# Table of Contents

**Chapter 1: Organizational Behavior and Management**

**VIGNETTE**
- GM Truck Explodes, NBC News Badly Injured 1

**WHAT ARE ORGANIZATIONS? 3**
- Social Invention 3
- Goal Accomplishment 3
- Group Effort 4

**WHAT IS ORGANIZATIONAL BEHAVIORAL? 4**

**WHY STUDY ORGANIZATIONAL BEHAVIOR? 6**
- Organizational Behavior Is Interesting 6

**GOALS OF THE FIELD 8**
- Predicting Organizational Behavior 8
- Explaining Organizational Behavior 9
- Managing Organizational Behavior 9

**EARLY PRESCRIPTIONS CONCERNING MANAGEMENT 10**
- The Classical View and Bureaucracy 10
- The Human Relations Movement and Critique of Bureaucracy 14

**CONTEMPORARY MANAGEMENT –**

**THE CONTINGENCY APPROACH 16**

**WHAT DO MANAGERS DO? 16**
- Managerial Roles 17
- Managerial Activities 18
- Managerial Agendas 19
- Managerial Minds 21
- International Managers 22

**SOME CONTEMPORARY MANAGEMENT CONCERNS 23**
- Diversity – Local and Global 23
- Morale Crisis? 24
- A Focus on Quality and Speed 25

**EXTRA READINGS FROM THE INTERNET**

**REFERENCES**

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http://www.csupomona.edu/~msharifzadeh/mhr318/Chapter01.html

2/22/2004
A CLIP FROM THE NBC SEGMENT “WAITING TO EXPLODE” SHOWS A GM TRUCK EXPLODES INTO FLAMES. WHAT MOTIVATED NBC TO RIG THE EXPLOSION?

**Detroit** In an unprecedented and meticulously detailed attack, General Motors Corp. sued NBC charging defamation, and publicly accused the network of rigging a test crash of GM pickup trucks on its *Dateline* news program. The announcement of the lawsuit, General Motors’ (GM) first defamation suit ever, was the first public action in what The Wall Street Journal described as "the most humiliating episode of crow-eating in the nearly four-decade history of NBC News." The suit stemmed from an episode of the NBC television news program *Dateline*. That episode showed a car ramming a full-sized GM pickup truck in its side, causing the truck to explode in a ball of flames. NBC staged the crash to illustrate an alleged consumer safety defect in the older GM pickup trucks – gas tanks that were vulnerable to side impact collisions. The story was entitles "Waiting to Explode."

TV producers often simulate or recreate events to obtain footage when film of actual events is unavailable. However, sharp-eyed observers, including GM officials, noted something unusual about the staged accident. There were small flashes of fire below the truck before the car hit it. General Motors launched an investigation that subsequently resulted in the lawsuit for defamation. It charged that NBC News had rigged the demonstration by setting off a series of toy model rocket engines just before the collision, thus ensuring an explosion and fire upon impact. Who could imagine that toys would cause so much trouble for NBC?

The publicly announced lawsuit shocked NBC executives. It was accompanied by a GM boycott on advertising on NBC News. Prior to the announcements GM had sent letters to NBC, but NBC News President Michael Gartner was not informed of the problem until it was near full crisis. Gartner, a former newspaper editor and columnist had presided over radical cost-cutting measures at NBC News, measures that along with the success of shows such as *Dateline*, finally made the news division profitable. NBC personnel variously described Gartner’s management style as frosty, aloof, and prickly.

When NBC top managers saw the evidence, they knew they had to act. Three months after "Waiting to Explode" was shown, *Dateline* hosts Jane Pauley and Stone Phillips apologized on *Dateline* to GM and to viewers for the rocket fiasco, although NBC stood by the rest of the story. NBC also agreed to reimburse GM $2 million in investigation costs. In turn, GM dropped the lawsuit and reinstated its advertising.

