SOLUTIONS MANUAL

ORGANIZATIONAL BEHAVIOR

MANAGING PEOPLE AND ORGANIZATIONS

GRIFFIN I MOORHEAD

NINTH EDITION

Instructor's Resource Manual

Organizational Behavior

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Contents

Some Thoughts on Learning and Teaching

INTRODUCTION

Bugelski once said that the Ph.D. is a license to teach whether or not the holder knows anything about teaching. For example, the new Ph.D. in management knows a great deal about management but probably knows little or nothing about how to share that knowledge with others. The institution conferring the Ph.D. makes certain that the new graduate knows everything there is to know about management but rarely requires even one course on learning or teaching. As a result, most of us who teach at the university level have arrived at some sort of teaching philosophy by guess and by gosh!

After studying such self-made philosophies of teaching, Postman classified the teachers who use them into five categories. First is the Cultivator, who feels compelled to "cultivate their minds, to fertilize them, so that the seeds I plant will flourish." Next is the Lamplighter, the teacher whose mission is to "illuminate their minds and to allow some light to penetrate the darkness." Another teacher type is the Personnel Manager, whose purpose is to keep students' minds active and to make students efficient and industrious. Finally, there are the Muscle Builder, dedicated to strengthening flabby minds, and the Bucket Filler, intent on filling minds up (Postman, p. 82).

A CONTINUUM OF LEARNING

If we looked at learning concepts on a continuum, at one end would be the mechanical memorization of "lifeless, sterile, futile, quickly forgotten stuff which is crammed into the mind of the poor helpless individual tied into his seat by ironclad bonds of conformity" (Rogers, p. 3). At the opposite end would be a type of affective learning that is self-initiated, motivated by curiosity, involved, and pervasive. The former learning style requires no thinking. It is dominated by the Certainty Principle, which holds that there is a right and a wrong answer for every question. In this context, the goal of teaching is to ensure that each student knows the right answer to the questions the teacher decided are important (Glasser, pp. 36-42). The bright or curious student who casts doubt on the Certainty Principle by suggesting there might be more than one right answer to a question is branded as an unteachable.

The learning problems entailed in memorization include frustration for those who fail and boredom for those who succeed. The Certainty Principle also leads to isolation rather than involvement. The student holds an answer that has a value only in and of itself and has no application to the real problems of individuals or groups. Similarly, a dependency on memorized "right" answers leads to a shallow potential for identifying and maintaining a positive identity of self (Glasser, pp. 40-42). The Certainty Principle leads to transient, superficial knowledge based on the memorization of jargon; it emphasizes words rather than the ideas behind them.

There is no question that greater value accrues to the student when creative thinking is encouraged. Students can feel joy and personal satisfaction when the answer results from critical thinking, judgment, synthesis, and creative decision making. Successful students discover that "they have a responsibility for finding the best alternatives to a series of difficult problems, problems that they themselves help to pose. The process of stating the problem, finding reasonable alternatives, and implementing what seems to be the best alternative is education" (Glasser, p. 38).

AFFECTIVE, NONCOGNITIVE SKILLS

The American Assembly of Collegiate Schools of Business (AACSB) and the European Foundation for Management Development (EFMD) conducted a study on management education and concluded that managers of the future will need more affective, noncognitive skills, such as those required for effective, empathetic interpersonal communication, interpersonal relationships, and negotiating and bargaining, than are currently considered necessary. These skills involve learning in noncognitive areas such as leadership, human relations, oral and written communication, organizational behavior, and organization development and change (Thayer, 1976, p. 10). In effect, the AACSB/EFMD challenge requires that instructors move from the Certainty Principle to the recognition that learning is the responsibility of the student, not the teacher. In creative, affective learning, the teacher's job is to establish learning objectives, plan the process, create a positive environment, provide learning situations, and "facilitate" the learning process. But *real* learning is achieved only when the student undertakes responsibility for it.

A LEARNING MODEL

Efforts to help students achieve affective learning are facilitated by a structure such as that shown in the Instructor's Teaching Model (Figure 1). The model is composed of five components: (1) the needs and abilities of students; (2) the targeted learning objectives; (3) the strengths and weaknesses of the instructor; (4) the available teaching methodologies; and (5) the pedagogy that's "best" for you. Let's look at each element of the model in turn.

Figure 1 THE INSTRUCTOR'S TEACHING MODEL
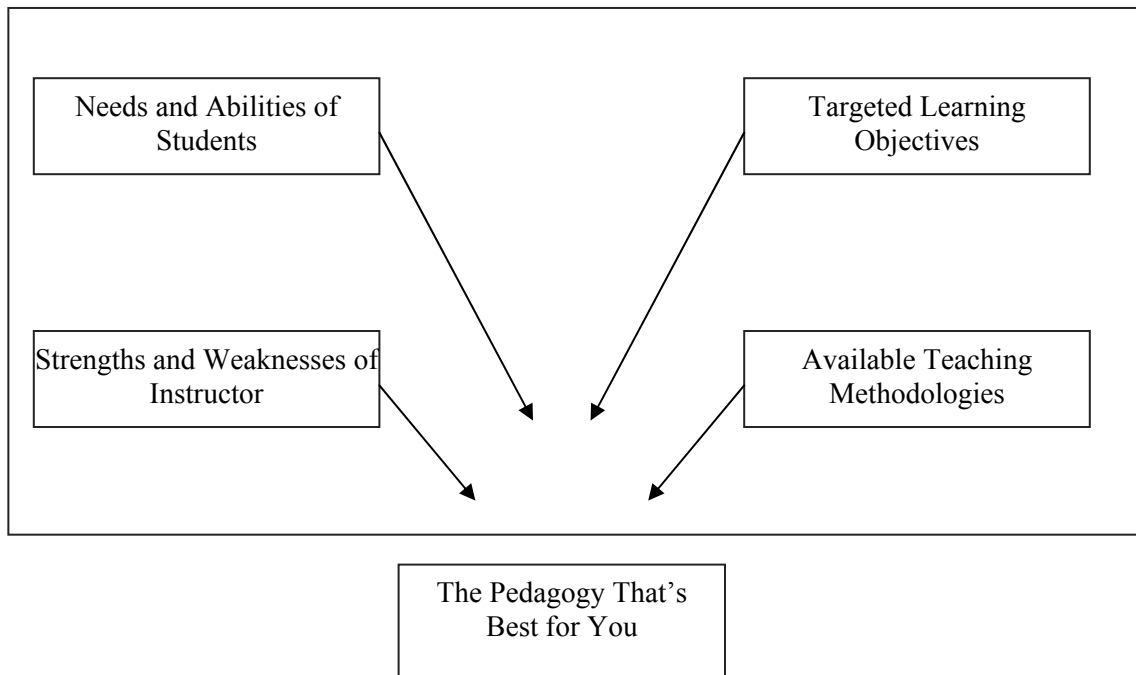
The Needs and Abilities of Students

Every group of students brings a unique set of learning needs and abilities to the classroom. The instructor must make some difficult assessments: (1) what students should know, (2) what they already know, and (3) how they can best learn the rest. The instructor may wish to ask questions such as: (1) What kinds of entry-level jobs will students probably accept after graduation? (2) What types of

career paths might they follow? (3) What skills and abilities will be most important in those jobs and careers? (4) Which of those skills and abilities should be developed in this course?

