

## 1.4: A Model of Organizational Behavior and Management

### 4. What is the role of the behavioral sciences in management and organizations?

A major responsibility—perhaps *the* major responsibility—of managers is to make organizations operate effectively. Bringing about effective performance, however, is no easy task. As Nadler and Tushman note:

Understanding one individual's behavior is challenging in and of itself; understanding a group that's made up of different individuals and comprehending the many relationships among those individuals is even more complex. Imagine, then, the mind-boggling complexity of a large organization made up of thousands of individuals and hundreds of groups with myriad relationships among these individuals and groups.<sup>11</sup>

Despite this difficulty, however, organizations must be managed. Nadler and Tushman continue:

Ultimately the organization's work gets done through people, individually or collectively, on their own or in collaboration with technology. Therefore, the management of **organizational behavior** is central to the management task—a task that involves the capacity to *understand* the behavior patterns of individuals, groups, and organizations, to *predict* what behavioral responses will be elicited by various managerial actions, and finally to use this understanding and these predictions to achieve *control*.<sup>12</sup>

The work of society is accomplished largely through organizations, and the role of management is to see to it that organizations perform this work. Without it, the wheels of society would soon grind to a halt.

### What is Organizational Behaviour?

the focus is on applying what we can learn from the social and behavioral sciences so we can better understand and predict human behavior at work. We examine such behavior on three levels—the individual, the group, and the organization as a whole. In all three cases, we seek to learn more about what causes people—individually or collectively—to behave as they do in organizational settings. What motivates people? What makes some employees leaders and others not? Why do groups often work in opposition to their employer? How do organizations respond to changes in their external environments? How do people communicate and make decisions? Questions such as these constitute the domain of organizational behavior and are the focus of this course.

To a large extent, we can apply what has been learned from psychology, sociology, and cultural anthropology. In addition, we can learn from economics and political science. All of these disciplines have something to say about life in organizations. However, what sets organizational behavior apart is its particular focus on the organization (not the discipline) in organizational analysis (see **Exhibit 1.8**). Thus, if we wish to examine a problem of employee motivation, for example, we can draw upon economic theories of wage structures in the workplace. At the same time, we can also draw on the psychological theories of motivation and incentives as they relate to work. We can bring in sociological treatments of social forces on behavior, and we can make use of anthropological studies of cultural influences on individual performance. It is this conceptual richness that establishes organizational behavior as a unique applied discipline. And throughout our analyses, we are continually concerned with the implications of what we learn for the quality of working life and organizational performance. We always look for management implications so the managers of the future can develop more humane and more competitive organizations for the future.



Exhibit 1.8 Origins of Organizational Behavior

For convenience, we often differentiate between micro- and macro-organizational behavior. **Micro- organizational behavior** is primarily concerned with the behavior of individuals and groups, while **macro- organizational behavior** (also referred to as **organization theory**) is concerned with organization-wide issues, such as organization design and the relations between an organization and its environment. Although there are times when this distinction is helpful, it is always important to remember that in most instances we learn the most when we take a comprehensive view of organizational behavior and integrate these two perspectives. That is, issues such as organization structure can influence employee motivation. Hence, by keeping these two realms separate we lose valuable information that can help us better understand how to manage organizations.