About three weeks later, Michael Gartner resigned from NBC. Two weeks after this, following an independent investigation that Gartner initiated, three top executives involved with the truck incident were fired– Jeff Diamond,
executive producer of Dateline; David Rummel, senior producer; and Robert Read, producer of the GM episode. Diamond and Read were veteran TV newspeople previously recruited from ABC’s 20/20.

In the aftermath of the events, there was much discussion about the erosion of journalistic values in the face of stiff competition among seven prime time newsmagazines. Some observers alleged that the quest of rating was resulting in "tabloid television." Even the journalistic establishment, which often closes ranks in the face of threat, found nothing to defend in this incident.


What Are Organizations?

Organizations are social groups or gatherings whose purpose is to accomplish a common goal. The goals of some organizations may be to raise money for themselves and the goals of other organizations may be to raise money for a non-profit foundation. It can be said that organizations vary in sizes, locations, and goals.

Social Inventions

The term social invention refers to the gathering of people as oppose to other things. Many companies rank building and sustaining a team-based organization as their chief concern. By enabling a group of people to get together and interact within their own perimeters, the company has already shown that their employees are just as important as the company itself (Robbins 1984).

Understanding people is one of the hardest parts of being involved in an organization. People behave different in every way possible. People think differently, act differently, and react differently. The field of organizational behavior is all about understanding people. In order to be able to manage people efficiently, they have to be understood (Robbins 1984).
Goal Accomplishment

When people join an organization, their purpose is usually to accomplish a goal. The goal of many high school organizations is to perform community service. The goal of many large rival companies such as NBC and ABC is to get high ratings. No matter how big or small a company is, there is always a goal to be accomplished. It has been said that the key to accomplishing a goal successfully is hard work and determination. Of course it requires more than just hard work and determination to make a goal possible. It usually varies by the people in the organizations (Podsakoff 1997).

Group Effort

Group effort is the backbone of an organization. Without group effort, it will make accomplishing a goal even harder. By having people join forces and work together, the goal is easier to accomplish. Any sports organizations require teamwork in order to get their goal accomplished. By working together, their goal is to defeat the other team (Podsakoff 1997).

What is Organizational Behavior?

The study of people at work is generally referred to as the study of organizational behavior. This chapter will start by defining the term organizational behavior and briefly reviewing its origins. Organizational behavior is the systematic study of the actions and attitudes that people exhibit within organizations.

Each person regularly uses intuition or our "gut feelings" in trying to explain phenomena. For example, a friend catches a cold and we're quick to remind him that he "didn't take his vitamins". The field of organizational behavior seeks to replace intuitive explanations such as this example with systematic study. The objective, of course, is to draw more accurate conclusions (Wilson 1994).
What does organizational behavior study? Actions (or behaviors) and attitudes. The behaviors that get the bulk of attention in organizational behavior are three, which have proven to be very important determinants of employee performance. They are productivity, absenteeism, and turnover (Wilson 1994). The importance of productivity is obvious. Managers are clearly concerned with the quantity and quality of the work their employees are performing. But absence and turnover are particularly cause for concern because of the adverse affect it may have on an employee's productivity. In terms of absence, it’s hard for an employee to be productive if he or she isn’t at work. High rates of employee turnover increase costs and tend to place less experienced people into jobs (Daniels 1994).

Organizational behavior is also concerned with employee job satisfaction, which is an attitude. There are three reasons why managers should be concerned with their employees' job satisfaction. First, there is a link between satisfaction and productivity. Second, satisfaction appears to be negatively related to absenteeism and turnover. Third managers have a humanistic responsibility to provide their employees with jobs that are challenging and rewarding (Daniels 1994).

The second part of organizational behavior’s definition that needs to be explained is "organization". For our purposes organizational behavior is specifically concerned with work-related behavior and that takes place in organizations. An organization is a formal structure of planned coordination, involving two or more people, in order to achieve a common goal (Daniels 1994).

**Why Study Organizational Behavior?**

Why *Organizational Behavior* is an important subject for people to study about?