Targeted Learning Objectives

These assessments will help the instructor establish the learning objectives for the course. Many schools use a standardized syllabus for each course that is highly specific as to learning goals. Other schools assign "senior mentors" to guide and counsel new faculty. In addition, most textbooks give learning objectives in each chapter that usually are compatible with the goals of most schools.

The Strengths and Weaknesses of the Instructor

Each instructor must continually analyze his or her unique teaching strengths and weaknesses to maximize student learning. If your school has no peer evaluation procedure, ask a respected peer to visit your classes, analyze your teaching style, and recommend improvements. Student evaluation processes can also give instructors insight into teaching effectiveness. Above all, follow two key principles: (1) When possible, always lead from your teaching strengths; and (2) avoid situations that focus on your teaching weaknesses.

Available Teaching Methodologies

An instructor can choose from a wide range of teaching methodologies: lecture/discussion, seminar, case analysis, role playing, experiential exercises, instrumented activities, group projects, simulations, and so on.

The Pedagogy That Is Best for You

Over time, you will learn which of the available methodologies work best in given learning situations. For the most part, you will learn this the hard way—through experimentation in the classroom. The methodologies most often used in the organizational behavior course follow.

<u>Lecture/Discussion.</u> In the typical class, the instructor lectures and the students take notes and occasionally ask questions. This methodology has been called the "empty container" method, because students are perceived as coming to the session with empty minds that the instructor will fill with appropriate material. To improve the "filling" process, the instructor may employ teaching aids such as the textbook, the chalkboard, audiovisual aids, and homework. For some subject matter, this technique can be successful. When dealing with the human dynamics of organizational behavior, however, the lecture method will not by itself achieve desired learning goals. Minilectures, intermixed with experiential activities, can be very helpful (Shaw, pp. 13-14).

<u>Case Analysis.</u> Cases are excellent for helping students develop analytic skills, provided the instructor avoids the introduction of expert opinion and sticks to the role of procedural technician by asking the right questions to guide student analysis. Cases in organizational behavior are especially helpful because they (1) discourage snap judgments about people and behavior; (2) discourage the search for the "right" answer; (3) dispel smug generalizations about beliefs and attitudes; (4) train students to discuss issues with others and to experience the broadening value of interacting with peers; and (5) stress practical thinking (Maier, pp. 1-2). For formal case analyses, the format may vary with the assignment, but the following format may be useful:

1. Summary of background and facts

2. Statement of the "core" problem

3. Secondary problems

4. Constraints and limiting factors

5.   Alternate solutions

6.   Implementation of "best" solution

7.   Justification

Experiential Exercises. Structured experiential exercises get students directly involved in the learning process. Here their thoughts, values, beliefs, and behaviors have a significant place in their personal assimilation of information and the "meaning" derived from the experience (Thayer; 1976). Thus, students learn about situations, other people, and themselves. Jones and Pfeiffer developed a model for experiential learning that consists of five revolving steps (Jones and Pfeiffer, pp. 3-4):

Experiencing. The process usually starts with experiencing. The participant becomes involved in an activity; he or she acts or behaves in some way or does, performs, observes, sees, or says something. This initial experience is the basis for the entire process.

Publishing. Following the experience itself, it becomes important for the participant to share or "publish" reactions and observations with others who have either experienced or observed the same activity.

Processing. Sharing one's reactions is only the first step. An essential—and often neglected—part of the cycle is the necessary integration of this sharing. The dynamics that emerged in the activity are explored, discussed, and evaluated (processed) with other participants.

Generalizing. Flowing logically from the processing step is the need to develop principles or extract generalizations from the experience. Encouraging learning in this way can help participants further define, clarify, and elaborate important points.

Applying. The final step in the cycle is to plan applications of the principles derived from the experience. The experiential process is not complete until a new learning or discovery is used and tested behaviorally. This is the "Experimental" part of the experiential model. Applying, of course, becomes an experience in itself, and with new experience, the cycle begins again.

Role Playing. Role playing is a learning methodology that places realistic behavior into imaginary situations. Role playing is designed to be spontaneous, encouraging participants to act freely and realistically. The situation is structured and imaginary, but the role players should behave as though the whole thing were real (Shaw; 1980). The advantages of role playing are: (1) It requires the participant to carry out a thought, emotion, or decision; (2) it provides practice at carrying out action and gives evidence that good human relations require high levels of skills; (3) it achieves attitudinal change; (4) it trains the participant to be more aware of and sensitive to the feelings of others; (5) it develops a fuller appreciation of the importance of feelings in determining behavior; (6) it helps each person discover his or her own faults; and (7) it provides training in the control of feelings and emotions (Maier, pp. 2-3).

Instrumented Activities. One of the best ways to help students understand certain principles and theories is to ask them to complete a paper-and-pencil test that measures some aspect of the principle or theory. For example, the contrast between Theory X and Theory Y can come to life when students complete and score a self-administered instrument that measures their own Theory X and Y tendencies.

It is hoped that these thoughts will serve as a viable framework within which instructors can develop effective pedagogies that adapt to a variety of learning challenges and enrich the learning experience for each student.

NOTES

(The author is grateful to Virginia Chappell and Maria Keaton of Marquette University and Dorothy Barber of the University of Minnesota, Morris for their input).

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How to Use the Minilectures

The field of organizational behavior has expanded so rapidly and so broadly that it has become difficult for a single undergraduate text to provide comprehensive coverage. Unfortunately, the amount of space that can be allotted to each factor is extremely limited. Owing to these uncontrollable limitations, the authors saw the need to enrich the lecture material available for use by the instructor. To meet this need, minilectures on a variety of topics are included in the *Instructor's Resource Manual*. Instructors are encouraged to use the minilectures creatively to enrich the classroom learning experience. For instance, they can be used to introduce, expand, or conclude coverage of a given topic. If time is especially short, they might find selected portions of the minilectures more appropriate. Students usually are motivated by material that is not in the text, so the minilectures are ideal vehicles for making the classroom learning experience something more than just a rehash of the text.

