PART 1

Introduction

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CHAPTER

1 What is organisational behaviour?

LEARNING OBJECTIVES

After studying this chapter, you should be able to:

1.1 Demonstrate the importance of interpersonal skills in the workplace.

1.2 Define organisational behaviour (OB).

1.3 Show the value of systematic study to OB.

1.4 Identify the major behavioural science disciplines that contribute to OB.

1.5 Demonstrate why few absolutes apply in OB.

1.6 Identify managers' challenges and opportunities in applying OB concepts.

1.7 Compare the three levels of analysis in this text's OB model.

1.8 Describe the key employability skills gained from studying OB that are applicable to other majors or future careers.

Employability skills matrix (ESM)

	Myth or science?	Career objectives	Ethical choice	Point/ Counterpoint	Experiential exercise	Case study 1	Case study 2
Critical thinking	✓	✓	✓	✓	✓	✓	✓
Communication	✓	✓		✓	✓		
Knowledge application and analysis		✓		✓	✓	✓	✓
Social responsibility						✓	✓

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Improving psychological well-being in today's organisations

Chelsea Pottenger, founder of EQ Minds
SOURCE: Eq Minds

Organisational behaviour (OB) is one of the most popular areas of tertiary study today. Its multidisciplinary nature means that it holds widespread appeal for students across a variety of degree programs, from engineering, business and science, to nursing, medicine and media studies. OB is also one of the most inclusive disciplines and practices in today's workplaces, helping to shape and inform the approaches of a wide array of professionals, particularly those in managerial and leadership positions who bear a responsibility to motivate and empower others.

OB specialists typically disseminate knowledge and share practices that can help others to operate more effectively in today's demanding world of work. Concepts such as stress management and employee well-being, teamwork, motivation and leadership are of particular interest to OB practitioners because these areas can positively affect individual, team and organisational performance.

Chelsea Pottenger is an OB practitioner whose success has been driven by her desire to enhance performance in organisations at the individual level. Her workshops are designed to equip professionals with the skills and knowledge to protect their psychological well-being and maintain positive mental health. The founder of EQ Minds (2016), Pottenger launched her career and her business as a keynote speaker and workshop facilitator with a single goal in mind: 'I felt that if I could share my knowledge around mindfulness and mental health with others in an organisational setting, and if I could just help one person each time, I'd be achieving something really worthwhile.'

Pottenger's workshops steadily gained recognition for their value and impact in Sydney, Brisbane, Melbourne, Perth and Adelaide. Her early clients included eBay, Uber and Westpac. Together with a strong web-based presence, EQ Minds was able to expand its corporate seminar series to New Zealand, Singapore, the United Kingdom and the United States. Without missing a beat, within 24 hours of the first global COVID-19 lockdowns in early 2020, EQ Minds was able to offer a series of high-impact, virtual workshops to its entire client base. By 2022, EQ Minds had brought in four new world-class keynote speakers, with plans to onboard up to ten more speakers in 2023–24.

The success of EQ Minds reflects the growing awareness, at all levels in today's organisations, of the importance of psychological well-being and mindfulness to organisational effectiveness. In the wake of the pandemic, maintaining robust mental health is now a global imperative for organisations wishing to foster high performance and engagement in their employees. Pottenger explains: 'To perform at our best at work and at home, we have to "feel" our best, and that involves taking care of our mind. Studies show that around 60% of people use just one strategy to manage their mental health. At EQ Minds, our workshops provide participants with a whole toolbox of actionable strategies they can use to enhance their mental health and well-being.'

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The continued demand for seminars and workshops like the ones offered by Pottenger and her co-workers at EQ Minds illustrates the value organisations place on expert knowledge and advice from OB practitioners. In 2022, Pottenger published *The Mindful High Performer* as a way to share her insights with a wider audience.

SOURCES: Zoom interview with Chelsea Pottenger, 30 May 2022; and C. Pottenger, *The Mindful High Performer: Simple Yet Powerful Shifts to Recharge Your Mental Health and Perform at Your Best in Work and Life*, Sydney: Allen & Unwin, 2022.

AS THE OPENING VIGNETTE illustrates, OB practitioners are able to make important contributions to employee well-being and organisational effectiveness. Many core concepts and ideas in organisational behaviour remain constant: teamwork, emotional intelligence, diversity, effective communication, employee well-being, organisational change and organisational structure, to name a few. Throughout this text, you will learn how organisational challenges often cut across areas such as these, which is exactly why the systematic approach pursued in this text and in your course is important.

1.1 Demonstrate the importance of interpersonal skills in the workplace.

The importance of interpersonal skills

Until the late 1980s, business school curricula emphasised the technical aspects of management, focusing on economics, accounting, finance and quantitative techniques. Coursework in human behaviour and people skills received significantly less attention. In recent decades, however, business schools have realised the role that understanding human behaviour plays in determining a manager's effectiveness, and core courses on people skills have been added to many degree programs. In fact, a survey of more than 2,100 chief financial officers across 20 industries indicated that a lack of interpersonal skills is the top reason why some employees fail to advance.[1]

Incorporating OB principles into the workplace can yield many important organisational outcomes. Developing managers' interpersonal skills can help organisations to attract and keep high-performing employees. Regardless of labour market conditions, outstanding employees are always in short supply. Companies known as good places to work—such as Cisco, Salesforce, Atlassian, Adobe, Hilton and Miro—tend to have higher-than-average employee retention rates, higher levels of morale, and more productive and engaged workers. Published studies show that social relationships among colleagues and supervisors are strongly related to overall job satisfaction. Positive social relationships are also associated with lower stress levels at work and fewer people intending to quit.[2] So, having managers with good interpersonal skills is likely to make the workplace more pleasant. Research indicates that employees who know how to relate to their managers well, with supportive dialogue and proactivity, will also find their ideas are endorsed more often, further improving workplace satisfaction.[3] Creating a pleasant workplace also appears to make good economic sense. Companies with reputations as good places to work (such as the '100 best places to work in Australia') have been found to generate superior financial performance.[4]

In the post-pandemic era, we have come to understand that workplaces are changing and evolving at a more profound level than ever before. Managers can't succeed on their technical skills alone; they also have to have good people skills. Managers are faced with complex issues such as increasing demands from employees for flexible work options, including opportunities to work from home (WFH). They are also faced with new challenges, such as 'the quiet quitting' phenomenon, which is where employees put the absolute minimum amount of time and effort into their work simply to keep their job. This text has been written to help managers and potential managers to develop the people skills necessary to navigate these complex issues, and to acquire the powerful knowledge and influence that comes from understanding human behaviour.

1.2 Define organisational behaviour (OB).

Management and organisational behaviour

Let's begin by briefly defining the terms 'manager' and 'organisation', the place where managers work. Then let's look at the manager's job; specifically, what do managers do?

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managers Individuals who achieve goals through other people by making decisions, allocating resources and directing the activities of others to attain goals.

Managers get things done through other people. They make decisions, allocate resources and direct the activities of others to attain goals. Managers do their work in an **organisation**, which is a consciously coordinated social unit, comprised of two or more people, that functions on a relatively continuous basis to achieve a common goal or set of goals. By this definition, manufacturing and service firms are organisations, and so are schools, hospitals, churches, military units, retail stores, police departments and local, state and federal government agencies.

The people who oversee the activities of others and who are responsible for attaining goals in these organisations are managers (sometimes called administrators, especially in not-for-profit organisations).

