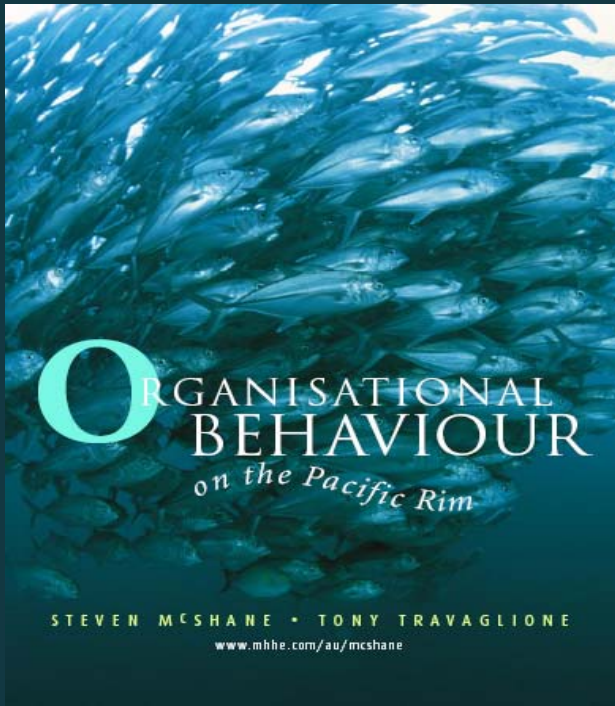


CHAPTER

1



# Introduction to the field of organisational behaviour

# Chapter learning objectives

1. Define organisation.
2. Define organisational behaviour.
3. **ACTIVITY 1.1: It All Makes Sense.**
4. Identify three reasons for studying organisational behaviour.
5. Describe five trends in organisational behaviour.
6. **ACTIVITY 1.2: Telework Disposition Assessment.**
7. Identify the five anchors on which organisational behaviour is based.
8. Diagram an organisation from an open systems view.
9. Define knowledge management and intellectual capital.
10. Identify three ways that organisations acquire knowledge.

# Defining organisation CEM

## DISCUSSION

What is an organisation?

What organisations are you part of?



# What are organisations?

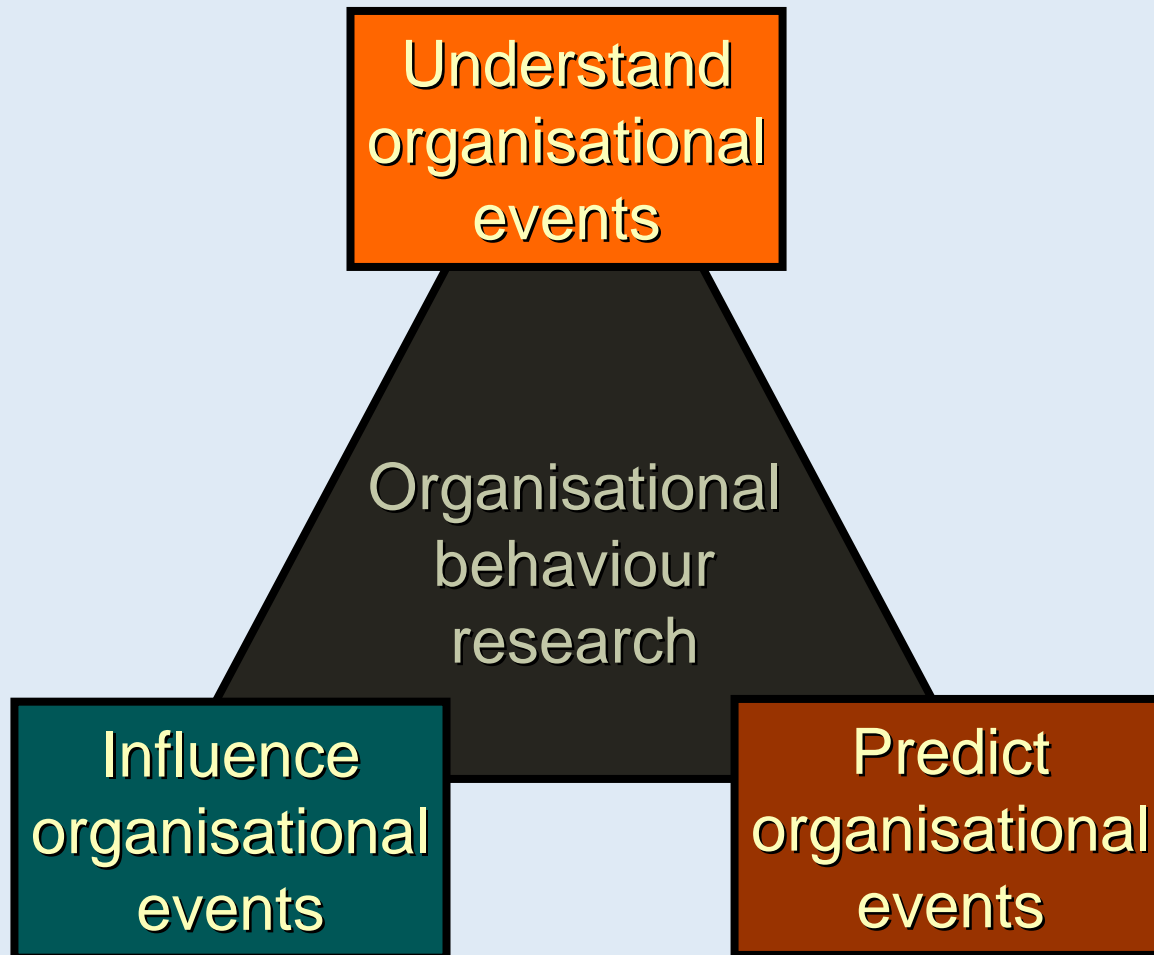
Groups of people who work interdependently toward some purpose