CHAPTER 1

An Overview of Organizational Behavior

CHAPTER OVERVIEW

The primary purpose of this chapter is to introduce the field of organizational behavior. The chapter begins by defining organizational behavior as the study of human behavior in organizational settings, the interface between human behavior and the organization, and the organization itself. The four functions that make up the manager's job—planning, organizing, leading, and controlling—are discussed. Then the chapter explores the various roles—interpersonal, informational, and decision making—that managers play and the skills—technical, interpersonal, conceptual, and diagnostic—they must apply in organizations. The chapter continues with a review of the emerging perspectives on organizational behavior, focusing on systems theory, situational theory, and the interactional view. The chapter concludes by examining the outcomes—individual, group and team, and organization—that are important for organizational effectiveness.

CHAPTER LEARNING OBJECTIVES

After studying this chapter, you should be able to:

1. Define organizational behavior.

2. Identify the functions that comprise the management process and relate them to organizational behavior.

3. Relate organizational behavior to basic managerial roles and skills.

4. Describe contemporary organizational behavior.

5. Discuss contextual perspectives on organizational behavior.

LECTURE OUTLINE

I. What Is Organizational Behavior?
    A. The Meaning of Organizational Behavior.
        Organizational behavior is the study of human behavior in organizational settings, the interface between human behavior and the organization, and the organization itself. Thus, organizational behavior reflects several levels of analysis and a wide variety of interactions among these levels.

    B. The Importance of Organizational Behavior.
        Because most people are born, educated, work, and live and die in relation to organizations, the study of behavior of people in organizations is extremely important. Organizations influence our lives so powerfully that we must pay close attention and be concerned about our behavior in organizations. Because most people reading this book are either present or future managers we take a managerial perspective of the field.

    C.   <u>Organizational Behavior and Management.</u>
         Because organizational behavior is not a defined business function or area such as finance or marketing, one does not see a position labeled "organizational behavior manager" in the typical organization chart. Rather, an understanding of organizational behavior provides all managers with insights and tools to carry out their jobs more effectively. Managers can use their knowledge of organizational behavior to understand why their colleagues, superiors, coworkers—and themselves—behave as they do, regardless of the size or type of organization.

II.   <u>Organizational Behavior and the Management Process.</u>
     Despite its inherent complexity and unpredictability, although rich in opportunity and excitement, managerial work generally involves performing four functions, usually simultaneously: planning—the process of determining the organization's desired future position and deciding how to get there; organizing—the process of designing jobs, grouping jobs into manageable units, and establishing patterns of authority among jobs and groups of jobs; leading—the process of motivating members of the organization to work together toward the organization's goals; and controlling—the process of monitoring and correcting the activities of the organization and its people to keep them headed toward their goals.

III.   <u>Organizational Behavior and Manager's Job.</u>
     Managers must play a variety of roles using a set of critical skills to carry out the basic management functions successfully.

    A.   <u>Basic Managerial Roles.</u>
         1.   <u>Interpersonal roles</u> are primarily social in nature. Examples include that of figurehead, leader, and liaison.
         2.   <u>Informational roles</u> involve some aspect of information processing. Examples include monitor, disseminator, and spokesperson.
         3.   <u>Decision-making roles</u> consist of four different types: entrepreneur, disturbance handler, resource allocator, and negotiator.
    B.   <u>Critical Managerial Skills.</u>
         1.   <u>Technical skills</u> are necessary to accomplish specific tasks within the organization.
         2.   <u>Interpersonal skills</u> are used to communicate with, understand, and motivate individuals and groups.
         3.   <u>Conceptual skills</u> are the manager's ability to think in the abstract.
         4.   <u>Diagnostic skills</u> allow managers to understand better cause-and-effect relationships and recognize the optimal solutions to problems.

IV.   <u>Contemporary Organizational Behavior.</u>
     Organizational behavior is characterized by an interdisciplinary focus and a descriptive nature.

    A.   <u>Characteristics of the Field.</u>
         1.   <u>An Interdisciplinary Focus</u>. Organizational behavior synthesizes several other fields, including psychology, sociology, anthropology, political science, economics, engineering, and medicine.
         2.   <u>A Descriptive Nature</u>. Currently the primary goal of organizational behavior is to describe, rather than prescribe, relationships between two or more behavioral variables. Reasons for organizational behavior's descriptive nature include the immaturity of the field, the complexities of studying human behavior, and the lack of valid, reliable, and accepted definitions and measures.
    B.   <u>Basic Concepts of the Field</u>.
         The concepts of primary concern for organizational behavior can be grouped into three categories: individual processes, interpersonal processes, and organizational processes and characteristics.

1. <u>Individual processes</u> include individual differences (attitudes, personalities, etc.), perception, attribution, employee motivation, learning, reinforcement, and work stress.
2. <u>Interpersonal processes</u> deal with communication in organizations, groups, teams, leadership, decision making, and negotiations.
3. <u>Organizational processes and characteristics</u> include organization structure, organization design, organization culture, and organization change and development.

V. <u>Contextual Perspectives on Organizational Behavior</u>.
Several contemporary perspectives have evolved from the field of organizational behavior.

A. <u>Systems and Situational Perspectives</u>. The systems and situational perspectives are concerned with interrelationships among organizational elements and between organizational and environmental elements.
1. <u>The Systems Perspective</u>. A system is an interrelated set of elements that function as a whole. The framework for systems study consists of inputs, transformation, outputs, and feedback (refer to Figure 1.3). An organizational system receives four kinds of input from its environment: material, human, financial, and informational. These inputs are combined and transformed and then returned to the environment in the form of products or services, profits or losses, employee behaviors, and additional information. Finally, the system receives feedback from the environment regarding these outputs.
2. <u>The Situational Perspective</u>. Because of the complexities of human behavior and organizational settings, universal relationships seldom, if ever, exist. Most relationships are contingent; that is, the relationship between any two variables is likely to be influenced by other variables. There are distinct differences between universal and situational perspectives.
3. <u>Interactionalism: People and Situations</u>. The interactional view, a relatively new approach to understanding organizational behavior, is based on the assumption that individual behavior results from a continuous and multidirectional interaction between characteristics of the person and those of the situation (refer to Figure 1.5.). This view attempts to explain how people select, interpret, and change various situations.

B. <u>Managing for Effectiveness.</u>
Goals—or outcomes—exist at three different levels in an organization.
1. Individual-level outcomes result from individual behaviors, including productivity, performance, absenteeism, and turnover. Attitudes and stress are other individual-level outcomes influenced by managers.
2. Group and team-level outcomes include productivity, performance, and attitudes just as individuals do. But groups may also develop norms of behavior and levels of cohesiveness.
3. Organization-level outcomes, in addition to those for individuals and groups, may include measures of financial performance such as profitability, stock price, return on investment, growth rate, and so on.