More than ever, new hires and other employees are placed into management positions without sufficient management training or informed experience. According to a large-scale survey, more than 58% of managers reported that they hadn't received any training, and 25% admitted that they weren't ready to lead others when they were given the role.[5] Added to that challenge, the demands of the job have increased: the average manager has seven direct reports (five was once the norm), and less time than before to spend directly supervising them.[6] Considering that a Gallup poll in the United States found organisations chose the wrong candidate for management positions 82% of the time,[7] it's fair to say that the more you can learn about people and how to manage them, the more likely it is that you will be prepared for a management role. OB will help you to get there. Let's start by identifying a manager's primary activities.

organisation A consciously coordinated social unit, comprised of two or more people, that functions on a relatively continuous basis to achieve a common goal or set of goals.

planning A process that includes defining goals, establishing a strategy and developing plans to coordinate activities.

organising Determining what tasks are to be done, who is to do them, how the tasks are to be grouped, who reports to whom and where decisions are to be made.

leading A function that includes motivating employees, directing others, selecting the most effective communication channels and resolving conflicts.

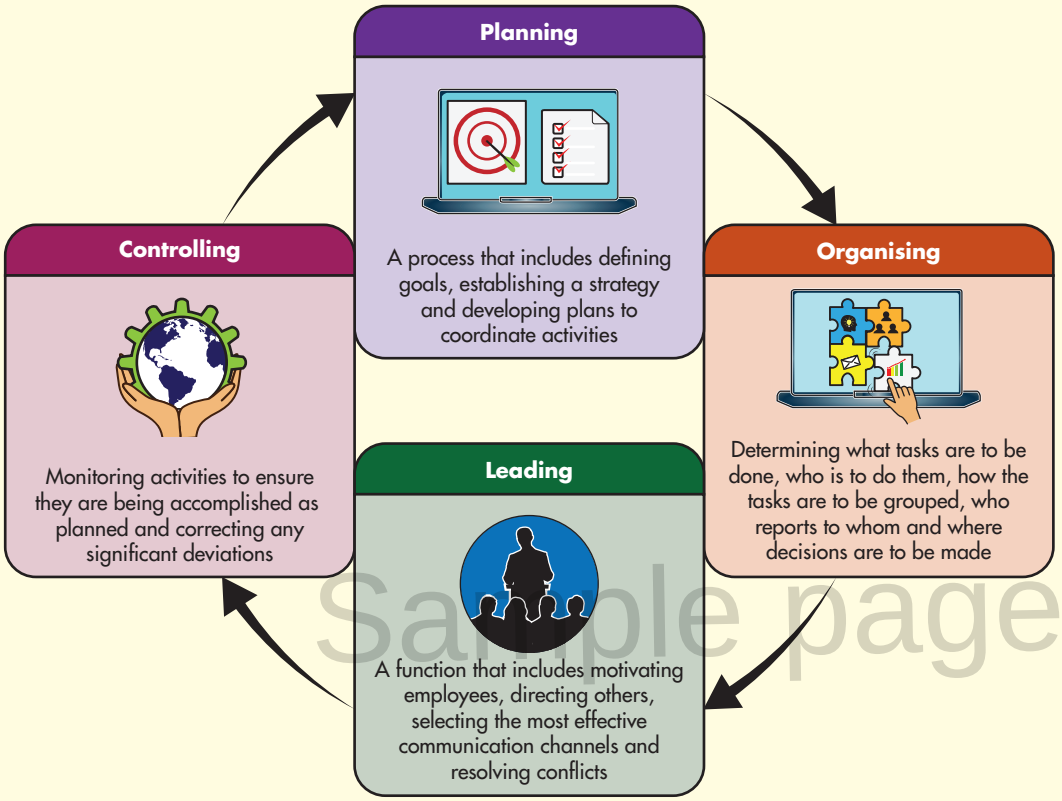
controlling Monitoring activities to ensure they are being accomplished as planned, and correcting any significant deviations.

Management functions

The work of managers can be categorised into four different activities: **planning**, **organising**, **leading** and **controlling**. This is commonly referred to as the POLC model of management (see Exhibit 1.1).

So, using the functional approach, the answer to the question 'What do managers do?' is that they plan, organise, lead and control. These are considered to be the fundamental building blocks of effective management and are generally considered to be as relevant today as they were in past decades.[8]

EXHIBIT 1.1 Management functions



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Management roles

In the late 1960s, Henry Mintzberg, now a prominent management scholar, undertook a careful study of five executives to determine what they did in their jobs. On the basis of his observations, Mintzberg concluded that managers perform ten different, highly interrelated roles, or sets of behaviours.[9] As shown in Exhibit 1.2, these ten roles can be grouped into three important domains: (1) interpersonal; (2) informational; and (3) decisional, reflecting the three spheres of activity that effective managers engage in—dealing with *people*, dealing with *information* and *making decisions*.

Interpersonal roles

All managers are required to perform duties that are ceremonial and symbolic in nature. For instance, when the vice-chancellor of a university hands out degrees at graduation or a factory supervisor gives a group of high-school students a tour of the plant, they are acting in a *figurehead* role. All managers also have a *leadership* role. This role includes hiring, training, motivating and disciplining employees. The third role within the interpersonal grouping is the *liaison* role—making connections with others who provide the manager with information.

Informational roles

All managers, to some degree, collect information both from within and from outside their organisation, typically by scanning their environment and talking with other people to learn of changes in the public's tastes, what competitors may be planning, and so on. Mintzberg called this the *monitor* role. Managers also act as a conduit to transmit information to

EXHIBIT 1.2 Mintzberg's managerial roles

Role	Description
Interpersonal	
Figurehead	Symbolic head; required to perform a number of routine duties of a legal or social nature
Leader	Responsible for the motivation and direction of employees
Liaison	Maintains a network of outside contacts who provide favours and information
Informational	
Monitor	Receives a wide variety of information; serves as the nerve centre of internal and external information of the organisation
Disseminator	Transmits information received from outsiders or from other employees to members of the organisation
Spokesperson	Transmits information to outsiders on the organisation's plans, policies, actions and results; serves as an expert on the organisation's industry
Decisional	
Entrepreneur	Searches the organisation and its environment for opportunities and initiates projects to bring about change
Disturbance handler	Responsible for corrective action when the organisation faces important, unexpected disturbances
Resource allocator	Makes or approves significant organisational decisions
Negotiator	Responsible for representing the organisation at major negotiations

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SOURCE: H. Mintzberg, *The Nature of Managerial Work* (1st edn), © 1973, pp. 92–93. Reprinted and electronically reproduced by permission of Pearson Education, Inc., New York, NY.

organisational members. This is the *disseminator* role. In addition, managers perform a *spokesperson* role when they represent the organisation to outsiders.

Decisional roles

Mintzberg identified four roles that require making choices. In the role of *entrepreneur*, managers initiate and oversee new projects and creative ideas that will improve their organisation's performance. As *disturbance handlers*, managers take corrective action in response to unforeseen problems. As *resource allocators*, managers are responsible for allocating human, physical and financial resources. Finally, managers perform in the role of *negotiator*, where they discuss issues and bargain with other units to gain advantages for their own unit.

Mintzberg's work is considered both valuable and current because these ten roles remain pivotal to effective management in today's volatile and rapidly evolving world of work. In comparison to the earlier POLC model, Mintzberg's study is considered to provide a more complete explanation of what managers need to do as professionals to perform effectively.

Management skills

Still another way of considering what managers do is to look at the skills or competencies they need in order to achieve their goals. Robert Katz identified a number of skills that differentiate effective managers from ineffective managers.[10]

Technical skills

Technical skills encompass the ability to apply specialised knowledge or expertise. When you think of the skills of professionals such as civil engineers or oral surgeons, you typically focus on the technical skills they have learnt through extensive formal education. Of course, professionals don't have a monopoly on technical skills, and not all technical skills have to be learnt in schools or other formal training programs. All jobs require some specialised expertise, and many people develop their technical skills on the job.

technical skills The ability to apply specialised knowledge or expertise.

