Lecture 1: Organizational structure

The formal design of the overall organization. Discuss which formal structure fits when in terms of enabling employees to realize their organization's goals. There is not a universal best way, instead formal design should fit with their specific strategy/environment.
Importance of the informal structure and network and how organizations can improve their effectiveness by aligning formal and informal structure.

Video lecture

Graphs of what organizational structures look like, formal/informal structures

Part 2 - The 'formal' organizational structure

Why organizations?

- Ability to complete big tasks
- Combine skills of individuals

Organizational structure: blueprint that specifies how jobs in the organization are divided, grouped ad coordinated.

Designing a structure:

- Differentiation: how to break up big tasks in smaller individual subtasks
    o Work specialization: how many tasks
        ▪ Less tasks, more specialization, overspecialization: too repetitive work, underspecialization: lack of focus, overwhelming
    o How to group employees into departments: departmentalization
        ▪ Functional: all sales people in one department
        ▪ Divisional: same product of same region
    o Where lies decision making responsibility: decision-making centralization
        ▪ Highly centralized: decisions top management, clear but slow
        ▪ Highly decentralized: individuals decide themselves, coordination breakdown but quick
- Integration: ensure smaller subtasks are aligned & well-coordinated
    o Integration mechanism
        ▪ Hierarchy & management for coordination problems in simple structures
        ▪ Advanced: dedicated liaisons (contacten),integration departments & teams

Combining differentiation & integration

Mechanistic structure:

- Narrow tasks, highly specialized, centralized decision-making, hierarchy & efficiency and control
- Low-cost leaders operating in stable environments

Organic structure:

- Broader tasks, less specialized, empowered employees, enables creativity & innovation
- For innovative firms in uncertain environment

Part 3: The "informal" organizational structure

Informal structure: patterns of relationships that individuals use to complete work, describes who goes to whom for what.

Formal/informal structure graphs

- Marginal overlap between formal/informal structure: key figures in formal aren't in informal
- Misalignments lead to inefficiencies

Managing informal structure

1. Type of informal structure needs to align with strategic objectives of company
   - Custom-response network: innovation goals
     - High connectivity, combinations of expertise, more creativity & innovation
   - Routine-response network: low-cost goals
     - Narrow & task related interactions, high formalization & centralization, few key figures
2. Informal and formal structure have to align

Use ONA to uncover informal networks

High density: custom-response network

High centralization: routine response network
Centralization: indication of whether there are some individuals in the organization that mediate interactions between a large number of employees

Interventions:

- Change way employees are working (coaching
- Change strategic objectives (capitalize on internal strengths)
- Transfer employees
- Individual coaching programs

Lecture 1: Literature

Designing Effective Organizations

Sims (2002). "Chapter 11 – Designing Effective Organizations" from the book "Managing Organizational Behavior", pages 273-300

Intro

Organizational structure: the way individuals are arranged with respect to the tasks they perform.
Organizational design: process of coordinating these structural elements effectively.

Why structure and design matter

For design important to look at how power is arranged in an organization.
Also managers must structure their organization to reach the organizations goals.
Must get info to the right places for effective decision making & coordinate the interdependent parts of the organization

The contingency factors or organizational design

4 factors for organization design decisions

- Strategy: organizations need to distinguish and position themselves differently from their competitors to build competitive advantage. 3 ways
    o Cost leadership
    o Differentiation: unique in industry
    o Focused: target specific niche
- External environment
- Organization size
- Technology: refers to how an organization transfers the inputs into outputs, routine or nonroutine (customized) activities

Mechanistic and organic systems
Mechanistic: reliance on rules, centralization, narrow defined jobs, hierarchy of authority
Organic: moderate formal rules, decentralization, broad jobs, flexible authority

Bureaucracy & principles

- Hierarchy of authority
- Division of labor
- Rules and procedures
- Impersonality
- Chain of command
- Span of control

Forms of structuring or designing organizations
With advantages/disadvantages/contingencies

- Functional organization
- Division (self-contained-unit) organization
- Matrix organization
- Process-based organization design
- Network designs
- Virtual organization

The environment facing an organization consists of all those stakeholders that are external to the organization, including customers, suppliers, competitors, and regulators, among others. Organizations must be sensitive to their environment in making organizational design decisions.

