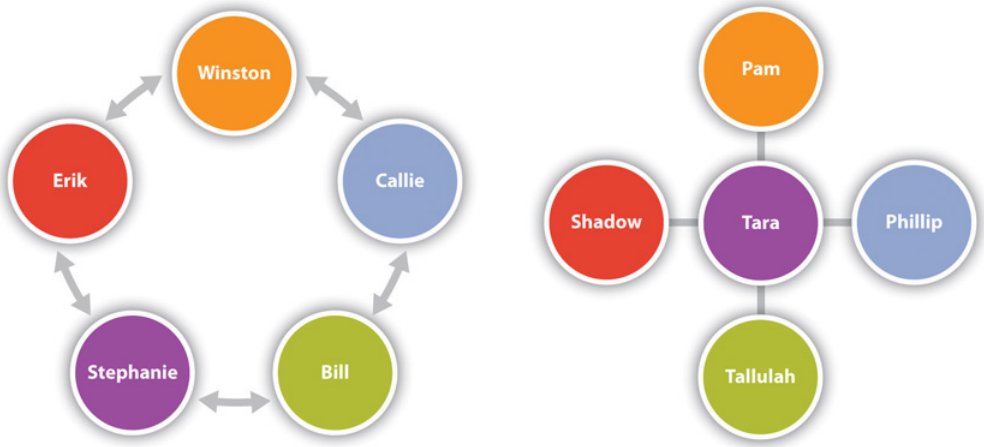



Figure 3.8.1.2: Small Group Structures

Looking at the group structures, we can make some assumptions about the communication that takes place in them. The wheel is an example of a centralized structure, while the circle is decentralized. Research has shown that centralized groups are better than decentralized groups in terms of speed and efficiency (Ellis & Fisher, 1994). But decentralized groups are more effective at solving complex problems. In centralized groups like the wheel, the person with the most connections, person C, is also more likely to be the leader of the group or at least have more status among group members, largely because that person has a broad perspective of what's going on in the group. The most central person can also act as a gatekeeper. Since this person has access to the most information, which is usually a sign of leadership or status, he or she could consciously decide to limit the flow of information. But in complex tasks, that person could become overwhelmed by the burden of processing and sharing information with all the other group members. The circle structure is more likely to emerge in groups where collaboration is the goal and a specific task and course of action isn't required under time constraints. While the person who initiated the group or has the most expertise in regards to the task may emerge as a leader in a decentralized group, the equal access to information lessens the hierarchy and potential for gatekeeping that is present in the more centralized groups.

## Interdependence

Small groups exhibit **interdependence**, meaning they share a common purpose and a common fate. If the actions of one or two group members lead to a group deviating from or not achieving their purpose, then all members of the group are affected. Conversely, if the actions of only a few of the group members lead to success, then all members of the group benefit. This is a major contributor to many college students' dislike of group assignments, because they feel a loss of control and independence that they have when they complete an assignment alone. This concern is valid in that their grades might suffer because of the negative actions of someone else or their hard work may go to benefit the group member who just skated by. Group meeting attendance is a clear example of the interdependent nature of group interaction. Many of us have arrived at a group meeting only to find half of the members present. In some cases, the group members who show up have to leave and reschedule because they can't accomplish their task without the other members present. Group members who attend meetings but withdraw or don't participate can also derail group progress. Although it can be frustrating to have your job, grade, or reputation partially dependent on the actions of others, the interdependent nature of groups can also lead to higher-quality performance and output, especially when group members are accountable for their actions.

## Shared Identity

The shared identity of a group manifests in several ways. Groups may have official charters or mission and vision statements that lay out the identity of a group. For example, the Girl Scout mission states that "Girl Scouting builds girls of courage, confidence, and character, who make the world a better place" (Girl Scouts, 2012). The mission for this large organization influences the identities of the thousands of small groups called troops. Group identity is often formed around a shared goal and/or previous accomplishments, which adds dynamism to the group as it looks toward the future and back on the past to inform its present. Shared identity can also be exhibited through group names, slogans, songs, handshakes, clothing, or other symbols. At a family

reunion, for example, matching t-shirts specially made for the occasion, dishes made from recipes passed down from generation to generation, and shared stories of family members that have passed away help establish a shared identity and social reality.

A key element of the formation of a shared identity within a group is the establishment of the in-group as opposed to the out-group. The degree to which members share in the in-group identity varies from person to person and group to group. Even within a family, some members may not attend a reunion or get as excited about the matching t-shirts as others. Shared identity also emerges as groups become cohesive, meaning they identify with and like the group's task and other group members. The presence of cohesion and a shared identity leads to a building of trust, which can also positively influence productivity and members' satisfaction.

## Functions of Small Groups

Why do we join groups? Even with the challenges of group membership that we have all faced, we still seek out and desire to be a part of numerous groups. In some cases, we join a group because we need a service or access to information. We may also be drawn to a group because we admire the group or its members. Whether we are conscious of it or not, our identities and self-concepts are built on the groups with which we identify. So, to answer the earlier question, we join groups because they function to help us meet instrumental, interpersonal, and identity needs.

## Groups Meet Instrumental Needs

Groups have long served the instrumental needs of humans, helping with the most basic elements of survival since ancient humans first evolved. Groups helped humans survive by providing security and protection through increased numbers and access to resources. Today, groups are rarely such a matter of life and death, but they still serve important instrumental functions. Labor unions, for example, pool efforts and resources to attain material security in the form of pay increases and health benefits for their members, which protects them by providing a stable and dependable livelihood. Individual group members must also work to secure the instrumental needs of the group, creating a reciprocal relationship. Members of labor unions pay dues that help support the group's efforts. Some groups also meet our informational needs. Although they may not provide material resources, they enrich our knowledge or provide information that we can use to then meet our own instrumental needs. Many groups provide referrals to resources or offer advice. For example, several consumer protection and advocacy groups have been formed to offer referrals for people who have been the victim of fraudulent business practices. Whether a group forms to provide services to members that they couldn't get otherwise, advocate for changes that will affect members' lives, or provide information, many groups meet some type of instrumental need.

## Groups Meet Interpersonal Needs

Group membership meets interpersonal needs by giving us access to inclusion, control, and support. In terms of inclusion, people have a fundamental drive to be a part of a group and to create and maintain social bonds. As we've learned, humans have always lived and worked in small groups. Family and friendship groups, shared-interest groups, and activity groups all provide us with a sense of belonging and being included in an in-group. People also join groups because they want to have some control over a decision-making process or to influence the outcome of a group. Being a part of a group allows people to share opinions and influence others. Conversely, some people join a group to be controlled, because they don't want to be the sole decision maker or leader and instead want to be given a role to follow.

Just as we enter into interpersonal relationships because we like someone, we are drawn toward a group when we are attracted to it and/or its members. Groups also provide support for others in ways that supplement the support that we get from significant others in interpersonal relationships. Some groups, like therapy groups for survivors of sexual assault or support groups for people with cancer, exist primarily to provide emotional support. While these groups may also meet instrumental needs through connections and referrals to resources, they fulfill the interpersonal need for belonging that is a central human need.

## Groups Meet Identity Needs

Our affiliations are building blocks for our identities, because group membership allows us to use reference groups for social comparison—in short, identifying us with some groups and characteristics and separating us from others. Some people join groups to be affiliated with people who share similar or desirable characteristics in terms of beliefs, attitudes, values, or cultural identities. For example, people may join the National Organization for Women because they want to affiliate with others who support women's rights or a local chapter of the National Association for the Advancement of Colored People (NAACP) because they want

to affiliate with African Americans, people concerned with civil rights, or a combination of the two. Group memberships vary in terms of how much they affect our identity, as some are more prominent than others at various times in our lives. While religious groups as a whole are too large to be considered small groups, the work that people do as a part of a religious community—as a lay leader, deacon, member of a prayer group, or committee—may have deep ties to a person's identity.



Figure 3.8.1.3: Group membership helps meet our interpersonal needs by providing an opportunity for affection and inclusion. Lostintheredwoods – Spiral of Hands – CC BY-ND 2.0.

The prestige of a group can initially attract us because we want that group's identity to "rub off" on our own identity. Likewise, the achievements we make as a group member can enhance our self-esteem, add to our reputation, and allow us to create or project certain identity characteristics to engage in impression management. For example, a person may take numerous tests to become a part of Mensa, which is an organization for people with high IQs, for no material gain but for the recognition or sense of achievement that the affiliation may bring. Likewise, people may join sports teams, professional organizations, and honor societies for the sense of achievement and affiliation. Such groups allow us opportunities to better ourselves by encouraging further development of skills or knowledge. For example, a person who used to play the oboe in high school may join the community band to continue to improve on his or her ability.

## Types of Small Groups

There are many types of small groups, but the most common distinction made between types of small groups is that of task-oriented and relational-oriented groups (Hargie, 2011). Task-oriented groups are formed to solve a problem, promote a cause, or generate ideas or information (McKay, Davis, & Fanning, 1995). In such groups, like a committee or study group, interactions and decisions are primarily evaluated based on the quality of the final product or output. The three main types of tasks are production, discussion, and problem-solving tasks (Ellis & Fisher, 1994). Groups faced with production tasks are asked to produce something tangible from their group interactions such as a report, design for a playground, musical performance, or fundraiser event. Groups faced with discussion tasks are asked to talk through something without trying to come up with a right or wrong answer. Examples of this type of group include a support group for people with HIV/AIDS, a book club, or a group for new fathers. Groups faced with problem-solving tasks have to devise a course of action to meet a specific need. These groups also usually include a production and discussion component, but the end goal isn't necessarily a tangible product or a shared social reality through discussion. Instead, the end goal is a well-thought-out idea. Task-oriented groups require honed problem-solving skills to accomplish goals, and the structure of these groups is more rigid than that of relational-oriented groups.

Relational-oriented groups are formed to promote interpersonal connections and are more focused on quality interactions that contribute to the well-being of group members. Decision making is directed at strengthening or repairing relationships rather than completing discrete tasks or debating specific ideas or courses of action. All groups include task and relational elements, so it's best to think of these orientations as two ends of a continuum rather than as mutually exclusive. For example, although a family unit works together daily to accomplish tasks like getting the kids ready for school and friendship groups may plan a surprise party for one of the members, their primary and most meaningful interactions are still relational. Since other chapters in this book focus

specifically on interpersonal relationships, this chapter focuses more on task-oriented groups and the dynamics that operate within these groups.

To more specifically look at the types of small groups that exist, we can examine why groups form. Some groups are formed based on interpersonal relationships. Our family and friends are considered primary groups, or long-lasting groups that are formed based on relationships and include significant others. These are the small groups in which we interact most frequently. They form the basis of our society and our individual social realities. Kinship networks provide important support early in life and meet physiological and safety needs, which are essential for survival. They also meet higher-order needs such as social and self-esteem needs. When people do not interact with their biological family, whether voluntarily or involuntarily, they can establish fictive kinship networks, which are composed of people who are not biologically related but fulfill family roles and help provide the same support.

We also interact in many secondary groups, which are characterized by less frequent face-to-face interactions, less emotional and relational communication, and more task-related communication than primary groups (Barker, 1991). While we are more likely to participate in secondary groups based on self-interest, our primary-group interactions are often more reciprocal or other oriented. For example, we may join groups because of a shared interest or need.

Groups formed based on shared interest include social groups and leisure groups such as a group of independent film buffs, science fiction fans, or bird watchers. Some groups form to meet the needs of individuals or of a particular group of people. Examples of groups that meet the needs of individuals include study groups or support groups like a weight loss group. These groups are focused on individual needs, even though they meet as a group, and they are also often discussion oriented. Service groups, on the other hand, work to meet the needs of individuals but are task oriented. Service groups include Habitat for Humanity and Rotary Club chapters, among others. Still other groups form around a shared need, and their primary task is advocacy. For example, the Gay Men's Health Crisis is a group that was formed by a small group of eight people in the early 1980s to advocate for resources and support for the still relatively unknown disease that would later be known as AIDS. Similar groups form to advocate for everything from a stop sign at a neighborhood intersection to the end of human trafficking.

As we already learned, other groups are formed primarily to accomplish a task. Teams are task-oriented groups in which members are especially loyal and dedicated to the task and other group members (Larson & LaFasto, 1989). In professional and civic contexts, the word *team* has become popularized as a means of drawing on the positive connotations of the term—connotations such as "high-spirited," "cooperative," and "hardworking." Scholars who have spent years studying highly effective teams have identified several common factors related to their success. Successful teams have (Adler & Elmhorst, 2005)

- clear and inspiring shared goals,
- a results-driven structure,
- competent team members,
- a collaborative climate,
- high standards for performance,
- external support and recognition, and
- ethical and accountable leadership.

Increasingly, small groups and teams are engaging in more virtual interaction. Virtual groups take advantage of new technologies and meet exclusively or primarily online to achieve their purpose or goal. Some virtual groups may complete their task without ever being physically face-to-face. Virtual groups bring with them distinct advantages and disadvantages that you can read more about in the "Getting Plugged In" feature next.

### "Getting Plugged In": Virtual Groups

Virtual groups are now common in academic, professional, and personal contexts, as classes meet entirely online, work teams interface using webinar or video-conferencing programs, and people connect around shared interests in a variety of online settings. Virtual groups are popular in professional contexts because they can bring together people who are geographically dispersed (Ahuja & Galvin, 2003). Virtual groups also increase the possibility for the inclusion of diverse members. The ability to transcend distance means that people with diverse backgrounds and diverse perspectives are more easily accessed than in many offline groups.

One disadvantage of virtual groups stems from the difficulties that technological mediation presents for the relational and social dimensions of group interactions (Walther & Bunz, 2005). As we will learn later in this chapter, an important part of coming together as a group is the socialization of group members into the desired norms of the group. Since norms are implicit, much of this information is learned through observation or conveyed informally from one group member to another. In fact, in traditional groups, group members passively acquire 50 percent or more of their knowledge about group norms and procedures, meaning they observe rather than directly ask (Comer, 1991). Virtual groups experience more difficulty with this part of socialization than copresent traditional groups do, since any form of electronic mediation takes away some of the richness present in face-to-face interaction.

To help overcome these challenges, members of virtual groups should be prepared to put more time and effort into building the relational dimensions of their group. Members of virtual groups need to make the social cues that guide new members' socialization more explicit than they would in an offline group (Ahuja & Galvin, 2003). Group members should also contribute often, even if just supporting someone else's contribution, because increased participation has been shown to increase liking among members of virtual groups (Walther & Bunz, 2005). Virtual group members should also make an effort to put relational content that might otherwise be conveyed through nonverbal or contextual means into the verbal part of a message, as members who include little social content in their messages or only communicate about the group's task are more negatively evaluated. Virtual groups who do not overcome these challenges will likely struggle to meet deadlines, interact less frequently, and experience more absenteeism. What follows are some guidelines to help optimize virtual groups (Walter & Bunz, 2005):

- Get started interacting as a group as early as possible, since it takes longer to build social cohesion.
- Interact frequently to stay on task and avoid having work build up.
- Start working toward completing the task while initial communication about setup, organization, and procedures are taking place.
- Respond overtly to other people's messages and contributions.
- Be explicit about your reactions and thoughts since typical nonverbal expressions may not be received as easily in virtual groups as they would be in colocated groups.
- Set deadlines and stick to them.

1. Make a list of some virtual groups to which you currently belong or have belonged to in the past. What are some differences between your experiences in virtual groups versus traditional colocated groups?
2. What are some group tasks or purposes that you think lend themselves to being accomplished in a virtual setting? What are some group tasks or purposes that you think would be best handled in a traditional colocated setting? Explain your answers for each.

## Advantages and Disadvantages of Small Groups

As with anything, small groups have their advantages and disadvantages. Advantages of small groups include shared decision making, shared resources, synergy, and exposure to diversity. It is within small groups that most of the decisions that guide our country, introduce local laws, and influence our family interactions are made. In a democratic society, participation in decision making is a key part of citizenship. Groups also help in making decisions involving judgment calls that have ethical implications or the potential to negatively affect people. Individuals making such high-stakes decisions in a vacuum could have negative consequences given the lack of feedback, input, questioning, and proposals for alternatives that would come from group interaction. Group members also help expand our social networks, which provide access to more resources. A local community-theater group may be able to put on a production with a limited budget by drawing on these connections to get set-building supplies, props, costumes, actors, and publicity in ways that an individual could not. The increased knowledge, diverse perspectives, and access to resources that groups possess relates to another advantage of small groups—synergy.

Synergy refers to the potential for gains in performance or heightened quality of interactions when complementary members or member characteristics are added to existing ones (Larson Jr., 2010). Because of synergy, the final group product can be better than what any individual could have produced alone. When I worked in housing and residence life, I helped coordinate a "World Cup Soccer Tournament" for the international students that lived in my residence hall. As a group, we created teams representing different countries around the world, made brackets for people to track progress and predict winners, got sponsors, gathered prizes, and ended up with a very successful event that would not have been possible without the synergy created by our collective group

membership. The members of this group were also exposed to international diversity that enriched our experiences, which is also an advantage of group communication.

Participating in groups can also increase our exposure to diversity and broaden our perspectives. Although groups vary in the diversity of their members, we can strategically choose groups that expand our diversity, or we can unintentionally end up in a diverse group. When we participate in small groups, we expand our social networks, which increase the possibility to interact with people who have different cultural identities than ourselves. Since group members work together toward a common goal, shared identification with the task or group can give people with diverse backgrounds a sense of commonality that they might not have otherwise. Even when group members share cultural identities, the diversity of experience and opinion within a group can lead to broadened perspectives as alternative ideas are presented and opinions are challenged and defended. One of my favorite parts of facilitating class discussion is when students with different identities and/or perspectives teach one another things in ways that I could not on my own. This example brings together the potential of synergy and diversity. People who are more introverted or just avoid group communication and voluntarily distance themselves from groups—or are rejected from groups—risk losing opportunities to learn more about others and themselves.




Figure 3.8.1.4: A social loafer is a dreaded group member who doesn't do his or her share of the work, expecting that others on the group won't notice or will pick up the slack. Henry Burrows – Sleeping On The Job – CC BY-SA 2.0.

There are also disadvantages to small group interaction. In some cases, one person can be just as or more effective than a group of people. Think about a situation in which a highly specialized skill or knowledge is needed to get something done. In this situation, one very knowledgeable person is probably a better fit for the task than a group of less knowledgeable people. Group interaction also has a tendency to slow down the decision-making process. Individuals connected through a hierarchy or chain of command often work better in situations where decisions must be made under time constraints. When group interaction does occur under time constraints, having one "point person" or leader who coordinates action and gives final approval or disapproval on ideas or suggestions for actions is best.

Group communication also presents interpersonal challenges. A common problem is coordinating and planning group meetings due to busy and conflicting schedules. Some people also have difficulty with the other-centeredness and self-sacrifice that some groups require. The interdependence of group members that we discussed earlier can also create some disadvantages. Group members may take advantage of the anonymity of a group and engage in social loafing, meaning they contribute less to the group than other members or than they would if working alone (Karau & Williams, 1993). Social loafers expect that no one will notice their behaviors or that others will pick up their slack. It is this potential for social loafing that makes many students and professionals dread group work, especially those who have a tendency to cover for other group members to prevent the social loafer from diminishing the group's productivity or output.

### "Getting Competent": Improving Your Group Experiences

Like many of you, I also had some negative group experiences in college that made me think similarly to a student who posted the following on a teaching blog: "Group work is code for 'work as a group for a grade less than what you can get if you work alone'" (Weimer, 2008). But then I took a course called "Small Group and Team Communication" with an amazing teacher who later became one of my most influential mentors. She emphasized the fact that we all needed to increase our knowledge

about group communication and group dynamics in order to better our group communication experiences—and she was right. So the first piece of advice to help you start improving your group experiences is to closely study the group communication chapters in this textbook and to apply what you learn to your group interactions. Neither students nor faculty are born knowing how to function as a group, yet students and faculty often think we're supposed to learn as we go, which increases the likelihood of a negative experience.

A second piece of advice is to meet often with your group (Myers & Goodboy, 2005). Of course, to do this you have to overcome some scheduling and coordination difficulties, but putting other things aside to work as a group helps set up a norm that group work is important and worthwhile. Regular meetings also allow members to interact with each other, which can increase social bonds, build a sense of interdependence that can help diminish social loafing, and establish other important rules and norms that will guide future group interaction. Instead of committing to frequent meetings, many student groups use their first meeting to equally divide up the group's tasks so they can then go off and work alone (not as a group). While some group work can definitely be done independently, dividing up the work and assigning someone to put it all together doesn't allow group members to take advantage of one of the most powerful advantages of group work—synergy.

Last, establish group expectations and follow through with them. I recommend that my students come up with a group name and create a contract of group guidelines during their first meeting (both of which I learned from my group communication teacher whom I referenced earlier). The group name helps begin to establish a shared identity, which then contributes to interdependence and improves performance. The contract of group guidelines helps make explicit the group norms that might have otherwise been left implicit. Each group member contributes to the contract and then they all sign it. Groups often make guidelines about how meetings will be run, what to do about lateness and attendance, the type of climate they'd like for discussion, and other relevant expectations. If group members end up falling short of these expectations, the other group members can remind the straying member of the contact and the fact that he or she signed it. If the group encounters further issues, they can use the contract as a basis for evaluating the other group member or for communicating with the instructor.

1. Do you agree with the student's quote about group work that was included at the beginning? Why or why not?
2. The second recommendation is to meet more with your group. Acknowledging that schedules are difficult to coordinate and that that is not really going to change, what are some strategies that you could use to overcome that challenge in order to get time together as a group?
3. What are some guidelines that you think you'd like to include in your contract with a future group?

## Key Takeaways

- Getting integrated: Small group communication refers to interactions among three or more people who are connected through a common purpose, mutual influence, and a shared identity. Small groups are important communication units in academic, professional, civic, and personal contexts.
- Several characteristics influence small groups, including size, structure, interdependence, and shared identity.
  - In terms of size, small groups must consist of at least three people, but there is no set upper limit on the number of group members. The ideal number of group members is the smallest number needed to competently complete the group's task or achieve the group's purpose.
  - Internal influences such as member characteristics and external factors such as the group's size, task, and access to resources affect a group's structure. A group's structure also affects how group members communicate, as some structures are more centralized and hierarchical and other structures are more decentralized and equal.
  - Groups are interdependent in that they have a shared purpose and a shared fate, meaning that each group member's actions affect every other group member.
  - Groups develop a shared identity based on their task or purpose, previous accomplishments, future goals, and an identity that sets their members apart from other groups.
- Small groups serve several functions as they meet instrumental, interpersonal, and identity needs.
  - Groups meet instrumental needs, as they allow us to pool resources and provide access to information to better help us survive and succeed.
  - Groups meet interpersonal needs, as they provide a sense of belonging (inclusion), an opportunity to participate in decision making and influence others (control), and emotional support.

- Groups meet identity needs, as they offer us a chance to affiliate ourselves with others whom we perceive to be like us or whom we admire and would like to be associated with.

- There are various types of groups, including task-oriented, relational-oriented, primary, and secondary groups, as well as teams.
  - Task-oriented groups are formed to solve a problem, promote a cause, or generate ideas or information, while relational-oriented groups are formed to promote interpersonal connections. While there are elements of both in every group, the overall purpose of a group can usually be categorized as primarily task or relational oriented.
  - Primary groups are long-lasting groups that are formed based on interpersonal relationships and include family and friendship groups, and secondary groups are characterized by less frequent interaction and less emotional and relational communication than in primary groups. Our communication in primary groups is more frequently other oriented than our communication in secondary groups, which is often self-oriented.
  - Teams are similar to task-oriented groups, but they are characterized by a high degree of loyalty and dedication to the group's task and to other group members.
- Advantages of group communication include shared decision making, shared resources, synergy, and exposure to diversity. Disadvantages of group communication include unnecessary group formation (when the task would be better performed by one person), difficulty coordinating schedules, and difficulty with accountability and social loafing.

## Exercises

1. Getting integrated: For each of the follow examples of a small group context, indicate what you think would be the ideal size of the group and why. Also indicate who the ideal group members would be (in terms of their occupation/major, role, level of expertise, or other characteristics) and what structure would work best.
   - A study group for this class
   - A committee to decide on library renovation plans
   - An upper-level college class in your major
   - A group to advocate for more awareness of and support for abandoned animals
2. List some groups to which you have belonged that focused primarily on tasks and then list some that focused primarily on relationships. Compare and contrast your experiences in these groups.
3. Synergy is one of the main advantages of small group communication. Explain a time when a group you were in benefited from or failed to achieve synergy. What contributed to your success/failure?

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# 3.8.2: Small Group Development

**Learning Objectives**

1. Explain the process of group development.
2. Discuss the characteristics of each stage of group development.

Small groups have to start somewhere. Even established groups go through changes as members come and go, as tasks are started and completed, and as relationships change. In this section, we will learn about the stages of group development, which are forming, storming, norming, performing, and adjourning (Tuckman & Jensen, 1977). As with most models of communication phenomena, although we order the stages and discuss them separately, they are not always experienced in a linear fashion. Additionally, some groups don't experience all five stages, may experience stages multiple times, or may experience more than one stage at a time.

## Forming

During the **forming stage**, group members begin to reduce uncertainty associated with new relationships and/or new tasks through initial interactions that lay the foundation for later group dynamics. Groups return to the forming stage as group members come and go over the life span of a group. Although there may not be as much uncertainty when one or two new people join a group as there is when a group first forms, groups spend some time in the forming stage every time group membership changes.

Given that interpersonal bonds are likely not yet formed and people are unfamiliar with the purpose of the group or task at hand, there are high levels of uncertainty. Early stages of role negotiation begin and members begin to determine goals for the group and establish rules and norms. Group cohesion also begins to form during this stage. Group cohesion refers to the commitment of members to the purpose of the group and the degree of attraction among individuals within the group (Hargie, 2011). The cohesion that begins in this stage sets the group on a trajectory influenced by group members' feelings about one another and their purpose or task. Groups with voluntary membership may exhibit high levels of optimism about what the group can accomplish. Although the optimism can be motivating, unrealistic expectations can lead to disappointment, making it important for group members to balance optimism with realism. Groups with assigned or mandatory membership may include members that carry some degree of resentment toward the group itself or the goals of the group. These members can start the group off on a negative trajectory that will lessen or make difficult group cohesiveness. Groups can still be successful if these members are balanced out by others who are more committed to and positive in regards to the purpose of the group.

Many factors influence how the forming stage of group development plays out. The personalities of the individuals in the group, the skills that members bring, the resources available to the group, the group's size, and the group's charge all contribute to the creation of the early tone of and climate within a group (Ellis & Fisher, 1994). For example, more dominant personalities may take early leadership roles in the group that can affect subsequent decisions. Group members' diverse skill sets and access to resources can also influence the early stages of role differentiation. In terms of size, the bonding that begins in the forming stage becomes difficult when the number of people within the group prevents every person from having a one-on-one connection with every other member of the group. Also, in larger groups, more dominant members tend to assert themselves as leaders and build smaller coalitions within the group, which can start the group on a trajectory toward more conflict during the upcoming storming stage (Ellis & Fisher, 1994).

When a group receives an external charge, meaning that the goal or purpose of the group is decided by people outside the group, there may be less uncertainty related to the task dimensions of the group. Additionally, decisions about what roles people will play including group leaders and other decisions about the workings of the group may come from the outside, which reduces some of the uncertainty inherent in the forming stage. Relational uncertainty can also be diminished when group members have preexisting relationships or familiarity with each other. Although the decreased uncertainty may be beneficial at this stage, too much imposed structure from the outside can create resentment or a feeling of powerlessness among group members. So a manageable amount of uncertainty is actually a good thing for group cohesion and productivity.

## Storming

During the **storming stage** of group development, conflict emerges as people begin to perform their various roles, have their ideas heard, and negotiate where they fit in the group's structure. The uncertainty present in the forming stage begins to give way as people begin to occupy specific roles and the purpose, rules, and norms of a group become clearer. Conflict develops when some group members aren't satisfied with the role that they or others are playing or the decisions regarding the purpose or procedures of the group. For example, if a leader begins to emerge or is assigned during the forming stage, some members may feel that the leader is imposing his or her will on other members of the group. As we will learn in our section on group leadership, leaders should expect some degree of resentment from others who wanted to be the leader, have interpersonal conflicts with the leader, or just have general issues with being led.

Although the word *storming* and the concept of conflict have negative connotations, conflict can be positive and productive. Just like storms can replenish water supplies and make crops grow, storming can lead to group growth. While conflict is inevitable and should be experienced by every group, a group that gets stuck at the storming stage will likely not have much success in completing its task or achieving its purpose. Influences from outside the group can also affect the conflict in the storming stage. Interpersonal conflicts that predate the formation of the group may distract the group from the more productive idea- or task-oriented conflict that can be healthy for the group and increase the quality of ideas, decision making, and output.



Figure: Although we often have negative connotations of storming and conflict, the group conflict that happens in this stage is necessary and productive. Benjamen Benson – Lightning Storm – CC BY 2.0.

## Norming

During the **norming stage** of group development, the practices and expectations of the group are solidified, which leads to more stability, productivity, and cohesion within the group. Group norms are behaviors that become routine but are not explicitly taught or stated. In short, group norms help set the tone for what group members ought to do and how they ought to behave (Ellis & Fisher, 1994). Many implicit norms are derived from social norms that people follow in their everyday life. Norms within the group about politeness, lateness, and communication patterns are typically similar to those in other contexts. Sometimes a norm needs to be challenged because it is not working for the group, which could lead a group back to the storming stage. Other times, group members challenge norms for no good reason, which can lead to punishment for the group member or create conflict within the group.

At this stage, there is a growing consensus among group members as to the roles that each person will play, the way group interactions will typically play out, and the direction of the group. Leaders that began to emerge have typically gained the support of other group members, and group identity begins to solidify. The group may now be recognizable by those on the outside, as slogans, branding, or patterns of interaction become associated with the group. This stage of group development is key for the smooth operation of the group. Norms bring a sense of predictability and stability that can allow a group to move on to the performing stage of group development. Norms can also bring with them conformity pressures that can be positive or negative. In general, people go along with a certain amount of pressure to conform out of a drive to avoid being abnormal that is a natural part

of our social interaction (Ellis & Fisher, 1994). Too much pressure, however, can lead people to feel isolated and can create a negative group climate. We will learn more about pressure as a group dynamic later in this chapter.

Explicit rules may also guide group interaction. Rules are explicitly stated guidelines for members and may refer to things like expected performance levels or output, attitudes, or dress codes. Rules may be communicated through verbal instructions, employee handbooks, membership policies, or codes of conduct (Hargie, 2011). Groups can even use procedures like Robert's Rules of Order to manage the flow of conversations and decision-making procedures. Group members can contest or subvert group rules just as they can norms. Violations of group rules, however, typically result in more explicit punishments than do violations of norms.

## Performing

During the **performing stage** of group development, group members work relatively smoothly toward the completion of a task or achievement of a purpose. Although interactions in the performing stage are task focused, the relational aspects of group interaction provide an underlying support for the group members. Socialization outside of official group time can serve as a needed relief from the group's task. During task-related interactions, group members ideally begin to develop a synergy that results from the pooling of skills, ideas, experiences, and resources. Synergy is positive in that it can lead group members to exceed their expectations and perform better than they could individually. Glitches in the group's performance can lead the group back to previous stages of group development. Changes in membership, member roles, or norms can necessitate a revisiting of aspects of the forming, storming, or norming stages. One way to continue to build group cohesion during the performing stage is to set short-term attainable group goals. Accomplishing something, even if it's small, can boost group morale, which in turn boosts cohesion and productivity.

## Adjourning

The **adjourning stage** of group development occurs when a group dissolves because it has completed its purpose or goal, membership is declining and support for the group no longer exists, or it is dissolved because of some other internal or external cause. Some groups may live on indefinitely and not experience the adjourning stage. Other groups may experience so much conflict in the storming stage that they skip norming and performing and dissolve before they can complete their task. For groups with high social cohesion, adjourning may be a difficult emotional experience. However, group members may continue interpersonal relationships that formed even after the group dissolves. In reality, many bonds, even those that were very close, end up fading after the group disbands. This doesn't mean the relationship wasn't genuine; interpersonal relationships often form because of proximity and shared task interaction. Once that force is gone, it becomes difficult to maintain friendships, and many fade away. For groups that had negative experiences, the adjourning stage may be welcomed.

To make the most out of the adjourning stage, it is important that there be some guided and purposeful reflection. Many groups celebrate their accomplishments with a party or ceremony. Even groups that had negative experiences or failed to achieve their purpose can still learn something through reflection in the adjourning stage that may be beneficial for future group interactions. Often, group members leave a group experience with new or more developed skills that can be usefully applied in future group or individual contexts. Even groups that are relational rather than task focused can increase members' interpersonal, listening, or empathetic skills or increase cultural knowledge and introduce new perspectives.

## Key Takeaways

- Small groups have to start somewhere, but their course of development varies after forming based on many factors. Some groups go through each stage of development in a progressive and linear fashion, while other groups may get stuck in a stage, skip a stage, or experience a stage multiple times.
- The five stages of group development include forming, storming, norming, performing, and adjourning.
    1. During the forming stage, group members engage in socially polite exchanges to help reduce uncertainty and gain familiarity with new members. Even though their early interactions may seem unproductive, they lay the groundwork for cohesion and other group dynamics that will play out more prominently in later stages.
    2. During the storming stage, conflict emerges as group members begin to perform their various roles, have their ideas heard, and negotiate where they fit in the group's structure. Conflict is inevitable and important as a part of group development and can be productive if it is managed properly.

3. During the norming stage, the practices and expectations (norms and rules) of the group are solidified, which leads to more stability, productivity, and cohesion within the group.
4. During the performing stage, group members work relatively smoothly toward the completion of a task or the achievement of their purpose, ideally capitalizing on the synergy that comes from the diverse experiences group members bring to the decision-making process.
5. During the adjourning stage, a group dissolves because its purpose has been met, because membership has declined or the group has lost support, or due to some other internal or external cause. It is important that groups reflect on the life of the group to learn any relevant lessons and celebrate accomplishments.

## Exercises

1. Recall a previous or current small group to which you belonged/belong. Trace the group's development using the five stages discussed in this section. Did you experience all the stages? In what order? Did you stay in some stages more than others?
2. During the norming stage of group development, interaction patterns and group expectations solidify. Recall a current or former group. What were some of the norms for the group? What were some rules? How did you become aware of each?
3. Many people don't think about the importance of the adjourning stage. What do you think is the best way to complete the adjourning stage for a group that was successful and cohesive? What about for a group that was unsuccessful and not cohesive?

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# 3.8.3: Small Group Dynamics

**Learning Objectives**

1. Explain the relationship between group cohesion and group climate.
2. Describe the process of group member socialization.
3. Explain the relationship between conformity and groupthink.
4. Define various types of group conflict and identify strategies for managing each type.

Any time a group of people come together, new dynamics are put into place that differ from the dynamics present in our typical dyadic interactions. The impressions we form about other people's likeability and the way we think about a group's purpose are affected by the climate within a group that is created by all members. Groups also develop norms, and new group members are socialized into a group's climate and norms just as we are socialized into larger social and cultural norms in our everyday life. The pressure to conform to norms becomes more powerful in group situations, and some groups take advantage of these forces with positive and negative results. Last, the potential for productive and destructive conflict increases as multiple individuals come together to accomplish a task or achieve a purpose. This section explores the dynamics mentioned previously in order to better prepare you for future group interactions.

## Group Cohesion and Climate

When something is cohesive, it sticks together, and the cohesion within a group helps establish an overall group climate. Group climate refers to the relatively enduring tone and quality of group interaction that is experienced similarly by group members. To better understand cohesion and climate, we can examine two types of cohesion: task and social.

Task cohesion refers to the commitment of group members to the purpose and activities of the group. Social cohesion refers to the attraction and liking among group members. Ideally, groups would have an appropriate balance between these two types of cohesion relative to the group's purpose, with task-oriented groups having higher task cohesion and relational-oriented groups having higher social cohesion. Even the most task-focused groups need some degree of social cohesion, and vice versa, but the balance will be determined by the purpose of the group and the individual members. For example, a team of workers from the local car dealership may join a local summer softball league because they're good friends and love the game. They may end up beating the team of faculty members from the community college who joined the league just to get to know each other better and have an excuse to get together and drink beer in the afternoon. In this example, the players from the car dealership exhibit high social and task cohesion, while the faculty exhibit high social but low task cohesion.

Cohesion benefits a group in many ways and can be assessed through specific group behaviors and characteristics. Groups with an appropriate level of cohesiveness (Hargie, 2011)

- set goals easily;
- exhibit a high commitment to achieving the purpose of the group;
- are more productive;
- experience fewer attendance issues;
- have group members who are willing to stick with the group during times of difficulty;
- have satisfied group members who identify with, promote, and defend the group;
- have members who are willing to listen to each other and offer support and constructive criticism; and
- experience less anger and tension.

Appropriate levels of group cohesion usually create a positive group climate, since group climate is affected by members' satisfaction with the group. Climate has also been described as group morale. Following are some qualities that contribute to a positive group climate and morale (Marston & Hecht, 1988):

- **Participation.** Group members feel better when they feel included in discussion and a part of the functioning of the group.
- **Messages.** Confirming messages help build relational dimensions within a group, and clear, organized, and relevant messages help build task dimensions within a group.
- **Feedback.** Positive, constructive, and relevant feedback contribute to group climate.

- **Equity.** Aside from individual participation, group members also like to feel as if participation is managed equally within the group and that appropriate turn taking is used.
- **Clear and accepted roles.** Group members like to know how status and hierarchy operate within a group. Knowing the roles isn't enough to lead to satisfaction, though—members must also be comfortable with and accept those roles.
- **Motivation.** Member motivation is activated by perceived connection to and relevance of the group's goals or purpose.



Figure 3.8.3.1: Cohesion and shared identity help create symbolic convergence as group members develop a group identity and shared social reality. Ram K – Watching the big game – CC BY-NC 2.0.

Group cohesion and climate is also demonstrated through symbolic convergence (Bormann, 1985). Symbolic convergence refers to the sense of community or group consciousness that develops in a group through non-task-related communication such as stories and jokes. The originator of symbolic convergence theory, Ernest Bormann, claims that the sharing of group fantasies creates symbolic convergence. *Fantasy*, in this sense, doesn't refer to fairy tales, sexual desire, or untrue things. In group communication, group fantasies are verbalized references to events outside the "here and now" of the group, including references to the group's past, predictions for the future, or other communication about people or events outside the group (Griffin, 2009). For example, as a graduate student, I spent a lot of time talking with others in our small group about research, writing, and other things related to our classes and academia in general. Most of this communication wouldn't lead to symbolic convergence or help establish the strong social bonds that we developed as a group. Instead, it was our grad student "war stories" about excessive reading loads and unreasonable paper requirements we had experienced in earlier years of grad school, horror stories about absent or vindictive thesis advisors, and "you won't believe this" stories from the classes that we were teaching that brought us together.

In any group, you can tell when symbolic convergence is occurring by observing how people share such fantasies and how group members react to them. If group members react positively and agree with or appreciate the teller's effort or other group members are triggered to tell their own related stories, then convergence is happening and cohesion and climate are being established. Over time, these fantasies build a shared vision of the group and what it means to be a member that creates a shared group consciousness. By reviewing and applying the concepts in this section, you can hopefully identify potential difficulties with group cohesion and work to enhance cohesion when needed in order to create more positive group climates and enhance your future group interactions.

### "Getting Real": Working in Teams

Although most college students hate working in groups, in the "real world" working in teams has become a regular part of professional expectations. Following Japan's lead, corporations in the United States began adopting a more team-based approach for project management decades ago (Jain et al., 2008). This model has become increasingly popular in various organizational settings since then as means to increase productivity and reduce bureaucracy. Teams in the workplace have horizontally expanded the traditional vertical hierarchy of organizations, as the aim of creating these teams was to produce

smaller units within an organization that are small enough to be efficient and self-manageable but large enough to create the synergy that we discussed in the earlier part of the chapter.

Aside from efficiency, teams are also valued for the potential for innovation. The strategic pooling of people with diverse knowledge, experience, and skills can lead to synergistic collaborative thinking that produces new knowledge (du Chatenier et al., 2010). This potential for innovation makes teams ideal in high-stakes situations where money, contracts, or lives are at stake. Large corporations are now putting together what has been termed *interorganizational high-performance research and development teams* consisting of highly trained technical and scientific experts from diverse backgrounds to work collectively and simultaneously on complex projects under very challenging conditions (Daniel & Davis, 2009). In markets where companies race to find the next generation of technological improvement, such research and development teams are critical for an organization's success. Research on such teams in real-world contexts has found that in order to be successful, high-performance teams should have a clear base such as a project mission, a leader who strategically assigns various tasks to members based on their specialized expertise, and shared leadership in which individual experts are trusted to make decisions relevant to their purview within the group. Although these high-performance teams are very task oriented, research has also found that the social element cannot be ignored, even under extreme internal and external pressures. In fact, cohesion and interdependence help create a shared reality that in turn improves productivity, because team members feel a sense of shared ownership over their charge (Solansky, 2011).

Some challenges associated with working in teams include the potential for uncertainty or conflict due to the absence of traditional hierarchy, pressures that become overwhelming, lack of shared history since such teams are usually future oriented, and high expectations without resources necessary to complete the task (du Chatenier et al., 2010). To overcome these challenges, team members can think positively but realistically about the team's end goal, exhibit trust in the expertise of other team members, be reliable and approachable to help build a good team spirit, take initiative with actions and ideas, ask critical questions, and provide critical but constructive feedback.

1. Given your career goals, what sorts of teamwork do you think you might engage in?
2. Would you welcome the opportunity to work on a high-performance team? Why or why not?
3. Members of teams are often under intense pressures to produce or perform at high levels. What is the line at which the pressure becomes too much? Ethically, how far should companies push teams and how far should team members go to complete a task?

## Socializing Group Members

**Group socialization** refers to the process of teaching and learning the norms, rules, and expectations associated with group interaction and group member behaviors. Group norms, rules, and cohesion can only be created and maintained through socialization (Ahuja & Galvin, 2003). It is also through socialization that a shared identity and social reality develops among group members, but this development is dependent on several factors. For example, groups with higher levels of cohesion are more likely to have members that "buy into" rules and norms, which aids in socialization. The need for socialization also changes throughout a group's life span. If membership in a group is stable, long-term members should not need much socialization. However, when new members join a group, existing members must take time to engage in socialization. When a totally new group is formed, socialization will be an ongoing process as group members negotiate rules and procedures, develop norms, and create a shared history over time.

The information exchanged during socialization can be broken down into two general categories: technical and social knowledge (Ahuja & Galvin, 2003). Technical knowledge focuses on skills and information needed to complete a task, and social knowledge focuses on behavioral norms that guide interaction. Each type of information is usually conveyed through a combination of formal and informal means. Technical knowledge can be fairly easily passed along through orientations, trainings, manuals, and documents, because this content is often fairly straightforward. Social knowledge is more ambiguous and is usually conveyed through informal means or passively learned by new members through observation. To return to our earlier terminology, technical knowledge relates more to group rules and social knowledge relates more to group norms.

Companies and social organizations socialize new members in different ways. A new training cohort at an established company may be given technical rule-based information in the form of a manual and a history of the organization and an overview of the organizational culture to help convey social knowledge about group norms. Members of some small groups like fraternities or

professional organizations have to take pledges or oaths that may convey a mixture of technical and social knowledge. Social knowledge may be conveyed in interactions that are separate from official group time. For example, literally socializing as a group is a good way to socialize group members. Many large and successful businesses encourage small groups within the company to socialize outside of work time in order to build cohesion and group solidarity.

Socialization continues after initial membership through the enforcement of rules and norms. When someone deviates from the rules and norms and is corrected, it serves as a reminder for all other members and performs a follow-up socializing function. Since rules are explicitly stated and documented, deviation from the rules can have consequences ranging from verbal warnings, to temporary or permanent separation from the group, to fines or other sanctions. And although norms are implicit, deviating from them can still have consequences. Even though someone may not actually verbally correct the deviation, the self-consciousness, embarrassment, or awkwardness that can result from such deviations is often enough to initiate corrective actions. Group norms can be so implicit that they are taken for granted and operate under group members' awareness.

Group rules and norms provide members with a sense of predictability that helps reduce uncertainty and increase a sense of security for one's place within the group. They also guide group members' involvement with the group, help create a shared social reality, and allow the group to function in particular ways without having actual people constantly educating, monitoring, and then correcting member behaviors (Hargie, 2011). Of course, the degree to which this is successful depends on the buy-in from group members.

## Group Pressures

There must be some kind of motivating force present within groups in order for the rules and norms to help govern and guide a group. Without such pressure, group members would have no incentive to conform to group norms or buy into the group's identity and values. In this section, we will discuss how rules and norms gain their power through internal and external pressures and how these pressures can have positive and negative effects.



Figure 3.8.3.2: Even though group members are different, failure to conform to the group's identity could create problems. Airwolfhound – Odd one out – CC BY-SA 2.0.

### Conformity

In general, some people are more likely to accept norms and rules than others, which can influence the interaction and potential for conflict within a group. While some people may feel a need for social acceptance that leads them to accept a norm or rule with minimal conformity pressure, others may actively resist because they have a valid disagreement or because they have an aggressive or argumentative personality (Ellis & Fisher, 1994). Such personality traits are examples of internal pressures that operate within the individual group member and act as a self-governing mechanism. When group members discipline themselves and monitor their own behavior, groups need not invest in as many external mechanisms to promote conformity. Deviating from the group's rules and norms that a member internalized during socialization can lead to self-imposed feelings of guilt or shame that can then initiate corrective behaviors and discourage the member from going against the group.

External pressures in the form of group policies, rewards or punishments, or other forces outside of individual group members also exert conformity pressure. In terms of group policies, groups that have an official admission process may have a probation period during which new members' membership is contingent on them conforming to group expectations. Deviation from expectations during this "trial period" could lead to expulsion from the group. Supervisors, mentors, and other types of group leaders are also agents that can impose external pressures toward conformity. These group members often have the ability to provide positive or negative reinforcement in the form of praise or punishment, which are clear attempts to influence behavior.

Conformity pressure can also stem from external forces when the whole group stands to receive a reward or punishment based on its performance, which ties back to the small group characteristic of interdependence. Although these pressures may seem negative, they also have positive results. Groups that exert an appropriate and ethical amount of conformity pressure typically have higher levels of group cohesion, which as we learned leads to increased satisfaction with group membership, better relationships, and better task performance. Groups with a strong but healthy level of conformity also project a strong group image to those outside the group, which can raise the group's profile or reputation (Hargie, 2011). Pressures toward conformity, of course, can go too far, as is evidenced in tragic stories of people driven to suicide because they felt they couldn't live up to the conformity pressure of their group and people injured or killed enduring hazing rituals that take expectations for group conformity to unethical and criminal extremes.

### "Getting Critical": Hazing: Taking Conformity Pressures to the Extreme

*Hazing* can be defined as actions expected to be performed by aspiring or new members of a group that are irrelevant to the group's activities or mission and are humiliating, degrading, abusive, or dangerous (Richardson, Wang, & Hall, 2012). People who have participated in hazing or have been hazed often note that hazing activities are meant to build group identification and unity. Scholars note that hazing is rationalized because of high conformity pressures and that people who were hazed internalize the group's practices and are more likely to perpetuate hazing, creating a cycle of abuse (Campo, Poulos, & Sipple, 2005). Hazing is not new; it has been around in academic and athletic settings since ancient Greece, but it has gotten much attention lately on college campuses as the number of student deaths attributed to hazing behaviors has increased steadily over the past years. In general, it is believed that hazing incidents are underreported, because these activities are done in secret within tightly knit organizations such as fraternities, sororities, and athletic teams that have strong norms of conformity (Richardson, Wang, & Hall, 2012).

The urge to belong is powerful, but where is the line when it comes to the actions people take or what people are willing to endure in order to be accepted? Hazing is meant to have aspiring group members prove their worth or commitment to the group. Examples of hazing include, but aren't limited to, being "kidnapped, transported, and abandoned"; drinking excessively in games or contests; sleep deprivation; engaging in or simulating sexual acts; being physically abused; being required to remain silent; wearing unusual clothes or costumes; or acting in a subservient manner to more senior group members (Campo, Poulos, & Supple, 2005; Cimino, 2011). Research has found that people in leadership roles, who are more likely to have strong group identification, are also more likely to engage in hazing activities (Campo, Poulos, & Sipple, 2005). The same research also found that group members who have supportive friends outside of the organization are more likely to remove themselves from a hazing situation, which points to the fact that people who endure hazing may be doing so out of a strong drive to find the acceptance and belonging they do not have elsewhere.

1. What is your definition of hazing? When does something cross the line from a rite of passage or tradition to hazing?
2. What are some internal and external pressures that might lead to hazing activities?
3. Do some research on hazing incidents on college campuses. What concepts from this chapter do you think could be used in antihazing education campaigns to prevent incidents like the ones you researched?

## Groupthink

Groupthink is a negative group phenomenon characterized by a lack of critical evaluation of proposed ideas or courses of action that results from high levels of cohesion and/or high conformity pressures (Janis, 1972). We can better understand groupthink by examining its causes and effects. When group members fall victim to groupthink, the effect is uncritical acceptance of decisions or suggestions for plans of action to accomplish a task or goal. Group meetings that appear to go smoothly with only positive interaction among happy, friendly people may seem ideal, but these actions may be symptomatic of groupthink (Ellis & Fisher,

1994). When people rush to agreement or fear argument, groupthink has a tendency to emerge. Decisions made as a result of groupthink may range from a poorly-thought-out presentation method that bores the audience to a mechanical failure resulting in death.

Two primary causes of groupthink are high levels of cohesion and excessive conformity pressures. When groups exhibit high levels of social cohesion, members may be reluctant to criticize or question another group member's ideas or suggestions for fear that it would damage the relationship. When group members have a high level of task cohesion, they may feel invincible and not critically evaluate ideas. High levels of cohesion may actually lessen conformity pressures since group members who identify strongly with the group's members and mission may not feel a need to question the decisions or suggestions made by others. For those who aren't blinded by the high levels of cohesion, internal conformity pressures may still lead them to withhold criticism of an idea because the norm is to defer to decisions made by organization leaders or a majority of group members. External conformity pressures because of impending reward or punishment, time pressures, or an aggressive leader are also factors that can lead to groupthink.

**To Avoid Groupthink, Groups Should (Hargie, 2011)**

- Divvy up responsibilities between group members so decision-making power isn't in the hands of a few
- Track contributions of group members in such a way that each person's input and output is recorded so that it can be discussed
- Encourage and reward the expression of minority or dissenting opinions
- Allow members to submit ideas prior to a discussion so that opinions aren't swayed by members who propose ideas early in a discussion
- Question each major decision regarding its weaknesses and potential negative consequences relative to competing decisions (encourage members to play "devil's advocate")
- Have decisions reviewed by an outside party that wasn't involved in the decision-making process
- Have a "reflection period" after a decision is made and before it is implemented during which group members can express reservations or second thoughts about the decision

## Group Conflict

Conflict can appear in indirect or direct forms within group interaction, just as it can in interpersonal interactions. Group members may openly question each other's ideas or express anger toward or dislike for another person. Group members may also indirectly engage in conflict communication through innuendo, joking, or passive-aggressive behavior. Although we often view conflict negatively, conflict can be beneficial for many reasons. When groups get into a rut, lose creativity, or become complacent, conflict can help get a group out of a bad or mediocre routine. Conversely, conflict can lead to lower group productivity due to strain on the task and social dimensions of a group. There are three main types of conflict within groups: procedural, substantive, and interpersonal (Fujishin, 2001). Each of these types of conflict can vary in intensity, which can affect how much the conflict impacts the group and its members.

### Procedural Conflict

**Procedural conflict** emerges from disagreements or trouble with the mechanics of group operations. In this type of conflict, group members differ in their beliefs about *how* something should be done. Procedural conflict can be handled by a group leader, especially if the leader put group procedures into place or has the individual power to change them. If there is no designated leader or the leader doesn't have sole power to change procedures (or just wants input from group members), proposals can be taken from the group on ways to address a procedural conflict to initiate a procedural change. A vote to reach a consensus or majority can also help resolve procedural conflict.



Figure 3.8.3.3: Procedural conflict can often be resolved with a group vote. Pixabay – CC0 Public Domain.

## Substantive Conflict

Substantive conflict focuses on group members' differing beliefs, attitudes, values, or ideas related to the purpose or task of the group. Rather than focusing on questions of *how*, substantive conflicts focus on questions of *what*. Substantive conflicts may emerge as a group tries to determine its purpose or mission. As members figure out how to complete a task or debate which project to start on next, there will undoubtedly be differences of opinion on what something means, what is acceptable in terms of supporting evidence for a proposal, or what is acceptable for a goal or performance standard. Leaders and other group members shouldn't rush to close this type of conflict down. As we learned in our earlier discussion of groupthink, open discussion and debate regarding ideas and suggestions for group action can lead to higher-quality output and may prevent groupthink. Leaders who make final decisions about substantive conflict for the sake of moving on run the risk of creating a win/lose competitive climate in which people feel like their ideas may be shot down, which could lead to less participation. To resolve this type of conflict, group members may want to do research to see what other groups have done in similar situations, as additional information often provides needed context for conflict regarding information and ideas. Once the information is gathered, weigh all proposals and try to discover common ground among perspectives. Civil and open discussions that debate the merits of an idea are more desirable than a climate in which people feel personally judged for their ideas.

## Interpersonal Conflict

Interpersonal conflict emerges from conflict between individual members of the group. Whereas procedural conflict deals with *how* and substantive conflict deals with *what*, interpersonal conflict deals with *who*. Such conflict can be completely irrelevant to the functioning or purpose of the group, perhaps focusing instead on personality differences. Interpersonal conflict can be the result of avoided or improperly handled procedural or substantive conflict that festers and becomes personal rather than task focused. This type of conflict can also result from differences in beliefs, attitudes, and values (when such differences are taken personally rather than substantively); different personalities; or different communication styles. While procedural and substantive conflict may be more easily expressed because they do not directly address a person, interpersonal conflict may slowly build as people avoid openly criticizing or confronting others. Passive-aggressive behavior is a sign that interpersonal conflict may be building under the surface, and other group members may want to intervene to avoid escalation and retaliation. Leaders can also meet with people involved in interpersonal conflict privately to help them engage in perception checking and act as mediators, if needed. While people who initiate procedural or substantive conflict may be perceived by other group members as concerned about the group's welfare and seen as competent in their ability to notice areas on which the group could improve, people who initiate interpersonal conflict are often held in ill-regard by other group members (Ellis & Fisher, 1994).

### Primary and Secondary Tensions

Relevant to these types of conflict are primary and secondary tensions that emerge in every group (Bormann & Borman, 1988). When the group first comes together, members experience primary tension, which is tension based on uncertainty that is a natural part of initial interactions. It is only after group members begin to "break the ice" and get to know each other that the tension can be addressed and group members can proceed with the forming stage of group development. Small talk and politeness help group members manage primary tensions, and there is a relatively high threshold for these conflicts because we have all had experiences

with such uncertainty when meeting people for the first time and many of us are optimistic that a little time and effort will allow us to get through the tensions. Since some people are more comfortable initiating conversation than others, it's important for more extroverted group members to include less talkative members. Intentionally or unintentionally excluding people during the negotiation of primary tensions can lead to unexpected secondary tensions later on. During this stage people are also less direct in their communication, using more hedges and vague language than they will later in the group process. The indirect communication and small talk that characterize this part of group development aren't a waste of time, as they help manage primary tensions and lay the foundation for future interactions that may involve more substantive conflict.

Secondary tension emerges after groups have passed the forming stage of group development and begin to have conflict over member roles, differing ideas, and personality conflicts. These tensions are typically evidenced by less reserved and less polite behavior than primary tensions. People also have a lower tolerance threshold for secondary tensions, because rather than being an expected part of initial interaction, these conflicts can be more negative and interfere with the group's task performance. Secondary tensions are inevitable and shouldn't be feared or eliminated. It's not the presence or absence of secondary tension that makes a group successful or not; it's how it handles the tensions when they emerge. A certain level of secondary tension is tolerable, not distracting, and can actually enhance group performance and avoid groupthink. When secondary tensions rise above the tolerance threshold and become distracting, they should be released through direct means such as diplomatic confrontation or indirect means such as appropriate humor or taking a break. While primary tensions eventually disappear (at least until a new member arrives), secondary tensions will come and go and may persist for longer periods of time. For that reason, we will now turn to a discussion of how to manage conflict in group interaction.

## Managing Conflict in Small Groups

Some common ways to manage conflict include clear decision-making procedures, third-party mediation, and leader facilitation (Ellis & Fisher, 1994). Decision making is discussed in more detail in the chapter titled "Leadership, Roles, and Problem Solving in Groups", but commonly used methods such as majority vote can help or hurt conflict management efforts. While an up-and-down vote can allow a group to finalize a decision and move on, members whose vote fell on the minority side may feel resentment toward other group members. This can create a win/lose climate that leads to further conflict. Having a leader who makes ultimate decisions can also help move a group toward completion of a task, but conflict may only be pushed to the side and left not fully addressed. Third-party mediation can help move a group past a conflict and may create less feelings of animosity, since the person mediating and perhaps making a decision isn't a member of the group. In some cases, the leader can act as an internal third-party mediator to help other group members work productively through their conflict.

**Tips for Managing Group Conflict** (Ellis & Fisher, 1994)

1. Clarify the issue at hand by getting to the historical roots of the problem. Keep in mind that perception leads us to punctuate interactions differently, so it may be useful to know each person's perspective of when, how, and why the conflict began.
2. Create a positive discussion climate by encouraging and rewarding active listening.
3. Discuss needs rather than solutions. Determine each person's needs to be met and goals for the outcome of the conflict before offering or acting on potential solutions.
4. Set boundaries for discussion and engage in gatekeeping to prevent unproductive interactions like tangents and personal attacks.
5. Use "we" language to maintain existing group cohesion and identity, and use "I" language to help reduce defensiveness.

## Advantages and Disadvantages of Conflict

Remember that a complete lack of conflict in a group is a bad sign, as it indicates either a lack of activity or a lack of commitment on the part of the members (Ellis & Fisher, 1994). Conflict, when properly handled, can lead a group to have a better understanding of the issues they face. For example, substantive conflict brings voice to alternative perspectives that may not have been heard otherwise. Additionally, when people view conflict as healthy, necessary, and productive, they can enter into a conflict episode with an open mind and an aim to learn something. This is especially true when those who initiate substantive conflict are able to share and defend their views in a competent and civil manner. Group cohesion can also increase as a result of well-managed conflict. Occasional experiences of tension and unrest followed by resolutions makes groups feel like they have accomplished something, which can lead them to not dread conflict and give them the confidence to more productively deal with it the next time.

Conflict that goes on for too long or is poorly handled can lead to decreased cohesiveness. Group members who try to avoid a conflict can still feel anger or frustration when the conflict drags on. Members who consistently take task-oriented conflict

personally and escalate procedural or substantive conflict to interpersonal conflict are especially unpopular with other group members. Mishandled or chronic conflict can eventually lead to the destruction of a group or to a loss in members as people weigh the costs and rewards of membership (Ellis & Fisher, 1994). Hopefully a skilled leader or other group members can take on conflict resolution roles, which we will discuss more in Chapter 14 “Leadership, Roles, and Problem Solving in Groups” in order to prevent these disadvantages of conflict.

## Key Takeaways

- *Task cohesion* refers to the degree of commitment of group members to the purpose and activities of the group, and *social cohesion* refers to the degree of attraction and liking among group members. *Group climate* refers to the relatively enduring tone and quality of group interaction that is experienced similarly by group members. The degree of each type of cohesion affects the group’s climate. Groups can be very close socially but not perform well if they do not have an appropriate level of task cohesion. Groups that are too focused on the task can experience interpersonal conflict or a lack of motivation if the social cohesion, which helps enhance the feeling of interdependence, is lacking.
- *Group socialization* refers to the process of teaching and learning the norms, rules, and expectations associated with group interaction and group member behaviors. Group members are socialized by receiving technical and social information. Cohesion plays a role in socialization, as groups that have high levels of task and social cohesion are more likely to buy into the norms of the group. Socialization continues after a member has joined, as members are officially or unofficially rewarded or punished for adhering to or deviating from the group’s norms.
- Conformity pressures are an important force behind group socialization. Internal pressures such as an internal drive to be seen as part of the group or to avoid feeling ashamed or guilty for deviating from the group influence behavior and communication. Likewise, external pressures such as group policies and the potential for reward or punishment also play into group dynamics. The pressures toward conformity can manifest in *groupthink*, which is characterized by a lack of critical evaluation of proposed ideas, a high level of agreement, and a fear of argument.
- Groups experience different kinds of conflict, including procedural, substantive, and interpersonal conflict.
  - Procedural conflict emerges from disagreements or trouble with the mechanics of group operations and deal with questions about “how” a group should do something. A leader may be able to resolve this conflict by changing or explaining a procedure or taking, from group members, proposals for or votes on procedural revisions.
  - Substantive conflict focuses on group members’ differing beliefs, attitudes, values, or ideas related to the purpose or task of the group. Leaders and other group members should avoid closing off this type of conflict before people have had a chance to be heard, as a lack of substantive conflict can lead to groupthink. Instead, listen to all viewpoints, try to find common ground, and then weigh and evaluate the information as a group.
  - Interpersonal conflict emerges from personal conflict between individual members of a group. Manage interpersonal conflict by getting to the root cause of the conflict. In some cases, interpersonal conflict may be disguised as procedural or substantive conflict, or it may develop as a result of poorly managed procedural or substantive conflict. Leaders, group members not directly involved in the conflict, or even outside third parties may also be able to effectively mediate interpersonal conflict.

## Exercises

1. Group cohesion and climate are important dynamics within a small group. Identify and then compare and contrast a current or former small group that was cohesive and one that was not cohesive, including a discussion of how the presence or lack of cohesion affected the group’s climate.
2. Groupthink is a negative group dynamic that relates to cohesion and conformity pressures. Several historic events with far-reaching and devastating implications have been analyzed through the lens of groupthink. Choose one of the following examples, and do some Internet research on your own. Then explain how groupthink played a role in the event.
   - The Watergate scandal and cover-up (1972–74)
   - The space shuttle Challenger explosion (1986)
   - The rationale for the invasion of Iraq—specifically the supposed existence of weapons of mass destruction (2001–2)
3. Getting integrated: How might you handle group conflict differently in an academic context versus a professional context? Why? Include a reference to a specific type of conflict discussed in this section and discuss which conflict management

strategies discussed in the chapter might be best in each context.

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# CHAPTER OVERVIEW

## Course Learning Objective #4: Identify the major decision making techniques and their formats.


4.1: Make Good Decisions

4.1.1: Chapter Introduction

4.1.2: Understanding Decision Making

4.1.3: Faculty Decision Making

4.1.4: Decision Making in Groups

4.1.5: Chapter Summary and Case

4.2: Problem Solving and Decision Making in Groups

4.3: Process-Based Theories

4.4: Human Resource Management

4.4.1: Chapter Introduction

4.4.2: An Introduction to Human Resource Management

4.4.3: Human Resource Management and Compliance

4.4.4: Performance Management

4.4.5: Influencing Employee Performance and Motivation

4.4.6: Building an Organization for the Future

4.4.7: Talent Development and Succession Planning

4.4.8: Glossary

4.5: Case


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# SECTION OVERVIEW

## 4.1: Make Good Decisions


### 4.1.1: Chapter Introduction

### 4.1.2: Understanding Decision Making

### 4.1.3: Faculty Decision Making

### 4.1.4: Decision Making in Groups

### 4.1.5: Chapter Summary and Case


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# 4.1.1: Chapter Introduction

Significant portions of this chapter were adapted from Talya Bauer and Berrin Erdogan's *Organizational Behavior* textbook with permission of the authors.[1]

*A peacefulness follows any decision, even the wrong one.*

*- Rita Mae Brown*

*The hardest thing to learn in life is which bridge to cross and which to burn.*

*- David Russell*

## Too Many Choices

Andi graduated from Spokane Community College two weeks ago with her degree in Business Management. She is anxious to put her knowledge to good use at a job she enjoys.

Andi has an idea of her perfect job and begins work to apply to those organizations that meet her criteria. Using social media and traditional approaches to job searching, Andi gets three interviews at well-known companies in the Spokane area.

After what seems like a week interviewing, Andi receives two job offers! She is thrilled but isn't sure which one to choose. One of the offers is for a higher salary than she expected but requires one week of travel per month. The other job is a lower salary and position, but the possibilities to grow with the company seem better. Andi isn't sure which job to choose.