Human skills

The ability to understand, communicate with, motivate and support other people, both individually and in groups, defines **human skills**. Many people are technically proficient but may be poor listeners, unable to understand the needs of others or weak at managing conflicts. Because managers get things done through other people, they must have good human skills.

human skills The ability to work with, understand and motivate other people, both individually and in groups.

Conceptual skills

Managers must have the mental ability to analyse and diagnose complex situations. These tasks require **conceptual skills**. Decision making, for instance, requires managers to identify problems, develop alternative solutions to correct those problems, evaluate the alternative solutions and select the best one. After they have selected a course of action, managers need to be able to organise a plan of action and then execute it. Integrating new ideas with existing processes and innovating on the job are also crucial conceptual skills for today's managers.

conceptual skills The mental ability to analyse and diagnose complex situations.

Katz argued that the degree to which managers would need to draw upon these three sets of skills was dependent upon their level of management (junior, middle or senior). He proposed that junior or frontline managers relied most heavily on *technical skills* in order to lead and understand the work of their direct reports, while senior managers relied most heavily on *conceptual skills*, due to the cognitive complexity and breadth of issues they would typically engage with. Katz also suggested that *interpersonal skills* were of equal importance at all levels of management. Exhibit 1.3 illustrates the relative importance of each of these skills for the three levels of management.

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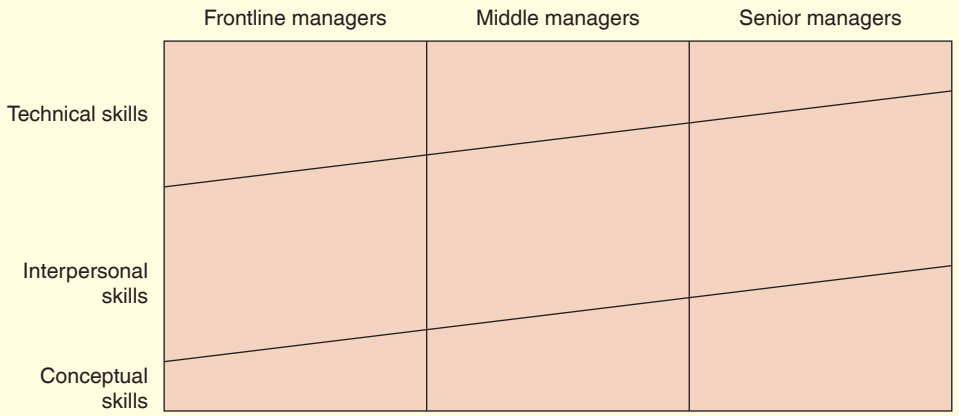
Effective versus successful managerial activities

Fred Luthans and his associates looked at what managers do from a somewhat different perspective.[11] They asked, 'Do managers who move up the quickest in an organisation do the same activities and with the same emphasis as managers who do the best job?' You might think the answer is 'yes', but that's not always the case.

EXHIBIT 1.3 Katz's three skills of a manager



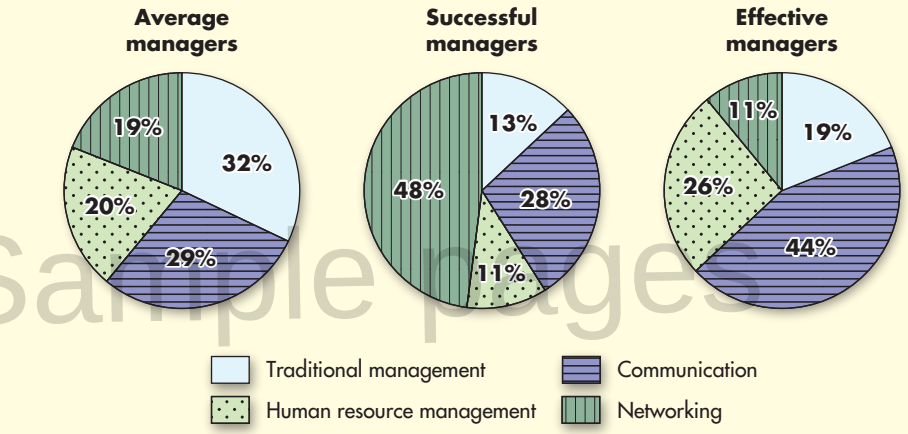
SOURCE: Based on R. L. Katz, 'Skills of an effective administrator', *Harvard Business Review*, September–October 1974, pp. 90–102.

Luthans and his team studied more than 450 managers. All of them engaged in four managerial activities:

1. *Traditional management*—decision making, planning and controlling
2. *Communication*—exchanging routine information and processing paperwork
3. *Human resource management*—motivating, disciplining, managing conflict, staffing and training
4. *Networking*—socialising, politicking and interacting with outsiders

The 'average' manager spent 32% of their time in traditional management activities, 29% in communicating, 20% in human resource (HR) management activities and 19% in networking. However, the time and effort that different individual managers spent on those activities varied a great deal. As shown in Exhibit 1.4, among managers who were successful (defined in terms of speed of promotion within their organisation), networking made the largest relative contribution to success, and HR management activities made the least relative contribution. Among effective

EXHIBIT 1.4 Allocation of activities by time



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SOURCE: Based on F. Luthans, R. M. Hodgetts and S. A. Rosenkrantz, *Real Managers*, Cambridge, MA: Ballinger, 1988.

managers (defined in terms of quantity and quality of their performance and the satisfaction and commitment of employees), communication made the largest relative contribution and networking the smallest.

More recent studies in Australia, Israel, Italy, Japan and the United States confirm the link between networking and social relationships and success within an organisation.[12] The connection between communication and effective managers is also clear.

This research offers important insights. Successful managers give almost the opposite level of attention to traditional management, communication, human resource management and networking compared to effective managers. This finding challenges the historical assumption that promotions are based on performance, and it illustrates the importance of networking and political skills in getting ahead in organisations.

Organisational behaviour

Now that we have established what managers do, we need to explore how best to do these things. **Organisational behaviour (OB)** is a field of study, meaning that it is a distinct area of expertise with a common body of knowledge. It studies three determinants of behaviour in organisations:

- individuals
- groups and teams
- the organisational system (its structure and its culture).

organisational behaviour (OB) A field of study that investigates the impact that individuals, groups and structure have on behaviour within organisations, for the purpose of applying such knowledge towards improving an organisation's effectiveness.

Together, these three levels of analysis in organisational behaviour help us to make sense of our evolving world of work.

In addition, OB applies the knowledge gained about individuals, groups and the effect of structure and culture on human behaviour in order to help us understand what makes organisations work more effectively.

To sum up our definition, OB is the study of what people do in an organisation and how their behaviour affects the organisation's performance. And because OB is concerned specifically with employment-related situations, you shouldn't be surprised that it emphasises behaviour as it relates to jobs, work, career progression, absenteeism, employment turnover, productivity, human performance and management.

Although there is debate about the relative importance of each, OB includes the core topics of motivation, leadership behaviour and power, communication, group structure and processes, teamwork, perception, job satisfaction, organisational structure, organisational change and organisational culture.[13]

Complementing intuition with systematic study

1.3 Show the value of systematic study to OB.

Each of us is a student of behaviour. Whether or not you have explicitly thought about it before, you have been 'reading' people almost all your life, watching their actions and trying to interpret what you see or to predict what people might do under different conditions. Unfortunately, the casual or common-sense approach to reading others can often lead to erroneous predictions. However, you can improve your predictive ability by supplementing intuition with a more systematic approach.

Following the systematic approach presented in this text will enable you to uncover important facts and relationships, and provide a base from which to make more accurate predictions of behaviour. Underlying this systematic approach is the belief that behaviour isn't random. Rather, we can identify fundamental consistencies underlying the behaviour of all individuals and modify them to reflect individual differences.

