

## ***Jones chapter 4***

### **Differentiation**

Divisions: 1 restaurant van een keten met alle medewerkers nodig om het draaiende te houden

Functions: werknemers met dezelfde tasks/knowledge (e.g. alle managers van een keten)

5 kinds of functions:

- Support function: facilitate company's control of relations with environment & stakeholders (purchasing, marketing, sales, PR)
- Production function: manage & improve production. (Operations, control & quality)
- Maintenance function: train employees, clean, repairs
- Adaptive functions: enable company to change to environment, changing competences (R&D, market research)
- Managerial functions:
  - Top management: competitive strategy
  - Middle-managers: oversee resources to achieve strategy
  - Lower level managers: oversee direct workforce.

Self contained division: has employees of all 5 functions.

Core competences: set of unique skills & capabilities that give a company a competitive advantage.

Vertical differentiation: according to hierarchical level

Horizontal differentiation: according to span of different tasks per person. More differentiated —> more specialization —> higher ability to create more value.

### **Balancing differentiation & integration**

Integration: process of coordinating tasks, functions, divisions so they work together and have aligned goals.

Too much horizontal differentiation -> members develop subunit orientation -> they focus solely on the goals of their sub unit. Goals between departments do not align anymore.

Companies use IT to improve communication between functions.

Integrating technique:

- Hierarchy of authority: make sure the authorities are well organized.
- Direct contact: meeting face2face
- Liaison role: managers from every sub unit are given the job to communicate with liaisons from other subunits.
- Task force: temporary meetings to coordinate specific/ temporary activities
- Team: permanent meetings to coordinate regular activities
- Integrating role: create new role to oversee activities/managers from several subunits
- Integrating department: create new department to oversee activities/managers from several subunits.

Highly centralized authority: only top managers make decisions

Highly decentralized authority: decisions may be made by managers at all hierarchical levels.

Standardization: pre-decided rules and norms of how to respond to questions/problems

Mutual adjustment: use your own best judgement at that moment to respond to questions/problems

Formalization: the use of written rules and procedures to standardize operations

Mutual adjustment implies decentralization

Socialization: Process of when employees learn norms of an organization and internalize these norms.

Mechanistic structure: individual specialization, simple integrating technique(hierarchy), centralization, standardization.

Organic structure: joint specialization, complex integrating technique(teams & task forces), decentralization, mutual adjustment.

Contingency theory argues: organizations should design structure & control systems to fit with the environment.

## ***Johns & Saks Chapter 11***

Well structured problem: actual and desired states are clear

Ill structured problem: actual and desired states are unclear

Economic Person: perfect rationality. Thinks perfectly logical, goal is economic gain, knows everything about everything.

Bounded rationality: decision makers are limited in acquiring information.

Framing: Assumed information about the problem

Cognitive biases: ways to acquire information that are sensitive to errors, frequently leads to errors.

Systematically doing something wrong. (misperception?)

### **1. Problem identification**

Bounded rationality can lead to difficulties:

- Perceptual defense: inaccurate perceptions can affect decision making
- Problem defined in terms of functional specialty: selective perception -> person can see the problem from a smaller domain than it actually is.
- Problem defined in terms of solution: jumping to conclusions
- Problem diagnosed in terms of symptoms: decision maker has low morale: not motivated to search for the real cause of the problem so he judges it to its symptoms.

Decision makers should be very self-conscious, try out alternative frames, don't see everything as a customer problem.

### **2. Searching for information**

Too little information:

People do confirmation bias: try to search only information that match with own perceptions (over confidence)

Too much information: more information than necessary, leads to errors, delays, corner cutting, confusion etc.

Decision makers tend to search too much information because it makes them more confident about their decision.

### **3. Make alternative solutions, evaluate them, choose best decision**

Maximization: Choose decision with the best expected values. (= probability\*potential value)

Anchoring effect: Decision makers do not change the estimated value enough because they are led by this estimate value.

Ideal (perfect rationality): Judge alternative solutions only by taking economic gain into consideration

Satisficing: decision maker sets a low desirable state, when he finds a solution that exceeds this desirable state, he implements this solution.