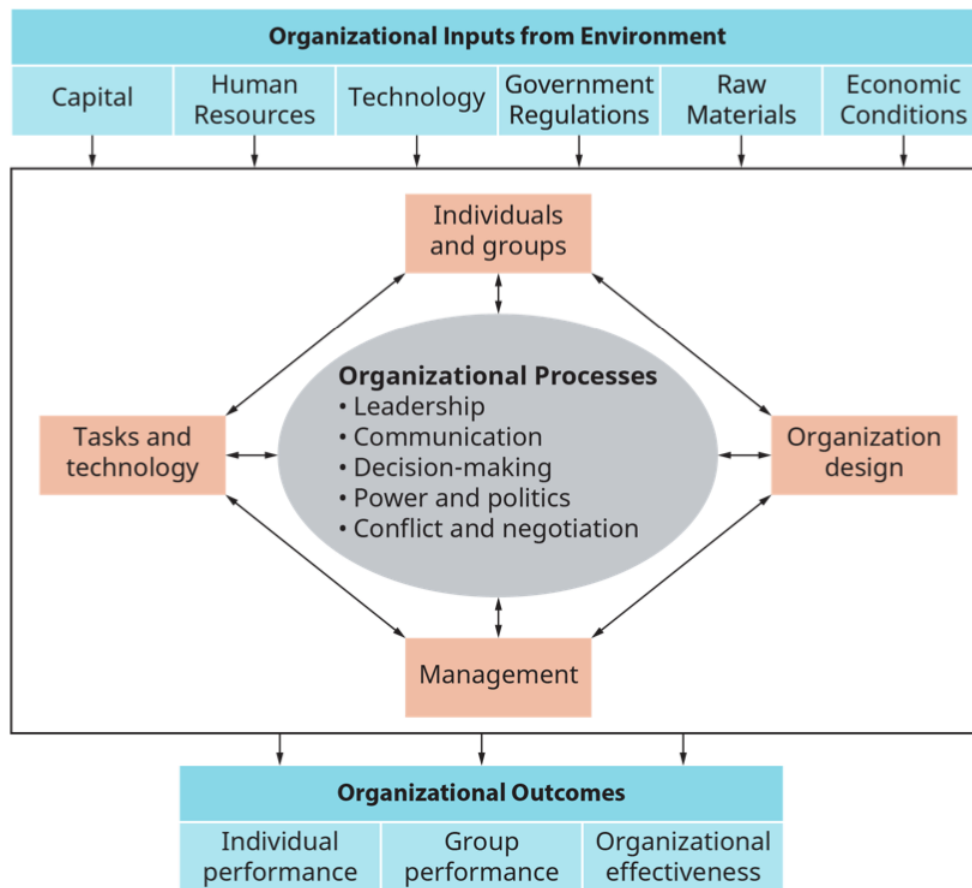


Exhibit 1.9 Invo new Hire

## Building Blocks of Organizations

Understanding the behavior of people at work is fundamental to the effective management of an organization. Obviously, a number of factors come together to determine this behavior and its organizational consequences. In order to understand the origins and characteristics of these factors, it is necessary to have a model that organizes and simplifies the variables involved. We offer such a

model here in the hope that it will bring some order to the study of this subject. The model can be considered in two parts (see **Exhibit 1.10**).



**Exhibit 1.10 A Model of Management and Organizational Behavior**

The first part of the model is the simple recognition of organizational inputs and outcomes. That is, organizations receive inputs from the external environment in the form of capital, raw materials, labor, community or government support, and so forth. In addition, organizations experience or produce certain outcomes, including (1) organizational goal attainment, (2) group performance and effectiveness, and (3) individual performance and effectiveness. Thus, organizations and the people in them exist in a constant state of flux, receiving and transforming inputs from the environment and returning those transformed inputs in the form of finished goods and services, return on stockholders' equity, salaries that are paid to employees, and so forth. It is, in short, a dynamic system.

The second aspect of the model is the organization itself and all of its parts. One way to understand the complexity of organizations is to think of them simply as a set of building blocks, including:

**Individuals and groups.** Organizations are collectives of individuals and groups working to pursue common objectives. Their members come from various backgrounds and have varying abilities and skills, differing motivational levels, and different ambitions. Within the organizational context, these people must communicate, make decisions, show leadership, and handle power and organizational politics as they carry out their assigned activities.

**Tasks and technology.** In addition to variations among individuals and groups, we must recognize variations in the technology of the workplace. That is, how does the work actually get done? Technology includes both the actual design of jobs and the tools and techniques used in manufacture (e.g., robotics and expert systems).

**Organization design.** Putting together these factors—individuals and groups and tasks—is the subject of **organization design**. That is, how do we structure an organization so it effectively coordinates and controls employee behavior to facilitate performance?

**Organizational processes.** In addition to people, machines, and structure, we must recognize a series of **organizational processes**, such as leadership, communication, decision-making, power and politics, and so forth. The processes largely determine the nature

and quality of interpersonal and intergroup relations within the workplace and, as such, influence ultimate organizational performance.

Management. Finally, the glue that holds these building blocks together is the character of management. Throughout this text, we shall see numerous examples of how the degree of managerial effectiveness and prowess have determined the success or failure of a venture. We shall take a managerial view throughout our survey of organizational behavior.

There have been many attempts to provide a differentiation between leadership and management over time. While they are not the same thing, they are necessarily linked, and complementary. Any effort to separate the two is likely to cause more problems than it solves and as business evolved the content of leadership and management has changed. The emergence of the “knowledge worker,” and the profound differences that this causes the way business is organized. With the rise of the knowledge worker, one does not ‘manage’ people, and instead the task is to lead people and the goal is to make productive the specific strengths and knowledge of every individual.

These five variables, then, will constitute the primary ingredients of this book. We shall proceed sequentially, beginning with individual behavior and moving to group and intergroup behavior and finally to organization design and structure. On the basis of this, we will turn to a consideration of several of the more important organizational processes. Finally, we will look to the future and examine ways that organizations can continue to develop and improve their workforces and the organization as a whole. Throughout, the roles of technology and management will be considered. Also, throughout, we will blend **theory** with research and practice.

#### Concept Check

1. Discuss the role of management in the larger societal context.
2. What do you think the managers of the future will be like?
3. Identify what you think are the critical issues facing contemporary management. Explain.

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11 D. Nadler and M. Tushman, “A Model for Diagnosing Organizational Behavior,” *Organizational Dynamics*, 1980, p. 35.

12 Ibid.

Exhibit 1.8 (Attribution: Copyright Rice University, OpenStax, under CC BY-NC-SA 4.0 license)

Exhibit 1.9 Xinyu Liu was hired as the studio as a designer at Invo, a Massachusetts-based firm. Prior to joining Invo, she was a user experience researcher at Samsung, where she investigated how to apply future technologies in everyday living. Changing behavior for good was a key component of the R&D work, leveraging invisible sensing tech, devising emotional effects, and crafting just-in-time graphic communication. Her wide-ranging skills, from analyzing social behavior to 3D modeling to electronics to UI design, are well-suited for the multi- domain projects at Invo. As part of the employee selection process, the hiring managers at Invo needed to recognize that their employees come from various backgrounds and have varying abilities and skills, differing motivational levels, and different ambitions. Within the organizational context, they needed to consider how Xinyu would fit on the team in the areas of communication, decision-making, and leadership, and how she would handle power and organizational politics as she carried out her responsibilities. (Credit: Juhan Sonin/ flickr/ Attribution 2.0 Generic (CC BY 2.0))

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