Introduction of Driving results through social networks
Cross & Thomas (2009). "Introduction" from the book "Driving results through social networks," pages xvii– xxi

Anekdote about success of ONA. ONA gave range of insights to improve performance & innovation. With the results key people got connected. Implemented new criteria in performance reviews. With ONA also identified least effective clients and types of sales effort. Focus on the high-probability. ONA new way for leaders to see whats going on, diagnose problems & opportunities, stimulate innovation/performance. Reveals invisible neworks → identify collaborative hot/cold spots

Aligning networks with strategic value propositions

Cross & Thomas (2009). "Chapter 1 - Aligning networks with strategic value propositions" from the book "Driving results through social networks", pages 1–22.

Most leaders still rely too heavily on formal structure when designing their organizations and implementing strategy. Formal changed often don't shift the underlying networks. This causes a disconnect between strategic objectives and network configuration → underperform relative to the expertise & resources.

Case of info tech consult company, successes of ONA and interventions.
ONA accelerated the company's transformation from a branch-centric to a global operation.

Network archetypes and value propositions

Networks enable organizations to do two things: recognize opportunities and challenges, and coordinate appropriate responses. 2 kinds of networks:

- Customized response network: innovation resolution
- Routine response network: predictable problems/solutions, standardized, so high level of standardization

Table with characteristics

2 Case studies with success factors of network types

Conclusion

Work and innovation are inherently collaborative endeavors, but as the need for collaboration increases, the demands on people's time skyrocket.
Required is more nuanced and strategic view of collaboration

4 steps in process of determining network characteristics that can deliver specific value propositions and what investments in formal structure will help nurture appropriate connectivity:

1. Define the core value proposition of a network either as a product of how it supports strategic objectives of the organization or through that network's ability to enable the organization to sense and respond to key market opportunities and threats.
2. Identify the critical relationships that must exist for the network to support strategic objectives. These relationships will always be unique and depend on strategic goals, but the dimensions discussed in this chapter provide a guide to the key network categories that leaders should always consider.
3. Conduct an ONA to assess existing collaborations and alignment between the current network and the ideal network needed to support strategic objectives. Comparing the current and ideal network defines targeted investments that leaders must make to both de-layer points where excess connectivity is reducing efficiency and build collaborations at targeted junctures where integration of expertise can improve performance or innovation.
4. Put in place an organizational context — using the design elements presented in Table 1.1 — that enables the right networks to flourish and develop over time. Although leaders rarely have the ability to influence all aspects of organizational design, often they do have the latitude to modify four to five dimensions that, if not corrected, will drive networks back into unproductive tendencies

Lecture 2: Organizational processes

Key organizational processes through which employees take decisions and develop innovations. How decision-making processes can be effectively managed and problems. Innovation process, how to manage this. Practical problems that often disrupt effective decision making / innovation. Recognize issues in informal network that leads to problems.

Video lecture

Part 1: Theory on decision-making processes

Decision-making is important to generate revenue and avoid mistakes

Types of decisions:

- Routine decisions: repetitive, less than 10,000 investments, procedures/rules
- Non-routine decisions: complex, cant be pre-programmed in rules

Stages of decision-making:

- Problem-identification phase
- Info search phase: developing alternative courses of actions
    o Bias too much: lose oversight & relevant
    o Too little info → confirmation bias
- Selection phase: select best course of action
    o Statistical biases
    o Large sample insensitivity
    o Complex chains
    o Anchoring effect
- Implementation & evaluation

Delegate routine decisions to lower level employees, prevents info overload for management

Non routine: requires diverse group of people

Success factors group-based decisions

- Diverse
- Group size
- Appoint single individual to carry responsibility

Part 2: practical insights on innovation processes

Non-routine decisions: innovation processes

S8cces factors in innovation process:

- Diverse members: coming up with innovative ideas/ assessing the true value
- Involvement of senior management

Stage-gate innovation funnel: by using this the organization ensure that a diverse group chooses the best innovation from large pool of ideas.