Big decisions, such as career choices, take a lot of planning and thought to make sure we make the right decision for our needs. This chapter will discuss the ways we can learn to make good personal decisions but also good decisions for the organizations we work for.

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# 4.1.2: Understanding Decision Making

**Learning Objectives**

- Define decision making and describe how you can make better decisions.
- Understand the different types of decisions you may make in your career and personal life.

**Decision making** refers to making choices among alternative courses of action—which may also include inaction. This chapter will help you understand how to make decisions alone or in a group while avoiding common decision-making pitfalls. As you know, the key to positive human relations in these situations is communication and application of emotional intelligence skills such as self-awareness when making decisions alone. Emotional intelligence is required in the form of relationship management when making decisions in groups.

Individuals throughout organizations use the information they gather to make a wide range of decisions. These decisions may affect the lives of others and change the course of an organization. For example, the decisions made by executives and consulting firms for Enron ultimately resulted in a $60 billion loss for investors, thousands of employees without jobs, and the loss of all employee retirement funds. But Sherron Watkins, a former Enron employee and now-famous whistleblower, uncovered the accounting problems and tried to enact change. Similarly, the decision made by firms to trade in mortgage-backed securities is having negative consequences for the entire economy in the United States. All parties involved in such outcomes made a decision, and everyone is now living with the consequences of those decisions.

## Types of Decisions

Despite the far-reaching nature of the decisions in the previous example, not all decisions have major consequences or even require a lot of thought. For example, before you come to class, you make simple and habitual decisions such as what to wear, what to eat, and which route to take as you go to and from home and school. You probably do not spend much time on these mundane decisions. These types of straightforward decisions are termed **programmed decisions**, or decisions that occur frequently enough that we develop an automated response to them. The automated response we use to make these decisions is called the **decision rule**. For example, many restaurants face customer complaints as a routine part of doing business. Because complaints are a recurring problem, responding to them may become a programmed decision. The restaurant might enact a policy stating that every time they receive a valid customer complaint, the customer should receive a free dessert, which represents a decision rule.

On the other hand, unique and important decisions require conscious thinking, information gathering, and careful consideration of alternatives. These are called **nonprogrammed decisions**. For example, in 2005 McDonald's Corporation became aware of the need to respond to growing customer concerns regarding the unhealthy aspects (high in fat and calories) of the food they sell. This is a nonprogrammed decision, because for several decades, customers of fast-food restaurants were more concerned with the taste and price of the food rather than its healthiness. In response to this problem, McDonald's decided to offer healthier alternatives such as the choice to substitute French fries in Happy Meals with apple slices, and in 2007 they banned the use of trans fat at their restaurants.

| *Level of Decision* | *Examples of Decision* | *Who Typically Makes Decisions* |
|---|---|---|
| Strategic Decisions | Should we merge with another company?<br>Should we pursue a new product line?<br>Should we downsize our organization? | Top Management Teams, CEOs, and Boards of Directors |
| Tactical Decisions | What should we do to help facilitate employees from the two companies working together?<br>How should we market the new product line?<br>Who should be let go when we downsize? | Managers |
| Operational Decisions | How often should I communicate with my new coworkers?<br>What should I say to customers about our new product?<br>How will I balance my new work demands? | Employees throughout the organization |

Figure 4.1.2.1: In order to ensure consistency around the globe such as at this St. Petersburg, Russia, location, McDonald's Corporation trains all restaurant managers at Hamburger University, where they take the equivalent of two years of college courses and learn how to make decisions on the job. The curriculum is taught in twenty-eight languages. Source: http://upload.wikimedia.org/wikipedi...sburg_2004.JPG.

A crisis situation also constitutes a nonprogrammed decision for companies. For example, the leadership of Nutrorim was facing a tough decision. They had recently introduced a new product, ChargeUp with Lipitrene, an improved version of their popular sports drink powder, ChargeUp. At some point, a phone call came from a state health department to inform them of eleven cases of gastrointestinal distress that might be related to their product, which led to a decision to recall ChargeUp. The decision was made without an investigation of the information. While this decision was conservative, it was made without a process that weighed the information. Two weeks later it became clear that the reported health problems were unrelated to Nutrorim's product. In fact, all the cases were traced back to a contaminated health club juice bar. However, the damage to the brand and to the balance sheets was already done. This unfortunate decision caused Nutrorim to rethink the way decisions were made when under pressure. The company now gathers information to make informed choices even when time is of the essence.[1]

Decisions can be classified into three categories based on the level at which they occur. **Strategic decisions** set the course of an organization. **Tactical decisions** are decisions about how things will get done. Finally, **operational decisions** refer to decisions that employees make each day to make the organization run. For example, think about the restaurant that routinely offers a free dessert when a customer complaint is received. The owner of the restaurant made a strategic decision to have great customer service. The manager of the restaurant implemented the free dessert policy as a way to handle customer complaints, which is a tactical decision. Finally, the servers at the restaurant are making individual decisions each day by evaluating whether each customer complaint received is legitimate and warrants a free dessert.

| *Level of Decision* | *Examples of Decision* | *Who Typically Makes Decisions* |
|---|---|---|
| Strategic Decisions | Should we merge with another company?<br>Should we pursue a new product line?<br>Should we downsize our organization? | Top Management Teams, CEOs, and Boards of Directors |
| Tactical Decisions | What should we do to help facilitate employees from the two companies working together?<br>How should we market the new product line?<br>Who should be let go when we downsize? | Managers |
| Operational Decisions | How often should I communicate with my new coworkers?<br>What should I say to customers about our new product?<br>How will I balance my new work demands? | Employees throughout the organization |

Figure 4.1.2.2 Examples of Decisions Commonly Made within Organizations

In this chapter, we are going to discuss different decision-making models designed to understand and evaluate the effectiveness of non-programmed decisions. We will cover four decision-making approaches, starting with the rational decision-making model, moving to the bounded rationality decision-making model, the intuitive decision-making model, and ending with the creative decision-making model. The importance of making good decisions relates to our ability to manage our emotional intelligence to make sure we make the right decisions. These models will help us make better decisions, which results in better human relations.

**Making Rational Decisions**

The **rational decision-making model** describes a series of steps that decision makers should consider if their goal is to maximize the quality of their outcomes. In other words, if you want to make sure that you make the best choice, going through the formal steps of the rational decision-making model may make sense.

Let's imagine that your old, clunky car has broken down, and you have enough money saved for a substantial down payment on a new car. It will be the first major purchase of your life, and you want to make the right choice. The first step, therefore, has already been completed—we know that you want to buy a new car. Next, in step 2, you'll need to decide which factors are important to you. How many passengers do you want to accommodate? How important is fuel economy to you? Is safety a major concern? You only have a certain amount of money saved, and you don't want to take on too much debt, so price range is an important factor as well. If you know you want to have room for at least five adults, get at least twenty miles per gallon, drive a car with a strong safety rating, not spend more than $22,000 on the purchase, and like how it looks, you have identified the **decision criteria**. All the potential options for purchasing your car will be evaluated against these criteria. Before we can move too much further, you need to decide how important each factor is to your decision in step 3. If each is equally important, then there is no need to weigh them, but if you know that price and mpg are key factors, you might weigh them heavily and keep the other criteria with medium importance. Step 4 requires you to generate all **alternatives** for your options. Then, in step 5, you need to use this information to evaluate each alternative against the criteria you have established. You choose the best alternative (step 6), and then you would go out and buy your new car (step 7).

Of course, the outcome of this decision will influence the next decision made. That is where step 8 comes in. For example, if you purchase a car and have nothing but problems with it, you will be less likely to consider the same make and model when purchasing a car the next time.

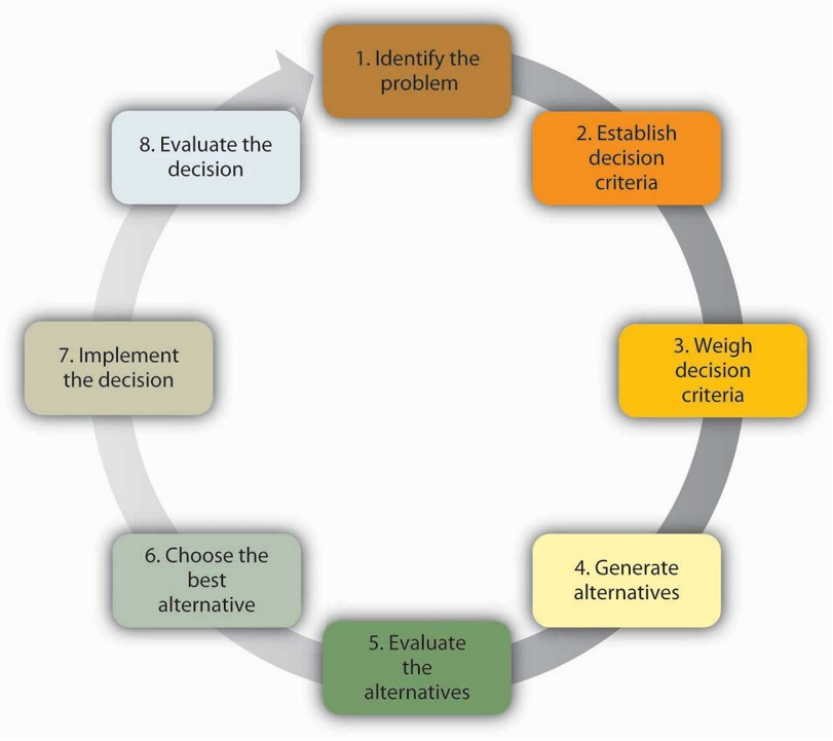



Figure 4.1.2.3 Steps in the Rational Decision-Making Model

While decision makers can get off track during any of these steps, research shows that searching for alternatives in the fourth step can be the most challenging and often leads to failure. In fact, one researcher found that no alternative generation occurred in 85 percent of the decisions he studied.[2] Conversely, successful managers know what they want at the outset of the decision-making process, set objectives for others to respond to, carry out an unrestricted search for solutions, get key people to participate, and avoid using their power to push their perspective.[3]

The rational decision-making model has important lessons for decision makers. First, when making a decision, you may want to make sure that you establish your decision criteria before you search for alternatives. This would prevent you from liking one option too much and setting your criteria accordingly. For example, let's say you started browsing cars online before you generated your decision criteria. You may come across a car that you feel reflects your sense of style and you develop an emotional bond with the car. Then, because of your love for the particular car, you may say to yourself that the fuel economy of the car and the innovative braking system are the most important criteria. After purchasing it, you may realize that the car is too small for your friends to ride in the back seat, which was something you should have thought about. Setting criteria before you search for alternatives may prevent you from making such mistakes. Another advantage of the rational model is that it urges decision makers to generate all alternatives instead of only a few. By generating a large number of alternatives that cover a wide range of possibilities, you are unlikely to make a more effective decision that does not require sacrificing one criterion for the sake of another.

Despite all its benefits, you may have noticed that this decision-making model involves a number of unrealistic assumptions as well. It assumes that people completely understand the decision to be made, that they know all their available choices, that they have no perceptual biases, and that they want to make optimal decisions. Nobel Prize-winning economist Herbert Simon observed that while the rational decision-making model may be a helpful device in aiding decision makers when working through problems, it doesn't represent how decisions are frequently made within organizations. In fact, Simon argued that it didn't even come close.

Think about how you make important decisions in your life. It is likely that you rarely sit down and complete all eight of the steps in the rational decision-making model. For example, this model proposed that we should search for all possible alternatives before

making a decision, but that process is time consuming, and individuals are often under time pressure to make decisions. Moreover, even if we had access to all the information that was available, it could be challenging to compare the pros and cons of each alternative and rank them according to our preferences. Anyone who has recently purchased a new laptop computer or cell phone can attest to the challenge of sorting through the different strengths and limitations of each brand and model and arriving at the solution that best meets particular needs. In fact, the availability of too much information can lead to **analysis paralysis**, in which more and more time is spent on gathering information and thinking about it, but no decisions actually get made. A senior executive at Hewlett-Packard Development Company LP admits that his company suffered from this spiral of analyzing things for too long to the point where data gathering led to "not making decisions, instead of us making decisions."[4] Moreover, you may not always be interested in reaching an optimal decision. For example, if you are looking to purchase a house, you may be willing and able to invest a great deal of time and energy to find your dream house, but if you are only looking for an apartment to rent for the academic year, you may be willing to take the first one that meets your criteria of being clean, close to campus, and within your price range.

**Making "Good Enough" Decisions**

The **bounded rationality model** of decision making recognizes the limitations of our decision-making processes. According to this model, individuals knowingly limit their options to a manageable set and choose the first acceptable alternative without conducting an exhaustive search for alternatives. An important part of the bounded rationality approach is the tendency to **satisfice** (a term coined by Herbert Simon from *satisfy* and *suffice*), which refers to accepting the first alternative that meets your minimum criteria. For example, many college graduates do not conduct a national or international search for potential job openings. Instead, they focus their search on a limited geographic area, and they tend to accept the first offer in their chosen area, even if it may not be the ideal job situation. Satisficing is similar to rational decision making. The main difference is that rather than choosing the best option and maximizing the potential outcome, the decision maker saves cognitive time and effort by accepting the first alternative that meets the minimum threshold.

**Making Intuitive Decisions**

The **intuitive decision-making model** has emerged as an alternative to other decision making processes. This model refers to arriving at decisions without conscious reasoning. A total of 89 percent of managers surveyed admitted to using intuition to make decisions at least sometimes and 59 percent said they used intuition often.[5] Managers make decisions under challenging circumstances, including time pressures, constraints, a great deal of uncertainty, changing conditions, and highly visible and high-stakes outcomes. Thus, it makes sense that they would not have the time to use the rational decision-making model. Yet when CEOs, financial analysts, and health care workers are asked about the critical decisions they make, seldom do they attribute success to luck. To an outside observer, it may seem like they are making guesses as to the course of action to take, but it turns out that experts systematically make decisions using a different model than was earlier suspected. Research on life-or-death decisions made by fire chiefs, pilots, and nurses finds that experts do not choose among a list of well thought out alternatives. They don't decide between two or three options and choose the best one. Instead, they consider only one option at a time. The intuitive decision-making model argues that in a given situation, experts making decisions scan the environment for cues to recognize patterns.[6] Once a pattern is recognized, they can play a potential course of action through to its outcome based on their prior experience. Thanks to training, experience, and knowledge, these decision makers have an idea of how well a given solution may work. If they run through the mental model and find that the solution will not work, they alter the solution before setting it into action. If it still is not deemed a workable solution, it is discarded as an option, and a new idea is tested until a workable solution is found. Once a viable course of action is identified, the decision maker puts the solution into motion. The key point is that only one choice is considered at a time. Novices are not able to make effective decisions this way, because they do not have enough prior experience to draw upon.

**Making Creative Decisions**

In addition to rational decision making, bounded rationality, and intuitive decision-making models, creative decision making is a vital part of being an effective decision maker. **Creativity** is the generation of new, imaginative ideas. With the flattening of organizations and intense competition among companies, individuals and organizations are driven to be creative in decisions ranging from cutting costs to generating new ways of doing business. Please note that, while creativity is the first step in the innovation process, creativity and innovation are not the same thing. Innovation begins with creative ideas, but it also involves

realistic planning and follow-through. Innovations such as 3M's Clearview Window Tinting grow out of a creative decision-making process about what may or may not work to solve real-world problems.

The five steps to creative decision making are similar to the previous decision-making models in some keys ways. All the models include problem identification, which is the step in which the need for problem solving becomes apparent. If you do not recognize that you have a problem, it is impossible to solve it. Immersion is the step in which the decision maker consciously thinks about the problem and gathers information. A key to success in creative decision making is having or acquiring expertise in the area being studied. Then, incubation occurs. During incubation, the individual sets the problem aside and does not think about it for a while. At this time, the brain is actually working on the problem unconsciously. Then comes illumination, or the insight moment when the solution to the problem becomes apparent to the person, sometimes when it is least expected. This sudden insight is the "eureka" moment, similar to what happened to the ancient Greek inventor Archimedes, who found a solution to the problem he was working on while taking a bath. Finally, the verification and application stage happens when the decision maker consciously verifies the feasibility of the solution and implements the decision.

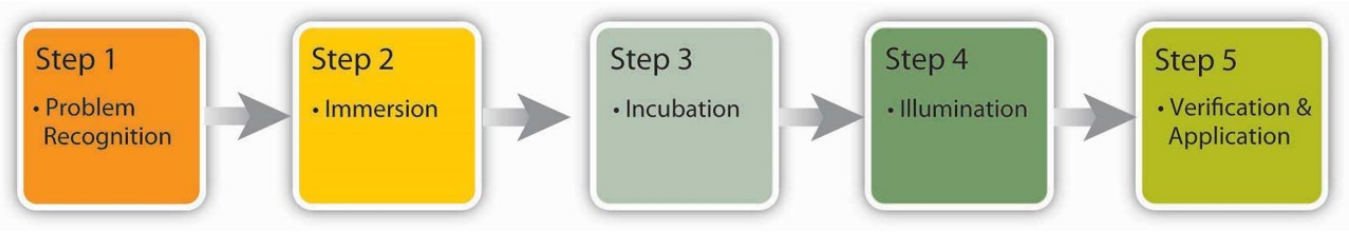



Figure 4.1.2.4 The Creative Decision-Making Process

A NASA scientist describes his decision-making process leading to a creative outcome as follows: He had been trying to figure out a better way to de-ice planes to make the process faster and safer. After recognizing the problem, he immersed himself in the literature to understand all the options, and he worked on the problem for months trying to figure out a solution. It was not until he was sitting outside a McDonald's restaurant with his grandchildren that it dawned on him. The golden arches of the M of the McDonald's logo inspired his solution—he would design the de-icer as a series of Ms.[7] This represented the illumination stage. After he tested and verified his creative solution, he was done with that problem, except to reflect on the outcome and process.

*How Do You Know If Your Decision-Making Process Is Creative?*

Researchers focus on three factors to evaluate the level of creativity in the decision-making process. **Fluency** refers to the number of ideas a person is able to generate. **Flexibility** refers to how different the ideas are from one another. If you are able to generate several distinct solutions to a problem, your decision-making process is high on flexibility. **Originality** refers to how unique a person's ideas are. You might say that Reed Hastings, founder and CEO of Netflix Inc., is a pretty creative person. His decision-making process shows at least two elements of creativity. We do not know exactly how many ideas he had over the course of his career, but his ideas are fairly different from each other. After teaching math in Africa with the Peace Corps, Hastings was accepted at Stanford, where he earned a master's degree in computer science. Soon after starting work at a software company, he invented a successful debugging tool, which led to his founding of the computer troubleshooting company Pure Software LLC in 1991. After a merger and the subsequent sale of the resulting company in 1997, Hastings founded Netflix, which revolutionized the DVD rental business with online rentals delivered through the mail with no late fees. In 2007, Hastings was elected to Microsoft's board of directors. As you can see, his ideas are high in originality and flexibility.[8]

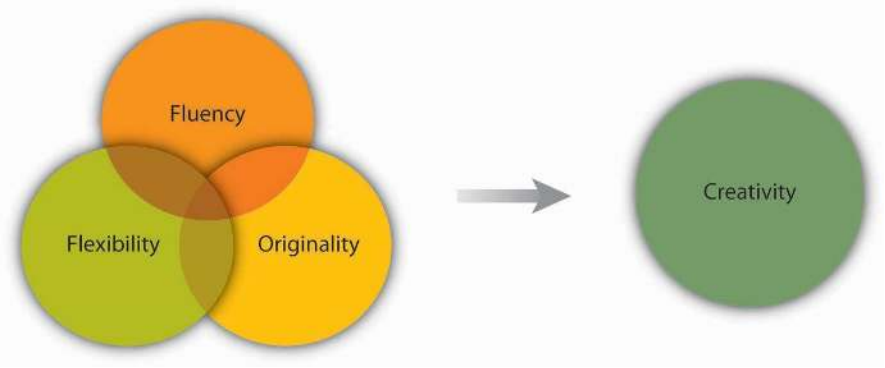



Figure 4.1.2.5 Dimensions of Creativity

Some experts have proposed that creativity occurs as an interaction among three factors: people's personality traits (openness to experience, risk taking), their attributes (expertise, imagination, motivation), and the situational context (encouragement from others, time pressure, physical structures).[9] For example, research shows that individuals who are open to experience, less conscientious, more self-accepting, and more impulsive tend to be more creative.[10]

**ideas for enhancing creativity in groups**

- Team Composition
  - *Diversify your team* to give them more inputs to build on and more opportunities to create functional conflict while avoiding personal conflict.
  - *Change group membership* to stimulate new ideas and new interaction patterns.
  - *Leaderless teams* can allow teams the freedom to create without trying to please anyone up front.
- Team Process
  - *Engage in brainstorming* to generate ideas. Remember to set a high goal for the number of ideas the group should come up with, encourage wild ideas, and take brainwriting breaks.
  - *Use the nominal group technique* (*see* Tools and Techniques for Making Better Decisions below) *in person or electronically* to avoid some common group process pitfalls. Consider anonymous feedback as well.
  - *Use analogies* to envision problems and solutions.
- Leadership
  - *Challenge teams* so that they are engaged but not overwhelmed.
  - *Let people decide how to achieve goals* rather than telling them what goals to achieve.
  - *Support and celebrate creativity* even when it leads to a mistake. Be sure to set up processes to learn from mistakes as well.
  - *Role model* creative behavior.
- Culture
  - *Institute organizational memory* so that individuals do not spend time on routine tasks.
  - *Build a physical space conducive to creativity* that is playful and humorous—this is a place where ideas can thrive.
  - *Incorporate creative behavior* into the performance appraisal process.

Sources: Adapted from ideas in Amabile, T. M. (1998). How to kill creativity. Harvard Business Review, 76, 76–87;

Gundry, L. K., Kickul, J. R., & Prather, C. W. (1994). Building the creative organization. Organizational Dynamics, 22, 22–37;

Keith, N., & Frese, M. (2008). Effectiveness of error management training: A meta-analysis. Journal of Applied Psychology, 93, 59–69.

Pearsall, M. J., Ellis, A. P. J., & Evans, J. M. (2008). Unlocking the effects of gender faultlines on team creativity: Is activation the key? Journal of Applied Psychology, 93, 225–34.

Thompson, L. (2003). Improving the creativity of organizational work groups. Academy of Management Executive, 17, 96–109.

There are many techniques available that enhance and improve creativity. Linus Pauling, the Nobel Prize winner who popularized the idea that vitamin C could help strengthen the immune system, said, “The best way to have a good idea is to have a lot of ideas.”[11] One popular method of generating ideas is to use brainstorming. **Brainstorming** is a group process of generating ideas that follow a set of guidelines, including no criticism of ideas during the brainstorming process, the idea that no suggestion is too crazy, and building on other ideas (piggybacking). Research shows that the quantity of ideas actually leads to better idea quality in the end, so setting high **idea quotas**, in which the group must reach a set number of ideas before they are done, is recommended to avoid process loss and maximize the effectiveness of brainstorming. Another unique aspect of brainstorming is that since the variety of backgrounds and approaches give the group more to draw upon, the more people are included in the process, the better the decision outcome will be. A variation of brainstorming is **wildstorming**, in which the group focuses on ideas that are impossible and then imagines what would need to happen to make them possible.[12]

One example of a creative decision making model is the Edward Debono model. The **Edward Debono's model of the Six Thinking Hats** provides us with a different way of thinking about the way we make decisions. The six hats provide us with perspectives from six different perspectives. Similar to the rational decision making model discussed earlier, this model uses hats to represent the steps we need to follow in order to make good decisions. For example, the white hat helps us look at the facts of the situation. The red hat helps us look at the emotional aspect of the problem or solution. The black hat helps us to look at the negatives of the solution, while the yellow hat helps us think about the positives of the solution. The green hat allows us to come up with potential solutions or courses of action, while the blue hat helps us manage the process of making the decision. For example, consider the opening scenario where Andi is considering which job to accept. If she were using the six hats model, first she would look at the facts—that is, the aspects of each job offer (white hat). Then, she would look at how she feels (red hat) about each job. Next, she would look at the downsides of each job (black hat). Then, she would look at the positives of each job (yellow hat). Next, she would use the green hat to look at the job offers from a creative way and look at potential of choosing one job over another. Finally, the blue hat would cause Andi to make sure she used all hats to make a decision and, based on the data, would go ahead and make the best choice.

| *Decision Making Model* | *Use This Model When:* |
|---|---|
| Rational | • Information on alternatives can be gathered and quantified.<br>• The decision is important.<br>• You are trying to maximize your outcome. |
| Bounded Rationality | • The minimum criteria are clear.<br>• You do not have or you are not willing to invest much time to make the decision.<br>• You are not trying to maximize your outcome. |
| Intuitive | • Goals are unclear.<br>• There is time pressure and analysis paralysis would be costly.<br>• You have experience with the problem. |
| Creative | • Solutions to the problem are not clear.<br>• New solutions need to be generated.<br>• You have time to immerse yourself in the issues. |

Figure 4.1.2.6: *Which decision-making model should I use?*

the six thinking hats




**Video** 4.1.2.1: *A brief explanation of DeBono Six Thinking Hats Model.* https://www.youtube.com/watch?v=K4IkCdBTxxE

**Why Human Relations?**

Sometimes when we are faced with making a hard decision, we can be overly emotional and therefore make the wrong one. **By developing self-awareness skills (I am feeling xx way) and then managing our emotions once we recognize them, we can learn to make healthy, wise decisions.** As you read about the Debono decision-making model, this model specifically asks that you look at your own emotions and the emotions of others. This is part of self-awareness and social awareness in emotional intelligence. Without these skills, it can be difficult to make good decisions.

**The ability to make good decisions can help us become happier people, thus better at human relations.** When we understand how we feel about a certain decision we have to make, we can look realistically at all possible solutions from a cognitive level, which allows us to also make better decisions. These emotional intelligence skills, specifically self-awareness and self-management, can help us make thoughtful, sound decisions that improve our productivity, happiness, and satisfaction. All these skills are important ingredients to positive human relations at work and in our personal lives.

## Key Takeaways

- Decision making is choosing among alternative courses of action, including inaction.
- There are different types of decisions ranging from automatic, programmed decisions to more intensive nonprogrammed decisions.
- Structured decision-making processes include rational, bounded rationality, intuitive, and creative decision making.
- Each of these can be useful, depending on the circumstances and the problem that needs to be solved.

Exercises 4.1.2.1

1. What do you see as the main difference between a successful and an unsuccessful decision? How much does luck versus skill have to do with it? How much time needs to pass to know if a decision is successful or not?
2. Research has shown that over half of the decisions made within organizations fail. Does this surprise you? Why or why not?
3. Have you used the rational decision-making model to make a decision? What was the context? How well did the model work?
4. Share an example of a decision in which you used satisficing. Were you happy with the outcome? Why or why not? When would you be most likely to engage in satisficing?
5. Do you think intuition is respected as a decision-making style? Do you think it should be? Why or why not?

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# 4.1.3: Faculty Decision Making

**Learning Objectives**

- Understand overconfidence bias and how to avoid it.
- Understand hindsight, anchoring, and framing bias and how to avoid them.
- Understand escalation of commitment and how to avoid it.

## Avoiding Decision-Making Traps

No matter which model you use, it is important to know and avoid the decision-making traps that exist. Daniel Kahnemann (another Nobel Prize winner) and Amos Tversky spent decades studying how people make decisions. They found that individuals are influenced by overconfidence bias, hindsight bias, anchoring bias, framing bias, and escalation of commitment. An awareness of some of the pitfalls of decision making enhances our ability to make good decisions. When we make good decisions, we are happier, which makes for more positive human relations skills.




Figure 4.1.3.1: Source: [citation redacted per publisher request]. Reprinted by permission.

**Overconfidence bias** occurs when individuals overestimate their ability to predict future events. Many people exhibit signs of overconfidence. For example, 82 percent of the drivers surveyed feel they are in the top 30 percent of safe drivers, 86 percent of students at the Harvard Business School say they are better looking than their peers, and doctors consistently overestimate their ability to detect problems.[1] Much like friends that are 100 percent sure they can pick the winners of this week's football games despite evidence to the contrary, these individuals are suffering from overconfidence bias. Similarly, in 2008, the French bank Société Générale lost over $7 billion as a result of the rogue actions of a single trader. Jérôme Kerviel, a junior trader in the bank, had extensive knowledge of the bank's control mechanisms and used this knowledge to beat the system. Interestingly, he did not make any money from these transactions himself, and his sole motive was to be successful. He secretly started making risky moves while hiding the evidence. He made a lot of profit for the company early on and became overly confident in his abilities to make even more. In his defense, he was merely able to say that he got "carried away."[2] People who purchase lottery tickets as a way to make money are probably suffering from overconfidence bias. It is three times more likely for a person driving ten miles to buy a lottery ticket to be killed in a car accident than to win the jackpot. [3] Further, research shows that overconfidence leads to less successful negotiations.[4] To avoid this bias, take the time to stop and ask yourself if you are being realistic in your judgments.

**Hindsight bias** is the opposite of overconfidence bias, as it occurs when looking backward in time and mistakes seem obvious after they have already occurred. In other words, after a surprising event occurred, many individuals are likely to think that they already knew the event was going to happen. This bias may occur because they are selectively reconstructing the events. Hindsight bias tends to become a problem when judging someone else's decisions. For example, let's say a company driver hears the engine making unusual sounds before starting the morning routine. Being familiar with this car in particular, the driver may conclude that the probability of a serious problem is small and continues to drive the car. During the day, the car malfunctions and stops miles away from the office. It would be easy to criticize the decision to continue to drive the car because in hindsight, the noises heard in the morning would make us believe that the driver should have known something was wrong and taken the car in for service. However, the driver in question may have heard similar sounds before with no consequences, so based on the information available

at the time, continuing with the regular routine may have been a reasonable choice. Therefore, it is important for decision makers to remember this bias before passing judgments on other people's actions.

**Anchoring** refers to the tendency for individuals to rely too heavily on a single piece of information. Job seekers often fall into this trap by focusing on a desired salary while ignoring other aspects of the job offer such as additional benefits, fit with the job, and working environment. Similarly but more dramatically, lives were lost in the Great Bear Wilderness Disaster when the coroner, within five minutes of arriving at the accident scene, declared all five passengers of a small plane dead, which halted the search effort for potential survivors. The next day two survivors who had been declared dead walked out of the forest. How could a mistake like this have been made? One theory is that decision biases played a large role in this serious error, and anchoring on the fact that the plane had been consumed by flames led the coroner to call off the search for any possible survivors.[5]

**Framing bias** is another concern for decision makers. Framing bias refers to the tendency of decision makers to be influenced by the way that a situation or problem is presented. For example, when making a purchase, customers find it easier to let go of a discount as opposed to accepting a surcharge, even though they both might cost the person the same amount of money. Similarly, customers tend to prefer a statement such as "85 percent lean beef" as opposed to "15 percent fat."[6] It is important to be aware of this tendency, because depending on how a problem is presented to us, we might choose an alternative that is disadvantageous simply because of the way it is framed.

**Escalation of commitment** occurs when individuals continue on a failing course of action after information reveals it may be a poor path to follow. It is sometimes called the "sunken costs fallacy," because continuation is often based on the idea that one has already invested in the course of action. For example, imagine a person who purchases a used car, which turns out to need something repaired every few weeks. An effective way of dealing with this situation might be to sell the car without incurring further losses, donate the car, or use it until it falls apart. However, many people would spend hours of their time and hundreds, even thousands of dollars repairing the car in the hopes that they might recover their initial investment. Thus, rather than cutting their losses, they waste time and energy while trying to justify their purchase of the car.

Sunk Cost Fallacy

A quick explanation of sunk cost fallacy and how to recognize it.




Video 4.1.3.1: https://www.youtube.com/watch?v=xXpzfy5oKWg

A classic example of escalation of commitment from the corporate world is Motorola Inc.'s Iridium project. In the 1980s, phone coverage around the world was weak. For example, it could take hours of dealing with a chain of telephone operators in several different countries to get a call through from Cleveland to Calcutta. There was a real need within the business community to improve phone access around the world. Motorola envisioned solving this problem using sixty-six low-orbiting satellites, enabling users to place a direct call to any location around the world. At the time of idea development, the project was technologically advanced, sophisticated, and made financial sense. Motorola spun off Iridium as a separate company in 1991. It took researchers a total of fifteen years to develop the product from idea to market release. However, in the 1990s, the landscape for cell phone technology was dramatically different from that in the 1980s, and the widespread cell phone coverage around the world eliminated most of the projected customer base for Iridium. Had they been paying attention to these developments, the decision makers could

have abandoned the project at some point in the early 1990s. Instead, they released the Iridium phone to the market in 1998. The phone cost $3,000, and it was literally the size of a brick. Moreover, it was not possible to use the phone in moving cars or inside buildings. Not surprisingly, the launch was a failure, and Iridium filed for bankruptcy in 1999.[7] In the end, the company was purchased for $25 million by a group of investors (whereas it cost the company $5 billion to develop its product), scaled down its operations, and modified it for use by the Department of Defense to connect soldiers in remote areas not served by landlines or cell phones.




Figure 4.1.3.2: Motorola released the Iridium phone to the market in 1998. The phone cost $3,000 and it was literally the size of a brick. Source: http://upload.wikimedia.org/wikipedi...dium_phone.jpg.

Why does escalation of commitment occur? There may be many reasons, but two are particularly important. First, decision makers may not want to admit that they were wrong. This may be because of personal pride or being afraid of the consequences of such an admission. Second, decision makers may incorrectly believe that spending more time and energy might somehow help them recover their losses. Effective decision makers avoid escalation of commitment by distinguishing between when persistence may actually pay off versus when it might mean escalation of commitment. To avoid escalation of commitment, you might consider having strict turning back points. For example, you might determine up front that you will not spend more than $500 trying to repair the car and will sell it when you reach that point. You might also consider assigning separate decision makers for the initial buying and subsequent selling decisions. Periodic evaluations of an initially sound decision to see whether the decision still makes sense is also another way of preventing escalation of commitment. This type of review becomes particularly important in projects such as the Iridium phone, in which the initial decision is not immediately implemented but instead needs to go through a lengthy development process. In such cases, it becomes important to periodically assess the soundness of the initial decision in the face of changing market conditions. Finally, creating an organizational climate in which individuals do not fear admitting that their initial decision no longer makes economic sense would go a long way in preventing escalation of commitment, as it could lower the regret the decision maker may experience.[8]

So far we have focused on how individuals make decisions and how to avoid decision traps. Next, we shift our focus to the group level. There are many similarities as well as many differences between individual and group decision making. There are many factors that influence group dynamics and also affect the group decision-making process. We will discuss some of them in the following section.

## Key Takeaways

- Understanding decision-making traps can help you avoid and manage them.
- Overconfidence bias can cause you to ignore obvious information.
- Hindsight bias can similarly cause a person to incorrectly believe in the ability to predict events.
- Anchoring and framing biases show the importance of the way problems or alternatives are presented in influencing one's decision.
- Escalation of commitment demonstrates how individuals' desire to be consistent or avoid admitting a mistake can cause them to continue to invest in a decision that is no longer prudent.

### Exercises 4.1.3.1

1. Describe a time when you fell into one of the decision-making traps. How did you come to realize that you had made a poor decision?
2. How can you avoid escalation of commitment?
3. Share an example of anchoring.
4. Which of the traps seems the most dangerous for decision makers and why?


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# 4.1.4: Decision Making in Groups

**Learning Objectives**

- Understand the pros and cons of individual and group decisions you will make in your career.
- Learn to recognize the signs of groupthink and determine if it is happening to your workgroup.
- Be able to recognize and use a variety of tools in your decision-making processes.

## When It Comes to Decision Making, Are Two Heads Better Than One?

The answer to this question depends on several factors. Group decision making has the advantage of drawing from the experiences and perspectives of a larger number of individuals. Hence, a group may have the potential to be more creative and lead to more effective decisions. In fact, groups may sometimes achieve results beyond what they could have done as individuals. Groups may also make the task more enjoyable for the members. Finally, when the decision is made by a group rather than a single individual, implementation of the decision will be easier, because group members will be more invested in the decision. If the group is diverse, better decisions may be made, because different group members may have different ideas based on their backgrounds and experiences. Research shows that for top management teams, diverse groups that debate issues make decisions that are more comprehensive and better for the bottom line.[1]

Despite its popularity within organizations, group decision making suffers from a number of disadvantages. We know that groups rarely outperform their best member.[2] While groups have the potential to arrive at an effective decision, they often suffer from process losses. For example, groups may suffer from coordination problems. Anyone who has worked with a team of individuals on a project can attest to the difficulty of coordinating members' work or even coordinating everyone's presence in a team meeting. Furthermore, groups can suffer from groupthink. Finally, group decision making takes more time compared to individual decision making, because all members need to discuss their thoughts regarding different alternatives.

Thus, whether an individual or a group decision is preferable will depend on the specifics of the situation. For example, if there is an emergency and a decision needs to be made quickly, individual decision making might be preferred. Individual decision making may also be appropriate if the individual in question has all the information needed to make the decision and if implementation problems are not expected. On the other hand, if one person does not have all the information and skills needed to make a decision, if implementing the decision will be difficult without the involvement of those who will be affected by the decision, and if time urgency is more modest, then decision making by a group may be more effective.

| *Individual Decision Making* | | *Group Decision Making* | |
|---|---|---|---|
| ***Pros*** | ***Cons*** | ***Pros*** | ***Cons*** |
| Typically faster than group decision making | Fewer ideas | Diversity of ideas and can piggyback on others' ideas | Takes longer |
| Best individual in a group usually outperforms the group | Identifying the best individual can be challenging | Greater commitment to ideas | Group dynamics such as groupthink can occur |
| Accountability is easier to determine | Possible to put off making decisions if left alone to do it | Interaction can be fun and serves as a teambuilding task | Social loafing—harder to identify responsibility for decisions |

Figure 4.1.4.1 Advantages and Disadvantages of Different Levels of Decision Making

## Groupthink

Have you ever been in a decision-making group that you felt was heading in the wrong direction but you didn't speak up and say so? If so, you have already been a victim of groupthink. Groupthink is a tendency to avoid a critical evaluation of ideas the group

favors. Iriving Janis, author of a book called *Victims of Groupthink*, explained that groupthink is characterized by eight symptoms: [4]

1. **Illusion of invulnerability** is shared by most or all of the group members, which creates excessive optimism and encourages them to take extreme risks.
2. **Collective rationalizations** occur, in which members downplay negative information or warnings that might cause them to reconsider their assumptions.
3. **An unquestioned belief in the group's inherent morality** occurs, which may incline members to ignore ethical or moral consequences of their actions.
4. **Stereotyped views of outgroups** are seen when groups discount rivals' abilities to make effective responses.
5. **Direct pressure** is exerted on any members who express strong arguments against any of the group's stereotypes, illusions, or commitments.
6. **Self-censorship** occurs when members of the group minimize their own doubts and counterarguments.
7. **Illusions of unanimity** occur, based on self-censorship and direct pressure on the group. The lack of dissent is viewed as unanimity.
8. **The emergence of self-appointed mindguards** happens when one or more members protect the group from information that runs counter to the group's assumptions and course of action.



Figure 4.1.4.2: In January 1986, the space shuttle Challenger exploded seventy-three seconds after liftoff, killing all seven astronauts aboard. The decision to launch Challenger that day, despite problems with mechanical components of the vehicle and unfavorable weather conditions, is cited as an example of groupthink.[5] Source: http://en.Wikipedia.org/wiki/Image:C..._51-l_crew.jpg.

**Recommendations for avoiding groupthink**

- Groups should do the following:
  - Discuss the symptoms of groupthink and how to avoid them.
  - Assign a rotating devil's advocate to every meeting.
  - Invite experts or qualified colleagues who are not part of the core decision-making group to attend meetings and get reactions from outsiders on a regular basis and share these with the group.
  - Encourage a culture of difference where different ideas are valued.
  - Debate the ethical implications of the decisions and potential solutions being considered.
- Individuals should do the following:
  - Monitor personal behavior for signs of groupthink and modify behavior if needed.
  - Check for self-censorship.
  - Carefully avoid mindguard behaviors.
  - Avoid putting pressure on other group members to conform.
  - Remind members of the ground rules for avoiding groupthink if they get off track.
- Group leaders should do the following:
  - Break the group into two subgroups from time to time.
  - Have more than one group work on the same problem if time and resources allow it. This makes sense for highly critical decisions.
  - Remain impartial and refrain from stating preferences at the outset of decisions.
  - Set a tone of encouraging critical evaluations throughout deliberations.

- Create an anonymous feedback channel through which all group members can contribute if desired.

Sources: Adapted and expanded from Janis, I. L. (1972). Victims of groupthink. New York: Houghton Mifflin; Whyte, G. (1991). Decision failures: Why they occur and how to prevent them. Academy of Management Executive, 5, 23–31.

## Tools and Techniques for Making Better Decisions

**Nominal Group Technique (NGT)** was developed to help with group decision making by ensuring that all members participate fully. NGT is not a technique to be used routinely at all meetings. Rather, it is used to structure group meetings when members are grappling with problem solving or idea generation. It follows four steps.[5] First, each member of the group begins by independently and silently writing down ideas. Second, the group goes in order around the room to gather all the ideas that were generated. This process continues until all the ideas are shared. Third, a discussion takes place around each idea, and members ask for and give clarification and make evaluative statements. Finally, group members vote for their favorite ideas by using ranking or rating techniques. Following the four-step NGT helps to ensure that all members participate fully, and it avoids group decision-making problems such as groupthink.

**Delphi Technique** is unique because it is a group process using written responses to a series of questionnaires instead of physically bringing individuals together to make a decision. The first questionnaire asks individuals to respond to a broad question such as stating the problem, outlining objectives, or proposing solutions. Each subsequent questionnaire is built from the information gathered in the previous one. The process ends when the group reaches a consensus. Facilitators can decide whether to keep responses anonymous. This process is often used to generate best practices from experts. For example, Purdue University Professor Michael Campion used this process when he was editor of the research journal *Personnel Psychology* and wanted to determine the qualities that distinguished a good research article. Using the Delphi technique, he was able to gather responses from hundreds of top researchers from around the world and distill them into a checklist of criteria that he could use to evaluate articles submitted to his journal, all without ever having to leave his office.[6]

**Majority rule** refers to a decision-making rule in which each member of the group is given a single vote and the option receiving the greatest number of votes is selected. This technique has remained popular, perhaps due to its simplicity, speed, ease of use, and representational fairness. Research also supports majority rule as an effective decision-making technique.[7] However, those who did not vote in favor of the decision will be less likely to support it.

**Consensus** is another decision-making rule that groups may use when the goal is to gain support for an idea or plan of action. While consensus tends to require more time, it may make sense when support is needed to enact the plan. The process works by discussing the issues at hand, generating a proposal, calling for consensus, and discussing any concerns. If concerns still exist, the proposal is modified to accommodate them. These steps are repeated until consensus is reached. Thus, this decision-making rule is inclusive, participatory, cooperative, and democratic. Research shows that consensus can lead to better accuracy,[8] and it helps members feel greater satisfaction with decisions.[9] However, groups take longer with this approach, and if consensus cannot be reached, members tend to become frustrated.[10]

**Group Decision Support Systems (GDSS)** are interactive computer-based systems that are able to combine communication and decision technologies to help groups make better decisions. Research shows that a GDSS can actually improve the output of groups' collaborative work through higher information sharing.[11] Organizations know that having effective **knowledge management systems** to share information is important, and their spending reflects this reality. Businesses invested $2.7 billion into new systems in 2002, and projections were for this number to double every five years. As the popularity of these systems grows, they risk becoming counterproductive. Humans can only process so many ideas and information at one time. As virtual meetings grow larger, it is reasonable to assume that information overload can occur and good ideas will fall through the cracks, essentially recreating a problem that the GDSS was intended to solve, which is to make sure every idea is heard. Another problem is the system possibly becoming too complicated. If the systems evolve to a point of uncomfortable complexity, it has recreated the problem. Those who understand the interface will control the narrative of the discussion, while those who are less savvy will only be along for the ride.[12] Lastly, many of these programs fail to take into account the factor of human psychology. These systems could make employees more reluctant to share information because of lack of control, lack of immediate feedback, or the fear of online "flames."

**Decision trees** are diagrams in which answers to yes or no questions lead decision makers to address additional questions until they reach the end of the tree. Decision trees are helpful in avoiding errors such as framing bias.[15] Decision trees tend to be helpful in guiding the decision maker to a predetermined alternative and ensuring consistency of decision making—that is, every time certain conditions are present, the decision maker will follow one course of action as opposed to others if the decision is made using a decision tree.

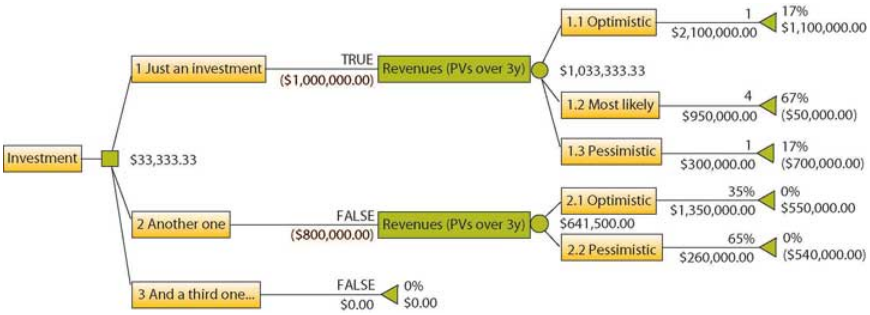



Figure 4.1.4.3: Utilizing decision trees can improve investment decisions by optimizing them for maximum payoff. A decision tree consists of three types of nodes. Decision nodes are commonly represented by squares. Chance nodes are represented by circles. End nodes are represented by triangles. Source: http://upload.wikimedia.org/wikipedi...on_Insight.png.

## Key Takeaways

- There are trade-offs between making decisions alone and within a group.
- Groups have a greater diversity of experiences and ideas than individuals, but they also have potential process losses such as groupthink.
- Groupthink can be avoided by recognizing the eight symptoms discussed.
- Finally, there are a variety of tools and techniques available for helping to make more effective decisions in groups, including the nominal group technique, Delphi technique, majority rule, consensus, GDSS, and decision trees.

### Exercises 4.1.4.1

1. Do you prefer to make decisions in a group or alone? What are the main reasons for your preference?
2. Have you been in a group that used the brainstorming technique? Was it an effective tool for coming up with creative ideas? Please share examples.
3. Have you been in a group that experienced groupthink? If so, how did you deal with it?
4. Which of the decision-making tools discussed in this chapter (NGT, Delphi, and so on) have you used? How effective were they?


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# 4.1.5: Chapter Summary and Case

## Chapter Summary

- Decision making is a critical component of business.
- Some decisions are obvious and can be made quickly, without investing much time and effort in the decision-making process. Others, however, require substantial consideration of the circumstances surrounding the decision, available alternatives, and potential outcomes.
- Fortunately, there are several methods that can be used when making a difficult decision, depending on various environmental factors. Some decisions are best made by groups. Group decision-making processes also have multiple models to follow, depending on the situation.
- Even when specific models are followed, groups and individuals can often fall into potential decision-making pitfalls. If too little information is available, decisions might be made based on a feeling. On the other hand, if too much information is presented, people can suffer from analysis paralysis, in which no decision is reached because of the overwhelming number of alternatives.

## Chapter Case

Moon Walk and Talk[1]

**Warning:** *Do not discuss this exercise with other members of your class until instructed to do so.*

You are a member of the moon space crew originally scheduled to rendezvous with a mother ship on the lighted surface of the moon. Due to mechanical difficulties, however, your ship was forced to land at a spot some 200 miles (320 km) from the rendezvous point. During reentry and landing, much of the equipment aboard was damaged, and because survival depends on reaching the mother ship, the most critical items available must be chosen for the 200-mile (320 km) trip. Please see the list of the fifteen items left intact and undamaged after landing. Your task is to rank the items in terms of their importance for your crew to reach the rendezvous point. Place the number 1 by the most important, 2 by the next most important, and so on, with 15 being the least important.

Table 4.1.5.1

| Undamaged items | My ranking | Group ranking | NASA ranking | My difference | Group difference |
|---|---|---|---|---|---|
| Box of matches | | | | | |
| Food concentrates | | | | | |
| 50 feet of nylon | | | | | |
| Parachute silk | | | | | |
| Portable heating unit | | | | | |
| Two 45-caliber pistols | | | | | |
| One case dehydrated milk | | | | | |
| Two 100 lb. tanks oxygen | | | | | |
| Stellar map (of moon's constellations) | | | | | |
| Life raft | | | | | |
| Magnetic compass | | | | | |
| 5 gallons of water | | | | | |
| Signal flares | | | | | |
| First aid kit containing injection needles | | | | | |
| Solar powered FM receiver–transmitter | | | | | |

1. NASA educational materials. Retrieved March 2, 2008, fromwww.nasa.gov/audience/for...al_Lesson.html.

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**Learning Objectives**

1. Discuss the common components and characteristics of problems.
2. Explain the five steps of the group problem-solving process.
3. Describe the brainstorming and discussion that should take place before the group makes a decision.
4. Compare and contrast the different decision-making techniques.
5. Discuss the various influences on decision making.

Although the steps of problem solving and decision making that we will discuss next may seem obvious, we often don't think to or choose not to use them. Instead, we start working on a problem and later realize we are lost and have to backtrack. I'm sure we've all reached a point in a project or task and had the "OK, now what?" moment. In this section, we will discuss the group problem-solving process, methods of decision making, and influences on these processes.

## Group Problem Solving

The problem-solving process involves thoughts, discussions, actions, and decisions that occur from the first consideration of a problematic situation to the goal. The problems that groups face are varied, but some common problems include budgeting funds, raising funds, planning events, addressing customer or citizen complaints, creating or adapting products or services to fit needs, supporting members, putting together a presentation, and raising awareness about issues or causes.

**Problems of all sorts have three common components (Adams & Galanes, 2009):**

1. **An undesirable situation.** When conditions are desirable, there isn't a problem.
2. **A desired situation.** Even though it may only be a vague idea, there is a drive to better the undesirable situation. The vague idea may develop into a more precise goal that can be achieved, although solutions are not yet generated.
3. **Obstacles between undesirable and desirable situation.** These are things that stand in the way between the current situation and the group's goal of addressing it. This component of a problem requires the most work, and it is the part where decision making occurs. Some examples of obstacles include limited funding, resources, personnel, time, or information. Obstacles can also take the form of people who are working against the group, including people resistant to change or people who disagree.

Discussion of these three elements of a problem helps the group tailor its problem-solving process, as each problem will vary. While these three general elements are present in each problem, the group should also address specific characteristics of the problem. Five common and important characteristics to consider are task difficulty, number of possible solutions, group member interest in problem, group member familiarity with problem, and the need for solution acceptance (Adams & Galanes, 2009).

1. **Task difficulty.** Difficult tasks are also typically more complex. Groups should be prepared to spend time researching and discussing a difficult and complex task in order to develop a shared foundational knowledge. This typically requires individual work outside of the group and frequent group meetings to share information. This is common in group presentations.
2. **Number of possible solutions.** There are usually multiple ways to solve a problem or complete a task, but some problems have more potential solutions than others. Figuring out how to prepare a beach house for an approaching hurricane is fairly complex and difficult, but there are still a limited number of things to do—for example, taping and boarding up windows; turning off water, electricity, and gas; trimming trees; and securing loose outside objects. Other problems may be more creatively based. For example, putting together a relevant and interesting group presentation entails specifics as well as engaging in creative options.
3. **Group member interest in problem.** When group members are interested in the problem, they will be more engaged with the problem-solving process and invested in finding a quality solution. Groups with high interest in and knowledge about the problem may want more freedom to develop and implement solutions, while groups with low interest may prefer a leader who provides structure and direction.
4. **Group familiarity with problem.** Some groups encounter a problem regularly, while other problems are more unique or unexpected. A family who has lived in hurricane alley for decades probably has a better idea of how to prepare its house for a hurricane than does a family that just recently moved from the Midwest. Many groups that rely on funding have to revisit a budget every year, and in recent years, groups have had to get more creative with budgets as funding has been cut in nearly every sector. When group members aren't familiar with a problem, they will need to do background research on what similar groups have done and may also need to bring in outside experts. For a group presentation for your communication class, your instructor can definitely serve as an "outside expert."
5. **Need for solution acceptance.** In this step, groups must consider how many people the decision will affect and how much "buy-in" from others the group needs in order for their solution to be successfully implemented. Some small groups have many stakeholders on whom the success of a solution depends. Other groups are answerable only to themselves. When a small group is planning on building a new park in a

crowded neighborhood or implementing a new policy in a large business, it can be very difficult to develop solutions that will be accepted by all. In such cases, groups will want to poll those who will be affected by the solution and may want to do a pilot implementation to see how people react. Imposing an excellent solution that doesn't have buy-in from stakeholders can still lead to failure.



Figure 4.2.1: Group problem solving can be a confusing puzzle unless it is approached systematically. Muness Castle – Problem Solving – CC BY-SA 2.0.

## Group Problem-Solving Process

There are several variations of similar problem-solving models based on US American scholar John Dewey's reflective thinking process (Bormann & Bormann, 1988). As you read through the steps in the process, think about how you can apply what we learned regarding the general and specific elements of problems. Some of the following steps are straightforward, and they are things we would logically do when faced with a problem. However, taking a deliberate and systematic approach to problem solving has been shown to benefit group functioning and performance. A deliberate approach is especially beneficial for groups that do not have an established history of working together and will only be able to meet occasionally. Although a group should attend to each step of the process, group leaders or other group members who facilitate problem solving should be cautious not to dogmatically follow each element of the process or force a group along. Such a lack of flexibility could limit group member input and negatively affect the group's cohesion and climate.

## Step 1: Define the Problem

Define the problem by considering the three elements shared by every problem: the current undesirable situation, the goal or more desirable situation, and obstacles in the way (Adams & Galanes, 2009). At this stage, group members share what they know about the current situation, without proposing solutions or evaluating the information. Here are some good questions to ask during this stage: What is the current difficulty? How did we come to know that the difficulty exists? Who/what is involved? Why is it meaningful/urgent/important? What have the effects been so far? What, if any, elements of the difficulty require clarification? At the end of this stage, the group should be able to compose a single sentence that summarizes the problem called a problem statement. Avoid wording in the problem statement or question that hints at potential solutions. A small group formed to investigate ethical violations of college officials could use the following problem statement: "Our college does not currently have a mechanism for students to report suspected ethical violations by college officials."

## Step 2: Analyze the Problem

During this step a group should analyze the problem and the group's relationship to the problem. Whereas the first step involved exploring the "what" related to the problem, this step focuses on the "why." At this stage, group members can discuss the potential causes of the difficulty. Group members may also want to begin setting out an agenda or timeline for the group's problem-solving process, looking forward to the other steps. To fully analyze the problem, the group can discuss the five common problem variables discussed before. Here are two examples of questions that the group formed to address ethics violations might ask: Why doesn't our college have an ethics reporting mechanism? Do colleges of similar size have such a mechanism? Once the problem has been analyzed, the group can pose a problem question that will guide the group as it generates possible solutions. "How can students report suspected ethical violations of college officials and how will such reports be processed and addressed?" As you can see, the problem question is more complex than the problem statement, since the group has moved on to more in-depth discussion of the problem during step 2.

## Step 3: Generate Possible Solutions

During this step, group members generate possible solutions to the problem. Again, solutions should not be evaluated at this point, only proposed and clarified. The question should be what *could* we do to address this problem, not what *should* we do to address it. It is perfectly OK for a group member to question another person's idea by asking something like "What do you mean?" or "Could you explain your idea more?" Discussions at this stage may reveal a need to return to previous steps to better define or more fully analyze a problem. Since many problems are multifaceted, it is necessary for group members to generate solutions for each part of the problem separately, making sure to have multiple solutions for each part. Stopping the solution-generating process prematurely can lead to groupthink. For the problem question previously posed, the group would need to generate solutions for all three parts of the problem included in

the question. Possible solutions for the first part of the problem (How can students report ethical violations?) may include "online reporting system, e-mail, in-person, anonymously, on-the-record," and so on. Possible solutions for the second part of the problem (How will reports be processed?) may include "daily by a newly appointed ethics officer, weekly by a nonpartisan nongovernment employee," and so on. Possible solutions for the third part of the problem (How will reports be addressed?) may include "by a newly appointed ethics committee, by the accused's dean, by the college president," and so on.

## Step 4: Evaluate Solutions

During this step, solutions can be critically evaluated based on their credibility, completeness, and worth. Once the potential solutions have been narrowed based on more obvious differences in relevance and/or merit, the group should analyze each solution based on its potential effects—especially negative effects. Groups that are required to report the rationale for their decision or whose decisions may be subject to public scrutiny would be wise to make a set list of criteria for evaluating each solution. Additionally, solutions can be evaluated based on how well they fit with the group's charge and the abilities of the group. To do this, group members may ask, "Does this solution live up to the original purpose or mission of the group?" and "Can the solution actually be implemented with our current time/resource/people restraints?" and "How will this solution be supported, funded, enforced, and assessed?" Secondary tensions and substantive conflict, two concepts discussed earlier, emerge during this step of problem solving, and group members will need to employ effective critical thinking and listening skills.

Decision making is part of the larger process of problem solving and it plays a prominent role in this step. While there are several fairly similar models for problem solving, there are many varied decision-making techniques that groups can use. For example, to narrow the list of proposed solutions, group members may decide by majority vote, by weighing the pros and cons, or by discussing them until a consensus is reached. There are also more complex decision-making models like the "six hats method," which we will discuss later. Once the final decision is reached, the group leader or facilitator should confirm that the group is in agreement. It may be beneficial to let the group break for a while or even to delay the final decision until a later meeting to allow people time to evaluate it outside of the group context.

## Step 5: Implement and Assess the Solution

Implementing the solution requires some advanced planning, and it should not be rushed unless the group is operating under strict time restraints or delay may lead to some kind of harm. Although some solutions can be implemented immediately, others may take days, months, or years. As was noted earlier, it may be beneficial for groups to poll those who will be affected by the solution as to their opinion of it or even to do a pilot test to observe the effectiveness of the solution and how people react to it. Before implementation, groups should also determine how and when they would assess the effectiveness of the solution by asking, "How will we know if the solution is working or not?" Since solution assessment will vary based on whether or not the group is disbanded, groups should also consider the following questions: If the group disbands after implementation, who will be responsible for assessing the solution? If the solution fails, will the same group reconvene or will a new group be formed?



Figure 4.2.2: Once a solution has been reached and the group has the "green light" to implement it, it should proceed deliberately and cautiously, making sure to consider possible consequences and address them as needed. Jocko Benoit – Prodigal Light – CC BY-NC-ND 2.0.

Certain elements of the solution may need to be delegated out to various people inside and outside the group. Group members may also be assigned to implement a particular part of the solution based on their role in the decision making or because it connects to their area of expertise. Likewise, group members may be tasked with publicizing the solution or "selling" it to a particular group of stakeholders. Last, the group should consider its future. In some cases, the group will get to decide if it will stay together and continue working on other tasks or if it will disband. In other cases, outside forces determine the group's fate.

### "Getting Competent"

Problem Solving and Group Presentations

Giving a group presentation requires that individual group members and the group as a whole solve many problems

and make many decisions. Although having more people involved in a presentation increases logistical difficulties and has the potential to create more conflict, a well-prepared and well-delivered group presentation can be more engaging and effective than a typical presentation. The main problems facing a group giving a presentation are (1) dividing responsibilities, (2) coordinating schedules and time management, and (3) working out the logistics of the presentation delivery.

In terms of dividing responsibilities, assigning individual work at the first meeting and then trying to fit it all together before the presentation (which is what many college students do when faced with a group project) is not the recommended method. Integrating content and visual aids created by several different people into a seamless final product takes time and effort, and the person "stuck" with this job at the end usually ends up developing some resentment toward his or her group members. While it's OK for group members to do work independently outside of group meetings, spend time working together to help set up some standards for content and formatting expectations that will help make later integration of work easier. Taking the time to complete one part of the presentation together can help set those standards for later individual work. Discuss the roles that various group members will play openly so there isn't role confusion. There could be one point person for keeping track of the group's progress and schedule, one point person for communication, one point person for content integration, one point person for visual aids, and so on. Each person shouldn't do all that work on his or her own but help focus the group's attention on his or her specific area during group meetings (Stanton, 2009).

Scheduling group meetings is one of the most challenging problems groups face, given people's busy lives. From the beginning, it should be clearly communicated that the group needs to spend considerable time in face-to-face meetings, and group members should know that they may have to make an occasional sacrifice to attend. Especially important is the commitment to scheduling time to rehearse the presentation. Consider creating a contract of group guidelines that includes expectations for meeting attendance to increase group members' commitment.

Group presentations require members to navigate many logistics of their presentation. While it may be easier for a group to assign each member to create a five-minute segment and then transition from one person to the next, this is definitely not the most engaging method. Creating a master presentation and then assigning individual speakers creates a more fluid and dynamic presentation and allows everyone to become familiar with the content, which can help if a person doesn't show up to present. Once the content of the presentation is complete, figure out introductions, transitions, visual aids, and the use of time and space (Stanton, 2012). In terms of introductions, figure out if one person will introduce all the speakers at the beginning, if speakers will introduce themselves at the beginning, or if introductions will occur as the presentation progresses. In terms of transitions, make sure each person has included in his or her speaking notes when presentation duties switch from one person to the next. Visual aids have the potential to cause hiccups in a group presentation if they aren't fluidly integrated. Practicing with visual aids and having one person control them may help prevent this. Know how long your presentation is and know how you're going to use the space. Presenters should know how long the whole presentation should be and how long each of their segments should be so that everyone can share the responsibility of keeping time. Also consider the size and layout of the presentation space. You don't want presenters huddled in a corner until it's their turn to speak or trapped behind furniture when their turn comes around.

1. What do you think are the major challenges facing members of a group tasked with developing and presenting a group presentation? What have been some of the problems you have faced in previous group presentations and how do you think they could have been avoided?

## Decision Making in Groups

We all engage in personal decision making daily, and we all know that some decisions are more difficult or significant than others. When we make decisions in groups, we face some challenges that we do not face in our personal decision making, but we also stand to benefit from some advantages of group decision making (Napier & Gershenfeld, 2004). Group decision making can appear fair and democratic but really only be a gesture that covers up the fact that certain group members or the group leader have already decided. Group decision making also takes more time than individual decisions and can be burdensome if some group members do not do their assigned work, divert the group with self-centered or unproductive role behaviors, or miss meetings. Conversely, though, group decisions are often more informed, since all group members develop a shared understanding of a problem through discussion and debate. The shared understanding may also be more complex and deep than what an individual would develop, because the group members are exposed to a variety of viewpoints that can broaden their own perspectives. Group decisions also benefit from synergy, one of the key advantages of group communication that we discussed earlier. Most groups do not use a specific method of decision making, perhaps thinking that they'll work things out as they go. This can lead to

unequal participation, social loafing, premature decisions, prolonged discussion, and a host of other negative consequences. So in this section we will learn some practices that will prepare us for good decision making and some specific techniques we can use to help us reach a final decision.

## Brainstorming before Decision Making

Before groups can make a decision, they need to generate possible solutions to their problem. The most commonly used method is brainstorming, although most people don't follow the recommended steps of brainstorming. As you'll recall, brainstorming refers to the quick generation of ideas free of evaluation. The originator of the term *brainstorming* said the following four rules must be followed for the technique to be effective (Osborn, 1959):

1. Evaluation of ideas is forbidden.
2. Wild and crazy ideas are encouraged.
3. Quantity of ideas, not quality, is the goal.
4. New combinations of ideas presented are encouraged.

To make brainstorming more of a decision-making method rather than an idea-generating method, group communication scholars have suggested additional steps that precede and follow brainstorming (Cragan & Wright, 1991).

1. **Do a warm-up brainstorming session.** Some people are more apprehensive about publicly communicating their ideas than others are, and a warm-up session can help ease apprehension and prime group members for task-related idea generation. The warm-up can be initiated by anyone in the group and should only go on for a few minutes. To get things started, a person could ask, "If our group formed a band, what would we be called?" or "What other purposes could a mailbox serve?" In the previous examples, the first warm up gets the group's more abstract creative juices flowing, while the second focuses more on practical and concrete ideas.
2. **Do the actual brainstorming session.** This session shouldn't last more than thirty minutes and should follow the four rules of brainstorming mentioned previously. To ensure that the fourth rule is realized, the facilitator could encourage people to piggyback off each other's ideas.
3. **Eliminate duplicate ideas.** After the brainstorming session is over, group members can eliminate (without evaluating) ideas that are the same or very similar.
4. **Clarify, organize, and evaluate ideas.** Before evaluation, see if any ideas need clarification. Then try to theme or group ideas together in some orderly fashion. Since "wild and crazy" ideas are encouraged, some suggestions may need clarification. If it becomes clear that there isn't really a foundation to an idea and that it is too vague or abstract and can't be clarified, it may be eliminated. As a caution though, it may be wise to not throw out off-the-wall ideas that are hard to categorize and to instead put them in a miscellaneous or "wild and crazy" category.

