

MAKING ORGANISATIONS WORK

CHAPTER 1: LOOKING BACK IN HISTORY

- Organizations are social entities; they have goals and objectives and to achieve these, they are designed as a system of consciously structured and coordinated activities; they also operate in connectedness with the external environment

THE RATIONAL APPROACH

- Max Weber was the first true organizational sociologist, with his detailed studies of the operation of organizations and the behavior of people within them
- Evolutions such as steam-driven machines and advances in scientific knowledge led to the creation of new products for a new type of consumer
- Frederick Winslow Taylor
 - One of the founding fathers of organizational behavior
 - Laid the foundations for Scientific Management:
 - 'A scientific approach to management in which all tasks in organizations are in-depth analyzed, routinized, divided and standardized, instead of using rules of thumb'
 - He studied the organizational chain from the perspective of the factory worker
 - He carried out a number of experiments to determine the methods that would provide the most optimal return within the organization
 - He concluded that different workers used many different techniques to complete tasks → greater optimization through greater uniformity must be possible
 - He divided each task into subtasks, measured the time each one took, eliminated the unnecessary ones, this allowed him to identify the most efficient method of working
 - This was the called 'the One Best Way'
 - All the organization's workers were obliged to use this
 - Most famous application of Taylor's new management principles was when he worked as a consultant for Henry Ford
 - He helped to design and adjust the production system so that the work could be standardize optimally
 - He also helped optimize the tools and equipment
- Taylor's ideas led to a number of important consequences for organizations
 - A higher return
 - Standardization of products and activities
 - Greater control and predictability
 - Greater sub-division and more routine tasks reduced training time and made possible the use of unskilled labor
 - A 'managers must think, workers only work' philosophy
 - Optimization of the tools and equipment used
- Resistance quickly grew to the ideas of Taylorism
 - From the workers and unions, resulting in a wave of strikes and social unrest
 - 'degrading work, capable of making people go mad'
 - Different opinions underlying this resistance

- Ideological POV: application of the scientific approach solely used by the desire to secure even greater profits by increasing the pressure on their workforce
 - Focus on fear for the 'deskilling' or the devaluation of human labor
- Taylor was convinced workers deliberately worked slower, he attributed this to a lack of direct supervision
- Taylor regarded the implementation of Scientific Management as a joint task between management and the workforce to find the best way of working to the benefit of all concerned
- He took no account of important aspects of the human factor in organizations
 - He is said to have ignored the importance of professional pride and job satisfaction and the significance of forms of reward other than the purely financial
- He failed to take any account of the physical and psychological make-up of the employees required to carry out the routine work he advocated (strain and stress)
- Many researchers have questioned his exaggerated sub-division and routinization of tasks
 - Recipe for reducing the quality of labor, increasing employee alienation from both their work and the products they make, and encouraging boredom as a result of the lack of any real challenge
- Taylor however laid the foundations for further research and applications in the field
 - Later efforts show initiatives to offset the disadvantages of task specialization and short cycle thinking by ensuring wherever possible a sufficient degree of task enrichment, task enlargement and job rotation
- The assembly line system still exists, however the situation today is immeasurably better due to a better workplace organization and stronger logistical support
- Huge evolution has taken place, the 'productivity gain' of those times is nothing compared to now
- Criticism continues to be voiced against work involving a machine-related tempo
 - Tempo is too fast
 - People lose interest
 - Concentration wavers
 - Mistakes are made
- This results in increased sickness absence and the threat of increased industrial action
 - A tempo that is too slow is also bad, it least to a loss of interest through a lack of challenge
 - People need a certain degree of 'task tension' in order to be able to function optimally
- Other thinkers in Taylor's time developed organizational theories that concentrated on the aspect of management as a separate and necessary task in every organization
- Henri Fayol
 - First person to explore the task of 'management' as a separate and important function within organizations
 - Towards the end of the 19th century he developed his first management theories
 - During this time, managers were nearly always trained engineers
 - His work can be regarded as a kind of management training course
 - The most well-known of his theories describes the 5 tasks of management within the different functional fields of an organization: production, purchasing and sales, finance, security, bookkeeping and administration
 - Fayol's 5 basic tasks of management and their basic principles
 - Planning
 - Plan must achieve general organizational/enterprise objectives
 - Long-term and short-term must influence each other
 - Plan must be flexible and capable of adjustment
 - Plan must be specific and expressed in sufficiently operational terms
 - Organizing

- Strictly ordered hierarchical line
 - Concept of unity of leadership
 - Everyone's responsibilities are clearly set out
 - Operation in accordance with clearly defined procedures
 - All rules + different levels of authority in an organigram
- Leading
 - Awareness of different capacities of personnel
 - Taking action against incompetent members of staff
 - Ensure that the organizational objectives are reached
 - Set a good example
 - Awareness of what the organization is thinking and feeling
 - Inspire action and show initiative and dedication
- Co-ordinating
 - Co-ordinate tasks of different departments to ensure the wider organizational objectives are reached
 - Principles are linked to concepts such as: authority, responsibility, unity of command, unity of purpose, discipline and order
- Controlling
 - Managing, keeping things under control and within the agreed bounds
 - Performance indicators that are agreed in advance
- Fayol's 14 basic principles of management
 - Task division
 - Authority and responsibility
 - Discipline
 - Unity of command
 - Unity of direction
 - Subordination of the individual's interests to the general interests of the organization
 - Remuneration
 - Centralization
 - Respect for hierarchy
 - Order
 - Equity
 - Stability of tenure of personnel
 - Initiative
 - Esprit de corps
- Many critics found this list to be too strictly normative
- Fayol went against a number of the fundamental starting points of Taylorism, particularly with his principles of fair reward, initiative and unity of command
- Fayol believed initiative was important for success and therefore needed to be stimulated
- Fayol's ideas were based on his own personal experience within a large organization with a strong hierarchical structure
 - Line organization was the only kind that existed at the time
- Chester Barnard and Hubert Simon
 - After the second world war
 - All employees often behaved far less rationally than had previously been assumed → a purely rational approach was insufficient to adequately explain behavior within organizations
- Chester Barnard

- The effort of individual employees on behalf of the wider objectives of the formal organization should not be taken for granted
- Every employee is different → different visions and sources of motivation
- Prime task of leaders and management: ensure compatibility between the individual needs of the employees and the objectives of the organization as a whole
- Most important matters of concern for an organization are to obtain collaboration for the development of a common objective and to communicate on these matters clearly
- Specialization to organize work effectively and appropriate remuneration for employees to accept pressure
- Authority necessary
- He questioned the decision-making process in formal organizations
- Pointed out that many managers had a tendency to base decisions on environmental factors or opportunism
- Logical thought process can be influenced/disturbed by pressure of time, the need to obtain short-term results and the willingness of others to accept the solution on offer
- Making a decision vs dealing with a situation
 - Making a decision implies a choice between alternative options
 - Dealing with a situation or problem sometimes means 'deciding' to accept the only available option that is acceptable in the circumstances
- Herbert Simon
 - Rationalist
 - A purely rational vision of organizations is insufficient by itself to explain the behavior of people and managers within those organizations
 - Organizations distinguish themselves through
 - Their communication processes
 - Their attention to human relations
 - Their decision-making processes
 - Ability to motivate people to work hard on behalf of the objectives of the organization was a crucial factor, this was possibly by:
 - Ensuring people can identify with the objectives of the organization
 - Sufficient information and training without authority or tight control
 - Convince rather than coerce people through the provision of appropriate information and advice
 - Work about decision-making
 - Human brain lacks the ability to identify and process all the different elements involved
 - = bounded rationality
 - Psychological and social factors also play a role, as does organizational culture

THE HUMAN RELATIONS MOVEMENT

- Different causes underlying the human relations movement
 - Pressure from the American trade unions and legislative power
 - Behavioral and social scientists were finding it increasingly hard to ignore the impact of people on the organizations for which they worked
- Hawthorne Studies by Elton Mayo
 - First phase
 - Series of tests to see if better working conditions resulted in increased labor efficiency

- Tests introduced different gradations of lighting
 - Although no clear correlation between lighting gradient and increase in productivity, the conclusion was that performance could be enhanced by 'various' factors, including environmental ones
 - Second study
 - More variables: length of working day, number of rest breaks, temperature and lighting
 - After a year of tests, still no direct connection between particular working conditions and the improvements in productivity that continued to be recorded
 - Mayo thought the productivity improvements were the result of the attention the women received and their active participation in the experiment through the conversations they had with 'their boss'
 - Social processes within the group were responsible for stimulating the improvement
 - Further series of test
 - Researchers interviewed all the workers at the plant
 - Most important conclusions related to the critical way the employees reacted to the company's policy and the (generally indifferent) manner in which they were treated by the company's management
 - Fourth research study
 - Focused on influence of reward on productivity
 - Conclusion: informal group pressure is much stronger than any form of pressure that can be exerted formally or by any incentive offered through a reward system
 - Overall conclusion from all these studies: special attention given to the workers in the test conditions, allied to the fact that the results of their performance were being followed with interest by the management, led to the improvement of productivity
 - → Hawthorne effect
 - The validity of both the experimental conditions and the results they obtained have continued to be a matter for debate
 - Besides its imperfections, the Hawthorne studies were valid and it is now generally accepted that the experiments formed the basis for further studies on the role of people in organizations
- Douglas McGregor
 - The way managers think about and treat their personnel is important in terms of motivation
 - Theory X and Theory Y
 - Theory X:
 - Manager sees employee as someone who avoids effort, responsibility, and initiative
 - Employee only works when put under pressure and supervised closely
 - Starting point: people do not actually like to work, they must be put under pressure to do their job
 - These employees like to be guided and directed because it allows them to avoid the need to take responsibility within the organization
 - Theory Y:
 - Employee is willing to make an effort and take responsibility, accept challenges, work hard
 - Over the years, people have changed from a theory X to a theory Y view
- There are differences in employees' attitudes towards these and other similar matters

- Every organization has its followers and its rebels, and it is a challenge for leadership in general and change project managers in particular to take account of these differences
- Other alternative theoretical schools try to explain the variations in organizations, organizational forms and their operation
 - Symbolic interactionism = theory that analyses the behavior and interactions of individuals at the micro-level
 - The Conflict Theory argues that all social structures and relationships are based on conflict and change
 - The Contingency Theory investigates the link between the environment and the organization's internal organization
 - Crucial aspect: 'goodness of fit' = the effectiveness of an organization is dependent on the level of congruence between its structure and its environment
 - → there is no one best way to organize
 - Different technological structures each require a different organizational structure in order to be efficient and effective
 - 2 broad types of organizations:
 - Mechanistic structure (stable environment)
 - Organic structure (dynamic environment)
 - Distinction between organizations with open and closed systems
 - Closed → complete autonomy and isolation from the outside world
 - Open → interaction with an external environment, adjustments to the environment
 - Systems Theory: an organization is a comprehensive set of connected elements
 - Not only internal processes need to be considered, also the external environment
 - The interaction between these 2 remains of fundamental importance