**Risky business** : Choices come with risks. Framing is important to judge risks well. E.g. choice between losses or choice between saves -> depends on from which point of view the decision makers sees it.

### **4. Solution implementation**

Implementation is frequently dependent on other employees in organization, so difficult to anticipate any problems.

#### **Solution evaluation**

Sunk costs: permanent losses when a decision is faulty

Overconfidence results in managers not admitting they were wrong, same faulty decision will be made in future unless their minds are changed.

Hindsight: evaluating the decision making process on what went right/wrong.

#### **Mood & emotions affect decision making**

Good mood person: remembers positive information, evaluate things more positively, overestimate the possibility that good things will happen, use more shortcut- decision making processes, more creative decision making

Bad mood person is the opposite.

#### **Group decision making**

More people scan the environment, generate more ideas, evaluate ideas better.

This suggest that groups make better decisions than individuals.

Not desirable: diffusion of responsibility; there is not 1 individual responsible for the faulty decision so not 1 person can be punished. People hindsight: "I knew it was wrong but they made me go along"

Groups perform better than individuals when:

- Members differ in relevant skills and knowledge
- Diffusion of labor can occur

- Memory for facts
- Individual judgements combined and evaluated

### **Disadvantages**

- Time: decision making in groups takes more time (discussions etc.)
- Conflict: differences in opinions can evolve in conflicts
- Domination: member wants to dominate and lead the group, can lead to conflict
- Group think: afraid to speak up, and just go along with the rest of the group. Members are less critical and efficient.

### **Groups handling risks**

Risky shift: groups make riskier decisions than individuals of the group initially did

Conservative shift: groups make less risky decisions than the individuals of the group initially did

### **Devil's advocate**

Person who identifies & challenges the weakness of a decision (increasing controversy)

### **Electronic brainstorming**

Use of computer technology to improve the physical brainstorming. Generating ideas

### **Nominal group technique**

A group of experts is brought together. They are given the job to individually brainstorm about a problem. Then are brought back together to discuss all the possible solutions together

### **Delphi technique**

Pooling large number of experts judgements by sending increasingly refined Q's. Disadvantage: long timeframe.

## ***Colquit chapter 11***

Team types:

- Work team: Much commitment and interaction. Produce goods/services
- Management team
- Parallel team: provide managers with recommendations on operational level
- Project team: one-time tasks
- Action team: tasks limited in duration (sport games) football team etc.

Virtual teams: geographically separated. communicate through devices.

Team development stages:

- Forming: orienting boundaries
- Storming: bringing in own ideas, not accommodating other's ideas
- Norming: realize the team has to work together, start cooperating
- Performing: completing tasks, comfortable working

Sometimes not through all these stages: If task is clear -> no forming, storming and norming.

Task interdependence: degree to which members communicate with each other for material, information & resources.

- Sequential interdependence: different tasks are sequentially done, each member specializes in 1 task
- Reciprocal interdependence: each member specializes in tasks, not sequentially done, communication with a subgroup of the team.
- Comprehensive interdependence: everybody needs to understand everything, much communication between each member.
- Goal interdependence: high level when vision of the members aligns with each other.
- Outcome interdependence: high level means the outcome is shared. Every member relies on any other member for completing the task.

Team composition: right personalities and skill mix to complete tasks

Member roles

Leader-staff teams: leader makes decision, staff voert uit

Member ability

wide variety of abilities is desired

disjunctive task: highest level of ability will have the most influence on the performance

conjunctive task: team performance relies on the weakest level of ability

additive task: contribution of every team member adds up to the team performance

Member personality

wide variety of personality traits is desired

avoid conflicts, botsende persoonlijkheden

Member diversity

degree to which members are different from one another in terms of any link used to categorize the people into a team.

Team size

important to consider. Not too big not too small

## ***Colquitt chapter 12***

Team process: term that reflects on different types of activities. Team characteristics affect team processes.

Process gain: the total performance is higher than the sum of each individual's performance.

Process loss: total performance is lower than the sum of each individual's performance.

- Coordination loss: production blocking
- Motivational loss:

- Social loafing: uncertainty in 'who does what' results in members feeling less accountable for team performance. Team member would contribute more if it did the same work alone.