- structured patterns of interaction
- coordinated tasks
- work toward some purpose



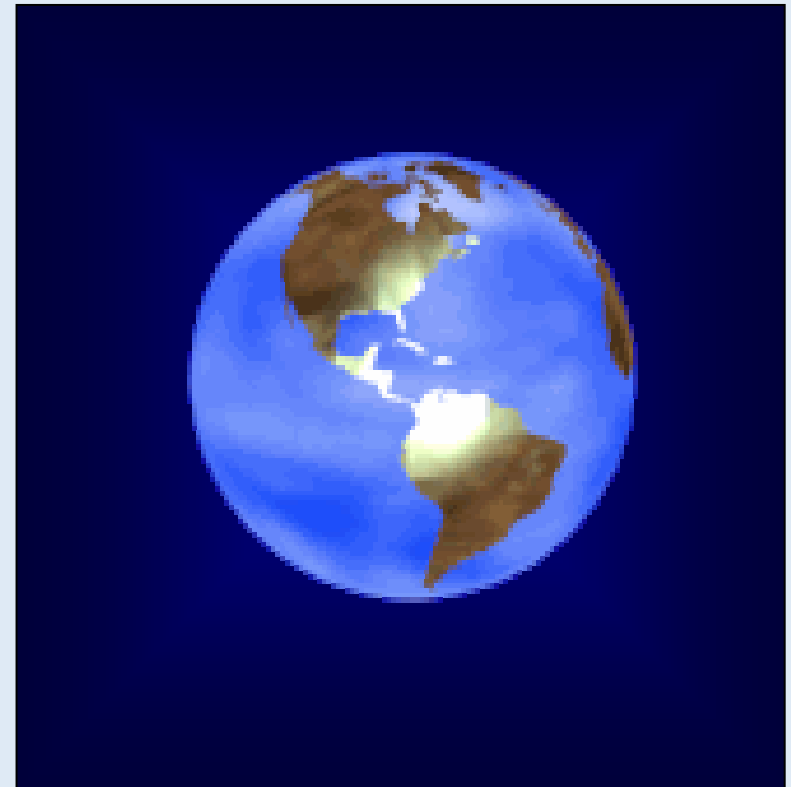
Courtesy of Computershare Ltd

# Why study organisational behaviour?



# Trends: globalisation

- ◆ Global companies
  - extend their activities to other parts of the world
  - actively participate in other markets
  - compete against firms in other countries