## Discussion before Decision Making

The nominal group technique guides decision making through a four-step process that includes idea generation and evaluation and seeks to elicit equal contributions from all group members (Delbecq & Ven de Ven, 1971). This method is useful because the procedure involves all group members systematically, which fixes the problem of uneven participation during discussions. Since everyone contributes to the discussion, this method can also help reduce instances of social loafing. To use the nominal group technique, do the following:

1. Silently and individually list ideas.
2. Create a master list of ideas.
3. Clarify ideas as needed.
4. Take a secret vote to rank group members' acceptance of ideas.

During the first step, have group members work quietly, in the same space, to write down every idea they have to address the task or problem they face. This shouldn't take more than twenty minutes. Whoever is facilitating the discussion should remind group members to use brainstorming techniques, which means they shouldn't evaluate ideas as they are generated. Ask group members to remain silent once they've finished their list so they do not distract others.

During the second step, the facilitator goes around the group in a consistent order asking each person to share one idea at a time. As the idea is shared, the facilitator or recorder records it on a master list that everyone can see. Keep track of how many times each idea comes up, as that could be an idea that warrants more discussion. Continue this process until all the ideas have been shared. As a note to facilitators, some group members may begin to edit their list or self-censor when asked to provide one of their ideas. To limit a person's apprehension with sharing his or her ideas and to ensure that each idea is shared, the leader can ask group members to exchange lists with someone else so they can share ideas from the list they receive without fear of being personally judged.

During step three, the facilitator should note that group members can now ask for clarification on ideas on the master list. Do not let this discussion stray into evaluation of ideas. To help avoid an unnecessarily long discussion, it may be useful to go from one person to the next to ask which ideas need clarifying and then go to the originator(s) of the idea in question for clarification.

During the fourth step, members use a voting ballot to rank the acceptability of the ideas on the master list. If the list is long, you may ask group members to rank only their top five or so choices. The facilitator then takes up the secret ballots and

reviews them in a random order, noting the rankings of each idea. Ideally, the highest ranked ideas can then be discussed. The nominal group technique does not carry a group all the way through to the point of decision; rather, it sets the group up for a roundtable discussion or use of some other method to evaluate the merits of the top ideas.

## Specific Decision-Making Techniques

Some decision-making techniques involve determining a course of action based on the level of agreement among the group members. These methods include majority, expert, authority, and consensus rule. Table 14.1 “Pros and Cons of Agreement-Based Decision-Making Techniques” reviews the pros and cons of each of these methods.




Figure 4.2.3: Majority rule is a simple method of decision making based on voting. In most cases a majority is considered half plus one. Becky McCray – Voting – CC BY-NC-ND 2.0.

Majority rule is a commonly used decision-making technique in which a majority (one-half plus one) must agree before a decision is made. A show-of-hands vote, a paper ballot, or an electronic voting system can determine the majority choice. Many decision-making bodies, including the US House of Representatives, Senate, and Supreme Court, use majority rule to make decisions, which shows that it is often associated with democratic decision making, since each person gets one vote and each vote counts equally. Of course, other individuals and mediated messages can influence a person’s vote, but since the voting power is spread out over all group members, it is not easy for one person or party to take control of the decision-making process. In some cases—for example, to override a presidential veto or to amend the constitution—a super majority of two-thirds may be required to make a decision.

Minority rule is a decision-making technique in which a designated authority or expert has final say over a decision and may or may not consider the input of other group members. When a designated expert makes a decision by minority rule, there may be buy-in from others in the group, especially if the members of the group didn’t have relevant knowledge or expertise. When a designated authority makes decisions, buy-in will vary based on group members’ level of respect for the authority. For example, decisions made by an elected authority may be more accepted by those who elected him or her than by those who didn’t. As with majority rule, this technique can be time saving. Unlike majority rule, one person or party can have control over the decision-making process. This type of decision making is more similar to that used by monarchs and dictators. An obvious negative consequence of this method is that the needs or wants of one person can override the needs and wants of the majority. A minority deciding for the majority has led to negative consequences throughout history. The white Afrikaner minority that ruled South Africa for decades instituted apartheid, which was a system of racial segregation that disenfranchised and oppressed the majority population. The quality of the decision and its fairness really depends on the designated expert or authority.

Consensus rule is a decision-making technique in which all members of the group must agree on the same decision. On rare occasions, a decision may be ideal for all group members, which can lead to unanimous agreement without further debate and discussion. Although this can be positive, be cautious that this isn’t a sign of groupthink. More typically, consensus is reached only after lengthy discussion. On the plus side, consensus often leads to high-quality decisions due to the time and effort it takes to get everyone in agreement. Group members are also more likely to be committed to the decision because of their investment in reaching it. On the negative side, the ultimate decision is often one that all group members can live with but not one that’s ideal for all members. Additionally, the process of arriving at consensus also includes conflict, as people debate ideas and negotiate the interpersonal tensions that may result.

**Table 4.2.1: Pros and Cons of Agreement-Based Decision-Making Techniques**

| Decision-Making Technique | Pros | Cons |
|---|---|---|
| Majority rule | • Quick<br>• Efficient in large groups<br>• Each vote counts equally | • Close decisions (5–4) may reduce internal and external “buy-in”<br>• Doesn’t take advantage of group synergy to develop alternatives that more members can support<br>• Minority may feel alienated |
| Minority rule by expert | • Quick<br>• Decision quality is better than what less knowledgeable people could produce<br>• Experts are typically objective and less easy to influence | • Expertise must be verified<br>• Experts can be difficult to find / pay for<br>• Group members may feel useless |
| Minority rule by authority | • Quick<br>• Buy-in could be high if authority is respected | • Authority may not be seen as legitimate, leading to less buy-in<br>• Group members may try to sway the authority or compete for his or her attention<br>• Unethical authorities could make decisions that benefit them and harm group members |
| Consensus rule | • High-quality decisions due to time invested<br>• Higher level of commitment because of participation in decision | • Time consuming<br>• Difficult to manage idea and personal conflict that can emerge as ideas are debated |
| | • Satisfaction with decision because of shared agreement | • Decision may be OK but not ideal |

### “Getting Critical”

Six Hats Method of Decision Making

Edward de Bono developed the Six Hats method of thinking in the late 1980s, and it has since become a regular feature in decision-making training in business and professional contexts (de Bono, 1985). The method’s popularity lies in its ability to help people get out of habitual ways of thinking and to allow group members to play different roles and see a problem or decision from multiple points of view. The basic idea is that each of the six hats represents a different way of thinking, and when we figuratively switch hats, we switch the way we think. The hats and their style of thinking are as follows:

- **White hat.** Objective—focuses on seeking information such as data and facts and then processes that information in a neutral way.
- **Red hat.** Emotional—uses intuition, gut reactions, and feelings to judge information and suggestions.
- **Black hat.** Negative—focuses on potential risks, points out possibilities for failure, and evaluates information cautiously and defensively.
- **Yellow hat.** Positive—is optimistic about suggestions and future outcomes, gives constructive and positive feedback, points out benefits and advantages.
- **Green hat.** Creative—tries to generate new ideas and solutions, thinks “outside the box.”
- **Blue hat.** Philosophical—uses metacommunication to organize and reflect on the thinking and communication taking place in the group, facilitates who wears what hat and when group members change hats.

Specific sequences or combinations of hats can be used to encourage strategic thinking. For example, the group leader may start off wearing the Blue Hat and suggest that the group start their decision-making process with some “White Hat thinking” in order to process through facts and other available information. During this stage, the group could also process through what other groups have done when faced with a similar problem. Then the leader could begin an evaluation sequence starting with two minutes of “Yellow Hat thinking” to identify potential positive outcomes, then “Black Hat thinking” to allow group members to express reservations about ideas and point out

potential problems, then “Red Hat thinking” to get people’s gut reactions to the previous discussion, then “Green Hat thinking” to identify other possible solutions that are more tailored to the group’s situation or completely new approaches. At the end of a sequence, the Blue Hat would want to summarize what was said and begin a new sequence. To successfully use this method, the person wearing the Blue Hat should be familiar with different sequences and plan some of the thinking patterns ahead of time based on the problem and the group members. Each round of thinking should be limited to a certain time frame (two to five minutes) to keep the discussion moving.

1. This decision-making method has been praised because it allows group members to “switch gears” in their thinking and allows for role playing, which lets people express ideas more freely. How can this help enhance critical thinking? Which combination of hats do you think would be best for a critical thinking sequence?
2. What combinations of hats might be useful if the leader wanted to break the larger group up into pairs and why? For example, what kind of thinking would result from putting Yellow and Red together, Black and White together, or Red and White together, and so on?
3. Based on your preferred ways of thinking and your personality, which hat would be the best fit for you? Which would be the most challenging? Why?

## Influences on Decision Making

Many factors influence the decision-making process. For example, how might a group’s independence or access to resources affect the decisions they make? What potential advantages and disadvantages come with decisions made by groups that are more or less similar in terms of personality and cultural identities? In this section, we will explore how situational, personality, and cultural influences affect decision making in groups.

## Situational Influences on Decision Making

A group’s situational context affects decision making. One key situational element is the degree of freedom that the group has to make its own decisions, secure its own resources, and initiate its own actions. Some groups have to go through multiple approval processes before they can do anything, while others are self-directed, self-governing, and self-sustaining. Another situational influence is uncertainty. In general, groups deal with more uncertainty in decision making than do individuals because of the increased number of variables that comes with adding more people to a situation. Individual group members can’t know what other group members are thinking, whether or not they are doing their work, and how committed they are to the group. So the size of a group is a powerful situational influence, as it adds to uncertainty and complicates communication.

Access to information also influences a group. First, the nature of the group’s task or problem affects its ability to get information. Group members can more easily make decisions about a problem when other groups have similarly experienced it. Even if the problem is complex and serious, the group can learn from other situations and apply what it learns. Second, the group must have access to flows of information. Access to archives, electronic databases, and individuals with relevant experience is necessary to obtain any relevant information about similar problems or to do research on a new or unique problem. In this regard, group members’ formal and information network connections also become important situational influences.




Figure 4.2.4:The urgency of a decision can have a major influence on the decision-making process. As a situation becomes more urgent, it requires more specific decision-making methods and types of communication. Judith E. Bell – Urgent – CC BY-SA 2.0.

The origin and urgency of a problem are also situational factors that influence decision making. In terms of origin, problems usually occur in one of four ways:

1. **Something goes wrong.** Group members must decide how to fix or stop something. Example—a group member consistently is not following through with what s/he is expected to do.
2. **Expectations change or increase.** Group members must innovate more efficient or effective ways of doing something. Example—an English learner does not understand what the rest of the group members are talking about. The group's discussion needs to take that into consideration.
3. **Something goes wrong and expectations change or increase.** Group members must fix/stop and become more efficient/effective. Example—a group member's laptop crashes and s/he is not able to do research at home temporarily.
4. **The problem existed from the beginning.** Group members must go back to the origins of the situation and walk through and analyze the steps again to decide what can be done

differently. Example—the group's topic for their presentation not relevant and/or interesting.

In each of the cases, the need for a decision may be more or less urgent depending on how badly something is going wrong, how high the expectations have been raised, or the degree to which people are fed up with a broken system. Decisions must be made in situations ranging from crisis level to mundane.

## Personality Influences on Decision Making

A long-studied typology of value orientations that affect decision making consists of the following types of decision maker: the economic, the aesthetic, the theoretical, the social, the political, and the religious (Spranger, 1928).

- The *economic* decision maker makes decisions based on what is practical and useful.
- The *aesthetic* decision maker makes decisions based on form and harmony, desiring a solution that is elegant and in sync with the surroundings.
- The *theoretical* decision maker wants to discover the truth through rationality.
- The *social* decision maker emphasizes the personal impact of a decision and sympathizes with those who may be affected by it.
- The *political* decision maker is interested in power and influence and views people and/or property as divided into groups that have different value.
- The *religious* decision maker seeks to identify with a larger purpose, works to unify others under that goal, and commits to a viewpoint, often denying one side and being dedicated to the other.

In the United States, economic, political, and theoretical decision making tend to be more prevalent decision-making orientations, which likely corresponds to the individualistic cultural orientation with its emphasis on competition and efficiency. But situational context, as we discussed before, can also influence our decision making.




Figure 4.2.5: Personality affects decision making. For example, “economic” decision makers decide based on what is practical and useful. One Way Stock – Tough Decisions Ahead – CC BY-ND 2.0.

The personalities of group members, especially leaders and other active members, affect the climate of the group. Group member personalities can be categorized based on where they fall on a continuum anchored by the following descriptors: dominant/submissive, friendly/unfriendly, and instrumental/emotional (Cragan & Wright, 1999). The more group members there are in any extreme of these categories, the more likely that the group climate will also shift to resemble those characteristics.

- **Dominant versus submissive.** Group members that are more dominant act more independently and directly, initiate conversations, take up more space, make more direct eye contact, seek leadership positions, and take control over decision-making processes. More submissive members are reserved, contribute to the group only when asked to, avoid eye contact, and leave their personal needs and thoughts unvoiced or give into the suggestions of others.
- **Friendly versus unfriendly.** Group members on the friendly side of the continuum find a balance between talking and listening, don’t try to win at the expense of other group members, are flexible but not weak, and value democratic decision making. Unfriendly group members are disagreeable, indifferent, withdrawn, and selfish, which leads them to either not invest in decision making or direct it in their own interest rather than in the interest of the group.
- **Instrumental versus emotional.** Instrumental group members are emotionally neutral, objective, analytical, task-oriented, and committed followers, which leads them to work hard and contribute to the group’s decision making as long as it is orderly and follows agreed-on rules. Emotional group members are creative, playful, independent, unpredictable, and expressive, which can lead them to make rash decisions, resist group norms or decision-making structures, and switch often from relational to task focus.

## Cultural Context and Decision Making

Just like neighborhoods, schools, and countries, small groups vary in terms of their degree of similarity and difference. Demographic changes in the United States and increases in technology that can bring different people together make it more likely that we will be interacting in more and more heterogeneous groups (Allen, 2011). Some small groups are more homogenous, meaning the members are more similar, and some are more heterogeneous, meaning the members are more different. Diversity and difference within groups has advantages and disadvantages. In terms of advantages, research finds that, in general, groups that are culturally heterogeneous have better overall performance than more homogenous groups (Haslett & Ruebush, 1999). Additionally, when group members have time to get to know each other and competently communicate across their differences, the advantages of diversity include better

decision making due to different perspectives (Thomas, 1999). Unfortunately, groups often operate under time constraints and other pressures that make the possibility for intercultural dialogue and understanding difficult. The main disadvantage of heterogeneous groups is the possibility for conflict, but given that all groups experience conflict, this isn't solely due to the presence of diversity. We will now look more specifically at how some of the cultural value orientations we've learned about already in this book can play out in groups with international diversity and how domestic diversity in terms of demographics can also influence group decision making.

## International Diversity in Group Interactions

Cultural value orientations such as individualism/collectivism, power distance, and high-/low-context communication styles all manifest on a continuum of communication behaviors and can influence group decision making. Group members from individualistic cultures are more likely to value task-oriented, efficient, and direct communication. This could manifest in behaviors such as dividing up tasks into individual projects before collaboration begins and then openly debating ideas during discussion and decision making. Additionally, people from cultures that value individualism are more likely to openly express dissent from a decision, essentially expressing their disagreement with the group. Group members from collectivistic cultures are more likely to value relationships over the task at hand. Because of this, they also tend to value conformity and face-saving (often indirect) communication. This could manifest in behaviors such as establishing norms that include periods of socializing to build relationships before task-oriented communication like negotiations begin or norms that limit public disagreement in favor of more indirect communication that doesn't challenge the face of other group members or the group's leader. In a group composed of people from a collectivistic culture, each member would likely play harmonizing roles, looking for signs of conflict and resolving them before they become public.

Power distance can also affect group interactions. Some cultures rank higher on power-distance scales, meaning they value hierarchy, make decisions based on status, and believe that people have a set place in society that is fairly unchangeable. Group members from high-power-distance cultures would likely appreciate a strong designated leader who exhibits a more directive leadership style and prefer groups in which members have clear and assigned roles. In a group that is homogenous in terms of having a high-power-distance orientation, members with higher status would be able to openly provide information, and those with lower status may not provide information unless a higher status member explicitly seeks it from them. Low-power-distance cultures do not place as much value and meaning on status and believe that all group members can participate in decision making. Group members from low-power-distance cultures would likely freely speak their mind during a group meeting and prefer a participative leadership style.

How much meaning is conveyed through the context surrounding verbal communication can also affect group communication. Some cultures have a high-context communication style in which much of the meaning in an interaction is conveyed through context such as nonverbal cues and silence. Group members from high-context cultures may avoid saying something directly, assuming that other group members will understand the intended meaning even if the message is indirect. So if someone disagrees with a proposed course of action, he or she may say, "Let's discuss this next time" and mean, "I don't think we should do this." Such indirect communication is also a face-saving strategy that is common in collectivistic cultures. Other cultures have a low-context communication style that places more importance on the meaning conveyed through words than through context or nonverbal cues. Group members from low-context cultures often say what they mean and mean what they say. For example, if someone doesn't like an idea, they might say, "I think we should consider more options. This one doesn't seem like the best we can do."

In any of these cases, an individual from one culture operating in a group with people of a different cultural orientation could adapt to the expectations of the host culture, especially if that person possesses a high degree of intercultural communication competence (ICC). Additionally, people with high ICC can also adapt to a group member with a different cultural orientation than the host culture. Even though these cultural orientations connect to values that affect our communication in fairly consistent ways, individuals may exhibit different communication behaviors depending on their own individual communication style and the situation.

## Domestic Diversity and Group Communication

While it is becoming more likely that we will interact in small groups with international diversity, we are guaranteed to interact in groups that are diverse in terms of the cultural identities found within a single country or the subcultures found within a larger cultural group.

Gender stereotypes sometimes influence the roles that people play within a group. For example, the stereotype that women are more nurturing than men may lead group members (both male and female) to expect that women will play the role of supporters or harmonizers within the group. Since women have primarily performed secretarial work since the 1900s, it may also be expected that women will play the role of recorder. In both of these cases, stereotypical notions of gender place women in roles that are typically not as valued in group

communication. The opposite is true for men. In terms of leadership, despite notable exceptions, research shows that men fill an overwhelmingly disproportionate amount of leadership positions. We are socialized to see certain behaviors by men as indicative of leadership abilities, even though they may not be. For example, men are often perceived to contribute more to a group because they tend to speak first when asked a question or to fill a silence and are perceived to talk more about task-related matters than relationally oriented matters. Both of these tendencies create a perception that men are more engaged with the task. Men are also socialized to be more competitive and self-congratulatory, meaning that their communication may be seen as dedicated and their behaviors seen as powerful, and that when their work isn't noticed they will be more likely to make it known to the group rather than take silent credit. Even though we know that the relational elements of a group are crucial for success, even in high-performance teams, that work is not as valued in our society as the task-related work.

Despite the fact that some communication patterns and behaviors related to our typical (and stereotypical) gender socialization affect how we interact in and form perceptions of others in groups, the differences in group communication that used to be attributed to gender in early group communication research seem to be diminishing. This is likely due to the changing organizational cultures from which much group work emerges, which have now had more than sixty years to adjust to women in the workplace. It is also due to a more nuanced understanding of gender-based research, which doesn't take a stereotypical view from the beginning as many of the early male researchers did. Now, instead of biological sex being assumed as a factor that creates inherent communication differences, group communication scholars see that men and women both exhibit a range of behaviors that are more or less feminine or masculine. It is these gendered behaviors, and not a person's gender, that seem to have more of an influence on perceptions of group communication. Interestingly, group interactions are still masculinist in that male and female group members prefer a more masculine communication style for task leaders and that both males and females in this role are more likely to adapt to a more masculine communication style. Conversely, men who take on social-emotional leadership behaviors adopt a more feminine communication style. In short, it seems that although masculine communication traits are more often associated with high status positions in groups, both men and women adapt to this expectation and are evaluated similarly (Haslett & Ruebush, 1999).

Other demographic categories are also influential in group communication and decision making. In general, group members have an easier time communicating when they are more similar than different in terms of race and age. This ease of communication can make group work more efficient, but the homogeneity may sacrifice some creativity. As we learned earlier, groups that are diverse (e.g., they have members of different races and generations) benefit from the diversity of perspectives in terms of the quality of decision making and creativity of output.

In terms of age, for the first time since industrialization began, it is common to have three generations of people (and sometimes four) working side by side in an organizational setting. Although four generations often worked together in early factories, they were segregated based on their age group, and a hierarchy existed with older workers at the top and younger workers at the bottom. Today, however, generations interact regularly, and it is not uncommon for an older person to have a leader or supervisor who is younger than him or her (Allen, 2011). The current generations in the US workplace and consequently in work-based groups include the following:

- **The Silent Generation.** Born between 1925 and 1942, currently in their midsixties to mideighties, this is the smallest generation in the workforce right now, as many have retired or left for other reasons. This generation includes people who were born during the Great Depression or the early part of World War II, many of whom later fought in the Korean War (Clarke, 1970).
- **The Baby Boomers.** Born between 1946 and 1964, currently in their late forties to midsixties, this is the largest generation in the workforce right now. Baby boomers are the most populous generation born in US history, and they are working longer than previous generations, which means they will remain the predominant force in organizations for ten to twenty more years.
- **Generation X.** Born between 1965 and 1981, currently in their early thirties to midforties, this generation was the first to see technology like cell phones and the Internet make its way into classrooms and our daily lives. Compared to previous generations, "Gen-Xers" are more diverse in terms of race, religious beliefs, and sexual orientation and also have a greater appreciation for and understanding of diversity.
- **Generation Y.** Born between 1982 and 2000, "Millennials" as they are also called are currently in their late teens up to about thirty years old. This generation is not as likely to remember a time without technology such as computers and cell phones. They are just starting to enter into the workforce and have been greatly affected by the economic crisis of the late 2000s, experiencing significantly high unemployment rates.

The benefits and challenges that come with diversity of group members are important to consider. Since we will all work in diverse groups, we should be prepared to address potential challenges in order to reap the benefits. Diverse groups may be wise to coordinate social interactions outside of group time in

order to find common ground that can help facilitate interaction and increase group cohesion. We should be sensitive but not let sensitivity create fear of "doing something wrong" that then prevents us from having meaningful interactions. Reviewing Chapter 8 "Culture and Communication" will give you useful knowledge to help you navigate both international and domestic diversity and increase your communication competence in small groups and elsewhere.

### Key Takeaways

- Every problem has common components: an undesirable situation, a desired situation, and obstacles between the undesirable and desirable situations. Every problem also has a set of characteristics that vary among problems, including task difficulty, number of possible solutions, group member interest in the problem, group familiarity with the problem, and the need for solution acceptance.
- The group problem-solving process has five steps:
    1. Define the problem by creating a problem statement that summarizes it.
    2. Analyze the problem and create a problem question that can guide solution generation.
    3. Generate possible solutions. Possible solutions should be offered and listed without stopping to evaluate each one.
    4. Evaluate the solutions based on their credibility, completeness, and worth. Groups should also assess the potential effects of the narrowed list of solutions.
    5. Implement and assess the solution. Aside from enacting the solution, groups should determine how they will know the solution is working or not.
- Before a group makes a decision, it should brainstorm possible solutions. Group communication scholars suggest that groups (1) do a warm-up brainstorming session; (2) do an actual brainstorming session in which ideas are not evaluated, wild ideas are encouraged, quantity not quality of ideas is the goal, and new combinations of ideas are encouraged; (3) eliminate duplicate ideas; and (4) clarify, organize, and evaluate ideas. In order to guide the idea-generation process and invite equal participation from group members, the group may also elect to use the nominal group technique.
- Common decision-making techniques include majority rule, minority rule, and consensus rule. With majority rule, only a majority, usually one-half plus one, must agree before a decision is made. With minority rule, a designated authority or expert has final say over a decision, and the input of group members may or may not be invited or considered. With consensus rule, all members of the group must agree on the same decision.
- Several factors influence the decision-making process:
    - Situational factors include the degree of freedom a group has to make its own decisions, the level of uncertainty facing the group and its task, the size of the group, the group's access to information, and the origin and urgency of the problem.
    - Personality influences on decision making include a person's value orientation (economic, aesthetic, theoretical, political, or religious), and personality traits (dominant/submissive, friendly/unfriendly, and instrumental/emotional).
    - Cultural influences on decision making include the heterogeneity or homogeneity of the group makeup; cultural values and characteristics such as individualism/collectivism, power distance, and high-/low-context communication styles; and gender and age differences.

### Exercise

1. Group communication researchers have found that heterogeneous groups (composed of diverse members) have advantages over homogenous (more similar) groups. Discuss a group situation you have been in where diversity enhanced your and/or the group's experience.

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# 4.3: Process-Based Theories

**Learning Objectives**

1. Explain how employees evaluate the fairness of reward distributions.
2. Describe the three types of fairness that affect employee attitudes and behaviors.
3. List the three questions individuals consider when deciding whether to put forth effort at work.
4. Describe how managers can use learning and reinforcement principles to motivate employees.

A separate stream of research views motivation as something more than action aimed at satisfying a need. Instead, process-based theories view motivation as a rational process. Individuals analyze their environment, develop thoughts and feelings, and react in certain ways. Process theories attempt to explain the thought processes of individuals who demonstrate motivated behavior. Under this category, we will review equity theory, expectancy theory, and reinforcement theory.

## Equity Theory

Imagine that you are paid $10 an hour working as an office assistant. You have held this job for 6 months. You are very good at what you do, you come up with creative ways to make things easier around you, and you are a good colleague who is willing to help others. You stay late when necessary and are flexible if requested to change hours. Now imagine that you found out they are hiring another employee who is going to work with you, who will hold the same job title, and who will perform the same type of tasks. This particular person has more advanced computer skills, but it is unclear whether these will be used on the job. The starting pay for this person will be $14 an hour. How would you feel? Would you be as motivated as before, going above and beyond your duties? How would you describe what you would be feeling?

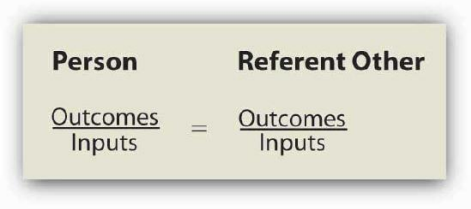



Figure 4.3.7: Equity is determined by comparing one's input-outcome ratio with the input-outcome ratio of a referent. When the two ratios are equal, equity exists. Source: Based on Adams, J. S. (1965). Inequity in social exchange. In L. Berkowitz (Ed.), *Advances in experimental social psychology: Vol. 2* (pp. 267–299). New York: Academic Press.

If your reaction to this scenario is along the lines of "this would be unfair," your behavior may be explained using equity theory (Adams, 1965). According to this theory, individuals are motivated by a sense of fairness in their interactions. Moreover, our sense of fairness is a result of the social comparisons we make. Specifically, we compare our inputs and outcomes with other people's inputs and outcomes. We perceive fairness if we believe that the input-to-outcome ratio we are bringing into the situation is similar to the input-to-outcome ratio of a comparison person, or a referent. Perceptions of inequity create tension within us and drive us to action that will reduce perceived inequity.

## What Are Inputs and Outcomes?

Inputs are the contributions people feel they are making to the environment. In the previous example, the person's hard work; loyalty to the organization; amount of time with the organization; and level of education, training, and skills may have been relevant inputs. Outcomes are the perceived rewards someone can receive from the situation. For the hourly wage employee in our example, the $10 an hour pay rate was a core outcome. There may also be other, more peripheral outcomes, such as acknowledgment or preferential treatment from a manager. In the prior example, however, the person may reason as follows: I have been working here for 6 months. I am loyal, and I perform well (inputs). I am paid $10 an hour for this (outcomes). The new person does not have any experience here (referent's inputs) but will be paid $14 an hour. This situation is unfair.

We should emphasize that equity perceptions develop as a result of a subjective process. Different people may look at the same situation and perceive different levels of equity. For example, another person may look at the same scenario and decide that the situation is fair because the newcomer has computer skills and the company is paying extra for those skills.

## Who Is the Referent?

The referent other may be a specific person as well as a category of people. Referents should be comparable to us—otherwise the comparison is not meaningful. It would be pointless for a student worker to compare himself to the CEO of the company, given the differences in the nature of inputs and outcomes. Instead, individuals may compare themselves to someone performing similar tasks within the same organization or, in the case of a CEO, a different organization.

## Reactions to Unfairness

The theory outlines several potential reactions to perceived inequity. Oftentimes, the situation may be dealt with perceptually by *altering our perceptions of our own or the referent's inputs and outcomes*. For example, we may justify the situation by downplaying our own inputs (I don't really work very hard on this job), valuing our outcomes more highly (I am gaining valuable work experience, so the situation is not that bad), distorting the other person's inputs (the new hire really is more competent than I am and deserves to be paid more), or distorting the other person's outcomes (she gets $14 an hour but will have to work with a lousy manager, so the situation is not unfair). Another option would be to *have the referent increase inputs*. If the other person brings more to the situation, getting more out of the situation would be fair. If that person can be made to work harder or work on more complicated tasks, equity would be achieved. The person experiencing a perceived inequity may also *reduce inputs or attempt to increase outcomes*. If the lower paid person puts forth less effort, the perceived inequity would be reduced. Research shows that people who perceive inequity reduce their work performance or reduce the quality of their inputs (Carrell & Dittrich, 1978; Goodman & Friedman, 1971). Increasing one's outcomes can be achieved through legitimate means such as negotiating a pay raise. At the same time, research shows that those feeling inequity sometimes resort to stealing to balance the scales (Greenberg, 1993). Other options include *changing the comparison person* (e.g., others doing similar work in different organizations are paid only minimum wage) and *leaving the situation* by quitting (Schmidt & Marwell, 1972). Sometimes it may be necessary to consider taking legal action as a potential outcome of perceived inequity. For example, if an employee finds out the main reason behind a pay gap is gender related, the person may react to the situation by taking legal action because sex discrimination in pay is illegal in the United States.

Table 4.3.1: Potential Responses to Inequity

| Reactions to inequity | Example |
|---|---|
| Distort perceptions | Changing one's thinking to believe that the referent actually is more skilled than previously thought |
| Increase referent's inputs | Encouraging the referent to work harder |
| Reduce own input | Deliberately putting forth less effort at work. Reducing the quality of one's work |
| Increase own outcomes | Negotiating a raise for oneself or using unethical ways of increasing rewards such as stealing from the company |
| Change referent | Comparing oneself to someone who is worse off |
| Leave the situation | Quitting one's job |
| Seek legal action | Suing the company or filing a complaint if the unfairness in question is under legal protection |

Source: Based on research findings reported in Carrell, M. R., & Dittrich, J. E. (1978). Equity theory: The recent literature, methodological considerations, and new directions. *Academy of Management Review*, *3*, 202–210; Goodman, P. S., & Friedman, A. (1971). An examination of Adams's theory of inequity. *Administrative Science Quarterly*, *16*, 271–288; Greenberg, J. (1993). Stealing in the name of justice: Informational and interpersonal moderators of theft reactions to underpayment inequity. *Organizational Behavior and Human Decision Processes*, *54*, 81–103; Schmidt, D. R., & Marwell, G. (1972). Withdrawal and reward reallocation as responses to inequity. *Journal of Experimental Social Psychology*, *8*, 207–211.

## Overpayment Inequity

What would you do if you felt you were over-rewarded? In other words, how would you feel if you were the new employee in our student-worker scenario? Originally, equity theory proposed that over-rewarded individuals would experience guilt and would increase their effort to restore perceptions of equity. However, research does not provide support for this argument. Instead, it seems that individuals experience less distress as a result of being over-rewarded (Austin & Walster, 1974). It is not hard to imagine that individuals find perceptual ways to deal with a situation like this, such as believing they have more skills and bring more to the situation compared to the referent person. Therefore, research does not support equity theory's predictions with respect to people who are overpaid (Evan & Simmons, 1969).

## Individual Differences in Reactions to Inequity

So far, we have assumed that once people feel a situation is inequitable, they will be motivated to react. However, does inequity disturb everyone equally? Researchers have identified a personality trait that explains different reactions to inequity and named this trait as equity sensitivity (Huseman, Hatfield, & Miles, 1987). Equity-sensitive individuals expect to maintain equitable relationships, and they experience distress when they feel they are over-rewarded or under-rewarded. At the same time, there are some individuals who are benevolents, those who give without waiting to receive much in return, and entitleds, who expect to receive substantial compensation for relatively little input. Therefore, the theory is more useful in explaining the behavior of equity-sensitive individuals, and organizations will need to pay particular attention to how these individuals view their relationships.

## Fairness Beyond Equity: Procedural and Interactional Justice

Equity theory looks at perceived fairness as a motivator. However, the way equity theory defines fairness is limited to fairness of rewards. Starting in the 1970s, research on workplace fairness began taking a broader view of justice. Equity theory deals with outcome fairness, and therefore it is considered to be a distributive justice theory. Distributive justice refers to the degree to which the outcomes received from the organization are perceived to be fair. Two other types of fairness have been identified: procedural justice and interactional justice.




Figure 4.3.8: Dimensions of Organizational Justice

Let's assume that you just found out you are getting a promotion. Clearly, this is an exciting outcome and comes with a pay raise, increased responsibilities, and prestige. If you feel you deserve to be promoted, you would perceive high distributive justice (your getting the promotion is fair). However, you later found out upper management picked your name out of a hat! What would you feel? You might still like the outcome but feel that the decision-making process was unfair. If so, you are describing feelings of procedural justice. Procedural justice refers to the degree to which fair decision-making procedures are used to arrive at a decision. People do not care only about reward fairness. They also expect decision-making processes to be fair. In fact, research shows that employees care about the procedural justice of many organizational decisions, including layoffs, employee selection, surveillance of employees, performance appraisals, and pay decisions (Alge, 2001; Bauer et al., 1998; Kidwell, 1995). People also tend to care more about procedural justice in situations in which they do not get the outcome they feel they deserve (Brockner & Wisenfeld,

1996). If you did not get the promotion and later discovered that management chose the candidate by picking names out of a hat, how would you feel? This may be viewed as adding insult to injury. When people do not get the rewards they want, they tend to hold management responsible if procedures are not fair (Brockner et al., 2007).

Why do employees care about procedural justice? There are three potential reasons (Cropanzano, Bowen, & Gilliland, 2007; Tyler, 1994; Tyler, Degoey, & Smith, 1996). First, people tend to believe that fairness is an end in itself and it is the right thing to do. Second, fair processes guarantee future rewards. If your name was picked out of a hat, you have no control over the process, and there is no guarantee that you will get future promotions. If the procedures are fair, you are more likely to believe that things will work out in the future. Third, fairness communicates that the organization values its employees and cares about their well-being.

Research has identified many ways of achieving procedural justice. For example, giving employees *advance notice* before laying them off, firing them, or disciplining them is perceived as fair (Kidwell, 1995). Advance notice helps employees get ready for the changes facing them or gives them an opportunity to change their behavior before it is too late. *Allowing employees voice in decision making* is also important (Alge, 2001; Kernan & Hanges, 2002; Lind, Kanfer, & Earley, 1990). When designing a performance-appraisal system or implementing a reorganization, it may be a good idea to ask people for their input because it increases perceptions of fairness. Even when it is not possible to have employees participate, providing *explanations* to employees is helpful in fostering procedural justice (Schaubroeck, May, & William, 1994). Finally, people expect *consistency* in treatment (Bauer et al., 1998). If one person is given extra time when taking a test while another is not, individuals would perceive decision making as unfair.

Now let's imagine the moment your boss told you that you are getting a promotion. Your manager's exact words were, "Yes, we are giving you the promotion. The job is so simple that we thought even you can handle it." Now what is your reaction? The feeling of unfairness you may now feel is explained by interactional justice. Interactional justice refers to the degree to which people are treated with respect, kindness, and dignity in interpersonal interactions. We expect to be treated with dignity by our peers, supervisors, and customers. When the opposite happens, we feel angry. Even when faced with negative outcomes such as a pay cut, being treated with dignity and respect serves as a buffer and alleviates our stress (Greenberg, 2006).

### OB Toolbox: Be a Fair Person!

- *When distributing rewards, make sure you pay attention to different contribution levels of employees*. Treating everyone equally could be unfair if they participated and contributed at different levels. People who are more qualified, skilled, or those who did more than others expect to receive a greater share of rewards.
- *Sometimes you may have to disregard people's contributions to distribute certain rewards*. Some rewards or privileges may be better distributed equally (e.g., health insurance) or based on the particular employee's needs (such as unpaid leave for health reasons).
- *Pay attention to how you make decisions*. Before making a decision, ask people to give you their opinions if possible. Explain your decisions to people who are affected by it. Before implementing a change, give people advance notice. Enforce rules consistently among employees.
- *Pay attention to how you talk to people*. Treat others the way you want to be treated. Be kind, courteous, and considerate of their feelings.
- *Remember that justice is in the eye of the beholder*. Even when you feel you are being fair, others may not feel the same way, and it is *their* perception that counts. Therefore, pay attention to being perceived as fair.
- *People do not care only about their own justice level*. They also pay attention to how others are treated as well. Therefore, in addition to paying attention to how specific employees feel, creating a sense of justice in the entire organization is important.

Sources: Adapted from ideas in Colquitt, J. A. (2004). Does the justice of the one interact with the justice of the many? Reactions to procedural justice in teams. *Journal of Applied Psychology*, *89*, 633–646; Cropanzano, R., Bowen, D. E., & Gilliland, S. W. (2007). The management of organizational justice. *Academy of Management Perspectives*, *21*, 34–48.

Employers would benefit from paying attention to all three types of justice perceptions. In addition to being the right thing to do, paying attention to justice perceptions leads to outcomes companies care about. Injustice is directly harmful to employees' psychological health and well-being and contributes to stress (Greenberg, 2004; Tepper, 2001). High levels of justice create higher

levels of employee commitment to organizations, and they are related to higher job performance, higher levels of organizational citizenship (behaviors that are not part of one's job description but help the organization in other ways, such as speaking positively about the company and helping others), and higher levels of customer satisfaction. Conversely, low levels of justice lead to retaliation and support of unionization (Blader, 2007; Cohen-Charash & Spector, 2001; Colquitt et al., 2001; Cropanzano, Bowen, & Gilliland, 2007; Masterson, 2001; Masterson et al., 2000; Moorman, 1991; Skarlicki & Folger, 1997).

## Expectancy Theory

According to expectancy theory, individual motivation to put forth more or less effort is determined by a rational calculation in which individuals evaluate their situation (Porter & Lawler, 1968; Vroom, 1964). According to this theory, individuals ask themselves three questions.




Figure 4.3.9: Summary of Expectancy Theory Sources: Based on Porter, L. W., & Lawler, E. E. (1968). *Managerial attitudes and performance*. Homewood, IL: Irwin; Vroom, V. H. (1964). *Work and motivation*. New York: Wiley.

The first question is whether the person believes that high levels of effort will lead to outcomes of interest, such as performance or success. This perception is labeled expectancy. For example, do you believe that the effort you put forth in a class is related to performing well in that class? If you do, you are more likely to put forth effort.

The second question is the degree to which the person believes that performance is related to subsequent outcomes, such as rewards. This perception is labeled instrumentality. For example, do you believe that getting a good grade in the class is related to rewards such as getting a better job, or gaining approval from your instructor, or from your friends or parents? If you do, you are more likely to put forth effort.

Finally, individuals are also concerned about the value of the rewards awaiting them as a result of performance. The anticipated satisfaction that will result from an outcome is labeled valence. For example, do you value getting a better job, or gaining approval from your instructor, friends, or parents? If these outcomes are desirable to you, your expectancy and instrumentality is high, and you are more likely to put forth effort.

Expectancy theory is a well-accepted theory that has received a lot of research attention (Heneman & Schwab, 1972; Van Eerde & Thierry, 1996). It is simple and intuitive. Consider the following example. Let's assume that you are working in the concession stand of a movie theater. You have been selling an average of 100 combos of popcorn and soft drinks a day. Now your manager asks you to increase this number to 300 combos a day. Would you be motivated to try to increase your numbers? Here is what you may be thinking:

- *Expectancy*: Can I do it? If I try harder, can I really achieve this number? Is there a link between how hard I try and whether I reach this goal or not? If you feel that you can achieve this number if you try, you have high expectancy.
- *Instrumentality*: What is in it for me? What is going to happen if I reach 300? What are the outcomes that will follow? Are they going to give me a 2% pay raise? Am I going to be named the salesperson of the month? Am I going to receive verbal praise from my manager? If you believe that performing well is related to certain outcomes, instrumentality is high.
- *Valence*: How do I feel about the outcomes in question? Do I feel that a 2% pay raise is desirable? Do I find being named the salesperson of the month attractive? Do I think that being praised by my manager is desirable? If your answers are yes, valence is positive. In contrast, if you find the outcomes undesirable (you definitely do not want to be named the salesperson of the month because your friends would make fun of you), valence is negative.

If your answers to all three questions are affirmative—you feel that you can do it, you will get an outcome if you do it, and you value the reward—you are more likely to be motivated to put forth more effort toward selling more combos.

As a manager, how can you motivate employees? In fact, managers can influence all three perceptions (Cook, 1980).

## Influencing Expectancy Perceptions

Employees may not believe that their effort leads to high performance for a multitude of reasons. First, they may not have the skills, knowledge, or abilities to successfully perform their jobs. The answer to this problem may be training employees or hiring people who are qualified for the jobs in question. Second, low levels of expectancy may be because employees may feel that something other than effort predicts performance, such as political behaviors on the part of employees. If employees believe that the work environment is not conducive to performing well (resources are lacking or roles are unclear), expectancy will also suffer. Therefore, clearing the path to performance and creating an environment in which employees do not feel restricted will be helpful. Finally, some employees may perceive little connection between their effort and performance level because they have an external locus of control, low self-esteem, or other personality traits that condition them to believe that their effort will not make a difference. In such cases, providing positive feedback and encouragement may help motivate employees.

## Influencing Instrumentality Perceptions

Showing employees that their performance is rewarded is going to increase instrumentality perceptions. Therefore, the first step in influencing instrumentality is to connect pay and other rewards to performance using bonuses, award systems, and merit pay. However, this is not always sufficient, because people may not be aware of some of the rewards awaiting high performers. Publicizing any contests or award programs is needed to bring rewards to the awareness of employees. It is also important to highlight that performance, not something else, is being rewarded. For example, if a company has an employee of the month award that is rotated among employees, employees are unlikely to believe that performance is being rewarded. This type of meritless reward system may actually hamper the motivation of the highest performing employees by eroding instrumentality.

## Influencing Valence

Employees are more likely to be motivated if they find the reward to be attractive. This process involves managers finding what their employees value. Desirable rewards tend to be fair and satisfy different employees' diverging needs. Ensuring high valence involves getting to know a company's employees. Talking to employees and surveying them about what rewards they find valuable are some methods to gain understanding. Finally, giving employees a choice between multiple rewards may be a good idea to increase valence.

Figure 5.10: Ways in Which Managers Can Influence Expectancy, Instrumentality, and Valence

| Expectancy | Instrumentality | Valence |
|---|---|---|
| • Make sure employees have proper skills, abilities, and knowledge<br>• Ensure that the environment facilitates performance<br>• Provide encouragement to make people believe that their effort makes a difference | • Reward employee performance<br>• Inform people in advance about the rewards<br>• Try to eliminate non-performance influence over rewards | • Find rewards that are desirable to employees<br>• Make sure that the rewards are viewed as fair<br>• Give employees choice over rewards |

## Reinforcement Theory

Reinforcement theory is based on the work of Ivan Pavlov on behavioral conditioning and the later work of B. F. Skinner on operant conditioning (Skinner, 1953). According to reinforcement theory, behavior is a function of its outcomes. Imagine that even though no one asked you to, you stayed late and drafted a report. When the manager found out, she was ecstatic and took you out to lunch and thanked you genuinely. The consequences following your good deed were favorable, and therefore you are more likely to demonstrate similar behaviors in the future. In other words, your taking initiative was reinforced. Instead, if your manager had said nothing about it and everyone ignored the sacrifice you made, you are less likely to demonstrate similar behaviors in the future.

Reinforcement theory is based on a simple idea that may be viewed as common sense. Beginning at infancy we learn through reinforcement. If you have observed a small child discovering the environment, you will see reinforcement theory in action. When the child discovers manipulating a faucet leads to water coming out and finds this outcome pleasant, he is more likely to repeat the behavior. If he burns his hand while playing with hot water, the child is likely to stay away from the faucet in the future.

Despite the simplicity of reinforcement, how many times have you seen positive behavior ignored, or worse, negative behavior rewarded? In many organizations, this is a familiar scenario. People go above and beyond the call of duty, yet their actions are ignored or criticized. People with disruptive habits may receive no punishments because the manager is afraid of the reaction the person will give when confronted. Problem employees may even receive rewards such as promotions so they will be transferred to a different location and become someone else's problem. Moreover, it is common for people to be rewarded for the wrong kind of behavior. Steven Kerr has labeled this phenomenon "the folly of rewarding A while hoping for B" (Kerr, 1995). For example, a company may make public statements about the importance of quality. Yet, if they choose to reward shipments on time regardless of the amount of defects contained in the shipments, employees are more likely to ignore quality and focus on hurrying the delivery process. Because people learn to repeat their behaviors based on the consequences following their prior activities, managers will need to systematically examine the consequences of employee behavior and make interventions when needed.

## Reinforcement Interventions

Reinforcement theory describes four interventions to modify employee behavior. Two of these are methods of increasing the frequency of desired behaviors, while the remaining two are methods of reducing the frequency of undesired behaviors.

Figure 5.11 Reinforcement Methods

| Positive Reinforcement | Negative Reinforcement |
|---|---|
| Positive behavior followed by positive consequences (Manager praises the employee) | Positive behavior followed by removal of negative consequences (Manager stops nagging the employee) |
| Punishment | Extinction |
| Negative behavior followed by negative consequences (Manager demotes the employee) | Negative behavior followed by removal of positive consequences (Manager ignores the behavior) |

Positive reinforcement is a method of increasing the desired behavior (Beatty & Schneier, 1975). Positive reinforcement involves making sure that behavior is met with positive consequences. For example, praising an employee for treating a customer respectfully is an example of positive reinforcement. If the praise immediately follows the positive behavior, the employee will see a link between the behavior and positive consequences and will be motivated to repeat similar behaviors.

Negative reinforcement is also used to increase the desired behavior. Negative reinforcement involves removal of unpleasant outcomes once desired behavior is demonstrated. Nagging an employee to complete a report is an example of negative reinforcement. The negative stimulus in the environment will remain present until positive behavior is demonstrated. The problem with negative reinforcement is that the negative stimulus may lead to unexpected behaviors and may fail to stimulate the desired behavior. For example, the person may start avoiding the manager to avoid being nagged.

Extinction is used to decrease the frequency of negative behaviors. Extinction is the removal of rewards following negative behavior. Sometimes, negative behaviors are demonstrated because they are being inadvertently rewarded. For example, it has been shown that when people are rewarded for their unethical behaviors, they tend to demonstrate higher levels of unethical behaviors (Harvey & Sims, 1978). Thus, when the rewards following unwanted behaviors are removed, the frequency of future negative behaviors may be reduced. For example, if a coworker is forwarding unsolicited e-mail messages containing jokes, commenting and laughing at these jokes may be encouraging the person to keep forwarding these messages. Completely ignoring such messages may reduce their frequency.

Punishment is another method of reducing the frequency of undesirable behaviors. Punishment involves presenting negative consequences following unwanted behaviors. Giving an employee a warning for consistently being late to work is an example of punishment.

## Reinforcement Schedules

In addition to types of reinforcements, researchers have focused their attention on schedules of reinforcement as well (Beatty & Schneier, 1975). Reinforcement is presented on a continuous schedule if reinforcers follow all instances of positive behavior. An example of a continuous schedule would be giving an employee a sales commission every time he makes a sale. In many instances,

continuous schedules are impractical. For example, it would be difficult to praise an employee every time he shows up to work on time. Fixed-ratio schedules involve providing rewards every *nth* time the right behavior is demonstrated. An example of this would be giving the employee a bonus for every tenth sale he makes. Variable ratio involves providing the reinforcement on a random pattern, such as praising the employee occasionally when the person shows up on time. In the case of continuous schedules, behavioral change is more temporary. Once the reward is withdrawn, the person may stop performing the desired behavior. The most durable results occur under variable ratios, but there is also some evidence that continuous schedules produce higher performance than do variable schedules (Beatty & Schneier, 1975; Cherrington & Cerrington, 1974; Saari & Latham, 1982; Yukl & Latham, 1975).

### OB Toolbox: Be Effective in Your Use of Discipline

As a manager, sometimes you may have to discipline an employee to eliminate unwanted behavior. Here are some tips to make this process more effective.

- *Consider whether punishment is the most effective way to modify behavior*. Sometimes catching people in the act of doing good things and praising or rewarding them is preferable to punishing negative behavior. Instead of criticizing them for being late, consider praising them when they are on time. Carrots may be more effective than sticks. You can also make the behavior extinct by removing any rewards that follow undesirable behavior.
- *Be sure that the punishment fits the crime*. If a punishment is too harsh, both the employee in question and coworkers who will learn about the punishment will feel it is unfair. Unfair punishment may not change unwanted behavior.
- *Be consistent in your treatment of employees*. Have disciplinary procedures and apply them in the same way to everyone. It is unfair to enforce a rule for one particular employee but then give others a free pass.
- *Document the behavior in question*. If an employee is going to be disciplined, the evidence must go beyond hearsay.
- *Be timely with discipline*. When a long period of time passes between behavior and punishment, it is less effective in reducing undesired behavior because the connection between the behavior and punishment is weaker.

Sources: Adapted from ideas in Ambrose, M. L., & Kulik, C. T. (1999). Old friends, new faces: Motivation research in the 1990s. *Journal of Management*, *25*, 231–292; Guffey, C. J., & Helms, M. M. (2001). Effective employee discipline: A case of the Internal Revenue Service. *Public Personnel Management*, *30*, 111–128.

A systematic way in which reinforcement theory principles are applied is called Organizational Behavior Modification (or OB Mod) (Luthans & Stajkovic, 1999). This is a systematic application of reinforcement theory to modify employee behaviors in the workplace. The model consists of five stages. The process starts with identifying the behavior that will be modified. Let's assume that we are interested in reducing absenteeism among employees. In step 2, we need to measure the baseline level of absenteeism. How many times a month is a particular employee absent? In step 3, the behavior's antecedents and consequences are determined. Why is this employee absent? More importantly, what is happening when the employee is absent? If the behavior is being unintentionally rewarded (e.g., the person is still getting paid or is able to avoid unpleasant assignments because someone else is doing them), we may expect these positive consequences to reinforce the absenteeism. Instead, to reduce the frequency of absenteeism, it will be necessary to think of financial or social incentives to follow positive behavior and negative consequences to follow negative behavior. In step 4, an intervention is implemented. Removing the positive consequences of negative behavior may be an effective way of dealing with the situation, or, in persistent situations, punishments may be used. Finally, in step 5 the behavior is measured periodically and maintained.

Studies examining the effectiveness of OB Mod have been supportive of the model in general. A review of the literature found that OB Mod interventions resulted in 17% improvement in performance (Stajkovic & Luthans, 1997). Particularly in manufacturing settings, OB Mod was an effective way of increasing performance, although positive effects were observed in service organizations as well.




Figure 4.3.12: Stages of Organizational Behavior Modification Source: Based on information presented in Stajkovic, A. D., & Luthans, F. (1997). A meta-analysis of the effects of organizational behavior modification on task performance, 1975–1995. *Academy of Management Journal*, *40*, 1122–1149.

## Key Takeaways

Process-based theories use the mental processes of employees as the key to understanding employee motivation. According to equity theory, employees are demotivated when they view reward distribution as unfair. Perceptions of fairness are shaped by the comparisons they make between their inputs and outcomes with respect to a referent's inputs and outcomes. Following equity theory, research identified two other types of fairness (procedural and interactional) that also affect worker reactions and motivation. According to expectancy theory, employees are motivated when they believe that their effort will lead to high performance (expectancy), when they believe that their performance will lead to outcomes (instrumentality), and when they find the outcomes following performance to be desirable (valence). Reinforcement theory argues that behavior is a function of its consequences. By properly tying rewards to positive behaviors, eliminating rewards following negative behaviors, and punishing negative behaviors, leaders can increase the frequency of desired behaviors. These three theories are particularly useful in designing reward systems within a company.

## Exercises

1. Your manager tells you that the best way of ensuring fairness in reward distribution is to keep the pay a secret. How would you respond to this assertion?
2. When distributing bonuses or pay, how would you ensure perceptions of fairness?
3. What are the differences between procedural, interactional, and distributive justice? List ways in which you could increase each of these justice perceptions.
4. Using examples, explain the concepts of expectancy, instrumentality, and valence.
5. Some practitioners and researchers consider OB Mod unethical because it may be viewed as a way of manipulation. What would be your reaction to such a criticism?

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# SECTION OVERVIEW

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# 4.4.1: Chapter Introduction



Figure 4.4.1.1: (Credit: Ludovic Bertron /flickr / Attribution 2.0 Generic (CC BY 2.0))

## Learning Outcomes

After reading this chapter, you should be able to answer these questions:

1. What has been the evolution of human resource management over the years, and what is the current value it provides to an organization?
2. How does the human resources compliance role of HR provide value to a company?
3. How do performance management practices impact company performance?
4. How do companies use rewards strategies to influence employee performance and motivation?
5. What is talent acquisition, and how can it create a competitive advantage for a company?
6. What are the benefits of talent development and succession planning?

## Exploring managerial careers

### Eva Hartmann, Trellis LLC

Eva Hartmann has nearly 20 years of experience as a strategic, results-driven, innovative leader with significant expertise in human resources strategy, talent and leadership development, and organizational effectiveness. She has worked in a variety of industries, from manufacturing to Fortune 500 consulting. Eva is a transformational change agent who has developed and led strategic human capital programs and talent initiatives in multiple challenging environments globally. Eva is passionate about enhancing both individual and organizational performance.

Eva began her career in one of the large “Big 6” management consulting firms at the time, and she happily returned several years ago to consulting. She is the founder and president of Trellis LLC, a human capital consulting and staffing firm in Richmond, Virginia.

Prior to Trellis, Eva was the global human resources leader for a large global manufacturer of plastic film products and was responsible for the HR strategy and operations of a $600 million global division. In this role, Eva led a global team of HR managers in North and South America, Europe, and Asia to support global HR initiatives to drive business results and build human capital and performance across the division.

Eva has also held a variety of leadership and managerial roles in both human resources and quality functions at several nationally and globally recognized companies, including Wachovia Securities, Genworth Financial, Sun Microsystems, and

Andersen Consulting (now Accenture).

Eva holds an MBA from the College of William and Mary in Williamsburg, Virginia, and a BA in anthropology from the University of Virginia in Charlottesville, Virginia. She is also an adjunct faculty member with the University of Richmond Robins School of Business. Eva currently serves on the board of the Society of Human Resource Management (SHRM) of Richmond, Virginia.

Human resource management is an area that has evolved a great deal over the last few decades. From the days of the very tactical “personnel” management to the current and more strategic state of human resources, businesses and HR professionals alike have changed the way they see the function. In the current economy, human capital assets (i.e., people) are the greatest value creators. Companies compete for talent, and they distinguish themselves in their business performance by the talent they have in their ranks. Human resource management, therefore, becomes a key lever companies can utilize to find, recruit, develop, and grow talent for competitive advantage. This chapter discusses the value and benefits that human resource management brings to an organization, as well as the challenges that the function still faces as a strategic partner to the business.

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# 4.4.2: An Introduction to Human Resource Management

## What has been the evolution of human resource management (HRM) over the years, and what is the current value it provides to an organization?

**Human resource management** over the years has served many purposes within an organization. From its earliest inception as a primarily compliance-type function, it has further expanded and evolved into its current state as a key driver of human capital development. In the book *HR From the Outside In* (Ulrich, Younger, Brockbank, Younger, 2012), the authors describe the evolution of HR work in "waves". Wave 1 focused on the administrative work of HR personnel, such as the terms and conditions of work, delivery of HR services, and regulatory compliance. This administrative side still exists in HR today, but it is often accomplished differently via technology and outsourcing solutions. The quality of HR services and HR's credibility came from the ability to run administrative processes and solve administrative issues effectively. Wave 2 focused on the design of innovative HR practice areas such as compensation, learning, communication, and sourcing. The HR professionals in these practice areas began to interact and share with each other to build a consistent approach to human resource management. The HR credibility in Wave 2 came from the delivery of best-practice HR solutions.

Wave 3 HR, over the last 15–20 years or so, has focused on the integration of HR strategy with the overall business strategy. Human resources appropriately began to look at the business strategy to determine what HR priorities to work on and how to best use resources. HR began to be a true partner to the business, and the credibility of HR was dependent upon HR having a seat at the table when the business was having strategic discussions. In Wave 4, HR continues to be a partner to the business, but has also become a competitive practice for responding to external business conditions. HR looks outside their organizations to customers, investors, and communities to define success—in the form of customer share, investor confidence, and community reputation. HR's credibility is thus defined in terms of its ability to support and drive these external metrics. Although each "wave" of HR's evolution is important and must be managed effectively, it is the "outside in" perspective that allows the human resource management function to shine via the external reputation and successes of the organization.

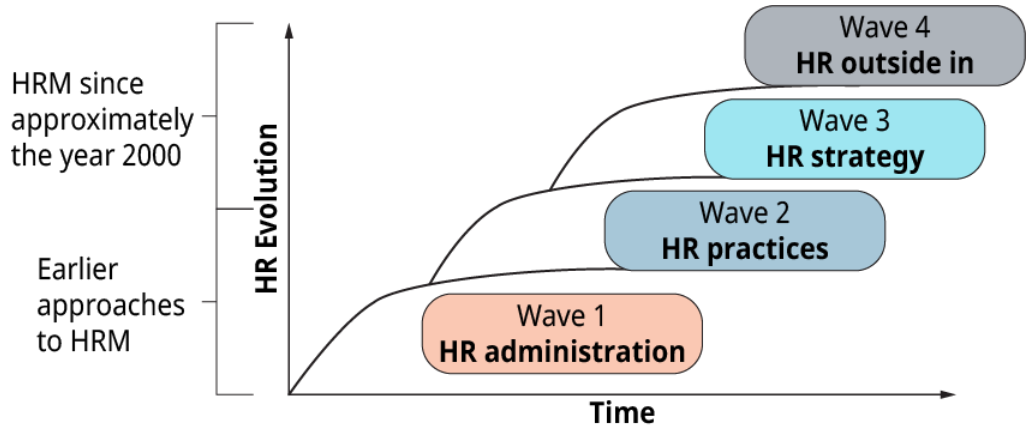



Figure 4.4.2.1. **Evolution of HR Work in Waves** (Attribution: Copyright Rice University, OpenStax, under CC-BY 4.0 license)

### catching the entrepreneurial spirit

Human Resources Outsourcing—Entrepreneurial Ventures

Human resources is a key function within any company, but not all companies are able to afford or justify full-time HR staff. Over the last decade, HR outsourcing has become a good business decision for many small companies whose current staff doesn't have the bandwidth or expertise to take on the risks of employee relations issues, benefits and payroll, or HR compliance responsibilities. This has led many HR practitioners to try out their entrepreneurial skills in the areas of HR outsourcing and "fractional HR."

Human resources outsourcing is very commonly used by smaller companies (and often large companies too) to cover such tasks as benefits and payroll management. This is an area that has been outsourced to third parties for many years. More recent is the trend to have "fractional HR" resources to help with the daily/weekly/monthly HR compliance, employee relations, and talent management issues that companies need to address. Fractional HR is a growing industry, and it has become the service

offering of many entrepreneurial HR ventures. Fractional HR is essentially as it sounds—it is the offering of HR services to a company on a part-time or intermittent basis when the company may not be able to justify the cost of a full-time HR resource. An HR professional can be available onsite for a specified number of hours or days weekly or monthly, depending on the company's needs and budget. The HR professional handles everything from HR compliance issues and training to employee issues support. Also, for companies that are keen on development of employees, the HR resource can drive the talent management processes—such as performance management, succession planning, training, and development—for companies who require more than just basic HR compliance services.

How does a business leader decide whether HR outsourcing is needed? There are generally two factors that drive a leader to consider fractional HR or HR outsourcing—time and risk. If a leader is spending too much time on HR issues and employee relations, he may decide that it is a smart tradeoff to outsource these tasks to a professional. In addition, the risk inherent in some HR issues can be very great, so the threat of having a lawsuit or feeling that the company is exposed can lead the company to seek help from a fractional HR professional.

HR entrepreneurs have taken full advantage of this important trend, which many say will likely continue as small companies grow and large companies decide to off-load HR work to third parties. Some HR companies offer fractional HR as part of their stated HR services, in addition to payroll and benefits support, compensation, and other HR programmatic support. Having a fractional HR resource in place will often illuminate the need for other HR services and program builds, which are generally supported by those same companies. Whether you are an individual HR practitioner or have a small company of HR practitioners and consultants, fractional HR and HR outsourcing can be a very viable and financially rewarding business model. It can also be very personally rewarding, as the HR professional enables smaller companies to grow and thrive, knowing that its HR compliance and processes are covered.

**Discussion Questions**

1. At what point should a company consider bringing on a full-time HR resource instead of using a fractional HR resource? What questions should the company ask itself?

Human resource management provides value to an organization, to a large extent, via its management of the overall **employee life cycle** that employees follow—from hiring and onboarding, to performance management and talent development, all the way through to transitions such as job change and promotion, to retirement and exit. **Human capital** is a key competitive advantage to companies, and those who utilize their human resource partners effectively to drive their human capital strategy will reap the benefits.

Human resource management includes the leadership and facilitation of the following key life cycle process areas:

- Human resources compliance
- Employee selection, hiring, and onboarding
- Performance management
- Compensation rewards and benefits
- Talent development and succession planning

Human resources is responsible for driving the strategy and policies in these areas to be in accordance with and in support of the overall business strategy. Each of these areas provides a key benefit to the organization and impacts the organization's value proposition to its employees.

concept check

1. In what way do you usually interact with human resources?

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# 4.4.3: Human Resource Management and Compliance

## How does the human resources compliance role of HR add value to an organization?

**Human resources compliance** is an area that traces back to the very origin of the human resources function—to administrative and regulatory functions. Compliance continues to be a very important area that HR manages, and there are numerous regulations and laws that govern the employment relationship. HR professionals must be able to understand and navigate these laws to help their organizations remain compliant and avoid having to pay fines or penalties. The additional threat of reputational harm to the organization is another reason that HR needs to be aware and alert to any potential gaps in compliance.

Some of the most common examples of laws and regulations that govern the **employer-employee relationship** include the following (SHRM.org):

- Age Discrimination in Employment Act (ADEA)
- Americans with Disabilities Act (ADA)
- Fair Labor Standards Act (FLSA)
- Family and Medical Leave Act (FMLA)
- National Labor Relations Act (NLRA)
- Worker Adjustment and Retraining Notification Act (WARN)

The Age Discrimination in Employment Act (ADEA) of 1967 protects individuals who are 40 years of age or older from employment discrimination based on age. These protections apply to both employees and job applicants. It also makes it unlawful to discriminate based on age with respect to any terms of employment, such as hiring, firing, promotion, layoff, compensation, benefits, job assignments, and training.

The Americans with Disabilities Act (ADA) of 1990 prohibits private employers, state and local governments, employment agencies, and labor unions from discriminating against qualified individuals with disabilities. The ADA defines an individual with a disability as a person who: 1) has a mental or physical impairment that substantially limits one or more major life activities, 2) has a record of such impairment, or 3) is regarded as having such impairment. An employer is required to make a reasonable accommodation to the known disability of a qualified applicant or employee if it would not impose an “undue hardship” on the operation of the employer’s business.