SOURCES OF KNOWLEDGE AND INSPIRATION

THE ANALYTICAL FRAMEWORK

- Knowledge relating to organizations is very wide-ranging
- Necessary to make use of insights gained from other disciplines such as psychology, sociology, business science, management and HRM
- There is a growing call for greater interdisciplinary research
 - Monodisciplinary research continues to be important, but the opening of the boundaries between disciplines and the opportunity to collaborate with researchers from other fields is groundbreaking
- One theme that needs interdisciplinary research is burn-out
 - According to the Job Demand-Resources model is burn-out the result of the relationship between work (job) demands and available sources of energy (resources)
 - Demands are psycho-social and organizational aspects of the job that have a physical or psychological cost to the employee
 - Resources are these same aspects that make it possible to work towards the realization of professional objectives
 - There are still gaps to this model, interdisciplinary collaboration will be needed to fill those
 - Eg: in addition to the original psychological perspective, JD-R could be looked at from a socio-economic perspective
- There are 2 broad fields of endeavor

- Scientific disciplines that focus primarily on human behavior
- Scientific disciplines that take the objectives of the organization as their starting point
- Organizational behavior theory tends to combine both approaches
- Experts no longer simply regard employee wellbeing as a means to improve performance, but also as an objective in its own right
- Making a choice between efficiency and the 'human' factor continues to pose an important challenge to organizations

EVIDENCE-BASED MANAGEMENT

- Why the Myers-Briggs test is totally meaningless
 - It rests on wholly unproven theories
 - It uses false, limited binaries
 - It provides inconsistent, inaccurate results
 - It is largely disregarded by psychologists
- Evidence-based management has been gaining in importance in non-medical organizations in recent years
 - The challenges in non-medical organizations are greater because the evidence is weaker
- Because organizations are so very different from each other, there is a much greater risk attached to making the assumption that a 'remedy' that has been proven to work in one organization will automatically work in a different organization
- There is a growing consensus that any attempt to understand, explain and advise employees, teams and organizations must be based on evidence
 - Avoid making decisions using a common sense or gut feeling approach
- Traditional models that wish to find new and advanced solutions for individuals, teams and organizations often fail, they are unable to provide the answers needed to solve new problems in a complex environment
- Aim is to improve quality of organizational decision-making by making use of critically evaluated evidence from a number of sources: organizational characteristics, professional expertise, stakeholder interests and the professional literature
- Fundamental idea behind Evidence-Based Management is that decisions must be of good quality, and that this is only possible based on a combination of critical thinking and the best available evidence
- 4 elements of Evidence-Based Management:
 - The best available organizational evidence: data on the specific nature of the context and the organization
 - There needs to be a systematic collection of data and the results of performance indicators
 - The best available evidence from stakeholders/interested parties
 - Vital source of information that can help to support qualitative decision-making
 - The best available expert evidence
 - The best available scientific evidence: how far has it previously been proven that the effect you desire is realistically achievable?
 - Relevant scientific insights and research results
 - This requires a conscious and thorough search and assessment of the most current scientific and academic insights that are relevant to the situation you are reviewing
 - Used in combination, these 4 will help organizations take the correct evidence-based decisions

- Organizations need to move away from the use of pseudo-scientific theories and incorrect measuring instruments as the basis for their decision-making, evidence-based decisions are widely held to be much more reliable

CHAPTER 2: THE EMPLOYEE IN THE ORGANIZATION

- Microlevel of the organization
- Psychopaths and highly successful people in business share a lot of characteristics
- Goldwater rule= a code of honor among psychiatrists whereby you don't diagnose people, especially in public who you have never met

THE PERSONALITY OF THE EMPLOYEE

- There is an almost endless range of differences in individual characteristics
 - This is interesting yet also challenging
- Organizations operate in an increasingly complex and ever-changing world
 - Consequences of immigration and growing diversity
 - Therefore, it's important to understand the differences of individual employees
 - These differences are closely tied to the individual's personality and concept of self
 - Personality → how do you appear to others
 - Concept of self → how do you appear to yourself
- Personality determines our behavior
 - Personality = the combination of stable physical and mental characteristics that an individual possesses, which give him or her their identity
 - Personality is the product of the interaction between genetic and environmental influences
 - Various instruments for analyzing personality
 - MBTI model (Myers-Briggs Type Indicator)
 - Fundamental problems with the validity and reliability of this model
 - Makes a distinction between 16 different personality types, derived from a series of 4 dichotomies:
 - Extraversions vs introversion
 - Thinking vs feeling
 - Sensing vs intuition
 - Judging vs perceiving
 - It does not work it is neither valid nor reliable
 - Big Five (OCEAN)
 - Five dimensions of personality
 - Extraversion
 - Agreeableness (altruism)
 - Conscientiousness
 - Neuroticism (emotional stability)
 - Openness (to experiences)
 - Cross cultural/ universal
 - Predictive
 - Remains stable
 - Research Bart Wille & Filip De Fruyt:
 - Character explains careers → personality is even more important than professional interests and academic qualifications

- Extravert people were likely to find work more quickly and then progress in their careers more quickly, this because extravert people tend to be more assertive and can therefore sell themselves better
- Extravert people tend to have jobs with a high degree of human contact
- Introvert people tend to have technical professions and expert functions with less human contact
- Personality remains relatively stable
- People generally look for work that is in keeping with their character, although this work will also influence their personality over time

THE INDIVIDUAL'S CONCEPT OF SELF

- A concept of self = the concept that an individual has of himself as a physical, social, spiritual and moral being. Ideas about the concept of self have varied throughout history, depending on period, socio-economic class and culture
 - Core concepts of the concept of self:
 - Self-esteem
 - Self-efficacy
 - Locus of control
 - These are all strong predictors of the behavior of individuals within organizations
- Outcome of a self-evaluation is determined by 2 key elements:
 - Self-esteem
 - A person's belief in their own individual value on the basis of their own self evaluation
 - People with high self-esteem can deal better with failure than people with low self-esteem because they are better able to make use of their strengths and emphasize the positive aspects of any give situation
 - People with low self-esteem tend to focus on their weaknesses rather than their strengths
 - Locus of control
 - 2 different types of loci of control:
 - Internal locus
 - External locus
 - Locus of control → the extent to which a person thinks that what happens in life is a consequence of his own competences and his own behavior (internal locus) or is a consequence of external influences over which he has no control (external locus)
- Self-efficacy is a belief in your own individual value on the basis of your own self-evaluation
 - Positive correlation between self-efficacy and general satisfaction with life
- Thomas Van Waeyenberg experiment dropout rate nurses
 - Frequent positive feedback is always positive and also leads to a reduced level of drop-out
 - Frequent negative feedback did not have a significant impact on nurse's intention to leave, unless the nurse in question had a low level of self-efficacy

VALUES AND BEHAVIOUR

- Values = standards/criteria for the selection of objectives or the guidance of actions, they remain stable over time
 - Values are learnt, acquired and strengthened through socialization

- People differ in opinions about which values are important (content dimension) and in which order of preference they would place them (intensity dimension)
- Milton Rokeach
 - Distinction between 2 kinds of values:
 - Instrumental values
 - Desired methods of behavior that will make it possible for you to achieve your terminal values
 - Terminal values
 - Personal objectives in life
- Shalom Schwartz
 - Further developed Rokeach model
 - 10 universal value types
 - Self-direction
 - Stimulation
 - Hedonism
 - Achievement
 - Power
 - Security
 - Tradition
 - Conformity
 - Altruism
 - Universalism
 - Work values = values that are applied in a work environment and refer to what an individual wants from his or her job
 - 4 kinds:
 - Intrinsic values
 - Extrinsic values
 - Social values
 - Prestige
 - Some values are strongly correlated with a willingness to work
 - People choose employment that matches or at least is compatible with the values they hold → value congruence
- Robbins and Judge
 - Attitudes are evaluative statements – either favorable or unfavorable – concerning objects, people or events
 - 6 questions to help us to better understand the complexities of attitudes:
 - What are the components of attitudes?
 - How consistent are attitudes?
 - Does behavior reflect attitudes?
 - What are the most important job attitudes?
 - How can employee attitudes be measured?
 - What is the importance of attitudes in relation to organizational diversity?
 - An attitude consists of 3 component elements:
 - Affective: the emotional aspect
 - Cognitive: the opinion a person has about something or someone
 - Behavioral: the intention to behave in a particular way towards something or someone
 - Attitudes are mostly stable over time and in related situations
- Leon Festinger

- Cognitive dissonance = situations where there is an incompatibility between 2 or more attitudes or between an attitude and a behavior
- People want to be in balance (consistency between attitudes and behavior):
 - Adjusting attitudes and/or behavior
 - Amending attitudes and/or behavior
 - Rationalizing discrepancies
- Our desire to reduce or eliminate inconsistency will depend on a number of factors:
 - Importance of the elements causing the dissonance
 - Level of influence possessed by the individual
 - Level of reward that might be obtained as a result of the dissonance
- Attitudes and behavior are closely linked to each other
 - Behavioral intentions are influenced by the person's attitude towards the behavior and by the generally accepted norms relating to the display of that behavior
- Most important work-related attitudes:
 - Job satisfaction
 - The extent to which an employee in an organization is generally happy with his or her job
 - Impact on number of organizational outcomes and variables, including motivation, sickness absence, turnover and performance
 - If the employees in an organization experience the bar being set higher for them than their managers → unfair treatment, loss of motivation, disinterest, possibly leave the organization
 - Research Mieke Audenaert hypotheses:
 - Employees will become more easily satisfied with their job if as much is expected of their leader as is of them
 - Job satisfaction of an employee is generally higher if the organization has high expectations of all its people
 - Employees in the organization are equally dissatisfied if there is an imbalance between what was expected of them and what was expected of their leaders, irrespective of who this imbalance favors
 - Social comparison theory: employees have a strong inclination to compare regularly, particularly their own situation against that of their leaders
 - While the content aspect of any job is important for the job satisfaction of employees, the entire context in which the job is set plays an important role, in particular the role played by the leader in relation to the individual employee
 - Organizational commitment
 - 3 distinct aspects
 - Desire of the employee to remain with the organization
 - Acceptance of and belief in the values and objectives of the organization
 - Willingness of the employee to work hard for the organization
 - 3 different facets of commitment
 - Normative commitment (based on a feeling/obligation)
 - Affective commitment (based on emotional attachment)
 - Continuance commitment (based on comparison between advantages of staying with the organization and cost of leaving it)
 - Positive effects to commitment: higher performance, less absenteeism, greater motivation and higher job satisfaction