Common problem innovation process

- Fail to use ideas generated
- Root of problems in informal structure
    o Fragmentation, domination & insularity

Fragmentation: important groups don't exchange ideas
Broker connects subgroups

Communities of practice: special type of group, formed by members of different subgroups that can benefit from working to each other, reduce fragmentation. Community that employees build to meet people they wont meet otherwise.

Susceptibility analysis: what would happen if some people would leave the company → mentoring

Domination: single field have majority/priority voice → one sided
Calculate centrality → high centrality = domination

Routine decisions
overinclusion: too many people involved

Prevent managerial & curious people overinclusion

Lecture 2: Literature

Decision making

Sims (2002). "Chapter 8 – Decision Making" from the book "Managing Organizational Behavior", pages 189- 214.

Decision making: process of defining problems and choosing a course of action from among alternatives

- Programmed decisions: produce solutions to repetitive, wellstructured, and routine problems
- Nonprogrammed decisions: are made to address new, unusual, or unstructured problems that are unlikely to reoccur.

Decision-making process:

1. Define the problem
2. Analyze the problem using available info
3. Establish decision criteria
4. Develop alternatives
5. Evaluate the alternatives and select best solution
6. Follow up and appraise the consequences of the decision

Obstacles to sound decision making

- Personal biases
- Taking the easy way out
- Pleasing the boss
- Escalation
- Groupthink

Decision-making styles

- Reflexive style: quick decisions
- Reflective style: plenty of time to make decisions
- Consistent style: without rushing / wasting time

Group decision making advantages

- More complete info
- More alternatives
- Acceptance of a solution
- Legitimacy

Disadvantages

- Minority domination
- Pressures to conform
- Ambiguous responsibility

Enhancing group decision making by techniques: The Delphi Technique, The Nominal Group Technique, The Stepladder Technique: Systemically incorporating new members, training discussion leaders

Increasing employee involvement in decision making techniques: learn to be a guardian of decisions instead of the maker of decisions, use participative approaches to decision making.

Pitfalls in making decisions: making all decisions into big/crisis decisions, failing to consult others, never admitting mistakes, constantly regretting decisions, failing to utilize precedents and policies, failing to gather and examine available data, promising what cant be delivered, delaying too long

Managing rapid innovation through effective networks
Cross & Thomas (2009). "Chapter 3 - Managing rapid innovation through effective networks" from the book "Driving results through social networks", pages 43–68.

Value of decentralized decision making (UTC case)

Network obstacles to innovation
Failure to innovate effectively and effi ciently can often be traced to two categories of network problems:

- the inability to recognize opportunities and recombine expertise that is either in - house or accessible through extended networks
- the inability to test and prototype ideas rapidly when people do recognize new opportunities

Network analysis reveals value creation possibilities that emerge simply by reconfiguring resources, expertise, and influence in existing networks

Key network obstacles

- fragmentation
    o Rather than applying a universal solution, such as a new technology or restructuring, which too often does not address the local causes of network fragmentation, leaders in this organization focused on correcting the specific drivers of collaborative breakdowns that were undermining innovation.
- domination
- insularity: the inability to recognize and leverage relevant external expertise can yield excessive cost structures and delays that result in missed market opportunities
    o Organizations can no longer own all the competencies and technical expertise they need for effective innovation. To reduce development time and costs, many companies outsource innovation, including research and development.