DISCUSSION QUESTIONS AND POSSIBLE RESPONSES

1. **Some people have suggested that understanding human behavior at work is the single most important requirement for managerial success. Do you agree or disagree with this statement? Why?**

   Answer: To some degree, students' responses may depend on their major field of study, especially if it is not management. However, students should recognize that the behavior of people in organizations affects everyone's lives in numerous ways every day. The extent to which we are able to get things done at work or to register for classes every semester reflects the behavior of people in organizations. After all, people are the organization, people are resources that organizations use, and, most importantly, people are individuals interacting in increasingly complex ways.

2. **In what ways is organizational behavior comparable to functional areas such as finance, marketing, and production? In what ways is it different from these areas? Is it similar to statistics in any way?**

   Answer: In some respects, organizational behavior is not comparable to other functional areas of business because of its emphasis on human behavior. Because of this focus, organizational behavior lacks prescriptive information, unlike other functional areas. It may be more appropriate to state that organizational behavior is encompassed in the functional areas of business; that is, individuals within the functional areas must behave to perform their duties. Hence, organizational behavior is useful in examining the individual behavior associated with the various functional areas of business. Although we often treat large groups of people as though they behave in probabilistic ways, the behavior of an individual may be difficult to predict using statistics.

3. **Identify some managerial jobs that are highly affected by human behavior and others that are less so. Which would you prefer? Why?**

   Answer: Positions that are highly affected by human behavior include human resources manager, chief executive officer (CEO), and customer relations representative. Positions that are less influenced by behavior might include data entry operator, filing clerk, and welder. Students' preferences may depend on what they view are their personal strengths and weaknesses.

4. **The text identifies four basic managerial functions. Based on your own experiences or observations, provide examples of each function.**

   Answers will vary. Students may be more aware of the control function than any other in the jobs they have held!

5. **Which managerial skills do you think are among your strengths? Which are among your weaknesses? How might you improve the latter?**

   Answers will vary. Few will likely report a weakness in all the skills! Strengthening a particular skill requires determination, commitment, and learning—perhaps through a mentor, experience, formal education (such as an OB course), independent reading/observation, or a combination of more than one of the these.

6. **Suppose you have to hire a new manager**. **One candidate has outstanding technical skills but poor interpersonal skills. The other has exactly the opposite mix of skills**. **Which would you hire**? **Why?**

   Answer: To some degree, students' responses may depend on the job the new manager will be required to do. A manager with poor technical skills may have difficulty gaining the respect of the people who work for her or him. However, all managers need good interpersonal skills to manage subordinates. It may be possible to send a new manager who lacks the proper technical skills to a short course in the technical aspects of the job.

7. **Some people believe that individuals working in an organization have a basic human right to satisfaction with their work and to the opportunity to grow and develop. How would you defend this position? How would you argue against it?**

   Answer: In defense of this position, it may be argued that organizations have a responsibility to society to provide an environment that enables individuals to grow and develop. In other words, because individuals expend extensive time and energy in organizations, it is the individual's right to work in a safe, clean, and satisfying environment. From the opposing viewpoint, it may be argued that organizations are required only to reward employees financially for the time and effort they spend on the job. Further, because employees are not "forced" to work for a particular organization, they have the freedom to leave the organization if they are not satisfied. In addition, because employees are paid for their services, organizations are not required to address other employee concerns.

8. **Many universities offer a course in industrial or organizational psychology. The content of those courses is quite similar to this one. Do you think that behavioral material is best taught in a business or psychology program, or is it best to teach it in both?**

    Answer: Although the material may be very similar in both courses, each course may have a different orientation depending on where it is taught. In a psychology course, for example, the instructor probably will be trained in psychology or the study of people in general, whereas the instructor in a business program will probably have a more business-oriented training. The same considerations apply to the students taking the course. Thus, the orientation of the courses, including examples, exercises, cases, and in-class discussion, will be quite different. Nevertheless, it is appropriate to teach this subject in both programs.

9. **Do you believe the field of organizational behavior has the potential to become prescriptive as opposed to descriptive? Why or why not?**

    Answer: The text states that organizational behavior tends to be descriptive rather than prescriptive; that is, the field is concerned primarily with understanding relationships among concepts as opposed to telling managers what they should do to achieve various goals. The main reasons for the descriptive nature include the relative immaturity of the field; the complexities inherent in studying human behavior; and the lack of valid, reliable, and accepted definitions and measures of key constructs. As research in the field progresses, key constructs probably will become more accepted and more clearly defined, which will enable the field to extend its knowledge base and become more prescriptive. The complexities of studying human behavior, however, most likely will remain. Thus, the field has the potential to become more prescriptive, but this is not likely in the near future.

10. **Are the notions of systems, contingency, and interactionalism mutually exclusive? If not, describe ways they are related.**

    Answer: The concepts of systems, contingencies, and interactionalism each provide a unique framework from which to gain greater understanding of behavioral processes. However, these emerging perspectives share one prevailing concept regarding the interrelatedness of all elements in the organizational behavior environment. Systems theory is based on the interrelatedness of systems, subsystems, and superordinate systems. Interactionalism focuses on the interactions between the characteristics of the individual and the characteristics of the situation. Contingency theory, then, holds that once all these interrelationships are understood, the manager can select an appropriate course of action contingent on those relationships.

11. **Get a recent issue of a popular business magazine such as *Business Week* or *Fortune* and scan its major articles. Do any of them reflect concepts from organizational behavior? Describe.**

    Answer: Students should be able to identify a variety of concepts from organizational behavior in the articles they find, especially in the most popular areas of worker motivation, turnover, and stress. The key is how well students will be able to identify OB concepts this early in the course.

12. **Do you read *Dilbert*? Do you think it accurately describes organizational life? Are there other comic strips that reflect life and work in contemporary organizations?**

    Answer: Many students probably have read or at least heard of the *Dilbert* comic strip, especially those students who have significant work experience. As with any cartoon, especially editorial cartoons, there is usually a mix of truth with a bit of exaggeration to make a point. One reason *Dilbert* has become so popular is that many of his cartoons get so close to reality. Other cartoon strips that might be mentioned as reflective of life in organizations are: *Haggar the Horrible, Doonesbury, Shoe, Wizard of ID,* and *US & Them.* (Note: the *Dilbert* comic strip is available daily online at http://www.unitedmedia.com/comics/dilbert/.

ORGANIZATIONAL BEHAVIOR CASE FOR DISCUSSION

"High-Yield Humanism:" Managing Growth and Change at IKEA

Summary

Pernille Spiers-Lopez is the U.S. director of human resources for IKEA. A personal health scare changed her personally, the way she manages, and human resource policies at IKEA. The IKEA combination of hard-driving competition and a culture that values people has resulted in an organization that is both supportive of its workers and profitable.