**Organizational Behavior Is Interesting**

Organizational behavior is about studying and understanding people and human nature. Do employee ever make efforts on behalf of their employing organization’s interests or fellow employees’ interest when it is not in their direct self-interest to do so? This question exists in any organization must be address. The problem addressed here is a conflict of self-interest. The question here should be very interesting to people in organization. People should try to understand and address counterintuitive behavior in certain situation (Young 1998). For instance, why does moral hazard exists in organization?

Organizational behavior success or failure depends on its goal setting, such as group cohesiveness and productivity. Ir
a case study of 2 groups several researchers have suggested that goal acceptance moderates the relationship between group cohesiveness and group productivity. In Study 1, goal acceptance was found to moderate the relationship between group cohesiveness and the quantity of performance of 40 machine crews in a paper mill located in the northeastern United States. In Study 2, the extent to which leaders fostered the acceptance of group goals was found to moderate the relationships between group cohesiveness and quantitative measures of group productivity in 71 insurance agency units located throughout the United States. The companies' success or failure in this study will be explained in organizational behavior (Jacob 1985).

Organizational behavior becomes interesting when people willing to understand and address the behavior of organization. The textbook, *Organizational Behavior in a Multi-Cultural Environment*, provides tool to explain organizational behavior.

### Goals Of The Field

The field of most organizational behavior has an amount of common goals. In order to reach these goals, people need to effectively predict, explain, and manage the behavior that occurs in our organizations. In order to change behavior, one needs to accept that any behavior is rational and logical to the person exhibiting it because his or her goals may differ from others. If an organization is able to predict which reward systems is most effective in motivating the employees, then one can explain the reasons for this effectiveness and describe how managers can enforce effective reward systems.

Our everyday lives are about predictions. Predicting the behavior in an organization is usually wondering "when people will make ethical decisions, create innovative products, or engage in sexual harassment" (Johns 1996). The behavior in our organizations licenses us the prediction of its future circumstance. Predictions are not always accurate, however. The field of organizational behavior offers a "Scientific foundation" (Johns 1996). That helps upgrade predictions of these events. But, being able to predict these organization behaviors do not guarantee a hundred percent that he can explain the reason why this particular behavior had developed.

People have to develop an effective strategy. Organizations are especially concerned with "why people are more or less motivated, satisfied, or prove to resign" (Wilson 1994). "When motivating employees to change their behavior remember that positive consequences to any behavior, and negative consequences to any behavior are likely to diminish it" (Wilson 1994). The catch is that the consequences must be perceived as positive or negative from their points of view. Too often, supervisors implement consequences that are positive or negative from their points of view and then wonder why the behavior change did not take place. For example, an ongoing issue in manufacturing is the goal of improved safety. In this area, a primary concern is how to motivate employees to wear their safety hats and glasses. The dilemma is that employees perceive more positive consequences for not complying with the policy of safety gear than they do for adhering to it. It is easier, more comfortable and more convenient to work without hard hat
and glasses, so employees avoid them. The supervisory challenge is to motivate employees so that the positive consequences for compliance outweigh the positive consequences for noncompliance. Predicting these events is easier then explaining them. An organization that has a problem needs to find out why this is happening before something can be done. Particular behavior can have more than one cause. For example, Jason can resign because he is not satisfied with his pay; he has problems with co-workers, or simply because of family problems. These problems can change overtime.

The ability to understand behavior is a necessary prerequisite for effectively managing it. There are two kinds of reinforcement, positive and negative. "Positive reinforcement causes a behavior to increase because a desired, meaningful consequences follows the behavior. Negative reinforcement causes a behavior to increase in order to escape or avoid some unpleasant consequence" (Daniels 1994).

A manger needs to be able to get things accomplished, reach all goals, take control, and knows everything that is going on in their company I know that there varieties of management styles to be effective, depending on the situation. There are some cases when a manager acts without investigation, just looking for that quick solution to solve a problem usually results in an unhappy ending.