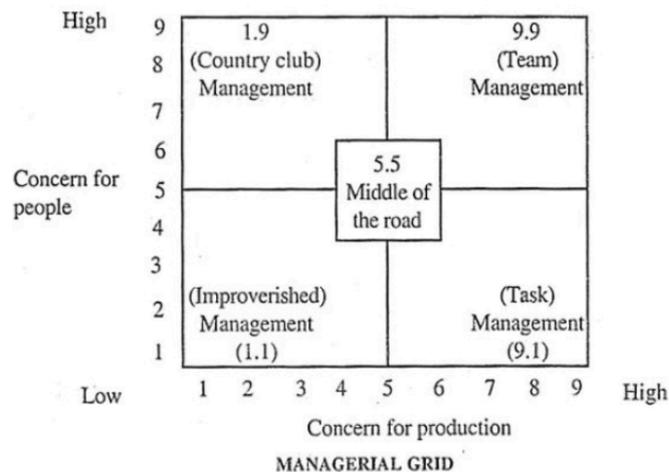
LEADERSHIP CHARACTERISTICS

- Charisma
 - 4 typical personality traits of charismatic people:
 - High level of self confidence
 - Willingness to take risks
 - Visionary insight
 - Ability to inspire
 - Having charisma is positive, but it is possible to have too much of a good thing:
 - Leaders who are too charismatic usually perform less well with operational tasks and find it difficult to successfully carry through plans and strategies
 - Leaders with few charismatic qualities lack the vision necessary to inspire
- Leader vs managers
 - Leaders make strategic choices and set out visions for the future, they inspire people
 - Managers occupy themselves with the implementation of the leader's policy lines by translating them into concrete plans, processes and methods of collaboration within a formal structure
- Approaches to leadership
 - Trait approach: based on the search for the ideal stable personality characteristics that separate successful leaders from the less successful ones
 - Before WW2: leaders rise to prominence because of inborn personality characteristics → if you are not a born leader, you cannot grow to become one
 - There is a difference between the predictive value of a personality characteristic for making a leader and the measuring of the success of that leader when exercising his/her leadership function (ultimate criterion)
 - This approach offers little prospect of identifying professional leaders, simply because too few people are natural born leaders
 - If leadership is a stable quality, you cannot 'improve yourself' in that quality
 - Behavior and style approach: search for the 'trainable' modes of behavior
 - No longer assumption that leadership was inborn, it can be learned
 - People can grow and evolve in their behavior, if they learn to look in the mirror and reflect carefully on the things that work and the things that don't
 - Ohio-school → 2 independent dimensions on which the behavior of leaders could be identified:

Consideration	High	Q1: low structural focus, high relational focus	Q2: high structural focus, high relational focus
	Low	Q3: low structural focus, low relational focus	Q4: high structural focus, low relational focus
		Low	High
		Initiating structure	

- Ohio team suggested that a healthy combination of both styles would lead to greater job satisfaction and higher productivity → leaders are at their most efficient when they are both task-oriented and people-oriented
- Michigan School → high consideration and high initiating structure
- Similar results but different interpretations

- Blake and Mouton: the Managerial/Leadership Grid



- Authors adopted a normative approach
 - Optimal combination of task focus and relational focus as the ideal characteristics of the ideal managers
- Contingency theories in contrast to Blake and Mouton
 - No such thing as an 'ideal' image of a leader, because the effectiveness of any give leadership style is ultimately dependent on environmental factors
 - Fiedler:
 - Effective group work is dependent on the right combination of an appropriate leadership style and the extent to which the leader has the situation under control
 - The extent to which a leader has the situation under control depends on 3 factors:
 - Relationship between leader and employee
 - Mutual trust
 - Respect
 - Task structure
 - Formal power of the leader
 - Most important contribution contingency theory: no such thing as the ideal leadership style
 - Situational leadership theory (Hershey and Blanchard)
 - Variant of the contingency theory
 - No solid scientific foundations
 - Single variable to define the context of the leadership situation: readiness
 - = the ability and willingness of employees to carry out specific tasks
 - Also known as employees' task maturity
 - This is determined by:
 - The ability (knowledge + skill)
 - The willingness (self-belief, effort and motivation)
 - People who are not able to do a task must be instructed → task orientation: the guidance and direction of employees
 - People who are not willing to carry out a task must be give attention → relational orientation: the support of employees
 - Transformational leadership

- Inspirational leader who is able to enthuse his/her people through his/her vision and the objectives he/she sets
- 4 dimensions
 - Inspirational motivation
 - Intellectual stimulation
 - Individualized consideration
 - Idealized influence
- Often contrasted with transactional leadership
 - = this relationship is characterized by:
 - Contingent rewards to motivate
 - Corrective measures when people fail to achieve objectives
- There is also charismatic leadership → seeks to transform people's perception of themselves and their environment
 - 3 important elements of leadership behavior:
 - Elaboration of a shared common vision for the future
 - High levels of expectation and challenging norms
 - Different types of leadership behavior

THE HAPPINESS AND WELLBEING OF THE EMPLOYEE

- The basic idea behind a 'Chief Happiness Officer' is that a happy employee will also be a productive employee
- One of the main purposes of HRM is to try and understand how organizations can make use of and guide their employees effectively, with the aim of maximizing productivity and profit
 - The greatest challenge in the HRM domain is to understand how different HRM activities and practices can influence the employees within organizations
- Wellbeing of an employee can be sub-divided into 3 separate elements:
 - Work happiness
 - Job satisfaction, job commitment, ...
 - Work relationships
 - Positive collaboration with colleagues, customers,
 - Health
 - Low work pressure, tension, stress, ...
- Organizational performance consists of both operational performance and financial performance
- There are differences in perception between the development of HRM policy, the HRM policy that is actually implemented, and the way the HRM policy is experienced by the employees who are subject to it
 - Different employees in the same organization can experience the same HRM policy in different ways
- 3 different perspectives HRM-wellbeing
 - Optimistic
 - HRM has a positive impact on the wellbeing of employees within an organization
 - Progressive HRM policy leads to greater autonomy and empowerment
 - More interesting and supportive jobs and a better working environment
 - Benefits for both the organization and its employees
 - Pessimistic
 - Negative impact on the wellbeing of employees
 - Greater work pressure and the systematic exploitation of the workforce

- Benefits only for the organization
 - Skeptical
 - No significant impact on employee wellbeing
 - Management cannot implement progressive HRM policy effectively
 - Contradictory effects so no overall result
 - Benefits for neither
 - Karina van de Voorde's study confirmed these findings
- Most HRM theories and their authors assume that HRM has a positive effect on both the wellbeing of employees and the performance of organizations
 - explanations for this:
 - Social Exchange Theory
 - The employees interpret the HRM policy as an expression of support and concern from the organization, in return for which they are willing to display greater levels of effort, commitment and satisfaction
 - AMO (ability, motivation, opportunity) theory
 - Increased knowledge, ability and motivation to perform on the part of the employee, which is then satisfied by the organization's willingness to provide opportunities to make that enhanced performance possible, results in greater employee commitment, increased job satisfaction and reduced stress
- 5 reasons for deciding not to appoint a chief happiness officers
 - An excessive emphasis or focus on achieving happiness actually makes people unhappy
 - The makeability of happiness is generally overestimated
 - Happiness is a by-product of meaningful activity
 - The 'guidance' of human emotions has become a tool to achieve economic objectives
 - Warning against consequences of the idea that a happy worker is a more productive worker
 - People have the right to be unhappy
- Flow
 - Being in flow means that a person is alert, can perform tasks effortlessly, feels strong and is fully in control of the situation
 - They are at the height of their powers and ready to perform accordingly
 - A condition in which people feel intense concentration and intense pleasure, linked to a heightened state of consciousness
 - Characteristics associated with flow:
 - Clear objectives
 - A realistic balance between challenge and skill
 - No fear of failure
 - Focus on activities that are an end in themselves
 - Flow is a universal concept but people's experience of it can vary depending on personal characteristics such as goal orientation, motivation and sensory faculties
 - 5 C's essential to maximize the flow of people in organizations
 - Clarity: clear goals, regular feedback, clearly described desired end results
 - Centre: possibility to focus and concentrate
 - Choice: feeling of being in control and making free choices
 - Commitment: invest all energy in reaching a stated goal
 - Challenge: test abilities
 - Flow ≠ mindfulness
 - Flow has a narrower focus

MINDFULNESS

- Mindfulness involves fixing a broad focus of attention (internal and external) on the present moment
 - Flow also focuses attention on the activity in the present moment but that attention is more closely targeted on the task in hand
- By focusing on the present moment, mindfulness becomes a way to:
 - Avoid making automatic assumptions (response to situations: more reflectively, less reactively)
 - Focus less on the past and the future
- Mindfulness can be learned
- It is defined as:
 - A characteristic of an individual, like a personality characteristic
 - A 'state of being' which can come and go
- Mindfulness is not a behavior, but more of a kind of mental activity
- Mindfulness is linked to many positive outcomes for organizations, such as improved wellbeing and a reduced likelihood of burn-out
 - 'a creative way of thinking'
- It reduces emotional exhaustion, increases job satisfaction, stimulates enthusiasm and enhances performance

CHAPTER 3: GROUPS AND TEAMS IN THE ORGANIZATION

- Meso-level of the organization
- Group behavior = the behavior of the group has an impact on the behavior of individuals within the group
- The tragedy of the commons is basically a dilemma between doing what is good for you as an individual vs doing what is best for the group
- Groups and teams are often referred to as the building blocks of organizations
- Today's teams are very different from those of the past: collaboration, the sharing of information and the exchange of knowledge have become indispensable

GROUPS

- Group = 2 or more communicating and independently operating individuals who work together to achieve a specific objective
 - They have shared values and norms, a shared identity
- Formal groups = groups created by the organization to work on projects or complete particular tasks
 - They are either conventional work groups or cross-disciplinary teams
 - Behavior within these groups is determined by the organization and/or the relevant department and is aligned with the objectives (and strategy) of the organization as a whole
- Informal groups = groups that develop spontaneously on the work floor in response to the needs of individuals for social contact
 - Friendship groups or interest groups
 - They fulfill 2 basic kinds of function:
 - Organizational functions
 - Individual functions
- Teams are always groups but groups are not necessarily always teams
- 6 reasons to join a group
 - Security

