

Chapter 1

What is Organizational Behavior?



**SO YOU TOOK ORGANIZATIONAL
BEHAVIOUR**



WORKPLACE CULTURE



**WOULD ACCEPT MORE
WITHOUT MORE SALARY**





What is Organizational Behavior?

Answers the “WHY’s”

A field of study devoted to understanding, explaining, and ultimately improving the attitudes and behaviors of individuals and groups in organizations

** Related, but not the same as HR*

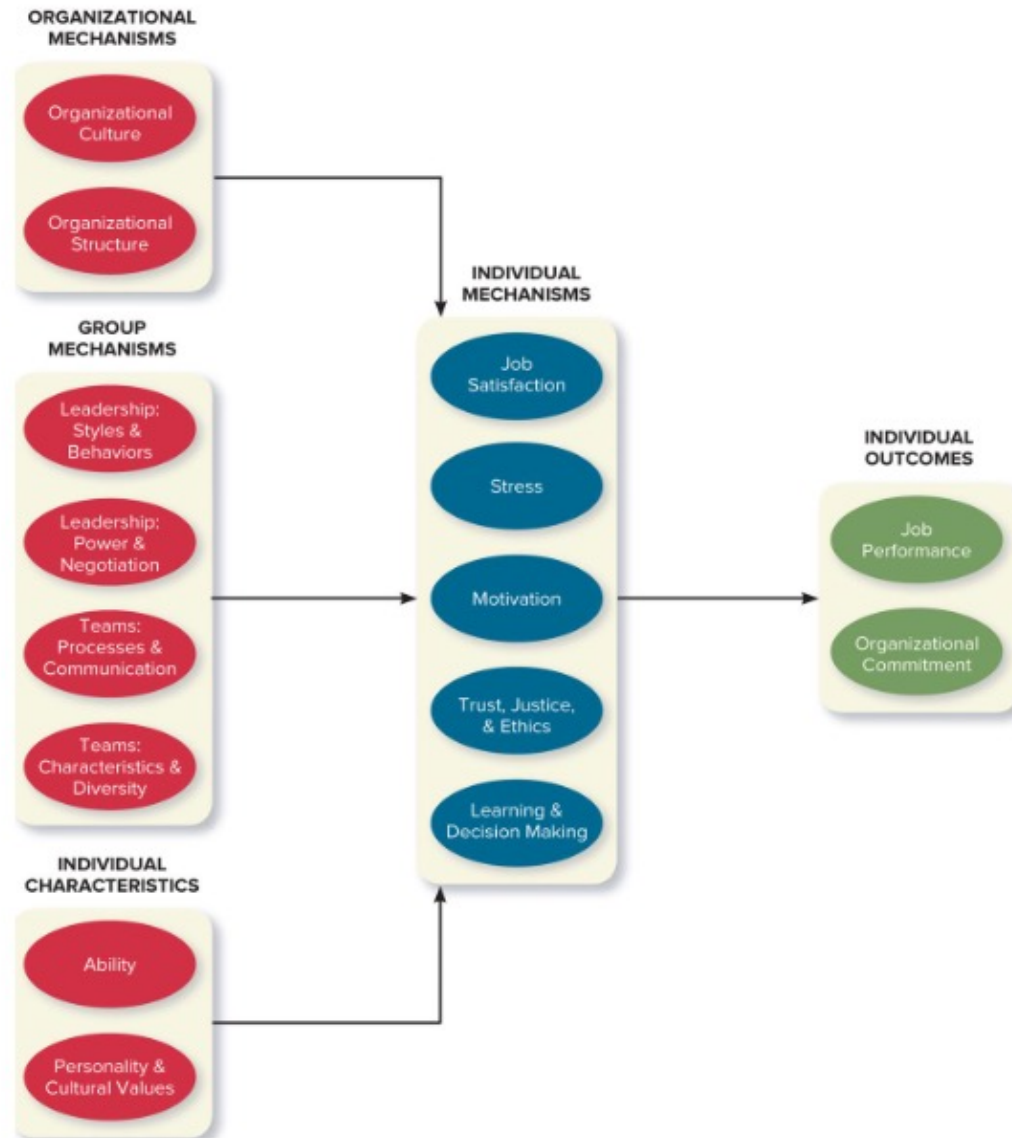


Figure 1-1
Integrative Model of
Organizational Behavior



Does Organizational Behavior Matter?