If an organizational behavior "Can be predicted and explained, it can often be controlled or managed" (Johns 1996). A great manager would be able to predict a certain behavior and have an act on it before if it's too late. Remember, our lives would be more easier if we anticipate when our friends are anger, what our professors expect out of us, and whose lying and telling the truth, "Regardless of who we are our actions are in response to a variety of motivations" (Wilson 1994). When one understands, one will understand human behavior. Use the predicting. Explaining, and managing principles, and any manger will have the ability to reach your goals through the efforts of others.

**Early Prescriptions Concerning Management**

In the past, experts have argued different approaches to management. Some disputed the classical view was the "correct" method of management. On the hand, others believed the humanistic view was the best practice. These two viewpoints shaped the development of management principles.

**The Classical View and Bureaucracy**

Through the introduction of the assemble line of Henry Ford's Model T, problems arose of how to organize the factory as efficient and effective as possible. The classical perspective first emerged in the nineteenth century and early twentieth century. Much of the classical writers had backgrounds in military settings, mining operations, and factories. Such classical writers are Henri Fayol, General Motors executive James D. Mooney, and Lyndall Urwick. They all believed that managers should exercise control primarily by defining boundaries: telling people how to do their jobs and monitoring them with constant surveillance to guard against any surprises. In other words, the classical view was the management method that advocated high specialization of labor, intensive coordination, and centralized decision making. This technique suggested less low-level workers and more substitutes such as machines. This will allow less monitoring and more control (Daft 1997).

There have been many arguments that do not favor this viewpoint. This is one case where a company did not pay enough attention to the conceptualists teachings. At Bausch & Lomb, the aggressive culture and overemphasis on a rewards system drove the organization "too far, too fast, and nearly ran it off a cliff" (Picken & Dess 1997). The company focused on making the numbers and not so much the costs. Picken and Dess also stated that organizations should maintain standards of ethical behavior and a sense of "fair play" (1997). Boundaries, boundaries, boundaries was stressed. "The more the culture and rewards drive ambition and goal-seeking behavior, the better tuned and stronger the brakes need to be, i.e. a system of boundaries and constraints" (Picken and Dess 1997). Bausch & Lomb had set their standards too late in the game resulting from bad planning in management.

The classical perspective was also engineered through the ideas of the scientific method. Frederick Taylor (1856-1915) was the first to develop scientific management; thus, Taylor is called the father of scientific management. Taylor created a system using research to determine the optimum degree of specialization and standardization of work tasks. In addition, he supported having these standards written and recorded, clearly defined work procedures and encourage breaks for maximum work efficiency. With the help of the evolution of the classical perspective, also known as the
Based on the tradition approach to management, Picken and Dess introduced the contemporary approach to management. The traditional method of strategic control concentrated on measurement and assessment of performance. This was the way managers formerly approached strategic control over their company. Picken and Dess proposed this process as follows: (1) strategies are formed and top management makes goals, (2) strategies are then implemented, and performance is measured against the predetermined goals (Figure 1.3) (1997). Control is based on a feedback loop from the results.

Furthermore, Picken and Dess also developed their version of the contemporary approach to strategic control (Figure 1.4) (1997). Compared to the traditional approach,

the contemporary approach involved two different types of strategic control: behavioral and informational. Behavioral control is defined by focusing on "doing things right" effectively manipulating the key "levers" of culture, rewards and boundaries (Picken and Dess 1997). Informational control deals with external part of control in the company. This type of control also dealt with the assumptions and premises that provide the foundation for an organization's strategy (Picken Dess 1997). The main difference between the traditional and contemporary approach is that in the contemporary approach, there is an "ongoing process of organizational learning continuously updates and challenges" the culture and standards of the company (Picken and Dess 1997). The classical perspective still lives today. One can see this in the standards of companies like Hewlatt Packard and the Walt Disney Corporation.

One other contributor to the development of the classical view was Max Weber (1864 - 1920). Weber was a German social theorist, as well as, a practicing manager who made the idea of bureaucracy famous in management principles. Weber was in the midst of nepotism and favoritism in family – based businesses. He believed this should not be included in basic management practices, and should be more based on rational authority.