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These fundamental consistencies are very important because they allow predictability. Behaviour is generally predictable, and the systematic study of behaviour is a means to making reasonably accurate predictions. When we use the term **systematic study**, we mean looking at relationships, attempting to attribute causes and effects, and basing our conclusions on scientific evidence—that is, on data gathered under controlled conditions and measured and interpreted in a reasonably rigorous manner.

systematic study Looking at relationships, attempting to attribute causes and effects, and drawing conclusions based on scientific evidence.Looking at relationships, attempting to attribute causes and effects, and drawing conclusions based on scientific evidence.

Myth or science?

'Management by walking around is the most effective management'

This statement is mostly false, but with a caveat. Management by walking around (MBWA) is an organisational principle made famous with the 1982 publication of *In Search of Excellence* and based upon a 1970s' initiative by Hewlett-Packard—in other words, it's a dinosaur. Years of research indicate that effective management practices aren't built around MBWA. But the idea of requiring managers at all levels of the organisation to wander around their departments to observe, converse with and hear from employees continues as a common business practice.

Many companies that expect managers and executives to do regular 'floor time' have claimed benefits ranging from employee engagement to deeper management understanding of company issues. A recent three-year study also suggested that a modified form of MBWA may significantly improve safety in organisations because employees become more mindful of following regulatory procedures when supervisors observe and monitor them frequently.

While MBWA sounds helpful, its limitations suggest that modern practices focused on building trust and relationships are more effective for management. Limitations include available hours, focus and application.

- *Available hours.* Managers are tasked with planning, organising, coordinating and controlling, yet even chief executive officers—the managers who should be the most in control of their time—report that 53% of their average 55-hour workweek is spent in meetings.
- *Focus.* MBWA turns management's focus towards the concerns of employees. This is good, but only to a degree. As noted by Jeff Weiner, executive chairman at LinkedIn, 'Part of the key to time management is carving out time to think, as opposed to constantly reacting. And during that thinking time, you're not only thinking strategically, thinking proactively, thinking longer term, but you're literally thinking about what is urgent versus important.' Weiner and other CEOs argue that meetings distract them from their purpose.
- *Application.* The principle behind MBWA is that the more managers know their employees, the more effective those managers will be. This isn't always (or even often) true. As we will learn in the chapter 'Perception and Individual Decision Making', knowing (or thinking you know) something shouldn't always lead us to act on *only* that information because our internal decision making is subjective. We need objective data if we are to make the most effective management decisions.

Based on the need for managers to dedicate their efforts to administering and growing businesses, and given the proven effectiveness of objective performance measures, it seems the time for MBWA is gone. Yet, there is one caveat. Managers should know their employees well. As Rick Russell, former president of Minerva Neurosciences, says: 'Fostering close ties with your lieutenants is the stuff that gets results. You have to rally the troops. You can't do it from a memo.' Management should therefore not substitute walking around for true management.

SOURCES: G. Luria and I. Morag, 'Safety management by walking around (SMBWA): a safety intervention program based on both peer and manager participation', *Accident Analysis and Prevention*, March 2012, pp. 248–57; R. E. Silverman, 'Where's the boss? Trapped in a meeting', *The Wall Street Journal*, 14 February 2012, pp. B1, B9; and J. S. Lublin, 'Managers need to make time for face time', *The Wall Street Journal*, 17 March 2015.

evidence-based management (EBM) Basing managerial decisions on the best available scientific evidence.

Evidence-based management (EBM) complements systematic study by basing managerial decisions on the best available scientific evidence. We want doctors to make decisions about patient care based on the latest available evidence, and EBM argues that managers should do the equivalent, becoming more scientific in how they think about management problems. For example, a manager might pose a managerial question, search for the best available evidence and apply the relevant information to the question or case at hand. You might think it difficult to argue against this (what manager would say that decisions *shouldn't* be based on evidence?) but the vast majority of management decisions are still made 'on the fly', with little systematic study of the available evidence.[14]

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intuition A feeling not necessarily supported by research.

Systematic study and EBM add to **intuition**, or those feelings we have about what makes others (and ourselves) 'tick'. Of course, the things you have come to believe in an unsystematic way aren't necessarily incorrect. Jack Welch (former CEO of General Electric) noted: 'The trick, of course, is to know when to go with your gut.' But if we make *all* decisions with intuition or gut instinct, we are probably working with incomplete information—like making an investment decision with only half the data.

Relying on intuition is particularly problematic because we tend to overestimate the accuracy of what we think we know. Surveys of HR managers have shown that many managers hold 'common-sense' opinions regarding effective management that have been flatly refuted by empirical evidence.

We find a similar problem in chasing the business and popular media for management wisdom. The business press tends to be dominated by fads. Although we try to avoid it, we might also fall into this trap. It's not that the business press stories are all wrong; it's that, without a systematic approach, it's hard to separate what is of value from what is nothing more than the buzzword of the day.

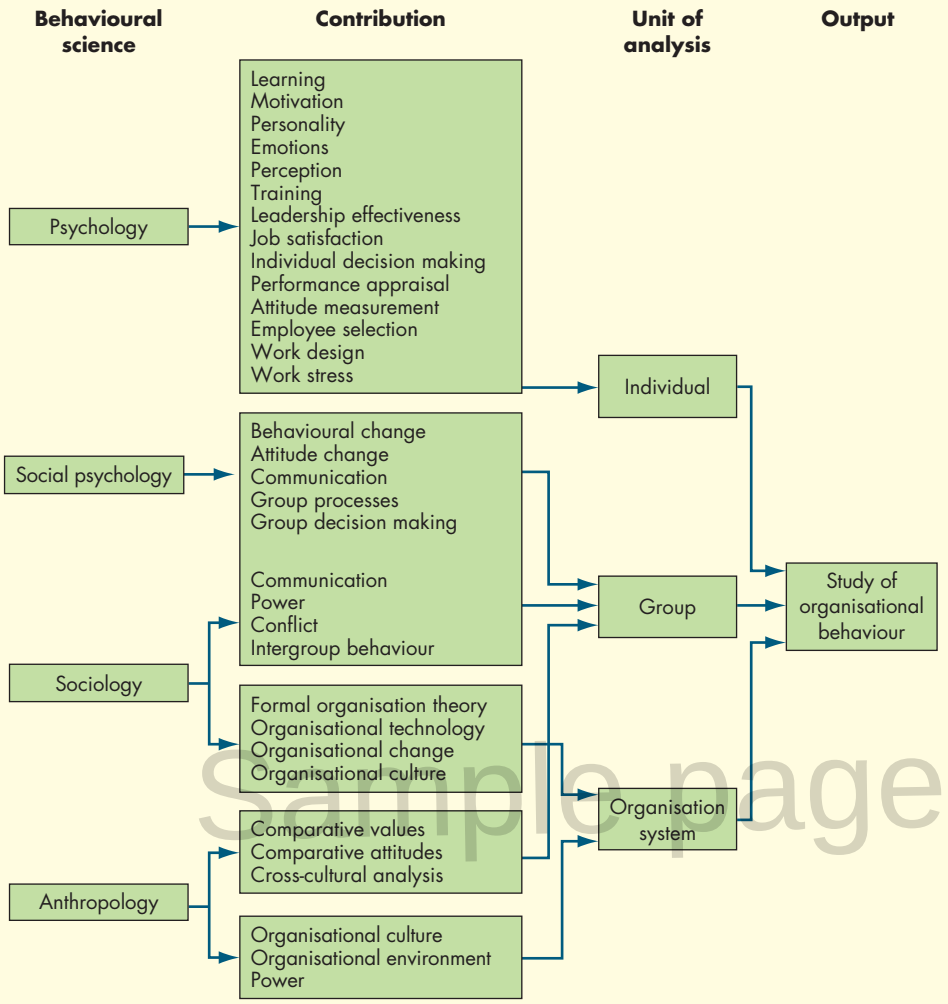
We aren't advising that you throw away your intuition, or that you completely ignore the business press. What we are advising is to use evidence as much as possible to inform your intuition and experience. That is the great value of OB: it provides an evidence-based perspective underpinned by the systematic study of people in organisations.