Taskwork processes: activities that relate directly to the goals of the team.

**Creative behavior:** goal is to develop useful ideas and solutions.

Brainstorming helps. But disadvantages:

1. Motivation is smaller then when only your name is on the paper,
2. Afraid to speak out 'silly' ideas,
3. Production: members have to wait until they can express idea.

## Decision making

Factors that influence effective decision-making:

- Decision informity: if members have adequate information about their task responsibilities
- Staff validity: degree to which member makes good recommendation to leader.
- Hierarchical sensitivity: does leader weighs member's recommendations effectively

**Boundary spanning:** involves activities with individuals outside the team

- Ambassador activities: to protect the team & create support, obtain resources.
- Task coordinator activities: coordinate task related things with other functions
- Scout activities: things members do to obtain information about technology/competitors etc.

Teamwork processes: activities that facilitate the goal of the team but are not directly task-oriented.

- Transition processes: preparation for future work. Strategy, goals.
- Action processes: important as task is being completed. E.g. monitoring progress, coordination.
- Interpersonal processes: manner in which team members manage their relationships.  
Relationship conflict: disagreement between members about each other  
Task conflict: disagreement between members about completable task

**Team states:** how team members feel and think about the teamwork and members when they complete tasks.

- Cohesion: emotional attachment to members of the team. Groupthink
- Potency: degree to how group members think their team can complete a variety of different tasks
- Mental models: how members think of other members concerning their knowledge and capabilities
- Transactive memories: how specialized knowledge is distributed between members in a manner that results in effective system of memory for the team

## Training teams:

Transportable teamwork competences: help individuals get competences related to teamwork

activities

Cross-training: learning about the other team members.

## ***Greenberg chapter 6***

Motivation to work.

Needs from lowest level to highest level:

- Physiological needs: if these are not met, people can not function and will become ill.
- Safety needs: environment must be physically and psychologically safe
- Social needs: wanting to be accepted and liked by others
- Esteem needs: need to accomplish success and to let others see that.
- Self-actualization needs: people improve themselves, are at their best and are maximally productive and creative.

Fairness of pay is more important than the actual amount. People compare their pay to other people's pay.

Equity theory: people want equity in their payment. They compare their outcome/income ratio to that of others.

Creating equity -> increasing someone's output or decreasing his inputs.

Link between job performance and payment raises are often not direct. Thus companies do not take advantage of this motivation method.

Expectancy theory: people are more motivated when they believe working hard will help them achieve their goals.

- Expectancy: belief that effort will affect performance
- Instrumentality: belief that performance will affect rewards
- Valence: perceived value of expected rewards (degree of how much someone desires the reward)

Cafeteria-style benefit plans: creating rewards by asking employees what they really want as reward.

Create desired rewards for all employees.

Goal setting: setting goals so that it motivates employees in their performance.

Goal setting theory: assigned goals influence people's beliefs about performing a task & their commitment to goals. Goal = motivator

Goal commitment: the extent to which people invest themselves in meeting a goal.

Principles managers can use to increase motivation:

- Set specific goals: people will perform at higher levels
- Assign difficult but acceptable performance goals: If the goal is already achieved/very easy, people will not try to improve their performance much.
- Provide feedback concerning goal attainment: feedback allows a person to increase their performance even further.

Designing jobs that motivate: if job is appealing, people are motivated to work

- Job enlargement: let employees do a wider variety of tasks. No more responsibility.
- Job enrichment: vertical change (hierarchy), people get more responsibility. And also performing more tasks.

Job characteristics model: identifies how jobs can be designed so that people feel like what they do is meaningful.

5 job dimensions used to do this:

- Skill variety: extent to which a job requires several different skills and talents to perform well.
- Task identity: degree to which a job requires to do the whole task from beginning to end.
- Task significance: amount of impact the job has on other persons.
- Autonomy: extent to which employees have freedom to plan, schedule and carry out the job as desired.
- Feedback: extent to which employees are given feedback

## ***Lecture 2:***

Fragmentation: Important groups in organization do not exchange ideas with each other -> no cross-pollination between departments.

detect: isolated subgroups

Domination: some groups in organization have majority voice in what innovations should be made.

detect: high degree centrality implies domination.