Do firms that do a good job managing organizational behavior concepts become more profitable as a result?

In other words, is it related to:

- \$\$\$?
- Machines, buildings, techs used?
- Knowledge/skills/abilities of the workforce?
- Public image?

It's a *long-term* game



Some Research Background

Thousands of research evidence consistently support:

- Using OB-based practices to manage firms & the employees brings benefits in terms of both:

(1) More subjective areas

(e.g., employee commitment, satisfaction, well-being, knowledge sharing, emotional aspects)

(2) More objective areas

(e.g., firm profitability, turnover rate, market value of the firm, and firm survival)



So, What's So Hard?

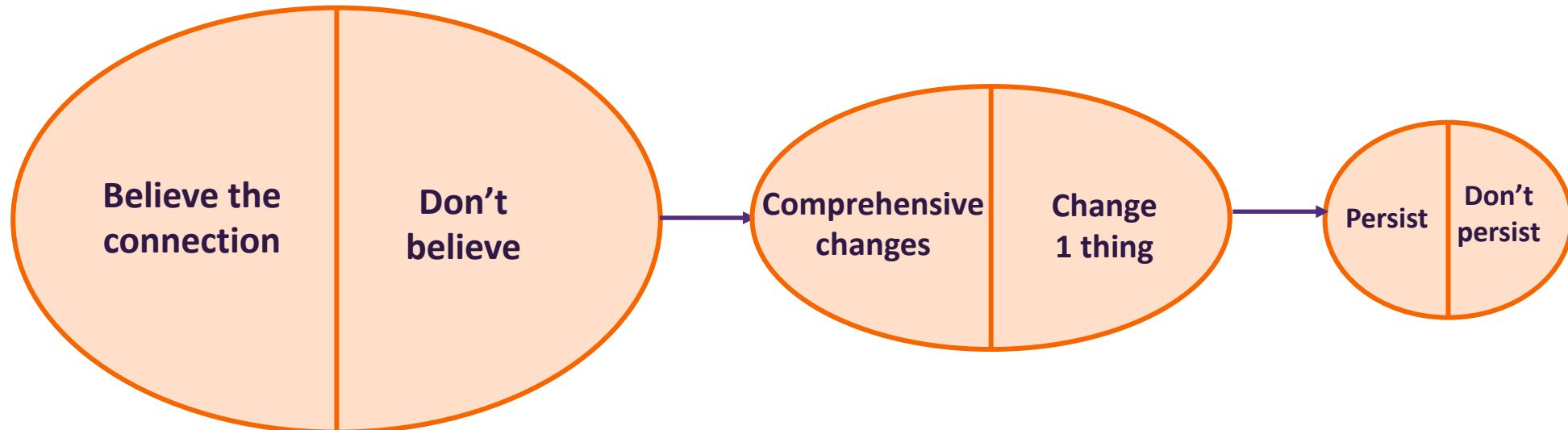
In other words, why doesn't every company prioritize the management of OB?

- **Cost**

- \$\$
- Time
- Effort

- **No “magic bullet”**

- Doubts (no guarantee)
- **The Rule of One-Eighth**
 - $(\frac{1}{2} * \frac{1}{2} * \frac{1}{2} = 1/8)$





How Do We “Know” What We Know about Organizational Behavior?