Disciplines that contribute to OB

1.4 Identify the major behavioural science disciplines that contribute to OB.

Organisational behaviour is an applied behavioural science built on contributions from a number of behavioural disciplines, mainly psychology and social psychology, sociology and anthropology. Psychology's contributions have been mostly at the individual or micro level of analysis, while the other disciplines have contributed to our understanding of macro concepts such as group processes and organisation-wide issues. Exhibit 1.5 is an overview of the major contributions to the study of organisational behaviour.

EXHIBIT 1.5 Towards an OB discipline



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Psychology

psychology The science that seeks to measure, explain and sometimes change the behaviour of humans and other animals.

Psychology seeks to measure, explain and sometimes change the behaviour of humans and other animals. Those who have contributed and continue to add to the knowledge of OB are personality psychologists, learning theorists, counselling professionals and, most importantly, industrial and organisational psychologists.

Early industrial psychologists studied the problems of fatigue, boredom and other working conditions that could impede efficient work performance. More recently, the contributions of organisational psychologists have expanded to include learning, perception, personality, emotions, training, leadership effectiveness, needs and motivational forces, job satisfaction, decision-making processes, performance appraisals, attitude measurement, employee-selection techniques, work design, job stress and employee burnout.

Social psychology

social psycholog An area of psychology that blends concepts from psychology and sociology and focuses on the influence of people on one another.

Social psychology is a branch of psychology that blends psychological concepts with ideas from sociology to focus on people's influence on one another in particular social settings. One major study area is change—how to implement it and how to reduce barriers to its acceptance. Social psychologists also contribute to measuring, understanding and changing attitudes; identifying communication patterns; and building trust. They have also made important contributions to the study of group behaviour and to our understanding of power and conflict.

Sociology

sociology The study of people in relation to their social environment or culture.

While psychology focuses on the individual, **sociology** studies people in relation to their social environment or culture. Sociologists have contributed to OB through their study of group behaviour in organisations, particularly formal and complex organisations. Perhaps most importantly, sociologists have studied organisational culture, formal organisation theory and structure, organisational technology, communications, power and conflict.

Anthropology

anthropology The study of societies to learn about human beings and their activities.

Anthropology is the study of societies to learn about human beings and their activities. Anthropologists' work on cultures and environments has helped us to understand differences in fundamental values, attitudes and behaviour between people in different countries and within different organisations. Much of our current understanding of organisational culture, organisational environments and differences between national cultures is a result of the work of anthropologists or those using their methods.

1.5 Demonstrate why few absolutes apply in OB.

There are few absolutes in OB

Laws in the physical sciences—chemistry, astronomy, physics—are consistent and apply in a wide range of situations. They allow scientists to generalise about the pull of gravity or to be confident about sending astronauts into space to repair satellites. Human beings are complex and few, if any, simple and universal principles explain organisational behaviour. Because human beings aren't alike, our ability to make simple, accurate and sweeping generalisations is limited.

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That doesn't mean, of course, that we can't offer reasonably accurate explanations of human behaviour or make valid predictions. It does mean that OB concepts must reflect situational, or contingency, conditions. We can say x leads to y, but only under conditions specified in z—the **contingency variables**. The science of OB was developed by applying general concepts to a particular situation, person or group.

contingency variables Situational factors or variables that moderate the relationship between two or more variables.

As you proceed through this text, you will encounter a wealth of research-based theories about how people behave in organisations. But don't expect to find a lot of straightforward

cause-and-effect relationships, because there aren't many! OB theories mirror the subject matter with which they deal, and people are complex and complicated.

Challenges and opportunities

1.6 Identify managers' challenges and opportunities in applying OB concepts.

It has never been more important for managers to understand organisational behaviour. Employers expect that graduates will have the skills to deal with multiple challenges in organisations today. The typical employee is getting older; the workplace is more diverse than in past eras; and corporate downsizing and the heavy use of temporary workers are severing the bonds of loyalty that tied many employees to their employers. Added to these factors, increasing geopolitical unrest continues to disrupt supply chains, placing additional pressure on organisations, and global competition for scarce resources is requiring employees to become more flexible and to cope with rapid and disruptive change.

As a result of these changes and others, employment options have evolved to include new opportunities for workers. Exhibit 1.6 details some of the types of options that are available today.

In short, today's challenges bring opportunities for managers to use OB concepts. In this section, we review some of the most critical issues confronting managers for which OB offers solutions—or at least meaningful insights towards solutions.

Economic pressures

Social commentator Jeremy Grantham argues that the world is in the midst of one of the giant inflection points in economic history, where a series of events have converged to constrain long-term global growth. He points to a diverse array of factors, from ageing populations and declining workforce numbers to increasingly challenging climactic and geopolitical events that are causing supply chain disruptions and constricting productivity.[15]

EXHIBIT 1.6 Employment options

Categories of employment	Types of employment	Places of employment	Conditions of employment	Compensation for employment
Employed	Full-time	Office	Local	Salary/wage
Underemployed/ underutilised	Part-time	Shared work space	Expatriate	Hourly
Re-employed	Flexitime	Virtual	Short-term assignee	Overtime
Unemployed/jobless	Job share	Flexibility	Flexpatriate	Bonus
Entrepreneur	Casual	Work from home	International business traveller	Contract
Retired	Independent contractor		Visa employee	Time off
Job seeking	Temporary		Union/non-union employee	Benefits
Leave of absence	Reduced hours			
Laid off	Internship			

Sample pages

SOURCES: Based on J. R. Anderson, E. Binney, N. M. Davis, G. Kraft, S. Miller, T. Minton-Eversole . . . and A. Wright, 'Action items: 42 trends affecting benefits, compensation, training, staffing and technology', *HR Magazine*, January 2013, p. 33; M. Dewhurst, B. Hancock and D. Ellsworth, 'Redesigning knowledge work', *Harvard Business Review*, January–February 2013, pp. 58–64; E. Frauenheim, 'Creating a new contingent culture', *Workforce Management*, August 2012, pp. 34–9; S. Maiden, 'Cricket Australia sacks worker over series of tweets about abortion', *Sydney Morning Herald*, 29 July 2018; and M. Gavin, M. Poorhosseinzadeh and J. Arrowsmith (2022) 'The transformation of work and employment relations: COVID-19 and beyond', *Labour and Industry* 32, no. 1, 2022, pp. 1–9, https://doi.org/10.1080/10301763.2022.2038353.

During difficult economic times, effective management is often at a premium. Anyone can run a company when business is booming, because the difference between good and bad management reflects the difference between making a lot of money and making a lot more money. When times are bad, though, managers are on the front line, with employees who must be fired, who are asked to make do with less and who worry about their futures. The difference between good and bad management can be the difference between profit and loss or, ultimately, between survival and failure of the organisation.

Managing employees well is equally difficult whether times are tough or good, but the OB approaches sometimes differ. In good times, understanding how to reward, satisfy and retain employees is at a premium; in bad times, issues such as stress, decision making and coping come to the fore.