- o Increasingly important how externally sourced info & expertise migrate into the organization. A network perspective allows leaders to identify gaps and inefficiencies in how networks extend outside the organization
- o Another way that organizations acquire expertise is through alliances and other formal institutional relationships. Here a network perspective can reveal the trajectory of learning in external collaborations established for knowledge acquisition.

Five practices to drive innovation through networks

1. Create a network-centrix ability to sense and respond to opportunities
2. Develop an ability to rapidly test & refine an opportunity
3. Work through people in specific network positions
4. Leverage energy
5. Ensure that organizational context support collaboration

Conclusion!

Delivering results through process networks

Cross & Thomas (2009). "Chapter 5 - Delivering results through process networks" from the book "Driving results through social networks", pages 91–108

Process redesign or reengineering techniques focus on improving task effectiveness but often miss opportunities that network analysis can reveal, and network analysis alone can overemphasize relationships, to the detriment of locating task efficiencies.

Improving decision processes with ONA (case study)
Improving core work processes with ONA (case study)

Conclusion

Redesign efforts often underdeliver when traditional approaches to process improvement don't allow managers to see informal networks and their impact. Process mapping is a highly effective tool in identifying inefficiencies. Combining process mapping and ONA increases the odds of realizing efficiencies anticipated in reengineering and process redesign efforts.
Leaders can derive substantial benefit by focusing this combined lens on decision making and core work processes.
Complementing process maps with network analyses of information and decision - making interactions can more accurately capture the intricacies of working relationships and indicate where process maps are overly simplified. In this context, network analysis helps to identify where processes are ineffective due to given roles using multiple networks, where overly influential roles are dramatically affecting the quality and efficiency of others, and where relational changes need to take place for a role to be effective in the restructured environment.

Lecture 3: Teams in organizations

Effective teams, best-practices regarding how to compose teams, how teams develop, success factors and how to manage teams.

Video lecture

Part 2: Theory on team effectiveness

Team: group 3 or more people that work interpedently & shared goals

Why need teams:

- More complex tasks
- People prefer it
- Reduces costs

Team effectiveness:

- Team performance
    - Externally evaluated requirements
- Team viability
    - Commitment, rated by team members themselves, high → nice

For effectiveness high of both, not that correlated, should focus on both

Success factors:

1. Team task design: appropriate → sequence & collaboration
    - Pooled interdependence: no sequence, autonomous, pooled together in the end & a lot of autonomy → dividable task, individual rewards
    - Sequential interdependence: taking turns on task, little need for intense collaboration → dividable task, ir
    - Reciprocal interdependence: discussing tasks, much collaboration → complex tasks, group based rewards
2. Team composition (with examples)
    - Surface-level variables: demographics
    - Deep-level variables: general mental ability
3. Team size
4. Team cohesion: emotional attachment

Part 2: Practical insights on team effectiveness

Problems in team research

- More is better assumption: assumption that teams are most effective when members in engage in more and more teamwork activities, "more info sharing the better the performance" → focus on how people collab, not how much
- Focus on internal team processes and overlooking external, ignoring that teams are part of a larger system

Evaluate and improve internal/external network methods

Part 3 / 4

Conducting linear regression can help better understand relationship between network measures and organizational outcomes

Least squares method is one way to conduct linear regression

Lecture 3: literature

Groups and Teams

Latham (2015). "Chapter 11 – Groups and Teams" from the book "Organizational Behavior: An EvidenceBased Approach, 13th Ed.", pages 307-339.