The Fair Labor Standards Act (FLSA) of 1938 establishes the minimum wage, overtime pay, recordkeeping, and youth employment standards affecting full-time and part-time workers in the private sector and in federal, state, and local governments. Special rules apply to state and local government employment involving fire protection and law enforcement activities, volunteer services, and compensatory time off instead of cash overtime pay.

The Family and Medical Leave Act (FMLA) of 1993 entitles eligible employees to take up to 12 weeks of unpaid, job-protected leave in a 12-month period for specified family and medical reasons. FMLA applies to all public agencies, including state, local, and federal employers, local education agencies (schools), and private-sector employers who employed 50 or more employees in 20 or more workweeks in the current or preceding calendar year, including joint employers and successors of covered employers.

The National Labor Relations Act (NLRA) of 1947 extends rights to many private-sector employees, including the right to organize and bargain with their employer collectively. Employees covered by the act are protected from certain types of employer and union misconduct and have the right to attempt to form a union where none exists.

The Worker Adjustment and Retraining Notification Act (WARN) of 1988 generally covers employers with 100 or more employees, not counting those who have worked less than six months in the last 12 months and those who work an average of less than 20 hours a week. Regular federal, state, and local government entities that provide public services are not covered. WARN protects workers, their families, and communities by requiring employers to provide notification 60 calendar days in advance of plant closings and mass layoffs.

These are just a few of the key regulatory federal statutes, regulations, and guidance that human resources professionals need to understand to confirm organizational compliance. For additional information on HR compliance resources, the **Society of Human Resource Management (SHRM)** at SHRM.org maintains a plethora of resources for the HR professional and the businesses that they support.

To ensure the successful management and oversight of the many compliance rules and regulations, the human resources team must utilize best practices to inform and hold employees accountable to HR compliance practices. Some of these best practices include education and training, documentation, and audit. Each of these is described in greater detail, and will help HR achieve its important goal of maintaining HR compliance for the organization.

Education and training in the areas of compliance and labor law is critical to ensure that all applicable laws and regulations are being followed. These laws can change from year to year, so the HR professionals in the organization need to ensure that they are engaged in ongoing education and training. It is not just imperative for the HR professional to receive training. In many organizations, managers receive training on key rules and regulations (such as FMLA or ADA, to name a few) so that they have a foundation of knowledge when dealing with employee situations and potential risk areas. Human resources and management need to partner to ensure alignment on compliance issues—especially when there is a risk that an employee situation treads into compliance regulation territory. See Table 4.4.3.1 for a partial list of federal labor laws by number of employees, as displayed on the Society for Human Resource Management website.

**Table 4.4.3.1: Federal Labor Laws by Number of Employees.**

| Federal Labor Laws by Number of Employees |
|---|
| American Taxpayer Relief Act of 2012 |
| Consumer Credit Protection Act of 1968 |
| Employee Polygraph Protection Act of 1988 |
| Employee Retirement Income Security Act of 1974 (ERISA) |
| Equal Pay Act of 1963 |
| Fair and Accurate Credit Transaction Act of 2003 (FACT) |
| Fair Credit Reporting Act of 1969 |
| Fair Labor Standards Act of 1938 |
| Federal Insurance Contributions Act of 1935 (Social Security) (FICA) |
| Health Insurance Portability and Accountability Act of 1996 (if a company offers benefits) (HIPPA) |
| Immigration Reform and Control Act of 1986 |
| These federal laws cover all employees of all organizations. Several other factors may apply in determining employer coverage, such as whether the employer is public or private, whether the employer offers health insurance, and whether the employer uses a third party to conduct background checks. Source: SHRM website, https://www.shrm.org/, accessed October 20, 2018. |

Table 4.4.3.1. (Attribution: Copyright Rice University, OpenStax, under CC-BY 4.0 license)

Documentation of the rules and regulations—in the form of an employee handbook—can be one of the most important resources that HR can provide to the organization to mitigate compliance risk. The handbook should be updated regularly and should detail the organization's policies and procedures and how business is to be conducted. Legal counsel should review any such documentation before it is distributed to ensure that it is up-to-date and appropriate for the audience.

Scheduling HR compliance audits should be part of the company's overall strategy to avoid legal risk. Noncompliance can cause enormous financial and reputational risk to a company, so it is important to have audits that test the organization's controls and preparedness. When the human resources function takes the lead in implementing audits and other best practices, they create real value for the organization.

concept check

1. What does an employee handbook provide to an organization?

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# 4.4.4: Performance Management

## How do performance management practices impact company performance?

**Performance management** practices and processes are among the most important that human resources manages, yet they are also among the most contentious processes in an organization. Many people view performance management as a human resources role and believe that it is in some parallel path with the business. On the contrary, for the process to be successful, it should not only be human resources that is responsible for driving performance. For the (typically) annual performance management process, human resources and line management should partner on the implementation and ongoing communication of the process. Although HR is responsible for creating and facilitating the performance management processes, it is the organizational managers that need to strongly support the process and communicate the linkage of performance management to overall organizational goals and performance. In my experience, it was helpful when business leadership emphasized that performance management isn't a human resources process—it is a mission-critical business process. If a business manager can't track and drive performance at the individual level, then the overall organization won't know how it's tracking on overall organizational goals. Performance Management Before discussing the state of performance management in the workplace today, it is important to understand the origin of performance management. Performance management began as a simple tool to drive accountability (as it still does) but has evolved more recently into a tool used for employee development.

Performance management can be tracked back to the U.S. military's "merit rating" system, which was created during World War I to identify poor performers for discharge or transfer ("The Performance Management Revolution," Harvard Business Review, October 2016). After World War II, about 60% of all U.S. companies were using a performance appraisal process. (By the 1960s nearly 90% of all U.S. companies were using them.) Although the rules around job seniority determined pay increases and promotions for the unionized worker population, strong performance management scores meant good advancement prospects for managers. In the beginning, the notion of using this type of system to *improve* performance was more of an afterthought, and not the main purpose. By the 1960s or so, when we started to see a shortage of managerial talent, companies began to use performance systems to develop employees into supervisors, and managers into executives.

In 1981, when Jack Welch became CEO of General Electric, he championed the forced-ranking system—another military creation. He did this to deal with the long-standing concern that supervisors failed to label real differences in performance (HBR, The Performance Management Revolution). GE utilized this performance management system to shed the people at the bottom. They equated performance with people's inherent capabilities and ignored their potential to grow. People were categorized as "A" players (to be rewarded), "B" players (to be accommodated), and "C" players (to be dismissed). In the GE system, development was reserved for the "A" players—and those with high potential were chosen to advance to senior positions. Since the days of GE's forced ranking, many companies have implemented a similar forced-ranking system, but many have backed away from the practice. After Jack Welch retired, GE backed away from the practice as well. Companies, GE included, saw that it negatively fostered internal competition and undermined collaboration and teamwork and thus decided to drop forced ranking from their performance management processes.

Most people agree, in theory, that performance management is important. What people may *not* agree on is *how* performance management should be implemented. As the dissatisfaction with performance management processes began to increase, some companies began to change the way they thought about performance. In 2001, an "Agile Manifesto" was developed by software developers and "emphasized principles of collaboration, self-organization, self-direction, and regular reflection on how to work more effectively, with the aim of prototyping more quickly and responding in real-time to customer feedback and changes in requirements." (Performance Management Revolution, HBR). The impact on performance management was clear, and companies started to think about performance management processes that were less cumbersome, incorporated frequent feedback, and delivered performance impacts.

In a recent public survey by Deloitte Services, 58% of executives surveyed believed that their current performance management approach drives neither employee engagement nor high performance. They need something more nimble, real-time, and individualized—and focused on fueling performance in the future rather than assessing it in the past. ("*Reinventing Performance Management*," Harvard Business Review, Buckingham and Goodall, 2015). In light of this study, Deloitte became one of the companies that has recently sought to redesign their performance processes. As part of their "radical redesign," they seek to see performance at the individual level, and thus they ask team leaders about their own future actions and decisions with respect to

each individual. They ask leaders what they'd do with their team members, not what they think of them ("Reinventing Performance Management," HBR). The four questions that Deloitte asks of its managers are as follows:

- Given what I know of this person's performance, and if it were my money, I would award this person the highest possible compensation increase and bonus.
- Given what I know of this person's performance, I would always want him or her on my team.
- This person is at risk for low performance.
- This person is ready for promotion today.

Although there has been some discussion over the last several years about some companies wanting to drop performance appraisals completely, most of the research seems to support that the total absence of performance management doesn't help either. A recent global survey by CEB Global reports that more than 9,000 managers and employees think that not having performance evaluations is worse than having them. ("Let's Not Kill Performance Evaluations Yet," HBR, Nov 2016, Goler, Gale, Grant). Their findings indicate that even though every organization has people who are unhappy with their bonuses or disappointed that they weren't promoted, research shows that employees are more willing to accept an undesirable outcome when the process is fair. The key question really becomes: how can HR help the business create a process to fairly evaluate performance and enhance employee development while *not* burdening the business with undue bureaucracy and non-value-added activities?

managing change

**Global versus Local HR**

Multinational companies are always challenged to determine the balance between global and local needs when creating a human resource management strategy. Some large companies weigh heavily on the side of centralization, with very few local deviations from the global strategy. Others may allow more localization of processes and decision-making if there are very specific local cultural needs that must be addressed. In either case, companies are well-served by maintaining global standards while also allowing for local market adaptation in the human resources areas where it makes the most sense.

According to the MIT Sloan Management Review article "Six Principles of Effective Global Talent Management" (Winter 2012), most multinational companies introduce global performance standards, competency profiles, and performance management tools and processes. These are the human resources areas that are most closely linked to the overall strategies and goals, and thus remain at the global level. Those HR processes that are not perceived as being as closely linked to the strategy and that may need to have local market inputs include processes such as training and compensation. Hiring practices may also need to be locally adapted, due to country-specific labor laws and challenges. One caveat, however, is that a company may limit itself in terms of its global talent management if it has too many country-specific adaptations to hiring, assessment, and development processes for top talent. It is important that the company takes a global approach to talent management so that cross-learning opportunities and cross-cultural development opportunities can take place.

One of the most important aspects of global talent management is that a company can break down silos and pollinate the business with talented employees from around the globe. Some companies even have global leadership programs that bring together high-potential leaders from across the organization to build camaraderie, share knowledge, and engage in learning. Others have created rotational programs for leaders to be able to experience new roles in other cultures in order to build their personal resumes and cultural intelligence. Human resources can have an enormous impact on the company's ability to harness the power of a global talent pool when they create a global network for talent while also balancing this with the requirements of the local market.

**Discussion Questions:**

1. Why might compensation programs and hiring practices need to have local adaptation? What would be the risks if these were not adapted to local markets?

As organizations evaluate their options for a performance management system, human resources and business leadership need to consider several challenges that will need to be addressed—no matter what the system. ("*The Performance Management Revolution*," Capelli and Tavis, HBR, pp. 9-11).

The first is the challenge of aligning individual and company goals. Traditionally, the model has been to “cascade” goals down through the organization, and employees are supposed to create goals that reflect and support the direction set at the top. The notion of SMART goals (Specific, Measurable, Achievable, Relevant, Timebound) has made the rounds over the years, but goal setting can still be challenging if business goals are complex or if employee goals seem more relatable to specific project work than to the overall top-line goals. The business and the individual need to be able to respond to goal shifts, which occur very often in response to the rapid rate of change and changing customer needs. This is an ongoing issue that human resources and business leadership will need to reconcile.

The next key challenge to think about when designing a performance management process is rewarding performance. Reward structures are discussed later in this chapter, but reward systems must be rooted in performance management systems. Currently, the companies that are redesigning their performance processes are trying to figure out how their new practices will impact their **pay-for-performance** models. Companies don’t appear to be abandoning the concept of rewarding employees based on and driven by their performance, so the linkage between the two will need to be redefined as the systems are changed.

The identification of poor performers is a challenge that has existed since the earliest days of performance management, and even the most formal performance management process doesn’t seem to be particularly good at weeding out poor performers. A lot of this is due to the managers who evaluate employees and are reluctant to address the poor performers that they’re seeing. Also, the annual performance management process tends to make some managers feel that the poor performance should be overlooked during the year and only addressed (often ineffectively) during a one-per-year review. Whatever new performance management models an organization adopts, they will have to ensure that poor performance is dealt with in real time and is communicated, documented, and managed closely.

Avoiding legal troubles is another ongoing challenge for organizations and is another reason for real-time communication and documentation of performance issues. Human resources supports managers as they deal with employee relations issues, and the thought of not having a formal, numerical ratings system is unfathomable for some people who worry about defending themselves against litigation. However, because even formal performance processes can be subjective and may reveal ratings bias, neither the traditional formal process nor some of the radical new approaches can guarantee that legal troubles will never develop. From my experience, the best strategy for effective and fair performance management is real-time communication and documentation of issues. The employee is told about his or her performance issues (in as close to real time as possible), and the manager has documented the performance issues and conversations objectively and has engaged human resources with any larger or more complex issues.

“Managing the feedback firehose” and keeping conversations, documentation, and feedback in a place where it can be tracked and utilized is an ongoing challenge. The typical annual performance process is not conducive to capturing ongoing feedback and conversations. There have been some new technologies introduced (such as apps) that can be used to capture ongoing conversations between managers and employees. General Electric uses an app called PD@GE (PD = performance development) that allows managers to pull up notes and materials from prior conversations with employees. IBM has a similar app that allows peer-to-peer feedback. Although there are clearly some technology solutions that can be used to help communicate and collect feedback, human resources will need to continue to communicate and reinforce rules around objectivity and appropriate use of the tools.

Performance management processes—traditional and inventive new approaches alike—will face the same challenges over time. Human resource management professionals need to be aware of these challenges and design a performance management system that addresses them in the format and within the context of their culture.

concept check

1. What are some of the key challenges of any performance management process?

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# 4.4.5: Influencing Employee Performance and Motivation

## How do companies use rewards strategies to influence employee performance and motivation?

Both performance management and rewards systems are key levers that can be used to motivate and drive individual and group performance ... which leads to overall organizational performance, productivity, and growth. Performance and rewards systems are also "cultural" in that they provide a glimpse into the way a company manages the performance (or nonperformance) of its employees, and to what extent they are willing to differentiate and reward for that performance. There has been a great deal of discussion over the years to identify best practices in the ways we differentiate and reward employees, which will also drive employee performance and motivation.

Before we can talk about best practices and findings in rewards and motivation systems, we must first define the terms. Rewards systems are the framework that an organization (generally via human resources) creates and manages to ensure that employee performance is reciprocated with some sort of reward (e.g., monetary or other extrinsic) that will drive and motivate the employee to continue to perform for the organization. Rewards programs consist primarily of compensation programs and policies, but can also include employee benefits and other extrinsic rewards that fulfill employee needs.

Within human resource management, the primary focus of a rewards program in an organization is to successfully implement a compensation system. Most organizations strive to implement a **pay-for-performance** compensation program that offers competitive pay in the marketplace and allows differentiation of compensation based on employee performance. Pay for performance begins with a philosophy that an organization adopts that states that they seek to reward the best-performing employees to enhance business performance and take care of those who can have the greatest impact.

In the 2011 SHRM article by Stephen Miller, entitled "Study: Pay for Performance Pays Off," Miller says that companies' top four drivers for moving to a pay-for-performance strategy are to:

- Recognize and reward high performers (46.9%)
- Increase the likelihood of achieving corporate goals (32.5%)
- Improve productivity (7.8%)
- Move away from an entitlement culture (7.8%)

The study also showed that the drivers differed depending on whether the company was high performing or lower performing. Almost half of high-performing organizations indicated that recognizing and rewarding top performers was the main driver of their pay-for-performance strategy, making it number one on the list of primary drivers. Lower-performing organizations did not appear to be as sure about the drivers behind their strategy. The number one driver among this group was achieving corporate goals. It appears that those top-performing organizations that implement a pay-for-performance strategy truly believe in the idea of differentiating among different levels of performance.

According to the 2015 World at Work "Compensation Programs and Practices Report," pay for performance continues to thrive with better than 7 in 10 (72%) companies saying that they directly tie pay increases to job performance, and two-thirds (67%) indicating increases for top performers are at least 1.5 times the increase for average performers. In addition, the results of the survey seem to indicate that employees' understanding of the organization's compensation philosophy improves when there is higher differentiation in increases between average and top performers. The greater differentiation of increases is more visible and drives home the point that the company is serious about pay for performance.

A pay-for-performance program may have many components, and the human resources organization has the challenge of designing, analyzing, communicating, and managing the different components to ensure that the philosophy and the practices themselves are being carried out appropriately and legally. Human resource management's role in establishing pay for performance is that HR must engage business leadership to establish the following elements of the framework:

1. Define the organization's pay philosophy. Leadership needs to agree that they will promote a culture that rewards employees for strong performance.
2. Review the financial impacts of creating pay-for-performance changes. How much differentiation of performance will we have? What is the cost of doing this?

3. Identify any gaps that exist in the current processes. If any of the current human resources and compensation policies conflict with pay for performance, they should be reviewed and changed. Examples may lie in the performance management process, the merit increase process, and the short-term and long-term bonus processes. If the performance management process has gaps, these should be corrected before pay for performance is implemented; otherwise this will generate more distrust in the system. The salary structure should also be benchmarked with market data to ensure that the organization is compensating according to where it wishes to be in the marketplace.
4. Update compensation processes with new pay for-performance elements. This includes the design of a **merit matrix** that ties employee annual pay increases to performance. Other areas of focus should be the design of a short-term bonus matrix and a long-term bonus pay-for-performance strategy. In other words, how does performance drive the bonus payouts? What is the differential (or multiplier) for each level?
5. Communicate and train managers and employees on the pay for-performance philosophy and process changes. Explain the changes in the context of the overall culture of the organization. This is a long-term investment in talent and performance.

Human resource management professionals play a key role in the rewards processes, and employee compensation is only one piece (although a key piece!) of the "total rewards" pie. World at Work defines *total rewards* as a "dynamic relationship between employers and employees." World at Work also defines a **total rewards strategy** as the six elements of total rewards that "collectively define an organization's strategy to attract, motivate, retain and engage employees." These six elements include:

- Compensation—Pay provided by an employer to its employees for services rendered (i.e., time, effort, and skill). This includes both fixed and variable pay tied to performance levels.
- Benefits—Programs an employer uses to supplement the cash compensation employees receive. These health, income protection, savings, and retirement programs provide security for employees and their families.
- Work-life effectiveness—A specific set of organizational practices, policies, and programs, plus a philosophy that actively supports efforts to help employees achieve success at both work and home.
- Recognition—Formal or informal programs that acknowledge or give special attention to employee actions, efforts, behavior, or performance and support business strategy by reinforcing behaviors (e.g., extraordinary accomplishments) that contribute to organizational success.
- Performance management—The alignment of organizational, team, and individual efforts toward the achievement of business goals and organizational success. Performance management includes establishing expectations, skill demonstration, assessment, feedback, and continuous improvement.
- Talent development—Provides the opportunity and tools for employees to advance their skills and competencies in both their short- and long-term careers.

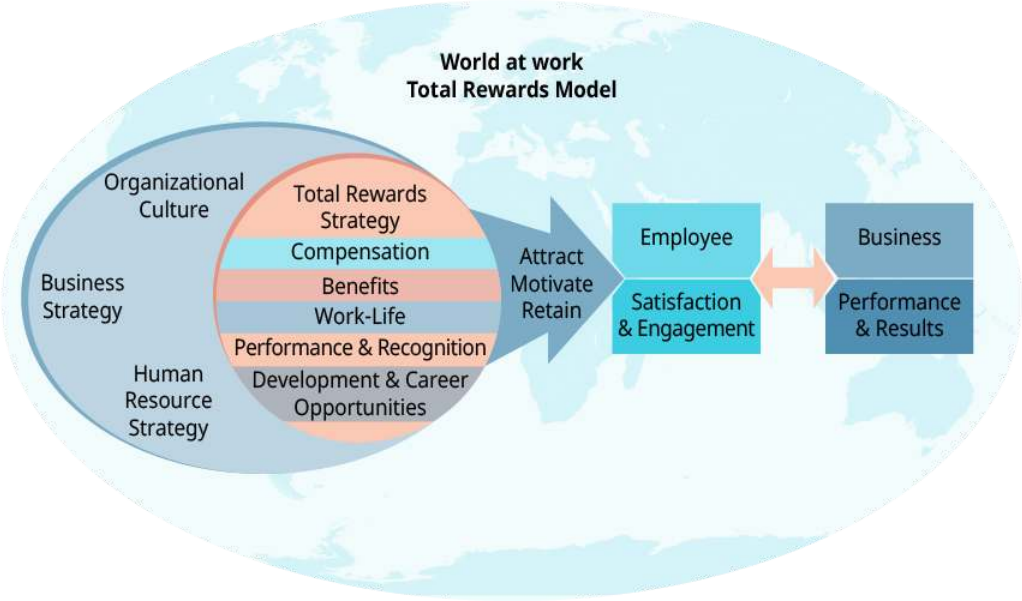



Figure 4.4.5.1. **Total Rewards Model, World at Work** (Attribution: Copyright Rice University, OpenStax, under CC-BY 4.0 license)

Human resource management is responsible for defining and driving the various elements of an organization's total rewards strategy and ensuring that it is engaging enough to attract and retain good employees. It is easy to see that there are many different types of rewards that can motivate individuals for many different reasons. In the HBR article "Employee Motivation: A Powerful New Model" (Nohria, Groysberg, Lee), August 2008, the authors describe four different drives that underlie motivation. They assert that these are hardwired into our brains and directly affect our emotions and behaviors. These include the drives to acquire, bond, comprehend, and defend. Table 4.4.5.1 illustrates each of these drives, the primary levers found in an organization to address those drives, and the actions that should be taken to support the primary levers.

**Table** 4.4.5.1 **(Attribution: Copyright Rice University, OpenStax, under CC-BY 4.0 license)**

| Hiring Top-Level Executives | | | |
|---|---|---|---|
| **Steps in the Process** | **Poor Practices** | **Best Practices** | **Challenges** |
| Anticipate. | Hiring only when you have an opening<br>Poor succession plan<br>Not anticipating future needs | Conduct ongoing analysis of future needs.<br>Always evaluate the pool of potential talent. | Linking the talent plan to the strategic plan<br>Incorporating HR into the strategic planning process |
| Specify the job. | Relying on generic job specifications | Continually defining the specific demands of the job<br>Specifying specific skills and experience requirements | Dialogue between HR and top management |
| Develop a pool. | Limiting the pool<br>Only looking for external or internal candidates | Develop a large pool.<br>Include all inside and outside potential candidates. | Breaking organizational silos |
| Assess the candidates. | Don't pick the first OK choice.<br>Don't only use your "gut." | Use a small pool of your best interviewers.<br>Conduct robust background checks. | Training senior managers on interviewing techniques |
| Hire the choice. | Don't assume money is the only issue.<br>Don't only discuss the positives of the job. | Show active support of the candidates' interests.<br>Realistically describe the job.<br>Ensure that offered compensation is fair to other employees. | Getting commitment of top managers<br>Ensuring compensation equity |
| Integrate the new hire. | Don't assume that the hew hire is a "plug and play." | Use a "top performer" as a mentor.<br>Check in often early in the process even if no problems seem imminent. | Rewarding mentors |
| Review the process. | Don't hang on to bad hires. | Remove bad hires early on.<br>Review the recruiting practices.<br>Reward your best interviewers. | Institutionalizing audit and review practices<br>Admitting mistakes and moving on |
| Adapted from "The Definitive Guide to Recruiting in Good Times and Bad," from article "Hiring Top Executives: A Comprehensive End-to-End Process," Harvard Business Review, May 2009. | | | |

The drive to acquire describes the notion that we are all driven to acquire scarce goods that bolster our sense of well-being. This drive also seems to be relative (we compare ourselves to others in what we have) and insatiable (we always want more). Within an organization, the primary lever to address this drive is the reward system, and the actions are to differentiate levels of performance, link performance to rewards, and pay competitively.

The drive to bond describes the idea that humans extend connections beyond just individuals, to organizations, associations, and nations. In organizations, this drive is fulfilled when employees feel proud to be a part of the company and enjoy being a member of their team. Within an organization, the primary lever to address this drive is culture, and the actions are to foster mutual reliance and friendships, to value collaboration and teamwork, and to encourage best practice sharing.

The drive to comprehend is the concept of all of us wanting to make sense of the world around us and producing different theories and accounts to explain things. People are motivated by the idea of figuring out challenges and making a contribution. In

organizations, the primary lever to address this drive is job design, and the actions are to design jobs that have distinct and important roles in the organization, as well as jobs that are meaningful and foster a sense of contribution.

The drive to defend is our instinct to defend ourselves, our families, and our friends, and it describes our defensiveness against external threats. This drive also tells us a lot about our level of resistance to change, and why some employees have especially guarded or emotional reactions. In organizations, the primary levers that address this drive are performance management and resource-allocation processes, and the actions are to increase process transparency and fairness, and to build trust by being just in granting rewards, assignments, and other recognition.

Within human resource management, the area of compensation and reward systems is exceedingly complicated. In organizations, we think primarily of compensation rewards, which are very important drivers and motivators for most people. We need to also remember the other aspects of the total rewards strategy, as well as the drives and levers we can utilize to motivate employees.

concept check

1. What is the first step in defining an organization’s pay-for-performance strategy?

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# 4.4.6: Building an Organization for the Future

## What is talent acquisition, and how can it create a competitive advantage for a company?

We've discussed some of the key focus areas that human resource management professionals need to address to ensure that employees are performing their roles well and are being fairly rewarded for their contributions. We haven't yet addressed how we think about where these employees come from—Whom do we hire? What skills do we need now and in the future? Where will we even look for these employees? What are some best practices? **Talent acquisition** is the area within human resource management that defines the strategy for selection, recruiting, and hiring processes, and helps the organization fight the "**war for talent**" during good times and bad.

Hiring strong talent is a key source of competitive advantage for a company, yet so many companies do it poorly. Often, the recruiting and hiring processes happen reactively—someone leaves the organization and then people scramble to fill the gap. Very few companies take a longer-term, proactive approach and work to create a strategic plan for talent acquisition. In the article "The Definitive Guide to Recruiting in Good Times and Bad" (Fernandez-Araoz, Groysberg, Nohria, HBR, 2009), the authors advocate for a rigorous and strategic recruiting process that includes the following critical actions:

- Anticipate your future leadership needs based on your strategic business plan.
- Identify the specific competencies required in each position you need to fill.
- Develop a sufficiently large candidate pool.

In organizations today, there are often pieces of the talent acquisition process that are outsourced to external recruiters, as opposed to being managed internally by human resources employees. While outsourcing specific searches is not an issue, there must be internal HR/talent acquisition employees responsible for creating the overall strategic plan for the recruiting function. Contract recruiters may then take responsibility for a piece of the overall process by leveraging the strategy and competencies that the HR team puts forth.

Recruiting and hiring of high-level leadership candidates has special risks and rewards associated with it. The risk that a key leadership position is vacant or becoming vacant poses a risk to the organization if it is left open for too long. These high-level positions are often harder to fill, with fewer candidates being available and the selection of the right talent being so critical to the organization's future. The reward, however, is that with due diligence and clear goals and competencies/skills defined for the position, the HR/talent acquisition professional can create a competitive advantage through the recruitment of key high-level talent.

The following best practices illustrate the key steps for effective recruiting of key leadership hires. Both human resources and business leadership should partner to discuss and define each of the elements to ensure alignment and support of the recruiting plan and process (Definitive Guide to Recruiting, HBR, 2009).

Anticipate your needs. Every two to three years there should be a review of high-level leadership requirements based on the strategic plan. Some of the questions to answer here are:

- How many people will we need, and in what positions, in the next few years?
- What will the organizational structure look like?
- What must our leadership pipeline contain today to ensure that we find and develop tomorrow's leaders?

Specify the job. For each leadership position identified, specify competencies needed in each role. For example:

- Job-based: What capabilities will the job require?
- Team-based: Will the applicant need to manage political dynamics?
- Firm-based: What resources (supporting, talent, technology) will the organization need to provide the person who fills this role?

Develop the pool. Cast a wide net for candidates by asking suppliers, customers, board members, professional service provides, and trusted insiders for suggestions. It helps to start this process even before you have a role that you're hiring for. During succession planning and talent discussions internally, it helps to start making of list of internal *and* external contacts and potential candidates before the need arises.

Assess the candidates. Have the hiring manager, the second-level manager, and the top HR manager conduct a "behavioral event interview" with each candidate. Candidates will describe experiences they've had that are like situations they'll face in the

organization. Gain an understanding of how the candidate acted and the reasoning behind their actions. Make sure to evaluate a broad range of references to ask about results the candidate achieved.



Figure 4.4.6.1. **The Job Fair** A job fair, career fair, or career expo, like this one at the College of DuPage, is an event in which employers, recruiters, and schools give information to potential employees and job seekers attend hoping to make a good impression on potential employers. They also interact with potential coworkers by speaking face-to-face, exchanging résumés, and asking questions in an attempt to get a good feel for the work needed. Likewise, online job fairs give seekers another way to get in contact with probable employers using the Internet. (Credit: Taavi Burns/ flickr/ Attribution 2.0 Generic (CC BY 2.0))

Close the deal. Once you have chosen the final candidate, you can increase the chance that the job offer will be accepted by:

- Sharing passion about the company and role, and showing genuine interest in the candidate
- Acknowledging the opportunities and challenges of the role, differentiating the opportunities at your organization from those of your competitor
- Striking a creative balance between salary, bonuses, and other long-term incentives

Integrate the newcomer. It is important to integrate new hires into the company's culture:

- During the first few months, have the managers and the HR team check in with each new hire.
- Assign a mentor (star employee) to provide ongoing support to each new hire.
- Check in with the new hire to ensure that they are getting enough support, and inquire about what other support might be needed. Ensure that new hires are adequately building new relationships throughout the organization.

Refer to Table 4.4.6.1: Hiring Top-Level Executives, adapted from "The Definitive Guide to Recruiting in Good Times and Bad," from the article "Hiring Top Executives: A Comprehensive End-to-End Process," *Harvard Business Review*, May 2009.

By following these best practices, human resources and business leadership can ensure that the new hire is integrating well and has the best possible start in the new role. Talent acquisition is a key element of any human resource management program, and the right process can mean the difference between a poor hire and a distinct competitive advantage gained through top talent.

concept check

1. How can we ensure a more successful integration of the new hire?

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# 4.4.7: Talent Development and Succession Planning

## What are the benefits of talent development and succession planning?

**Talent development** and **succession planning** are, in my opinion, two of the most critical human resource management processes within an organization. You can work tirelessly to recruit and hire the right people, and you can spend a lot of time defining and redesigning your performance and rewards programs, but if you can't make decisions that effectively assess and develop the key talent that you have, then everything else feels like a wasted effort. Talent development describes all process and programs that an organization utilizes to assess and develop talent. Succession planning is the process for reviewing key roles and determining the readiness levels of potential internal (and external!) candidates to fill these roles. It is an important process that is a key link between talent development and talent acquisition/recruiting.

The human resources function facilitates talent development activities and processes, but they are also heavily reliant on business inputs and support. Each of the talent development processes that will be discussed require heavy involvement and feedback from the business. Like performance management, talent development is a process that HR owns and facilitates, but it is a true business process that has a fundamental impact on an organization's performance. Talent is a competitive advantage, and in the age of the "war for talent," an organization needs to have a plan for developing its key talent.

One of the key tools that is used in talent development is the talent review. This process generally follows an organization's performance management process (which is primarily focused on current employee performance) and is more focused on employee development and potential for the future. Talent reviews often employ the use of a **9-box** template, which plots employee performance versus employee potential and provides the reviewer with nine distinct options, or boxes, to categorize where the employee is.

**Table** 4.4.7.1**: Performance and Potential Grid.**

| **Performance and Potential Grid** | | | | |
|---|---|---|---|---|
| | **Potential** | | | |
| **Performance over time** | | **Lowest potential rating** | **Middle potential rating** | **Highest potential rating** |
| | **Highest** | John Smith<br>Melanie Roper<br>Keegan Flanagan | Chieh Zhang<br>Edgar Orrelana | Rory Collins<br>Aimee Terranova |
| | **Medium** | Joseph Campbell<br>Alina Dramon<br>Alex Joiner<br>Lauren Gress | Christina Martin<br>Thomas Weimeister | Richard Collins |
| | **Lowest** | Marty Hilton | | |

The performance axis ratings are low/medium/high and based on the employee's recent performance management rating. Low = below target, medium = at target, and high = above target. Like the performance rating, this reflects performance against objectives and the skills and competencies required in the employee's current role and function. Performance can change over time (for example, with a promotion or job change). Performance is overall a more objective rating than potential, which leaves the rater to make some assumptions about the future.

Potential is defined as an employee's ability to demonstrate the behaviors necessary to be successful at the next highest level within the company. **Competencies** and behaviors are a good indicator of an employee's potential. Higher-potential employees, no matter what the level, often display the following competencies: business acumen, strategic thinking, leadership skills, people skills, learning agility, and technology skills. Other indicators of potential may include:

- Top performance in current job
- Success in other positions held (within or outside of the company)

- Education/certifications
- Significant accomplishments/events
- Willingness and desire to advance

Managing Change

**Tech in Human Resources**

There has been a boom in HR technology and innovation over the last several years—and it is making some of the traditional HR systems from last decade seem enormously outdated. Some of the trends that are driving this HR tech innovation include mobile technology, social media, data analytics, and learning management. Human resources professionals need to be aware of some of the key technology innovations that have emerged as a result of these trends because there's no sign that they will be going away any time soon.

Josh Bersin of Bersin by Deloitte, Deloitte Consulting LLP, wrote about some of these HR technology innovations in his SHRM.org article "9 HR Tech Trends for 2017" (Jan. 2017). One of these technology innovations is the "performance management revolution" and the new focus on managing performance by team and not just by hierarchy. Performance management technologies have become more agile and real time, with built-in pulse surveys and easy goal tracking. Now, instead of the formal, once-a-year process that brings everything to a halt, these performance management technologies allow ongoing, real-time, and dynamic input and tracking of performance data.

Another HR tech trend named is the "rise of people analytics." Data analytics has become such a huge field, and HR's adoption of it is no exception. Some disruptive technologies in this area are predictive—they allow analysis of job change data and the prediction of successful versus unsuccessful outcomes. Predictive analytics technologies can also analyze patterns of e-mails and communications for good time-management practices, or to predict where a security leak is likely to occur. One other incredible analytics application consists of a badge that monitors employees' voices and predicts when an employee is experiencing stress. That is either really cool or really eerie, if you ask me.

The "maturation of the learning market" is a fascinating trend to me, as an HR professional who grew up in the days of multiple in-class trainings and week-long leadership programs. Learning processes have changed greatly with the advent of some of these innovative HR technologies. Although many larger companies have legacy learning management systems (like Cornerstone, Saba, and SuccessFactors), there are many new and competitive options that focus on scaling video learning to the entire organization. The shift has gone from learning management to learning—with the ability to not only register and track courses online, but to take courses online. Many companies are realizing that these YouTube-like learning applications are a great complement to their existing learning systems, and it is predicted that the demand will continue to grow.

Other trends of note include technologies that manage the contingent workforce, manage wellness, and automate HR processes via artificial intelligence. It is amazing to think about so many interesting and innovative technologies that are being designed for Human Resources. The investment in human capital is one of the most critical investments that a company makes, and it is refreshing to see that this level of innovation is being created to manage, engage, and develop this investment.

**Discussion Questions:**

1. Why do you think learning systems evolved in this way? Is there still a place for group classroom training? What types of learning might require classroom training, and what is better suited for online and YouTube-style learning?

In the talent review, the potential axis equates to potential for advancement within the organization: low = not ready to advance, medium = close to ready, and high = ready to advance. Potential does not equate to the value of an individual within the organization, nor does it state the quality of individual. There are likely many strong performers (top contributors) in every company who prefer to stay in their current role for years and be specialists of their own processes. A specialist or expert may not want to manage people, and thus would be rated as low on potential due to the lack of interest in advancement. Advancement may also mean relocation or lifestyle change that an employee is not willing to make at that time, so the employee would be rated low on potential for that reason. Potential can certainly change over time, given people's individual situations and life circumstances.

Potential tends to be the more subjective ratings axis, as it involves some assumptions into what a team member could be capable of based on limited information that is available now.



Figure 4.4.7.1. This is a flight simulator for a Boeing 737 aircraft. There is a drastic shortage of aircraft pilots, and training future pilots is a critical function with the challenge of limited actual flight training time. Consider how technology helps companies develop skilled workers both on and off the job. (Credit: Michael Coghlan/Flickr/ Attribution 2.0 Generic (CC BY 2.0))

A human resources team member should absolutely facilitate the talent review process and provide leaders with clear session objectives and specific instructions in order maintain the integrity and confidentiality of this important talent process. The book *One Page Talent Management* (Effron and Ort, HBS Press, 2010) describes the talent review meeting as a **talent review calibration process** that "ensures objective performance and potential evaluations, clear development plans, and an understanding of what high potential means in your company. A calibration meeting brings together a manager and her team members to discuss their talent. Each team member presents the performance and potential (PxP) grid that he prepared on direct reports and briefly describes how each person is rated. Other team members contribute their opinions based on their firsthand interactions with that person. The discussion concludes after they have discussed each person, agreed on their final placement, and identified key development steps for them."

After everyone being discussed has been placed in one of the boxes on the 9-box template, the leadership team should discuss key development actions for each employee. (If there isn't time to discuss development activities for each employee, the group should start with the high-potential employees.) After the talent review calibration process is complete, human resources should keep a master list of the documented outcomes, as well as the development activities that were suggested for everyone. HR should follow up with each of the leaders to help with the planning and execution of the development activities as needed. The key outputs of the talent review process include:

- Identification of the "high-potential" employees in the organization
- Definition of development actions/action plans for each employee
- Insight into talent gaps and issues
- Input into the succession planning process

Succession planning generally follows shortly after (if not right after) a talent review because human resources and organizational leadership now have fresh information on the performance and potential of employees in the organization. Succession planning is a key process used to identify the depth of talent on the "bench" and the readiness of that talent to move into new roles. The process can be used to identify gaps or a lack of bench strength at any levels of the organization, but it is usually reserved for leadership roles and other key roles in the organization. In succession planning, human resources will generally sit down with the group leader to discuss succession planning for his group and create a defined list of leadership and other critical roles that will be reviewed for potential successors.

Once the roles for succession planning analysis have been defined, both HR and the business leader will define the following elements for each role:

- Name of incumbent
- Attrition risk of incumbent
- Names of short-term successor candidates (ready in <1 year)

- Names of mid-term successor candidates (ready in 1–3 years)
- Names of long-term successor candidates (ready in 3+ years)
- Optional—9-box rating next to each successor candidate's name

The names of longer-term successor candidates are not as critical, but it is always helpful to understand the depth of the bench. With the information recently collected during the talent review process, HR and management will have a lot of quality information on the internal successor candidates. It is important to include external successor candidates in the succession planning analysis as well. If there are no candidates that are identified as short-, mid-, or long-term successor candidates for a role, then the word "EXTERNAL" should automatically be placed next to that role. Even if there are internal candidates named, any external successor candidates should still be captured in the analysis as appropriate.

Talent reviews and succession planning processes both generate excellent discussions and very insightful information on the state of talent in the organization. Human resources facilitates both processes, in very close partnership with the business, and ultimately keeps the output information from the sessions—i.e., the final succession plan, the final 9-box, and the follow-up development actions and activities as defined in the talent review session. With this information, human resources possesses a level of knowledge that will allow it to drive talent development and coach managers on the follow-up actions that they need to set in motion. Some examples of follow-up development activities that may be appropriate based on the outputs of the succession and 9-box events include **training, stretch assignments, individual assessments,** and **individual development plans**. Training and training plans identify the learning events that an individual would benefit from, either in a classroom or online format. Stretch assignments may be an appropriate development action for an employee who is being tested for or who wants to take on additional responsibility. Individual assessments, such as a **360 assessment** for managers, is a good developmental tool to provide feedback from manager, peers, direct reports, customers, or others who interact with the employee regularly. Finally, an individual development plan is an important document that employees should use to map out their personal development goals and actions, and to track their own status and progress toward those goals.

Talent development is a collection of organization-wide processes that help to evaluate talent strengths and gaps within the organization. Although many of the processes are carried out in a group setting, the output of talent development needs to be very individualized via a collection of development tools and strategies to enhance performance. Human resources is a key resource and partner for these tools and strategies, and thus plays a critical role in the future of talent for the organization.

## Conclusion

Human resource management is a complex and often difficult field because of the nature of the key area of focus—people. In working with people, we begin to understand both the expressed and the hidden drives—intentions and emotions that add complexity and additional context to the processes and tasks that we set forth. We also begin to understand that an organization is a group of individuals, and that human resources plays a critical role in ensuring that there are philosophies, structures, and processes in place to guide, teach, and motivate individual employees to perform at their best possible levels.

concept check

1. What roles should an organization discuss as part of the succession planning process?

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# 4.4.8: Glossary

## Key Terms:

**Human resource management**
The management of people within organizations, focusing on the touchpoints of the employee life cycle.

**Employee life cycle**
The various stages of engagement of an employee—attraction, recruitment, onboarding, development, retention, separation.

**Human capital**
The skills, knowledge, and experience of an individual or group, and that value to an organization.

**Human resources compliance**
The HR role to ensure adherence to laws and regulations that govern the employment relationship.

**Employer-employee relationship**
The employment relationship; the legal link between employers and employees that exists when a person performs work or services under specific conditions in return for payment.

**Society for Human Resource Management**
The world's largest HR professional society, with more than 285,000 members in more than 165 countries. It is a leading provider of resources serving the needs of HR professionals.

**Performance management**
The process by which an organization ensures that its overall goals are being met by evaluating the performance of individuals within that organization.

**Pay-for-performance model**
The process and structure for tying individual performance levels to rewards levels

**Merit matrix**
A calculation table that provides a framework for merit increases based on performance levels.

**Total rewards strategy**
As coined by World at Work, includes compensation, benefits, work-life effectiveness, recognition, performance management, and talent development.

**Talent acquisition**
The process of finding and acquiring skilled candidates for employment within a company; it generally refers to a long-term view of building talent pipelines, rather than short-term recruitment.

**War for talent**
Coined by McKinsey & Company in 1997, it refers to the increasing competition for recruiting and retaining talented employees.

**Talent development**
Integrated HR processes that are created to attract, develop, motivate, and retain employees.

**Succession planning**
The process of identifying and developing new leaders and high-potential employees to replace current employees at a future time.

**9-box**

**9-box**

A matrix tool used to evaluate an organization's talent pool based on performance and potential factors.

**Competencies**

A set of defined behaviors that an organization might utilize to define standards for success.

**Talent review calibration process**

The meeting in which an organization's 9-box matrix is reviewed and discussed, with input and sharing from organizational leadership.

**Training, stretch assignments, individual assessments, individual development plans**

These are tools that may be used in talent development:

Training—a forum for learning in person or online

Stretch assignments—challenge roles for high-potential employees

Individual assessments—personality and work style inventories of employees

Individual development plans—documents that highlight an individual employee's opportunities for growth and path of action

**360 assessment**

An evaluation tool that collects feedback from manager, peers, direct reports, and customers.

## Summary of Learning Outcomes:

### An Introduction to Human Resource Management

1. What has been the evolution of human resource management over the years, and what is the current value it provides to an organization?

Human resource management began in its first "wave" as a primarily compliance-type function, with the HR staff charged with enforcing compliance of employees and running the ongoing administrative processes. In the second wave, HR became focused on the design of HR practice areas, which could be built upon best-practice models. Wave 3 of HR brought with it the concept that HR should be a true partner to the business and should support the business strategy through its programs and services. Finally, in the fourth wave, HR is still a partner to the business, but it looks outside of the business to customers, investors, and communities to see how it can be competitive in terms of customer share, investor confidence, and community reputation.

Some key areas that HR supports within the employee life cycle process include: human resources compliance, employee selection and hiring, performance management, compensation rewards, and talent development and succession planning.

### Human Resource Management and Compliance

2. How does the human resources compliance role of HR provide value to a company?

Human resources helps protect the company and its employees to ensure that they are adhering to the numerous regulations and laws that govern the employment relationship. The impact of noncompliance can be very costly and can be in the form of financial, legal, or reputational cost. Some of the key legislation that HR manages compliance around includes the Fair Labor Standards Act (FLSA), the Age Discrimination in Employment Act (ADEA), the Americans with Disabilities Act (ADA), and the Family and Medical Leave Act (FMLA), among others.

Some of the best practices for informing and holding employees accountable are to provide education and training to explain the regulations, to provide reference documentation for guidance with the regulations, and to schedule regular compliance audits to ensure that processes are being followed. Scheduling regular internal HR audits help the organization plan and feel comfortable with its level of preparedness and illustrates the value that a strong HR group can bring to the organization.

### Performance Management

3. How do performance management practices impact company performance?

Performance management is a critical business process that the human resources group manages for the business. Performance management aligns the work of individual groups with the overall business objectives and enables the business to work toward its

goals. Performance management should also help the company differentiate between different levels of employee performance through the management of feedback and a rewards structure.

Performance management also allows a company to identify its poor performers and provides a consistent process for tracking and managing poor performance in a manner that is fair and consistent with the law. There has been much discussion of best practices for a performance management process beyond a formal, annual process that often feels cumbersome to the business. However formal or informal, human resource management needs to ensure that the process helps to differentiate different levels of performance, manages the flow of feedback, and is consistent and fair for all employees.

### Influencing Employee Performance and Motivation

4. How do companies use rewards strategies to influence employee performance and motivation?

Companies use rewards strategies to influence employee performance and motivation by differentiating between the various levels of performance. This strategy is called pay for performance, and it ties the employee's performance level to a consistent framework of rewards at each level. Research indicates that the primary reason that companies implement pay for performance is to be able to recognize and reward their high performers.

To implement a pay-for-performance structure, HR and the organization first need to define a compensation philosophy, then perform a review of the financial implications of such a system. Gaps in the current system must be identified, and compensation practices should be updated in accordance with the determined pay-for-performance design. Finally, communication and training are key to help employees understand the context and philosophy, as well as the specific methodology.

### Building an Organization for the Future

5. What is talent acquisition, and how can it create a competitive advantage for a company?

Human resource management plays the important role of managing the talent processes for an organization, and it is critical in the process of acquiring talent from the outside. Talent acquisition is the process of determining what roles are still needed in the organization, where to find people, and whom to hire. Hiring top talent is a key source of competitive advantage for a company, and not all organizations are good at doing it.

The impact of hiring is especially magnified when you talk about top leadership talent. The right leadership candidate can make all the difference in an organization's growth, performance, and trajectory over the years. HR should work with the business to assess need and specifics of the job, develop a pool of candidates, and then assess candidates for the right person to bring into the organization.

### Talent Development and Succession Planning

6. What are the benefits of talent development and succession planning?

Talent development and succession planning processes provide organizations with the systems needed to assess and develop employees and to make the appropriate decisions on their internal movement and development. One important talent development process involves a talent review, in which leadership discusses the employees in its groups in terms of their performance and potential. Performance is based on current performance management evaluations on the current role. Potential is based on behavioral indications that would predict future high performance and promotability in an organization. There is then a discussion on the follow-up actions and development plans for the employees, based on where they fall in the performance/potential matrix. The benefit of this process is that the organization gains a better understanding of where the top talent is within the organization and can make plans to manage the development of that talent.

Another key process for managing talent is succession planning. In this process, leadership and HR meet to identify leadership roles and other critical roles in the organization, and then they discuss a potential pipeline of internal and external successor candidates at different levels of readiness for the role. The output of succession planning is that an organization gets to understand the depth of its talent bench and knows the gap areas where it may need to focus on developing or acquiring additional candidates.

## Chapter Review Questions

1. What are the four "waves" of the human resource management evolution?
2. What are some of the key regulations that human resources must manage compliance with?

3. What are some of the unintended consequences of a forced ranking system?
4. What are some of the performance management challenges that must be addressed, no matter what the system?
5. Why are many companies interested in moving to a pay-for-performance strategy?
6. What are the main process steps for implementing pay for performance?
7. What are some best practices for recruiting new leadership candidates?
8. Describe the steps of a talent review session.
9. What is the difference between performance and potential?
10. How can you tell if a candidate has potential?

## Management Skills Application Exercises

1. How has human resource management's evolution over the years helped to make it a better partner to the business? In what way would you expect HRM to continue to evolve over the years?
2. Do you believe that a formal, annual performance management process is necessary to help an organization reach its goals? Why or why not? What are the minimum process requirements that must be met to successfully evaluate performance?
3. .Is it possible for an organization to reward people fairly without implementing a pay-for-performance process? Why or why not? Do you see any pitfalls to a pay-for-performance process?
4. How does the "war for talent" impact talent acquisition processes? How can HR be more successful working with the business to navigate the competitive talent landscape?
5. What are the benefits of having talent review calibration processes? What is the downside of the process? Should an organization let employees know what their talent review "rating" is? Why or why not?

## Managerial Decision Exercises

1. You have been hired as a new Finance VP, and you oversee a team of almost 30 people. Your HR manager has recently informed you that there have been several employee relations in your group in the recent past, and you are concerned about the level of knowledge that your management team has around dealing with these issues. What could you do to close the gap in knowledge and mitigate the risk of issues in your group?
2. Your company has decided to drop their formal, annual performance management process and move to a system based on ongoing feedback and communication with employees. You are concerned because you have always been careful to differentiate your employees by performance level, and you're worried that this will hurt your stronger employees. How can use ensure that your feedback and communication with employees provides performance management, despite the lack of a formal system?
3. Your company has recently implemented a pay-for-performance model for compensation. This worries you because you know that your employees will be even more upset with their performance ratings if they know that they are tied to compensation. What actions can you take to start to prepare for this change?
4. You are the director of an engineering organization and have been fighting the "war for talent" for a while. It seems that whenever you have a role vacancy, you let HR know but it takes forever to find someone—and the candidate often turns down the job. What are some ways to better partner with HR to get ahead of the curve for the next time?
5. You are the VP of a line of business at an international manufacturing company. You and several of your long-time colleagues will be retiring over the next few years, and you need to start thinking about talent and succession planning. You are going into a talent review discussion next week, and you're realizing that you have a dearth of potential within your organization. What are some actions you (and HR) can take now to ensure that your business unit isn't floundering when you leave for retirement?

## Critical Thinking Case

### Zappos, Holacracy, and Human Resource Management

In 2013, Zappos was performing well under the leadership of Tony Hsieh and was getting ready to take on a new challenge that would, among other things, push the boundaries of traditional human resource management. Although business was booming, Tony Hsieh was not a man who wanted to be in status quo mode for too long, so he set out to implement an organizational and cultural change called Holacracy. Zappos was the largest and best known of the 300 companies worldwide that had adopted Holacracy—a

new form of hierarchy that is a “flexible, self-governing structure, where there are no fixed jobs but simply temporary functional roles.”

In a Holacracy, the main unit is called the “circle,” which is a distinct yet fluid team. Leadership became similarly fluid with the changing circles. Circles are designed to meet certain goals and are created and disbanded as project needs change. The intent is that people self-select to work on projects that they want to work on and that they have the skills for. Tony also removed all previous titles. The role of manager went away and was replaced with three roles: “lead links” would focus on guiding the work in the circles; “mentors” would work on employee growth and development; and “compensation appraisers” would work on determining employees’ salaries. In 2015, he decided to further break down the divisions between many of the functions, changing them all to business-centric circles. There were changes to almost every human resource management structure that you can think of, and there were quite a few growing pains within the organization. Zappos began to look at employee pay, and Holacracy seemed to have a steep learning curve for many people, even though a “constitution” was created to provide guidance. Zappos was also facing 14% attrition, as some of the rapid and excessive changes were wearing on employees. Tony was a visionary, but for a lot of people it was hard to catch up and see the same vision.

From a human resource management perspective, there could be some positive attributes of a Holacracy if it were to succeed—such as building engagement and helping to build talent and skill sets. There were also a few risks that needed to be dealt with carefully. When you create an organization in which people don’t have set teams or projects but instead determine what they want to work on, one of the big challenges is going to be determining the level and nature of their role, as well as the compensation for that role. If Holacracy is compared to a consulting organization, in which consultants are brought into different projects with different requirements, it is critical to first determine the level of their consultant role (based on their education, skills, experience, etc.) so that they can properly move from project to project yet maintain a role of a certain level. That level is then tied to a specific pay scale, so the same consultant will receive the same salary no matter which project he is on. If that consultant is “on the bench,” or not placed on a project (or self-placed, in the case of Holacracy), then after a certain defined period that consultant may be at risk of termination.

Holacracy is in some ways a challenging concept to think about, and self-management may not be able to work in all environments. A company that is implementing a Holacracy may find that they are able to master the process of self-selection of work in the “circles.” The “task” part of the equation may not be much of an issue once people figure out how to navigate the circles. However, the “people” part of the equation may need some work. The greatest challenge may lie in the structures and processes of human resource management that ultimately define the employer-employee relationship.

### Critical Thinking Questions

1. What are some of the human resource management processes that might be enhanced by a Holacracy? What processes will be challenged?
2. Do you think that a Holacracy can be compared to a consulting company? How are they similar,s and how are they different? Can you think of work areas or industries in which Holacracy would be very difficult to implement?

### Sources:

Askin and Petriglieri, “*Tony Hsieh at Zappos: Structure, Culture, and Change*”, INSEAD Business School Press, 2016.

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# 4.5: Case

## Exclusivity

Emporium Capwell Co. v. Western Addition Community Organization

420 U.S. 50 (1975)

The Emporium Capwell Company (Company) operates a department store in San Francisco. At all times relevant to this litigation it was a party to the collective-bargaining agreement negotiated by the San Francisco Retailer's Council, of which it was a member, and the Department Store Employees Union (Union), which represented all stock and marketing area employees of the Company. The agreement, in which the Union was recognized as the sole collective-bargaining agency for all covered employees, prohibited employment discrimination by reason of race, color, creed, national origin, age, or sex, as well as union activity. It had a no-strike or lockout clause, and it established grievance and arbitration machinery for processing any claimed violation of the contract, including a violation of the anti-discrimination clause.

On April 3, 1968, a group of Company employees covered by the agreement met with the secretary-treasurer of the Union, Walter Johnson, to present a list of grievances including a claim that the Company was discriminating on the basis of race in making assignments and promotions. The Union official agreed to certain of the grievances and to investigate the charge of racial discrimination. He appointed an investigating committee and prepared a report on the employees' grievances, which he submitted to the Retailer's Council and which the Council in turn referred to the Company. The report described "the possibility of racial discrimination" as perhaps the most important issue raised by the employees and termed the situation at the Company as potentially explosive if corrective action were not taken. It offers as an example of the problem the Company's failure to promote a Negro stock employee regarded by other employees as an outstanding candidate but a victim of racial discrimination.

Shortly after receiving the report, the Company's labor relations director met representatives and agreed to "look into the matter" of discrimination, and see what needed to be done. Apparently unsatisfied with these representations, the Union held a meeting in September attended by Union officials, Company employees, and representatives of the California Fair Employment Practices Committee (FEPC) and the local anti-poverty agency. The secretary-treasurer of the Union announced that the Union had concluded that the Company was discriminating, and that it would process every such grievance through to arbitration if necessary. Testimony about the Company's practices was taken and transcribed by a court reporter, and the next day the Union notified the Company of its formal charge and demanded that the union-management Adjustment Board be convened "to hear the entire case."

At the September meeting some of the Company's employees had expressed their view that the contract procedures were inadequate to handle a systemic grievance of this sort; they suggested that the Union instead begin picketing the store in protest. Johnson explained that the collective agreement bound the Union to its processes and expressed his view that successful grievants would be helping not only themselves but all others who might be the victims of invidious discrimination as well. The FEPC and anti-poverty agency representatives offered the same advice. Nonetheless, when the Adjustment Board meeting convened on October 16, James Joseph Hollins, Torn Hawkins, and two other employees whose testimony the Union had intended to elicit refused to participate in the grievance procedure. Instead, Hollins read a statement objecting to reliance on correction of individual inequities as an approach to the problem of discrimination at the store and demanding that the president of the Company meet with the four protestants to work out a broader agreement for dealing with the issue as they saw it. The four employees then walked out of the hearing.

…On Saturday, November 2, Hollins, Hawkins, and at least two other employees picketed the store throughout the day and distributed at the entrance handbills urging consumers not to patronize the store. Johnson encountered the picketing employees, again urged them to rely on the grievance process, and warned that they might be fired for their activities. The pickets, however, were not dissuaded, and they continued to press their demand to deal directly with the Company president.

On November 7, Hollins and Hawkins were given written warnings that a repetition of the picketing or public statements about the Company could lead to their discharge. When the conduct was repeated the following Saturday, the two employees were fired.

[T]he NLRB Trial Examiner found that the discharged employees had believed in good faith that the Company was discriminating against minority employees, and that they had resorted to concerted activity on the basis of that belief. He concluded, however, that their activity was not protected by § 7 of the Act and that their discharges did not, therefore, violate S 8(a)(1).

The Board, after oral argument, adopted the findings and conclusions of its Trial Examiner and dismissed the complaint. Among the findings adopted by the Board was that the discharged employees' course of conduct was no mere presentation of a grievance but nothing short of a demand that the [Company] bargain with the picketing employees for the entire group of minority employees.

The Board concluded that protection of such an attempt to bargain would undermine the statutory system of bargaining through an exclusive, elected representative, impede elected unions' efforts at bettering the working conditions of minority employees, "and place on the Employer an unreasonable burden of attempting to placate self-designated representatives of minority groups while abiding by the terms of a valid bargaining agreement and attempting in good faith to meet whatever demands the bargaining representative put forth under that agreement."

On respondent's petition for review the Court of Appeals reversed and remanded. The court was of the view that concerted activity directed against racial discrimination enjoys a "unique status" by virtue of the national labor policy against discrimination.…The issue, then, is whether such attempts to engage in separate bargaining are protected by 7 of the Act or proscribed by § 9(a).

Central to the policy of fostering collective bargaining, where the employees elect that course, is the principle of majority rule. If the majority of a unit chooses union representation, the NLRB permits it to bargain with its employer to make union membership a condition of employment, thus, imposing its choice upon the minority.

In vesting the representatives of the majority with this broad power, Congress did not, of course, authorize a tyranny of the majority over minority interests. First, it confined the exercise of these powers to the context of a "unit appropriate" for the purposes of collective bargaining, i.e., a group of employees with a sufficient commonality of circumstances to ensure against the submergence of a minority with distinctively different interests in the terms and conditions of their employment. Second, it undertook in the 1959 Landrum-Griffin amendments to assure that minority voices are heard as they are in the functioning of a democratic institution. Third, we have held, by the very nature of the exclusive bargaining representative's status as representative of all unit employees, Congress implicitly imposed upon it a duty fairly and in good faith to represent the interests of minorities within the unit. And the Board has taken the position that a union's refusal to process grievances against racial discrimination in violation of that duty is an unfair labor practice.…

* * *

The decision by a handful of employees to bypass a grievance procedure in favor of attempting to bargain with their employer… may or may not be predicated upon the actual existence of discrimination. An employer confronted with bargaining demands from each of several minority groups who would not necessarily, or even probably, be able to agree to remain real steps satisfactory to all at once. Competing claims on the employer's ability to accommodate each group's demands, e.g., for reassignments and promotions to a limited number of positions, could only set one group against the other even if it is not the employer's intention to divide and overcome them.…In this instance we do not know precisely what form the demands advanced by Hollins, Hawkins, et al, would take, but the nature of the grievance that motivated them indicates that the demands would have included the transfer of some minority employees to sales areas in which higher commissions were paid. Yet the collective-bargaining agreement provided that no employee would be transferred from a higher-paying to a lower-paying classification except by consent or in the course of a layoff or reduction in force. The potential for conflict between the minority and other employees in this situation is manifest. With each group able to enforce its conflicting demands—the incumbent employees by resort to contractual processes and minority employees by economic coercion—the probability of strife and deadlock is high; the making headway against discriminatory practices would be minimal.

* * *

Accordingly, we think neither aspect of respondent's contention in support of a right to short-circuit orderly, established processes eliminating discrimination in employment is well-founded. The policy of industrial self-determination as expressed in § 7 does not require fragmentation of the bargaining unit along racial or other lines in order to consist with the national labor policy against discrimination. And in the face of such fragmentation, whatever its effect on discriminatory practices, the bargaining process that the principle of exclusive representation is meant to lubricate could not endure unhampered.

* * *

Reversed.

## Case Questions

1. Why did the picketers think that the union's response had been inadequate?
2. In becoming members of the union, which had a contract that included an antidiscrimination clause along with a no-strike clause and a no-lockout clause, did the protesting employees waive all right to pursue discrimination claims in court?

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# CHAPTER OVERVIEW

## Course Learning Objective #5: Analyze strategies for resolving conflict among employees.


5.1: Conflict in the Work Environment

5.2: Collaboration In And Across Teams

5.2.1: Why It Matters- Collaboration In And Between Teams

5.2.2: Team Communication in the Workplace

5.2.3: Collaborative Projects

5.2.4: Workplace Etiquette

5.2.5: Putting It Together- Collaboration in and across teams

5.3: Training and Evaluating Employees

5.4: Leadership and Conflict


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# 5.1: Conflict in the Work Environment

**Learning Objectives**

- Understand evaluations and criticism in the workplace, and discuss several strategies for resolving workplace conflict.

The word “conflict” produces a sense of anxiety for many people, but it is part of the human experience. Just because conflict is universal does not mean that we cannot improve how we handle disagreements, misunderstandings, and struggles to understand or make ourselves understood. Joyce Hocker and William Wilmot offer us several principles on conflict that have been adapted here for our discussion:

- Conflict is universal.
- Conflict is associated with incompatible goals.
- Conflict is associated with scarce resources.
- Conflict is associated with interference.
- Conflict is not a sign of a poor relationship.
- Conflict cannot be avoided.
- Conflict cannot always be resolved.
- Conflict is not always bad.

Conflict is the physical or psychological struggle associated with the perception of opposing or incompatible goals, desires, demands, wants, or needs (McLean, S., 2005). When incompatible goals, scarce resources, or interference are present, conflict is a typical result, but it doesn’t mean the relationship is poor or failing. All relationships progress through times of conflict and collaboration. How we navigate and negotiate these challenges influences, reinforces, or destroys the relationship. Conflict is universal, but how and when it occurs is open to influence and interpretation. Rather than viewing conflict from a negative frame of reference, view it as an opportunity for clarification, growth, and even reinforcement of the relationship.

## Conflict Management Strategies

As professional communicators, we can acknowledge and anticipate that conflict will be present in every context or environment where communication occurs. To that end, we can predict, anticipate, and formulate strategies to address conflict successfully. How you choose to approach conflict influences its resolution. Joseph DeVito offers us several conflict management strategies that we have adapted and expanded for our use.

## Avoidance

You may choose to change the subject, leave the room, or not even enter the room in the first place, but the conflict will remain and resurface when you least expect it. Your reluctance to address the conflict directly is a normal response, and one which many cultures prize. In cultures where independence is highly valued, direct confrontation is more common. In cultures where the community is emphasized over the individual, indirect strategies may be more common. Avoidance allows for more time to resolve the problem, but can also increase costs associated with problem in the first place. Your organization or business will have policies and protocols to follow regarding conflict and redress, but it is always wise to consider the position of your conversational partner or opponent and to give them, as well as yourself, time to explore alternatives.

## Defensiveness versus Supportiveness

Jack Gibb discussed defensive and supportive communication interactions as part of his analysis of conflict management. Defensive communication is characterized by control, evaluation, and judgments, while supportive communication focuses on the points and not personalities. When we feel judged or criticized, our ability to listen can be diminished, and we may only hear the negative message. By choosing to focus on the message instead of the messenger, we keep the discussion supportive and professional.

## Face-Detracting and Face-Saving

Communication is not competition. Communication is the sharing of understanding and meaning, but does everyone always share equally? People struggle for control, limit access to resources and information as part of territorial displays, and otherwise use the process of communication to engage in competition. People also use communication for collaboration. Both competition and collaboration can be observed in communication interactions, but there are two concepts central to both: face-detracting and face-saving strategies.

Face-detracting strategies involve messages or statements that take away from the respect, integrity, or credibility of a person. Face-saving strategies protect credibility and separate message from messenger. For example, you might say that "sales were down this quarter," without specifically noting who was responsible. Sales were simply down. If, however, you ask, "How does the sales manager explain the decline in sales?" you have specifically connected an individual with the negative news. While we may want to specifically connect tasks and job responsibilities to individuals and departments, in terms of language each strategy has distinct results.