# Consequences of globalisation<sub>CEM</sub>

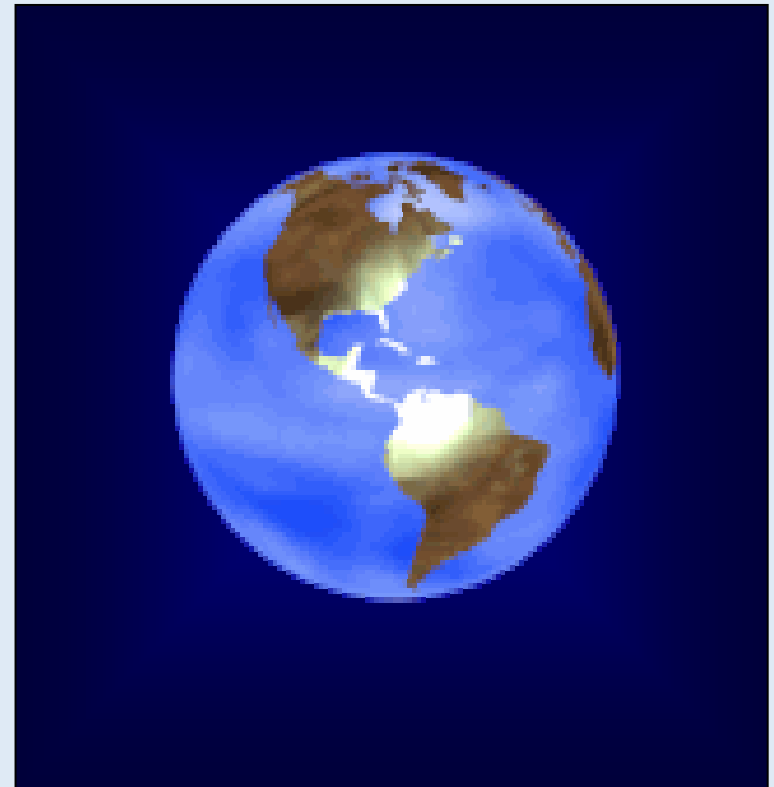
## DISCUSSION

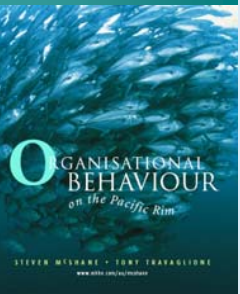
What are the positive and negative consequences of globalisation on New Zealand organisations?

How did you decide which were positive and which were negative consequences?

# Trends: globalisation

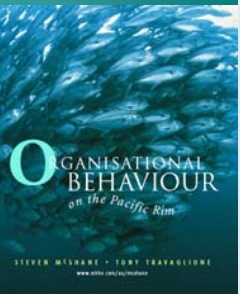
- ◆ Implications of globalisation
  - new organisational structures
  - different forms of communication
  - more competition, change, mergers, downsizing, stress
  - need more sensitivity to cultural differences





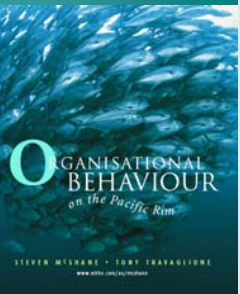
# Trends: changing workforce

- ◆ Primary and secondary diversity
- ◆ More women in workforce and professions
- ◆ Different needs of Gen-X, Gen-Y and baby-boomers
- ◆ Diversity has advantages, but firms need to adjust through
  - cultural awareness
  - family-friendly policies
  - empowerment



# Trends: employment relationship

- ◆ Employability
  - employees perform many tasks, not a specific job
- ◆ Casual work
  - no explicit or implicit contract for long-term employment
- ◆ Telecommuting
  - working from home, usually with a computer connection to the office
- ◆ Virtual teams
  - operate across space, time and organisational boundaries; mainly communicate through electronic technologies



# ACTIVITY:

## Telework Disposition Assessment<sup>CEM</sup>

- ◆ This instrument is designed to help you identify how compatible your needs, values, and competencies are compatible with the demands of teleworking.
- ◆ It measures **THREE** important dispositions. Also, please keep in mind that this scale only considers your personal characteristics.

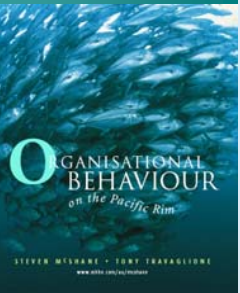
# Trends: information technology

- ◆ Affects how employees interact
  - virtual teams
  - telecommuting
  
- ◆ Affects how organisations are configured
  - network structures – alliance of several organisations
  
- ◆ QUESTION: What other effects does IT have?