Group dynamics / formation

Types of groups:

- Primary groups (small group – primary): in addition to being small, a primary group must have a feeling of comradeship, loyalty, and a common sense of values among its members. Thus, all primary groups are small groups, but not all small groups are primary groups
- Coalitions
- Reference / membership groups
- In/out groups

Groups have positive impact on individual employee & organizational effectiveness

Conditions that promote group effectiveness

1. Setting a compelling direction for the group's work
2. Designing / enabling group structure
3. Ensuring that the group operates within a supportive context
4. Providing expert coaching

1. task interdependence: how closely group members work together
2. outcome interdependence (whether and how group performance is rewarded)
3. potency (members belief that the group can be effective

informal groups: no prescribed goals and relationships

The dynamics of the dysfunctions of groups and teams were examined in terms of norm violation resulting in antisocial behaviors, role ambiguity/conflict, group think conformity, the risky shift phenomenon & social loafing

teams effective: team building, collaboration, group leadership, cultural/global issues

Group formation is explained theoretically in classic social psychology by propinquity; as a relationship among activities, interactions, and sentiments; as a symmetrical balance between attraction and common attitudes; and as a reward–cost exchange.

Self-managed teams, cross-functional teams & virtual teams

Delivering results through project-based networks

Cross & Thomas (2009). "Chapter 6 - Delivering results through project-based networks" from the book "Driving results through social networks", pages 107–128

Network drivers of account team success:

- quality of relationship between team & client
- ,, within the team
- ,, connecting the team with the host organization

Networks can improve innovation success by:

- staffing innovation teams with brokers from broader informational networks
- developing targeted external ties for decision making
- recombining existing expertise and resources to produce innovation breakthroughs

Execution teams can find new opportunities for improvement by:

- building mutual awareness of current work & expertise
- forming cohesive, speciliazed subgroups knit together by technical brokers
- leveraging external relationships for product and service adaptation

team lever questions

Conclusion:

3 important steps for leaders

1. focus on initiatives that enable networks to integrate expertise, resources & decision-making authority rapidly at the point of execution in organizations.
2. Focus network-building efforts on key teams in the organization. Unique network dimensions are commonly associated with performance in sales, innovation & execution
3. Define & help develop the critical relationships that must exist for team success. Table 6.1 guide to the 6 common network dimensions that leaders / teams need to consider when building the most effective network.

Lecture 4: Individuals in organizations

Motivate individual employees: payment schemes, goal setting & individual job design. Practical ssues that often prevent organizations from realizing full potential of employees → network traps

Video lecture

Part 1: Theory on individuals

Work motivation leads to effort, satisfaction & higher skill levelsl improved procedures

Manage motivations

1. Compensation/salary plans
2. Goal setting
3. Job design

Part 2: Practical insights on individuals

Highly motivated members might not become high performers because no good connections, no effectiveness → networks ensure employees get the resources they need

To become high performer:

1. Right position: power position, broker, connecting otherwise unconnected groups
   a. Fail: bottleneck: fail to delegate work, overloaded
      in and outgoing connections should be balanced
2. Right people: extend knowledge people
   a. Fail: disconnected expert: own field/expertise, one sided focus / advice
3. Right manner: meaningful relationships, both individuals benefit
   a. Fail: surface network: no high-quality relationships

Lecture 4: literature

Motivational needs, processes and applications

Latham (2015). "Chapter 6 – Motivational needs, processes, and applications" from the book "Organizational Behavior: An Evidence-Based Approach, 13th Ed.", pages 131-170

Basic motivation explained: primary / secondary motives, intrinsic (internal to the individual) vs extrinsic (visible consequences external to the individual) motives

Work motivation theories

Motivation application through job design: (& goal setting)

- Job rotation
- Job enlargement: increasing number of tasks
- Job enrichment: provide opportunities for achievement, variety of work content
- Job characteristics: skill variety, task identity, task significance, autonomy, feedback

Driving performance by replicating high performers' networks

Cross & Thomas (2009). "Chapter 7 - Driving performance by replicating high performers'networks" from the book "Driving results through social networks", pages 131–158.

Personal networks can be as powerful as group networks for leaders interested in driving performance and innovation by improving individual connectivity throughout an employee base.

ONA allows leaders to asses returns on talent management programs designed to replicate the network drivers of high performers.