Case Questions and Possible Responses

1. **How did Pernille Spiers-Lopez's personal experiences affect her behavior as a manager?**

    Answer: Pernille Spiers-Lopez's personal experiences of being a Type A personality and working long hours contributed to her performance and success at work, but other parts of her life were on autopilot. Her exhaustion, stress, and increased chance for heart attack opened her mind to the need for balance. It affected her choices as a manager. Now she is a strong advocate for telecommuting, alternative work arrangements, and job sharing. Ikea's policy of generous leave for new or adoptive mothers and fathers was designed by Spiers-Lopez. The organization has also flourished under Spiers-Lopez's leadership.

2. **Does Pernille Spiers-Lopez have a universal perspective on her work or a situational perspective? Why do you think so?**

    Answer: Pernille Spiers-Lopez has a situational perspective. She realizes that in organizations, most situations and outcomes are contingent; that is, the precise relationship between any two variables is likely to be situational—dependent on other variables. She is a strong advocate for telecommuting, alternative work arrangements, job sharing, and generous leave for new or adoptive parents. She implemented programs to recruit more minority and female managers. The universal perspective sought prescriptions, the "one best way" that could be used in any organization under any conditions, searching, for example, for forms of leadership behavior that would always lead employees to be more satisfied and to work harder. If she had that perspective, she would have found one way for everyone to do things.

3. **What are some of the personal, group, and organizational outcomes at IKEA North America that may be attributed to Pernille Spiers-Lopez?**

    Answer: Pernille Spiers-Lopez's exhaustion, stress, and increased chance for heart attack were her own individual outcomes. Those outcomes in a boss generally cause related outcomes in subordinates. She also had exceptional career growth related to high performance. Her team exhibits cohesiveness when it states "Pernille, in order to help you we're going to all take a break." Organization-level outcomes attributed to her include increased perks and benefits for the lowest-paid employees, generous benefits, telecommuting, alternative work arrangements, job sharing, generous leave, and high applicant turnout for open positions. She also contributed to minority advancement, store growth, sales growth, and reduced turnover.

EXPERIENCING ORGANIZATIONAL BEHAVIOR

Relating OB and Popular Culture

Purpose: This exercise will help students develop an appreciation for the importance and pervasiveness of organizational behavior concepts and processes in both contemporary organizational settings and popular culture.

Format: Divide the class into groups of three to five members. Assign each group a specific television program to watch before the next class meeting.

Procedure: Each student is to list examples of individual behavior, interpersonal dynamics, organizational characteristics, and other concepts and processes relevant to organizational behavior. After the show, the group will share and discuss individual lists and then compile a master list to be presented by group representatives at the next class meeting.

The following television shows are recommended:

American Chopper	Battlestar Galactica
The West Wing	Lost
The Office	Star Trek
Grey's Anatomy	Law and Order
Ugly Betty	30 Rock
C.S.I.	

Follow-Up Questions and Possible Responses

1. **What does this exercise illustrate about the pervasiveness of organizations in contemporary society?**

   Answer: The exercise should help students see that organizational concepts and processes are evident in almost every aspect of contemporary society.

2. **What recent or classic movies might provide similar kinds of examples?**

   Answer: This question should spark some interesting discussion about the impact of organizational concepts and processes in both classic and current movies. The only change is the relative currency of the social/cultural norms portrayed in the films.

3. **Do you think television programs from countries other than the United States would provide more or fewer examples set in organizations?**

   Answer: Students who have never visited other countries may have some difficulty with this question. However, organizations are evident in situations involving groups of people, so if the program involves people, it will involve organizations.

SELF-ASSESSMENT EXERCISE

Assessing Your Own Management Skills

This exercise will help students assess their own views regarding managing others in organizations: a Theory X versus a Theory Y orientation. Students should answer all 10 questions, indicating how they feel about the answers to each question. At the end, students can add up the responses for the 10 questions and score the exercise themselves.

BUILDING MANAGERIAL SKILLS

Exercise Overview: Conceptual skills refer to a manager's ability to think in the abstract, while diagnostic skills focus on responses to situations. These skills must frequently be used together to better understand the behavior of others in the organization, as illustrated by this example.

Exercise Background: We can read about creating an organization in which diverse workers are welcomed and included in everyday work activities. However, working with a diverse workforce every day can be more difficult.

Exercise Task: Students are asked to speculate on why Sandra's behavior has changed, and relate elements of the case to various behavioral concepts discussed in the chapter.

MINILECTURE

The Hawthorne Effect or Somebody Upstairs Cares

Introduction

The "Hawthorne Effect" is named after the Hawthorne studies conducted by Elton Mayo. The Hawthorne studies were conducted between 1927 and 1932 at Western Electric's Hawthorne plant near Chicago. The first major experiment in the Hawthorne studies investigated the effects of different levels of lighting on productivity. To their surprise, the researchers found that no matter how they manipulated the lighting (i.e., made the lights brighter, made the lights dimmer, returned the lights to their normal position), productivity increased. After interviewing many of the workers, the researchers finally concluded that their own presence affected the outcome of the study. As long as the researchers were paying attention to the workers, productivity increased. The term "Hawthorne Effect" was thus coined to define the influence that a researcher's presence has on the outcome of a study. In other words, attention increased productivity.

Management Implications

The Hawthorne Effect has powerful management implications. Think about the workers in the factory that Mayo studied. The workers had tedious, boring jobs with little chance for promotion and no end in sight. Suddenly, a group of researchers showed up and started watching the workers, took notes on clipboards, and showed genuine interest in how the workers did their jobs. For the first time the workers felt somewhat important and, as a result, productivity increased. Since Mayo observed this happening, managers in many settings have noticed the Hawthorne Effect at work. In managerial terms, the Hawthorne Effect is the reward you reap when you pay attention to your workers.

Modern Day Example of the Hawthorne Effect at Work

A modern day example helps illustrate the benefits of the Hawthorne Effect. Imagine you are a new recruit at Merrill Lynch. You feel good just walking in the door. The building exterior and interior are impressive and imposing. The people are immaculately groomed. Your trainer begins by giving you a personal tour and describing the specialized and valuable training you will receive from Merrill Lynch, the top firm in its industry. The trainer describes how you fit into the Merrill Lynch picture as an essential element in the prosperity of Merrill. Without really trying, your trainer has you motivated to succeed. You feel good about yourself, because you have been "selected" by Merrill Lynch. The trainer has not even started working on any skills, yet you feel special and valuable. This is essentially the Hawthorne Effect at work.

The Hawthorne Effect has also been called the "Somebody Upstairs Cares" syndrome. Humans have a powerful need to been recognized and to feel "special." When people feel special, they tend to work harder. This is a lesson that every manager should contemplate and take to heart.

ADDITIONAL EXPERIENTIAL EXERCISE

Manager's Job: Basic Roles and Critical Skills

Purpose: This exercise will help students develop an appreciation of their managerial strengths and weaknesses.