- Feel stronger, less self-doubt and better able to respond to challenges and threat when people are part of a group
 - Status
 - When belonging to a group that is seen as being important by others
 - Self-esteem
 - Increase a person's estimation of their own value
 - Affiliation
 - Fulfill individual's social need for interaction/affiliation
 - Power
 - Unable to achieve alone, easier as part of a group
 - Goal achievement
 - Cluster talent, knowledge and power to achieve better standards of performance
- Roles
 - The behavior expected of someone who has a particular job of position within the group
 - Role overload → level of expectations is higher than member's ability to meet it
 - Role conflict → when other members of the group have contradictory or inconsistent expectations
 - Role ambiguity → when the individual group member is insufficiently aware of the expectations that others have of them
- Norms
 - Shared attitudes, opinions, feelings or actions that give direction to our social behavior
 - Members of the group that respect the norms → friendship and acceptance in return
 - Member that follow other norms → less easily tolerated
 - Norms evolve informally, a group determines its own applicable norms
- Ideal size for a group
 - If more than 5 group members → difficult decision-making
 - Ideal size of any group is dependent on its context and its objectives
- Diversity in groups
 - Greater creativity and innovation
 - Two-edged sword → source of conflict and possible turnover
 - The majority of people prefer to work with others who are like them, who think and act the same way
 - Too much heterogeneity can lead to challenges of coordination and communication within the group
- Use of groups strongly recommended → way to improve individual performance, increase creative collaboration and stimulate innovation
- Number of challenges and dangers to be aware of
 - Asch effect → people in a group or organization often choose to conform with the prevailing norms in the group and/or the organizational culture, even if this leads to 'wrong' behavior, this is linked to a desire to avoid conflict
 - Peer pressure makes us sway our own opinions
 - Groupthink → the performance and decision-making ability of the group declines because of the wish of the group members to conform
 - This often occurs if decisions need to be taken under great pressure, or if the group is led by a very strong personality, or if the decision-making processes are not clearly defined → difficult to express dissent within the group
 - Remedies to counteract groupthink:
 - Smaller groups
 - Compulsory participation

- Mechanisms that actively encourage a search for alternatives
- Social loafing → reduction in tension and responsibility that a member of the group feels as the size of the group gets bigger and bigger
 - This allows people to hide behind others and simply act as ‘one of the crowd’
- ‘Meetingitis’ → if team meetings are too frequent, too regulated and too subject to strict processes and procedures, the strength and commitment of the team will decline, this will lead a team to lose much of its value

TEAMS

- A good team is seen as a guarantee of good results and good performance within the context of organizations that focus on team-oriented working
- A team is a small number of people with complementary skills who are responsible for a shared purpose, objectives and approach
 - A number of conditions need to be met before we consider a group a team:
 - Same shared objectives
 - Clear communication
 - Clearly defined and mutually dependent roles
 - Organizational identity
- To put a team together, members are chosen on the basis of their experience:
 - Belbin method
 - Widely praised
 - Source of controversy
 - Belbin’s ideas are not wholly evidence-based
 - Research into social roles played out within teams (team roles)
 - Each team should consist of an optimal mix of team roles
 - Successful collaboration within a team is optimally enhanced when everyone assumes the team role in which he or she is the strongest
 - 9 different roles divided in 3 categories:
 - Action roles: implementer, shaper, completer-finisher
 - Thinking roles: specialist, monitor-evaluator, plant
 - Social roles: resource investigator, team worker, coordinator
 - Criticism of the method relates primarily to its inconsistent description of the different team roles and the psychometric qualities of the measuring instruments used to map out these roles
- Very often, teams in organizations generate increased performance: greater effectiveness combined with higher productivity and quality, better transfer of knowledge, more innovation, etc
- Different kinds of work teams can be clustered on the basis of their:
 - Degree of technical specialization
 - Level of coordination
 - Work cycles
 - Typical output
 - Advisory teams: low degree of technical specialization and low levels of coordination
 - Production teams: low degree of technical specialization and high levels of coordination
 - Project teams: high degree of technical specialization and high or low levels of coordination
 - Action teams: high degree of technical specialization and high levels of coordination
- 3 necessary components for successful teamwork:

- Collaboration
- Trust
- Coherence
- Self-steering teams
 - High degree of autonomy with regard to their own work
 - Cross functionalism
 - Positive correlation between productivity and specific attitudes relating to self-management, no significant effects on the general attitudes of employees relating to matters such as job satisfaction and commitment
 - Requires prior training and socialization
 - Self-steering and a proactive attitude make people in teams and organizations more effective, more innovative and more enthusiastic
 - Do these need a leader?
 - Leader can give the less proactive members the push in the back that they need to become proactive
 - He/she can further encourage the talent and drive of members who are already proactive in their approach to their job and the team
 - This kind of context can be created by leaders who devote the necessary attention to:
 - Self-determination
 - Encourage team members to make choices about their work
 - Influence
 - Team members must be able to exercise influence at work
 - Meaning
 - Leader emphasizes value and meaning of the work done by team members
 - Ability
 - Generate confidence amongst team members
 - Under these circumstances, team members will want to accept new responsibilities
 - People in teams and organization will only behave in a more self-steering manner if they are given the necessary room and if the team or the organization makes the necessary appeal to their sense of responsibility, both of these aspects require leadership
- Added value of project teams: they bring together people with a wide range of skills and expertise to realize non-routine tasks
- Necessary team learning behavior has been defined in terms of 8 distinct behavioral dimensions
 - Exploring together
 - Forming common opinions and approaches
 - Reflecting on outcomes
 - Reflecting on the team process
 - Sharing mistakes with each other
 - Analyzing mistakes together
 - Providing feedback
 - Experimenting
- Teamwork is not always essential, when the wrong kind of collaboration is stimulated in teams, it results in wasted time and unnecessary frustration
 - Good performing group of individuals or good performing team?
- 8 roles within a team
 - Agenda setters: define and communicate strategic direction and priorities
 - Integrators: create cohesion, broker compromises and heal divisions
 - Execution drivers: provide drive and take care of planning, implementation and accountability
 - Talent developers: attract, assess, develop and retain talent

- Diplomats: build internal alliances and shape the external environment
- Role models: shape values, behavior and culture of the team
- Architects: design and transform the team
- Trailblazers: facilitate learning, innovation and flexibility within the team
- Team leaders need to find the right balance between leading their own teams and leading the organization, it is always important for them to be clear about where the greatest emphasis needs to be laid, bearing in mind the specific characteristics of the situation
- Sharing of knowledge and good communication are important in teams
 - Following guidelines represent the best practices for ensuring effective virtual collaboration in and between teams
 - Small-scale of the team
 - Take time
 - More collaboration in the team
 - Aim for equality in the team
 - Aim for experience
- Teams are also subject to and can benefit from the power of mentorship
 - Sometimes counter-intuitive choices are the best
 - Mentoring is a possible way to overcome avoidance behavior
 - This all depends on the circumstances, contradictory research exists
 - Procrastinators can often be very good and effective mentors because they frequently know more than they think they know, they fail to remember just how much they have already learnt until they are 'obliged' to pass this knowledge on to others
 - Being required to give advice to junior members of a team can reduce self-anxiety and improve the mental health of the mentors
 - Mentoring is a powerful and relatively cheap way for organizations to coach and show their concern for their junior members of staff, while giving them the professional advice that will help them to improve their efficiency and further their careers
 - This also build up the confidence and the mental resilience of the mentors/employees themselves

CHAPTER 4: ORGANIZATIONAL STRUCTURE, CULTURE AND CLIMATE

- Structure of an organization = the way in which the organization's work is distributed and coordinated
- Organizational climate = the shared perception within the organization about what is important and appropriate for that organization

STRUCTURE

- First organizational structure (Fayol), he stressed the influence of a broad top level of management with a strictly hierarchical top-down style of communication, allied to an equally strict chain of command and unity of leadership → formal hierarchical organization
- Contrasting with the organizational structure at Apple
 - Each individual employee was responsible for a specific task/product/package
 - Also emphasis on teamwork and trust, which formed the basis for optimal collaboration and the exchange of ideas
- An organizational structure sets out how the organization's tasks are distributed, grouped and coordinated
- Objectives of organizing:
 - Distribution of work over the different tasks

- Allocation of tasks and responsibilities
- Grouping of tasks in departments and divisions
- Coordination of tasks and groups within the global organization
- Identification of the relationships between employees, teams, departments, etc
- Development of formal hierarchical structures
- Distribution and use of resources
- 6 elements leaders and managers need to take into account
 - Specialization
 - To what extent are the activities subdivided into separate functions
 - Task grouping/departmentalization
 - On what basis are functions (or jobs) grouped?
 - Hierarchies/ chain of command
 - To whom do individuals and groups report?
 - Span of control
 - How many employees can a manager efficiently and effectively lead?
 - Centralization and decentralization
 - Where does the decision-making authority rest?
 - Formalization
 - To what extent are the activities governed by rules and procedures?
- There is no such thing as the best organizational structure
 - The right structure is one that will constantly continue to evolve

SPECIALIZATION

- Specialization is necessary in every organization and in most modern-day organizations the specialization of tasks continues to be an important structural element, however it is no longer seen as a way to boost productivity
 - It can lead to improved economic performance in the short term, but if the process is pushed too far it will have a negative effect on the wellbeing and wider performance of both individuals and the organization as a whole
- The type of specialization required will vary significantly from sector to sector and organization to organization
- Different forms of specialization have been introduced reflecting different needs, once they have been introduced, they must be maintained and guaranteed, thanks to a far-reaching process of departmentalization and task grouping

DEPARTMENTALIZATION AND THE GROUPING OF TASKS

- Different types of task grouping can be implemented:
 - Function-based
 - Most widely used and neutral
 - Makes possible further specialization and coordination within individual departments and divisions, in order to achieve the optimal internal operation of each of these organizational units
 - Disadvantages:
 - Communication between different specializations
 - Specializations do not fully reflect the global objectives of the organization as a whole
 - Geographical

- Interesting for organizations that cover a wide area and want to cater to the needs of specific regional markets
 - Advantage: allows optimal response to regional issues and concerns
 - Disadvantage: identical specializations might lead to fragmentation or even double functions
- Product-based
 - Allows further specialization of products and services
 - Inevitably leads to identical double functions within the different product divisions
- Process-based
 - Groups tasks in accordance with the successive steps of the production process
 - Advantage: efficient implementation of the different phases of the production process
 - This can be used in a function-based task grouping
 - Only appropriate for products that are relatively stable and have a guaranteed sales outlet
- Customer-oriented
 - Similar to geographical grouping
 - When it is necessary to meet the different patterns of expectation of different kinds of customers
 - Disadvantage: may also lead to fragmentation or double functions
 - In many sectors customer expectations do vary significantly
- Different kinds of task grouping have their own advantages and disadvantages → they are often applied by organizations in combination with each other
- 2 trends in task grouping
 - Growing focus on customer-based grouping
 - Increasing interest in use of cross-functional teams

CHAIN OF COMMAND (HIERARCHICAL LINE)

- Chain of command: hierarchical line that runs from top to bottom of the organization and makes clear to everyone for whom and to whom they are responsible
- Unity of command: each employee reports to a single manager, a direct and uninterrupted hierarchical line exists from top to bottom
- In more recent times, concepts such as unity of command and the hierarchical line are less relevant and counterproductive for the evolution of new product groups and the satisfaction of the changing patterns of need among customers