Overinclusion: too many people are included in making a decision

why? Failure to delegate / curious people.

detect: track how much time each individual consumes in decision making process. Senior management: high centrality. Lower level employees: low centrality.

## ***Lecture 3:***

Team viability: if team members are satisfied with working in the team.

## ***Lecture 4:***

### **A. The elements that enable an employee to be a high performer.**

Higher performers are the employees in organizations who have a good position, have connections with the right people and who communicate with the right manners. These 3 elements are key factors in



performing well. If an employee is a high performer, he or she will probably adapt quicker and better in groups and has more chance on getting promotion.

The first element is about the position of an employee in the network. Employees who connect people with each other in a company/from different companies are the ones that have powerful positions. If this employee wouldn't be there, the different groups of individuals wouldn't be connected to each other. They are sort of the intermediate persons who are necessary to let departments in companies work closer together or for example to enable companies to get in touch with each other which can evolve in new ideas and economic success for the company. High performers should make sure that they are always the first to be updated about important developments or incidents. They should also be very attentive in order to spot potential opportunities and problems.

The second element is about connecting with the right people in the organization. By this we mean that an employee should connect with people who have knowledge and expertise where the employee can learn from. This way the employee enables himself to extend their abilities and knowledge. To be successful, you should always be curious and seek for more understanding and knowledge about things than you already have. The best way to learn is from other people and experience. An employee thus has to connect with employees from different departments, but also with people from different hierarchical layers, different companies, different countries etc.

The third element is about communicating in the right manners with your connections. Very important aspects of this element are; having respect for your fellow creatures, being trustworthy, listening to one another, not discriminating, not underestimating/looking down on connections from lower hierarchical levels. It's important that both parties in a connection feel confident in the relationship and that they both benefit from the connection.

## **B. Network traps that limit employees in their performance.**

For the first element the network trap is that an employee becomes a **bottleneck**. This emerges when an employee doesn't use his or hers power position effectively. This is a trap that occurs very often in companies. Many people have for example the opinion that there is nobody working for them who can do a certain job better than their self and therefore they want to do everything their self. They fail to delegate the work. Another example is that this employee can hardly say; "Sorry, I don't have time right now" to colleagues who ask them questions. If you become a person who always makes time for other persons problems and questions, you'll provide them with a low threshold to come to you and you leave yourself with very little time to do your own work. The bottleneck employee will get overloaded with work and this may even emerge in a burn-out.

For the second element the network trap is that an employee becomes a **disconnected expert**. Many employees have the tendency to only connect with people with whom they have common grounds regarding their field, expertise and/or hierarchical level. They actually work in a safe bubble of connections and are not likely to pop the bubble. They rarely make a connection with someone outside of their field/expertise/hierarchical level while one of these persons might be able to help and advise them better in some cases.

For the third element the network trap is that an employee becomes a **surface networker**. In real life you will always meet people who want to be friends with everyone. They want to do everything with everyone and therefore fail to have deep, qualitative relationships with people because of a lack of time for each individual. In companies and organizations these employees exist too. If an employee doesn't invest time in a relationship, this can affect the quality of the relationship, their connections might lose trust and willingness to invest further in the relationship. This results in damage in the reputation of the employee, which results in being the person where nobody wants to work with.

### **C. Innovative strategies to network traps.**

The solution to being a bottleneck in an organization sounds easy. The employee has to delegate more work to other employees and when employees have questions he or she should send them to other employees, who can also help them, more often. Delegating more work is harder than it sounds though if you are very motivated to deliver excellent work. The innovative strategy to enable yourself to delegate more work without stressing about it is to settle when an employee delivers you 80% of the quality you wanted something to be.

The solution to being a disconnected expert is to identify in which fields, hierarchical levels and organizations a person has few connections. It's important for the employee to start building relationships with people outside their bubble. In the meantime, maintaining existent relationships should never be forgotten.

The solution to being a surface networker is to keep your network small. This way you have enough time to invest the right amount of time in each relationship and leaving yourself with time to think about the relationship.