Continuing globalisation

As we all know, organisations today are no longer constrained by national borders. Samsung, the largest South Korean business conglomerate, sells most of its products to firms in other countries, and McDonald's sells hamburgers in more than 118 countries on six continents. Even Apple—the company with, arguably, the strongest US identity—employs four times as many workers outside of the United States as within. And all major car makers now manufacture cars outside their borders. Mercedes-Benz, for example, manufactures its luxury vehicles in Germany as well as the United States, Canada, Brazil, Mexico, China, Romania and France. And BMW, which for decades manufactured its cars only in Germany, now has a network of 31 production sites in 15 countries.

It has been said that the world has become a global village. In the process, the manager's job has changed in many ways. For example, a manager is now more likely to be involved in assignments outside of the home country and to work with people from different cultures. In a global economy, jobs tend to flow where lower costs give businesses a comparative advantage, and in economic boom times, this affords greater opportunities for everyone. But in times of economic contraction and geopolitical instability, the complex interdependencies of the global economy can bring significant challenges and disruptions to organisations, placing increasing pressures on managers and employees to adapt. OB studies the way in which organisations can adapt and survive in times of volatility and uncertainty.

Workforce demographics

The workforce has always adapted to variations in economies, longevity and birth rates, socioeconomic conditions and other changes that have widespread impact. People adapt to survive, and OB studies the way those adaptations affect individuals' behaviour. For instance, even though the 2008 global recession ended many years ago, some trends from those years continued through the COVID-19 lockdowns of 2020–21 and into the post-COVID era. For example, some people who became unemployed left the workforce altogether,[16] while others have cobbled together several part-time jobs[17] or settled for on-demand work.[18] Additional options popular among younger, educated workers have included pursuing full-time higher education, accepting lower level full-time jobs[19] and starting their own businesses.[20] As students of OB, we can investigate what factors lead employees to make various decisions and how their experiences affect their perceptions of their workplaces. This understanding can help us to predict organisational outcomes.

Longevity and birth rates have also changed the dynamics in organisations. Global longevity rates have increased by six years in a very short time (since 1990),[21] while birth rates are decreasing for many developed countries, trends that together indicate a lasting shift towards a significantly older workforce. OB research can help to explain what this means for attitudes, organisational culture, leadership, structure and communication. Socioeconomic shifts have a profound effect on workforce demographics. The days when women stayed home because this was expected are just a distant memory in some cultures; however, in others, women still face significant barriers to entry into the workforce. We are interested in how these women fare in the workplace and how their conditions can be improved. We will discuss how OB can provide understanding of and insight into workforce issues such as these throughout this text.

Sample pages

Workforce diversity

One of the most important challenges for businesses is **workforce diversity**, a trend whereby organisations are becoming more heterogeneous in terms of employees' gender, age, race, ethnicity, sexual orientation and other characteristics. Managing this diversity is a global concern. Although we have more to say about diversity in the chapter 'Diversity, Equity and Inclusivity in Organisations',we start here by saying that diversity presents great opportunities and poses challenging questions for managers and employees. How can we leverage differences within groups for competitive advantage? Should we treat all employees alike? Should we recognise individual and cultural differences? What are the legal requirements in each country? These kinds of questions are considered and studied in the field of OB.

workforce diversity The concept that organisations are becoming more heterogeneous in terms of employees' gender, age, race, ethnicity, sexual orientation and other characteristics.

Customer service

Service employees include technical support representatives, fast-food counter workers, sales clerks, nurses, mechanics, consultants, financial planners and flight attendants. The shared characteristic of their jobs is substantial interaction with an organisation's customers. OB can help managers to increase the success of these interactions by showing how employee attitudes and behaviour influence customer satisfaction.

Many organisations have been unsuccessful because their employees failed to please customers. Management needs to create a customer-responsive culture. OB can provide considerable guidance in helping managers to create cultures in which employees establish rapport with customers, put them at ease, show genuine interest in them and are sensitive to their individual situations.[22]

People skills

Throughout this text, we will present relevant concepts and theories that can help you to explain and predict the behaviour of people at work. You will also gain insights into specific people skills you can use on the job. For instance, you will learn ways to design motivating jobs, techniques for improving your management skills and how to create more effective teams.

Networked organisations

Networked organisations allow people to communicate and work together even though they may be thousands of kilometres apart. Independent contractors can collaborate digitally from around the globe and change employers as the demand for their services changes. Software programmers, graphic designers, systems analysts, technical writers, photo researchers, book and media editors, and medical transcribers are just a few examples of people who frequently work from home or other non-office locations. During the COVID-19 lockdown period, many more professionals discovered that they, too, could effectively work from home, although, for some, there were significant challenges inherent in the adaptive process.

The manager's job, too, is very different in a networked organisation where staff are working remotely all or most of the time. Motivating and leading people and making collaborative decisions online requires techniques that are different from those used when individuals are physically present in a single location. As more employees do their jobs by linking to others through networks in the post-pandemic era, managers need to develop new skills. OB can provide valuable insights to help with honing those skills.

Sample pages

Social media

As we will discuss in the chapter 'Communication', social media in the business world is here to stay. Despite its pervasiveness, many organisations continue to struggle with employees' use of social media in the workplace. In 2018, Angela Williamson claimed that she was fired by Cricket Australia after she tweeted her support for abortion law reform in Tasmania. 'I

was told the tweet had damaged my relationship with government. I was in shock trying to understand the situation I'd found myself in, and how publicly expressing my political opinion in a tweet had led to this situation at work,' she told a media outlet.[23] Williamson initially planned to sue Cricket Australia in the Federal Court, but proceedings ended with a confidential out-of-court settlement.[24] This example shows that social media is a difficult issue for today's managers, presenting both a challenge and an opportunity for OB.

Employee well-being at work

The typical employee in the 1960s or 1970s showed up at a specified workplace Monday to Friday and worked for clearly defined eight- or nine-hour chunks of time. This is no longer true for a large segment of today's workforce. Employees are increasingly complaining that the line between work and non-work time has become blurred, creating personal conflicts and stress. At the same time, today's workplace presents opportunities for workers to create and structure their own roles. But even if employees work at home or from half a continent away, managers need to consider their well-being at work.

One of the biggest challenges in maintaining employee well-being is the new reality that many workers never get away from the virtual workplace. Digital devices now make it easy for many professionals to do their work at home, in their cars or even at the beach—but it also means that many feel like they never really get a break. Another challenge is that organisations are asking employees to do more—to put in longer hours, or to increase their overall productivity. According to a US study, one in four employees shows signs of burnout, partially as a result of these demands, and two in three report high stress levels and fatigue.[25] This may actually be an underestimate, because workers report maintaining 'always on' access for their managers through direct messaging and conference calls. Finally, employee well-being is challenged by heavy outside commitments. Single-parent households and employees with dependent parents have even more significant challenges in balancing work and family responsibilities, as many discovered for the first time during the pandemic in 2021–22.

As a result of their increased responsibilities in and out of the workplace, employees want more time off. Recent studies suggest employees want jobs that give them flexibility in their work schedules so they can better manage work–life conflicts.[26] Most university students say that attaining a balance between their personal life and their work is a primary career goal; they want a 'life' as well as a job. Organisations that don't help their people to achieve work–life balance will find it increasingly difficult to attract and retain the most capable and motivated employees.

As you will see in other chapters of this text, the field of OB offers a number of suggestions to guide managers in designing workplaces and jobs that can help employees deal with work–life conflicts.

Positive work environment

positive organisational behaviour An area of OB research that studies how organisations develop human strengths, foster vitality and resilience, and unlock potential.

A real growth area in OB research is **positive organisational behaviour** (sometimes referred to as positive organisational psychology), which studies how organisations develop human strengths, foster vitality and resilience, and unlock potential. Researchers in this area say that too much of OB research and management practice has been targeted towards identifying what is wrong with organisations and their employees. In response, they try to study what is good about them.[27] Some key topics in positive OB research are engagement, hope, optimism and resilience in the face of strain. Researchers hope to help practitioners create positive work environments for employees.