SPAN OF CONTROL

- Span of control = the number of people reporting directly to a given manager
 - Narrower span of control is more comfortable for the manager, in terms of overseeing and managing all his responsibilities
 - Close follow up
 - Short line of communication
 - High number of organization levels
 - Takes longer to reach decisions
 - Having too many employees in a team can lead to problems for senior managers, this can be solved by additional levels of control

- Down side: too many levels in an organization leads to increased costs and more difficult upwards and downwards communication, seriously restricting employee and managerial autonomy
- Current tendency → broader span of control with the greater delegation of authority within departments

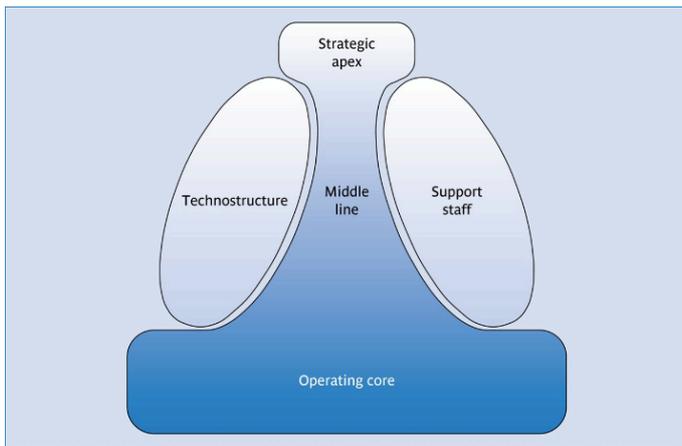
CENTRALIZATION OR DECENTRALIZATION

- The more decisions that are taken by senior managers with little or no input from the lower echelons of the organization (who are only expected to carry out the implementation), the more we can speak of a centralizing tendency
- Nowadays tendency to looser and more decentralized form of control
- Decentralized approach: more bottom-up input, greater autonomy and greater decision-making powers for teams and even individual employees
- To decide whether organizations should centralize or decentralize:

CENTRALISATION	DECENTRALISATION
<p>IN A STABLE ENVIRONMENT.</p> <p>THE JUNIOR MANAGERS ARE LESS EXPERIENCED IN TAKING DECISIONS.</p> <p>THE JUNIOR MANAGERS PREFER NOT TO TAKE DECISIONS.</p> <p>IT RELATES TO IMPORTANT OR STRATEGIC DECISIONS.</p> <p>THE ORGANISATION IS IN CRISIS.</p> <p>IT IS A LARGE ORGANISATION.</p> <p>THE IMPLEMENTATION IS DEPENDENT ON THE ENGAGEMENT OF SENIOR MANAGERS.</p>	<p>IN A COMPLEX AND UNCERTAIN ENVIRONMENT.</p> <p>THE JUNIOR MANAGERS ARE EXPERIENCED IN TAKING DECISIONS.</p> <p>THE JUNIOR MANAGERS WANT A VOICE IN THE DECISION-MAKING PROCESS.</p> <p>IT RELATES TO RELATIVELY UNIMPORTANT DECISIONS.</p> <p>THE ORGANISATIONAL STRUCTURE ENCOURAGES PARTICIPATION.</p> <p>THE ORGANISATION IS GEOGRAPHICALLY DISPERSED.</p> <p>THE ENGAGEMENT AND FLEXIBILITY OF THE JUNIOR MANAGERS IS ASSURED.</p>

FORMALIZATION

- Level of formalization is determined by the level of standardization and the existence of fixed rules and procedures
- Standardization of tasks → relatively easy for simple, routine tasks
- Standardization of output → sets a level of output but permits a degree of freedom about how that output target is reached
- A high level of formalization is not compatible with the customer-orientation that is now necessary in many of the service sectors
- Realization among organizations that nowadays they need to be more customer-focused
- Organizations where there is very little, or no formalization are often referred to as 'playgrounds'
- Henry Mintzberg
 - Defined a number of different types of organizations
 - 5 basic tasks within an organization



- The strategic apex → senior management
- The middle line → managers in the various levels of the organization responsible for implementation of the different element of the organization's activities
- The operating core → employees who carry out the organization's core activities
- The techo-structure → planning, bookkeeping, budget control, quality control, HR that serve the 3 core tasks
- The support staff → carry out work relating to R&D, marketing, internal and external communication, information technology,...
- The first 3 tasks form the core of every organization, they are crucial, if they are not present, no activity will be carried out
- Task 4 and 5 are the supporting services
 - This can lead to discussions because support services can only give advice and recommendations, while the line managers have the authority to make decisions and fit within the hierarchy and the unity of command
 - The support services are not subject to control of the middle line
- He also distinguished 7 organizational types, which differ in terms of the coordination mechanisms
 - 6 different coordination mechanisms:
 - Mutual agreement through consultation
 - Direct supervision
 - Standardization of work processes
 - Standardization of work outcomes
 - Standardization of knowledge and skills
 - Standardization of shared values
 - 7 kinds of organizations

	Division of labour and key organisation part	Coordination	Hierarchy of authority
Entrepreneurial	Small, limited specialisation Strategic apex	Informal Direct supervision	Autocratic leader Centralisation
Machine	Strong specialisation Functional unit structure Technostructure	Very formal, bureaucratic Rules and procedures as coordination – standardisation processes	Centralised and hierarchic decision-making with unity of command
Diversified	Large product-based structure Middle line	Formal - can be bureaucratic Full range of coordination mechanisms but emphasis on standardisation of output	Decentralised divisions, but centralisation and hierarchy at headquarters and divisions possible
Professional	Highly specialised with very autonomous workers Operating core	Bureaucratic Standardisation of skills in combination with a few rules as co-ordination mechanisms	Low hierarchy, decision-making power resides with the professionals
Innovative	Lower specialisation though change but with experts able to innovate	Flexible and organic Coordination in formal and informal teams and through liaison personnel informally – mutual adjustment	Decentralised with low levels of hierarchy Unity of command is violated
Missionary	Loosely organised small units, tasks and roles are clear and focused through the clarity of the mission	Co-ordination by standardisation of values and norms and often also strict explicit rules	Centralisation through charismatic leader and central mission but decentralisation in daily operations
Political	Different work deviations are possible but the choice will be political	Formal and mainly informal coordination by power	Decentralisation through politicking Enforcing or destroying hierarchy of authority

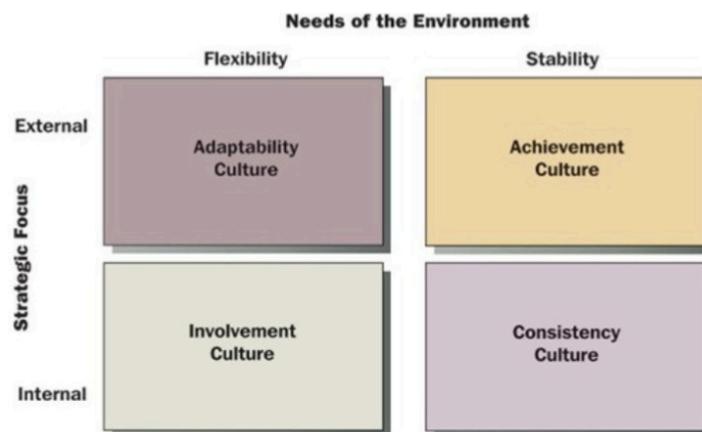
- Future:
 - Horizontal organizations: few hierarchical levels, built around core processes
 - Hourglass organizations: limited number of middle managers
 - Virtual organizations: geographically dispersed people accomplishing tasks together thanks to modern IT
 - Project organizations: temporarily semi-autonomous project groups
 - Platform organizations: combines the new flexible types with more classic organization types

CULTURE AND CLIMATE

CULTURE

- Culture = a series of values, fundamental opinions, insights and mindsets that the existing members of an organization share with and pass on to new members
- Strong link between an organization's culture and people's behavior within that organization

- Culture of the organization and culture of the individual interact on each other
 - Organizational culture has a fundamental impact on organizational performance
- Variations in culture → behavior, values and norms can differ
- 2 different kinds of values in an organizational culture:
 - Espoused values: shared values and norms for which the organization has a preference
 - Enacted values: values and norms displayed by the people in the organization
- Organizational cultures as a whole can vary significantly, although it is often the case that the cultures of organizations in the same environment display similarities, precisely because of that shared environment
 - Common values are often core values
 - Core values = values that are important for an organization to be effective and to reach its objectives
- A good balance between the strategy of the organization, the external environment and cultural values has been shown to have a positive impact on organizational performance
- 4 possible cultures:

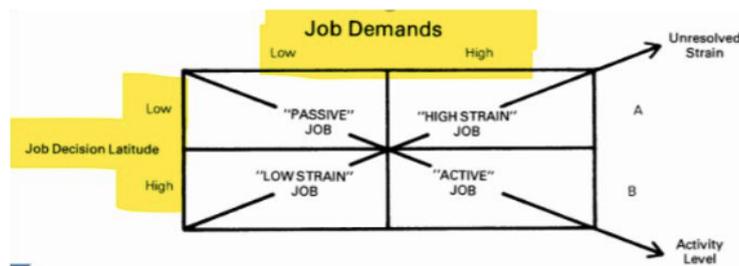


- Achievement culture
 - Clear vision
 - Clear focus on the reaching of targets and objectives
 - Organizations with specific customers in the external environment which have no real need to change or be flexible
 - Strongly results-oriented, competitiveness, personal initiative and the will to work hard and achieve results
- Clan culture
 - Internal focus
 - Participation and consultation as a way to respond to a changing external environment
 - Importance to employees' needs
 - Cooperation and collaboration
 - Fairness
- Bureaucratic culture
 - Inward-looking
 - Creates a stable environment
 - Rational and ordered approach to operational activities and management
 - Rules
- Adaptability culture
 - Strategic focus on external environment
 - Flexibility and change

- Meet new demands from the organization's stakeholders
 - Creativity and innovation
- A strong organizational culture is not always a guarantee of a strong organizational performance, although in a stable environment, organizations with a strong culture are more likely to perform well

WORK PRESSURE AND BURN-OUT

- If the amount of work and the pressure to perform are too great, employees risk becoming overtired and less happy, with the possibility of burn-out just around the corner
- Work pressure = container term that covers all the variables that can affect the amount and difficulty of a person's work activities
- Strong correlation between work pressure and negative employee effects: emotional exhaustion, tiredness, absenteeism and a high staff turnover
- Job Demands-Resources model (JD-R model) is frequently used to study the relationship between work and the outcomes of work
 - High job demands lead to stress and ill health
 - Exhaustion process
 - Availability of sources of energy (job resources) lead to improved motivation and individual performance
 - Motivational process
- Karasek's Job Demands-Control model predicted that the relationship and balance between the positive and negative aspects of the job and the work it involves are the determining factors for the various different outcomes of that work
 - Starting point: the relationship between the space the employees in the organization have to direct their own jobs and work and the demands of the job
 - The control options (decision latitude) relate to the level of freedom the employee has to direct and organize his or her own work