1 of 5

- Method of “Knowing”
 - Method of experience
 - Method of intuition
 - Method of authority
 - **Method of science**



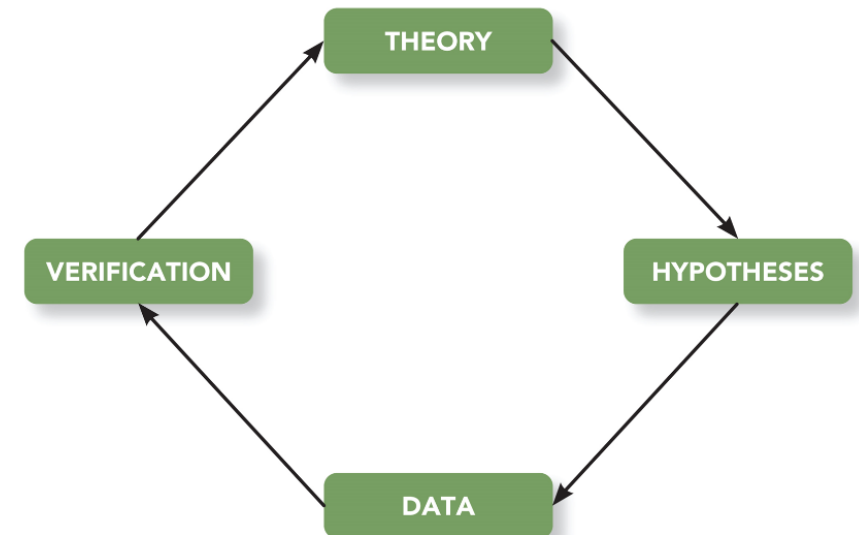
How Do We “Know” What We Know about Organizational Behavior?

2 of 5

In OB research, things are primarily based on scientific approaches

- Begins with “theory”
- Test the “theory” by setting “hypotheses (using variables)”
- See what “data” suggest
- Verify if the “data” are consistent with “theory”

** Note that not all theories are correct*





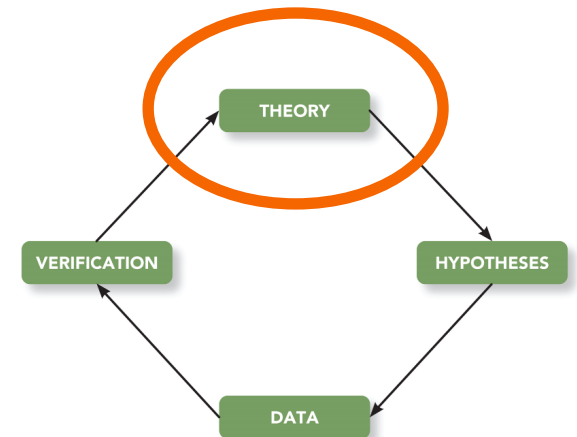
How Do We “Know” What We Know about Organizational Behavior? 3 of 5

What is a “theory?”

A collection of assertions – both verbal and symbolic – that specify how and why variables are related, as well as the conditions in which they should (and should not) be related

Think of it as a “grand-premise” to what you’re trying to examine and test:

- Helps you set the direction of your research/practice
- Helps you explain WHY and HOW



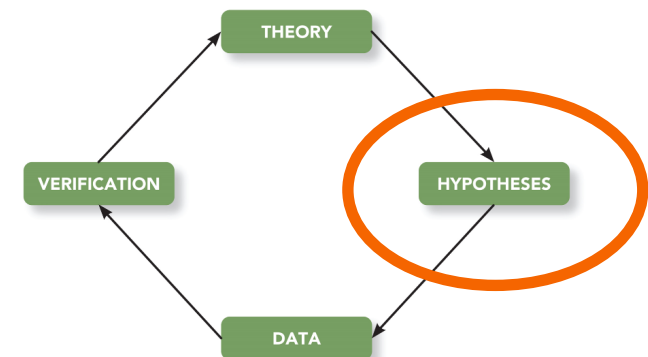


How Do We “Know” What We Know about Organizational Behavior?

4 of 5

What is a “hypothesis?”