Positive organisational scholars have studied a concept called 'reflected best-self' by asking employees to think about when they were at their personal best, in order to understand how to exploit their strengths. The idea is that we all have things we are particularly good at, yet too often we focus on addressing our limitations and we rarely think about how to exploit our strengths.[28]

Sample pages

Although positive organisational behaviour doesn't deny the value of the negative (such as critical feedback), it does challenge researchers to look at OB through a new lens and pushes organisations to exploit employees' strengths rather than dwell on their limitations. One aspect

of a positive work environment is the organisation's culture (the topic of a separate chapter). Organisational culture influences employee behaviour so strongly that organisations have begun to employ a culture officer to shape and preserve the company's personality.[29]

Improving ethical behaviour

In an organisational world characterised by cutbacks, expectations of increasing productivity and tough competition, it's not surprising that many employees feel pressured to cut corners, break rules and engage in other questionable practices.

Increasingly, employees face **ethical dilemmas** and ethical choices requiring them to identify right and wrong conduct. Should they 'blow the whistle' if they uncover illegal activities in their company? Do they follow orders they don't personally agree with? Should they give an inflated performance evaluation to an employee they like, knowing it could save that employee's job? Do they 'play politics' to advance their career?

ethical dilemmas Situations in which individuals are required to define right and wrong conduct.

What constitutes good ethical behaviour has never been clearly defined, and in recent years the line differentiating right from wrong has blurred. Employees see people all around them engaging in unethical practices: elected representatives padding electoral allowances, company executives inflating profits so they can make money from lucrative share options, and university lecturers allowing full-fee-paying but poorly performing students to pass their courses! When caught, these people give excuses such as 'everyone does it' or 'you have to seize every advantage nowadays'.

Determining the ethically correct way to behave is especially difficult in a global economy because different cultures have different perspectives on certain ethical issues.[30] As you will see in the chapter 'Diversity, Equity and Inclusivity in Organisations', the fair way to treat employees in an economic downturn varies considerably across cultures, as do perceptions of religious, ethnic and gender diversity. Is it any wonder that employees are expressing decreased confidence in management and increasing uncertainty about what is appropriate ethical behaviour in their organisations?[31]

Managers and their organisations are responding to the problem of unethical behaviour in a number of ways.[32] They are writing and distributing codes of ethics to guide employees through ethical dilemmas. They are offering seminars, workshops and other training programs to try to improve ethical behaviours. They are providing in-house advisors who can be contacted, in many cases anonymously, for assistance in dealing with ethical issues; and they are creating protection mechanisms for employees who reveal unethical internal practices.

Today's managers need to create an ethically healthy climate for their employees, where they can do their work productively with minimal ambiguity about what constitutes right and wrong behaviours. Companies that promote a strong ethical mission, encourage employees to behave with integrity and provide strong ethical leadership can influence employee decisions to behave ethically.[33] Classroom training sessions in ethics have also proven helpful in maintaining a higher level of awareness of the implications of employee choices as long as the training sessions are given on an ongoing basis.[34] In other chapters of this text, we discuss the actions that managers can take to create an ethically healthy climate and to help employees sort through ethically ambiguous situations.

Coming attractions: developing an OB model

1.7 Compare the three levels of analysis in this text's OB model.

We will finish off this chapter by presenting a general model that defines the field of OB, stakes out its parameters, and identifies inputs, processes and outcomes. The result will be 'coming attractions' of the topics in the remainder of the text. By studying the model, you will have a good picture of how the topics in this text can inform your approach to management issues and opportunities.

Sample pages

An overview

A **model** is an abstraction of reality, a simplified representation of some real-world phenomenon. Exhibit 1.7 presents the skeleton on which we will construct our OB model. It proposes three types of variables (inputs, processes and outcomes) at three levels of analysis

model An abstraction of reality; a simplified representation of some real-world phenomenon.

Ethical choice

'A holiday: all I ever wanted'

Do you work to live, or live to work? Those of us who think it's a choice might be wrong. Almost one-third of 1,000 respondents in a study by Kelton Research cited workload as a reason for not using up their annual leave. Consider Ken Waltz, a director for Alexian Brothers Health System. He has 500 hours (approximately 3 months) in accrued leave and no plans to spend it. 'You're on call 24/7 and these days, you'd better step up or step out,' he says, referring to today's leaner workforce. 'It's not just me—it's upper management . . . It's everybody.'

Many people feel pressure, spoken or unspoken, to work through their holidays. Employers expect workers to do more with less, putting pressure on workers to use all available resources—chiefly their time—to meet manager expectations. In today's economy, there is always a ready line of replacement workers, and many employees will do everything possible to stay in their manager's good books.

The issue of annual leave is an ethical choice for the employer and for the employee. Many organisations have 'use it or lose it' policies, whereby employees forfeit the paid time off they have accrued for the year if they haven't used it. However, organisations cannot legally enforce such policies. Skipping holidays can wear you down emotionally, leading to exhaustion or burnout, negative feelings about your work and a reduced feeling of accomplishment. You may find you are absent more often, contemplate leaving your job and grow less likely to want to help anyone (including your managers).

Here are some ways you can maintain your well-being and productivity.

1. *Recognise your feelings.* It's hard to solve problems without first recognising them. According to a recent study by ComPsych involving 2,000 employees, two in three identified high levels of stress, out-of-control feelings and extreme fatigue.
2. *Identify your tendency for burnout.* Research on 2,089 employees found that burnout is especially acute for newcomers and job changers. Burnout symptoms should level off after 2 years, but each individual experiences stress differently.
3. *Talk about your stressors.* Thomas Donohoe, a researcher on work–life balance, recommends talking with trusted friends or family. On the job, discussing your stress factors in an appropriate manner can help you to reduce job overload.
4. *Build in high physical activity.* Research found that an increase in job burnout (and depression) was highest for employees who didn't engage in regular physical activity, while it was almost negligible for employees who did engage in regular physical activity.
5. *Take brief breaks throughout your day.* For office employees, the current suggestion from experts is to move your body at least every 30 minutes to combat the effects of all-day sitting. Donohoe also suggests taking snack breaks, walks or short naps to recharge.
6. *Take your holiday!* Studies suggest that recovery from stress can happen only if employees are: (1) physically away from work; and (2) not occupied by work-related duties. That means telling your manager that you will log off your email accounts and shut off your phone for the duration of the holiday.

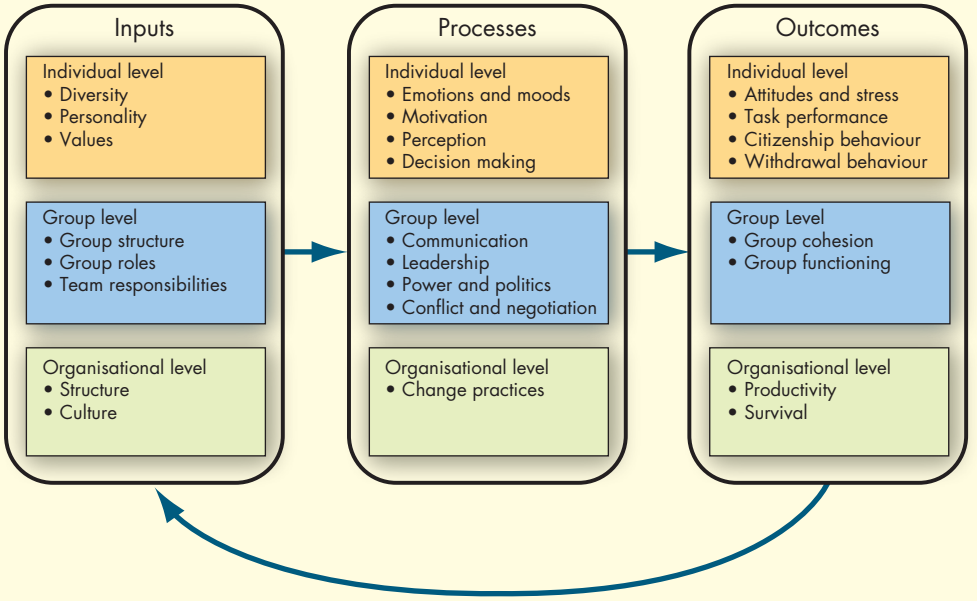
It's not always easy to look beyond the next deadline. But to maximise your long-term productivity and avoid stress, burnout and illness—all of which are ultimately harmful to employer aims and employee careers alike—you shouldn't succumb to holiday deficit disorder. Educate your managers. Your employer should thank you for it.