- According to this model, employees in organizations start to experience stress at work when they have high task demands but relatively little space, autonomy and decision latitude to direct their own activities
 - → high job strain, low control situation
- Karasek showed that high demands are not necessarily a bad thing
- If organizational leaders set high job demands for their employees but combine this with adequate space and decision latitude, then these employees will feel challenged by their work in a positive sense
- 4 different kinds of work:
 - Relaxing (low strain)
 - Stressful (high strain)
 - Simple (passive)
 - Challenging (active)

- Placing high job demands on an employee does not automatically lead to tension, stress or a tendency towards burn-out
 - If employees have little freedom to organize their own work and the pressure of that work is not reduced, health problems are likely to arise and the job will be experienced as stressful and demotivating
 - If the employee can arrange the work as he/she sees fit → challenging and motivating
- Job Demands-Resources model by Bakker, Demerouti et
 - Every possible work characteristic is a potential source of work stress or work energy
 - The relationship between job demands and job resources is based on the perceived opinion of the employee with regard to these demands and resources
 - Burn-out is the result of a particular (imbalanced) combination of work demands and energy sources
 - Job demands are not the same for every employee, it is only a source of stress if the effort necessary to satisfy the job demand is too high for the employee, or is perceived as being so by the employee, or if there is too little possibility to recover sufficiently from the effort
 - Job resources -sources of employee energy can be obtained or made available through qualitative feedback, adequate levels of autonomy and the social support of colleagues in the organization
 - Energy sources can also stimulate the personal growth and development of employees
 - High job demands and low job resources = cause of burn-out
 - 2 mechanisms:
 - If job demands are too high, extra efforts must be made by the employee to keep his/her performance at the same level
 - If the employee is not given the opportunity to recover → continuous activation may occur, this can lead to physical and mental exhaustion
 - Energetic component of burn-out, there is also a motivational component
- Performance management is a management system designed to plan, monitor and evaluate the job effectiveness of individual employees
 - Performance management leads to a significant improvement in both the quantity and quality of academic and research work, but the practice of constant evaluation and assessment poses a serious danger to the wellbeing of the members of the academic and research communities
 - → increased stress, tension and burn-out
- Burn-out = psychological condition resulting from excessive work stress
 - Emotional exhaustion
 - Distant and indifferent approach
- Burn-out is closely related to perceptions of moral fairness within organizations, young academics are convinced that when performance management leads to fair outcomes, the chances of burn-out are significantly reduced
- Current research about socio-economic perspective to see if 'hard' economic work parameters and the sociological context can have an impact on employee burn-out

CHAPTER 5: PERFORMANCE MANAGEMENT

- Many organizations are moving away from existing practices in performance management and are introducing new methods to plan, monitor and evaluate the performance of their employees

- Leaders in organizations must achieve results and are constantly confronted with concepts like: output, efficiency and effectiveness
- Organizational objective = what the organization wishes to accomplish through its activities
 - Official objectives → legitimacy
 - Operational objectives → guidelines for decision-making and the setting of performance criteria
- Strategy = the organization's plan for interacting with its environment in a way that will allow it to achieve its organizational objectives
 - Objectives show where it wants to go, strategy shows how to get there
- Miles and Snow
 - 4 different kinds of strategies and organizations:
 - Prospectors
 - Constantly searching for new market opportunities
 - Willing to change competitive direction
 - High level of uncertainty and unpredictability
 - Innovative, focused on growth, risktakers
 - High degree of decision-making decentralization + high degree flexibility
 - Defenders
 - Primarily concerned with increasing their levels of efficiency in existing markets
 - Tight control, centralization, efficient processes and limited overheads
 - Stable environments
 - Analyzers
 - Combination stable domain products + dynamic domain (innovation + limited risks)
 - Greater efficiency in one part, exploit new opportunities in other part
 - Fast followers
 - Adapt quickly
 - Tight control, flexibility, efficient production
 - Moderately changing environment
 - Reactors
 - Difficulty in responding to changes in environment
 - No constant strategic pattern
 - Unclear structure, subject to frequent change and fundamentally reactive
 - Think + act in short term
 - Stable and dynamic environment
- Choices that an organization makes about its objectives and its related strategy have an influence on the structure and design of the organization
- Performance management = a series of activities within the organization in which results stand central
 - These systems place an emphasis on the realization of organizational and individual results
- The implementation of performance management systems in the organization is assumed to be a necessary condition for gaining the insight into the performance of individuals, teams and the organization as a whole
- 3 major systems for monitoring and evaluating performance:
 - Organizational performance management systems
 - Balance Scorecard, ...
 - Team/department/division performance management systems
 - HRM Scorecard,...

- (Employee) performance management systems / HRM systems

PLANNING, FOLLOWING UP AND EVALUATING ORGANIZATIONAL PERFORMANCE

- Common characteristic of performance management systems → same cyclical logic of setting objectives, planning, following up and evaluating
 - Plan-Do-Check-Act cycle (PDCA) = Deming circle forms the basis for working
 - Coordination of objectives and the measuring of indicators for the 3 different cycles (organization, team, individual employee) is an added value and success factor
 - The strategic nature of the systems is one of the most important factors in helping to determine their effectiveness
- Organizational performance management systems attempt to direct and manage organizational results in the most efficient and effective manner
- Balanced Scorecard by Kaplan and Norton
 - The BSC is a much-used management instrument to give direction to an organization and provide a conceptual framework to translate the strategy of the organization into a totality of performance indicators
 - Kaplan and Norton had a very innovative approach: they were the first who not only looked backwards towards the past but also forwards
 - Successful organizations also monitor other indicators that can contribute to sustainable results, indicators relating to matters such as customers, processes, growth and development possibilities
 - It is one of the most widely employed performance management systems
 - Vision Kaplan and Norton:
 - What you measure is what you get
 - No single measure can provide a clear performance target or focus attention on the critical areas of the business
 - Reliance on 1 instrument in a cockpit can be fatal
 - Innovative because more than a measurement system, also a strategic implementation model
 - Existence of an organizational strategy is a basic condition for the development of a BSC
 - Strategic implementation is quantified using a pre-defined model covering a range of different elements:
 - Strategy
 - Strategic perspectives
 - Strategic themes
 - Strategic initiatives
 - Strategic objectives
 - Cause-effect relationships
 - KPI's
 - Strategic maps
 - Targets
 - BSC applies 4 different perspectives:
 - Financial perspective: how do our shareholders see us?
 - Customer perspective: how do our customers see us?
 - Internal process perspective: where do we need to excel?

- Learning and growth perspective: can we continue to create sustainable value?

THE FOUR PERSPECTIVES APPLY TO MISSION DRIVEN AS WELL AS PROFIT DRIVEN ORGANIZATIONS

Profit Driven		Mission Driven
• What must we do to satisfy our shareholders?	<i>Financial Perspective</i>	• What must we do to satisfy our financial contributors? • What are our fiscal obligations?
• What do our customers expect from us?	<i>Customer Perspective</i>	• Who is our customer? • What do our customers expect from us?
• What internal processes must we excel at to satisfy our shareholder and customer?	<i>Internal Perspective</i>	• What internal processes must we excel at to satisfy our fiscal obligations, our customers and the requirements of our mission?
• How must our people learn and develop skills to respond to these and future challenges?	<i>Learning & Growth Perspective</i>	• How must our people learn and develop skills to respond to these and future challenges?

Answering these questions is the first step to develop a Balanced Scorecard

Financial	Return of Capital Employed, Economic value added, Sales growth, Cash flow
Customer	Customer satisfaction, retention, acquisition, profitability, market share
Internal business process	Includes measurements along the internal value chain for: Innovation - measures of how well the company identifies the customers' future needs. Operations - measures of quality, cycle time, and costs. Post sales service - measures for warranty, repair and treatment of defects and returns.
Learning and growth	Includes measurements for: People - employee retention, training, skills, morale. Systems - measure of availability of critical real time information needed for front line employees.

- Performance indicators are then set and monitored for each of these 4 perspectives
- BSC ensures balance between:
 - Short-term and long-term objectives
 - Financial and non-financial benchmarks
 - External and internal performance indicators
 - Societal effects that the organization wishes to achieve (financial and customer perspectives) and the factors that make the realization of the outcome possible (internal processes and learning/growth perspective)
- Each dimension, element and component of the BSC is part of a cause-effect relationship
- A balance exists between outcome measures and the performance drivers or desired outcomes
- The BSC offers a framework and an instrument to chart and follow-up performance in relation to the strategy of the organization, the implementation of the model however is not always as simple as it may sound
- The effective implementation of the BSC model requires that the organization function as a central hub that directs and coordinates all activities
 - Most central aspect = organization's strategy
 - Organization must take account of 5 basic principles

- Use measurable terms to define the strategy
- Strategy is summarized on a strategy map over 4 views of performance (perspectives)
- Must capture a cause-effect relationship between strategic objectives over the 4 perspectives on the strategy map
- Critical components include:
 - Measurements
 - Targets
 - Initiatives
- Everything must be linked: goals to objectives, objectives to measurements, measurements to targets
- The effective preparation, implementation and the continuous amendments and adjustment of the BSC to match the context of an ever-changing environments demands a great deal of effort from the organization and the people who work for it
 - Costs time + resources
 - Requires commitment, results only appear after a period of months or years
- Long term economic value in an organization
 - Customer focus: satisfy, retain and acquire customers in targeted segments
 - Business processes: deliver the value proposition to targeted customers
 - Innovative products and services
 - High-quality, flexible, and responsive operating processes
 - Excellent post-sales support
 - Organizational learning & growth
 - Develop skilled, motivated employees
 - Provide access to strategic information
 - Align individuals and teams to business unit objectives
- The 7 ingredients of highly successful balanced scorecard programs
 - A process to mobilize the organization and lead ongoing change
 - Scorecards that describe the strategy
 - Linking scorecard to create an organization alignment
 - Continuous communication to empower the workforce
 - Aligning personal goals, incentives and competencies with the strategy
 - Aligning resources, budgets and initiatives with the strategy
 - A feedback process that encourages learning and experience sharing
- Potential pitfalls involved in the implementation and use of the BSC in organizations
 - Too large and collapses under its own weight
 - Solution: limited number of indicators, max 15-20 total and max 3-5 for each perspective
 - Insufficient data
 - Collection of extra data is one of the most important issues relating to the implementation of the BSC
 - No adjustments to reflect the changing organizational environment, internally and externally
 - Difficulty in collecting data for the non-financial dimensions
 - Continuous revision of strategy
 - Giving up after 1 unsuccessful try, this is a process of trial and error
 - Selecting the wrong critical success factors and performance indicators
 - Loss of interest by senior management → trickle-down effect
 - Loss of sight of the human factor by implementation