High performers' networks:

1. Structural: key position
2. Relational: relationships that extend expertise & help avoid learning biases and career traps
3. Behavioral: high-quality relationships

Network traps:

- Bottleneck
- Formalist
- Disconnected expert
- Biased networker: allows certain voices to become disproportionately important
- Surface networker
- Chameleon: tailor their actions to fit whatever group they are with

3 types of bridging ties important: ties bridging hierarchical levels, functional/organizational lines & physical distance

A series of steps are important for leaders to obtain the performance and innovation impact that are possible by leveraging individual employee networks:

1. Shift from talent programs with an exclusive view of high performers as individual achievers to progams that also understand and help develop key network enabler of success
2. Pay attention to where and how high performers contribute to a network
3. Ensure that processes build productive rather than just big networks: structure, compostion & behaviors
4. Employ development and mentoring processes that help rising stars and leaders in career transition points avoid common network traps that derail careers

Speeding productivity in newcomers and avoiding knowledge drain
Cross & Thomas (2009). "Chapter 8 - Speeding productivity in newcomers and avoiding knowledge drain" from the book "Driving results through social networks", pages 159–180

Speeding up the network development of new hires through more effective on-boarding has become a critical means of driving performance.

Newcomers challenges: jumpstart their productivity, realizing the creativity & keeping creative and productive newcomers in the organization long enough to justify the costs of recruiting, hiring & bringing them up to speed

Informational approach: overloading with info about routines etc.
Relational approach: foster well-connected networks

ONA 2 views help manage knowledge loss: identify key knowledge vulnerabilities & ability to address knowledge loss unique to 2 network roles:

- Central connectors: many direct information-seeking relationships
- Peripheral players: fewest ties, often very well connected externally
- Brokers: ties across subgroups, bridging connections

Take action to speed up onboarding & minimize relational impact of departures

- Shift onboarding processes so that rather than simply providing too much info, establish a broad network
- Minimize knowledge loss by employing career development and staffing practices that fill network holes created by potential departures before such people leave

Extra (from Mock Exams)

The integration mechanism in a matrix organizational design has four components.

- Standardization makes organizational units operate the same way.
- Regulations formalize how to take action.
- Common goals let everyone work toward the same targets
- informal mutual adjustment eases the interaction among groups.

1 Innovation

A) Based on the information in the case, how would you set up differentiation in the formal organizational structure for the new "product development department" (i.e., how bigger tasks are broken up through specialization, departmentalization, and centralization). Motivate your answer.
- Low level of centralization + reasons why that helps innovation (empowering employees), Low specialization + reasons why that helps innovation (creates broader tasks), - Departmentalization: divisional structure (enables cross-fertilization of ideas/knowledge) or functional structure (to enable deep knowledge) + reasons why that helps innovation.

B) Based on the information in the case, how would you set up integration in the formal organizational structure for the new "product development department" (i.e., how to make sure efforts of different employees are well-coordinated). Motivate your answer

- Integration: Accurately described integration mechanism and explain that the choice of integration mechanism depends on differentiation choices: divisional structure/low centralization needs basic integration mechanisms (e.g., direct contact), while functional structure/high centralization needs more complex integration (integration depart etc.)

C) Based on the information in the case, what kind of informal structure should the organization try to facilitate for the new "product development department"? Motivate your answer.