- Written prediction that specifies the relationships between variables
- You get more specific here and apply the theory to your research study
- Use of sample (often “participants” in OB) to test the hypotheses





How Do We “Know” What We Know about Organizational Behavior?

5 of 5

To test our theory, we gather data on the variables included in our hypotheses.

We then, typically, use correlation-based approaches to test hypotheses, to see if they verify our theory.



Figure 1-4
Three Different Correlation Sizes 1 of 3





Figure 1-4
Three Different Correlation Sizes 2 of 3

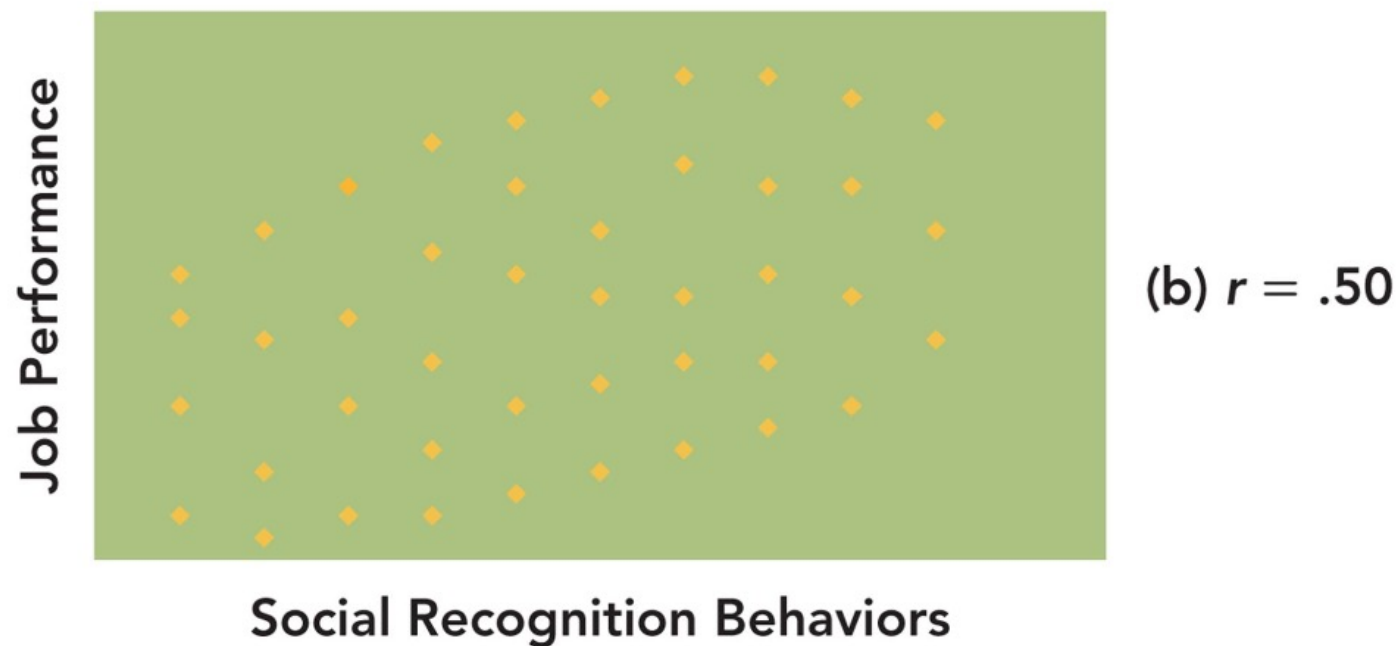




Figure 1-4
Three Different Correlation Sizes 3 of 3

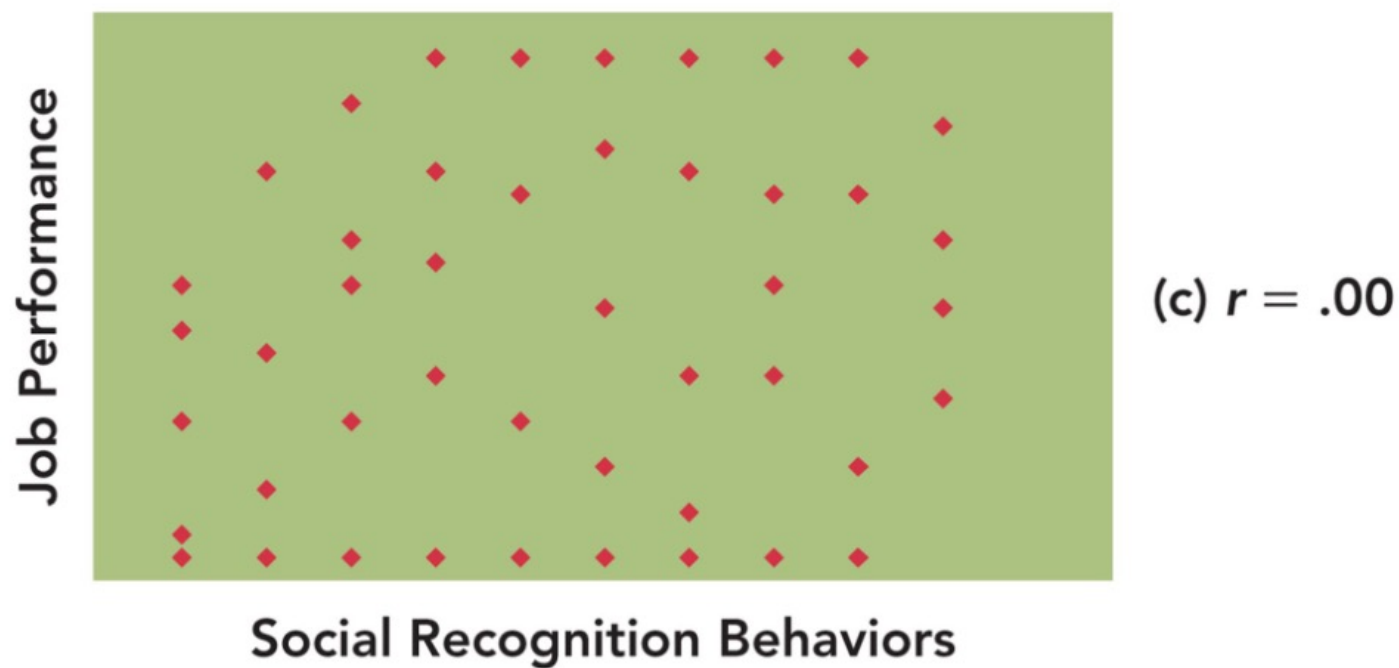




Table 1-4
Some Notable Correlations

CORRELATION BETWEEN	r	SAMPLE SIZE
Height and weight	.44	16,948
Ibuprofen and pain reduction	.14	8,488
Antihistamines and reduced sneezing	.11	1,023
Smoking and lung cancer within 25 years	.08	3,956
Coronary bypass surgery and 5-year survival	.08	2,649



The Correlation

How big is “big?”

- .2? .5? .8?

Important disclaimer

- Correlation does not prove causation
 - *To prove causation, you need:*
 - Correlation
 - Temporal precedence
 - Elimination of alternative explanations



Some Cool Things We've Learned about While Studying OB

- It's not people with low self-esteem who are more likely to become aggressive or violent. Rather, people with high, but unstable self-esteem are.
- We are likely to avoid, ignore or exclude other people if we think they are rude and obnoxious – unless they are successful or have something valuable to us – in which case we tend to overlook their bad behavior.
- Griping to our family or friends about our work problems doesn't help us psychologically as much as venting to an understanding coworker.



What do you Want to Know?

- We will be covering a wide range of topics:

- Performance
- Commitment
- Personality
- Attitudes
- Motivation
- Rewards/Satisfaction
- Stress
- Coping/Resiliency
- Communication
- Teamwork
- Power/Influence
- Leadership