Format: Have students pick an interpersonal, informational, and decision-making role. Students should describe how technical, interpersonal, conceptual, and diagnostic skills are used in each role. Students should also assess their own abilities in those roles and skills to determine four courses of action to improve their abilities. For one action, a student might decide to improve her technical skills for the resource allocator role. She could practice using spreadsheets in a new way.

CHAPTER 2

The Changing Environment of Organizations

CHAPTER OVERVIEW

The environment of business is changing at an unprecedented rate. The effects of today's changing environment permeate the entire organization. Hence, to truly understand the behavior of people in organizational settings, it is also necessary to understand the changing environment of business. This chapter is intended to provide the framework for such understanding. We introduce and examine five of the central environmental forces for change faced by today's organizations: globalization, diversity, technology, ethics and corporate governance, and new employment relationships.

CHAPTER LEARNING OBJECTIVES

After studying this chapter, you should be able to:

1. Discuss the emergence of international management and its impact on organizations.

2. Describe the nature of diversity in organizations and identify and explain the key dimensions of diversity.

3. Discuss the changing nature of technology and its impact on business.

4. Describe emerging perspectives on ethics and corporate governance.

5. Discuss the key issues in new employment relationships.

LECTURE OUTLINE

I. <u>Perhaps the most significant source of change impacting many organizations today is the increasing globalization of organizations and management.</u>
   A. <u>The Growth of International Business.</u> In 2008, the volume of international trade in current dollars was almost 50 times greater than the amount in 1960. Four major factors account for much of this momentum (see Figure 2.1).
      1. Communication and transportation have advanced dramatically over the past several decades.
      2. Businesses have expanded internationally to increase their markets.
      3. More and more firms are moving into international markets to control costs, especially to reduce labor costs.
      4. Many organizations have become international in response to competition.
   B. <u>Cross-Cultural Differences and Similarities.</u>
      1. <u>General Observations.</u> Cultural and national boundaries do not necessarily coincide. One major review of the literature on international management reached five basic conclusions:
         a) Behavior in organizational settings varies across cultures.
         b) Culture itself is one major cause of this variation. <u>Culture</u> is the set of shared values, often taken for granted, that help people in a group, organization, or society understand which actions are considered acceptable and which are deemed unacceptable.

          c)   Although causes and consequences of behavior within organizational settings remain quite diverse across cultures, organizations and the way they are structured appear to be growing increasingly similar.

          d)   The same individual behaves differently in different cultural settings.

          e)   Cultural diversity can be an important source of synergy in enhancing organizational effectiveness.

      2.   Specific Cultural Issues. Geert Hofstede studied workers and managers in 60 countries and found that specific attitudes and behaviors differed significantly because of the values and beliefs that characterized those countries

          a)   Individualism versus collectivism.

          b)   Power distance (orientation to authority).

          c)   Uncertainty avoidance (preference for stability).

          d)   Masculinity (assertiveness or materialism).

          e)   Long-term versus short-term orientation.

   C.   Managerial Behavior Across Cultures. Some individual variations in people from different cultures shape the behavior of both managers and employees. Other differences are much more likely to influence managerial behavior *per se.* In general, these differences relate to managerial beliefs about the role of authority and power in the organization (see Figure 2.2).

II.   Diversity and Business. Workforce diversity refers to the important similarities and differences among the employees of organizations. Employees' conceptions of work, expectations of rewards from the organization, and practices relating to others are all influenced by diversity. A stereotype is a generalization about a person or group of persons based on certain characteristics or traits. A stereotype can lead to prejudice, a judgment about others that reinforces beliefs about superiority and inferiority.

   A.   Dimensions of Diversity.

      1.   Primary dimensions are those factors that are either inborn or exert extraordinary influence on early socialization. Examples include age, race and ethnicity, gender, physical and mental abilities, and sexual orientation.

      2.   Secondary dimensions include factors that matter to us as individuals and that to some extent define us to others; however, they may be less permanent than primary dimensions and can be adapted or changed. They include educational background, geographical location, income, marital status, military experience, parental status, religious beliefs, and work experience.

   B.   Who Will Be the Workers of the Future? Figures 2.3 and 2.4 show some significant statistical changes in the workforce projected to 2010. White males will decline as a percentage of the workforce while older workers generally (age 55 and older) will dramatically increase (46.6 percent).

   C.   Global Workforce Diversity. Similar statistics on workforce diversity are found in other countries. In Canada, for instance, minorities are the fastest-growing segment of the population and the workforce. Increasing diversity in the workplace is even more dramatic in Europe.

   D.   The Value of Diversity. Rather than the traditional view of the United States as a "melting pot" where people from culturally different groups were assimilated into existing organizations, today the U.S. workplace is viewed more as a "tossed salad" made up of a mosaic of different flavors, colors, and textures.

      1.   Assimilation is the process through which members of a minority group are forced to learn the ways of the majority group. Dominant groups tend to be self-perpetuating and tend to be unaware of outside opinions. Table 2.2 shows the results of interviews with organization members about attitudes reinforced by their organization's culture, typically those of the dominant group. Ignoring diversity, however, can result in

tension, lower productivity, increased absenteeism and turnover, lower morale, and more equal opportunity lawsuits against the employer.

2. <u>Valuing diversity</u> means putting an end to the assumption that everyone who is not a member of the dominant group must assimilate. Valuing diversity is not just the right thing to do for workers; it is the right thing to do for the organization, both financially and economically.

III. <u>Technology and Business.</u> Technology refers to the methods used to create products, including both physical goods and intangible services. Technological change has become a major driving force for other forms of technological change. Three specific areas of technology worth noting are the shift toward a service-based economy, the growing use of technology for competitive advantage, and mushrooming change in information technology.

A. <u>Manufacturing and Service Technologies.</u> <u>Manufacturing</u> is a form of business that combines and transforms resources into tangible outcomes that are sold to others. Manufacturing entered a period of long decline in the United States during the 1970s, primarily because of foreign competition. At the same time, the service sector grew tremendously. A <u>service organization</u> is one that transforms resources into intangible output and creates time or place utility for its customers.

B. <u>Technology and Competition.</u> Technology is the basis of competition for some firms. Another challenge is meeting constant demand to decrease cycle time—the time required to accomplish some recurring activity or function—which businesses increasingly are finding can make them more competitive.

C. <u>Information Technology</u> has resulted in leaner organizations, more flexible operations, increased collaboration among employees, more flexible work sites, and improved management processes and systems. On the other hand, it has also led to less personal communication, less "down time" for managers and employees, and an increased sense of urgency.