SOURCES: Based on F. Fastje, J. Mesmer-Magnus, R. Guidice and M. C. Andrews, 'Employee burnout: the dark side of performance-driven work climates', *Journal of Organizational Effectiveness: People and Performance* 10, no. 1, 2022; K. P. Gabriel and H. Aguinis, 'How to prevent and combat employee burnout and create healthier workplaces during crises and beyond', *Business Horizons* 65, no. 2, 2022, pp. 183–92; B. M. Rubin, 'Rough economy means no vacation', *Chicago Tribune*, 3 September 2012, p. 4; and S. Toker and M. Biron, 'Job burnout and depression: unraveling their temporal relationship and considering the role of physical activity', *Journal of Applied Psychology* 97, no. 3, 2012, pp. 699–710.

Sample pages

(individual, group and organisational). In the chapters that follow, we will proceed from the individual level (Part 2—Chapters 2 to 7), to group behaviour (Part 3—Chapters 8 to 13), to the organisational system (Part 4—Chapters 14 to 16). The model illustrates that inputs lead to processes, which lead to outcomes; we will discuss these interrelationships at each level of

EXHIBIT 1.7 A basic OB model



analysis. Notice that the model also shows that outcomes can influence inputs in the future, which highlights the broad-reaching effect that OB initiatives can have on an organisation's future.

Inputs

Inputs are the variables such as personality, group structure and organisational culture that lead to processes. These variables set the stage for what will occur later in an organisation. Many of them are determined in advance of the employment relationship. For example, individual diversity characteristics, personality and values are shaped by a combination of an individual's genetic inheritance and childhood environment. Group structure, roles and team responsibilities are typically assigned immediately before or after a group is formed. Finally, organisational structure and culture are usually the result of years of development and change as the organisation adapts to its environment and builds up customs and norms.

inputs Variables that lead to processes.

Processes

If *inputs* are like the nouns in organisational behaviour, *processes* are like the verbs. **Processes** are actions that individuals, groups and organisations engage in as a result of inputs and that lead to certain outcomes. At the individual level, processes include emotions and moods, motivation, perception and decision making. At the group level, they include communication, leadership, power and politics, and conflict and negotiation. Finally, at the organisational level, processes include change practices.

processes Actions that individuals, groups and organisations engage in as a result of inputs and that lead to certain outcomes.

Sample pages

Outcomes

Outcomes are the key variables that you want to explain or predict, and that are affected by other variables. What are the primary outcomes in OB? Scholars have emphasised individual-level outcomes such as attitudes and stress, task performance, citizenship behaviour and withdrawal behaviour. At the group level, cohesion and functioning represent some of the outcomes. Finally, at the organisational level, we look at overall profitability and survival. As

outcomes Key factors that are affected by other variables.

Summary

Managers need to develop their interpersonal, or people, skills to be effective in their jobs. Organisational behaviour (OB) investigates the impact that individuals, groups and structure have on behaviour within an organisation, and it applies that knowledge to make organisations work more effectively.

Implications for managers

- Resist the inclination to rely on generalisations; some provide valid insights into human behaviour, but many are erroneous.
- Use metrics rather than 'hunches' to explain cause-and-effect relationships.
- Work on your interpersonal skills to increase your leadership potential.
- Improve your technical skills and conceptual skills through training and staying current with organisational behaviour trends such as big data and fast data.
- Organisational behaviour can improve your employees' work quality and productivity by showing you how to empower your employees, design and implement change programs, improve customer service and help your employees balance work–life conflicts.

Sample pages

Questions for review

1. What is the importance of interpersonal skills in the workplace?
2. What is organisational behaviour (OB)?
3. How does systematic study contribute to our understanding of OB?
4. What are the major behavioural science disciplines that contribute to OB?
5. Why are there so few absolutes in OB?
6. What are the challenges and opportunities for managers in using OB concepts?
7. What are the three levels of analysis in this text's OB model?

Experiential exercise

MANAGING THE OB WAY

In groups of four, consider the following scenario. You assume the role of a special committee of district managers at a large pharmaceutical company. Your committee is meeting to discuss some problems. The process set up by the company is as follows:

1. Each committee member should first review the problem privately and formulate independent ideas for what might be done.
2. At the start of the meeting, each member should spend one minute addressing the group.

During the meeting, the committee must reach a consensus on both the best solution to each problem and its supporting rationale. How this is done is entirely up to the committee members, but you must come up with a consensus decision and not a majority opinion achieved by voting.

Here is the problem your committee is to consider:

The company has no specific policy regarding facial hair. Tom is a pharmaceutical sales representative with a little more than a year's experience and an average (but declining) sales record. He has grown a very long and ragged beard that detracts significantly from his appearance. His hobby is playing bass in an amateur country music band, and he feels that a ragged beard is an important part of the act. Tom says that his beard is a personal fashion statement that has to do with his individual freedom. There have been numerous complaints about Tom's appearance from customers, both doctors and pharmacists. The manager has talked to him on many occasions about the impact his appearance could have on his sales. Nevertheless, Tom still has the beard.

The manager is concerned about Tom's decreasing sales, as well as about the professional image of the sales force in the medical community. Tom says that his sales decrease has nothing to do with his beard. However, sales in the other territories in the district are significantly better than they were last year.

When you have reached your consensus decisions, the following questions can serve as the basis for a class discussion.

Questions

1. What do you think are the concerns for the company regarding Tom's facial hair? Should they care about his appearance?
2. What was your group's consensus decision regarding the issue with Tom's facial hair?
3. Let's say that Tom told you he considers the beard part of his personal religion. Do you think this type of announcement from Tom would change how you talk to him about the issue?

Case study 1

CONFRONTING AGED CARE'S CHALLENGES

Aged care is one of the fastest growing industries in Australia today, with a recent Productivity Commission report projecting that the country will need almost one million aged care workers by 2050 to care for an increasing number of older people. The Australian Government has acknowledged that 'aged care is a growing area of employment. It offers flexible hours, opportunities to extend skills and variety, in interacting with older people and their families.' Employees in this industry are needed in many different roles, such as nursing, allied health, administration and food preparation, and assistance is offered in different contexts. For example, although many people are cared for in residential settings, a large number of workers support older people in their homes. In 2020–21, the Australian Government spent $236 billion on aged care. Of this total, $14.1 billion was spent on residential care, and a further $7.7 billion was spent on home care and support-at-home services.

Therefore, aged care workers are in high demand, yet staff retention and turnover are major issues of concern in the industry. Dr Katrina Radford recently studied employees' experiences and found that organisational factors played a key role in their intentions to leave. 'When I looked at personal factors against organisational factors, while around 12 per cent of people's intentions to leave were impacted by their health, age or intention to retire, the vast majority of turnover intentions were influenced by things the organisation does.' Other research and anecdotal evidence from aged care workers

Sample pages