CEM

# Trends: values and ethics

- ◆ Values
  - stable, long-lasting beliefs about what is important
  - personal, cultural, organisational, professional
- ◆ Importance of values
  - globalisation – more awareness of different values
  - values replacing command and control
  - more emphasis on ethical business conduct
- ◆ Ethics
  - moral principles/values – determine whether actions are right/wrong and outcomes are good/bad



# DISCUSSION: Responsibility<sup>CEM</sup>

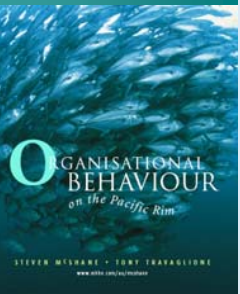
DISCUSS the following statement.

Do you accept it?

Why or why not?

Milton Friedman proposed:

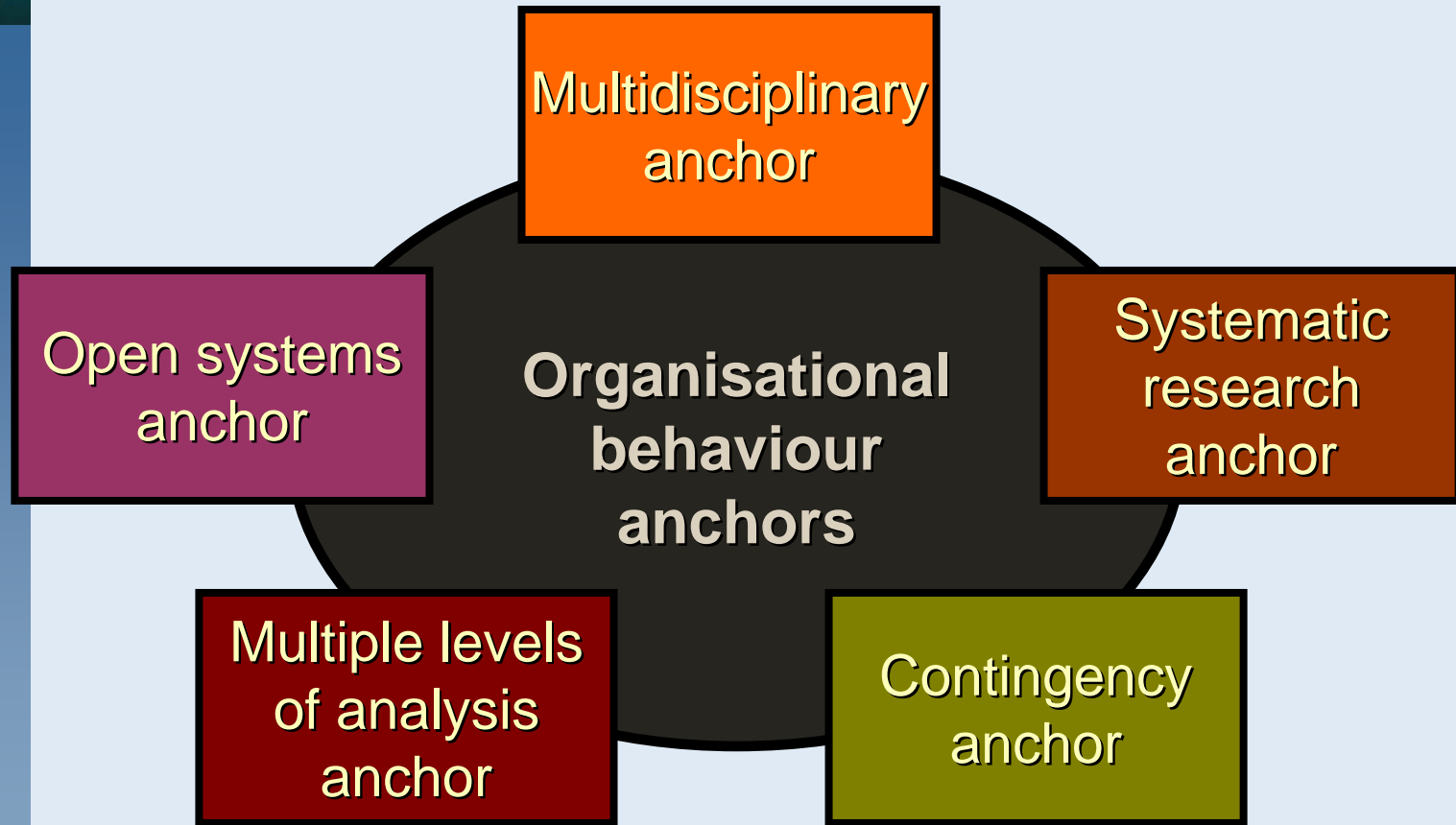
*“there is one and only one social responsibility of business - to use its resources and engage in activities designed to increase its profits.”*