- BSC should not serve as an instrument of sanction so employees should not perceive it as a threat

PLANNING, FOLLOWING UP AND EVALUATING THE PERFORMANCE OF EMPLOYEES THROUGH AN EMPLOYEE PERFORMANCE MANAGEMENT SYSTEM

THE PERFORMANCE MANAGEMENT CYCLE

- Employee performance management systems are typical Human Resource Management (HRM) systems and are strongly strategic in nature, with a broad focus on result-oriented and development-oriented management
- What is (employee) performance management?
 - Definition: a continuous process in which the performance of employees in the organization is identified, measured, developed and evaluated in line with the organization's strategy
 - Usually led by the manager
 - In the past: operational focus with an emphasis on performance appraisal (administrative; 'making people work')
 - Today: strategic focus and a continuous system of feedback, development and improvement (sustainable; 'encouraging people to work better')
 - Employee performance management seeks to create an alignment between the objectives of the individual employees and those of the organization
 - The planning, monitoring and evaluation of the performance of the employee must lead to a continuous system of feedback, development and improvement
- The majority of organizations have implemented formal performance management systems
 - It should lead to better results, however questions remain unanswered about the effectiveness of performance management
 - It is often claimed that PMS should be abolished bc they don't enhance the performance of the organization as a whole but have no or negative effect on the wellbeing of the individual employee
 - A possible perverse effect: employees become demotivated and experience tension and feelings of stress, possibly even leading to burn-out
- Performance
 - Is a complex and multidimensional concept
 - 2 main interpretations:
 - Performance as outcome → the delivered products and/or services
 - Performance as process → the actions and behaviors by which goals are viewed
 - Both must be evaluated
 - It can also be useful to look at individual factors relating to the employee, as well as situational factors
 - These factors exist beyond the will and control of the individual but still play a role and have an impact in the context of the employee's work
 - Assess individual performance on the basis of tasks, behavior, outcomes and individual and team objectives:
 - Tasks to be performed
 - Displayed behavior
 - Competencies
 - Results without performance indicators

- Results with performance indicators
 - Individual objectives
 - Team objectives
 - The emphasis has been placed on results and objectives but many organizations still use a combined form of evaluation
 - 6 primary criteria to evaluate performance (Bernardin & Russell)
 - Quality
 - Quantity
 - Punctuality
 - Cost effectiveness
 - Need for supervision
 - Interpersonal impact/contextual performance
 - ! monitoring of employee presence in the workplace does not automatically lead to improved outcomes
- Performance management = a continuous process in which the performance of employees in organizations is identified, measured, developed and evaluated
 - This process must be implemented in close alignment with the strategy and the strategic objectives of the organization
- Performance management at the individual level: repeated cycle of measure applied by the organization by its employees
 - Phase 1: Job description
 - What are the result areas and responsibilities?
 - Phase 2: Planning phase or goal setting
 - Expectations are written down, as well as how they are measured and evaluated later on
 - Phase 3: Personal development
 - Development objectives are formulated and included in the personal development plan (PDP)
 - Phase 4: Follow-up
 - Follow-up and adjustment, this can be done via performance interviews, coaching, feedback, ...
 - Phase 5: Appraisal/assessment
 - Are the results in line with the defined objectives? Also called performance appraisal, appraisal interview or performance evaluation
 - Phase 6: Valuation phase
 - Based on the performance evaluation, financial or non-financial rewards may follow
- Goal setting
 - This provides opportunities to encourage the employee by means of both intrinsic and extrinsic motivation
 - Extrinsic motivation (eg: pay scales) are not the best way to stimulate people, they may even lead to perverse effects such as an exaggerated focus on personal objectives, unethical behavior to achieve them, etc
 - Goal = what an individual/team/organization is trying to accomplish through his or her behavior and actions
 - Goal setting theory = a theory that focuses on identifying the types of goals that are the most effective in producing high levels of motivation and performance and why goals have these effects
 - By Locke and Latham
 - Solid goal characteristics

- Specific
- Measurable
- Achievable
- Result-based
- Time-specific
- Types of objectives
 - Hard result-oriented objectives vs soft development-oriented objectives (soft bc difficult to make hart → competencies, behavior, etc)
- Goal setting
 - Future oriented
 - In line with the objectives of the organization
 - Challenging, achievable and concrete goals work better than easy, unfeasible and vague/abstract goals
 - Individual development objectives
 - Advantages:
 - Motivation and satisfaction
 - Disadvantages:
 - 'goals gone wild' → too restricted performance indicators such as quantity, one-sided focus on individual objectives at the expense of the team, unethical behavior and less intrinsic motivation
 - This can be avoided if managers opt to give extra attention and appreciation to the behavior of the individual within the team and within wider organizations
 - Setting challenging objectives works better
 - Challenging objectives lead to higher estimated growth potential
 - It helps to let employees believe in their own growth potential, which motivates them to perform even better and to show their potential to their supervisor
 - This allows managers to better assess the growth potential of their subordinates
 - Pygmalion effect: employees with a positive potential assessment will agree more challenging objectives with their managers during their appraisal reviews, as a result of which the managers will give them an even more positive potential assessment in the future
 - The expectation (of teachers) about the performance of their students implicitly steers the performance of those students
 - Recommendations for the setting of employee performance objectives that will benefit the organization
 - Increase awareness of the importance of setting challenging goals
 - Provide training on how to set challenging goals
 - Study and learn from PM-practices in the organization
 - Create a climate for development
- Monitoring and evaluation
 - Feedback
 - Information on past performance, used for adjustment (follow-up) or appraisal (evaluation)
 - Van Waeyenberg et al (experiment turnover rates nurses)
 - High-quality feedback: more self-efficacy, less turnover intention
 - Quantity of feedback:

- If positive: less turnover intention
 - If negative: more turnover intention, but only for employees with a lower level of self-efficacy
- Feedforward interview
 - Future-oriented approach
 - Emphasize which desired behavior of the employee you want to see in the future instead of which (un)desired behavior you saw in the past
 - Feedback is most efficient when it allows employees to make necessary adjustments and develop new skills, this leads to personal growth
- Evaluation AKA performance appraisal, assessment, review
 - One of the biggest sources of dissatisfaction in organizations
 - Often a negative connotation
 - Emotionally charged
 - Unnatural setting
 - 'engagement killer'
 - It stands or falls by how a supervisor deals with it
 - The purpose of the performance appraisal makes the difference, managers are not always objective:
 - Evaluations for salary or promotion purposes are more generous and less accurate than for developmental purposes
 - Why?
 - To generate a positive outcome
 - To motivate the employee
 - Because it's difficult to give negative feedback
 - To avoid the (negative) consequences of a hard but accurate assessment
 - Tips to make performance appraisal reviews more effective
 - Define 'good performance' in your organization
 - Take account of different aspects of performance
 - Choose specific competences and types of behavior as performance indicators
 - Use standardized instruments and tools
 - Give training about performance appraisal
 - ...

THE CHARACTERISTICS OF A PERFORMANCE MANAGEMENT SYSTEM

- Making performance management work
 - Clear communication of expectations
 - PM communicates what is expected of the employee, a strong PM system unambiguously communicates these messages when they
 - Are distinctive
 - Cause-effect relationship is highly observable
 - Are consistent
 - Cause-effect relationship is the same across modalities and time
 - Reach for consensus
 - Agreement among individuals' views of the cause-effect relationship

- As a result, employees know better which behavior and attitudes are expected and appreciated by the organization
 - Leads to better performance, more affective involvement and less exhaustion of the employee
 - Strong (clear) communication → clear expectations
 - Distinctive
 - Consistent
 - Consensus
- Internal consistency
 - The planning, monitoring and evaluation-phases must be coordinated and mutually reinforcing each other
 - Eg: the objective that was agreed during the planning-phase must also be the objective which is followed up and evaluated in the end, if not, this can lead to feelings of injustice and frustration
- Vertical integration
 - The planning, follow-up and evaluation must show a clear link with the strategy of the team, the department and the organization
 - Line of sight: employees who see the relationship between their own objectives and those of the team or organization have a good line of sight
 - Optimal vertical integration ensures a higher degree of job satisfaction and reduces the likelihood of an employee deciding to leave the organization
- A proper execution and implementation by the manager
 - $P=f(AMO)$; a good implementation depends on the Ability (competence), Motivation and Opportunity of the manager to carry out PM practices (e.g providing feedback, etc)
 - AMO leads to a 'stronger' PM system and a greater satisfaction with the PM system
- Justice
 - Research Bauwens
 - Close relationship between justice and burnout
 - If an employee regards a measure as unfair, this can lead to a sense of indignation, this may tip the employee into a negative spiral of stress and frustration which can facilitate burn-out
 - Perceived unfairness is also harmful to constructive relationships and gives rise to uncertainty and other factors that can also increase the likelihood of burn-out
 - 3 different perceptions of fairness or justice
 - Distributive justice
 - 'fair' outcomes
 - Procedural justice
 - 'fair' procedures
 - Interactional justice
 - 'fair' treatment and communication
 - Primarily when distributive justice and interactional justice are perceived to be present, young employees have a reduced likelihood of being affected by burn-out
 - In terms of performance management systems:
 - The influence of interactional justice is particularly important: employees regard the way their managers effectively apply the performance management system as being much more relevant than the procedures of that system

- Importance of the personal view of the employee about the performance management system
- Leader-member exchange (LMX)
 - LMX = the quality of the relationship between a manager and an employee. The more trust and respect, the better the relationship
 - Performance-driven leadership increases the likelihood of employee burn-out
- The goals pursued by the manager himself
 - 2 types of goals are possible: improving oneself (mastery approach) or wanting to be better than the others (performance approach)
 - If mastery approach: less chance for employees to develop a burnout
 - The behavior of managers gives a powerful signal to employees, with a major influence on their well-being
 - The organization must promote mastery approach goals instead of performance approach goals → focus the evaluation system more heavily on progress and effort by defining success more clearly in terms of development and improvement
- Process accountability
 - As innovation is very important for organizations, the performance management system should reflect this requirement, rewards should not be used because they often do not achieve the desired effect, sometimes even perverse effects
 - Employees who only have to account for the work process (HOW) are more innovative and creative than their colleagues who are also accountable for outcomes, output or results (WHAT)
 - Eg: study every day (HOW); pass the test (WHAT)
 - Focus on results: more focus on achieving results that are in line with previous results
 - Focus on work process: more focus on exploring new ways of working, which leads to more innovation and creative behavior
 - The method of working should not be defined in detail in advance, if most of the working methods are fixed, this reduces the incentive to discover and develop new ideas
 - A strong HRM system has a positive effect on the innovation behavior of employees, it ensure that employees in the organization have a better understanding of how they are expected to behave and why