Custom-support network + explanation (enables combination of expertise, open problem solving, which enables employees from different functional domains/departments to create novel solutions)

2 Decision making

A) What would you recommend to the government organization in terms of how case managers should take decisions on claims that only involve a small amount of money (i.e., below 10,000 EUROs)? Motivate your answer and explain how your procedure will ensure efficient and effective decision making.
This is a routine decision and why (no long-term future affected, do not require management involvement, lower-level employees are knowledgeable); hence, delegated (individual) decision-making is useful/effective. - Mention reasons for this: avoids information overload, prevents overinclusion problems that can delay decision-making (managerial/curious people overinclusion) by avoiding that all decisions end up at the same manager's desk or that decisions have to wait for people that have nothing to add/no formal role in the decision-making process. - Mentions how this needs to be implemented: For example, practical

solution in which case manager has autonomy for decision, without needing to consult with manager

B) What would you recommend to the government organization in terms of how case managers should take decisions on claims that involve large damages (i.e., more than 100,000 EUROs)? Motivate your answer and explain how your procedure will ensure efficient and effective decision making.
This is a non-routine decision and why (is beyond scope/capacity of single person, requires input from multiple consultants; group-based decision-making is useful/effective. - Mention reasons for this: makes sure different perspectives are considered (avoid bias such a selective perception), increases support/commitment for decisions. - Mentions how this needs to be implemented: Practical solution that ensures a diverse group, of right size (2 pizza rule), with one person taking responsibility, use of decisionmaking technique (Nominal group/Delphi method). - Mentions that this avoids problems such as diffusion of responsibility, conformity, domination, and groupthink + why

3 problems in teams

A)) Please try to identify the root cause(s) of the conflicts within the teams, using the literature and slides of lecture 3. Motivate your answer and come up with a solution to this problem (i.e., what could the CEO of this company do to resolve or prevent this problem in the future?)
Group composition as origin: team members all have extravert personalities, which motivate them to talk a lot and interrupt each other, resulting in "fighting for airtime", + explain how this can lead to detrimental conflict in the team. - Solutions: need to be attuned to the problem and well explained, examples include: o transfer/rotate members to get more diverse composition in terms of extra- and introverts in the team o and/or use group decision-making technique that ensures all members have equal say (Nominal group/Delphi), etc. + explain how that would work in practice.

B) Please try to identify the root cause(s) of the conflicts between teams, using the literature and slides of lecture 3. Motivate your answer and come up with a solution to this problem (i.e., what could the CEO of this company do to resolve or prevent this problem in the future?).
Two problems: o Uncoordinated external connectivity (boundary spanners are not connected with each other inside the team); o Concentrated external connections (some key persons are over-connected, while other members are under-connected); o + explanation why the symptoms in the case provides support for these conclusions. - Solutions: o Uncoordinated connectivity: look for solutions that ensure that people that engage in boundary spanning are connected with each other. o Concentrated external connections: look for solutions that ensure that multiple people engage in boundary spanning

4 Bored individuals

A) Please explain what you think of the CEO's preference to motivate employees by shifting to a payfor-performance plans. Explain whether this solution resolves the problems described in the case the best, compared to the other available strategies (b-c) for motivating employees

Should compare feasibility/effectiveness of pay-for-performance relative to goalsetting/work redesign. - Employees are mainly dissatisfied due to boredom/lack of challenge in the job. Pay-forperformance does not effectively address this, compared to work redesign/goal setting. - Current wages plan is not ineffective/likely to cause problems, as it is equitable (all

members receive same pay, wage differences can be explained based on tenure/experience), therefore there is more potential in work redesign. - Quite expensive to redesign payment system for employees, compared to for example new goal setting

B)) A colleague of the CEO recommends him to use option (c) designing jobs that are exciting and challenging. The CEO is curious about this as well, but struggles to visualize what this would mean in his company. To help out the CEO, therefore provide practical suggestions on how the CEO could increase the skill variety, autonomy, and feedback of truck drivers' job

Skill variety: E.g., use some form of job enrichment/job enlargement, for example though job rotation which truck drivers rotate jobs with the planners/loaders, or when they use a larger variety different types of trucks, or by allowing truck drivers to also do their own loading and unloading. - Autonomy: E.g., allow them to decide which route they will take/which type of truck they will use. - Feedback: E.g., allow truck drivers talk directly to representatives from factory/forest, so that these representatives can comment on the drivers work