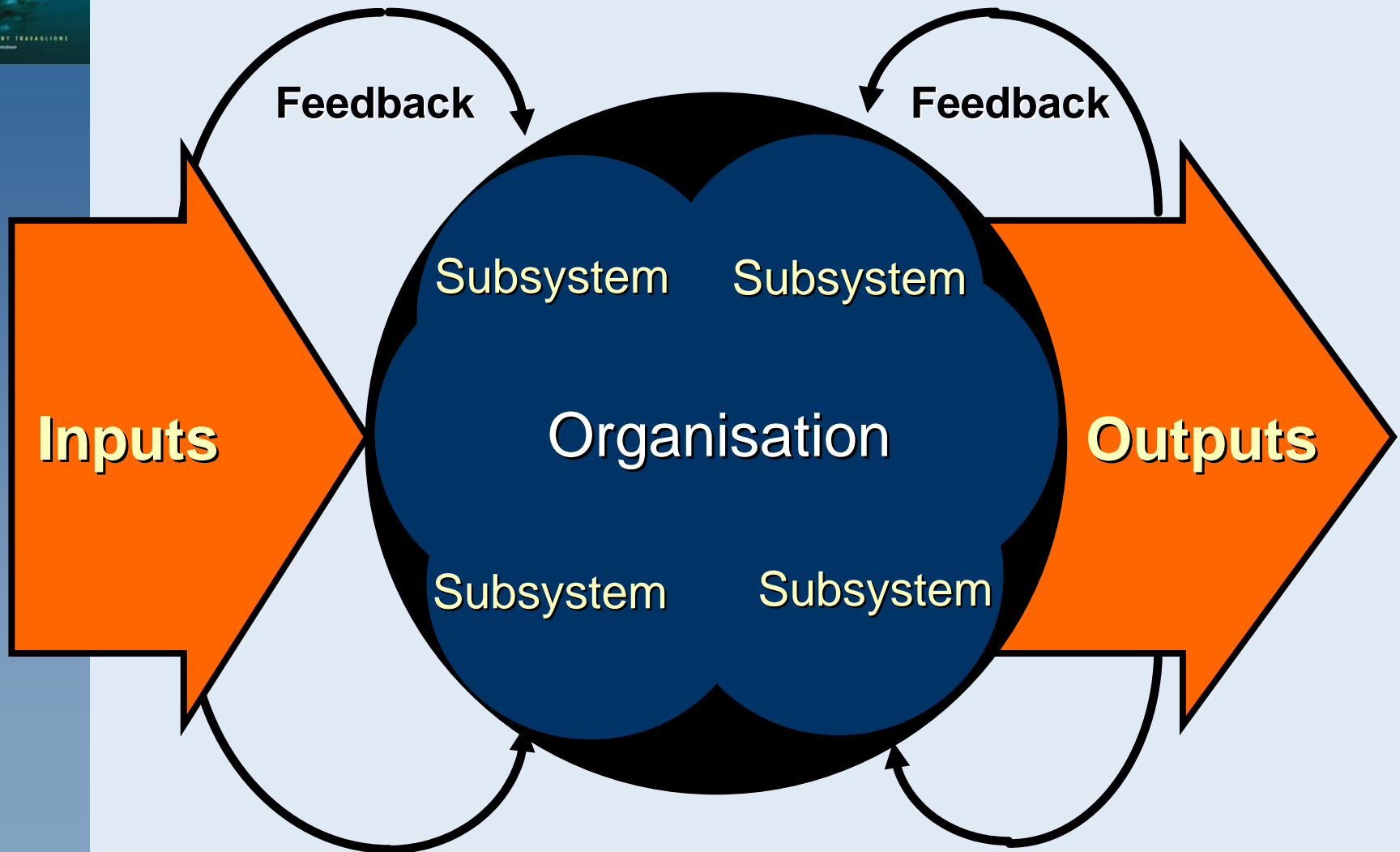
# Trends: liberalisation and humanisation<sub>CEM</sub>