Face-detracting strategies often produce a defensive communication climate, inhibit listening, and allow for little room for collaboration. To save face is to raise the issue while preserving a supportive climate, allowing room in the conversation for constructive discussions and problem solving. By using a face-saving strategy to shift the emphasis from the individual to the issue, we avoid power struggles and personalities, providing each other space to save face (Donohue, W. and Klot, R., 1992).

In collectivist cultures, where the community's well-being is promoted or valued above that of the individual, face-saving strategies are a common communicative strategies. In Japan, for example, to confront someone directly is perceived as humiliation, a great insult. In the United States, greater emphasis is placed on individual performance, and responsibility may be more directly assessed. If our goal is to solve a problem, and preserve the relationship, then consideration of a face-saving strategy should be one option a skilled business communicator considers when addressing negative news or information.

## Empathy

Communication involves not only the words we write or speak, but how and when we write or say them. The way we communicate also carries meaning, and empathy for the individual involves attending to this aspect of interaction. Empathetic listening involves listening to both the literal and implied meanings within a message. For example, the implied meaning might involve understanding what has led this person to feel this way. By paying attention to feelings and emotions associated with content and information, we can build relationships and address conflict more constructively. In management, negotiating conflict is a common task and empathy is one strategy to consider when attempting to resolve issues.

## Gunnysacking

George Bach and Peter Wyden discuss gunnysacking (or backpacking) as the imaginary bag we all carry into which we place unresolved conflicts or grievances over time. If your organization has gone through a merger, and your business has transformed, there may have been conflicts that occurred during the transition. Holding onto the way things used to be can be like a stone in your gunnysack, and influence how you interpret your current context.

People may be aware of similar issues but might not know your history, and cannot see your backpack or its contents. For example, if your previous manager handled issues in one way, and your new manage handles them in a different way, this may cause you some degree of stress and frustration. Your new manager cannot see how the relationship existed in the past, but will still observe the tension. Bottling up your frustrations only hurts you and can cause your current relationships to suffer. By addressing, or unpacking, the stones you carry, you can better assess the current situation with the current patterns and variables.

We learn from experience, but can distinguish between old wounds and current challenges, and try to focus our energies where they will make the most positive impact.

## Managing Your Emotions

Have you ever seen red, or perceived a situation through rage, anger, or frustration? Then you know that you cannot see or think clearly when you are experiencing strong emotions. There will be times in the work environment when emotions run high. Your awareness of them can help you clear your mind and choose to wait until the moment has passed to tackle the challenge.

"Never speak or make decision in anger" is one common saying that holds true, but not all emotions involve fear, anger, or frustration. A job loss can be a sort of professional death for many, and the sense of loss can be profound. The loss of a colleague to a layoff while retaining your position can bring pain as well as relief, and a sense of survivor's guilt. Emotions can be contagious in the workplace, and fear of the unknown can influence people to act in irrational ways. The wise business communicator can recognize when emotions are on edge in themselves or others, and choose to wait to communicate, problem-solve, or negotiate until after the moment has passed.

## Evaluations and Criticism in the Workplace

Mary Ellen Guffey wisely notes that Xenophon, a Greek philosopher, once said, "The sweetest of all sounds is praise" (Guffey, M., 2008). We have seen previously that appreciation, respect, inclusion, and belonging are all basic human needs across all contexts, and are particularly relevant in the workplace. Efficiency and morale are positively related, and recognition of good work is important. There may come a time, however, when evaluations involve criticism. Knowing how to approach this criticism can give you peace of mind to listen clearly, separating subjective, personal attacks from objective, constructive requests for improvement. Guffey offers us seven strategies for giving and receiving evaluations and criticism in the workplace that we have adapted here.

## Listen without Interrupting

If you are on the receiving end of an evaluation, start by listening without interruption. Interruptions can be internal and external, and warrant further discussion. If your supervisor starts to discuss a point and you immediately start debating the point in your mind, you are paying attention to yourself and what you think they said or are going to say, and not that which is actually communicated. This gives rise to misunderstandings and will cause you to lose valuable information you need to understand and address the issue at hand.

External interruptions may involve your attempt to get a word in edgewise, and may change the course of the conversation. Let them speak while you listen, and if you need to take notes to focus your thoughts, take clear notes of what is said, also noting points to revisit later. External interruptions can also take the form of a telephone ringing, a "text message has arrived" chime, or a coworker dropping by in the middle of the conversation.

As an effective business communicator, you know all too well to consider the context and climate of the communication interaction when approaching the delicate subject of evaluations or criticism. Choose a time and place free from interruption. Choose one outside the common space where there may be many observers. Turn off your cell phone. Choose face-to-face communication instead of an impersonal e-mail. By providing a space free of interruption, you are displaying respect for the individual and the information.

## Determine the Speaker's Intent

We have discussed previews as a normal part of conversation, and in this context they play an important role. People want to know what is coming and generally dislike surprises, particularly when the context of an evaluation is present. If you are on the receiving end, you may need to ask a clarifying question if it doesn't count as an interruption. You may also need to take notes and write down questions that come to mind to address when it is your turn to speak. As a manager, be clear and positive in your opening and lead with praise. You can find one point, even if it is only that the employee consistently shows up to work on time, to highlight before transitioning to a performance issue.

## Indicate You Are Listening

In mainstream U.S. culture, eye contact is a signal that you are listening and paying attention to the person speaking. Take notes, nod your head, or lean forward to display interest and listening. Regardless of whether you are the employee receiving the criticism or the supervisor delivering it, displaying listening behavior engenders a positive climate that helps mitigate the challenge of negative news or constructive criticism.

## Paraphrase

Restate the main points to paraphrase what has been discussed. This verbal display allows for clarification and acknowledges receipt of the message.

If you are the employee, summarize the main points and consider steps you will take to correct the situation. If none come to mind or you are nervous and are having a hard time thinking clearly, state out loud the main point and ask if you can provide solution steps and strategies at a later date. You can request a follow-up meeting if appropriate, or indicate you will respond in writing via e-mail to provide the additional information.

If you are the employer, restate the main points to ensure that the message was received, as not everyone hears everything that is said or discussed the first time it is presented. Stress can impair listening, and paraphrasing the main points can help address this common response.

## If You Agree

If an apology is well deserved, offer it. Communicate clearly what will change or indicate when you will respond with specific strategies to address the concern. As a manager you will want to formulate a plan that addresses the issue and outlines responsibilities as well as time frames for corrective action. As an employee you will want specific steps you can both agree on that will serve to solve the problem. Clear communication and acceptance of responsibility demonstrates maturity and respect.

## If You Disagree

If you disagree, focus on the points or issue and not personalities. Do not bring up past issues and keep the conversation focused on the task at hand. You may want to suggest, now that you better understand their position, a follow-up meeting to give you time to reflect on the issues. You may want to consider involving a third party, investigating to learn more about the issue, or taking time to cool off.

Do not respond in anger or frustration; instead, always display professionalism. If the criticism is unwarranted, consider that the information they have may be flawed or biased, and consider ways to learn more about the case to share with them, searching for a mutually beneficial solution.

If other strategies to resolve the conflict fail, consider contacting your human resources department to learn more about due process procedures at your workplace. Display respect and never say anything that would reflect poorly on yourself or your organization. Words spoken in anger can have a lasting impact and are impossible to retrieve or take back.

## Learn from Experience

Every communication interaction provides an opportunity for learning if you choose to see it. Sometimes the lessons are situational and may not apply in future contexts. Other times the lessons learned may well serve you across your professional career. Taking notes for yourself to clarify your thoughts, much like a journal, serve to document and help you see the situation more clearly.

Recognize that some aspects of communication are intentional, and may communicate meaning, even if it is hard to understand. Also, know that some aspects of communication are unintentional, and may not imply meaning or design. People make mistakes. They say things they should not have said. Emotions are revealed that are not always rational, and not always associated with the current context. A challenging morning at home can spill over into the work day and someone's bad mood may have nothing to do with you.

Try to distinguish between what you can control and what you cannot, and always choose professionalism.

## Key Takeaway

Conflict is unavoidable and can be opportunity for clarification, growth, and even reinforcement of the relationship.

## Exercises

1. Write a description of a situation you recall where you came into conflict with someone else. It may be something that happened years ago, or a current issue that just arose. Using the principles and strategies in this section, describe how the conflict was resolved, or could have been resolved. Discuss your ideas with your classmates.
2. Of the strategies for managing conflict described in this section, which do you think are the most effective? Why? Discuss your opinions with a classmate.
3. Can you think of a time when a conflict led to a new opportunity, better understanding, or other positive result? If not, think of a past conflict and imagine a positive outcome. Write a two- to three-paragraph description of what happened, or what you

imagine could happen. Share your results with a classmate.

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# SECTION OVERVIEW

## 5.2: Collaboration In And Across Teams

5.2.1: Why It Matters- Collaboration In And Between Teams

5.2.2: Team Communication in the Workplace

5.2.3: Collaborative Projects

5.2.4: Workplace Etiquette

5.2.5: Putting It Together- Collaboration in and across teams

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# 5.2.1: Why It Matters- Collaboration In And Between Teams

As Pedro scans through his morning email, he sees a message letting him know that the corporate office is offering a store remodel to the store with the best idea about how to increase customer purchases while decreasing operations costs. The email wants all proposals submitted within six weeks so the winning store will have the work completed by year's end.

That seems like a short amount of time. Pedro would need gather both customer and store data. After collecting all that, he would need to come up with some good ideas and probably have sketches made for his proposal. It's too much to do, but what an opportunity!

Pedro's store manager must think highly of him to put him in charge of the project. Pedro starts to make a list of what he will need. He quickly realizes there are not enough hours in the day for him do do all this work. He probably needs more background in some areas. His initial brainstorming list includes contacting the following teams and individuals:

- Customer Service for customer ideas
- Store Operations for practical matters of shipping and receiving
- Individual departments for trends in their areas
- Purchasing for the budget
- Maybe an external consultant for design support

That list started to look overwhelming given the six-week time frame. Pedro realized he would need help and needed to form a team. He started to consider the following:

- How the team would communicate
- How it would make decisions
- How often it needed to meet

Finally, there would be the biggest job of all: writing the response that would persuade headquarters to select Pedro's concept. Pedro needed to think about how the writing of the response would get done with so many experts providing input.

Pedro's lists just begin to recognize the power of teams in the workplace. Teams can accomplish much more than an individual. It's not just that teams can do *more* work; with several minds and experiences on one problem, the *quality* of the work improves as well. The written response would be so much stronger with a team of experts involved.

Teams do require intentional structure to be successful. While team decision-making might take longer, it produces a better, hopefully winning, result.

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# 5.2.2: Team Communication in the Workplace

## What you'll learn to do: Discuss the role and types of teams in workplace communication

We enter the workplace as individuals and then quickly interact with peers, work groups, and customer groups. As we make our way through our careers, we see that work is best accomplished with the power of others. Learning effective group and team communication skills advances your success and the success of your organization.

Developing a group or team is a useful approach to accomplishing a task. During this discussion, the terms "group" and "team" are used interchangeably. When developed and run effectively, a team can be used to pool the ideas and experiences of its members in search of a collective outcome. Organizations of all types can benefit from the work of teams. An effective team should be able to share experiences and provide members with feedback. By sharing experiences, teams can generate insight and become effective problem solvers through a collaborated effort. Developing a successful team requires understanding group dynamics and how to adapt to the strengths and quirks of team members.

This module provides skills related to workplace communication in these valuable groups and teams. It examines types of teams, roles of team members and how to communicate within teams. There are other group interactions that deserve special attention in business communication as well.

### Learning Outcomess

- Discuss the value of teams in business communication
- Discuss types of teams in organizations
- Explain advantages and disadvantages of teams and team dynamics
- Discuss impact of group size on communication
- Describe various ways of interpreting and responding to conflict in interpersonal communication

## The Value of Teams in Business Communication

You hear a lot about teams every day—sports teams, disaster and rescue teams, and medical support teams. Teams exist because they are effective in achieving goals, especially when the goal is well-defined. In the business environment, reliance on teams has been growing in the last few decades as organizations become more virtual (operating over distance) and more structurally complex. Businesses rely on teams to perform tasks not well suited to more traditional organizational structures. The most common types of teams are discussed in this section.

Business organizations have both groups and teams. A group is formed around a common interest or purpose with the goal of sharing information, but there is no collective accountability. Employee groups may consist of social clubs or volunteer efforts. A team's focus is collective performance, with both individual and mutual accountability. For example, all of the people who work in accounting constitute a group, but people from each functional department who meet regularly to standardize financial procedures are a team.

Teams bring together members of the organization with a wide variety of skills to achieve a common goal. Organizations accomplish these goals by carefully selecting the type of teams they use.

### Practice Question

Anton is organizing an Employee Appreciation Day. Which will be most helpful?

- a consultant
- a big budget
- a team
- a list of all employees

**Answer**

a team

## Types of Teams

The team is only as good as its members and the ways in which they interact with each other. How many members should be on a team is largely dependent on the reason the team was established. According to "Sharpening the Team Mind"[1], when deciding on the number of members to have on a team, consider the "uneven communication problem." This theory states that only a handful of team members do all the talking. For example, in a team of six, three people do 86% of all the talking.

Here are several types of teams that may be used in the workplace. As you read through them, consider their purpose and the likely communication issues.



Figure 5.2.2.1: Companies create different types of teams for different purposes.

### Cross-Functional Teams

A **cross-functional team** is just what it sounds like—a team that pulls its members from across the different functional areas of an organization. These teams are typically permanent or long-standing. For example, cross-functional teams may be composed of representatives from production, sales, marketing, finance, and legal. The strength of this type of team lies in its members having different functional backgrounds, education, and experience. The diversity of experience contributes to innovative problem solving and decision making.

Cross-functional teams may be used to implement new solutions in the workplace. A simple example is when a group of instructors used grant money to purchase PCs for all four of their classrooms. Without a cross-functional team, the teachers might have overlooked the special electrical considerations of rack-mounted charging stations for the 25 PCs. The campus engineers are needed. Without a cross-functional team, the teachers might have overlooked the special campus security software. Inviting other departments leads to greater project success by using expertise from many areas.

Unfortunately, the very factors that give cross-functional teams strength can also lead to weaknesses. Without a strong leader and very specific goals, it may be hard to foster social cohesion in cross-functional teams and to create a system of accountability. A cross-functional team might be brought together to review and make recommendations on potential acquisitions or mergers.

### Task Forces

A **task force** is a group or committee, usually of experts or specialists, formed for analyzing, investigating, or solving a specific problem. Quite often, a task force is formed in reaction to a problem or specific event, and once the job is done, the task force is disbanded. The goal of a task force is to offer solutions, support, and, if possible, put preventive measures in place against future problems.

A task force might be used to assess the causes for declining customer traffic at a store location, for example. There might be team members from marketing who analyze competitors in the areas and changes in customer preference. There might be operational members who review internal procedures related to stock management and customer interactions.

Types of concerns that may generate task forces in the workplace include bullying, health and wellness, employee training, increasing customer sales, or improving employee job satisfaction. A **project team** is similar to a task force, but a project team is often ongoing and covers a wider range of tasks.

### Virtual Teams

**Virtual teams** are groups of individuals working together with a common purpose but in different locations. Virtual teams by definition may overlap with the team types listed above. People may be in different time zones or even different organizations. The obvious advantage of a virtual team is the low cost, both in time and money, to maintain it. Meeting in virtual space increases

flexibility for team members (people can attend from wherever they are) and allows the organization to use the talent of employees around the globe.

The idea of virtual teams is relatively new; however, according to IQVIS an information management consulting firm, the use of virtual teams has grown 80 percent from 2005 to 2015. Virtual teams are possible thanks to advances in communication technology, such as e-mail, the internet, videoconferencing, and collaboration platforms, and other products.

When considering virtual teams, remember that working across cultures can be as challenging as working cross-functionally. Working with team members from different cultures means working with potentially different leadership styles and decision-making processes. In the United States, managers tend to gather data, make quick decisions, and move forward, making corrections as need. Northern Europeans prefer to build consensus slowly, whereas French schoolchildren are trained to debate and confront. Some business consultants will tell you that decisions in Japan are made in small, informal conversations before the formal meeting ever takes place. All teams need to be sensitive to these issues, which may be far more prevalent among the members of virtual teams.

In spite of these barriers, many companies have been adopting virtual teams. SAP is the world's largest inter-enterprise software company with more than 30,000 employees in sixty countries. It relies on virtual teams to survive. It has five headquarters around the globe, each one with a specific area of expertise shared via virtual meetings. IBM and General Electric are corporations that also depend on virtual team strategies.

### Self-Managed Teams

A **self-managed** team is a group of employees that is responsible and accountable for all or most aspects of generating a product or delivering a service. It could be thought of as a mini-company within a larger organization. Traditional organizations assign tasks to employees depending on their skills or functional department (sales, finance, production). A self-managed team carries out the supporting tasks as well, such as planning and scheduling the technical workflow, and human-resource tasks such as managing vacations and absences. Team members may take turns leading and assuming technical responsibilities.

An example of a self-managed team is a remote group of engineers that double-checks and configures technical sales data that is uploaded daily. Rather than wait for a supervisor to assign tasks to the group, the group manages job assignments based on availability and skills. The group then works with project managers to implement solutions, again based on the team rather than a supervisor decision. The work finishes with the billing team. When difficulties or disagreements are encountered, the team works it out for themselves.

Because of the autonomy given to self-managed teams, these teams have greater ownership of the jobs they perform. Some benefits of self-managed teams are that team members share accountability for what they accomplish, which can be a great motivator; individuals have greater commitment to the task because they're directly responsible for its results; and team members take on some of their manager's work so he or she can work on other tasks.

However, self-managed teams are not without problems. **Groupthink** occurs more frequently with these teams. Members may struggle during the transition from supervisor-led management to self-management, possibly because of lack of interpersonal skills or poor implementation by the company. Not surprisingly, the most effective self-managing teams are found in companies where the corporate culture supports democratic decision making,nd the employees are generally well-educated.

No matter how groups and teams come together, there are advantages and disadvantages that must be attended to, as in the unintentional assumption of roles by gender or age rather than by experience or expertise.

#### Practice Question

Customer and installer complaints are on the rise due to shipments that seem to either have the wrong cables, missing cables, or too many cables. Which team type is best suited to solve this problem?

- a project team
- a task force
- a virtual team

**Answer**

> a task force

## Teams and Team Dynamics

People are social animals and function best when they work with others in groups or teams. Some human behaviors show up repeatedly among groups. In the workplace, it is important to understand how these behaviors affect performance. Being aware of advantages and disadvantages of teams in the workplace helps workers bring out the best while overcoming the weaknesses. Mindfully and deliberately assigning specific roles to team members strengthens a team.

Teams are common in larger organizations, and they benefit both the company and the employees. People who feel they are part of a team are often mutually supportive and report greater job satisfaction. However, not all teams are successful. In one survey, only 14 percent of the companies rated their teams as highly effective[2], around 50 percent rated them as somewhat effective, and 15 percent rated them not effective at all. In this module, we look at teams and how effective teams are developed. We start by looking at common behaviors that can help or hurt efforts to meet organizational goals.

### Advantages

Teams bring together people with diverse skills to create something that no one person could do alone. A well-planned team improves **motivation**. Communication is higher on teams, and the diverse skill set means teams can discover new approaches. Because teams have specific shared goals, team members usually enjoy greater autonomy, variety, task identity, task significance, and feedback. Teams often enjoy the social support for difficult tasks, improving morale and motivation.

Another benefit of teams is to improve product and service quality. Each Whole Foods grocery store operates with an average of ten “self-managed” teams, including produce, prepared foods, groceries, etc. Each store also has a team made up of just the leaders from each team to facilitate communication and sharing. Each team takes responsibility for the quality of the products and service in its area.

**Efficiency in product development** is another advantage to building teams within the traditional hierarchy. Teams can analyze and identify dependent tasks in a nonlinear process, sometimes realizing startling improvements.

Employees also benefit from participating on teams. They develop relationships to people from other areas of the business and learn more about what is happening across functional department lines (**cross training**). A 2009 study by CG and WHU-Otto Beisheim School of Management among eighty global software-development teams showed that members of effective teams are more motivated and report greater job satisfaction, which leads to fewer employees quitting.

According to LaFasto and Larson in “When Teams Work Best,”[3] there are four aspects of a good relationship: constructive, productive, mutual understanding and self-corrective. These four aspects are the basis for LaFasto and Larson’s Connect model (Table 1), which can be used to develop good relationships.

A **constructive** relationship can also be between a person and the team. “Good relationships are constructive for both people.”[4] In order to have a constructive relationship, there must be trust and mutual understanding between both parties. Constructive relationships do not happen overnight, it takes time to develop trust and to be open with others. **Productive** relationships are important because if the relationship between two individuals on a team is not productive, the team may not be productive. Productive relationships also, “allow us to focus on real issues—the ones that matter—and to do so in a way that makes a difference.”[5] **Mutual understanding** is critical because, “[it encourages] us to focus on and understand the other person’s perspective, and [it offers] us the satisfaction of being understood.”[6] Not only is it important to validate another person’s point of view, it is important for us to be validated. It goes back to trust and building a constructive relationship; in order to be understood, you have to be able to understand others. Good relationships are **self-corrective,** like a good marriage in which each partner is committed to improving the relationship. By continuing to work on improving a relationship, you are developing trust and mutual understanding among the parties.

**Social cohesion** is defined as the willingness of members of a society to cooperate with each other to survive and prosper. In work teams, social cohesiveness means the members want to be part of the team and want to contribute to its success. Members of cohesive teams have social and emotional bonds to each other and to the overall team, which motivates higher commitment and performance. Southwest Airlines, for instance, works hard to develop cohesiveness in its organization. As a result, everyone is

willing to work toward the success of the organization. That is why it is not unusual to see people pitch in on a task even when it is not part of their job. For example, pilots may help to load luggage if it helps maintain on-time performance.

The main factors influencing cohesion are size of the group, similarities among its members, and team success. Small groups tend to be more cohesive than larger ones because people can interact with each other more. Similarity among group members contributes to team cohesiveness because people with similar backgrounds are more likely to have fewer communication barriers and share views on what constitutes appropriate behaviors. People are generally more trusting of others when they share some important background experiences. In substance abuse recovery groups, for example, members know that everyone has had the same ailment and is dealing with similar experiences. When a team experiences success early in its development, members get reinforcement that their efforts can produce results. They are more likely to be motivated to continue to contribute. Success also creates a sense of pride that fosters feelings of belonging and mutual attraction in the team.

**Collective efficacy** is the team's belief that its members are capable of organizing and working together to reach its goals. Creating collective efficacy is a bit of a balancing act. If goals are perceived as being too easy to reach, members may not feel they have to put in their full effort. On the other hand, if goals are perceived to be too difficult, members may feel their effort doesn't matter because the goal cannot be reached regardless of how hard they work. In either case, social loafing may result. But when the goal is "just right," difficult but not impossible, the team will believe it can reach it only if it works hard together.

Psychologist Albert Bandura researched the relationship between efficacy and job performance and found that each affects the other. When a team achieves some success, it can build self-confidence and the belief that it can achieve more. The resulting collective efficacy, in turn, makes it more likely that the team will be successful. But a downward spiral can occur when both performance and collective efficacy are low. Poor performance makes team members question their ability, and the decrease in collective efficacy leads to more poor performance.[7]




Figure 5.2.2.2: The relationship between success and collective efficacy is affected by self-confidence and performance.

Good planning and good leadership can both improve collective efficacy. When the tasks needed to reach the team's goals are being planned, initial activities should lead to demonstrable team achievements. When teams experience successes early in their development, they are more likely to build collective efficacy. Good leadership provides a clear vision for the team and articulates why the goals are important. The leader provides guidance, feedback, and encouragement. When teams receive timely feedback, they are more likely to understand the relationship between their effort and their performance.

As you work on developing good relationships, another way to foster good group dynamics is to identify strengths and weaknesses and assign group roles. For a new team that has not worked together, assigning roles can also help surface individual strengths and weaknesses. By simply assigning roles at the beginning of the project, a team can quickly focus on specific tasks. Everyone should be responsible for brainstorming, problem solving and offering their experience and knowledge, but some roles are more generic and may or may not vary by task. Here are four roles that no team should be without:

1. **A Leader:** In the event there is no clear chain of command, a team must be prepared to assign the role of leader. A leader can keep the team focused, mediate conflicts, and ensure that individuals are held accountable.
2. **A note taker or scribe:** Again, a simple idea, but documenting every meeting is an important step in developing a productive team. A scribe can quickly get a team up to date with past notes, so little time is wasted remembering where the conversation

left off. By documenting and distributing notes from each meeting, the scribe can keep all members of the team equally informed.

3. **Lessons-learned tracker:** Identify one person to track both positive and negative outcomes of meetings and projects. This individual can solicit input from other members. Documenting what everyone thinks went well and why, and what did not go well and why, can keep a team productive by not repeating past mistakes.
4. **Devil's advocate:** Teams need to embrace conflict and different points of view. A devil's advocate is a person who brings up alternatives or objections to other's ideas. Assigning such a role can make the team more objective and reduce problems like Groupthink. Because this person's role can stir up conflict, it can be helpful to rotate who plays the devil's advocate for the team.

Think of cohesion as morale. It makes sense that a group that enjoys each other's company is more likely to come together to work toward a common goal. Once everyone is working toward success, little successes occur along the way. This success helps the team's morale spiral upward. Teams move past being solely task- or work-focused. They become work-friends, maybe even social friends. This closeness of relationship adds to the productivity of the team as members are more likely to speak directly even as difficult issues arise.

### Disadvantages

There are also many problems that hinder good group dynamics. We don't usually have the luxury of picking who we are going to work with on a team; dealing with different personalities and personal agendas is a common challenge in working within a team. Other common challenges include poor leadership, a lack of focus, dominant personalities, bad communication, groupthink, and social loafing. The key to combating these challenges is to be able to identify when they are taking place.

### Poor Leadership

The first challenge that hinders good group dynamics is poor leadership. There are a few things an individual can do if the poor team leader is your boss or someone with authoritative power. First, be supportive. If your boss trusts you and you are supportive, you may be able to influence decisions by suggesting alternatives. If the poor leader did not assign a devil's advocate, suggest it during a team meeting and explain why you think it would be beneficial. Once the devil's advocate is in place, coach him or her to bring up alternatives. When alternatives are out in the open and debated, the weak leader may see that there are stronger ideas available.

### Lack of Focus

Lack of focus can make a team just a group of individuals. Keeping the team focused takes constant effort. A good leader can keep teams focused and on task by assigning roles and enforcing accountability. A good method to keep teams focused is using an agenda and distributing it prior to meetings. An agenda can get people on the same page and will encourage them to prepare based on the topics under discussion. Even a functional and mature team should have meeting agendas and planning documents in order to be sure no one is making assumptions about the group's direction or undertaking a plan that has not received consensus.

### Dominant Personalities

Dominant personalities are difficult to deal with; the loudest voice doesn't always have the best ideas. Sticking to an agenda, establishing protocols during meetings, and having an effective leader can be used to combat strong personalities.

### Bad Communication

Bad communication is a quick way for a team to be unproductive and ineffective. By using a scribe and lessons-learned tracker to document team meetings and activities, a team can be kept up to date and in the loop. An effective team leader can assign tasks and hold people accountable for their contributions, which can prevent social loafing and encourage good communication.

### Groupthink

Groupthink is simply going along with the team on a decision because that seems to be the consensus and they want to avoid conflict. It can also be the result of the group talking itself into a decision that doesn't fit the facts. Having a strong devil's advocate will help reduce the chances of groupthink.

## Social Loafing

Social loafing is when one or more group members fails to do their fair share of work within the group. You may have witnessed this behavior firsthand on a team or school project. There are two main consequences of social loafing: The free-rider effect is when one or more team members do not put in their share of the work, assuming others will cover their shortfall. The other is the sucker effect, where other team members reduce their effort in response to the free rider's behavior.

Several causes exist for social loafing. A member may not be motivated by a goal and may not want to work to achieve it. Or a member may feel that his or her contribution to the team will not be recognized, so the member is not motivated to contribute. Both of these causes are more pronounced in large teams. Social loafing is also more likely when there isn't an individual evaluation system in which the performance and contributions of members are regularly reviewed. Finally, if there is unequal compensation and the members of the team feel the compensation is unfair, they will be more likely to lessen their effort.

A good manager should monitor employees to watch out for these social loafers or "slackers." The manager is responsible for making sure all team members are carrying their fair share of the work they have been assigned. If the manager doesn't address occurrences of social loafing, they can create a stressful work environment that may turn into conflicts among coworkers.

### Practice Question

Nimra was very excited to be leading the team managing a move to a new office with four of her favorite coworkers. The group of five seemed to agree on everything. However, when their manager asked for an update it went poorly, as the manager asked many questions Nimra and her team had not thought to ask one another. What group issue likely contributed to this outcome?

- devil's advocate
- poor leadership
- groupthink
- social loafing

**Answer**

groupthink

## Group Communication Networks

In organizations, there are hierarchies of reporting structures. Those official links of authority and responsibility impact communication among individuals and groups. Here are some of those communication networks. In looking at these patterns, consider the lines that connect the end points to the other points as communication paths.

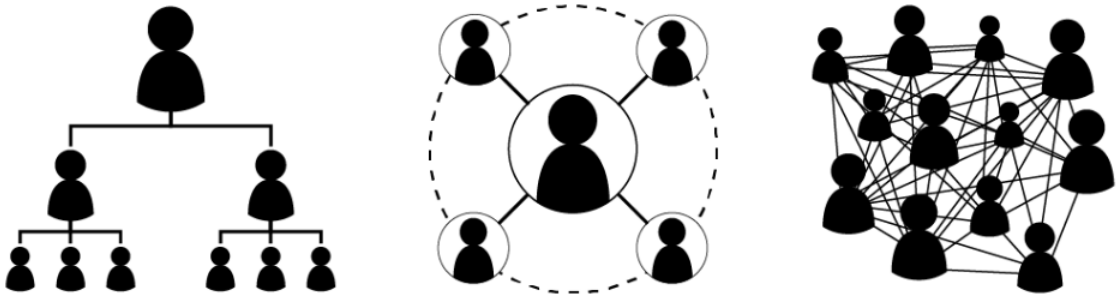


Figure 5.2.2.3: There is a wide spectrum of communication network styles in businesses

The importance considering these patterns is in direction information flows, power structure, and number of layers. Think about the needs of your organization to find answers to questions and to solve problems. Communication flows in many directions, yet without structure and planning, it may overwhelm productivity and real communication, as illustrated in the third model in Figure 1.

Communication channels, the legs of these networks, multiply more quickly than people do. If everyone receives every message, "information overload" may occur, as employees are bombarded with messages in an unstructured manner. To maintain the power

of additional people, care should be taken to determine how and when to share information. For example, some large organizations use newsletters or internal blogs as structured ways to disseminate routine updates.

Organizations should consider the various types of structures above and then modify them based upon the employee need to know, timeliness of information needed, and communication tools available.

When the team process is executed effectively, a team can be used to pool the ideas and experiences of its members in search for a collective outcome. Team can help organizations of all types be more efficient in problem solving by pooling experienced employees to work together. A key to an effective team is to understand group dynamics. Good group dynamics begin with good relationships, both on an individual basis and the relationships of individuals with the team. Once you have established good relationships, assigning positions in the team will give a team the opportunity to be successful. By identifying possible pitfalls that may hinder good team dynamics team members can combat the effects and develop a more productive and successful team.

### Practice Question

This start-up company is no longer the “nimble little company” first reported on in the business section of the newspaper. They have grown from 3 people in a basement to 25 people in a simple office. Why are so many orders with errors and various employees, who all have email, saying “why didn’t you tell me”?

- IT needs to check the email server lists
- The communication's network has grown too complex
- They are using a circle rather than a wheel network
- New employees do not know which to include on an email so send to all

**Answer**

The communication's network has grown too complex

## Conflict Resolution

Interpersonal conflict occurs in the workplace between individuals. Can also occur within working groups and is sometimes magnified in that setting. When we hear the word “conflict,” we typically think about all the negatives associated with the word. Most of us would like to avoid conflict entirely; however, conflict can also be productive.

Positive conflict comes from recognizing disagreement as part of a healthy process. It is an exchange of passionate ideas. This exchange helps us find creative solutions as well as testing weaknesses of current solutions. The difficulty in keeping conflict positive is in having norms regarding how ideas are expressed and discussed.

A tolerable amount of conflict is vital to group success in order to avoid groupthink and to generate more innovative ideas among members of the group, who may have diverse opinions and points of view. In addition, positive conflict generates buy-in and offers elements of ownership and a sense of cooperation and enhanced membership to all of the group members. When members of a group feel safe expressing conflicting beliefs and opinions, groups are more productive and less prone to conformity.

Conflict is necessary for good results. Learning to understand and manage conflict is critical when working in organizations. Let’s explore conflict more deeply in order to understand its broad impact and its direct impact on workplace communication.

### Sources of Team Conflict

Let’s take a look at a few examples of conflict within teams.

#### fund allocation

A new product team may find itself split between allocating funds for the second release of the device or bringing a new product to market. The team may find about half of its members preferring one path and the other half advocating for the other.

In this case, the team may split into two factions—or more if there is additional disagreement within each group. Even if business considerations support one group’s position more strongly, powerful personalities, interpersonal complexity, and group history can come into play to overwhelm those practical factors.

### differences with management

Employees may think, “Why doesn’t the boss just ask us? We do it every day and that will never work.” The boss may think, “Those employees don’t realize what that will cost. It will blow the entire department budget in half the time.”

Gaps in communication between leaders and the teams they lead can cause particularly thorny conflicts. There may be conflict with management because management has not given clear goals to the team or may not be supporting the team. The organization could have a culture that does not allow teams to work effectively. In extreme situations, this can lead to the team’s refusal to follow the directions of its leader.

### sales versus service

A company organizationally separates its sales employees from its service (installation and maintenance) employees. On more than one occasion, Sales asked, “What are those service people thinking? We can’t charge the customer for every little thing.” Equally frequently, service is asking, “What are those sales people thinking? Are they giving the company away? We can’t install it for that little.”

When different teams don’t take the time to understand the roles and tasks of individuals on different teams, conflict can arise between different functional groups within the organization.

Unproductive negative conflict should be avoided and must be swiftly addressed and resolved when it does present itself. Because of the dangerous nature of negative conflict and the toll it takes on productivity and moral, it may potentially lead to Human Resource Management issues or even a lawsuit.

### Practice Question

The community board meeting had a terse exchange between two members. “You can’t keep spending that much on landscape year after year!” “We need to plan on that much because things die every year. We told them dues might go up.” Which of the following statements may be the most helpful as the board solves this problem?

- Our bylaws say we can never raise dues without 67 percent approval.
- Since I am the Chair, I say we do it just to get this resolved.
- You aren't listening to me! Hear me out!
- Perhaps we should create a 5-year landscape planning document.

**Answer**

Perhaps we should create a 5-year landscape planning document.

## What are the Symptoms of Team Conflict?

Symptoms of conflict are seen in the communications of the members. They illustrate themselves in a variety of ways. Once we recognize the symptom, we can find a solution.

Almost everyone has endured the experience of being part of a team that was plagued with conflict. Whether in a large group that erupts in anger and can’t finish a meeting, or a small group of two or three individuals that resort to backbiting and gossiping to vent frustration over a conflict, everyone has been a part of a team where conflict has gotten out of control. With this in mind, there are several symptoms of conflict that can be identified in groups that can help them to recognize and manage conflict before it tears them apart. By identifying the following symptoms related to communication, trust, and opposing agendas, the team leader can identify conflict before it erupts. As you read through these symptoms, think of the teams that you are a part of and look for symptoms that exist in your team.

One common symptom of conflict is a lack of communication or a lack of respectful communication. This is most often seen when teams fail to have meaningful meetings. Most often, non-communicating meetings are characterized by team members sitting and listening to what the boss has to say. Often chatter or silence prevails among such teams. A lack of communication can also be noted when team members don’t get along and so refuse to talk to each other. These feuds create barriers within teams and prevent communication. A lack of communication or disrespectful communication leads to a lack of trust, which is another symptom of team conflict. Teams that fail to produce desired results often lack the trust in one another as team members that is necessary to

succeed. Without trust in a team, verbal or non-verbal conflict becomes the norm of the team. Team members spend more energy protecting their own positions and jobs than they do producing what is required for the team's success. When trust erodes in a team, the habit of blaming others becomes the norm as individuals try to protect themselves. Team members become enemies that compete against each other rather than allies that build and help one another to achieve a common goal. Teams that lack trust often gossip about other members or have frequent side conversations after meetings to discuss opposing opinions. Such activity sucks strength out of the team and its purpose.

Another symptom of team conflict can be seen when team members have opposing agendas. This is not to be confused with members who have different opinions. Having different opinions in a group can be very healthy if managed correctly because it can create better ideas and ways of getting the job done. However, when team members have opposing agendas, more is at stake than differing opinions; two individuals are fiercely committed to the exact opposite approach. Opposing agendas can create confusion in team members and can cause them to lose sight of their role in the team and of the team's final goal. Teams must work toward a common goal in order to be successful. Extreme effort must be made to reconcile differences, or such a team can look forward to failure.

### Avoiding Destructive Conflict

In most instances of team conflict, avoidance is a worse solution than engagement with the conflicting situation. Moreover, avoided conflict will lead to less optimal solutions and may even prevent the team from finishing a project. Thus, from a manager's perspective, it is a simple equation of a cost/benefits analysis in that the cost to the organization is greater when teams avoid conflict than when they engage in it.

Fostering support, trust, and open communication is also essential if relationship conflicts are to be reduced and quickly resolved. Open communication can be established by the following:

- **Establish ground rules.** Some rules might include the following: Take turns when talking and do not interrupt. Ensure that each team member has equal time when stating their perspective. Listen for something new and bring something new to the discussion. Avoid restating the facts and "talking in circles." Avoid power plays, and eliminate status or titles from the discussion.
- **Listen actively and compassionately.** Avoid thinking of a counterargument while the other person is speaking. Listen to the other person's perspective rather than listening to your own thoughts. Don't make an effort to remember points just so you can refute them one by one.
- **Point out the advantages of resolving the conflict.** "I know you feel that is too much for us to spend right now, but we should figure out how to solve this problem. Then, we can figure out when to spend that money."
- **Maintain a neutral vantage point and be willing to be persuaded.** "Can you help me understand why…."
- **Avoid all-or-none statements such as "always" and "never," and point out exceptions when these statements are used.** Rather than say, "we have never done it that way," try "we had good reason for not doing that in the past, but let's talk this through to see if conditions have changed."
- **Create a goal of discovery rather than of winning or persuading.** "Let's set aside our final decision until our next meeting. This meeting, let's brainstorm solutions and try to put a cost to each."
- **Be alert to common goals and where goals overlap as each party is communicating their perspective.** "I'm not sure I reach the same conclusion as you, but a 5% decrease is something we do all appreciate."
- **Use clarifying statements to ensure the other party feels understood and listened to.** "What I heard you say is that you feel unappreciated and that you lack vital feedback to help you perform, is this correct?"
- **Help team members to separate the problem from the person.** "I know your job is to remind us of the rules, but could we try to approach this a different way?"
- **Use techniques such as role-playing, putting oneself in the competitor's shoes, or conducting war games. Such techniques create fresh perspectives and engage team members.** "Let me try to be the devil's advocate. You tell me your solution, and I'll be the technician trying to poke holes in the idea."
- **Team members should recognize each other for having expressed their view and feelings.** "I'm glad to hear your side all the way through. Thank you."
- **Help each team member to understand all the other perspectives, and help them to re-frame the situation.** "So, if I heard you correctly, you are concerned about x. Is it possible that we could address this by trying y?"

## Solutions to Conflict

Conflict is a natural and necessary element of a healthy team experience. It will occur even in the best teams. It can be constructive.

A team that never experiences conflict is likely to be less productive than a team that does experience conflict. This is especially true if the task that a team is attempting to complete is complex in nature or highly detailed. Without having members question specific actions, specific decisions, or the specifics of the proposed solution, it may appear to the team that there is only one way to solve the problem or complete the task.

When choosing team members, consider making choices that will promote healthy conflict. You will want to avoid fostering groupthink and combining people who already clash with one another. People who want peace at any price and scramble to quash even productive, positive conflict are also not especially useful. While you may choose individuals for their personality traits, commitment is equally important. If team members are individually or collectively indifferent toward the overall goal, they probably will not perform well. A lack of commitment can also lead to a lack of conflict. If the team is committed to the overall goal and members are well chosen, there can be a healthy dose of conflict in the process to complete the task.

When conflict does occur, it is important to address it immediately. Although developing a solution to the conflict may take time, acknowledging it will help to ensure that it can become productive to the team. “Whatever the problem, effective teams identify, raise, and resolve it. If it’s keeping them from reaching their goal, effective teams try to do something about it. They don’t ignore it and hope it goes away.” By not addressing conflict, the leader risks sending the message that conflict is unmanageable, which can cause vested members to become complacent or feel their input is not valued. In the worst-case scenario, a conflict that is not resolved could go from being task oriented to personal.

## How Do Teams Prevent Damaging Conflict?

In order to prevent damaging conflict, the team leader must lay a conflict-friendly foundation for the team. The following approach will help the team leader to set the stage for conflict that is creative and productive:

1. Set a clear goal for the team.
2. Make expectations for team members explicit.
3. Assemble a heterogeneous team, including diverse ages, genders, functional backgrounds, and industry experience.
4. Meet together as a team regularly and often. Team members who don’t know one another well don’t know each other’s positions on the issues, impairing their ability to argue effectively. Frequent interaction builds the mutual confidence and familiarity team members require to express dissent.
5. Assign roles such as devil’s advocate and sky-gazing visionary and change these roles up from meeting to meeting. This is important to ensure all sides of an issue have been considered.
6. Use techniques such as role-playing, putting oneself in the competitor’s shoes, or conducting war games. Such techniques create fresh perspectives and engage team members.
7. Actively manage conflict. Don’t let the team acquiesce too soon or too easily. Identify and treat apathy early, and don’t confuse a lack of conflict with agreement.

## Resolving Conflict

Interpersonal conflict should be managed and resolved before it degenerates into verbal assault and irreparable damage to a team. Dealing with interpersonal conflict can be a difficult and uncomfortable process. Usually, as team members, we use carefully worded statements to avoid friction when confronting conflict.

The first step to resolving interpersonal conflict lies in acknowledging the existence of the interpersonal conflict. Recognizing the conflict allows team members to build common ground by putting the conflict within the context of the larger goal of the team and the organization. Moreover, the larger goal can help by giving team members a motive for resolving the conflict.

As team members, we all understand the inevitability of interpersonal conflicts. Open and supportive communication is vital to a high performing team. One way to achieve this is by separating the problem from the person. Problems can be debated without damaging working relationships. When interpersonal conflict occurs, all sides of the issue should be recognized without finger-pointing or blaming. Above all, when a team member gets yelled at or blamed for something, it has the effect of silencing the whole team. It gives the signal to everyone that dissent is not allowed, and, as we know, dissent is one of the most fertile resources for new ideas.

When faced with conflict, it is natural for team members to become defensive. However defensiveness usually makes it more difficult to resolve a conflict. A conflict-friendly team environment must encourage effective listening. Effective listening includes listening to one another attentively, without interruption (this includes not having side conversations, doodling, or vacant stares). The fundamentals to resolving team conflict include the following elements:

1. Prior to stating one's view, a speaker should seek to understand what others have said. This can be done in a few clarifying sentences.
2. Seek to make explicit what the opposing sides have in common. This helps to reinforce what is shared between the disputants.
3. Whether or not an agreement is reached, team members should thank each other for having expressed their views and feelings. Thanking the other recognizes the personal risk the individual took in breaking from groupthink and should be viewed as an expression of trust and commitment toward the team.

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# 5.2.3: Collaborative Projects

## What you'll learn to do: Discuss strategies for working in collaborative projects

Now that we understand the value of teams in the workplace and the risk of conflict, let's look at how teams working collaboratively manage communication in order to be productive and healthy.

It's that old saying of "in, out, and across:" team communications come in to the team, go out of the team, and pass between team members. As with all team skills, and all communication skills, there are structures which make communication more successful. There is a special communication need in teams: decision making. There are software tools to facilitate group writing. Let's look at those.

### Learning Outcomess

- Discuss different styles of decision making in groups
- Discuss digital tools for communicating with groups
- Describe the process of collaborating with others to create a business message
- Discuss digital tools for collaborative writing

## Decision Making In Groups

Up to this point, we have argued that teams create better outcomes than individuals. While those individuals come with a multitude of skills and experiences, the input of several individuals working in concert leads to more creative, better considered decisions. Group work and group success leads to higher morale. Another benefit is that with more members of the business involved in the decision, there will be better understanding of the decision, and thus, a greater buy-in or endorsement. This is why teams are used in the workplace.

We have pointed out how arguing occurs as we discussed conflict in teams. That conflict frequently is the result of the team working to reach a decision. Decision making in teams is complicated by many issues. Some of those issues relate to content, as discussed in the conflict section of this module. Difficulties may arise from negative member roles, such as social loafing. This can cost time as well as potentially harming the output. Another problem with team decision making may relate to the general difficulty of team communication. Remember the networks laid out earlier in this module that displayed how adding one or two members created a much more complex network? Such complexity may complicate the full sharing of relevant content. It definitely slows decision making as all members engage.

### Decision Style Theory

Any decision is made in the context of its situation. The Rowe and Boulgarides Decision Style Theory examines the context for decisions across two continua. One side relates to the decision-makers tolerance of uncertainty (high tolerance to low) and the other relates to whether the individual is more oriented to the completing the task or to social accomplishment. These two continua form the axes for the model below. The four quadrants represent four decision-making styles.




Figure 5.2.3.1: The four decision making styles

There is a wide spectrum of communication network styles in businesses

Rowe and Boulgarides (1992) suggest this largely determines how we will respond in decision-making situations.

The dimensions of variance in this decision style theory are cognitive complexity (ambiguity tolerance vs. need for structure) and value orientation (social/human vs. instrumental/task-centered). Crossing these dimensions yields four decision making styles: (1) directive (2) analytical, (3) conceptual, and (4) behavioral, described below in PAEI order.

### P: Directive (Low ambiguity tolerance, Task focus)

Directive individuals need and value structure. They prefer to make decisions based on clear, undisputed facts and impersonal rules and procedures. They trust their own senses and short, focused reports from others.

The Directive style might do well with leading a group to meet Tuesdays versus Wednesdays. “Let’s meet Tuesday, unless someone has an objection.” However, the Directive style might not do as well in leading a group in conflict to reach conflict resolution : “Please stop your bickering, we need to move on.” In both examples, the leader of the group desires clear resolution that accomplishes the task.

### A: Analytical (High ambiguity tolerance, Task focus)

Analytically-minded people can process ambiguity given enough time and information. They rely heavily on abstractions and instrumental logic, and they tend to go over all aspects of a problem with a fine-toothed comb, carefully acquiring and organizing large amounts of data. They consider every aspect of a given problem, acquiring information by careful analysis. When presented, their solutions are comprehensive, detailed and very thorough. They may also be innovative if the analysis turned up novel information or supported novel reasoning.

Analytical team members or leaders want information that leads to a conclusion. They are willing to invest the time and effort to reach the optimal solution. “Let’s each take a quarter from last year and dig in to see which model, by color, sold best in each state to that we can prepare out best forecast for next year,” seems well suited to this style. This decision appears to take some time. This style may not work well with determining which benefits to include to the health care plan next year along with a hiring plan designed to expand diversity. The Analytical style will look toward the data and may overlook the more human-focused issues presented with the new hiring plan.

### E: Conceptual (High ambiguity tolerance, Social focus)

Conceptual decision makers are creative, exploratory, interested in novelty and comfortable taking risks. They are big-picture, creative thinkers who like to consider many different options and possibilities. They gather and evaluate information from many different perspectives, integrating diverse cues and passing intuitive judgments as they work to identify emerging patterns.

The Conceptual decision style may work well for determining how to provide maintenance support to customers living in six different countries with varying cultures and laws. A great deal of data and consideration of culture will be needed. This will not be a data-only decision that occurs in a short period of time.

### I: Behavioral (Low ambiguity tolerance, Social focus)

Behavioral decision-makers focus on the feelings and welfare of group members and other social aspects of work. They look to others for information, both explicit information in what others say and implicit information sensed during interactions with them. They evaluate information emotionally and intuitively.

Behavioral decision making will focus almost exclusively on relationship, rather than on task. The decision-making process will take as long as is required for the Behavioral style to interact with most individuals impacted.

The purpose in understanding this model is to understand how individuals have conflicting desires and how situations must be considered against that preference.

#### Practice Question

Zoya is leading a team who can’t seem to come to an agreement. The heated battle between those who felt customers wanted easy access to the produce more than easy access to the cooler and freezer goods has been going on for the last four meetings. Zoya keeps asking for more and more data before letting the team vote. Which quadrant of the Rowe and Boulgarides Decision Style quadrant does Zoya fit into?

- Directive
- Analytical
- Behavioral
- Conceptual

**Answer**

Analytical

## How to Make Decisions

There are group decision-making mechanics aligned to team development and the styles listed above. They need a method to implement the atmosphere each style invokes. The styles above do not directly relate to the methods below, but you can see how, in an effort to keep conflict low, the style may align to the method.

When groups need to get a job done, they should have a method in place for making decisions. The decision-making process is a norm that may be decided by a group leader or by the group members as a whole. Let's look at four common ways of making decisions in groups. To make it simple, we will again use a continuum as a way to visualize the various options groups have for making decisions. On the left side are those methods that require maximum group involvement (consensus and voting). This side is better aligned to the Conceptual and Behavioral styles. On the right are those methods that use the least amount of input from all members (compromise and authority rule). This right is better aligned to Directive or Analytical styles.




Figure 5.2.3.2: The continuum of decision making processes from consensus to authority

The decision-making process that requires the most group input is called **consensus**. To reach consensus *group members must participate in the crafting of a decision and agree to adopt it*. While not all members may support the decision equally, all will agree to carry it out. In individualistic cultures like the U.S., where a great deal of value is placed on independence and freedom of choice, this option can be seen by group members as desirable since no one is forced to go along with a policy or plan of action to which they are opposed. Even though this style of decision making has many advantages, it has its limitations as well—it requires a great deal of creativity, trust, communication, and time on the part of all group members. When groups have a hard time reaching consensus, they may opt for the next strategy, which does not require buy-in from all or most of the group.

**Voting** by majority may be as simple as having 51% of the vote for a particular decision, or it may require a larger percentage, such as two-thirds or three-fourths, before reaching a decision. Like consensus, voting is advantageous because everyone is able to have an equal say in the decision process (as long as they vote). Unlike consensus, everyone may not be satisfied with the outcome. In a simple majority, 49% of voters may be displeased and may be resistant to abide by the majority vote. In this case, the decision or policy may be difficult to carry out and implement. For example, a college campus recently had a department vote on whether or not they wanted to hire a particular person to be a professor. Three faculty voted yes for the person while two faculty voted no. Needless to say, there was a fair amount of contention among the professors who voted. Ultimately, the person being considered for the job learned about the split vote and decided that he did not want to take the job because he felt that the two people that voted no would not treat him well.

Toward the right of our continuum is **compromise**. This method often carries a positive connotation in the U.S. because it is perceived as fair since *each member gives up something, as well as gaining something*. Nevertheless, this decision-making process may not be as fair as it seems on the surface. The main reason for this has to do with what is being given up and obtained. There is nothing in a compromise that says these two factors must be equal (that may be the ideal, but it is often not the reality). For individuals or groups that feel they have gotten the unfair end of the bargain, they may be resentful and refuse to carry out the compromise. They may also foster ill will toward others in the group or engage in self-doubt for going along with the compromise in the first place. However, if groups cannot make decisions through consensus or voting, compromise may be the next best alternative.

At the far right of our continuum is decision by **authority rule**. This decision-making process *requires essentially no input from the group, although the group's participation may be necessary for implementing the decision*. The authority in question may be a member of the group who has more power than other members, such as the leader, or a person of power outside the group. While this method is obviously efficient, members are often resentful when they feel they have to follow another's orders and feel the group process was a façade and waste of valuable time.

During the decision making process, groups must be careful not to fall victim to **groupthink**. Groupthink occurs when members strive for unanimity, resulting in self-deception, forced consent, and conformity to group values and ethics (Rose, Hopthrow & Crisp). Let's think about groupthink on a smaller, less detrimental level. Imagine you are participating in a voting process during a group meeting where everyone votes yes on a particular subject, but you want to vote no. You might feel pressured to conform to the group and vote yes for the sole purpose of unanimity, even though it goes against your individual desires.

As with leadership styles, appropriate decision making processes vary from group to group depending on context, culture, and group members. There is not a "one way fits all" approach to making group decisions. When you find yourself in a task or decision-making group, you should consider taking stock of the task at hand before deciding as a group the best ways to proceed.

### Group Work and Time

By now you should recognize that working in groups and teams has many advantages. However, one issue that is of central importance to group work is time. When working in groups, time can be a source of frustration as well as a reason to work together. One obvious problem is that it takes much longer to make decisions with two or more people as opposed to just one person. Another problem is that it can be difficult to coordinate meeting times when taking into account people's busy lives of work, school, family, and other personal commitments. On the flip side, when time is limited and there are multiple tasks to accomplish, it is often more efficient to work in a group where tasks can be delegated according to resources and skills. When each member can take on certain aspects of a project, this limits the amount of work an individual would have to do if he/she were solely responsible for the project.

## Tools for Communicating with Groups

Technology is rapidly changing the ways we communicate in a variety of contexts, and group communication is no exception. Many organizations use computers and cell phones as a primary way to keep groups connected given their ease of use, low cost, and asynchronous nature. In today's work place, you can use Google Docs, chat online, transfer documents back and forth, and form messages to achieve the group's goals—all without ever having to meet in person. You'll likely find yourself participating in virtual groups with people who have been brought together from a variety of geographical locations.

When groups communicate through email, threads, discussion forums, text messaging, and other asynchronous methods, they lose the ability to provide immediate feedback to other members. Also, using asynchronous communication technologies takes a great deal more time for a group to achieve its goals. In this module, as we think of groups and collaboration, we think more of two-way communication and related tools.

Nevertheless, technology is changing the ways we understand groups and participate in them. We have yet to work out all of the new standards for group participation introduced by technology. Used well, technology opens the door for new avenues of working in groups to achieve goals. Used poorly, technology can add to the many frustrations people often experience working in groups and teams.

### Meeting Scheduling

Have you ever watched an email addressed to more than five people rapidly fill your email box? Probably. Imagine the one with the subject line "Can you meet Tuesday at 10? or when?" This message for internal, external or a mix of meeting attendees will rapidly fill everyone's email box and possibly use more attendee time in reading and scheduling the meeting than the meeting may actually take. In Module 9: Communicating through Technology, we discussed a variety of tools available to streamline this interaction including Doodle and Calendly.

### Quick Conversations

Groups may or may not be co-located. Throughout the work day, questions come up that need simple responses and may be somewhat flexible in the time the response is needed. These tools may be one-on-one tools or group tools (i.e. text, group text).

This software typically provides ways for users to chat in real time, so projects can be completed faster because users don't have to wait for other users to respond by asynchronous means like email. Do check company policy on the use of these tools. There may be issues related to intellectual property, security, and customer relations. Tools that may suit this need are tools such as or similar to the following:

- Slack
- Google Hangouts
- Webex
- MicroSoft Teams

### Email

Certainly email remains an excellent tool because large numbers of people may receive the same message. Make sure you check company use of these tools, particularly when sharing sensitive information. Email was discussed further in Module 3: Written Communication.

### Conferencing

Conferencing has come a long way from bridged voice calls to expensive video bridges. Now most personal computers, tablets and phones offer users voice, video and text communication. This leads to richer communications through video conferences.

In Module 9: Communicating through Technology, we discussed a variety of tools available to for audio, video, and web conferencing.

### Project Management

Project management is no longer for massive construction projects. Many tracking and coordination skills are used in group communication. These management tools help keep all parties involved in a project on the same page. These tools also reduce the amount of incoming and outgoing communications, since team members have access to the status of each person's work.

**MS Project** is a project management software product, developed and sold by Microsoft. It is designed to assist a project manager in developing a plan, assigning resources to tasks, tracking progress, managing the budget, and analyzing workloads. The price for this software may set some back, but it is the industry standard.

Here are a few other examples of project management tools. Keep in mind that each tool has its own quirks, and it may take some trial and error to figure out what works best for your team:

- BaseCamp
- Trello
- Clubhouse
- Asana
- Teamwork

#### Practice Question

Team communication throughout this nationwide project has been critical. What was one software the team might have first used on this project?

- WebEx
- Doodle
- MS Project
- Slack

**Answer**

Doodle

## Collaborative Writing

The term **collaborative writing** refers to projects where written works are created by multiple people together rather than individually. Collaborative writing is also an approach for teaching novice authors to write, or for experienced writers to stretch their creative potential into modes that would be less accessible to each writer operating alone.

Using collaborative writing tools can provide substantial advantages to projects ranging from increased user commitment to easier, more effective and efficient work processes.It is often the case that when users can directly contribute to an effort and feel that they've made a difference, they become more involved with and attached to the outcome of the project. The users then feel more comfortable contributing time, effort, and personal pride into the final product, resulting in a better final outcome.

Teams may select from several methods of collaborative writing. It is important that the team discuss which style they will use for their project.

In all groups, there are those who are stronger in certain areas—such as conceptual thinking, leadership, public speaking and writing—than others. The group may elect a single individual to complete the actual composition of the document while everyone else contributes to the thinking and research that goes into it and also review, edit and possibly rewrite. This style leads to consistent voice for the document.

Teams should discuss individual team skills related to conceptual thinking, organizational structure, writing skills, subject expertise and proofreading skills. Ownership of the output belongs to all, no matter how individual work steps are completed. An example of this might be found in the parallel activity of creating sales proposals. There is a sales leader for the project, but operations team members, legal team members, and others have important input to the costs and description of the proposal.

Other projects are created using more of a divide and conquer method. In this style, each team member writes one or more assigned sections. This division of work is usually based on individual expertise. While expertise is important to each section, it may lead to some significant writing style complications. Final editing must consider these issues. Without a strong outline, there may be duplication or oversight in content when reviewing the entire document. The team may schedule some preliminary reviews to ensure the entire writing project is on track.

The outline for the document is the result of the work the team has completed first. In determining how to communicate the results, the team should robustly discuss the writing plan. There may be a need for more team work to fill in missing components. These discussions should have at least one member actively taking notes on the conversation to ensure all important components are included in the final document.

As the team gathers to structure the document's writing, team skills listed early in this module should be applied. In many situations, the team has completed much work and research already. That feeling of "that worst is over, we only have to write it down" may cause the team to let down its team-process efforts. Writing the document can cause as much—or more—stress as reaching the conclusions. Good team member skills are still needed.

As with all team activities, working in a group takes more time than working alone. With group writing, the initial drafting may go quickly, but the coordination before writing and the review after writing requires substantial effort. The output will be better with this effort, but to achieve that success takes time. There must be time for input from all relevant parties and the time to hear input on document content and structure.

Combinations of these styles are possible. How the writing takes place should be determined by the team in considering:

- Individual writing skill
- Length of time to final product
- Expertise in subject matter

Note that writing is a separate step in the document's preparation. Other steps such as outlining and editing have similar considerations.

One thing all group writers should remember: your name is on the document indicates your ownership and agreement with all content. Your reputation is on the line, so as a group member, it is your responsibility to be engaged regardless of the role.

### Practice Question

The team has completed the travel and research and now it ready to write its summary for review by upper management. There was one leader, but each of the four has expertise in various topics that must be addressed by the report. Which is the best choice for writing the report?

- Gather in the conference room and knock it out together.
- Divide and conquer with each writing a section and then group review.
- Let the leader write it based on the team input and then management edits.
- Let the leader write it based on team input and then each review his 'own' section.

**Answer**

Divide and conquer with each writing a section and then group review.

## Tools for Collaborative Writing

As mentioned earlier in the module, many groups are not physically located together. Collaborative writing would be nearly impossible for team members who are not co-located without the technology we have access to today. Social media and technology are changing the ways we communicate in groups. Even in co-located teams, this rich technology enhances teams' ability to produce well-written group documents.

In addition, collaborative writing tools have made it easier to design better work processes. These tools provide ways to monitor what users are contributing and when they contribute, so managers can quickly verify that assigned work is being completed. Since these tools typically provide revision tracking, it has also made data sharing simpler. Users won't have to keep track of what version is the current working revision since the software has automated that.

### wikis

It is important to point out that to be able to do collaborative writing, we need suitable tools. Very powerful software tools in this regard include "wikis." Although the wiki software can be used in many ways, most wikis share some basic characteristics that distinguish them from other social and collaborative technologies: they are unique, highly collaborative, based on open editing and evolving.

Initially collaborative writing began with a file created by one person and then emailed to the group. Each member of the team typed in the document and shared with others. This created many confusing copies of a document each of which had modest to major modifications. With significant edits, a large team, or a large document, it could be very confusing as to which was most current.

With this method, if a group is using Microsoft Word, there are several valuable features that can help. Microsoft Word has a Track Changes feature that allows each user's changes to be highlighted and noted by other contributors. Track Changes can be coupled with the feature Compare Documents to show the original document next to the edited document. Work can then be combined into a new document with components of either revision.

If this sounds time intensive and sometimes complex, it can be.

Google Docs is software that allows multiple users to work in a single document. Like Microsoft Word, individual user contributions are collected by each user. Users can look forward and backward through revisions to select the best choice for the document.

Dropbox is a piece of software designed more for file storage than for editing. However, it also allows documents to be shared across platforms. Many companies have similar shared platforms for group document creations. SharePoint is one additional example.

With any of these choices, it is important to review organizational security and sharing protocols. Group member roles related to editing should be established.

## Practice Question

Jennings is increasingly frustrated in the final steps of this project. The team is each writing part of the final report. Since they want to do it in a single format, there is one Microsoft Word document that they keep emailing to each other. Just yesterday he had to rewrite part of his corrections because he'd been working in an old copy of the file. Which of the following would help solve this problem?

- Dropbox
- Skype
- GoogleDocs Tracker
- Compare Documents feature

**Answer**

Compare Documents feature

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# 5.2.4: Workplace Etiquette

## What you'll learn to do: Discuss best practices in workplace etiquette

This module focuses on working in groups and teams. Good manners or etiquette is an underlying theme to starting interaction on the right foot. While some of the things discussed in this section may seem like common knowledge or common sense, it can be helpful to be reminded of basic manners. Additionally, there are several important reminders or lessons about working with others and attending corporate events.

### Learning Outcomess

- Discuss appropriate ways to behave in a workplace
- Discuss appropriate and inappropriate conduct at company events

## Interaction in the Workplace

The first and perhaps most lasting impression you make in the workplace starts with manners: how you carry yourself and how you behave. There are many cultural issues involved in discussing how to behave in the workplace. As with the rest of this course, these lessons are based on US corporate culture. If you are engaging with individuals from different countries or cultures, be sure to study up on their cultural standards. There are extensive resources available **online** for this information.

### Attire

At a distance, initial impressions begin with attire. Are you dressed appropriately for this workplace? To "dress up" changes meaning from a Saturday night club to a place of worship to the workplace. Absent a uniform or direct corporate attire policy, look at what your boss and your boss's boss wear in the workplace. Try to dress like those people as long as it's appropriate for the job you actually do. However, do not overdo it in a manner that causes you not to fit in. If everyone at your workplace wears slacks and dress shirts, don't wear a three-piece suit!

One bit of shared wisdom is to dress like the employee you want to be with your next promotion. There are times where you may be asked to attend an event away from the usual workplace. It may even be a bit social (such as taking a customer out for a meal). It is better to ask others about appropriate attire than to show up incorrectly dressed. This skill works in individual situations and particularly well when in a group. Think of your clothing as showing respect to the other person or persons.

### Practice Question

Tobias has just been offered an internship with a government agency. He was excited for the internship, but he wasn't sure what his soon-to-be boss Cassie had meant when she said they were "pretty casual" in their office. Which outfit might NOT be a good idea for Tobias's first day?

- Black jeans with lightweight pullover knit top.
- Brand new jeans and a flannel shirt.
- A pair of Levi's khaki slacks from last year and a solid covered Polo shirt.
- A pair of pants from a suit and a button-up shirt with a tie.

**Answer**

Brand new jeans and a flannel shirt

### Body Language

The second impression you make is with body language. Posture (a form of body language) communicates a lot about you. Are you standing tall with shoulders back, but not stiffly? Did you rise when someone new entered the room? Are your legs or ankles crossed? Is your head up, looking at the other person? If the answers to these questions are "yes," they identify someone ready to do the work of the day, someone who is confident.