IV. <u>Ethics and Corporate Governance.</u>

A. <u>Contemporary Ethical Issues.</u> Rapid changes in business relationships, organizational structures, and financial systems pose unsurpassed difficulties in keeping accurate track of a company's financial position. Other concerns involve such areas as executive compensation, environmental protection, working conditions in foreign factories, pricing policies, and the pressure to balance profits against costs.

B. <u>Ethical Issues in Corporate Governance.</u> <u>Corporate governance</u> is the oversight of a public corporation by its board of directors. The biggest complaint today leveled at boards often relates to board independence.

C. <u>Ethical Issues in Information Technology.</u> Individual rights to privacy and the potential abuse of information technology are specific questions in this area.

V. <u>New Employment Relationship.</u>

A. <u>The Management of Knowledge Workers.</u> Unlike traditional employees who added value to organizations because of what they did or because of their experience, knowledge workers add value simply because of what they know. Examples include computer scientists, physical scientists, engineers, product designers, and video game developers. They often believe they have right to work in an autonomous fashion, identify strongly with their profession, and require extensive, highly specialized training. Compensation and related policies for knowledge workers must be highly tailored.

B. <u>Outsourcing.</u> This is the practice of hiring other firms to do work previously performed by the organization itself. It helps firms focus on their core activities and avoid being sidetracked into secondary activities. While outsourcing makes good business sense in areas that are highly unrelated to a firm's core business activities, it has drawn criticism because of a trend toward outsourcing abroad merely to cut labor costs.

DISCUSSION QUESTIONS AND POSSIBLE RESPONSES

1. **Identify ways in which the internationalization of business affects businesses in your community.**

    Answer: Students probably will recognize that international business affects almost every aspect of business in every community. Within the work sphere, it influences product design, distribution, market segmentation, promotion, and pricing. At a higher level, it influences corporate objectives, policies, and strategies. Like it or not, every business is in the international marketplace.

2. **What would you imagine to be the major differences among working for a domestic firm inside the United States, working for a foreign company's operations inside the United States, and working for an American firm's operations abroad?**

    Answer: Possible cultural clashes when there is a mixture of different cultures (U.S. versus foreign) would be the major difference. Language differences might also be a factor when a different one is spoken by the parent company than what the employee is accustomed to.

3. **Why do organizations need to be interested in managing diversity? Is it a legal or moral obligation, or does it have some other purpose?**

    Answer: Organizations need to be interested in managing diversity for several reasons. First, the composition of the workforce is becoming more diverse, as indicated by the data shown in the text. Second, it is the right thing to do because the workforce will be more productive. Third, personnel costs can be decreased. Fourth, companies are finding that it is necessary to be more competitive in the marketplace.

4. **Summarize in your own words what the statistics tell us about the workplace of the future.**

    Answer: Summaries should include the increasing number of women and minority group members in the workforce, increasing participation by older workers, and growth of all sectors except the typical white male.

5. **All things considered, do you think people from diverse cultures are more alike or more different? Explain the reasons for your answer?**

    Answer: Responses to this question will largely depend on students' exposure to people of other cultures. Once the initial "culture shock" has been overcome, familiarity should breed sameness; that is, the more one is exposed to other cultures, the more alike people are apt to appear.

6. **What roles does changing technology play in your daily activities?**

    Answer: Communication is faster, easier, and a wider range of options is available. Privacy may be encroached upon with greater ease than ever; unit costs of communication are lower. Entertainment is also more varied in terms of format and accessibility, increasing a person's options. It may be more challenging to keep pace with the rapid changes in technology in the consumer products field as well as work-related technology, and the problem and pace of obsolescence are accelerating.

7. **How concerned are you regarding Internet security? Are your concerns increasing? Why or why not?**

    Answer: The growing publicity about identity theft may increase students' concerns about security. Hacking and related activities such as deliberately planted "viruses" have revealed the downside of Internet popularity.

8. **Do you think concerns regarding ethics will remain central in managerial thinking, or will these concerns eventually become less important? Why?**

    Answer: Concerns about ethics will likely remain fresh in the minds of current managers and business students, perhaps fading in future generations, especially if other issues, such as a shrinking workforce or global catastrophes, emerge. As long as business schools and organizations themselves make an effort to remind the young about ethical issues they will remain important, if not central, to managerial thinking.

9. **Do you anticipate becoming a "knowledge worker"? How do you think this will shape your own thinking regarding an employer, compensation, and so forth?**

    Answer: Probably every student taking this class anticipates becoming a knowledge worker or they would not be in it! Because that is the case, their expectations regarding various aspects of employment will be affected. They will seek an employer who appreciates them as individuals, grants them freedom and flexibility, pays well, supports any training or education they may need, and invites their input on every aspect of the job.

10. **What are your personal opinions about the use of international outsourcing?**

    Answer: If one has never lost one's job due to international outsourcing the opinion might be very positive—it can reduce labor costs, make the organization more efficient and competitive, and help develop economies that are below par. There are downsides, of course, particularly revolving around the short-term effects on individual American workers and the communities in which they live from a sudden loss of jobs. Longer-term, downsizing can force individuals and organizations alike to learn new skills, streamline their operations, and … change for the better!

11. **How does multiculturalism contribute to competitive advantage for an organization?**

    Answer: The multicultural organization contributes to competitive advantage by reducing personnel costs, increasing marketing creativity for special markets, increasing creativity and innovation in product development and marketing, increasing problem solving and decision making, and increasing flexibility.

ORGANIZATIONAL BEHAVIOR CASE FOR DISCUSSION

Stonyfield: "Yogurt on a Mission"

Summary

Stonyfield Farm is a leader in the movement to environmentally friendly business practices. It developed many ethical practices that promote preserving and improving the environment. It was recently sold to its competitor, Groupe Danone. Stonyfield founder Gary Hirshberg has remained as CEO, but the future of the Stonyfield culture and brand are less certain.

Case Questions and Possible Responses

1. **What are the ethical choices faced by Hirshberg and the employees of Stonyfield Farm? What values are they displaying as they make their choices?**

    Answer: The ethical choices Hirshberg has made are listed in the ethical practices bullets of the case. The values represented are protecting the environment, fairness, human health, respect for life, limiting waste, producing in a sustainable way, and helping environmental causes. Hirshberg also values personal income as demonstrated by his selling a controlling share of Stonyfield to Danone.

2. **Describe the various pressures experienced by Danone CEO Franck Riboud. If you were Riboud, how would you respond in the current situation?**

   Answer: Riboud has pressure to increase profits, grow market share, reduce expenses, increase stock market value, and/or pay stock dividends. He also has pressure from Hirshberg to leave things at Stonyfield alone.