CHAPTER 6: CHALLENGES AND CHANGE

- VUCA world
 - Volatility
 - Uncertainty
 - Complexity
 - Ambiguity
- Organizations need to prepare themselves for a wave of changes, which can be forced upon them by both external and internal developments
- Distinction between incremental and radical change:
 - Incremental change is often implemented within the established structure and the existing management processes and is therefore less drastic in nature
 - Nature of future change is more likely to be radical than incremental
- To survive in a VUCA world, an organization should adapt to its environment
 - Organizations, teams and employees will need to respond and behave differently in each case

- Communication and participation are factors for success
- Kurt Lewin's model for initiating, managing and stabilizing the process of change
 - 3 simple steps:
 - Unfreezing → aim = creating motivation
 - Changing → learning, informing employees, installing new models,...
 - Refreezing → normalization of change
 - Assumptions:
 - Change is a learning process
 - Motivation is crucial
- John Kotter's model for change
 - 8 steps
 - Establishing a sense of urgency
 - Forming a powerful guiding coalition
 - Creating a vision
 - Communicating the vision
 - Empowering others to act on the vision
 - Planning for and creating short-term wins
 - Consolidating improvements and producing still more change
 - Institutionalizing new approaches

DIGITALIZATION

- Digitalization will force organizations to change worldwide and has far reaching implications for every job, every sector and for society as a whole
- Digitalization can lead to disruption in the sense of a sudden change in technology that can turn an economic reality on its head
- March of progress → natuurlijk gang van zaken
- Research results show that the number of job opportunities has decreased in organizations where significant digitalization has already occurred, however in the rest of the economy there was an increase in jobs
 - Not every sector will be able to benefit from this compensatory process
 - In other sectors, however, the picture is more positive, the automation of jobs in health care, education and the service sector will free up plenty of other jobs in compensation
- Evidence-based management is crucial here as well, it would be unwise to introduce AI into an organization without first having proof of its effectiveness and reliability
- Automation not only risks creating job losses but will also (and primarily) change the nature of jobs
 - Low-skilled employees risk being the main victims
 - Digitalization will probably benefit jobs that require a high degree of skill
 - As a result, polarization between the high-skill and low-skill segments of the labor market will be increased
 - This presents a huge challenge for the education sector → higher education and technical education will need to train up the necessary cohorts of competent craftsmen and professionals to work in the changing economy
 - Role for the government: creating a safety net for the low-skilled employees who will lose their 'old' jobs and need to be retrained for the 'new' jobs

DIVERSITY

- The way employees view each other within an organization is important for the climate of that organization and also has an impact on potential conflict
 - Diversity and stereotypes often involved
 - Stereotype = series of convictions held by an individual about the characteristic of a group of people
 - Not always negative and sometimes even accurate
 - Can lead to incorrect decisions and discrimination
- Measure to ensure gender diversity in organizations → gender quotas
 - As a result, the number of women in CEO and management positions has increased significantly
 - There has been resistance to this:
 - Women have a purely symbolic function
 - Many of the women are 'not qualified' to do a director's job and are therefore discriminating against men who are better qualified
 - Supporters:
 - Principle of equality between men and women
 - Organizational reasons in favor of more women
 - No firm conclusion yet
- Organizations need to be aware of and tackle the problem of stereotypes
 - Sometimes legal obligation
 - Mostly moral and institutional reasons why it makes good sense
- Diversity is generally regarded as a strength
 - Clear research indications that the effective management of diversity yields a competitive advantage
 - Lower costs and improved employee attitudes
 - An improved selection and recruitment policy
 - Improvements in sales, market share and performance
 - Increased creativity and innovation
 - Improved problem-solving behavior, with increased performance as a result
- Also people that are more critical of diversity
 - Can lead to conflict, stress and other problems
 - Possible reason: members of teams with a diverse composition are less inclined to share information, which leads to a fall in performance
- Courses of action to combat stereotypes
 - Affirmative action
 - Providing full equality of opportunity throughout the organization
 - Eg: California legislation to make gender diversity compulsory
 - Management of organizational diversity
 - Implementation of organizational change that will make it possible for all the organization's employees to develop their full potential
- Rick Goings: CEO Tupperware:
 - Economic argument: having women in an organization improves its performance
 - Too many companies focus on technical excellence during their recruiting process
 - Organizations must go in search of new recruits with a much wider range of skills
 - Organizations often lack the necessary degree of diversity in leadership and are too unaware of the potential importance of 'the female factor'
 - Women excel in collaboration, teamwork and critical thinking
 - Diversity in thinking prevents an organization from developing a homogeneous mindset and helps to strengthen its creative and innovative ability

- The management of diversity focuses primarily on the development of skills and competences as the basis for changing the policy and the organization
 - Not always easy: resistance in the shape of bias, prejudice, ethnocentrism, poor career planning, fear of the strange and the unknown,...
- 'Glass ceiling' = used to describe the absence of women in the boardroom
 - Reasons:
 - Problems about the work-life balance
 - Difference in leadership roles and styles for men and women
 - Discussion about gender and leadership is riddled with stereotypes and prejudices...
- Evidence that women and men in leadership display far more similarities than differences
 - Same archetypal leadership profile with a clear emphasis on qualities such as assertiveness, strategic thinking and decisiveness
 - Differences in personality between leaders and non-leaders are significantly greater among women than among men
- In many organizations, the leadership profile is still compiled largely on the basis of male characteristics
 - Potential stumbling block for women
 - Women who excel in these traditionally male characteristics are often labelled as being bossy, arrogant, cold and 'unfeminine'
 - This can have a negative impact on their chances of promotion
- To achieve gender diversity in organizations, we must initiate a fundamental change at organizational level by tackling the problem of gender stereotypes

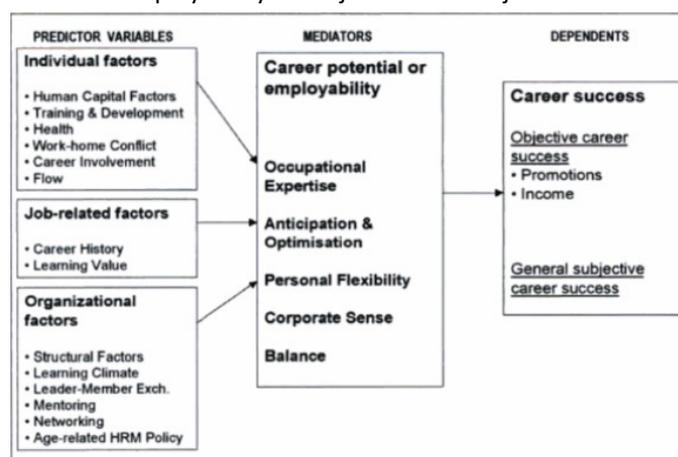
GENERATIONS

- Our present-day society consists of 4 generations:
 - The quiet generation (1925-1945)
 - The baby-boom generation (1946-1964)
 - Generation X (1965-1980)
 - Generation Y (1981-2001) = millennials
 - Some people are already talking about a generation Z
- These different groups of people have fundamentally different values and attitudes towards work
- Not everyone thinks this way → the professional literature is full of controversy about the supposed differences between different generations
 - Some contend that the differences are a hype and a myth
 - Ideas about these differences began to circulate that were presented as new, but without any empirical basis whatsoever
 - The foundation of evidence-based management is that for decisions to be of a good quality, they must be based on a combination of the best available critical thinking with the best available evidential material
- Because the world changes, we assume that people also change but this is not necessarily the case
 - It is the environment and our relationship with new things that change, this results in the need to make a number of social choices
 - It is the context that is important: the study and understanding of individuals, people and organizations must take place within the context of those organizations
- The fundamental work ethic (and job satisfaction) has remained stable across the generations
 - The wishes and ambitions of employees in organizations have changed little over time and are evolving at such a slow rate that there can be no question of generational differences
 - There are bigger differences within generations than between generations

- Education now needs to focus on activating and innovative forms of work that are centered on teamwork, interdisciplinarity, dealing with diversity and critical self-reflection
 - The new generation of students will enter the labor market and our organizations in a different way, but not necessarily with different attitudes, hopes and expectations

EMPLOYABILITY

- Employability refers to the extent to which an individual in society has the opportunity to be and to remain active in the labor market in both the short term and the long term
- First it was defined from the standpoint of the individual employee, now it is increasingly defined as a shared responsibility between employees, teams, organizations and society
- Looking at the employability from the POV of the employee implies that we need to think about longer individual career trajectories, the possible re-orientation of careers, the permanent training and development of employees, and individual work-life balances
- Employability = the capacity to exercise a current function, acquire a new function, or create work through making optimal use of available competencies
 - An essential precondition for making progress in a professional career
 - 5 separate dimensions:
 - Occupational expertise
 - Domain-specific knowledge + skills
 - Anticipation and optimization
 - Preparing for future work and a possible change of jobs
 - Personal flexibility
 - Capacity to adjust to different kinds of change
 - Corporate sense
 - Ability to participate and perform in different work groups at all organizational levels
 - Balance
 - Creating a balance between the sometimes conflicting interests of the employee and the employer
 - Predictive value of employability for objective and subjective career success



- In past research:
 - Focus on the 'high-performers' → employees who already have a favorable employability profile
 - It is also necessary for other target groups!
- Example: individuals or employees who are distanced from the labor market

- Chances of these people experiencing long-term unemployment is high, so that their proportional share in unemployment increases as the duration of the unemployment extends
- Research about the extent to which organizations were able to contribute to the increased employability of target group employees
 - Focus on the impact of the setting of clear expectations, the stimulation and encouragement of personal development and the use of coaching leadership
 - They measured the employability of the target group employees by focusing on the extent to which these employees were able to anticipate which competencies would be necessary, the extent to which they were able to optimize these competencies and their ability to strike a correct work-life balance
 - Results indicated that both the setting of clear expectations and/or objectives for target group employees and the efforts to encourage them to greater personal development had a huge impact on their employability
 - These management practices had a significant impact on 1 particular aspect of the employees' potential employability: their ability to anticipate and optimize competencies
 - The role of the line manager is crucial for strengthening the sustainable employability of these target group employees, they are the pivotal point of contact with the employees for the communication of the objectives and the setting of unambiguous expectations
 - The provision of coaching leadership has a major impact on the future employability of vulnerable employees
- Organizations can indeed work effectively to improve the employability of their employees
 - The implementation and its effects are strongly dependent on the respective roles played by the organization, the team and the individual
 - In addition to the key role played by managers and leaders, it is obvious that the attitude and acceptance of the employees is crucial for achieving the desired results