In conversation, you should be attuned to and gently copy the body language of others you are speaking with. If the other person leans in a bit, you should consider doing so as well. If the other person is leaned back against his chair, you may do the same. Avoid

copying or aping the other person's movements, but do subtly follow him or her with similar movements. This is more appropriate if the other person has organizational rank or power.

Proximity, or the space around individuals, is another very culturally tied component of body language. Start by respecting other's work spaces. Whether your co-worker is in an office or a cubicle, pause to gain permission to enter that space. Once you are in conversation range of another person, no one will produce a measuring tape to determine how close or far to stand from someone else, but there is such a thing as appropriate distance and respecting personal space. Start at a distance where you are comfortable. If you notice the person gently backing up, then you are too close. If the person either moves in, leans in to hear, or repeatedly asks you to repeat yourself, you may be too far away. If the person you are speaking with is seated, try to sit near them so as to be at the same conversational level. If this is not possible, be sure you do not stand so close so that they feel like you are looking down on them. If you are seated and the person you are conversing with is standing, offer them a seat near you or stand to be at their level.

### Handshakes

Handshakes are the staple of business and professional greetings. They are another way to get off to a good start—or not. Your reputation may be made in this few second interaction. Reach with your right hand to grasp the other person's right hand. Grasp firmly but not in a manner to suggest a contest of strength. Shake hands up and down gently three to four times. As you shake, look the other individual in the eye and continue conversation. It is appropriate to make an effort to shake hands with all those in the group or immediate vicinity. With a room of 100, no one will shake hands with everyone, but do greet those close to you or those who may enter that area. If someone is injured or sick, they may opt out of shaking hands. Respect their wishes in this and just offer a friendly, "It's a pleasure to meet you." If you have a cold, you may choose not to shake hands, but you are then obligated to explain why, for example, "I'd love to shake hands, but I'm getting over a cold, and I wouldn't want to give it to you."

### Eye Contact

Eye contact is dramatically different among different cultures. Just like the handshake, it is a part of body language that can be handled poorly. "Look at me when I'm talking to you," is a phrase we may hear from a parent or teacher. It is true that we should look at the other person in a conversation and look in his or her eyes. Your look is directed at the other person's eyes or the bridge of their nose. In the United States, you should look others in the eyes (top of the nose) without staring intently: glance around occasionally.

Eye contact is important if you are speaking in front of a group and when you are part of an audience. As the speaker, you are trying to engage everyone with your subject. As the audience, you are showing the speaker that you are engaged and value this input. Again, do not stare intently but keep a steady gaze.

### Gestures

Gestures are another component of body language. In a business setting, gestures are somewhat contained. Avoid knocking into other people or items that are close to you. Use appropriate gestures to make your point.

Fidgeting is another gesture that may occur subconsciously. Some people tap pencils or snap rubber bands. Whatever your habit, avoid it.

### Volume and Location

Volume and location of conversation are important. When you are speaking with others, use a volume that is audible to those individuals and *only* to them. You want to avoid others being forced to hear your conversation when they may be trying to have conversations of their own. Your volume will be adjusted to the situation of the conversation. Avoid cell phones around others as the volume is frequently annoying. If you must use a cell, move to a location with some privacy. Business conversations have a special need for security.

It is never appropriate, no matter what your volume, to discuss company proprietary information outside of a secure work space. If you find yourself needing to whisper, then you are in the wrong place to have that conversation.

However, just being in the office building does not make any conversation fair game. If you run in to your boss on an elevator or in the restroom, you shouldn't try to enter into a conversation on a business topic. If your interaction with a colleague is coincidental, treat it that way with small talk. If you do have pressing matters to discuss then use that moment to inquire how to find a time to have the full conversation.

### Written Communication

Professional written communication is another sign of respect for coworkers that matters to a successful career. While we've covered those aspects extensively in this course, this is a reminder not to let your guard down. Always do your best work because it only takes one or two careless emails or memos to leave the impression that that is how you conduct all your work.

### Be on Time

Another important impression you make on others involves punctuality. In some cultures, it is appropriate and acceptable to be late to a meeting. This is not true in the United States where we say "time is money." Persons in position of power may keep subordinates waiting. While you may not appreciate it, you'll often have to accept a wait for the boss. Should the wait become too long (more than fifteen minutes), it may be appropriate to leave word you need to reschedule and leave. Let your company culture, the importance of the meeting, and consultation with others involved direct how you handle this situation.

## Company Events

Company events can to be fun, exciting, and relaxed. Sometimes employees are rewarded with big entertainment privately or at a public venue. Customers are sometime hosted by employees at sporting events. In many situations, alcohol is served; however, remember that these events remain a workplace requirement rather than a personal experience. They deserve the same level of professionalism as your behavior in the work place.

The guidelines below are suggestions, not rigid rules for each event you attend throughout your career. When in doubt, err or the side of greater formality or respect, especially when engaging with customers or people above you in the company hierarchy. Behave in a manner that demonstrates that you are qualified for your current position and for positions well above that rank.

For each company event, make sure you understand the purpose of the event and prepare appropriately.

### External Events

Some events include individuals from outside the company. These include sporting events, evenings at the theater, special meals, or other activities. When your company is hosting the event, it is your responsibility to meet and greet others who have been invited. For significant events, companies often assign company members to host specific individuals from the other organization. Employees may need to research their specific guest to recognize them and engage in appropriate conversation. Guests need to be open to meeting many of the hosting company's employees. Everyone should carry business cards to make an introduction and for use in follow-up conversations to be scheduled later.

### Conversation

Conversation at business social events is not exclusively related to business. However, care must be taken not to become overly personal. The social environment helps establish a personal encounter, yet it remains a professional relationship. The employee of a hosting business interacting with a guest should work to share conversational responsibilities, with a slight focus on the guest speaking more than the employee. As with a guest you might host at your home, when your company is the host, you are responsible for the guest's comfort, which may include stowing coats, pointing out sights and amenities, or leading the conversation with interesting inquiries. As a guest, you should expect to be well-treated, but avoid taking advantage.

Without an assigned agenda, questions such as the following may kick off the conversation or fill in the lulls:

- Have you always lived in [state]?
- What brought you to work for [company]?
- Do you have any trips planned in the near future?

For specific events, such as a theater outing or a sporting event, do a bit of homework ahead of time so that you may demonstrate understanding of the event. "Yes, time trials at the Indy 500 are held for the four proceeding weekends to establish race order." Or, "this performance is a remake of the 1964 hit of the same name. Back then, Jack Cassidy played the lead and won a Tony."

If a social event is seated, then be sure to engage equally with those seated to your left, right, and possibly across the table. Lend your attention to the guests rather than your co-workers. You can visit with your co-workers at the office.

## Introductions

As each person enters a conversation, introduce the new member to those in the group. Introductions are more than, “Susan, this is Renan. Renan, this is Susan.” Give each person a way to enter the conversation. “Susan, this is Renan. He’s head of west coast sales. Renan, this is Susan, she just joined us after graduating from college in Missouri.” While the hosting organization should take the lead in introductions, that should not hold you back as host or guest.

Perhaps one of the most awkward situations is when you are the one entering an area where everyone already seems engaged with others. It may be tempting to spend time admiring the buffet, bar, or art. Remember, this is a social occasion, so you must be social. Find a likely group, stick out your hand and say, “Hi, I’m Susan from ABCo. May I get your name?” Or, “I don’t seem to know anyone here, can you help me put an end to that?” As long as you look friendly and spend the initial moments of the conversation listening attentively, you should be fine.

If your company is the hosting organization, be sure to look for guests who seem to be standing awkwardly alone and invite them into your conversation group. You are not obligated to this person for the entire event, but offer the person a way to engage. Just as you may grow tired of one person, so might that person of you. Allow the gentle excuse of wanting to greet someone else or refill a drink to release you both from the conversation. If your departure strands the other, then introduce that person to a new group before moving away. These are social events with the intent of establishing more relationships.

### rising at the table

It may seem a bit old-fashioned to some, but it remains a sign of respect to rise when someone enters or leaves, particularly in groups that have a slightly older average age.

For example, if you are seated at a table, rise, introduce everyone and then sit back down as the new entrant does. Again, no one has to follow these suggestions as rules, but it is a tradition or custom in the United States.

## The Basics

The suggestions that follow are likely well known by all, yet we occasionally overlook them as we become absorbed in our own needs.

- Leave your cell phone in your car or on silent. Do not check your phone for any reason until you are completely alone and out of sight. As either host or guest, the cell phone clues everyone else in that you have your attention elsewhere.
- Do not chew gum.

## Table Manners

There are extensive guides online about table manners. This list is a summary of the bigger items that help you make a suitable first impression.

- Put your napkin in your lap once seated. If you are at a hosted event, wait for the host or hostess to place his or her napkin. As you finish the meal, casually fold your napkin and place it on the table. Never place the napkin on a used plate or return it to the table while others are eating.
- Start with dining utensils from the outside of the place setting and work your way in. For example, the smaller salad fork is far to the left. The main dinner fork is to the right of the salad fork. The dessert fork is to the right of the dinner fork or nearest your plate.
- Order items that your company would be willing to pay for or items that seem similar to that of the hosting company. A business dinner is not an opportunity for you to indulge.
- Take your first bite only after everyone is served. If this event is hosted, do not start eating until the host or hostess places his or her fork on his or her plate or takes a bite.
- Pass food to your right. If you are starting this dish, offer it to the left and then take your portion before passing.
- Ask others to pass items to you, rather than reaching in front of anyone.
- Bread is torn, not cut.
- Never speak with food in your mouth. Take small bites so the lull from question to answer is small.
- Focus less on eating and more on the guests. Second servings should be taken only when offered. Your main goal is to develop relationships; enjoy the food but remember where your focus should be.

- Do not feel required to eat food you do not care for. However, you should avoid announcing what you don't like. Appreciate the effort in your behalf even if you do not appreciate the food item.
- If the event is a cocktail party with appetizers, you may find yourself standing while trying to balance a drink, a plate, and your napkin and utensils while also shaking hands with people you meet. Keep in mind your eating situation when choosing foods, for example, skip the slice of meat you have to cut no matter how delicious it looks. Believe it or not, there are **online resources** to help you figure out this balancing act.

### Alcohol and Marijuana

It is not unusual to find alcohol being served at social business events. With changes in some states' laws, it is possible that marijuana may soon make an appearance at these events. If you do not normally use either of these, do not feel obligated to use these at a business outing and definitely do not choose a business event to try them for the first time. Gently decline and avoid offering excuses, reasons, or ridicule. You can simply say "No, thank you" or ask for an alternative, such as tea.

If you do want to accept an offer, then do so. However, remember the purpose of this social interaction is to build relationships, not to start a big party. Watch your intake carefully and be sure to limit your intake to less than the host and far, far less than the legal limit.

As the hosting company, you have a certainly amount of liability for any guest indulging at the event. Be alert to employees or guest who may have over-indulged. While it may be a difficult conversation, it is better to keep guest safe than let them leave under the influence. If the event is hosted with an outside provider, perhaps the manager of that concern has a way of dealing with inebriated patrons. Ask for assistance. Never offer to drive anyone else home unless you are completely sober. As a guest or host, it is far wiser to hire third party transportation.

#### Practice Question

Gretchen walked in to the corporate awards dinner meeting room. There was a bar in each corner, two long tables of appetizers and about 50 people milling about. None of these were from her region. What should Gretchen do?

- Put a smile on her face and move toward someone new to meet
- Get a plate and slowly walk down the appetizers while waiting for familiar face.
- Head out to the hallway and text one of her co-workers.
- Head to the bar for a glass of Chardonnay. It would fill her hands, calm her nerves, and help her look like she had something to do.

**Answer**

Put a smile on her face and move toward someone new to meet

### Internal Events

Some events are for company personnel only or company personnel and a few select individuals with close relationship to the company. Like external events, these may take place at sporting events, the theater, or other outside venues. Even when the company says your are invited as an appreciation for your efforts, that does not mean you should over-indulge in any part of the event. This remains a professional work event. At these events, it is your responsibility to meet and greet the others who have been invited. Try to branch out and engage with people who are not your usual work friends. With really large events, business cards may be handy to have.

### Conversation

Conversation at internal events is similar to conversation at external events. It is not exclusively related to business. However, care must be taken not to become overly personal. The social environment helps establish a personal relationship, yet it remains a professional relationship. Own your share of creating interesting conversations and helping them move along. Use similar conversation starters as recommended above.

Engage equally with those you like as well as your less preferred co-workers. You can visit close co-workers at the office.

## Introductions

In some large companies, not everyone knows each other. Relish this opportunity to get to know new colleagues. Engage in introductions as discussed above.

Whether internal or external, social events can make us feel alone in a crowd. Look for individuals who appear lost or isolated and invite them into the activities. If you are feeling lost or isolated, find a discussion group to enter.

## The Basics

The Basics discussed above apply to internal social engagements equally. One word of caution relates to alcohol and marijuana (when legal). It may be tempting to feel that it is okay to drink a bit more or smoke a bit more since the internal organization is "family." It is not right to excessively indulge at any company event. This remains a professional gathering. Your career takes precedence. Additionally, your company may have legal liability for its guests.

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# 5.2.5: Putting It Together- Collaboration in and across teams

Let's look back at Pedro's team project he was working to arrange at the beginning of this module. The project is now complete. The six core team members submitted the 15-page proposal attached to an email just last evening. In two more weeks, the team will learn if they made the cut to the final round.

Pedro and all the team are thankful for each other's help in this exciting project. Being able to break the project into smaller, manageable sections by leveraging the teammates was important. Without the work of each team member, they never would have been able to collect all the data and ideas needed to create the exciting new story layout proposal. Having more hands on the project certainly was important to the submission, but more important was the expertise they each brought. Before this project, Pedro had not fully appreciated or understood the cost of heating and cooling for store products and how it routed under floors. It seemed to surprise others that coupons were now sent to customers based on past buying behavior.

Luckily, the team quickly realized that their initial plan of having a twenty-person core team made communication and decision-making far too difficult. That first meeting of twenty people calling out ideas and trying to dominate the conversation really disintegrated into a mess as the individual emails started afterward. The re-forming of the team to six core individuals with each managing a sub-group kept the power of ideas but cut down on the complexity of communication.

Pedro also learned quite a bit about his employees' passion. It turns out that enthusiasm can lead to lots of conflict as each team member advocated for his or her own ideas. It helped when they started segmenting activities around the goal to be achieved at each step. Even those who were angry could come back to focus on the group's goal over individual gain. At first, it was not intentional when various team members stepped into various roles that kept the project rolling along but it was helpful. Angel's collection of "lessons learned" during the project to turn over to future teams was a great idea. While Pedro was declared the leader, it was important to have others intentionally help bring ideas forward, track ideas, and support the emotional needs of team members.

Perhaps the most productive time of the team was in the final few weeks as the document was written. Right after the first outline was sent out for review, it became apparent that emailing a Word document of the outline would not work. Within the space of three days, it was impossible to tell which changes were incorporated and which document was most current. That was when the team started using Google Docs, as suggested by Lisa. It allowed the outline to be developed with input from the core team. With the revision marking, it was possible to look back to prior ideas so that nothing was lost and all changes were available immediately.

While the team waited for corporate's response, there was a tension in the air. Rather than let the team wallow in the stress, it was time to thank everyone for their overtime on this project. Pedro booked the large back room at a local restaurant for three hours on a Thursday night. He planned enough appetizers to almost count as dinner. Alcohol would be served along with water, tea, and strawberry lemonade. Pedro planned on making some opening thank you remarks. He even had a few simple company-branded items to provide, partially as a joke but also to convey his sincere thanks as he talked about the stories of their journey so far. This was one more bonding step for the team.

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# 5.3: Training and Evaluating Employees

**Learning Objectives**

- Describe types of job training and employee performance assessment

Training is an important element of success and performance in many jobs. Most jobs begin with an orientation period during which the new employee is provided information regarding the company history, policies, and administrative protocols such as time tracking, benefits, and reporting requirements. An important goal of orientation training is to educate the new employee about the organizational culture, the values, visions, hierarchies, norms and ways the company's employees interact—essentially how the organization is run, how it operates, and how it makes decisions. There will also be training that is specific to the job the individual was hired to do, or training during the individual's period of employment that teaches aspects of new duties, or how to use new physical or software tools. Much of these kinds of training will be formalized for the employee; for example, orientation training is often accomplished using software presentations, group presentations by members of the human resources department or with people in the new hire's department (Figure 1).



**Figure 1**. Training usually begins with an orientation period during which a new employee learns about company policies, practices, and culture. (credit: Cory Zanker)

Mentoring is a form of informal training in which an experienced employee guides the work of a new employee. In some situations, mentors will be formally assigned to a new employee, while in others a mentoring relationship may develop informally.

Mentoring effects on the mentor and the employee being mentored, the protégé, have been studied in recent years. In a review of mentoring studies, Eby, Allen, Evans, Ng, & DuBois (2008) found significant but small effects of mentoring on performance (i.e., behavioral outcomes), motivation and satisfaction, and actual career outcomes. In a more detailed review, Allen, Eby, Poteet, Lentz, & Lima (2004) found that mentoring positively affected a protégé's compensation and number of promotions compared with non-mentored employees. In addition, protégés were more satisfied with their careers and had greater job satisfaction. All of the effects were small but significant. Eby, Durley, Evans, & Ragins (2006) examined mentoring effects on the mentor and found that mentoring was associated with greater job satisfaction and organizational commitment. Gentry, Weber, & Sadri (2008) found that mentoring was positively related with performance ratings by supervisors. Allen, Lentz, & Day (2006) found in a comparison of mentors and non-mentors that mentoring led to greater reported salaries and promotions.

Mentoring is recognized to be particularly important to the career success of women (McKeen & Bujaki, 2007) by creating connections to informal networks, adopting a style of interaction that male managers are comfortable with, and with overcoming discrimination in job promotions.

Gender combinations in mentoring relationships are also an area of active study. Ragins & Cotton (1999) studied the effects of gender on the outcomes of mentoring relationships and found that protégés with a history of male mentors had significantly higher compensation especially for male protégés. The study found that female mentor–male protégé relationships were considerably rarer than the other gender combinations.

In an examination of a large number of studies on the effectiveness of organizational training to meet its goals, Arthur, Bennett, Edens, and Bell (2003) found that training was, in fact, effective when measured by the immediate response of the employee to the training effort, evaluation of learning outcomes (e.g., a test at the end of the training), behavioral measurements of job activities by

a supervisor, and results-based criteria (e.g., productivity or profits). The examined studies represented diverse forms of training including self-instruction, lecture and discussion, and computer assisted training.

## Evaluating Employees

Industrial and organizational psychologists are typically involved in designing performance-appraisal systems for organizations. These systems are designed to evaluate whether each employee is performing her job satisfactorily. Industrial and organizational psychologists study, research, and implement ways to make work evaluations as fair and positive as possible; they also work to decrease the subjectivity involved with performance ratings. Fairly evaluated work helps employees do their jobs better, improves the likelihood of people being in the right jobs for their talents, maintains fairness, and identifies company and individual training needs.

**Performance appraisals** are typically documented several times a year, often with a formal process and an annual face-to-face brief meeting between an employee and his supervisor. It is important that the original **job analysis** play a role in performance appraisal as well as any goals that have been set by the employee or by the employee and supervisor. The meeting is often used for the supervisor to communicate specific concerns about the employee's performance and to positively reinforce elements of good performance. It may also be used to discuss specific performance rewards, such as a pay increase, or consequences of poor performance, such as a probationary period. Part of the function of performance appraisals for the organization is to document poor performance to bolster decisions to terminate an employee.

Performance appraisals are becoming more complex processes within organizations and are often used to motivate employees to improve performance and expand their areas of competence, in addition to assessing their job performance. In this capacity, performance appraisals can be used to identify opportunities for training or whether a particular training program has been successful. One approach to performance appraisal is called 360-degree feedback appraisal (Figure 2). In this system, the employee's appraisal derives from a combination of ratings by supervisors, peers, employees supervised by the employee, and from the employee herself. Occasionally, outside observers may be used as well, such as customers. The purpose of 360-degree system is to give the employee (who may be a manager) and supervisor different perspectives of the employee's job performance; the system should help employees make improvements through their own efforts or through training. The system is also used in a traditional performance-appraisal context, providing the supervisor with more information with which to make decisions about the employee's position and compensation (Tornow, 1993a).




**Figure 2**. In a 360-degree performance appraisal, supervisors, customers, direct reports, peers, and the employee himself rate an employee's performance.

Few studies have assessed the effectiveness of 360-degree methods, but Atkins and Wood (2002) found that the self and peer ratings were unreliable as an assessment of an employee's performance and that even supervisors tended to underrate employees that gave themselves modest feedback ratings. However, a different perspective sees this variability in ratings as a positive in that it

provides for greater learning on the part of the employees as they and their supervisor discuss the reasons for the discrepancies (Tornow, 1993b).

In theory, performance appraisals should be an asset for an organization wishing to achieve its goals, and most employees will actually solicit feedback regarding their jobs if it is not offered (DeNisi & Kluger, 2000). However, in practice, many performance evaluations are disliked by organizations, employees, or both (Fletcher, 2001), and few of them have been adequately tested to see if they do in fact improve performance or motivate employees (DeNisi & Kluger, 2000). One of the reasons evaluations fail to accomplish their purpose in an organization is that performance appraisal systems are often used incorrectly or are of an inappropriate type for an organization's particular culture (Schraeder, Becton, & Portis, 2007). An organization's culture is how the organization is run, how it operates, and how it makes decisions. It is based on the collective values, hierarchies, and how individuals within the organization interact. Examining the effectiveness of performance appraisal systems in particular organizations and the effectiveness of training for the implementation of the performance appraisal system is an active area of research in industrial psychology (Fletcher, 2001).

## Glossary

**job analysis:** determining and listing tasks associated with a particular job

**performance appraisal:** evaluation of an employee's success or lack of success at performing the duties of the job

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# 5.4: Leadership and Conflict

**Learning Objectives**

1. Describe four roles that a leader might play with respect to conflict
2. Assess the effectiveness of leadership behavior exhibited in an illustrative academic situation

*"The hope of the world is that wisdom can arrest conflict between brothers. I believe that war is the deadly harvest of arrogant and unreasoning minds."*

*Dwight Eisenhower*

To lead a group successfully through conflict requires patience, goodwill, and determination. Robert Bolton, Bolton, R. (1979). *People skills: How to assert yourself, listen to others, and resolve conflicts*. Englewood Cliffs, NJ: Prentice-Hall noted that leaders with low levels of defensiveness tend to help people in their organizations avert unnecessary strife because they are able to focus on understanding and dealing with challenges rather than on saving face or overcoming resistance from others in their groups. Bolton also wrote that employing power judiciously, displaying charisma, and employing effective communication skills can positively affect the way conflict is handled. In this section, we will examine four general roles a leader may adopt with respect to preparing for inevitable instances of conflict. We will also provide an example of how one leader adopted the fourth role in a conflict situation.

## The Leader as Motivator

Just as it takes more than one person to create conflict, it generally requires more than a single individual to resolve it. A leader should, therefore, try somehow to cause other members of a group to identify benefits to themselves of engaging in productive rather than destructive conflict. Randy Komisar, a prominent Silicon Valley executive who has worked with companies such as WebTV and TiVo and co-founded Claris Corporation, had this to say about the importance of this kind motivational role as his companies grew:

"I found that the art wasn't in getting the numbers to foot, or figuring out a clever way to move something down the assembly line. It was in getting somebody else to do that and to do it better than I could ever do, in encouraging people to exceed their own expectations; in inspiring people to be great; and in getting them to do it all together, in harmony. That was the high art."Komisar, R., & Lineback, K. (2000). *The monk and the riddle: The education of a Silicon Valley entrepreneur.* Cambridge, MA: Harvard Business Press. We'll talk later about specific strategies that leaders and other group members can employ to manage conflict by means of motivation and other strategies.

## The Leader as Delegator

No leader, even the leader of a handful of other people in a small team, can handle all the challenges or do all the work of a group. In fact, you've probably encountered leaders throughout your life who either exhausted themselves or alienated other group members—or both!—because they tried to do just that. Beyond accepting the sheer impossibility of shouldering all of a group's work, a leader can attempt to prevent or manage conflict by judiciously by acting as a delegator, turning over responsibility for various tasks to others.

Warren Bennis, a pioneer in the field of leadership, wrote that such delegation is a vital component of the leader's role. When it is practiced skillfully, according to Bennis, delegation may confine conflicts to the levels at which they occur and free the leader to conduct higher-level undertakings Bennis, W. (1997). *Why leaders can't lead.* San Francisco: Jossey-Bass.

## The Leader as "Structuralist"

Michael Thomas, a professor for many years at the University of Texas, served as a respected consultant to numerous businesses and educational institutions. As he went from group to group, he tackled their problems primarily by reviewing their organizational charts and tinkering with their structure. As an admired organizational theorist and structuralist, he believed that nearly any problem, tension, or conflict in a group could be solved structurally Professor emeritus Thomas, Jr., dies at 76. (2008, Nov 14). *US Fed News Service, Including US State News*. Retrieved from ProQuest Database. How people behave, he said, is largely

determined by where they sit in an organization and whom they report to and supervise. If Mike saw that people in two separate sections of a group were at odds, for instance, he would propose that the sections be consolidated so that both became responsible to the same supervisor. Mike certainly used further techniques in his consultant's role, but his emphasis on structural changes stands as one kind of advice for leaders who hope to lessen the damaging effects of conflict in their groups.

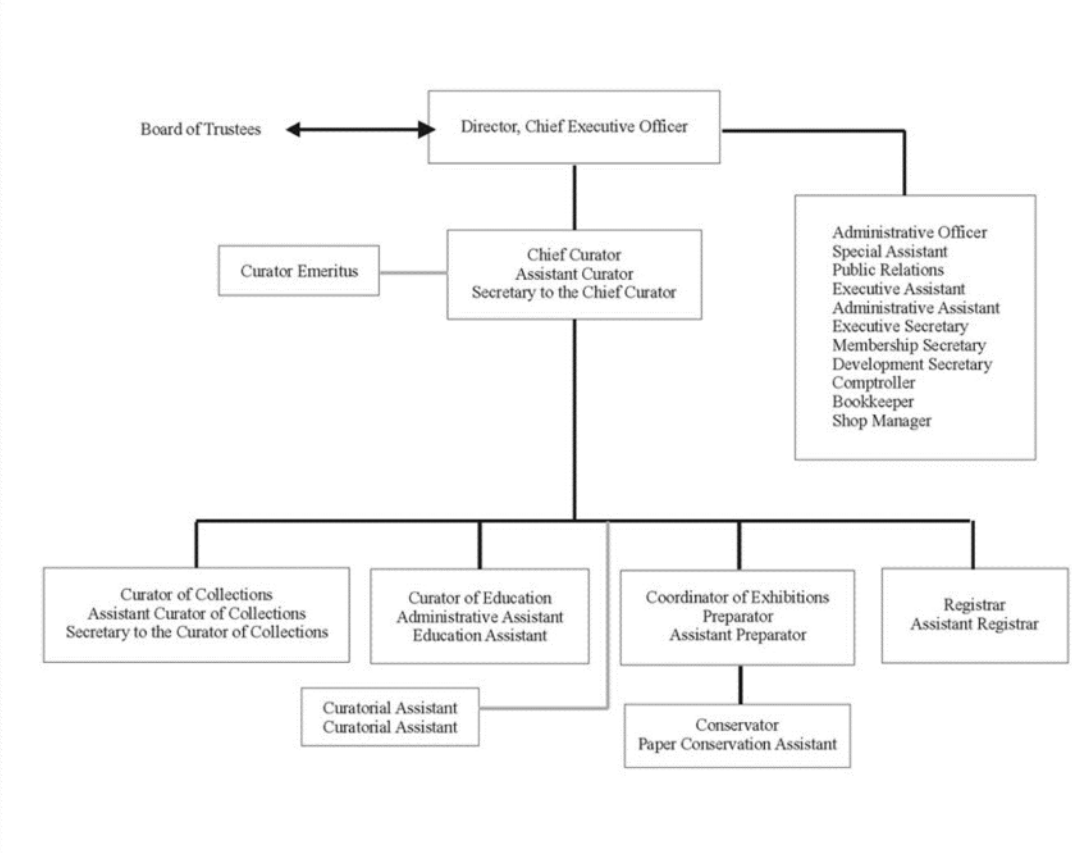



Figure 5.4.1: Organization chart for a museum. Source: www.flickr.com/photos/zerne/19747286/

Realistic Conflict Theory, or Realistic Group Conflict Theory (RGCT), likewise stresses the importance for leaders of configuring subgroups within a larger group so that they are required to meet common goals. A classic study by social psychologist Muzafer Sherif, Sherif, M., Harvey, O.J., White, B.J., Hood, W., & Sherif, C.W. (1961). *Intergroup conflict and cooperation: The robbers cave experiment*. Norman, OK: The University Book Exchange. with 22 twelve-year-old boys in a summer camp in Oklahoma exemplifies the nature of RGCT and illustrates the concept of "leader as structuralist."

The boys were split into two groups at the start of the study, after which leaders quickly emerged in each group. The two groups were then required to compete in camp games and were rewarded on the basis of their performance. Soon conflict arose as negative attitudes and behavior developed within each group toward the other.

In the third part of the study, the structure of the camp was changed in such a way that the two antagonistic groups were called upon to share responsibility for accomplishing a variety of tasks. The outcome of this structural change was that attitudes within each group toward the other became favorable and conflict lessened dramatically. Sherif, Muzafer (1966). *In common predicament: Social psychology of intergroup conflict and cooperation*. Boston: Houghton Mifflin.

Paradoxically, a leader may also deal with conflict by separating people rather than bringing them together. If a team is experiencing internal conflict that seems to be related to intense personality differences between two individuals, for instance, the leader may decide to change the composition of the team so as to reduce their interaction. (Think about the third-grade teacher who finds two children pummeling each other during recess and sends them to opposite ends of the schoolyard).

## The Leader as Promoter of "Constructive Deviation"

*Civil disobedience. . . is not our problem. Our problem is civil obedience…The future is an infinite succession of presents, and to live now as we think human beings should live, in defiance of all that is bad around us, is itself a marvelous victory.*

*Howard Zinn*

*I was at a conference in Jackson Hole, talking with Peter McLaren and Donaldo Macedo and David Gabbard. This guy in a herring-bone suit, all prim and proper, came over and said, "Well, Dr. Macedo, very, very interesting talk. I enjoyed it very much. Dr. Gabbard, very interesting talk. I enjoyed it very much."*

*He was going around being polite. And then he turned and looked at Peter McLaren, and he said, "Mr. Mclaren..."—not "doctor"—"your discourse stretches my comfort zone just a little too much."*

*And before any of us could say anything, Donaldo turned to him and said, "There are millions of people born, live their entire lives, and die on this planet without ever knowing the luxury of a comfort zone."*

*The guy was speechless. It was a very polite way for him to say, "You know, I'm tired of hearing white men tell me that they're feeling a little oppressed by discourse."*

*The guy walked away, and Peter McLaren turned to me and said, "F**k! Why didn't I say that?" But that's Macedo. Macedo is on his toes, all the time. He's never caught tongue-tied. He knows exactly how to turn it around.*

*Roberto Bahruth*

A deviate is someone who differs in some important way from the rest of a group. ResearchValentine, K.B., & Fisher, B.A. (1974). An interaction analysis of verbal innovative deviance in small groups. *Speech Monographs*, *41*, 413–420. indicates that interaction with deviates may account for up to a quarter of many groups' time and that such interaction may serve a positive function if it successfully causes people who hold a majority opinion to examine their views critically. In essence, dealing with deviates can keep group members on their toes and counteract the tendency to engage in groupthink. Encouraging deviates is one measure a leader can take to promote constructive conflict which brings a group to a higher level of understanding and harmony.

Of course, listening to a deviate may be disconcerting, since it may push us outside our comfort zone in the way that Peter McLaren did in the story told by Roberto Bahruth. In fact, deviates naturally have great difficulty influencing a group because of other people's resistance. For this reason, part of a leader's responsibility may sometimes consist in simply making sure that a deviate is not outright silenced by members of the majority. In other cases, it is the leader who at least at times assumes the role of deviate herself or himself.

Because deviates by their very nature call the members of the majority in a group to stop and seriously question their attitudes and behavior, which is usually disconcerting and uncomfortable, the most successful deviates are generally those who attempt to lead others in a cautious fashion and who demonstrate loyalty to their group and its goals. Thameling, C.L., & Andrews, P.H. (1992). Majority responses to opinion deviates: A communicative analysis. *Small Group Research*, *23*, 475–502. Timing can also determine whether a deviate's influence will be accepted. Waiting until a group has developed a sense of cohesiveness is most likely to be more effective, for instance, than jumping in with an unexpected or unconventional proposal during the group's formative stages.

## A Leadership Example

In early 1980 the brutal Khmer Rouge regime in Cambodia had just been defeated at the end of many years of fighting, and several hundred thousand Cambodian refugees flooded hastily-constructed camps in eastern Thailand. Chandler, D.P. (1992). *A history of Cambodia*. Boulder, CO: Westview Press. Many Americans became concerned about the suffering in the refugee camps, and a group of 25 graduate students in Vermont studying international administration nearly played a direct role in the situation because their program's director was willing to speak out as a deviate.

The students were seated in a circle one morning, engaged in a discussion about human service agencies. One of them noticed that the director of the program, Walter Johnson, had been silent for some time and asked, "Walter, what do you think?"

Walter took a deep breath and replied, "I think what we're talking about is all well and good, but what I'd really like to do is call a colleague of mine at the U.N. and see if we could help the Cambodian refugees in those horrible camps in Thailand."

A stunned silence fell over the group. Someone asked, "Are you serious?"

Walter replied, “Yes, I am.”

Silence returned. Finally, one of the students said, “Walter, if you believe what you’re saying, go ahead and talk to your friend.”

Walter left the room and returned in half an hour to say that his U.N. colleague was willing to investigate humanitarian service options in Thailand for the students. The challenge, then, was to explore whether the students themselves would consider performing such service.

For the next two days, the whole group engaged in difficult, soul-searching discussions about what it would mean for them to go to Thailand. They quickly realized that if they made that choice they would have to abandon their curriculum at the school and might imperil their financial aid. Some of them would probably have to leave a spouse or children behind. And they might be putting themselves in danger of disease or violence. On the other hand, they could potentially be able to act according to their shared ideal of contributing to world peace in a personal, direct, and powerful manner.

Ultimately, the group realized that it was facing an “all or none” question: either every one of them would have to agree to travel to Thailand, or none of them should. Walter’s role as a constructive deviate in the Vermont group stimulated it to consider an option—the “go to Thailand option”—which in turn spurred earnest and productive conflict which most likely would not otherwise have taken place.

## Key Takeaway

- To harness conflict in a positive manner and contribute to the healthy functioning of a group, a leader should play the roles of motivator, delegator, structuralist, and promoter of constructive deviation.

### Exercise 5.4.1

1. Think of someone you met in a group whom you would consider to be a “deviate.” On what basis did you make that determination? To what degree did others in the group share your assessment of the person?
2. Do you share the view that any conflict What examples from your own experience support your answer? Consider a group that you’re currently part of, imagine a change in its structure which you feel could reduce its conflict, and share the information with two fellow students.
3. All other things being equal, would you prefer to address a conflict by bringing the parties together or separating them? Explain your reasons and provide an example that you believe supports them.

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# CHAPTER OVERVIEW

## Course Learning Outcome #6: Explain “change management” and how it affects productivity.


6.1: Organizational Change

6.1.1: Internal Change Management

6.1.2: Putting It Together- Organizational Change

6.1.3: Discussion- Organizational Change

6.1.4: Assignment- Change Management and Conflict Resolution

6.1.5: Why It Matters- Organizational Change

6.1.6: Introduction to Change Management

6.1.7: Forces of Change

6.1.8: Types of Change

6.1.9: Resistance to Change

6.1.10: Models of Change Management

6.1.11: Introduction to Success and Failure in Change

6.1.12: Crisis Management

6.1.13: External Change Management

6.2: Why Engage in Organizational Change

6.3: Planning and Executing Change Effectively

6.4: Building Your Change Management Skills

6.5: Creating Cultural Change


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# SECTION OVERVIEW

## 6.1: Organizational Change


6.1.1: Internal Change Management

6.1.2: Putting It Together- Organizational Change

6.1.3: Discussion- Organizational Change

6.1.4: Assignment- Change Management and Conflict Resolution

6.1.5: Why It Matters- Organizational Change

6.1.6: Introduction to Change Management

6.1.7: Forces of Change

6.1.8: Types of Change

6.1.9: Resistance to Change

6.1.10: Models of Change Management

6.1.11: Introduction to Success and Failure in Change

6.1.12: Crisis Management

6.1.13: External Change Management



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# 6.1.1: Internal Change Management

**Learning Objectives**

- Discuss internal change management and learning organizations



Amazon always seems to be among those companies that we talk about when we want to cite a good example of how to do business. But change looms like a threat in the background even when a company is setting standards for others, and Amazon is no exception.

In August of 2017, Amazon purchased Whole Foods Market, and it immediately became a player in the $840 billion grocery industry. Amazon made the move to compete with players like Walmart, who did business both in the ecommerce and brick-and-mortar space. Grocery and retail stocks saw a downward tumble as investors immediately saw Amazon becoming the big fish in this industry. But everyone was surprised, and now, more than a year later, we still don't hear anything worthwhile coming out of the merger.




What we do hear, however, are stories about Whole Foods employees crying in the aisles of their stores, responding emotionally and unfavorably to the new rules and regulations imposed upon them by the online giant. Scorecards are used to measure—and even terminate—employees and customers are screaming at the sight of their poorly stocked shelves. A merger that would allow Amazon to grow outside of the Ecommerce arena and create additional buying power (and selling power) for Whole Foods looks to be stumbling, if not faltering entirely. What's the issue?

The issue is culture—or, more specifically, the lack of a successful blend of the cultures of two very different companies.

As we mentioned earlier, Whole Foods' organizational structure was team-based, with teams answering to themselves and to each other. Amazon, on the other hand, has a structure that's rooted in manufacturing bureaucracy, functioning with military-like precision and not leaving much room for autonomy. It should not have come as a surprise that the two cultures would clash.

Whole Foods is a small part of Amazon's business but a large part of their future strategy and a lot is riding on their ability to make this merger work. Still, the odds are against them: between 70 and 90 percent of mergers fail and it's easy to see why considering amount of change has to be managed by the companies involved.

If Amazon were to adopt some of the habits of a learning organization and incorporate those behaviors into their change management strategy overall, some of these merger issues could have been avoided, or at least anticipated. Let's take a look at how learning organizations prepare themselves for change.

## Learning Organizations

Learning organizations are the result of looking for new ways to successfully respond to a world of interdependence and change, and the ideal learning organization has developed the continuous capacity to adapt and change. The characteristics of a learning

organization:

- There exists a shared vision which everyone agrees on
- People discard old ways of thinking and standard routines
- Members think of all organizational processes, activities, functions and interactions with the environment as part of a system with interrelationships
- People openly communicate with each other across vertical and horizontal boundaries without fear of criticism or punishment
- Personal self-interests and fragmented departmental interests are sublimated to the organization's shared vision

This is easier to say than it is to do, but I think we can agree that most of these aspects of a learning organization are not in place where Amazon and Whole Foods are concerned.

Typical organizations address problems with single-loop learning, where errors are corrected using past routines and present policies. Learning organizations, however, have adopted double-loop learning, where errors are corrected by modifying the organization's objectives, policies, and standard routines.

Furthermore, learning organizations are meant to be a remedy for three fundamental problems inherent in traditional organizations: fragmentation, competition, and reactiveness.

Fragmentation refers to the specialization within an organization that creates walls and silos. This fragmentation separates different functions into independent areas that often bicker with one another. Amazon is, in itself, a silo, with a rigid culture based on discipline and prescribed rules and regulations. Rather than reviewing and negotiating Whole Foods' culture, they went about operating the grocery chain with Amazon rules – including scorecards and regulations. Amazon has inadvertently created an "us" and "they" with their actions.

Competition in an organization undermines collaboration. Managers compete to show who is right, who knows more, who is the most powerful. Whole Foods workers were used to having a lot of autonomy in their actions, negotiating face-to-face with customers and making educated decisions about how to go about their work. Amazon's new rules and regulations will spike competition by presenting these new measurements and regulations by which Whole Food employees are evaluated.

Finally, reactiveness misdirects management's attention to problem solving rather than creation. It remains to be seen how Amazon will respond to their faltering relationship with their adopted child. Experts agree that performance in 2019 will be key to Amazon's future success in the grocery space, but will they be able to get this unstable ship moving in the right direction to do so? The managers of both companies have the opportunity to create something new, but if they're addressing problems at every turn rather than innovating, reactiveness will thwart their efforts.

Organizations can make an effort to become a learning organization. Changing an organization to be a continual learner includes:

- **Establishing a strategy:** a commitment to change, innovation and continuous improvement
- **Redesign the organization's structure:** formal structures can impede learning, so flattening the structure and putting teams into place increase cross-functional communication and eliminate boundaries
- **Reshape the organization's culture:** management must change its behavior as well as its strategy to embrace risk and change

Amazon isn't going to wake up one morning, look at their faltering brick-and-mortar grocery sales, and say, "Hey, let's become a learning organization and make this work." Becoming a learning organization isn't the solution to their problem—skillful change management is what's needed. But organizations have thought about how to avoid what's happening with the Amazon/Whole Foods merger and concepts like learning organizations are what results from it.

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# 6.1.2: Putting It Together- Organizational Change

Now we understand everything we can about change – the forces that push for it, like technology and consumer demand; the types of changes we can face, like evolutionary or revolutionary; the ways we can avoid resistance to it and put it in place with the least amount of pain.

The thing about change is…it changes. In the 1800s, technological change was certainly an issue, as the steam engine and the cotton gin were among technologies introduced that had us looking at the ways we can do things differently. But change today in that realm is so much quicker. New technologies and apps are being invented daily, and industry disruptors have organizations holding their breath and taking risks at speeds they never thought possible.

Change has changed over the years in that it's a global issue. Companies like Daimler Chrysler or Anheuser Busch and Belgium's InBev have presented challenges on a cultural level. It wasn't too long ago that mergers like this were less common, but technology has made the world a smaller place.

Organizations must manage and stay ahead of change every day if they're going to be competitive. But they also need to anticipate change, and what it's going to look like in years to come. They can push to innovate and drive change. Lee Iaccoca was prophetic when he spoke on behalf of Chrysler, telling us:

"Lead, follow, or get the hell out of the way."

Perhaps that's how change will happen. We can only wait and see.

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# 6.1.3: Discussion- Organizational Change

As the lead consultant for Workplace Solutions Consulting, you are the one to deliver the recommendations for organizational change to the management of Informational Systems. Some of the ideas involve centralizing some duplicated administration functions in regional locations and others involve de-centralizing product departments to break down silo walls across locations. The bottom line: although all of these changes are for the better for organization, they will be quite disruptive to the personnel at IS.

## Discussion Prompt

What steps would you take to prepare the organization for the upcoming organizational changes?

## Grading

Share your opinions below and respond to two of your classmates' thoughts.

| Criteria | Not Evident | Developing | Exemplary | Points |
|---|---|---|---|---|
| Submit your initial response | **0 pts** No post made | **2 pts** Post is either late or off-topic | **5 pts** Post is made on time and is focused on the prompt | 5 pts |
| Respond to at least two peers' presentations | **0 pts** No response to peers | **2 pts** Responded to only one peer | **5 pts** Responded to two peers | 5 pts |
| | | | **Total:** | **10 pts** |

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# 6.1.4: Assignment- Change Management and Conflict Resolution

## Scenario

As the lead consultant for Workplace Solutions Consulting, you are the one to deliver recommendations for organizational change to the management of Informational Systems. Some of the ideas involve centralizing some duplicated administration functions in regional locations and others involve de-centralizing product departments to break down silo walls across locations. You collected significant data in order to conduct the best analysis. The bottom line: although all of these changes are for the better for organization, they will be quite disruptive to the personnel at IS.

## Your Task

### Part I

You used the data you collected in order to arrive at the most-informed decisions possible regarding changes to the organization. What steps would you follow and what information would you collect to ensure sound data-driven decisions?

### Part II

It is now time to execute the reorganization of Informational Systems. Describe how you would implement the following:

1. The centralization of Finance and HR (no jobs lost, but increased specialization and responsibility).
2. The de-centralization of the heretofore separate product departments (break up of existing teams, reforming new teams, and new reporting relationships).

## Grading Rubric

| Criteria | Inadequate (40%) | Minimal (60%) | Adequate (80%) | Exemplary (100%) | Total Points |
|---|---|---|---|---|---|
| Organization and format | **2 pts**<br>Writing lacks logical organization. It may show some coherence but ideas lack unity. Serious errors and generally is an unorganized format and information. | **3 pts**<br>Writing is coherent and logically organized, using a format suitable for the material presented. Some points may be contextually misplaced and/or stray from the topic. Transitions may be evident but not used throughout the essay. Organization and format used may detract from understanding the material presented. | **4 pts**<br>Writing is coherent and logically organized, using a format suitable for the material presented. Transitions between ideas and paragraphs create coherence. Overall unity of ideas is supported by the format and organization of the material presented. | **5 pts**<br>Writing shows high degree of attention to details and presentation of points. Format used enhances understanding of material presented. Unity clearly leads the reader to the writer's conclusion and the format and information could be used independently. | **5 pts** |
| Content | **8 pts**<br>Some but not all required questions are addressed. Content and/or terminology is not properly used or referenced. Little or no original thought is present in the writing. Concepts presented are merely restated from the source, or ideas presented do not follow the logic and reasoning presented throughout the writing. | **12 pts**<br>All required questions are addressed but may not be addressed with thoughtful consideration and/or may not reflect proper use of content terminology or additional original thought. Additional concepts may not be present and/or may not be properly cited sources. | **16 pts**<br>All required questions are addressed with thoughtful consideration reflecting both proper use of content terminology and additional original thought. Some additional concepts may be presented from other properly cited sources, or originated by the author following logic and reasoning they've clearly presented throughout the writing. | **20 pts**<br>All required questions are addressed with thoughtful in-depth consideration reflecting both proper use of content terminology and additional original thought. Additional concepts are clearly presented from properly cited sources, or originated by the author following logic and reasoning they've clearly presented throughout the writing. | **20 pts** |
| Development—Critical Thinking | **8 pts**<br>Shows some thinking and reasoning but most ideas are underdeveloped, | **12 pts**<br>Content indicates thinking and reasoning applied with original thought on a few | **16 pts**<br>Content indicates original thinking, cohesive conclusions, and developed ideas | **20 pts**<br>Content indicates synthesis of ideas, in-depth analysis and evidence beyond the | **20 pts** |

| Criteria | Inadequate (40%) | Minimal (60%) | Adequate (80%) | Exemplary (100%) | Total Points |
|---|---|---|---|---|---|
| | unoriginal, and/or do not address the questions asked. Conclusions drawn may be unsupported, illogical or merely the author's opinion with no supporting evidence presented. | ideas, but may repeat information provided and/ or does not address all of the questions asked. The author presents no original ideas, or ideas do not follow clear logic and reasoning. The evidence presented may not support conclusions drawn. | with sufficient and firm evidence. Clearly addresses all of the questions or requirements asked. The evidence presented supports conclusions drawn. | questions or requirements asked. Original thought supports the topic, and is clearly a well-constructed response to the questions asked. The evidence presented makes a compelling case for any conclusions drawn. | |
| Grammar, Mechanics, Style | **2 pts** Writing contains many spelling, punctuation, and grammatical errors, making it difficult for the reader to follow ideas clearly. There may be sentence fragments and run-ons. The style of writing, tone, and use of rhetorical devices disrupts the content. Additional information may be presented but in an unsuitable style, detracting from its understanding. | **3 pts** Some spelling, punctuation, and grammatical errors are present, interrupting the reader from following the ideas presented clearly. There may be sentence fragments and run-ons. The style of writing, tone, and use of rhetorical devices may detract from the content. Additional information may be presented, but in a style of writing that does not support understanding of the content. | **4 pts** Writing is free of most spelling, punctuation, and grammatical errors, allowing the reader to follow ideas clearly. There are no sentence fragments and run-ons. The style of writing, tone, and use of rhetorical devices enhance the content. Additional information is presented in a cohesive style that supports understanding of the content. | **5 pts** Writing is free of all spelling, punctuation, and grammatical errors and written in a style that enhances the reader's ability to follow ideas clearly. There are no sentence fragments and run-ons. The style of writing, tone, and use of rhetorical devices enhance the content. Additional information is presented to encourage and enhance understanding of the content. | **5 pts** |
| | | | | Total: | 50 pts |

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# 6.1.5: Why It Matters- Organizational Change

## Why learn about the impact organizational change has on individuals and the workplace?

In January, 2018, the Money Talks Newsletter posted a story called “22 Iconic Brands that Could Disappear in 2018.” It highlighted the likes of Sears, Toys R Us, and Payless Shoe Source, as well as Harley Davidson, Old Country Buffet, and Vitamin World. The reason was not just lackluster profits. In its summary story, business writer Donna Friedman said:[1]

Some of these companies are victims of the e-commerce age: Why drive somewhere and maybe pay to park when you can stay home and order online instead? Or they’re facing too much competition from similar retailers chasing the same consumer dollars.

Still others fall prey to changing tastes: What worked for the baby boomers, or even for Gen X, won’t appeal to millennials and Generation Z.

Over 2018, these businesses each made changes trying to stay in business. Some stores have moved away from brick-and-mortar stores, relying solely on online retail, others changed names or strategies, and some filed for bankruptcy. While Toys R Us’s last store closed on June 29, 2018, they will reportedly be back for the holiday season of 2019.[2] Other stores are still waiting to see if their changes have paid off.

The constant behind all of them is change. Companies who don’t anticipate change, don’t manage it well or, in the worst case, ignore it, are opt to show up on this list. In order to stay competitive, companies have to be able to respond to the ever-changing environment and external changes—like economic changes, technology changes, consumer taste changes—and continually respond in order to produce the products and services their customers want. The best companies will even innovate and drive change, providing the industry disruptors that put them ahead of competitors and in a class all their own.

Why does change matter? Most would argue that it’s about the only thing that matters. Everything you’ve learned about organizational behavior up to this point is preparing you for this.

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# 6.1.6: Introduction to Change Management

## What you'll learn to do: Discuss change management as it functions in organizational behavior




Why is change management a topic in organizational behavior? Organizations need to be able to adapt to different market conditions and customer needs—and it seems as though those kinds of changes are happening every day. When an organization isn't flexible, another business will swoop in and take those customers—and those profits—away.

But change management is definitely a behavior. Organizations don't have to change—people have to change. And that's what change management is all about.

Managers at an organization need to recognize problems as they occur and adjust their processes accordingly to solve for them. Good change management skills make this an easier process.

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# 6.1.7: Forces of Change

**Learning Objectives**

- Describe forces of change

The art of progress is to preserve order amid change and to preserve change amid order.

—Alfred North Whitehead

Alfred North Whitehead was a philosopher and mathematician, but, with that kind of insight on the subject of change, he could have been a CEO. Today's business leaders have to worry about addressing customer needs in a fast-paced environment impacted by social, economic, political and cultural shifts. In today's business environment, the ever-looming presence of change is pretty much the only thing that stays the same.

The problem is, no one likes change.




Change, like the passing of time, is unavoidable

Organizations and their managers have to learn how to anticipate and implement change effectively. Managers need to find ways to overcome their employees' natural aversion to change, because managing change effectively can mean the difference between staying in business and becoming irrelevant to their customers. The first step in managing change effectively is to understand what change is and where it comes from.

Organizational change is the transformation or adjustment to the way an organization functions. Organizations adjust to small changes all the time, possibly looking to improve productivity, responding to a new regulation, hiring a new employee, or something similar. But on top of these little adjustments we make at work all the time, there are larger pressures that loom over us, like competition, technology, or customer demands. Those larger pressures sometimes require larger responses.

## What forces create these changes?

External forces are those changes that are part of an organization's general and business environment. There are several kinds of external forces an organization might face:

- **Demographic.** A changing work demographic might require an organizational change in culture. For instance, Avon built and grew their business around door-to-door cosmetic sales, with the stay-at-home wife and mother as their primary front line employee. When more women entered the workforce in 9-to-5 jobs, Avon had to shift gears and find new ways to get their products in front of their customers.
- **Social.** Changing social trends can pressure organizations into making changes. Consumers are becoming more environmentally conscious, a trend which has pushed fast food restaurants to replace Styrofoam containers with paper. Manufacturers of cleaning products changed product formulas to omit phosphorus and other environmentally threatening chemicals. Tobacco companies have buckled under the changing image of smokers, the dangers of their products, and some have started looking into eCigarettes and other smoking alternatives to stay in business.
- **Political.** Government restrictions often force change onto organizations. This can be something as simple as a change in minimum wage for employees, or as complex as rules and restrictions governing fair competition in business. For instance,

when the Affordable Health Care act was put into place, businesses had to change their operations and put steps into place to confirm that all employees had healthcare coverage to comply with the new law.

- **Technology.** Still have your VHS player? The founder of Blockbuster wishes you did. Technological changes can make or break a business. Whether new technology is introduced industry-wide, as when the laser was introduced to modern medicine, making surgeries easier and safer; or when it's introduced to end users, as when consumers stopped renting videos to enjoy the cheaper, more convenient streaming services like Netflix, organizations must change to accommodate new technologies or suffer the consequences.
- **Economic.** During the 2008 recession, consumers lost their jobs and cut back on their spending. These economic downturns had a major impact on businesses. Banks failed. General Motors and Chrysler filed for bankruptcy. Survival meant adapting to change. Companies like Lego, who experienced stagnant U.S. sales during this time, took the opportunity to build their markets in Europe and Asia. Netflix realized the potential of providing in-home entertainment to families that had cut back their entertainment budgets and grew their subscriptions by 3 million subscribers in 2009 alone. Meanwhile, in the midst of spiking fuel prices, gas guzzling Hummers were no longer en vogue and quietly went out of business.

Companies can also experience internal forces of change, which can often be related to external forces, but are significant enough to be considered separately. Internal forces of change arise from inside the organization and relate to the internal functioning of the organization. They might include low performance, low satisfaction, conflict, or the introduction of a new mission, new leadership.

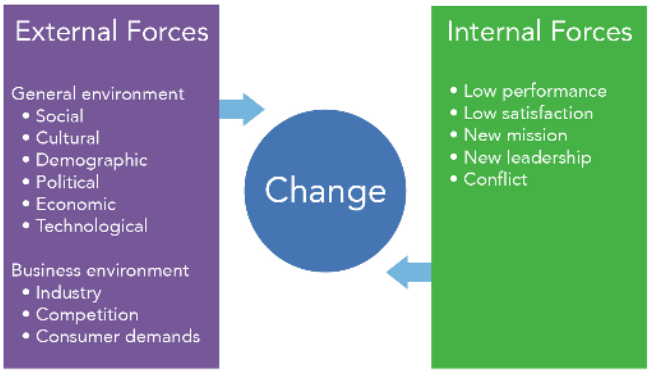



Figure 6.1.7.1: Internal and external forces of change. External forces include the general environment and the business environment. General environmental forces include social, cultural, demographic, political, economic, and technological. Business environment forces include industry, competition, and consumer demands. Internal forces of change include low performance, low satisfaction, new mission, new leadership, and conflict.

Low performance within an organization must obviously be addressed with change that facilitates higher performance. When low performance yields low quality or inefficiencies, customers complain and organizations need to change.

### Harley-Davison's Beginnings[1]

Perhaps one of the most famous examples of a company that overcame this situation is Harley-Davison. In 1980, no one wanted a Harley. They were a poor quality bike that even leaked oil on the showroom floor. Their parent company, AMF, couldn't find a buyer for them, and thirteen Harley managers ended up buying the company.

Dramatic changes were needed, and the new CEO approached them with top-down authority. First, they laid off 40% of the workforce—salaried and hourly alike—and the remaining employees took a 9% pay cut. Their design team built the Evolution Engine and, coupled with the sleek design of their new Softail product line, sales started to improve. Perhaps most significantly, they developed the HOG (the Harley Owners Group) as a way to communicate with their customers. Operating improvements were made, and dealers started looking at Harley as a dependable partner. When they went public in 1986, underwriters were shocked that their IPO raised $25 million more than expected.

### Facebook's Mission Statement[2]

Companies often respond to external forces by taking on new missions and new leaders. Facebook's original mission statement was "Making the world more open and connected." CEO Mark Zuckerberg spent much of 2017 coming under fire for scandals (including accusations of data breaches and the potential of Facebook influencing the 2016 US election).

As the world continued to divide, he led the company in unveiling a new mission statement. That statement, "Give people the power to build community and bring the world closer together," was accompanied by the release of new group management tools within the application and a goal to help a billion people join new communities. Zuckerberg also acknowledged that Facebook is no longer a simple platform that connects friends and families, but instead a powerhouse that can have significant influence on individuals and how they interact with the world.

### Lowe's new CEO[3]

When a company brings on a new CEO, that's often an internal force for change. In July of 2018, Home Depot veteran Marvin Ellison became the CEO of the faltering Lowe's, a competing big box home improvement retailer. In his first months as CEO, he set out to improve store productivity and customer service in the stores, closed a division of smaller Lowe's stores and eliminated $500 million in capital projects to free up cash to return to shareholders. He also let go the company's Chief Financial Officer and Chief Operations Officer. No doubt, the company was reeling over the changes, but it might prove just what they need to get back on track. Time will tell.

More often than not, these forces of change are outside of an organization's control, but, without exception, they all must be managed if an organization is going to be successful. In the next section, we'll take these forces of change and dissect them a little bit more, so we can get a better understanding of how we can successfully manage them.

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# 6.1.8: Types of Change

**Learning Objectives**

- Describe types of change

Now that we understand the internal and external forces for change, we can look a little deeper into those changes and define them by type in order to get a better understanding of them.

## Planned and Unplanned Change



To start, there are planned changes and unplanned changes. That might not sound very significant or overwhelmingly important, but the distinction is definitely worth pondering. Planned change is a change that occurs when managers or employees make a conscious effort to change in response to a specific problem. An unplanned change occurs randomly and spontaneously without any specific intention on the part of managers or employees of addressing a problem.

Obviously, when change is planned, like a new information management system or a different accounts payable procedure, change management can also be planned to minimize employee resistance. When an unplanned change occurs, like a sudden economic downturn or a shortage of resources, managers are taken by surprise and adaptation may not be as organized.

## Evolutionary and Revolutionary Change

Evolutionary change is gradual and incremental. The stages of change are often so small that those affected don't even recognize the shift, or they do and they're able to adjust their work and processes a little at a time. Evolutionary change can be planned or unplanned. An example of unplanned evolutionary change might be the example we used earlier of Avon adapting to women entering the 9-to-5 workforce. It didn't happen overnight, just a little at a time, until Avon realized they had a shortage of "Avon ladies" and needed to find new ways to reach consumers.

Planned evolutionary change, or convergent change, is the result of specific and conscious action to make changes in an organization. For instance, an organization might decide that their customer service department could operate more efficiently with 10 percent less staff. They may opt to arrive at that smaller number of customer service representatives by attrition rather than by layoff, knowing that turnover in the department is relatively high and they'll be at their desired staffing levels within 18 months.

Convergent change happens all the time within organizations, as managers tweak and adjust processes to make their departments and the company more profitable. Often during convergent change, managers look to ensure employees continue to follow the existing mission and core values of the organization. This, unfortunately, can lead to complacency. For example, IBM fell victim to complacency as their managers dictated the norms of competition. They found out quickly that their fine tuning couldn't keep them competitive when personal computing started to take off and other organizations had a better handle on the consumer and the market.

Revolutionary change, or frame-breaking change, is rapid and dramatic. It, too, can be planned or unplanned. A planned revolutionary change might mean dramatic changes to an organization's staffing, structure, or procedures.

**Lowe's CEO[1]**

Remember that whenMarvin Ellison was appointed as Lowe's CEO in 2018, he made drastic changes in his first weeks. He immediately set out to eliminate capital projects, divest the company of multiple smaller locations, and he showed his chief

> financial officer and chief operations officer the door.
>
> This, no doubt, led to an organizational restructuring in the finance and operations department, as well as the reassignment or layoffs of people working on the capital projects and supporting the smaller locations. The change was revolutionary because it was needed to improve Lowe's lackluster performance and keep them competitive with Home Depot and other competitors.

Innovation can often lead to revolutionary change inside or outside an organization. Innovations like the cell phone have created revolutionary change within the industry, both for those that produce the products (like Apple and Samsung) and for those that are struggling a little bit more now that they've arrived (like long distance providers).

## What Changes?

These changes can affect four elements within an organization:

- **Technology.** Changes in the way inputs are transformed into outputs, such as machinery, work processes, delivery of goods and services to clients.
- **Product or service.** Changes in the product or services delivered to customers, such as new product, improved products, customized products.
- **Administration and management.** Changes in how companies are organized and managed, including changes in mission, structure, policies, etc.
- **People or human resources.** Changes in employee behaviors, skills, and attitudes, as well as personnel changes.

A change in one of these elements might be significant, but that change in one area will often affect other elements. For instance, if a company develops new features for the phone app that controls your thermostat, employees may have to be trained on that technology, and a new area of focus may have to be created on the organizational structure to support the new focus.

No matter how you define it, change is almost always met by some resistance. It's human nature to want things to remain status quo, because change often means the stress of new, uncharted territory, more work, and less confidence. Let's take a look at different types of employee resistance and how that resistance can be managed.

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# 6.1.9: Resistance to Change

**Learning Objectives**

- Discuss ways an organization can be resistant to change

There's no chance that the iPhone is going to get any significant market share.

— Steve Ballmer, Microsoft CEO, 2007

Contemplate that quote for a moment, and then decide for yourself how much resistance to change can cost an organization.

There are similar examples that are equally as hilarious. Henry Ford's lawyer told him that the automobile was a fad but the horse was here to stay. Movie mogul Darryl Zanuck tossed aside the idea of television, sharing his opinion that the world would tire of "staring at a plywood box." Their resistance to change may have proven a bit short-sighted.

Ultimately, change is stressful, and people avoid it because they want to avoid the pain, anguish, frustration and lack of confidence that goes along with it. Even a positive change, like a promotion, can be met with stress as the employee marches into their own new and uncharted territory. Even minor changes can require a brief adjustment period, but large-scale changes can take a long time to adjust to.

Resistance to change is as much an organizational and group issue as it is an individual issue.

## Organizational Resistance



Organizational inertia is the tendency for an organization as a whole to resist change and want to maintain the status quo. Companies that suffer from inertia become inflexible and can't adapt to environmental or internal demands for change. Some of the signs that organizational inertia is in play are through internal power struggles, poor decision-making processes and bureaucratic organizational structures.

Organizational cultures and reward systems can foster resistance or acceptance of change. A culture that promotes high levels of trust and cooperation lays the foundation for employees and their acceptance and instigation of change. If employees are punished for honest mistakes, if new ideas aren't rewarded, and managers aren't prepared for daily issues with proper training, then that organization is ripe for change resistance.

Timing of change can also play a role in organizational inertia. If the organization is still recovering from a large-scale change in organizational structure, that would not be the time to introduce a new information management system. Employees will be likely to resist the change and turmoil that goes along with a second change. Thinking about the order and timing of a planned change can help managers avoid employee resistance.

## Group Resistance

We talked about groups in an earlier module, and we learned that when groups start to work well together, it's because they've established norms and cohesion. Central norms in a group can be difficult to change, because they involve the group's identity. Any change to them is likely to be resisted, as group members will work to protect each other and preserve the group. If a group is used to practicing centralized decision making and suddenly they've been told to use a decentralized style of decision making, they're likely to resist, because it goes against their norm.

Group cohesion can affect the acceptance of change. If a cohesive group has been disbanded in favor of a different kind of team structure, the group's desire to stick together may make them resistant to change. But just as group cohesion can work against change, it can also work for change. A cohesive group looking to implement change can typically overcome any one individual member's resistance to it.

## Individual Resistance



People resist change because they fear the consequences. Change means learning new habits and facing new situations. Learning new skills comes with the uncertainty of being able to master those skills. It's easy to see why change can seem threatening. Furthermore, if individuals sense that there will be economic insecurity or risk regarding the change, or if they don't trust management, this could further add to the resistance.

Sometimes, individual traits can make one change resistant. Culture, personality and prior experiences can contribute to one's level of acceptance where change is concerned.