- ◆ More liberal notions of workplace relationships
  - lower power distance       power sharing
  - Empowerment
  - Work-life balance
  
- ◆ Human rights legislation
  - Legal endorsement of rights to fair treatment
  - Frameworks for dealing with discrimination
  
- ◆ Triple bottom-line reporting
  - Social responsibility (CSR)
  - Environmental responsibility

# Organisational behaviour anchors



# Open systems anchor of OB



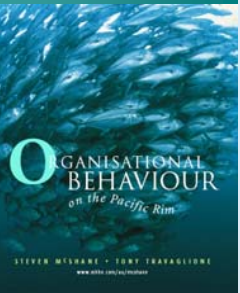
# Knowledge management defined

Any structured activity that improves an organisation's capacity to acquire, share and use knowledge for its survival and success.



# Intellectual capital

- ◆ Human capital
  - knowledge that employees possess and generate
- ◆ Structural capital
  - knowledge captured in systems and structures
- ◆ Relationship capital
  - value derived from satisfied customers, reliable suppliers and others



# Knowledge mgt at Billabong

Billabong, the Queensland-based surf wear company, practises knowledge acquisition by employing people who live that lifestyle.



*Courtesy of Billabong*

# Knowledge management processes

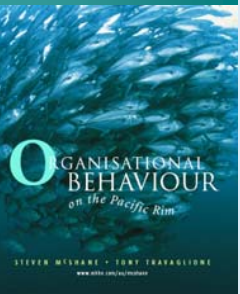
- ◆ Knowledge acquisition
  - grafting
  - learning
  - experimentation
- ◆ Knowledge sharing
  - communication
  - communities of practice
- ◆ Knowledge use
  - awareness
  - freedom to apply knowledge



*Courtesy of Billabong*

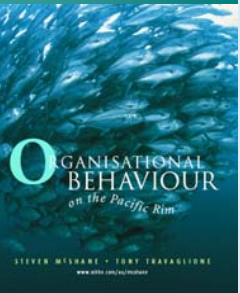
# Organisational memory

- ◆ The storage and preservation of intellectual capital
- ◆ Retain intellectual capital by
  - keeping knowledgeable employees
  - transferring knowledge to others
  - transferring human capital to structural capital
    - › NB: This is a growth area in organisations facilitated by IT developments CEM



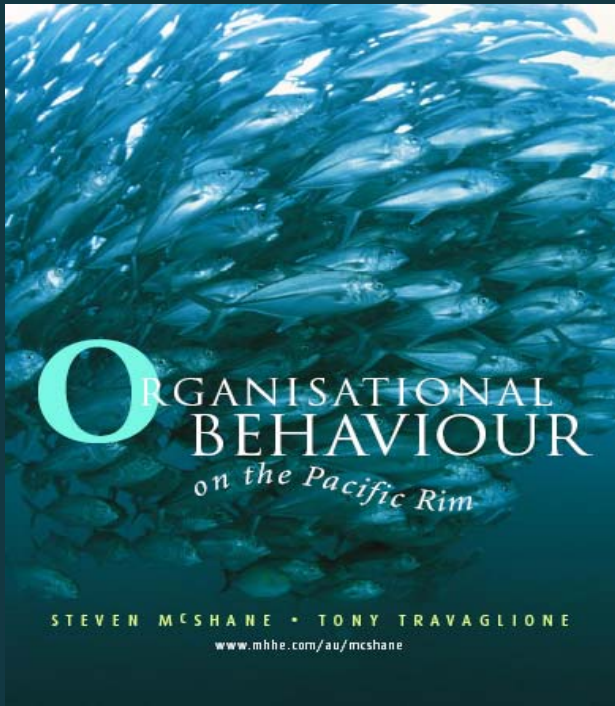
# Summary

- ◆ OB is about what people think, feel and do around organisations
- ◆ OB concepts allow us to understand, influence and predict organisational behaviour
- ◆ OB is changing at an increasing rate due to influence of globalisation, IT and new ways of thinking about work and society
- ◆ Knowledge management is increasingly becoming a key factor in organisational success



CHAPTER

1



# Introduction to the field of organisational behaviour