3. **Stonyfield Farm has found a way to be both ethical and profitable. Give examples of how other businesses in other industries could do the same.**

   Answer: Businesses in other industries can use solar power. It's a long-term investment, but it pays for itself. They can reduce or reuse waste and recycle, buy resources located close to where they are needed, pay fair prices, donate profits to causes they believe in, and educate customers about causes they support. The U.S. Green Building Council has a Leadership in Energy and Environmental Design (LEED) rating system. It is a third-party certification program and the nationally accepted benchmark for the design, construction, and operation of high-performance green buildings. Other businesses can work with the U.S. Green Building Council to reduce their environmental footprint.

EXPERIENCING ORGANIZATIONAL BEHAVIOR

Wal-Mart's Statement of Ethics

Purpose: This exercise will help students learn to analyze corporate ethics and social responsibility.

Format: Students will be asked to evaluate a corporate code of ethics. Working in small groups, they will then consider ways to improve that code. Groups will share results with the class.

Procedure:

1. Read the description of some ethical concerns at Wal-Mart today. Then read the excerpt from Wal-Mart's Statement of Ethics. Compare the actual behavior of some Wal-Mart employees with the desired behavior described in the Statement of Ethics. Note any discrepancies.
2. Working in small groups, discuss and then record some ideas about changes that would improve Wal-Mart's Statement of Ethics to make it more complete, clear, or useful.
3. Answer the follow-up questions as a group. Then answer these questions, which could apply to any organization.
   a. What are some reasons that a firm's code of ethics might not be upheld?
   b. What are some actions that companies can take to increase the probability that their managers and employees will behave in accordance with the firm's ethics and values?
4. Share your suggested changes with the entire class. Discuss the follow-up questions.

Follow-Up Questions and Possible Responses

1. Does Wal-Mart seem to follow its Statement of Ethics?

   Answers: Wal-Mart appears to have a mixed record on following its statement. A senior manager was dismissed for having an alleged affair. However, treating employees with dignity and respect does not appear to include health benefits. The fact that Wal-Mart states it is illegal to work without compensation is ominous. It appears someone was not paid in the past. They are in effect saying "we will pay you as little as possible, but we will pay you."

2.   What are some problems with the statement?

Answer: The statement lacks some specifics. It uses relative terms like fair and courteous. Fair to one person is not fair to another.

3.   Do you think that revising the statement would lead to better compliance with the values of the statement?

Answer: Probably not. The culture of a company has to support its Statement of Ethics. Culture is what tells employees what is truly expected and it will affect behavior even when no one else is looking. Wal-Mart needs its Statement of Ethics. It is the largest employer in the world. The statement is a starting point that needs to be reinforced through the corporate culture and from the top down.

SELF-ASSESSMENT EXERCISE

Global Cultural Awareness

This assessment inventory is intended to provide insights into the students' awareness of other cultures. Students indicate their responses to fifteen questions and then add up their scores. A higher score indicates more awareness of other cultures. Students can compare their scores to others in their groups or classes and discover strengths and weaknesses.

BUILDING MANAGERIAL SKILLS

Exercise Overview: Conceptual skills are the manager's ability to think in the abstract, whereas diagnostic skills focus on responses to situations. These skills must frequently be used together to better understand the behavior of others in an organization, as illustrated by this exercise.

Exercise Background: We can read about creating an organization in which diverse workers are welcomed and included in everyday work activities. However, working with a diverse workforce every day can be more difficult. Consider, for example, the following situation.

Exercise Task: The point of this exercise is to think through a workplace-related scenario involving an employee with a disability. In this case, students are challenged to make decisions regarding how far an organization should go to accommodate an employee who is blind and wants to keep her Seeing Eye dog with her at work. Issues involving violations of the Americans with Disabilities Act are also included in the exercise.

MINILECTURE

How to Launch a Diversity Initiative

Introduction

Most organizations believe that diversity is important. Still, because the importance of building a diverse workforce is a relatively new challenge, most firms are unsure about how to launch a diversity initiative. Initially, there are two important rules for launching a diversity initiative that should be followed. The first is to have clear diversity-related goals and to have a way of measuring success. The second is to communicate diversity-related goals to employees and to periodically report the results of the diversity efforts. Most employees recognize and appreciate it when their company is "making progress" on important goals and objectives. However, it is hard to convince employees that progress is being made unless a firm can report positive results on measurable goals.

In addition to establishing goals, a firm needs to carefully prepare for the launch of a diversity-related initiative. The launch is crucial, because a strong and effective launch sets the tone for employees' perception of how important the diversity effort really is. The following are several components that should be in place before a diversity initiative is introduced.

Key Components to the Effective Launch of a Diversity Initiative

1. **An Awareness of the Benefits of Diversity.** Workplace diversity has many benefits that go beyond simply complying with the law and/or satisfying the demands of certain stakeholders. Before launching a program, a firm should answer the question, "How can workforce diversity help us?" An answer to that question can help a firm shape and mold its diversity-related objectives and goals. For example, the following is a quotation from IBM's website, explaining the company's perspective on workforce diversity.

   "To know our markets and serve them well requires that we understand them. And understanding comes from employees who represent those markets. Our customers can clearly see that they are people like us. They can relate to the fact that we are people like them. Diversity is our source of innovation, opportunity and competitive advantage. It is our key to continuing success."

   This statement says a lot about why IBM values workforce diversity. It is also a statement that can be used to explain the value of workplace diversity to employees, customers, and other stakeholders when the diversity initiative is introduced.

2. **Top Management Support.** Diversity initiatives need top management support. It is optimal for the CEO or president to lead the firm's diversity effort. This approach sends an important message to employees that "diversity is important." It also holds top management accountable to do its part in a company's diversity initiative.

3. **Set up a Diversity Team.** Along with top management support, an effective diversity program must be supported by the rank-and-file employees. A cross-functional team or task force should be formed to manage the diversity effort. The team itself should be as diverse as possible, ensuring that the needs and concerns of all the demographic groups in the firm are represented.

4. **Establish Specific Diversity-Related Goals.** This reiterates the information provided previously, but is worth repeating. The diversity initiative should be attached to specific diversity-related goals, with appropriate measures of success in place. For example, a firm may have a goal of increasing minority hiring from 20 percent to 35 percent in one year. This is a specific goal that is measurable.

5. **Integration.** A diversity program can't stand alone. It must become part of the culture and fabric of the organization. As a result, the support of diversity must be reflected at all levels within a firm, and across all stakeholder groups (e.g., employees, customers, suppliers, creditors, stockholders, local communities). This objective can't happen by just wishing that it will happen. A firm must make plans early on to support the introduction of its diversity initiative with diversity training, mentoring opportunities for minorities and women, employee incentives that reward diversity efforts, and so on.

Summary

In summary, the effective launch of a diversity program is a challenging, yet achievable, objective. Many examples of excellent diversity programs exist. The launch of an effective diversity program, however, must be accompanied by the key components outlined here to have the maximum chance of achieving success.