## How to Encourage Change

That's a lot of resistance to change. If organizational inertia, group resistance and individual resistance can get in the way of initiating positive or necessary change, how can managers make sure that they minimize change resistance and do the right thing for the organization?




Here are some ideas and tactics that can help:

- **Education and communication.** If there is fear of the unknown, organizations shouldn't compound that with a lack of information. Face-to-face meetings, newsletters, and updates can often help reduce those fears. A disadvantage of this, though, is the ability to communicate to manage change effectively to large numbers of people.
- **Participation and involvement.** People who participate in change are less likely to resist it. Managers can involve employees in the change process, creating an ownership around it that minimizes resistance. The disadvantage of this approach is that it's somewhat time consuming and managers do have to relinquish some control over change implementation.
- **Facilitation and support.** Facilitation and support requires active listening and counseling. These methods can be highly effective when dealing with individual resistance, but are time consuming and run a high risk of failure.

- **Negotiation and agreement.** This approach recognizes the role and power of others in the success of the change effort. Trade-offs and incentives are offered in exchange for acceptance. This is a relatively easy way to deal with resistance but can be expensive and lead to more negotiation.
- **Manipulation and cooperation.** Changing employees focus and attention to other issues can be a quick and easy way to minimize resistance to change, but it can lead to mistrust and resentment on behalf of those manipulated.
- **Explicit and implicit coercion.** If there's no time and no choice, managers can rely on force to push past change. This method is quick and effective, but it doesn't build commitment.

Managers can implement change successfully by using a combination of these methods. Understanding the source of resistance is helpful. But none of the solutions above deal with organizational inertia, which requires a broader set of organizational activities. We'll talk about that, but first, let's focus on models and processes for introducing planned change.

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# 6.1.10: Models of Change Management

**Learning Objectives**

- Analyze models and process for change management

Navigating change is a constant organizational issue, whether it's on a small or large level. When it's planned change, managers can stay ahead of change resistance and create a calculated plan to put change in place. There are several models and processes for managing organizational change. Let's take a look at them now.

## Lewin's Three-Step Model

Kurt Lewin, a researcher and psychologist we studied earlier when we talked about leadership styles, proposed that successful change in an organization should be conducted in three steps: unfreezing, movement, and refreezing.

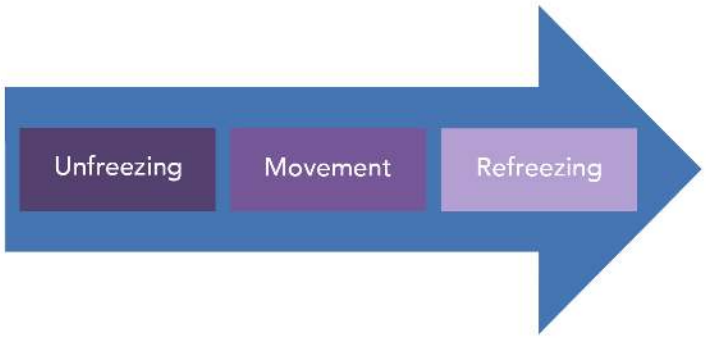



Figure 6.1.10.1: The three steps in Lewin's model: Unfreezing, Movement, and Refreezing

In the "unfreezing" process, the equilibrium state can be unfrozen in one of three ways. The driving forces, which direct behavior away from the status quo, can be increase. The restraining forces, which hinder movement from the existing equilibrium, can be decreased. Or, managers can put a combination of the two to use.

The second part of the process, "movement," is the actual implementation of change. New practices and policies are implemented.

In the third step, "refreezing," the newly adopted behaviors and processes are encouraged and supported to become a part of the employees' routine activities. Coaching, training and an appropriate awards system help to reinforce.

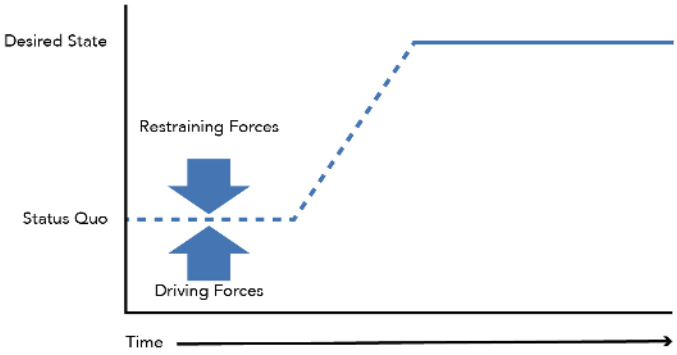



Figure 6.1.10.2: Lewin's three step model. The x-axis shows time, while the y-axis shows the status quo and the desired state.

Lewin's model of change has four characteristics:

- It emphasizes the importance of recognizing the need for change and being motivated to implement it.
- It acknowledges that resistance to change is inevitable.
- It focuses on people as the source of change and learning.
- It highlights the need to support new behaviors.

## Kotter's Eight Step Plan for Implementing Change

John Kotter, whom we studied earlier when we talked about the difference between managers and leaders, embellished Lewin's three step model into a more detailed eight step model.

Kotter studied all of the places where failures could occur in Lewin's model. Kotter recognized that several things needed to be added in:

- a sense of urgency around change
- a coalition for managing the change
- a communicated vision for the change
- the removal of obstacles to accomplishing change
- the continued pursuit of change in spite of apparent victory
- an anchoring of the changes into the organization's culture

His revised eight steps of change are as follows:




Figure 6.1.10.3: A set of stairs showing Kotter's eight steps of change.

Kotter expanded Lewin's "unfreezing" step with his first four recommendations. His steps five, six, and seven correspond with Lewin's "movement" stage and step eight is parallel with the "refreezing" process.

## Nadler's System Model

David Nadler, an American organizational theorist, proposed a system model that suggests that any change within an organization has a ripple effect on all the other areas of the organization. He suggests that, to implement change successfully, a manager must consider four elements:

- **Informal organizational elements:** communication patterns, leadership, power
- **Formal organizational elements:** formal organizational structures and work processes
- **Individuals:** employees and managers, and their abilities, weaknesses, characteristics, etc.
- **Tasks:** assignments given to employees and managers

In accordance with a systems view, if a change impacts one area, it will have a domino effect on the other areas.

As an example, a company may put out a new travel and entertainment policy. That policy, a formal organizational element, has an impact on information organizational elements, individuals and tasks. A new CEO joins and creates changes throughout the organization, impacting items at every level.

Ultimately, though, outputs are positively impacted. The travel and entertainment policy minimizes work processes and saves the company money. The CEO increases shareholder value.

## Action Research

Action research is a change process based on systematic collection of data and then selection of a change action based on what the analyzed data indicate. The process of action research consists of five steps, very similar to the scientific method:




Figure 6.1.10.4: A chart showing the five steps of Action Research, each flowing into the next:

In the diagnosis stage, information is gathered about the problem or concerns. During analysis, the change agent determines what information is of primary concern and develops a plan of action, often involving those that will be impacted by the change. Feedback includes sharing with employees what has been discovered during diagnosis and analysis with the intent of getting their thoughts and developing action plans.

Finally, there is action. Employees and the change agent (this is a person who champions and sees change management from start to successful finish) carry out the actions required to solve the problem. Then, the final step is evaluation, where the action plan's effectiveness is reviewed and, if necessary, tweaked for better performance.

This approach is very problem focused, where many people approach a problem with a more solution-centered outlook. It also minimizes resistance to change because it involves affected employees all along the process.

## Organizational Development

Remember earlier when we said that these models for change don't usually solve for organizational inertia? To a certain extent, organizational development addresses that. Organizational development is a collection of planned-change interventions, built on humanistic-democratic values, that seeks to improve organizational effectiveness and employee well-being.

The guiding principles of organizational development are:

- Commitment to long-lasting change
- Humanistic approach
- Action research tools
- Focus on process

Organizational development requires the organization to invest a good deal of time and research and it isn't as much a fix for organizational inertia as it is a prevention of it. Some of the techniques and interventions employed by organizational development departments include the following:

- **Sensitivity training.** This is training that seeks to change behavior through unstructured group interaction. The objective is to provide subjects with increased awareness of their own behavior and how others perceive them, to facilitate better integration between individuals and organization.
- **Survey feedback.** The use of questionnaires to identify discrepancies among member perceptions, with discussion and remedies following.
- **Team building.** High interaction among team members to increase trust and openness.
- **Intergroup development.** These are efforts to change the attitudes, stereotypes and perceptions that groups have of each other.
- **Appreciative inquiry.** This process seeks to identify the qualities and strengths of an organization, on which performance improvement can be built. The inquiry usually involves strategizing with employees on performance improvement and "future state" ideals.

## Crisis Management

Crisis management is really just the management of unplanned change. When managers unsuccessfully anticipate their competitor's next move or don't accurately read the environment, a crisis can occur. It can also occur as the result of organizational inertia.

Crisis management can be avoided by keeping the organization healthy. That is, not allowing it to become inflexible, infusing a certain amount of conflict in order to stave off complacency, and keeping innovation fresh by encouraging experimentation and bringing in new people with new ideas.

Please note that this is not referring in any way to a public relations crisis. “Crises” like Volkswagen’s issue covering up their vehicles’ excessive emissions, or Les Moonves’ poor judgement with the opposite gender at CBS, are a different kind of animal altogether and not what we’re talking about here.

Organizations that can anticipate change, minimize resistance and come out on the other side are far more likely to be successful. Almost always, those companies that suffer from poor change management suffer the consequences financially, often leading to the organization closing its doors. In the next section, we’ll take a look at a few companies that faced change, the decisions they made, and how it worked out for them.

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# 6.1.11: Introduction to Success and Failure in Change

## What you'll learn to do: Discuss various ways change has succeeded and failed in contemporary examples and organizations

We've said repeatedly that change is perhaps the only constant that a business can count on. That said, the change management techniques we've talked about have all been in response to change. And there's nothing wrong with that! Businesses should be able to respond well to change. But what about the steps that businesses take to make sure they're ready for change.

Businesses either conquer change or fall. We're going to take a look at three different examples of businesses facing change management situations and how they fared. Then, we're going to take a look at some of the prophylactic measures businesses use to prepare themselves for the changes being thrown at them in today's environment.

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# 6.1.12: Crisis Management

**Learning Objectives**

- Discuss crisis management and process improvement



Volkswagen

In 2015, the Volkswagen scandal surrounding emissions testing came to a close. What happened and how did it begin?

In 1999 the United States announced plans to raise emission standards starting in 2004, setting a new limit of 0.7g/mi, versus 1.0 g/mi of nitrous oxides, which contribute to smog, acid rain and the destruction of the ozone layer. German automaker Volkswagen responded by removing their diesel powered vehicles from US markets in 2007 while it awaited technology that would bring their engines up to these standards.

In 2008, the company introduced Clean Diesel Cars in the United States. And, when those cars came to the market they were incredibly efficient. So efficient, in fact, that the International Council on Clean Transportation asked the people at VW to help demonstrate the values of US diesel technology, hoping to get Europe to adopt these same regulations. In the process of inviting VW to do this, the International Council on Clean Transportation took a closer look at their Clean Diesel Cars, and what they found wasn't a high performing, low-emissions engine.

This inspection didn't turn out well for Germany's largest automaker. Complicated and elaborate "defeat" software, meaning there was equipment rigged to cheat when it detected emissions testing in progress, had been masking damaging levels of emissions from the company's diesel engines. The Environmental Protection Agency, on the cue of the International Council's findings, did their own testing on VW's engines in 2014 and 2015, and when they told the automaker that their 2016 models would not be welcome on U.S. soil, company leaders confessed to the company's transgression.

Vehicle recalls, customer restitution and class action lawsuits were just the beginning of Volkswagen's emissions nightmare. After the scandal was revealed to the public in September of 2015, Volkswagen sales slipped, stocks plunged, and company leaders indicated that the 6.5 billion dollars they'd set aside to deal with the issue would not likely be enough.

Volkswagen found themselves in the midst of crisis management—responding and managing unexpected change within their organization. Two CEOs and three years later, Volkswagen, determined to leave the crisis behind them, invited in a new breed of leader: one who believed in sweeping change company-wide. Dr. Herbert Diess was invited to usher in a new era for Volkswagen and set the company on a more ethical, trustworthy path.

In one of his first tasks as leader of the company, Diess addressed shareholders in Berlin: "Volkswagen has to become more honest, more open and more truthful. Besides abiding by the rules and obeying the law, the key here is always ethics—a clear moral compass."

How had Volkswagen gone so wrong as to get to the point where leaders determined it was okay to break the law? And what kind of changes needed to be made to get Germany's largest automaker back on track again? What did they learn from their experience with crisis management?

## Process Reengineering and Continuous Process Improvement

As of January 2020, Volkswagen is still trying to repair their brand image and infuse their company culture with honesty and ethics by simplifying processes. The concept of process reengineering was among the first things Volkswagen leaders considered. And, moving forward, this process reengineering appears to be a part of their change management strategy.

The idea behind process engineering is that management starts with a clean sheet of paper, so to speak, and rethinks and redesigns the processes by which an organization does work and creates value. In other words, they start with a clean slate. Overall, the process reengineering looks at three different areas:

- **Distinctive competencies.** These define what the organization does better than its competition: better products, a more efficient distribution system, and so on. Volkswagen leaders needed to review its distinctive competencies to remind themselves of where they wanted to be. In fact, leaders chose to look in another direction for success when they did this—that of electric cars. This new navigation may help separate them from their past transgressions.
- **Core processes.** These are the processes that transform materials, information, and labor into products and services for the customer. Volkswagen immediately began making moves that strengthened their goals for electric cars and recognized a need to put decision making back in the hands of the engineers and managers who run their processes.
- **Reorganize around horizontal processes.** Companies in this stage of the process employ cross-functional and self-managed teams, and focus on process rather than on function. Volkswagen made sweeping changes to their organizational structure to put experts in charge of decisions. By doing away with its rigid organizational structure and its top-down hierarchy, it introduced a new corporate culture—one that could uphold the levels of honesty and ethics that VW promised to its customers by introducing better checks and balances.

These processes lead to continued process improvement within the company's leadership.

Businesses look to achieve customer satisfaction by focusing on continuous improvement of all organizational processes, recognizing that aiming for acceptable standards is never good enough. Even excellent processes can be improved upon. In other words, improvement can be a goal for every level of the organization. In Volkswagen's case, for example, they recognized that their top-down decision making impaired their ability to keep executives honest and processes transparent.

Manufacturing uses continuous improvement processes to increase the uniformity of their products or services. Management often looks to employees for improvement ideas, and this might be an area that Volkswagen could also benefit from, as it enhances trust between employer and employee, a bond that is likely still fragile after these events.

Process reengineering and continuous process improvement aren't change management solutions, but rather initiatives that companies put into place so they don't find themselves in the same position as Volkswagen. Volkswagen can take steps with these measures today to prevent another crisis management issue in the future.

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# 6.1.13: External Change Management

**Learning Objectives**

- Discuss external change management and stimulating innovation

> *We believe that Web-based retailing will continue to increase in popularity and market share as a distribution method for physical book, music, and movie merchandise. . . . The shift toward digital formats represents an opportunity for us as we continue to strengthen our Web-based capabilities.*

—The second-to-last annual report filed by Borders for the fiscal year ending in January 2009.

Tom and Louis Borders were University of Michigan graduates who developed an inventory management system that was second to none in the world of bookstores. It allowed them to expand their one little bookstore on State Street in Ann Arbor into 21 stores that were ultimately sold to Kmart Corporation in 1991 for $125 million. Kmart combined them with a group of mall stores they had in their arsenal called Waldenbooks and then spun them off with an IPO in 1995.

That's the story of how the country's second biggest big-box bookstore was born . . . in a quick four years, with a proud history of a management system that could manage physical inventories like nothing else could. Maybe, when you look at it that way, it doesn't seem so strange that they never saw the internet coming.

This is how they didn't see the future effects of technology:

- In the 1990s, Borders executives chose to invest heavily in music sales, morphing themselves into a multipurpose entertainment retailer. It was around that time that Apple hit the scene with iTunes and iPods. Music was changing, but Borders didn't see it coming. In fact, Borders developed and tested in-store machines where customers could build their own mix CDs, for a little less than the cost of a pre-recorded album. It was a feeble and misguided attempt to appeal to iTunes users, which included youngsters who were reveling in the notion that buying "singles" was once again an option in a post-CD, post-album-loving world.
- In 2001, after an unsuccessful attempt to launch an online store, Borders opted to outsource their online sales to an up-and-coming company called Amazon. (You've heard of them?) Borders-dot-com redirected all their customers to a co-branded site and they invited their customers to shop with Amazon to fulfill all their online shopping needs. What they didn't anticipate was that Amazon would become the go-to for book shoppers, and that people would literally begin shopping at Borders for a book, and then turn around and buy it online at Amazon for cheaper. Even going through Borders.com, Borders only received a commission on that book purchase. When Borders finally decided to take back their ecommerce business, it was too little too late.
- E-readers became the new way that Amazon built its unwavering customer base. Amazon customers could now have a new book with the click of a button, without going out to the store at all. Sleek, lightweight e-readers allowed reader to hold War and Peace in front of them for hours and their arms wouldn't get tired. What was not to love? Competitor Barnes & Noble came onto the scene with the Nook e-reader, but it took even longer for Borders to respond with the Kobo.
- Finally, Borders was invested in expanding their global footprint on a national scale. They were opening stores in the UK, Singapore, and Australia. Unfortunately, they were neglectful in responding to new marketing techniques and even providing their domestic stores with the tools to do their jobs correctly. In an article for The Atlantic, business writer and one-time Borders consultant Pete Osnos wrote, "I was startled to find, on a visit to Borders in Madison, Wisconsin, in 2007, that the store still had no Internet access, instead channeling all communications through Ann Arbor."[1]

External forces for change—this time technological—had turned the book and entertainment industry on its ear during the time that Borders was most vulnerable. The company had become too big too quickly, and couldn't answer to these changes in time to make a difference. Their customers went elsewhere.

There were internal challenges for Borders that further hurt their ability to respond. Executive turnover at the C-level was steep and unmanageable. Store leases left little room for flexibility. And the company had acquired a suffocating amount of debt. Barnes and Noble fared a little better responding to these technological challenges because they did not have the same turnover and debt to deal with.

What could Borders have done to survive from a change management perspective? Perhaps they could have pulled back on international development and restructured their budget and organizational structure to support their own innovation. Brett Clay, author of Selling Change suggests that those "other external challenges" such as inflexible store leases and debt lessened their agility and led to their demise. While managers have traditionally budgeted for return on investment, Clay suggests their focus should be agility instead. "If you are adapting to a change, you are already in a follower position. As the Borders case demonstrates, that position can be fatal," says Clay. Borders is an example of what happens to those who do not lead.

## Stimulating Innovation

Among the contemporary change issues that managers face is the challenge of stimulating innovation. Borders may not have realized that they were in a business that needed innovation (libraries and books had been on shelves for users since Alexandria, for goodness sake!) but Brett Clay may have been right that agility and leading change may have produced a very different result for them. And in fact, managers look to stimulating innovation as a change management technique meant to stay ahead of, rather than respond to, environmental changes.

Innovation is a new idea applied to initiating or improving a product, process or service. Jeff Bezos was innovating when he created an online bookstore in 1994. New innovations can be products, services, new production technologies, new structures, new administrative systems . . . pretty much a new anything.

- **Structural variables** have been the most studied source of innovation. If you recall from our organizational structure module, organic structures produce the most innovation. But it's been shown that managerial tenure provides legitimacy and knowledge of how to accomplish tasks and create desired outcomes. And having a lack of resources can also nurture innovation.
- Organizations with cultures that encourage **experimentation**—that award successes and failures and don't punish mistakes—also foster innovation.
- Finally, **idea champions**—individuals who take an innovation and actively and enthusiastically promote the idea, build support, overcome resistance, and ensure that ideas are implemented—are also of benefit to organizations that need innovation to stay fresh.

Borders didn't have any of that. A relatively small company in 1991 with 21 stores, they might have been able to achieve an organic structure, but they got big very quickly, and their hierarchical structure didn't support innovation. Their C-level managers changed with the seasons, so no one manager could step in and provide the innovative support needed. And Borders' culture didn't support innovation either. There was no room for a mistake—their increasing debt did not allow for the time or expense of that kind of culture.

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# 6.2: Why Engage in Organizational Change

**Learning Objectives**

1. Identify the external forces creating change on the part of organizations.
2. Understand how organizations respond to changes in the external environment.
3. Understand why people resist change.

## Why Do Organizations Change?

Organizational change is the movement of an organization from one state of affairs to another. A change in the environment often requires change within the organization operating within that environment. Change in almost any aspect of a company's operation can be met with resistance, and different cultures can have different reactions to both the change and the means to promote the change. To better facilitate necessary changes, several steps can be taken that have been proved to lower the anxiety of employees and ease the transformation process. Often, the simple act of including employees in the change process can drastically reduce opposition to new methods. In some organizations, this level of inclusion is not possible, and instead organizations can recruit a small number of opinion leaders to promote the benefits of coming changes.

Organizational change can take many forms. It may involve a change in a company's structure, strategy, policies, procedures, technology, or culture. The change may be planned years in advance or may be forced on an organization because of a shift in the environment. Organizational change can be radical and swiftly alter the way an organization operates, or it may be incremental and slow. In any case, regardless of the type, change involves letting go of the old ways in which work is done and adjusting to new ways. Therefore, fundamentally, it is a process that involves effective people management.

Managers carrying out any of the P-O-L-C functions often find themselves faced with the need to manage organizational change effectively. Oftentimes, the planning process reveals the need for a new or improved strategy, which is then reflected in changes to tactical and operational plans. Creating a new organizational design (the organizing function) or altering the existing design entails changes that may affect from a single employee up to the entire organization, depending on the scope of the changes. Effective decision making, a Leadership task, takes into account the change-management implications of decisions, planning for the need to manage the implementation of decisions. Finally, any updates to controlling systems and processes will potentially involve changes to employees' assigned tasks and performance assessments, which will require astute change management skills to implement. In short, change management is an important leadership skill that spans the entire range of P-O-L-C functions.

## Workplace Demographics

Organizational change is often a response to changes to the environment. For example, agencies that monitor workplace demographics such as the U.S. Department of Labor and the Organization for Economic Co-operation and Development have reported that the average age of the U.S. workforce will increase as the baby boom generation nears retirement age and the numbers of younger workers are insufficient to fill the gap (Lerman, R. I. and Schmidt, S. R., 2006). What does this mean for companies? Organizations may realize that as the workforce gets older, the types of benefits workers prefer may change. Work arrangements such as flexible work hours and job sharing may become more popular as employees remain in the workforce even after retirement. It is also possible that employees who are unhappy with their current work situation will choose to retire, resulting in a sudden loss of valuable knowledge and expertise in organizations. Therefore, organizations will have to devise strategies to retain these employees and plan for their retirement. Finally, a critical issue is finding ways of dealing with age-related stereotypes which act as barriers in the retention of these employees.

## Technology

Sometimes change is motivated by rapid developments in technology. Moore's law (a prediction by Gordon Moore, cofounder of Intel) dictates that the overall complexity of computers will double every 18 months with no increase in cost (Anonymous, 2008). Such change is motivating corporations to change their technology rapidly. Sometimes technology produces such profound developments that companies struggle to adapt. A recent example is from the music industry. When music CDs were first introduced in the 1980s, they were substantially more appealing than the traditional LP vinyl records. Record companies were

easily able to double the prices, even though producing CDs cost a fraction of what it cost to produce LPs. For decades, record-producing companies benefited from this status quo. Yet when peer-to-peer file sharing through software such as Napster and Kazaa threatened the core of their business, companies in the music industry found themselves completely unprepared for such disruptive technological changes. Their first response was to sue the users of file-sharing software, sometimes even underage kids. They also kept looking for a technology that would make it impossible to copy a CD or DVD, which has yet to emerge. Until Apple's iTunes came up with a new way to sell music online, it was doubtful that consumers would ever be willing to pay for music that was otherwise available for free (albeit illegally so). Only time will tell if the industry will be able to adapt to the changes forced on it (Lasica, J. D., 2005).

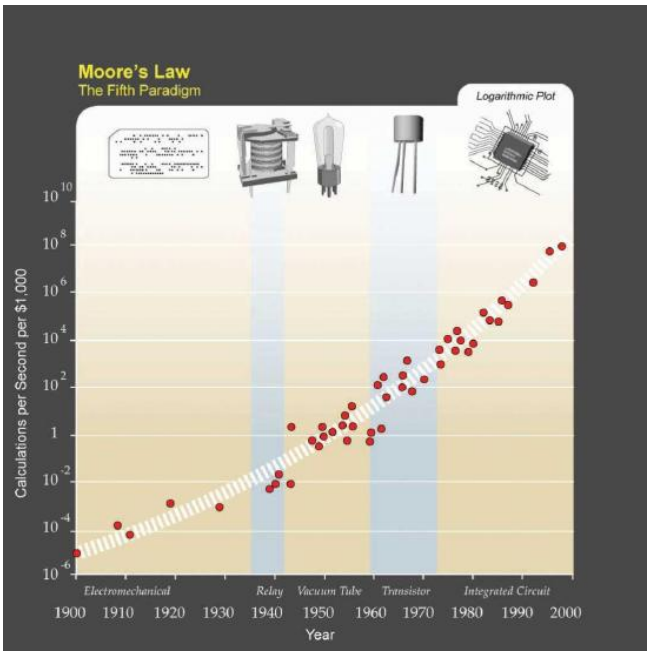



Figure 6.2.1: Kurzweil expanded Moore's law from integrated circuits to earlier transistors, vacuum tubes, relays, and electromechanical computers to show that his trend holds there as well. Wikimedia Commons – Moore's Law, The Fifth Paradigm – public domain.

## Globalization

Globalization is another threat and opportunity for organizations, depending on their ability to adapt to it. Because of differences in national economies and standards of living from one country to another, organizations in developed countries are finding that it is often cheaper to produce goods and deliver services in less developed countries. This has led many companies to outsource (or "offshore") their manufacturing operations to countries such as China and Mexico. In the 1990s, knowledge work was thought to be safe from outsourcing, but in the 21st century we are also seeing many service operations moved to places with cheaper wages. For example, many companies have outsourced software development to India, with Indian companies such as Wipro and Infosys emerging as global giants. Given these changes, understanding how to manage a global workforce is a necessity. Many companies realize that outsourcing forces them to operate in an institutional environment that is radically different from what they are used to at home. Dealing with employee stress resulting from jobs being moved overseas, retraining the workforce, and learning to compete with a global workforce on a global scale are changes companies are trying to come to grips with.

## Changes in the Market Conditions

Market changes may also create internal changes as companies struggle to adjust. For example, as of this writing, the airline industry in the United States is undergoing serious changes. Demand for air travel was reduced after the September 11 terrorist attacks. At the same time, the widespread use of the Internet to book plane travels made it possible to compare airline prices much more efficiently and easily, encouraging airlines to compete primarily based on cost. This strategy seems to have backfired when coupled with the dramatic increases in the cost of fuel that occurred begining in 2004. As a result, by mid-2008, airlines were cutting back on amenities that had formerly been taken for granted for decades, such as the price of a ticket including meals, beverages, and checking luggage. Some airlines, such as Delta and Northwest Airlines, merged to stay in business.

How does a change in the environment create change within an organization? Environmental change does not automatically change how business is done. Whether the organization changes or not in response to environmental challenges and threats depends on the decision makers' reactions to what is happening in the environment.

## Growth

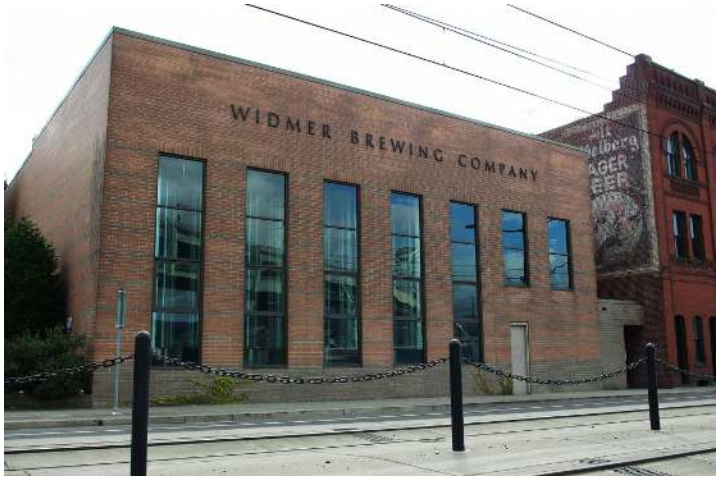



Figure 6.2.2: In 1984, brothers Kurt (on the left) and Rob Widmer (on the right) founded Widmer Brothers, which has merged with another company to become the 11th largest brewery in the United States. M.O. Stevens – Widmer Brewing Company headquarters – CC BY-SA 3.0.

It is natural for once small start-up companies to grow if they are successful. An example of this growth is the evolution of the Widmer Brothers Brewing Company, which started as two brothers brewing beer in their garage to becoming the 11th largest brewery in the United States. This growth happened over time as the popularity of their key product—Hefeweizen—grew in popularity and the company had to expand to meet demand growing from the two founders to the 11th largest brewery in the United States by 2008. In 2007, Widmer Brothers merged with Redhook Ale Brewery. Anheuser-Busch continues to have a minority stake in both beer companies. So, while 50% of all new small businesses fail in their first year (Get ready, 2008), those that succeed often evolve into large, complex organizations over time.

## Poor Performance

Change can also occur if the company is performing poorly and if there is a perceived threat from the environment. In fact, poorly performing companies often find it easier to change compared with successful companies. Why? High performance actually leads to overconfidence and inertia. As a result, successful companies often keep doing what made them successful in the first place. When it comes to the relationship between company performance and organizational change, the saying "nothing fails like success" may be fitting. For example, Polaroid was the number one producer of instant films and cameras in 1994. Less than a decade later, the company filed for bankruptcy, unable to adapt to the rapid advances in one-hour photo development and digital photography technologies that were sweeping the market. Successful companies that manage to change have special practices in place to keep the organization open to changes. For example, Finnish cell phone maker Nokia finds that it is important to periodically change the perspective of key decision makers. For this purpose, they rotate heads of businesses to different posts to give them a fresh perspective. In addition to the success of a business, change in a company's upper-level management is a motivator for change at the organization level. Research shows that long-tenured CEOs are unlikely to change their formula for success. Instead, new CEOs and new top management teams create change in a company's culture and structure (Barnett, W. P. and Carroll, G. R., 1995; Boeker, W., 1997; Deutschman, A., 2005).

## Resistance to Change

Changing an organization is often essential for a company to remain competitive. Failure to change may influence the ability of a company to survive. Yet employees do not always welcome changes in methods. According to a 2007 survey conducted by the Society for Human Resource Management (SHRM), employee resistance to change is one of the top reasons change efforts fail. In fact, reactions to organizational change may range from resistance to compliance to enthusiastic support of the change, with the latter being the exception rather than the norm (Anonymous, 2007; Huy, Q. N., 1999).

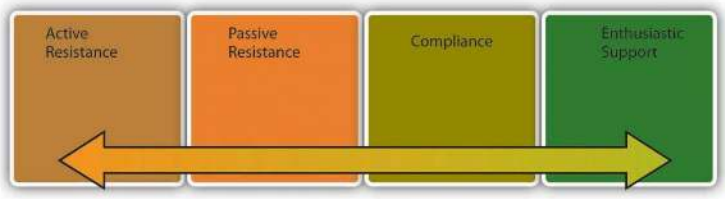



Figure 6.2.3: Reactions to change may take many forms.

Active resistance is the most negative reaction to a proposed change attempt. Those who engage in active resistance may sabotage the change effort and be outspoken objectors to the new procedures. In contrast, passive resistance involves being disturbed by changes without necessarily voicing these opinions. Instead, passive resisters may dislike the change quietly, feel stressed and unhappy, and even look for a new job without necessarily bringing their concerns to the attention of decision makers. Compliance, however, involves going along with proposed changes with little enthusiasm. Finally, those who show enthusiastic support are defenders of the new way and actually encourage others around them to give support to the change effort as well.

To be successful, any change attempt will need to overcome resistance on the part of employees. Otherwise, the result will be loss of time and energy as well as an inability on the part of the organization to adapt to the changes in the environment and make its operations more efficient. Resistance to change also has negative consequences for the people in question. Research shows that when people react negatively to organizational change, they experience negative emotions, use sick time more often, and are more likely to voluntarily leave the company (Fugate, M., Kinicki, A. J., and Prussia, G. E., 2008). These negative effects can be present even when the proposed change clearly offers benefits and advantages over the status quo.

The following is a dramatic example of how resistance to change may prevent improving the status quo. Have you ever wondered why the keyboards we use are shaped the way they are? The QWERTY keyboard, named after the first six letters in the top row, was actually engineered to slow us down. When the typewriter was first invented in the 19th century, the first prototypes of the keyboard would jam if the keys right next to each other were hit at the same time. Therefore, it was important for manufacturers to slow typists down. They achieved this by putting the most commonly used letters to the left-hand side and scattering the most frequently used letters all over the keyboard. Later, the issue of letters being stuck was resolved. In fact, an alternative to the QWERTY developed in the 1930s by educational psychologist August Dvorak provides a much more efficient design and allows individuals to double traditional typing speeds. Yet the Dvorak keyboard never gained wide acceptance. The reasons? Large numbers of people resisted the change. Teachers and typists resisted because they would lose their specialized knowledge. Manufacturers resisted due to costs inherent in making the switch and the initial inefficiencies in the learning curve (Diamond, J., 2005). In short, the best idea does not necessarily win, and changing people requires understanding why they resist.

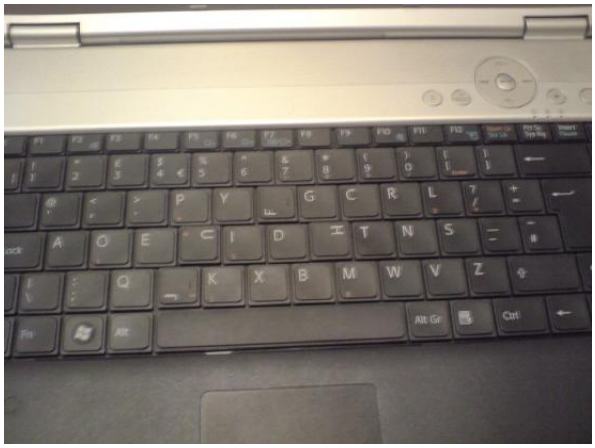


Figure 6.2.4: Dvorak keyboard is a more efficient alternative to keyboard design. However, due to resistance from typists, teachers, manufacturers, and salespeople, a switch never occurred. John Blackbourne – Sony laptop with Dvorak keyboard layout – CC BY-NC 2.0.

## Why Do People Resist Change?

## Disrupted Habits

People often resist change for the simple reason that change disrupts our habits. When you hop into your car for your morning commute, do you think about how you are driving? Most of the time probably not, because driving generally becomes an automated activity after a while. You may sometimes even realize that you have reached your destination without noticing the roads you used or having consciously thought about any of your body movements. Now imagine you drive for a living and even though you are used to driving an automatic car, you are forced to use a stick shift. You can most likely figure out how to drive a stick, but it will take time, and until you figure it out, you cannot drive on auto pilot. You will have to reconfigure your body movements and practice shifting until you become good at it. This loss of a familiar habit can make you feel clumsy; you may even feel that your competence as a driver is threatened. For this simple reason, people are sometimes surprisingly outspoken when confronted with simple changes such as updating to a newer version of a particular software or a change in their voice mail system.

## Personality

Some people are more resistant to change than others. Recall that one of the Big Five personality traits is Openness to Experience; obviously, people who rank high on this trait will tend to accept change readily. Research also shows that people who have a positive self-concept are better at coping with change, probably because those who have high self-esteem may feel that whatever the changes are, they are likely to adjust to it well and be successful in the new system. People with a more positive self-concept and those who are more optimistic may also view change as an opportunity to shine as opposed to a threat that is overwhelming. Finally, risk tolerance is another predictor of how resistant someone will be to stress. For people who are risk avoidant, the possibility of a change in technology or structure may be more threatening (Judge, T. A., et. al., 2000; Wanberg, C. R., and Banas, J. T., 2000).

## Feelings of Uncertainty

Change inevitably brings feelings of uncertainty. You have just heard that your company is merging with another. What would be your reaction? Such change is often turbulent, and it is often unclear what is going to happen to each individual. Some positions may be eliminated. Some people may see a change in their job duties. Things may get better—or they may get worse. The feeling that the future is unclear is enough to create stress for people because it leads to a sense of lost control (Ashford, S. J., Lee, C. L., and Bobko, P., 1989; Fugate, M., Kinicki, A. J., and Prussia, G. E., 2008).

## Fear of Failure



Figure 6.2.5: One reason employees resist change is the fear of failure under the new system.Intel Free Press – Lindsay van Driel and Anakha Coman Awake at Intel organizers – CC BY-SA 2.0.

People also resist change when they feel that their performance may be affected under the new system. People who are experts in their jobs may be less than welcoming of the changes because they may be unsure whether their success would last under the new system. Studies show that people who feel that they can perform well under the new system are more likely to be committed to the proposed change, while those who have lower confidence in their ability to perform after changes are less committed (Herold, D. M., Fedor, D. B., and Caldwell, S., 2007).

## Personal Impact of Change

It would be too simplistic to argue that people resist all change, regardless of its form. In fact, people tend to be more welcoming of change that is favorable to them on a personal level (such as giving them more power over others or change that improves quality of life such as bigger and nicer offices). Research also shows that commitment to change is highest when proposed changes affect the work unit with a low impact on how individual jobs are performed (Fedor, D. M., Caldwell, S., and Herold, D. M., 2006).

## Prevalence of Change

Any change effort should be considered within the context of all the other changes that are introduced in a company. Does the company have a history of making short-lived changes? If the company structure went from functional to product-based to geographic to matrix within the past five years and the top management is in the process of going back to a functional structure again, a certain level of resistance is to be expected because employees are likely to be fatigued as a result of the constant changes. Moreover, the lack of a history of successful changes may cause people to feel skeptical toward the newly planned changes. Therefore, considering the history of changes in the company is important to understanding why people resist. Another question is, how big is the planned change? If the company is considering a simple switch to a new computer program, such as introducing Microsoft Access for database management, the change may not be as extensive or stressful compared with a switch to an enterprise resource planning (ERP) system such as SAP or PeopleSoft, which require a significant time commitment and can fundamentally affect how business is conducted (Labianca, G., Gray, B., and Brass, D. J., 2000; Rafferty, A. E., and Griffin, M. A., 2006).

## Perceived Loss of Power

One other reason people may resist change is that change may affect their power and influence in the organization. Imagine that your company moved to a more team-based structure, turning supervisors into team leaders. In the old structure, supervisors were in charge of hiring and firing all those reporting to them. Under the new system, this power is given to the team. Instead of monitoring the progress the team is making toward goals, the job of a team leader is to provide support and mentoring to the team in general and ensure that the team has access to all resources to be effective. Given the loss in prestige and status in the new structure, some supervisors may resist the proposed changes even if it is better for the organization to operate around teams.

In summary, there are many reasons individuals resist change, which may prevent an organization from making important changes.

## Is All Resistance Bad?

Resistance to change may be a positive force in some instances. In fact, resistance to change is a valuable feedback tool that should not be ignored. Why are people resisting the proposed changes? Do they believe that the new system will not work? If so, why not? By listening to people and incorporating their suggestions into the change effort, it is possible to make a more effective change. Some of a company's most committed employees may be the most vocal opponents of a change effort. They may fear that the organization they feel such a strong attachment to is being threatened by the planned change effort and the change will ultimately hurt the company. In contrast, people who have less loyalty to the organization may comply with the proposed changes simply because they do not care enough about the fate of the company to oppose the changes. As a result, when dealing with those who resist change, it is important to avoid blaming them for a lack of loyalty (Ford, J. D., Ford, L. W., and D'Amelio, A., 2008).

### Key Takeaway

Organizations change in response to changes in the environment and in response to the way decision makers interpret these changes. When it comes to organizational change, one of the biggest obstacles is resistance to change. People resist change because change disrupts habits, conflicts with certain personality types, causes a fear of failure, can have potentially negative effects, can result in a potential for loss of power, and, when done too frequently, can exhaust employees.

## Exercises

1. Can you think of an organizational or personal change that you had to go through? Have you encountered any resistance to this change? What were the reasons?
2. How would you deal with employees who are resisting change because their habits are threatened? How would you deal with them if they are resisting because of a fear of failure?

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# 6.3: Planning and Executing Change Effectively

**Learning Objectives**

1. Describe Lewin's three-stage model of planned change.
2. Describe how organizations may embrace continuous change.

How do you plan, organize, and execute change effectively? Some types of change, such as mergers, often come with job losses. In these situations, it is important to remain fair and ethical while laying off otherwise exceptional employees. Once change has occurred, it is vital to take any steps necessary to reinforce the new system. Employees can often require continued support well after an organizational change.

One of the most useful frameworks in this area is the three-stage model of planned change developed in the 1950s by psychologist Kurt Lewin (Lewin, 1951). This model assumes that change will encounter resistance. Therefore, executing change without prior preparation is likely to lead to failure. Instead, organizations should start with unfreezing, or making sure that organizational members are ready for and receptive to change. This is followed by change, or executing the planned changes. Finally, refreezing involves ensuring that change becomes permanent and the new habits, rules, or procedures become the norm.

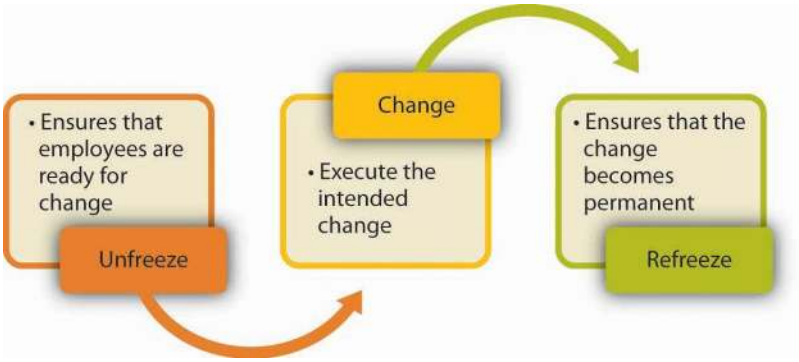



Figure 6.3.1: Lewin's Three-Stage Process of Change

## Unfreezing Before Change

Many change efforts fail because people are insufficiently prepared for change. When employees are not prepared, they are more likely to resist the change effort and less likely to function effectively under the new system. What can organizations do before change to prepare employees? There are a number of things that are important at this stage.

## Communicating a Plan for Change

Do people know what the change entails, or are they hearing about the planned changes through the grapevine or office gossip? When employees know what is going to happen, when, and why, they may feel more comfortable. Research shows that those who have more complete information about upcoming changes are more committed to a change effort (Wanberg & Banas, 2000). Moreover, in successful change efforts, the leader not only communicates a plan but also an overall vision for the change (Herold, et. al., 2008). When this vision is exciting and paints a picture of a future that employees would be proud to be a part of, people are likely to be more committed to change.

Ensuring that top management communicates with employees about the upcoming changes also has symbolic value (Armenakis, et. al., 1993). When top management and the company CEO discuss the importance of the changes in meetings, employees are provided with a reason to trust that this change is a strategic initiative. For example, while changing the employee performance appraisal system, the CEO of Kimberly Clark made sure to mention the new system in all meetings with employees, indicating that the change was supported by the CEO.

## Develop a Sense of Urgency

People are more likely to accept change if they feel that there is a need for it. If employees feel their company is doing well, the perceived need for change will be smaller. Those who plan the change will need to make the case that there is an external or

internal threat to the organization's competitiveness, reputation, or sometimes even its survival and that failure to act will have undesirable consequences. For example, Lou Gerstner, the former CEO of IBM, executed a successful transformation of the company in the early 1990s. In his biography *Elephants Can Dance*, Gerstner highlights how he achieved cooperation as follows: "Our greatest ally in shaking loose the past was IBM's eminent collapse. Rather than go with the usual impulse to put on a happy face, I decided to keep the crisis front and center. I didn't want to lose the sense of urgency (Gerstner, 2002; Kotter, 1996)."

## Building a Coalition

To convince people that change is needed, the change leader does not necessarily have to convince every person individually. In fact, people's opinions toward change are affected by opinion leaders or those people who have a strong influence over the behaviors and attitudes of others (Burkhardt, 1994; Kotter, 1995). Instead of trying to get everyone on board at the same time, it may be more useful to convince and prepare the opinion leaders. Understanding one's own social networks as well as the networks of others in the organization can help managers identify opinion leaders. Once these individuals agree that the proposed change is needed and will be useful, they will become helpful allies in ensuring that the rest of the organization is ready for change (Armenakis, et. al., 1993). For example, when Paul Pressler became the CEO of Gap Inc. in 2002, he initiated a culture change effort in the hope of creating a sense of identity among the company's many brands such as Banana Republic, Old Navy, and Gap. For this purpose, employees were segmented instead of trying to reach out to all employees at the same time. Gap Inc. started by training the 2,000 senior managers in "leadership summits," who in turn were instrumental in ensuring the cooperation of the remaining 150,000 employees of the company (Nash, 2005).

## Provide Support

Employees should feel that their needs are not ignored. Therefore, management may prepare employees for change by providing emotional and instrumental support. Emotional support may be in the form of frequently discussing the changes, encouraging employees to voice their concerns, and simply expressing confidence in employees' ability to perform effectively under the new system. Instrumental support may be in the form of providing a training program to employees so that they know how to function under the new system. Effective leadership and motivation skills can assist managers to provide support to employees.

## Allow Employees to Participate

Studies show that employees who participate in planning change efforts tend to have more positive opinions about the change. Why? They will have the opportunity to voice their concerns. They can shape the change effort so that their concerns are addressed. They will be more knowledgeable about the reasons for change, alternatives to the proposed changes, and why the chosen alternative was better than the others. Finally, they will feel a sense of ownership of the planned change and are more likely to be on board (Wanberg & Banas, 2000). Participation may be more useful if it starts at earlier stages, preferably while the problem is still being diagnosed. For example, assume that a company suspects there are problems with manufacturing quality. One way of convincing employees that there is a problem that needs to be solved would be to ask them to take customer calls about the product quality. Once employees experience the problem firsthand, they will be more motivated to solve the problem.

# Executing Change

The second stage of Lewin's three-stage change model is executing change. At this stage, the organization implements the planned changes on technology, structure, culture, or procedures. The specifics of how change should be executed will depend on the type of change. However, there are three tips that may facilitate the success of a change effort.

## Continue to Provide Support

As the change is under way, employees may experience high amounts of stress. They may make mistakes more often or experience uncertainty about their new responsibilities or job descriptions. Management has an important role in helping employees cope with this stress by displaying support, patience, and continuing to provide support to employees even after the change is complete.

## Create Small Wins

During a change effort, if the organization can create a history of small wins, change acceptance will be more likely (Kotter, 1996; Germann, 2006). If the change is large in scope and the payoff is a long time away, employees may not realize change is occurring

during the transformation period. However, if people see changes, improvements, and successes along the way, they will be inspired and motivated to continue the change effort. For this reason, breaking up the proposed change into phases may be a good idea because it creates smaller targets. Small wins are also important for planners of change to make the point that their idea is on the right track. Early success gives change planners more credibility while early failures may be a setback (Hamel, 2000).

## Eliminate Obstacles

When the change effort is in place, many obstacles may crop up along the way. There may be key people who publicly support the change effort while silently undermining the planned changes. There may be obstacles rooted in a company's structure, existing processes, or culture. It is the management's job to identify, understand, and remove these obstacles (Kotter, 1995). Ideally, these obstacles would have been eliminated before implementing the change, but sometimes unexpected roadblocks emerge as change is under way.

## Refreezing

After the change is implemented, the long-term success of a change effort depends on the extent to which the change becomes part of the company's culture. If the change has been successful, the revised ways of thinking, behaving, and performing should become routine. To evaluate and reinforce ("refreeze") the change, there are a number of things management can do.

## Publicize Success

To make change permanent, the organization may benefit from sharing the results of the change effort with employees. What was gained from the implemented changes? How much money did the company save? How much did the company's reputation improve? What was the reduction in accidents after new procedures were put in place? Sharing concrete results with employees increases their confidence that the implemented change was a right decision.

## Reward Change Adoption

To ensure that change becomes permanent, organizations may benefit from rewarding those who embrace the change effort (an aspect of the controlling function). The rewards do not necessarily have to be financial. The simple act of recognizing those who are giving support to the change effort in front of their peers may encourage others to get on board. When the new behaviors employees are expected to demonstrate (such as using a new computer program, filling out a new form, or simply greeting customers once they enter the store) are made part of an organization's reward system, those behaviors are more likely to be taken seriously and repeated, making the change effort successful (Gale, 2003).

## Embracing Continuous Change

While Lewin's three-stage model offers many useful insights into the process of implementing change, it views each organizational change as an episode with a beginning, middle, and end. In contrast with this episodic change assumption, some management experts in the 1990s began to propose that change is—or ought to be—a continuous process.

The learning organization is an example of a company embracing continuous change. By setting up a dynamic feedback loop, learning can become a regular part of daily operations. If an employee implements a new method or technology that seems to be successful, a learning organization is in a good position to adopt it. By constantly being aware of how employee actions and outcomes affect others as well as overall company productivity, the inevitable small changes throughout organizations can be rapidly absorbed and tailored for daily operations. When an organization understands that change does indeed occur constantly, it will be in a better position to make use of good changes and intervene if a change seems detrimental.

### Key Takeaway

Effective change effort can be conceptualized as a three-step process in which employees are first prepared for change, then change is implemented, and finally the new behavioral patterns become permanent. According to emerging contemporary views, it can also be seen as a continuous process that affirms the organic, ever-evolving nature of an organization.

## Exercises

1. What are the benefits of employee participation in change management?
2. Imagine that you are introducing a new system to college students where they would have to use a special ID number you create for them for activities such as logging on to campus computers or using library resources. How would you plan and implement the change? Explain using Lewin's three-stage framework.
3. Why are successful companies less likely to change? What should companies do to make organizational change part of their culture?

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# 6.4: Building Your Change Management Skills

**Learning Objectives**

1. Identify guidelines for overcoming resistance to change.

## Overcoming Resistance to Your Proposals

You feel that a change is needed. You have a great idea. But people around you do not seem convinced. They are resisting your great idea. How do you make change happen?

- *Listen to naysayers*. You may think that your idea is great, but listening to those who resist may give you valuable ideas about why it may not work and how to design it more effectively.
- *Is your change revolutionary*? If you are trying to change dramatically the way things are done, you will find that resistance is greater. If your proposal involves incrementally making things better, you may have better luck.
- *Involve those around you in planning the change*. Instead of providing the solutions, make them part of the solution. If they admit that there is a problem and participate in planning a way out, you would have to do less convincing when it is time to implement the change.
- *Assess your credibility*. When trying to persuade people to change their ways, it helps if you have a history of suggesting implementable changes. Otherwise, you may be ignored or met with suspicion. This means you need to establish trust and a history of keeping promises over time before you propose a major change.
- *Present data to your audience*. Be prepared to defend the technical aspects of your ideas and provide evidence that your proposal is likely to work.
- *Appeal to your audience's ideals*. Frame your proposal around the big picture. Are you going to create happier clients? Is this going to lead to a better reputation for the company? Identify the long-term goals you are hoping to accomplish that people would be proud to be a part of.
- *Understand the reasons for resistance*. Is your audience resisting because they fear change? Does the change you propose mean more work for them? Does it affect them in a negative way? Understanding the consequences of your proposal for the parties involved may help you tailor your pitch to your audience (McGoon, 1995; Michelman, 2007; Stanley, 2002).

### Key Takeaway

There are several steps you can take to help you overcome resistance to change. Many of them share the common theme of respecting those who are resistant so you can understand and learn from their concerns.

## Exercises

1. What do you think are some key reasons why people resist change?
2. Do you think some people are more resistant to change regardless of what it is? Why do you think this is?

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# 6.5: Creating Cultural Change

**Learning Objectives**

1. Understand the process of culture change.

## How Do Cultures Change?

As emphasized throughout this chapter, culture is a product of its founder's values, its history, and collective experiences. Hence, culture is part of a company's DNA and is resistant to change efforts. Unfortunately, many organizations realize that their current culture constitutes a barrier against organizational productivity and performance. Particularly when there is a mismatch between an organization's values and the demands of its environment, changing the culture becomes the key to the company turnaround.

Achieving culture change is challenging, and there are many companies that ultimately fail in this mission. Research and case studies of companies that successfully changed their culture indicate that the following six steps increase the chances of success (Schein, 1990).

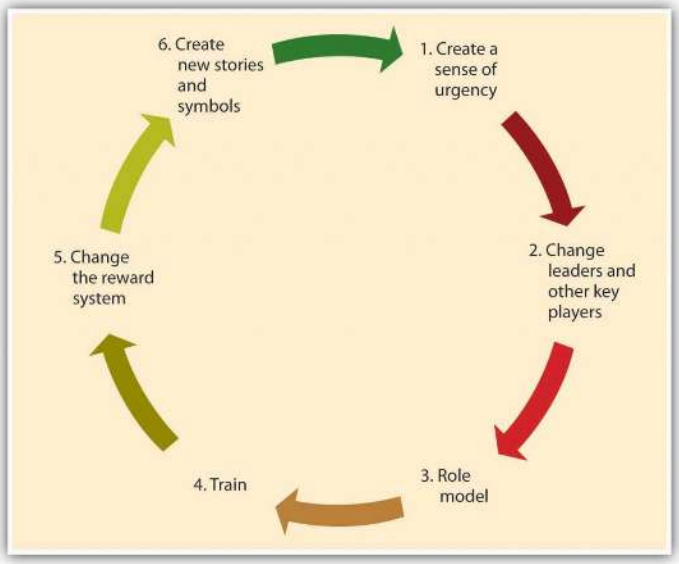



Figure 6.5.1: Process of Culture Change

## Creating a Sense of Urgency

For the change effort to be successful, it is important to communicate the need for change to employees. One way of doing this is to create a sense of urgency on the part of employees, explaining to them why changing the fundamental way in which business is done is so important. In successful culture change efforts, leaders communicate with employees and present a case for culture change as the essential element that will lead the company to eventual success. As an example, consider the situation at IBM in 1993 when Lou Gerstner was brought in as CEO and chairman. After decades of dominating the market for mainframe computers, IBM was rapidly losing market share to competitors, and its efforts to sell personal computers—the original PC—were seriously undercut by cheaper "clones." In the public's estimation, the name IBM had become associated with obsolescence. Gerstner recalls that the crisis IBM was facing became his ally in changing the organization's culture. Instead of spreading optimism about the company's future, he used the crisis at every opportunity to get buy-in from employees (Gerstner, 2002).

## Changing Leaders and Other Key Players

A leader's vision is an important factor that influences how things are done in an organization. Thus, culture change often follows changes at the highest levels of the organization. Moreover, to implement the change effort quickly and efficiently, a company may find it helpful to remove managers and other powerful employees who are acting as a barrier to change. Because of political reasons, self-interest, or habits, managers may create powerful resistance to change efforts. In such cases, replacing these positions

with employees and managers giving visible support to the change effort may increase the likelihood that the change effort succeeds. For example, when Robert Iger replaced Michael Eisner as CEO of the Walt Disney Company, one of the first things he did was to abolish the central planning unit, which was staffed by people close to ex-CEO Eisner. This department was viewed as a barrier to creativity at Disney and its removal from the company was helpful in ensuring the innovativeness of the company culture (McGregor, et. al., 2007).

## Role Modeling

Role modeling is the process by which employees modify their own beliefs and behaviors to reflect those of the leader (Kark & Van Dijk, 2007). CEOs can model the behaviors that are expected of employees to change the culture because these behaviors will trickle down to lower-level employees. For example, when Robert Iger took over Disney, to show his commitment to innovation, he personally became involved in the process of game creation, attended summits of developers, and gave feedback to programmers about the games. Thus, he modeled his engagement in the idea creation process. In contrast, the modeling of inappropriate behavior from the top will lead to the same behavior trickling down to lower levels. A recent example to this type of role modeling is the scandal involving Hewlett-Packard board members. In 2006, when board members were suspected of leaking confidential company information to the press, the company's top-level executives hired a team of security experts to find the source of the leak. The investigators sought the phone records of board members, looking for links to journalists. For this purpose, they posed as board members and called phone companies to obtain itemized home phone records of board members and journalists. When the investigators' methods came to light, HP's chairman and four other top executives faced criminal and civil charges. When such behavior is modeled at top levels, it is likely to have an adverse effect on the company culture (Barron, 2007).

## Training

Well-crafted training programs may be instrumental in bringing about culture change by teaching employees the new norms and behavioral styles. For example, after the space shuttle *Columbia* disintegrated on reentry from a February 2003 mission, NASA decided to change its culture to become more safety sensitive and minimize decision-making errors that lead to unsafe behaviors. The change effort included training programs in team processes and cognitive bias awareness. Similarly, when auto repairer Midas felt the need to change its culture to be more committed to customers, they developed a program to train employees to be more familiar with customer emotions and connect better with them. Customer reports have been overwhelmingly positive in stores that underwent this training.[1]

## Changing the Reward System

The criteria with which employees are rewarded and punished have a powerful role in determining the cultural values of an organization. Switching from a commission-based incentive structure to a straight salary system may be instrumental in bringing about customer focus among sales employees. Moreover, by rewarding and promoting employees who embrace the company's new values and promoting these employees, organizations can make sure that changes in culture have a lasting effect. If the company wants to develop a team-oriented culture where employees collaborate with one another, then using individual-based incentives may backfire. Instead, distributing bonuses to intact teams might be more successful in bringing about culture change.

## Creating New Symbols and Stories

Finally, the success of the culture change effort may be increased by developing new rituals, symbols, and stories. Continental Airlines is a company that successfully changed its culture to be less bureaucratic and more team-oriented in 1990s. One of the first things management did to show employees that they really meant to abolish many of the company's detailed procedures and create a culture of empowerment was to burn the heavy 800-page company policy manual in their parking lot. The new manual was only 80 pages. This action symbolized the upcoming changes in the culture and served as a powerful story that circulated among employees. Another early action was redecorating waiting areas and repainting all their planes, again symbolizing the new order of things (Higgins & McAllester, 2004). By replacing the old symbols and stories, the new symbols and stories will help enable the culture change and ensure that the new values are communicated.

### Key Takeaway

Organizations need to change their culture to respond to changing conditions in the environment, to remain competitive, and to avoid complacency or stagnation. Culture change often begins by the creation of a sense of urgency. Next, a change of leaders and

other key players may enact change and serve as effective role models of new behavior. Training can also be targeted toward fostering these new behaviors. Reward systems are changed within the organization. Finally, the organization creates new stories and symbols. Successful culture change requires managers that are proficient at all of the P-O-L-C functions. Creating and communicating a vision is part of planning; leadership and role modeling are part of leading; designing effective reward systems is part of controlling; all of which combine to influence culture, a facet of organizing.

## Exercises

1. Can new employees change a company's culture? If so, how?
2. Are there any conditions under which change is not possible? If so, what would such conditions be?
3. Have you ever observed a change process at an organization you were involved with? If so, what worked well and what didn't?
4. What recommendations would you have for someone considering a major change of culture within their own organization?

[1]BST to guide culture change effort at NASA. (2004 June). *Professional Safety*, *49*, 16; J. B. (2001, June). The Midas touch. *Training*, *38*, 26.

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# CHAPTER OVERVIEW

## Course Learning Outcome #7: Analyze the fundamentals of the control process.


7.1: Who Are Managers?

7.2: Supervision: Centralization Versus Decentralization

7.3: Functions of Management: Control

- 7.3.1: Why It Matters- Management
- 7.3.2: Manager
- 7.3.3: Management Theory
- 7.3.4: Planning
- 7.3.5: Organizing
- 7.3.6: Leading
- 7.3.7: Controlling
- 7.3.8: Putting It Together- Management

7.4: Supervisory Roles in the Control Function


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# 7.1: Who Are Managers?

## Learning Objectives

1. Know what is meant by “manager”.
2. Be able to describe the types of managers.
3. Understand the nature of managerial work.

## Managers

We tend to think about managers based on their position in an organization. This tells us a bit about their role and the nature of their responsibilities. The following figure summarizes the historic and contemporary views of organizations with respect to managerial roles. In contrast to the traditional, hierarchical relationship among layers of management and managers and employees, in the contemporary view, top managers support and serve other managers and employees (through a process called empowerment), just as the organization ultimately exists to serve its customers and clients. Empowerment is the process of enabling or authorizing an individual to think, behave, take action, and control work and decision making in autonomous ways.

In both the traditional and contemporary views of management, however, there remains the need for different types of managers. *Top managers* are responsible for developing the organization’s strategy and being a steward for its vision and mission. A second set of managers includes functional, team, and general managers. *Functional managers* are responsible for the efficiency and effectiveness of an area, such as accounting or marketing. *Supervisory* or *team managers* are responsible for coordinating a subgroup of a particular function or a team composed of members from different parts of the organization. Sometimes you will hear distinctions made between line and staff managers.

A *line manager* leads a function that contributes directly to the products or services the organization creates. For example, a line manager (often called a *product*, or *service manager*) at Procter & Gamble (P&G) is responsible for the production, marketing, and profitability of the Tide detergent product line. A *staff manager*, in contrast, leads a function that creates indirect inputs. For example, finance and accounting are critical organizational functions but do not typically provide an input into the final product or service a customer buys, such as a box of Tide detergent. Instead, they serve a supporting role. A *project manager* has the responsibility for the planning, execution, and closing of any project. Project managers are often found in construction, architecture, consulting, computer networking, telecommunications, or software development.

A *general manager* is someone who is responsible for managing a clearly identifiable revenue-producing unit, such as a store, business unit, or product line. General managers typically must make decisions across different functions and have rewards tied to the performance of the entire unit (i.e., store, business unit, product line, etc.). General managers take direction from their top executives. They must first understand the executives’ overall plan for the company. Then they set specific goals for their own departments to fit in with the plan. The general manager of production, for example, might have to increase certain product lines and phase out others. General managers must describe their goals clearly to their support staff. The supervisory managers see that the goals are met.




Figure 7.1.1: The Changing Roles of Management and Managers

## The Nature of Managerial Work

Managers are responsible for the processes of getting activities completed efficiently with and through other people and setting and achieving the firm's goals through the execution of four basic management functions: planning, organizing, leading, and controlling. Both sets of processes utilize human, financial, and material resources.

Of course, some managers are better than others at accomplishing this! There have been a number of studies on what managers actually do, the most famous of those conducted by Professor Henry Mintzberg in the early 1970s. One explanation for Mintzberg's enduring influence is perhaps that the nature of managerial work has changed very little since that time, aside from the shift to an empowered relationship between top managers and other managers and employees, and obvious changes in technology, and the exponential increase in information overload.

After following managers around for several weeks, Mintzberg concluded that, to meet the many demands of performing their functions, managers assume multiple roles. A role is an organized set of behaviors, and Mintzberg identified 10 roles common to the work of all managers. As summarized in the following figure, the 10 roles are divided into three groups: interpersonal, informational, and decisional. The informational roles link all managerial work together. The interpersonal roles ensure that information is provided. The decisional roles make significant use of the information. The performance of managerial roles and the requirements of these roles can be played at different times by the same manager and to different degrees, depending on the level and function of management. The 10 roles are described individually, but they form an integrated whole.

The three interpersonal roles are primarily concerned with interpersonal relationships. In the figurehead role, the manager represents the organization in all matters of formality. The top-level manager represents the company legally and socially to those outside of the organization. The supervisor represents the work group to higher management and higher management to the work group. In the liaison role, the manager interacts with peers and people outside the organization. The top-level manager uses the liaison role to gain favors and information, while the supervisor uses it to maintain the routine flow of work. The leader role defines the relationships between the manager and employees.

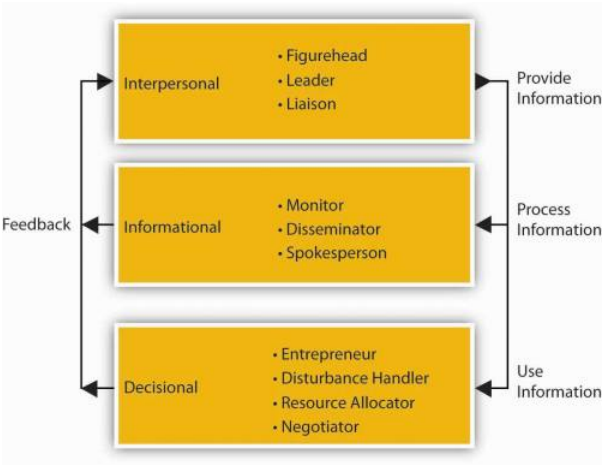



Figure 7.1.1: Ten Managerial Roles

The direct relationships with people in the interpersonal roles place the manager in a unique position to get information. Thus, the three informational roles are primarily concerned with the information aspects of managerial work. In the monitor role, the manager receives and collects information. In the role of disseminator, the manager transmits special information into the organization. The top-level manager receives and transmits more information from people outside the organization than the supervisor. In the role of spokesperson, the manager disseminates the organization's information into its environment. Thus, the top-level manager is seen as an industry expert, while the supervisor is seen as a unit or departmental expert.

The unique access to information places the manager at the center of organizational decision making. There are four decisional roles managers play. In the entrepreneur role, the manager initiates change. In the disturbance handler role, the manager deals with threats to the organization. In the resource allocator role, the manager chooses where the organization will expend its efforts. In the negotiator role, the manager negotiates on behalf of the organization. The top-level manager makes the decisions about the organization as a whole, while the supervisor makes decisions about his or her particular work unit.

The supervisor performs these managerial roles but with different emphasis than higher managers. Supervisory management is more focused and short-term in outlook. Thus, the figurehead role becomes less significant and the disturbance handler and negotiator roles increase in importance for the supervisor. Since leadership permeates all activities, the leader role is among the most important of all roles at all levels of management.

So what do Mintzberg's conclusions about the nature of managerial work mean for you? On the one hand, managerial work is the lifeblood of most organizations because it serves to choreograph and motivate individuals to do amazing things. Managerial work is exciting, and it is hard to imagine that there will ever be a shortage of demand for capable, energetic managers. On the other hand, managerial work is necessarily fast-paced and fragmented, where managers at all levels express the opinion that they must process much more information and make more decisions than they could have ever possibly imagined. So, just as the most successful organizations seem to have well-formed and well-executed strategies, there is also a strong need for managers to have good strategies about the way they will approach their work. This is exactly what you will learn through principles of management.

## Key Takeaway

Managers are responsible for getting work done through others. We typically describe the key managerial functions as planning, organizing, leading, and controlling. The definitions for each of these have evolved over time, just as the nature of managing in general has evolved over time. This evolution is best seen in the gradual transition from the traditional hierarchical relationship between managers and employees, to a climate characterized better as an upside-down pyramid, where top executives support middle managers and they, in turn, support the employees who innovate and fulfill the needs of customers and clients. Through all four managerial functions, the work of managers ranges across 10 roles, from figurehead to negotiator. While actual managerial work can seem challenging, the skills you gain through principles of management—consisting of the functions of planning, organizing, leading, and controlling—will help you to meet these challenges.

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# 7.2: Supervision: Centralization Versus Decentralization

## How can the degree of centralization/decentralization be altered to make an organization more successful?

The optimal span of control is determined by the following five factors:

1. *Nature of the task*. The more complex the task, the narrower the span of control.
2. *Location of the workers*. The more locations, the narrower the span of control.
3. *Ability of the manager to delegate responsibility*. The greater the ability to delegate, the wider the span of control.
4. *Amount of interaction and feedback between the workers and the manager*. The more feedback and interaction required, the narrower the span of control.
5. *Level of skill and motivation of the workers*. The higher the skill level and motivation, the wider the span of control.

The final component in building an effective organizational structure is deciding at what level in the organization decisions should be made. **Centralization** is the degree to which formal authority is concentrated in one area or level of the organization. In a highly centralized structure, top management makes most of the key decisions in the organization, with very little input from lower-level employees. Centralization lets top managers develop a broad view of operations and exercise tight financial controls. It can also help to reduce costs by eliminating redundancy in the organization. But centralization may also mean that lower-level personnel don't get a chance to develop their decision-making and leadership skills and that the organization is less able to respond quickly to customer demands.

**Decentralization** is the process of pushing decision-making authority down the organizational hierarchy, giving lower-level personnel more responsibility and power to make and implement decisions. Benefits of decentralization can include quicker decision-making, increased levels of innovation and creativity, greater organizational flexibility, faster development of lower-level managers, and increased levels of job satisfaction and employee commitment. But decentralization can also be risky. If lower-level personnel don't have the necessary skills and training to perform effectively, they may make costly mistakes. Additionally, decentralization may increase the likelihood of inefficient lines of communication, competing objectives, and duplication of effort.

Several factors must be considered when deciding how much decision-making authority to delegate throughout the organization. These factors include the size of the organization, the speed of change in its environment, managers' willingness to give up authority, employees' willingness to accept more authority, and the organization's geographic dispersion.

Decentralization is usually desirable when the following conditions are met:

- The organization is very large, like ExxonMobil, Ford, or General Electric.
- The firm is in a dynamic environment where quick, local decisions must be made, as in many high-tech industries.
- Managers are willing to share power with their subordinates.
- Employees are willing and able to take more responsibility.
- The company is spread out geographically, such as Nordstrom, Caterpillar, or Ford.

As organizations grow and change, they continually reevaluate their structure to determine whether it is helping the company to achieve its goals.

## CONCEPT CHECK

1. What are the characteristics of a centralized organization?
2. What are the benefits of a decentralized organization?
3. What factors should be considered when choosing the degree of centralization?

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# SECTION OVERVIEW

## 7.3: Functions of Management: Control


7.3.1: Why It Matters- Management

7.3.2: Manager

7.3.3: Management Theory

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7.3.8: Putting It Together- Management



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# 7.3.1: Why It Matters- Management

## Why describe the primary functions, responsibilities, and skills of effective leadership and management?

You go out for dinner to your favorite restaurant for a special occasion—let's say graduation. It took a month or more to save up the money, and your date/spouse bought a new outfit just for this outing. Maybe, if you have children, you splurged and got a babysitter for the entire evening. Whatever the circumstances, you have planned an evening to remember. As the night progresses, things are not turning out as you hoped. The hostess has no record of your reservation, so there's a delay. When your waiter finally appears, he's grouchy and unhelpful. You place your order and anxiously await what Yelp* describes as a "5-star dining experience." By the time your food comes, you have devoured the bread on your table, a pack of mints rummaged from your purse, and you're eying the leftovers on the neighboring table. When your steak finally arrives, it's overcooked and sits beside a heap of steamed broccoli instead of the baked potato you ordered. You hate broccoli. So, who do you call?

No, not Ghostbusters! You want to speak to the *manager*, because the manager has the responsibility and authority to resolve the problem (or at least try). But managers do more than just listen to customers complain. As you will discover in this section, whether they interact with customers, employees, suppliers, contractors or the general public, managers and leaders play an important, multidimensional role in all business organizations.

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# 7.3.2: Manager

**Learning Objectives**

- Describe technical skills in relation to management
- Describe human skills in relation to management

## Managerial Levels



*Being a successful manager can seem like a juggling act—keeping many balls in the air while keeping one's composure.*

All industries need management, and the managers who perform that function need to possess certain skills. Before we talk about those skills, though, it's important to understand that the title of manager actually refers to three distinct groups of people within an organization: top-level or executive managers, middle managers, and first-line managers. Each level has a different area of managerial responsibility and reporting structure.

**Top Managers**

These are the highest level of managers within an organization, and they are tasked with setting organizational objectives and goals. These managers scan the external environment for opportunities, help develop long-range plans and make critical decisions that affect the entire organization. They represent the smallest percentage of the management team. Many times these managers have titles such as chief executive, operations manager, or general manager.

**Middle Managers**

Mid-level or middle managers allocate resources to achieve the goals and objectives set by top managers. Their primary role is to oversee front-line managers and report back to top-level managers about the progress, problems, or needs of the first-line managers. Middle managers span the distance between production operations and organizational vision. While top managers set the organization's goals, middle managers identify and implement the activities that will help the organization achieve its goals.

**First-Line Managers**

The primary responsibility of first-line managers is to coordinate the activities that have been developed by the middle managers. These managers are responsible for supervising non-managerial employees who are engaged in the tasks and activities developed by middle managers. They report back to middle managers on the progress, problems, or needs of the non-managerial employees. These managers are on the front lines, so to speak, where they are actively involved in the day-to-day operations of the business.

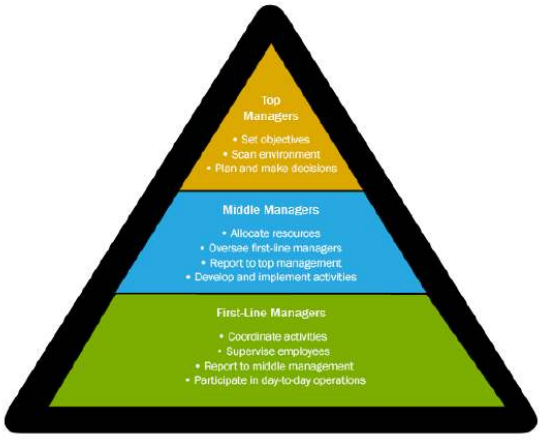



Figure 7.3.2.1: The management pyrimid

## Managerial Skills

The skills needed to succeed at each level of management vary somewhat, but there are certain skills common to all. Robert Katz identifies three critical skill sets for successful management professionals: **technical skills, conceptual skills, and human skills**. While these three broad skill categories encompass a wide spectrum of capabilities, each category represents a useful way of highlighting the key capabilities and their impact on management at different levels.

### Technical Skills

Of the three skill sets identified by Katz, technical skills are the broadest, most easily defined category. A **technical skill** is defined as a learned capacity in just about any given field of work, study, or even play. For example, the quarterback of a football team must know how to plant his feet and how to position his arm for accuracy and distance when he throws—both are technical skills. A mechanic, meanwhile, needs to be able to take apart and rebuild an engine, operate various machinery (lifts, computer-scanning equipment, etc.), and know how to install a muffler, for example.

Managers also need a broad range of technical abilities. Front-line managers, in particular, often need to use technical skills on a daily basis. They need to communicate up the chain of command while still speaking the language of the workers who are executing the hands-on aspects of the industry. A technical skill for a front-line manager might include a working understanding of a piece of equipment: the manager must be able to coach the employee on its operation, but also be able to explain the basic functions of the machinery to upper managers. Managers in other corporate roles and at higher levels also require technical skills. These can include office-based competencies such as typing, programming, Web-site maintenance, writing, giving presentations, and using software such as Microsoft Office or Adobe.

### Conceptual Skills

Conceptual skills are also crucial to managerial success. **Conceptual skills** enable one to generate ideas creatively and intuitively and also show comprehensive understanding of contexts or topics. Conceptual skills tend to be most relevant to upper-level thinking and broad strategic situations (as opposed to lower-level and line management). As a result, conceptual skills are often viewed as critical success factors for upper-managerial functions.

The key to this type of skill is **conceptual thinking**. Although conceptual thinking is difficult to define, it is generally considered to be the ability to formulate ideas or mental abstractions. When combined with information and a measure of creativity, conceptual thinking can result in new ideas, unique strategies, and innovative solutions. While all levels of management benefit from conceptual thinking, upper management spends the most time with this mindset, since it is largely tasked with identifying and drafting a strategy for the broader operational and competitive approach of an organization. Because this kind of strategic planning includes generating organizational values, policies, mission statements, ethics, procedures, and objectives, upper managers need to possess strong conceptual skills.

While upper management may use the conceptual skill set most, middle managers and front-line managers must also both understand and participate in the company objectives and values. Of particular importance is the ability to communicate these critical concepts to subordinates and decide which information to convey to upper management.

Tracking and collecting the results of conceptual thinking are parts of a feedback loop. Conceptual skills are important in empowering managers in all levels of an organization to observe the operations of an organization and frame them conceptually as an aspect of that organization’s strategy, objectives, and policies. Conceptual thinking allows for accurate and timely feedback and organizational adaptability.

### Human Skills




The development of human skills— a combination of social, interpersonal, and leadership skills—is central to the success of any manager.

Over the years, the conventional definition of management has become less specific, as managerial functions can include staffing, directing, and reporting. Modern companies have fewer layers of management, as these companies now tend to delegate (rather than concentrate) responsibilities and authority to achieve goals. As a result, businesses often expect managers to lead or guide people, rather than giving out instructions for every

action or task. The ability to lead people is therefore a central component of human skills.

Realistically, most organizations need managers who can view their teams analytically and objectively, evaluate inefficiencies, and make unpopular choices. However, it's misguided to think that a manager has to be distant from or disliked by subordinates to execute these responsibilities. Creating a healthy work environment that's conducive to development, constructive criticism, and achievement simply requires strong human skills—especially in the realm of communication.

Good managers understand not only what they are trying to say but also the broader context and implications of saying it. A sender communicating a message to a receiver is not simply transmitting factual information. Other dimensions of the exchange are just as important: empathy, self-reflection, situational awareness, and charisma all play integral roles in communicating effectively and positively.

In sum, technical, conceptual, and human skills are all needed to be an effective manager. As a manager moves up the organizational ladder, he or she may find that success requires fewer or different technical skills and a heavier reliance on interpersonal and human skills.

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# 7.3.3: Management Theory

**What you'll learn to do: summarize the development of management theory and the key functions of management today**

Management theory got its start during the Industrial Revolution when companies were interested in maximizing the productivity and efficiency of their workers in a scientific way. In this section you'll learn about the major contributors to the field of management theory and how their ideas are used today.

**Learning Objectives**

- Summarize the contributions of Frank and Lillian Gibreth to scientific management
- Summarize Henri Fayol's contributions to the field of management theory
- Summarize the key functions of management today

## Scientific Management Theory

Just over one hundred years ago Frederick Taylor published *Principles of Scientific Management*, a work that forever changed the way organizations view their workers and their organization. At the time of Taylor's publication, managers believed that workers were lazy and worked slowly and inefficiently in order to protect their jobs. Taylor identified a revolutionary solution:

> *The remedy for this inefficiency lies in systematic management, rather than in searching for some unusual or extraordinary man.*

You might think that a century-old theory wouldn't have any application in today's fast-paced, technology-driven world. You'd be wrong, though! In fact much of what you've already learned in this course is based on Taylor's work, and plenty of what you'll experience in the workplace will be indebted to him, too. If you recognize any of the following, you have already seen his principles of scientific management in action: organizational charts, performance evaluations, quality measurements and metrics, and sales and/or production goals.

Scientific management is a management theory that analyzes work flows to improve economic efficiency, especially labor productivity. This management theory, developed by Frederick Winslow Taylor, was popular in the 1880s and 1890s in U.S. manufacturing industries.

While the terms "scientific management" and "Taylorism" are often treated as synonymous, a more accurate view is that Taylorism is the first form of scientific management. Taylorism is sometimes called the "classical perspective," meaning that it is still observed for its influence but no longer practiced exclusively. Scientific management was best known from 1910 to 1920, but in the 1920s, competing management theories and methods emerged, rendering scientific management largely obsolete by the 1930s. However, many of the themes of scientific management are still seen in industrial engineering and management today.

### Frederick Winslow Taylor



*Frederick Winslow Taylor is considered the creator of scientific management.*

Frederick Winslow Taylor was an American mechanical engineer who sought to improve industrial efficiency by determining the amount of time it takes workers to complete a specific task and determining ways to decrease this amount of time by eliminating any potential waste in the workers' process.

A significant part of Taylorism was time studies. Taylor was concerned with reducing process time and worked with factory managers on scientific time studies. At its most basic level, time studies involve breaking down each job into component parts, timing each element, and rearranging the parts into the most efficient method of working. By counting and calculating, Taylor sought to transform management into a set of calculated and written techniques..

Taylor proposed a "neat, understandable world in the factory, an organization of men whose acts would be planned, coordinated, and controlled under continuous expert direction. " Factory production was to become a matter of efficient and scientific management—the planning and administration of workers and machines alike as components of one big machine.

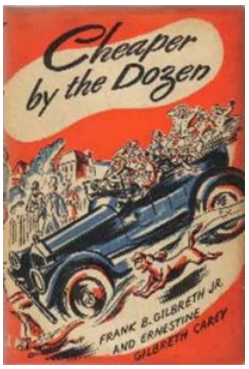
One of Taylor's most famous studies was from his time at the Bethlehem Steel Corporation in the early 1900's. He noticed that workers used the same shovel for all materials, even though the various materials differed in weight. By observing the movements of the workers and breaking the movements down into their component elements, Taylor determined that the most efficient shovel load was 21½ lb. Accordingly, he set about finding or designing different shovels to be used for each material that would scoop up that amount.

Taylor summed up his efficiency techniques in his 1911 book *The Principles of Scientific Management.* Important components of scientific management include analysis, synthesis, logic, rationality, empiricism, work ethic, efficiency, elimination of waste, and standardized best practices. All of these components focus on the efficiency of the worker and not on any specific behavioral qualities or variations among workers.

Taylor's scientific management consisted of four principles:

1. Replace rule-of-thumb work methods with methods based on a scientific study of the tasks.
2. Scientifically select, train, and develop each employee rather than passively leaving them to train themselves.
3. Provide detailed instruction and supervision of each worker in the performance of that worker's discrete task.
4. Divide work nearly equally between managers and workers, so that the managers apply scientific management principles to planning the work and the workers actually perform the tasks.

## Frank and Lillian Gilbreth




*Cheaper by the Dozen*

While Taylor was conducting his time studies, Frank and Lillian Gilbreth were completing their own work in motion studies to further scientific management. The Gilbreth name may be familiar to anyone who has read the book *Cheaper By The Dozen*, a biographical novel about the Gilbreth family, their twelve children, and the often humorous attempts of the Gilbreths to apply their efficiency methods in their own household.

The Gilbreths made use of scientific insights to develop a study method based on the analysis of work motions, consisting in part of filming the details of a worker's activities while recording the time it took to complete those activities. The films helped to create a visual record of how work was completed, and emphasized areas for improvement. Secondly, the films also served the purpose of training workers about the best way to perform their work.

This method allowed the Gilbreths to build on the best elements of the work flows and create a standardized best practice. Time and motion studies are used together to achieve rational and reasonable results and find the best practice for implementing new work methods. While Taylor's work is often associated with that of the Gilbreths, there is a clear philosophical divide between the two scientific-management theories. Taylor was focused on reducing process time, while the Gilbreths tried to make the overall process more efficient by reducing the motions involved. They saw their approach as more concerned with workers' welfare than Taylorism, in which workers were less relevant than profit. This difference led to a personal rift between Taylor and the Gilbreths, which, after Taylor's death, turned into a feud between the Gilbreths and Taylor's followers.

Even though scientific management was pioneered in the early 1900s, it continued to make significant contributions to management theory throughout the rest of the twentieth century. With the advancement of statistical methods used in scientific management, quality assurance and quality control began in the 1920s and 1930s. During the 1940s and 1950s, scientific management evolved into operations management, operations research, and management cybernetics. In the 1980s, total quality management became widely popular, and in the 1990s "re-engineering" became increasingly popular. One could validly argue that Taylorism laid the groundwork for these large and influential fields that we still practice today.

## Field of Management Theory

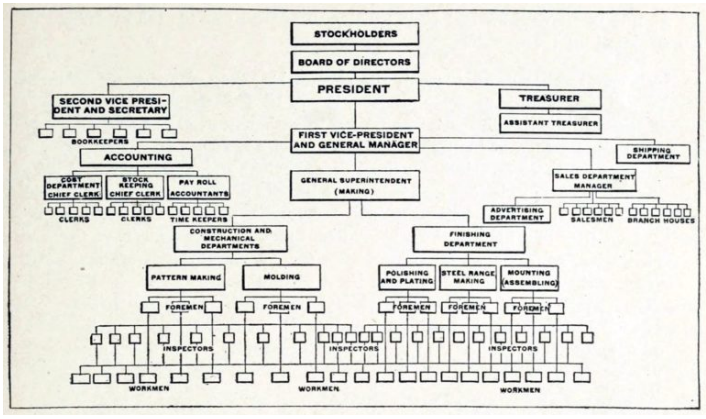


*Henri Fayol, ca. 1900*

Managers in the early 1900s had very few resources at their disposal to study or systematize their management practices. Henri Fayol, who was a French mining engineer and author, saw the need for this kind of study and, using the mines as the basis for his studies, developed what is now regarded as the foundation of modern management theory. In 1914 he published *Administration industrielle et générale*, which included his now-famous "fourteen principles of management." Fayol's practical list of principles guided early twentieth-century managers to efficiently organize and interact with employees.

Fayol recognized that management is fundamentally a process involving people. He saw that work could be managed more efficiently and smoothly by supporting the workers doing the tasks. He proposed that if managers could instill a sense of team spirit (esprit de corps) and encourage employees to contribute their own ideas, the problem of high turnover and instability in the workforce might be solved. At the time, working conditions in much of the industrialized world were terrible, and many of Fayol's principles ran counter to conventional ways of thinking about and treating workers. For instance, Fayol said that it's essential to pay a fair wage for a fair day's labor, and he claimed that productivity would actually increase if managers treated workers fairly and kindly. These were radical ideas at the time. Fayol argued that that discipline, while important to organizational success, ought to come from effective leadership—not from dictatorial or harsh management practices. Fayol recognized that a company's people, not its structure, determine success or failure.

Fayol also addressed the role of structure in building an efficient organization. Several of his management principles deal with the framework in which managers operate, touching on aspects of what we would today call "organizational structure." He encouraged companies to arrange men, machines, and materials systematically in order to maximize efficiency. In short, he applied the adage "a place for everything and everything in its place" to the operations of a business. He believed that managers ought to communicate to employees about their roles and responsibilities in a clear and compelling manner, thereby reducing uncertainty and waste. He also brought to the business environment a concept that had been used in military strategy for centuries: the chain of command. Fayol's "scalar chain" was, in effect, an organization chart of the type seen today (and below), showing the lines of communication and chain of command from the top of a company to the bottom. He believed that by means of such hierarchies, firms could achieve unity of direction and command.




*Organization Chart of a Large Stove-Manufacturing Company, 1914.*

The notion of unity of direction and command meant that "for any action whatsoever an employee should receive orders from one superior only," a concept Fayol adapted from the biblical teaching that "no man can serve two masters." He proposed that organizational activities having the same objective should be directed by a single manager using a unified plan to attain a single common goal. At the same time, that single manager oversees one group of workers all working together to reach the goal. By adhering to these principles of unity, organizations can avoid duplicating efforts and realize efficiencies instead.

These efficiencies were not possible without what Fayol established as his first and perhaps most profound principle—the division of labor or division of work. Fayol recommended that jobs be broken down to the individual tasks that comprise the whole and workers be assigned to those individual tasks or series of tasks. He believed that when someone performs the same task over and

over, he acquires speed and accuracy. Fayol observed: “The worker always on the same post, the manager always concerned with the same matters, acquires an ability, sureness, and accuracy which increases their output.”[1]

Fayol also made an enormous contribution to management theory through his scientific study of the work of management. He made a clear distinction between operational activities—manufacturing, sales, etc.—and managerial activities, which he viewed as being fundamentally concerned with human interaction. From there, he systematically examined the different aspects of the management process and spelled out the functions that managers perform.

In the following excerpt from *General and Industrial Management*, Fayol identifies five functions of management:

> *"To manage is to forecast and **plan**, to **organize**, to **command**, to **coordinate**, and to **control**. To foresee and provide means examining the future and drawing up the plan of action. To organize means building up the dual structure, material and human, of the undertaking. To command means maintaining activity among the personnel. To coordinate means binding together, unifying, and harmonizing all activity and effort. To control means seeing that everything occurs in conformity with established rule and expressed command. [Emphasis added.][2]"*

Over the years, management theorists have built upon and refined Fayol’s original work and, more recently, have combined the “command” and “coordinate” functions into one function: leading. Today, the key functions of management are considered to be the following: **planning, organizing, leading**, and **controlling**. All levels of management perform these functions; however, as with the skills required for effective management, the amount of time a manager spends on each function depends on the level of management and the needs of the organization. In the next readings we will explore each of these functions in greater depth.

1. Fayol, H. (1949). General and Industrial Management (C. Storrs, Trans.). London: Sir Isaac Pitman & Sons. ↵
2. Fayol, H. (1949). General and Industrial Management (C. Storrs, Trans.). London: Sir Isaac Pitman & Sons. ↵

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# 7.3.4: Planning

**What you'll learn to do: identify the types of planning and decision making managers engage in, and explain how these help organizations reach their goals**

Managers engage in many different types of planning. In this section you'll learn about the differences between strategic, tactical, operational, and contingency plans and how these plans relate to organizational goals.

**Learning Objectives**

- Explain the components of a SWOT analysis
- Explain how planning helps organizations reach their goals

## Planning

Planning is a process of thinking about and organizing the activities needed to achieve a desired goal. By now you are familiar with the most encompassing of all organizational planning: the business plan. The business plan provides the foundation for ongoing planning activities, but as the business grows and develops, it's the manager's responsibility to make adjustments and take the plans to the next level. A business without solid strategic, operational, and contingency plans will have a hard time meeting its organizational goals—unless it intends to survive by luck alone.

**The Foundation of Planning**

When managers begin to plan, they need to plan based on something – an idea, an opportunity or a dream. The company vision and mission statements create the foundation for planning by summarizing a company's business strategy in a form that can be communicated and understood easily by stakeholders.

- **Vision Statement:** A vision statement gives employees something to rally behind, and for those businesses that choose to make their vision statement public, it lets the world know where the company is going. Ikea, the Swedish multinational group of companies that designs and sells ready-to-assemble furniture, is driven by its corporate vision. This is the IKEA vision: "To create a better everyday life for the many people."
- **Mission Statement**: A mission statement outlines how the business will turn its vision into reality and becomes the foundation for establishing specific goals and objectives. Ikea's mission is "to offer a wide range of well-designed, functional home furnishing products at prices so low that as many people as possible will be able to afford them." It is this mission that will enable them to realize the vision of "better everyday life."

Until a business has determined what its mission is, planning cannot begin. Furthermore, one plan cannot possibly encompass everything necessary to achieve the organization's mission, so managers are tasked with developing sets of plans that, together, guide the organization's activities.

*Strategic Plans*

Strategic plans translate the company mission into a set of long-term goals and short-term objectives. In the process of determining a company's strategic plan, top-level managers set out to answer the following questions:

1. Where are we now?
2. Where do we want to be?
3. How do we get there?

*Tactical Plans*

Tactical plans translate high-level strategic plans into specific plans for actions that need to be taken up and down the layers of an organization. They are short-range plans (usually spanning less than one year) that emphasize the current operations of various parts of the organization. As a company refines or alters its strategic plans, the tactics must also be adjusted to execute the strategy effectively. A tactical plan answers the following questions:

1. What is to be done?
2. Who is going to do it?

3. How is it to be done?

*Operational Plans*

Operational plans establish detailed standards that guide the implementation of tactical plans and establish the activities and budgets for each part of the organization. Operational plans may go so far as to set schedules and standards for the day-to-day operations of the business and name responsible supervisors, employees, or departments.

*Contingency Plans*

Unforeseen events or disasters can be especially harmful to a business. For example, a fire, earthquake, or flood can make it impossible to continue normal business operations. A contingency plan lays out the course of action a business will take in response to possible future events.

**SWOT Analysis**

One of the key planning tools managers have at their disposal is the situation analysis, or SWOT analysis. SWOT stands for *strengths*, *weaknesses*, *opportunities*, and *threats*. Conducting such an analysis provides a means of projecting expectations, anticipating problems, and guiding decision making. As shown in the graphic, below, a SWOT analysis is an examination of the internal and external factors that impact the organization and its plans.

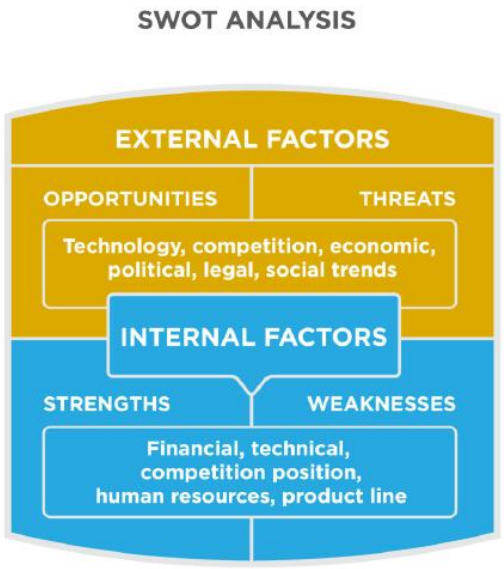



Figure 7.3.4.1: SWOT Analysis for external and internal factors

The external factors include opportunities and threats that are outside of the organization. These are factors that the company may be able influence—or at least anticipate—but not fully control. Examples of external factors are technology innovations and changes, competition, economic trends, government policies and regulations, legal judgments, and social trends.

The internal factors include strengths and weaknesses within the organization currently. Examples of internal factors are financial resources, technical resources and capabilities, human resources, and product lines. Since the company has the most control over internal factors, it can develop strategies and objectives to exploit strengths and address weaknesses.

The benefit of a SWOT analysis is that it gives a managers a clear picture of the “situation” in which it operates and helps them develop realistic plans. Managers must continually scan the internal and external business environment for signs of change that may require alterations to their plans. The organization’s strengths and weaknesses evolve over time, and new threats and opportunities can appear out of the blue. Ignoring signals that technology, consumer demands, resource availability or legal requirements are changing can leave the business in an inferior position relative to the competition and can very well mean the end of the business. For this reason, effective managers should use SWOT analysis as a tool to inform decision making and planning on a regular basis.

You can see how pervasive planning is within a business and that plans can run the gamut from the broad and general (as with the strategic plan, for example) to the narrow and specific (as with operational plans), but each type of plan is important to the overall success of an organization. Furthermore, planning is crucial to fulfilling the other functions of management. Without plans, effective organizing, leading, and controlling won't happen. Failure to plan—or postponing it—can be a real liability for labor-oriented, hands-on managers.

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# 7.3.5: Organizing

**What you'll learn to do: describe the organizing function of management and common types of organizational structure**

Organizing is a critical part of executing a plan, and it's a critical part of being a manager. In this section you'll learn what organizing entails and the different types of organizational structures that businesses can use.

**Learning Objectives**

- Differentiate between divisional, functional, and matrix structures

## Organizing



Once a plan has been created, a manager can begin to organize. Organizing involves assigning tasks, grouping tasks into departments, delegating authority, and allocating resources across the organization. During the organizing process, managers coordinate employees, resources, policies, and procedures to facilitate the goals identified in the plan. Organizing is highly complex and often involves a systematic review of human resources, finances, and priorities.

Before a plan can be implemented, managers must organize the assets of the business to execute the plan efficiently and effectively. Understanding specialization and the division of work is key to this effort, since many of the "assets" are employees. Recall what Henri Fayol wrote about the division of work:

> *"The specialization of the workforce according to the skills of a person, creating specific personal and professional development within the labour force and therefore increasing productivity, leads to specialization which increases the efficiency of labour. By separating a small part of work, the workers speed and accuracy in its performance increases. This principle is applicable to both technical as well as managerial work.[1]"*

Where workers are specialists, managers can group those employees into departments so their work is appropriately directed and coordinated. In short, work should be divided, and the right people should be given the right jobs to reduce redundancy and inefficiency.

**Benefits of Organizing**

While the planning function of managers is essential to reaching business goals, lots of careful planning can go to waste if managers fail to organize the company's assets and resources adequately. Some of the benefits of organizing include the following:

- Organization harmonizes employees' individual goals with the overall objectives of the firm. If employees are working without regard for the big picture, then the organization loses the cohesion necessary to work as a unit.
- A good organizational structure is essential for the expansion of business activities. Because organizational structure improves tracking and accountability, that structure helps businesses determine the resources it needs to grow. Similarly, organization is essential for product diversification, such as the development of a new product line.
- Organization aids business efficiency and helps reduce waste. In order to maximize efficiency, some businesses centralize operations while others arrange operations with customer or regional demands in mind.
- A strong organizational structure makes "chain of command" clear so employees know whose directions they should follow. This in turn improves accountability, which is important when outcomes are measured and analyzed.

This is a short list of the benefits managers (and businesses) realize when they take the time to organize. When it comes to the particular organizational structure a business follows, a variety of factors, such as size, industry, and manager preference come into play.

**Types of Organizational Structure**

Organizations can be structured in various ways, with each structure determining the manner in which the organization operates and performs. An organization's structure is typically represented by an **organization chart** (often called simply an "org chart")—a diagram showing the interrelationships of its positions. This chart highlights the chain of command, or the authority relationships among people working at different levels. It also shows the number of layers between the top and lowest managerial levels. Organizational structure also dictates the **span of control** or the number of subordinates a supervisor has. An organization with few layers has a wide span of control, with each manager overseeing a large number of subordinates; with a narrow span of control, only a limited number of subordinates reports to each manager. The structure of an organization determines how the organization will operate and perform.

*Divisional Structure*

One way of structuring an organization is by division. With this structure, each organizational function has its own division.

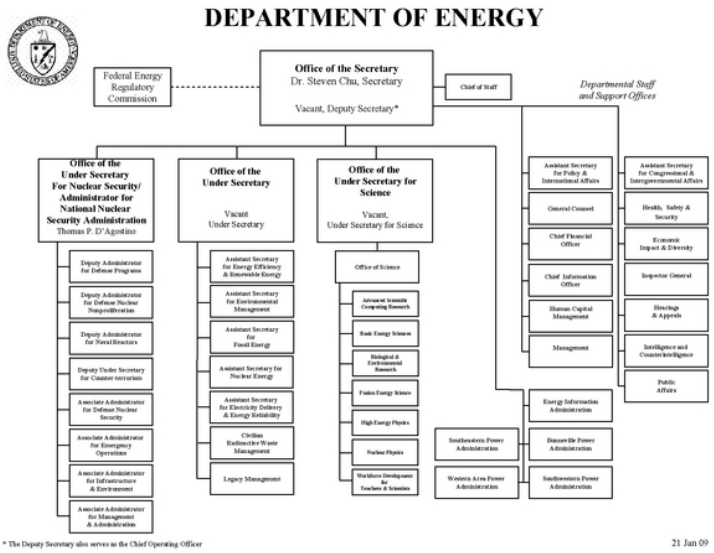



Figure 7.3.5.1: U.S. Department of Energy organization chart: The DOE organization chart shows a divisional structure with different divisions under each of three under-secretaries for energy. Each of the three division is in charge of a different set of tasks: environmental responsibilities, nuclear-energy responsibilities, or research responsibilities.

Each division can correspond to products or geographies of the organization. Each division contains all the necessary resources and functions within it to support that particular product line or geography (for example, its own finance, IT, and marketing departments). Product and geographic divisional structures may be characterized as follows:

- **Product departmentalization:** A divisional structure organized by product departmentalization means that the various activities related to the product or service are under the authority of one manager. If the company builds luxury sedans and SUVs, for example, the SUV division will have its own sales, engineering, and marketing departments, which are separate from the departments within the luxury sedan division.
- **Geographic departmentalization:** Geographic departmentalization involves grouping activities based on geography, such as an Asia/Pacific or Latin American division. Geographic departmentalization is particularly important if tastes and brand responses differ across regions, as it allows for flexibility in product offerings and marketing strategies (an approach known as localization).

*Functional Structure*

In a **functional structure**, a common configuration, an organization is divided into smaller groups by areas of specialty (such as IT, finance, operations, and marketing). Some refer to these functional areas as "silos"—entities that are vertical and disconnected

from one another. Accordingly, the company's top management team typically consists of several functional heads (such as the chief financial officer and the chief operating officer). Communication generally occurs within each functional department and is transmitted across departments through the department heads.

Functional departments are said to offer greater operational efficiency because employees with shared skills and knowledge are grouped together according to the work they do. Each group of specialists can therefore operate independently, with management acting as the point of cross-communication between functional areas. This arrangement allows for increased specialization.

One disadvantage of this structure is that the different functional groups may not communicate with one another, which can potentially decrease flexibility and innovation within the business. Functional structures may also be susceptible to tunnel vision, with each function seeing the organization only from within the frame of its own operation. Recent efforts to counteract these tendencies include using teams that cross traditional departmental lines and promoting cross-functional communication.

Functional structures appear in a variety of organizations across many industries. They may be most effective within large corporations that produce relatively homogeneous goods. Smaller companies that require more adaptability and innovation may feel confined by the communication and creativity silos that result from functional structures.

**Matrix Structure**

The **matrix structure** is a type of organizational structure in which individuals are grouped by two different operational perspectives at the same time; this structure has both advantages and disadvantages but is generally best employed by companies large enough to justify the increased complexity.

In a matrix structure, the company is organized by both product and function. Product lines are managed horizontally and functions are managed vertically. This means that each function—e.g., research, production, sales, and finance—has separate internal divisions for each product. In matrix organizations, the company is grouped by the perspectives it deems most appropriate. Common organizational perspectives include function and product, function and region, or region and product. In an organization grouped by function and product, for example, each product line will have management that corresponds to each function. If the organization has three functions and three products, the matrix structure will have nine (3×3) potential managerial interactions. This example illustrates how inherently complex matrix structures are compared to other, more linear structures.

Proponents of matrix management argue that this structure allows team members to share information more readily across task boundaries, which addresses the silo problem of functional management. Matrix structures also allow for specialization, which can increase depth of knowledge and and enable individuals to be assigned according to project needs.

A disadvantage of the matrix structure is the increased complexity in the chain of command when employees are assigned to both functional and project managers. This arrangement can result in a higher manager-to-worker ratio, which, in turn, can increase costs or lead to conflicting employee loyalties. It can also create a gridlock in decision making if a manager on one end of the matrix disagrees with another manager. Blurred authority in a matrix structure can hamper decision making and conflict resolution.

Matrix structures should generally only be used when the operational complexity of the organization warrants it. A company that operates in various regions with various products may require interaction between product development teams and geographic marketing specialists—suggesting a matrix may be beneficial. Larger companies with a need for a great deal of cross-departmental communication generally benefit the most from this model.

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1. Fayol, H. (1949). General and Industrial Management (C. Storrs, Trans.). London: Sir Isaac Pitman & Sons ↵

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# 7.3.6: Leading

**What you'll learn to do: describe common management and leadership styles, and identify the circumstances under which they are most effective**

In this section you'll learn about common management and leadership styles and when they're most effective.

Learning Objectives

- Identify the circumstances under which different management styles are effective
- Differentiate between transformational, transactional, and narcissistic leadership styles

## Different Management Styles



Regardless of their position within an organization, managers need to act as leaders. Some people think leadership means guiding others to complete a particular task, while others believe it means motivating the members of your team to be their best selves. Whatever the differences in emphasis or wording, the following is probably a fair definition: Leaders are people who know how to achieve goals and inspire people along the way.[1] In a business setting, leadership also means being able to share a clear vision of where the company is heading while providing the knowledge, information, and methods needed to get there.

A manager can take a number of different approaches to leading and overseeing an organization. A manager's style of giving direction, setting strategy, and motivating people is the result of his or her personality, values, training, and experience. Let's examine some of the most common management styles and the circumstances under which each is most appropriate.

**Management Styles**

*Autocratic/Authoritarian*

Under an autocratic management style, decision-making power is concentrated in the manager. Autocratic managers don't entertain any suggestions or consider initiatives from subordinates. This style of management is effective for quick decision making but is generally not successful in fostering employee engagement or maintaining worker satisfaction. When do managers tend to use this style?

- In crisis situations, when it's impractical to solicit employee input, managers may become autocratic. For example, a manager might order employees to vacate the building because of fire or another emergency. Taking the time to seek advice or opinions is not only impractical but could endanger lives.
- Traditionally, if the workforce is comprised of low-skill workers, employee input isn't encouraged because it's considered to be of limited value or importance. However, more forward-thinking managers regard all worker input as valuable, regardless of skill level.

*Laissez-Faire/Free-Rein*

The laissez-faire style is sometimes described as "hands-off" management because the manager delegates the tasks to the followers while providing little or no direction. If the laissez-faire manager withdraws too much, it can sometimes result in a lack of productivity, cohesion, and satisfaction. Under this type of management, subordinates are given a free hand in deciding their own policies and methods.When do managers employ this approach?

- When workers have the skills to work independently, are self-motivated, and are held accountable for results (physicians are a good example), laissez-faire management may be effective. Highly skilled employees require less frequent instruction, and managers must rely on them to use their professional expertise to make sound decisions.
- Managers of creative or innovative employees often adopt this approach in order to foster creativity. For example, computer programmers, artists, or graphic designers can benefit from a hands-off management style. Managers step out of the way to make room for new ideas, creative problem-solving, and collaboration.

*Participative/Democratic*

Under a participative or democratic style of management, the manager shares the decision-making authority with group members. This approach values individual interests and perspectives while also contributing to team cohesion. Participative management can help employees feel more invested in decisions, outcomes, or the choices they've made, because they have a say in them. When is this an appropriate managerial choice?

- When an organization enters a transitional period—a merger or acquisition, expanding into a new market, closing a facility, or adding new products, for example—managers need to guide the workforce through the change. Such circumstances involve adjustments and adaptations for a large group of people, so managers may find that a participative management style is most effective.
- Businesses often encounter new or unexpected challenges. During tough times, resourceful managers will solicit input from employees at many levels within the organization. A democratic approach can uncover people with invaluable experience, advice, and solutions.

Each style of management can be effective if matched with the needs of the situation and used by a skilled, versatile manager. The best managers are adept at several styles and able to exercise good judgement about which one is suited to the task at hand.

**Leadership in Management**

There was a time when the role of a manager and a leader could be separated. A foreman in a shoe factory during the early 1900s didn't give much thought to what he was producing or to the people who were producing it. His or her job was to follow orders given to him by a superior, organize the work, assign the right people to the tasks, coordinate the results, and ensure the job got done as ordered. The focus was on efficiency.

In the new economy, however, where value increasingly comes from knowledge—as opposed to skill—and where workers are no longer undifferentiated cogs in an industrial machine, management and leadership are not easily separated. People look to their managers not just to assign them a task but to articulate a purpose, too. Managers are expected to organize workers not just as a means of maximizing efficiency but to nurture abilities, develop talent, and inspire results.

The late management guru Peter Drucker was one of the first to recognize this shift in the roles and relationships of managers and employees. He identified the emergence of the "knowledge worker" and the profound impact that would have on the way business is organized. With the rise of the knowledge worker, "one does not 'manage' people," Drucker wrote. "The task is to lead people. And the goal is to make productive the specific strengths and knowledge of every individual."[2]

With Drucker's idea of "leading people" in mind, let's examine the types of leaders most commonly encountered in business. Keep in mind that the management styles described above are not separate from leadership, but rather are another dimension to the manager as an individual. Managers don't put on an autocratic manager hat one day and a transformational leader hat the next. Instead, every individual fulfilling a managerial role within an organization must be able to adapt his or her style to the situation at hand. This adds considerable complexity to the role of a manager and is one of the reasons that a manager may leave a company—it just wasn't a good "fit." A poor fit may be the result of a tug-of-war between management styles, personality, and leadership qualities.

## Different Leadership Styles

**Transformational**

Transformational leaders work with subordinates to identify needed change, create and share an inspiring vision, and bring about change together with committed members of a group. Transformational leadership serves to enhance the motivation, morale, and job performance of followers through a variety of mechanisms. These include connecting the follower's sense of identity and self to a project and to the collective identity of the organization; being a role model for followers in order to inspire them and to raise their interest in the project; challenging followers to take greater ownership for their work; and understanding the strengths and weaknesses of followers, allowing the leader to align followers with tasks that enhance their performance. Transformational leaders are often idealized and viewed as moral exemplars for their contributions to a team, an organization, or a community.

**Transactional**

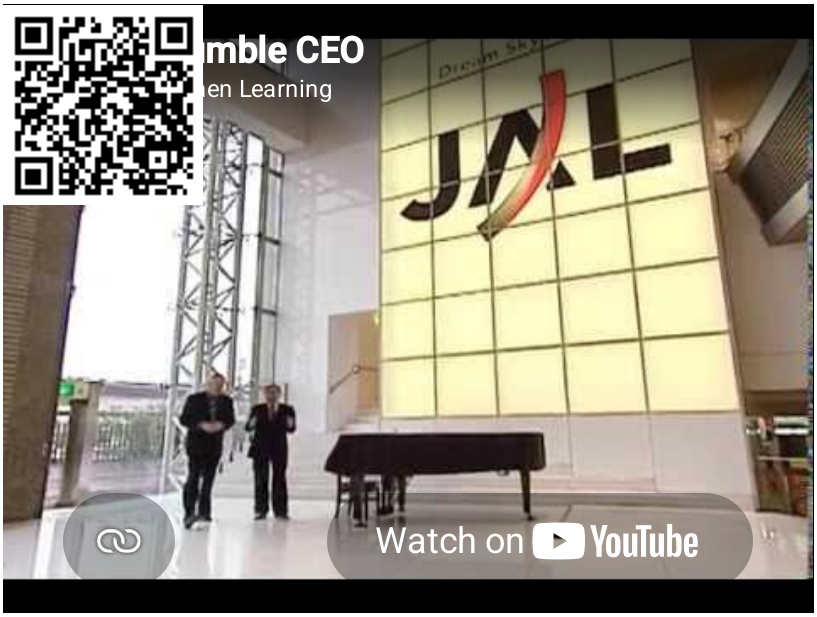
Transactional leadership was first described by Max Weber in 1947 and later by Bernard Bass in 1981. This kind of leadership, also known as managerial leadership, focuses on supervision, organization, and performance. Unlike transformational leaders, those

using the transactional approach are not looking to change the future—they value the status quo. Transactional leaders pay attention to their followers' work in order to find fault or deviation and gain their compliance through a system of rewards and punishments. There are two factors that form the basis for this reward/punishment system: contingent reward and management by exception. Contingent reward provides rewards (material or psychological) for effort and recognizes good performance. Management by exception allows the leader to maintain the status quo; the leader intervenes when subordinates do not meet acceptable performance levels and initiates corrective action to improve performance.

**Narcissistic**

Narcissistic leaders are known for being interested only in themselves, at the expense of others, such as employees or group members. The leader's narcissism may be healthy or destructive, although there is a continuum in between. To critics, the narcissistic leader—especially one with destructive narcissism—is driven by unyielding arrogance, self-absorption, and a personal egotistic need for power and admiration. A study published in *Personality and Social Psychology Bulletin* suggests that when a group is without a leader, a narcissist often takes charge; researchers found that people who score high in narcissism tend to take control of leaderless groups. Freud considered "the narcissistic type . . . especially suited to act as a support for others, to take on the role of leaders and to . . . impress others as being 'personalities'."

In reality, leaders come in as many flavors as ice cream. There are many more types than the three described above. Some leaders are directing; others are more relaxed—acting more like a coach than a boss. Leaders might not lead with the same style all the time, either. There are occasions when managers must take a firm stand, making critical decisions on their own, and other times when they work with their employees to build a consensus before acting. Each style has its place and time, and each manager has his or her own preferred approach. Consider the CEO of Japan Airlines profiled in the following video and what his actions say about his management and leadership style.




1. http://www.businessnewsdaily.com/364...efinition.html ↵
2. http://guides.wsj.com/management/developing-a-leadership-style/what-is-the-difference-between-management-and-leadership/ ↵

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# 7.3.7: Controlling

**What you'll learn to do: explain why control is an essential part of effective management, and outline the steps of the control process**

In this section you'll learn about the control function of management and become familiar with the steps of the control process.

**Learning Objectives**

- Explain what SMART objectives are
- Outline the steps of the control process

## Controlling

**What Is Control?**



Figure 7.3.7.1. Parking lot control

Consider the two images in Figure 7.3.7.1. . . . one with control and one without. Think of the two parking lots as two different organizations. What you can see is that one has management controls in place, and the other . . . well, you can tell how that's working out. In the second photo no one is in charge of controlling the actions and activities of the employees within the company—it's a free-for-all.

It might seem attractive, at first, to work for a company where people aren't telling you what to do, how to do it, or when things are due. But it wouldn't take too long, probably, for all that freedom to feel like chaos. In this next section we'll focus on the control function of management to better understand how it helps people and organizations achieve goals and objectives.

In business or management context, control is the activity of observing a given organizational process, measuring performance against a previously established metric, and improving it where possible. Organizations are made up of operational processes and systems, each of which can be iterated upon and optimized. At the upper-managerial level, control revolves around setting strategic objectives for the short and long term, as well as measuring overall organizational success. Developing methods for optimizing operational processes is often done at the mid-managerial level. The mid-level manager measures success within his or her span of control—which could be a division, a region, or a particular product. The line manager is then responsible for controlling the actions of the workers to ensure that activities are carried out in a way that optimizes outcomes and outputs. He or she will measure the success of individual workers, work teams, or even a shift. What managers up and down the organizational chart have in common is that they all use the same process for carrying out the control function of management.

The process of control usually consists of the following four parts:

1. setting standards,
2. measuring performance against those standards,
3. analyzing performance, and
4. taking corrective action.

Take special note of the language that we use when we talk about the control function—*process*! Controlling the activities within an organization is a continuous process that resembles navigation. In order to reach a destination, a ship navigator sets a course and then constantly checks the headings—if the ship has drifted off course, the navigator makes the necessary corrections. This cycle of check-and-correct, check-and-correct happens over and over to keep the ship on course and get it to where it's going. Similarly, the controlling function in business is a process of repeatedly checking and correcting until standards and objectives are met.

Another feature of the control process is that it's designed to be proactive. The idea is for managers to intervene before costly or damaging problems occur, rather than waiting and hoping for the best. It's better to take corrective action when you're drifting off course than try to salvage your ship after you've crashed into a rock. The benefit to managers and organizations of a forward-looking, proactive approach is that it reduces customer complaints, employee frustration, and waste.

**Setting Standards and Objectives**

Organizational standards and objectives are important elements in any plan because they guide managerial decision making. Performance standards and objectives may be stated in monetary terms—such as revenue, costs, or profits—but they may also be set in other terms, such as units produced, number of defective products, levels of quality, or degree of customer satisfaction.

Peter Drucker suggests that operational objectives should be SMART, which means specific, measurable, achievable, realistic, and time constrained: [1]

- An operational objective should be **specific**, focused, well defined, and clear enough that employees know what is expected. A specific objective should identify the expected actions and outcomes. This helps employees stay on track and work toward appropriate goals.
- An operational objective should be **measurable** and quantifiable so people can assess whether it has been met or not. For example, "increase annual sales revenue by 10 percent" is a measurable objective.
- An objective needs to be **achievable**. It's important for all the stakeholders—especially the employees doing the work—to agree that the objective can be met. Unachievable objectives can be damaging to employee trust and morale.
- An objective should be **realistic** as well as ambitious. It should take into account the available resources and time.
- Lastly, an objective should be **time constrained**. Having a deadline can help increase productivity and prevent the work from dragging on.

It's important to get employee input during the process of developing operational objectives, as it may be challenging for employees to understand or accept them after they're set. After determining appropriate operational objectives for each department, plans can be made to achieve them.

**Measuring Performance**

Performance measurement is the process of collecting, analyzing, and/or reporting information regarding the performance of an individual, group, organization, system, or component. The ways in which managers and organizations measure performance vary greatly—there is no single systemic approach that fits all companies or conditions. The most important element of measuring performance is to do them at regular intervals and/or when particular milestones are reached. The best processes for measuring performance provide information in time for day-to-day decisions.

The rubric for measuring organizational performance is called a **performance metric**. These metrics measure an organization's behavior, activities, and performance. In order to be effective, the metric should relate to a range of stakeholder needs, including those of customers, shareholders, and employees. Metrics may be finance based or they may focus on some other measure of performance, such as customer service or customer perceptions of product value. For example, in call centers, performance metrics help capture internal productivity and the quality of service. Typical metrics might be calls answered, calls abandoned, average service time, and average wait time.

In general, performance metrics usually involves the following:

1. Establishing critical processes/customer requirements
2. Identifying specific, quantifiable outputs of work
3. Establishing targets against which results can be scored

**Analyzing Performance**

Once performance has been measured, managers must analyze the results and evaluate whether objectives have been met, efficiencies achieved, or goals obtained. The means by which performance is analyzed vary among organizations; however, one tool that has gained widespread adoption is the **balanced scorecard.** A balanced scorecard is a semi-standardized strategic management tool used to analyze and improve key performance indicators within an organization. The original design of this balanced scorecard has evolved over the last couple decades and now includes a number of other variables—mostly where

performance intersects with corporate strategy. Corporate strategic objectives were added to allow for a more comprehensive strategic planning exercise. Today, this second-generation balanced scorecard is often referred to as a "strategy map," but the conventional "balanced scorecard" is still used to refer to anything consistent with a pictographic strategic management tool.

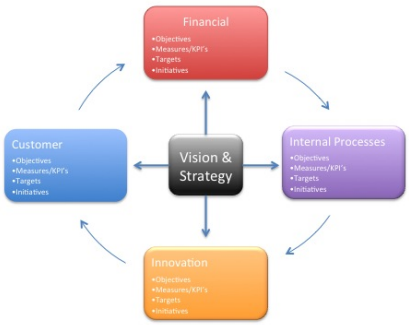



Figure 7.3.7.2. The balanced scorecard: On a standard balanced scorecard, each "perspective" reminds the user to articulate attributes necessary for an effective scorecard: the financial perspective, the customer's perspective, innovation, and internal processes, all of which come together to form an organization's vision and strategy.

The following four perspectives are represented in a balanced scorecard:

1. **Financial**: includes measures focused on the question "How do we look to shareholders?"
2. **Customer**: includes measures focused on the question "How do customers perceive us?"
3. **Internal business processes**: includes measures focused on the question "What must we excel at?"
4. **Learning and growth**: includes measures focused on the question "How can we continue to improve and create value?"

Managers generally use this tool to identify areas of the organization that need better alignment and control vis-à-vis the broader organizational vision and strategy. The balanced scorecard brings each of an organization's moving parts into one view in order to improve synergy and continuity between functional areas.

**Taking Corrective Action**

Once the cause of nonperformance or underperformance has been identified, managers can take corrective action. **Corrective action** is essentially a planned response aimed at fixing a problem. At this stage of the controlling process, problem-solving is key.

The first step managers must take is to accurately identify the problem, which can sometimes be hard to distinguish from its symptoms or effects. Collecting information and measuring each process carefully are important prerequisites to pinpointing the problem and taking the proper corrective action. Attempts at corrective action are often unsuccessful because of failures in the problem-solving process, such as not having enough information to isolate the real problem, or the presence of a manager or decision maker who has a stake in the process and doesn't want to admit that his department made a mistake. Another reason why the problem-solving process can run aground is if the manager or decision maker was nevery properly trained to analyze a problem.

Once the problem is identified, and a method of corrective action is determined, it needs to be implemented as quickly as possible. A map of checkpoints and deadlines, assigned to individuals in a clear and concise manner, facilitates prompt implementation. In many ways, this part of the control process is very much a process itself. Its steps can vary greatly depending on the issue being addressed, but in all cases it should be clear how the corrective actions will lead to the desired results.

Next, it's important to schedule a review and evaluation of the solution. This way, if the corrective action doesn't bring the desired results, further action can be taken swiftly—before the organization falls even further behind in meeting its goals. Organizations may also decide to discuss a problem and potential solutions with stakeholders. It's useful to have some contingency plans in place, as employees, customers, or vendors may have unique perspectives on the problem. Gaining a broader view can sometimes help management arrive at a more effective solution.

A manager must use a wide range of skills to navigate the management process well. This journey begins with sound planning, based on a set of SMART goals and objectives. The manager leads both people and processes, using a blend of leadership and management styles appropriate to the situation. If the manager has done a good job of placing the right people in the right places, and has implemented sound standards and performance metrics, then she is well-positioned to take corrective action where needed. Regardless of whether the task is to get a customer's order assembled and shipped on time or expand into a new market, the functions of the manager remain unchanged.

1. https://en.Wikipedia.org/wiki/Operational_objective#3._Factors_that_affect_operational_objectives_of_an_organization ↵

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# 7.3.8: Putting It Together- Management

## Synthesis

Ship captains, jugglers, parking lots . . . Why have we used so many different analogies to describe managers and management? Because all of them are appropriate given the diversity of roles and responsibilities that managers have on any given day. They must truly possess a broad range of skills in order to react, adapt, plan, and change course swiftly to stay ahead of changes inside and outside of the organization. Perhaps the best way to sum it up is that managers and leaders need to be prepared because . . .




## Summary

**Managers**

Managers wear many hats and must bring with them an entire toolkit of skills—ranging from interpersonal to technical skills—in order to reach organizational goals and objectives effectively. Without the proper skill set, managers can find themselves unable to gain the trust and support of those around them, making their job more difficult and, in some cases, impossible.

**Management Theory**

Although the world of business has changed tremendously over time, the four functions of management—planning, organizing, leading, and controlling—originally identified by Fayol in the early 1900s still hold. What has changed is where and how managers perform these four primary functions.

**Planning**

Planning within a business ranges from the big picture to the very granular, from the organization's foundational plan (its mission) and set of strategic plans to its daily operations plans. Each one builds upon the other, and without a well-developed set of plans that management can implement, an organization will likely drift from one venture or problem to another without ever really achieving success.

**Organizing**

The structure of an organization can have a tremendous impact on the organization's ability to react to both internal and external forces. Organizational structure also determines the managers' span of control, communication channels, and operational responsibilities. The organization should be structured in such a way that it reflects the company's mission and supports its customer and product/services goals to the greatest advantage.

**Leading**

From autocratic to laissez-faire, leadership styles run the entire spectrum. Some of the most effective leaders are those who can adopt different styles to fit the situation at hand.

**Controlling**

The control function of management has two aims: to make order out of chaos and to evaluate whether the company's efforts and resources are being maximized. Remember that the "control function" doesn't give management license to be manipulative or autocratic. Instead it refers to the importance of control through *evaluation*, since evaluation is the key to knowing whether a company is producing the desired results or not.

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# 7.4: Supervisory Roles in the Control Function

## Key Terms

**Decisional role**

One of the three major roles that a manager assumes in the organization.

**Executive Managers**

Generally, a *team* of individuals at the highest level ofmanagementof an organization.

**First-line Managers**

The level of management directly managing nonmanagerial employees.

**Informational Role**

One of the three major roles that a manager assumes in the organization.

**Interpersonal Role**

One of the three major roles that a manager assumes in the organization.

**Middle Management**

The managers in an organization at a level just below that of senior executives.

## Summary of Learning Outcomes

**1.2 What Do Managers Do?**

1. What do managers do to help organizations achieve top performance?

Managers perform a variety of functions in organizations, but amongst one of the most important functions they perform is communicating with direct reports to help their organizations achieve and exceed goals.

**1.3 The Roles Managers Play**

2. What do managers do to help organizations achieve top performance?

Managers perform a variety of roles in organizations, but amongst one of the most important functions they perform is communicating with direct reports to help their organizations achieve and exceed goals. Managers perform three major types of roles within organizations, interpersonal roles, informational roles, and decisional roles. the extent of each of these roles depends on the manager’s position within the organizational hierarchy.

**1.4 Major Characteristics of the Manager's Job**

3. What are the characteristics that effective managers display?

Management is the process of planning, organizing, directing, and controlling the activities of employees in combination with other resources to accomplish organizational goals. Managerial responsibilities include longrange planning, controlling, environmental scanning, supervision, coordination, customer relations, community relations, internal consulting, and monitoring of products and services. These responsibilities differ by level in the organizational hierarchy and by department or function. The twenty-first-century manager will differ from most current managers in four ways. In essence, he will be a global strategist, a master of technology, a good politician, and a premier leader-motivator.

## Chapter Review Questions

1. What are the characteristics and traits that you possess that are common to all successful managers?
2. Why should management be considered an occupation rather than a profession?

3. How do managers learn how to perform the job?
4. Explain the manager's job according to Henry Mintzberg.
5. What responsibilities do managers have towards people within the organization? How do they express these responsibilities?
6. How do managers perform their job according to John Kotter?
7. How do managers make rational decisions?
8. How does the nature of management change according to one's level and function in the organization?
9. Discuss the role of management in the larger societal context. What do you think the managers of the future will be like?
10. Identify what you think are the critical issues facing contemporary management. Explain.

## Management Skills Application Exercises

1. During this and your other courses, there will likely be products of your and team-based assignments that can illustrate specific competencies such as the ability to prepare a spreadsheet application, write programming code, or show your communication abilities that demonstrate your skills in a video. It is a good practice to catalog and save these artifacts in a portfolio that will be a useful in demonstrating your skills in future job interviews.
2. Time management is an important skill that will impact your future as a manager. You can categorize the time that you spend as either required or discretionary. You can assess your time management skills by keeping track of your time using a schedule calendar and breaking down the time devoted to each activity over a week. After a week of logging the activity, note whether each activity was required or discretionary and whether the time was used productively or unproductively using a 10-point scale in which 10 is very productive and 1 is completely unproductive. Now write up a plan on how to manage your time by coming up with a list of what to start doing and stop doing and what you can do to manage your discretionary time more productively.

## Managerial Decision Exercises

1. You are a manager at a local convenience store that has been the victim of graffiti. Identify the roles you will undertake with both internal employees and others.
2. Here are three job titles. Rank which job would devote the most of its time to conceptual, human, and technical skills.
    - Vice president of finance at a Fortune 100 company
    - Coding for a video game producer
    - General manager at a local McDonald's franchise

## Critical Thinking Case

**New Management Challenges for the New Age**

Today's news is littered with scandals, new allegations of sexual assault, and tragedy. Since 2017 and the #metoo Movement, stemming from the Harvey Weinstein scandal, more and more public figures have been put into the spotlight to defend themselves against allegations from women around the globe.

Not only publically, but privately in companies around the world, there have been firings, and investigations into misconduct from co-workers, managers, and CEOs. It is a relevant topic that is getting long overdue publicity and encouraging more men and women to come forward to discuss openly rather than hide the events and injustices of the past. Other events showcase the tumultuous and on-edge society we are living in, such as the Charlottesville, VA attack, that left 1 dead and 19 injured when a person drove a car through a crowd of protestors during a white nationalist gathering.

With events on a daily business, it is important for companies to take a stand against racial hatred, harassment of any kind, and have firm policies when such events occur. Take Netflix for example, who in July of 2018 fired chief communications officer for saying the "N-word" in full form. This event occurred during an internal meeting, not directing the slur at anyone specific, but claimed it was being made as an emphatic point about offensive words in comedy programming. The "Netflix way", the culture that is built around radical candor and transparency was put to the test during this occurrence.

The offender, Jonathan Friedland attempted to apologize for his misdeed, hoping it would fade away and his apology would be accepted. However, it didn't work that way, instead the anger was palpable between coworkers, and eventually led to the firing of Friedland after a few months of inaction.

Netflixers are given a high level of freedom and responsibility within their “Netflix way” culture. Blunt feedback is encouraged, trust and discretion is the ultimate gate keeper, as employees have access to sensitive information, and are ultimately trusted for how they expense items and take vacation time.

Between the insanely fast-paced streaming services industry, it is hard to keep this culture at a premium, but it is imperative for the success of the company overall. “As you scale a company to become bigger and bigger how do you scale that kind of culture?” said Colin Estep, a former senior engineer who left voluntarily in 2016. “I don’t know that we ever had a good answer.”

In order to keep up, sometimes the company is seen as harsh in their tactics to keep the best of the best. “I think we’re transparent to a fault in our culture and that can come across as cutthroat,” said Walta Nemariam, an employee in talent acquisition at Netflix, in the video.

Netflix has stayed true to their cultural values despite the pressures and sometimes negative connotations associated with this “cutthroat” environment. Their ability to remain agile, while displaying no tolerances for societal injustices makes them at the forefront of new age companies. It is a difficult pace to stay in line with, but it seems that they are keeping in stride and remaining true to who they are, for now.

**Questions:**

1. How have the current cultural environment of our country shaped the way that companies are looking at their own corporate cultural standards?
2. What are the potential downfalls and positive influences of the “Netflix way”?
3. How does Netflix’s internal culture negatively or positively affect their ability to stay competitive and deliver cutting edge content?

Sources: B. Stelter, "The Weinstein Effect: Harvey Weinstein scandal sparks movements in Hollywood and beyond," CNN Business, October 20, 2017, money.cnn.com/2017/10/20/med...rveyweinstein/; www.washingtonpost.com/; L. Hertzler, " Talking #MeToo, one year after bombshell Weinstein allegations," Penn Today, October 30, 2018, penntoday.upenn.edu/news/tal...one-year-later; S. Ramachandaran and J. Flint, " At Netflix, Radical Transparency and Blunt Firings Unsettle the Ranks," Wall Street Journal, October 25, 2018, www.wsj.com/articles/at-netf...nks-1540497174

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