Rationality meant carefully selecting workers for their skills, and advancement rooted on competence. According to Weber, these are the following criteria for bureaucracy (Johns 1996):

- A strict chain of command in which each member reports to only a single superior.
- Criteria for selection and promotion based on impersonal technical skills rather than nepotism and favoritism.
- A set of detailed rule, regulations, and procedures ensuring that the job gets done regardless of who the specific worker is.
- The use of strict specialization to match duties with technical competence.
- The centralization of power at the top of the organization.

Even though Weber believed his theoretical model was an "ideal type" for management and Frederick Taylor with his scientific management principles, there were other contributors to the classical perspective such as Mary Parker Follett...
(1868 – 1933). Follett noticed that the classical view did not pay too close attention to the "essential conflict of interest between managers and employees" (Johns 1996).

Peter D. Sherer, Nikolai Rogovsky and Norman Wright found an example of this conflict in the business of the Taxicab Organization (1998). Sherer, Rogovsky and Wright found these difficulties in the similar relationship of agencies. The question asked was how can the employer control an employee when the worker leaves the employer’s view (Sherer, et al., 1998). There was no or little control between employment and non-employment relationships within this organization (Sherer, et al., 1998). Their study showed that there were problems with control in the firm’s internal capabilities and strategic external opportunities (Sherer, et al., 1998). This proves Follett’s point that the classical view ignores the friction that arises from not enough control in the Taxicab Organization. This leads to the humanistic relations movement that did account for these issues.

The Human Relations Movement and a Critique

The year of 1920s and 1930s during the Great Depression was a time known as the Human Relations era. It generally began with the study of educational management. The studies were at the plant of Western Electric near Chicago known as Hawthorne studies. It notices effects of psychological and social processes on productivity and work adjustment. This is how the theme "human relations movement" was formed by a number of theorists and researchers, Elton Mayo and Fritz Roethlisberger and Hawthorne’s William J. Dickson (Wiles 1995).

Based on The human relations movement. It was called upon to have more of a people focused management style. The critical problems were identified through some of the classic management styles and standard so call "Red Tapes" (Wiles 1995).

The disciplinary of enforcing specialization cannot allow humans to be creative in their own way. This is a breakdown in the employee and organization relationships, not to mention the clients. There are no convergence in the employees, management, and clients. The ability for growth is no longer there to stimulate development (Wiles 1995).

If everything is based strictly upon rules and regulations, without the human touch and common sense, efficiency and productivity will not exceed to the next level. The classic management has a blind spot or the so call "Tunnel Vision" (Human Relations Movement 1999). This is explained with the philosophy that if strict rules are set, with strict specialization and centralization, then there should be good efficiency and productivity. Based on this theory, employees will too have "Tunnel Vision". Employees will follow strict set rules and quotas, without realizing their potential for greater performance. Employees will only look and focus on the "Tree" but will fail to look at "The Entire Forrest". More often enough, the everyday flows of operations for any company rely on the clients. Our employees, who are often at the forefront dealing with the customers, know what the customers' needs and wants are. Strict centralization and bureaucracies will stricken and hinder the creativity of the employees to make changes and growth (Human Relations Movement 1999).

A Company can not grow effectively with strong specialization. This will be good for robotics and automation in the assembly line, but not with human. Employees must understand the goals and purpose in relation to the clients, so that diversity and changes can be implemented effectively to meet the needs of the clients. Some Japanese companies and its management team even rotated their employees from one job function to another and from department to department. This method allows the employees to understand the entire process from standard procedures to client and departmental needs and wants (Human Relations Movement 1999).

Ultimately, the human factor in any organization is essential for growth and achievement of that next level. But the problems in many of these bureaucratic organizations have escalated to a level where groups and movements are calling for change. Hopefully, one day we will even see apparent changes in our Department of Motor Vehicles (DMV).

**Contemporary Management – The Contingency Approach**

There is a tension between the classical approach and the human relation approach. The classical advocates indicated
the critical role of control and coordination in getting organizations to achieve their goals. The human relationists indicated the dangers of certain forms of control and coordination and addressed the need for flexibility and adaptability. There are several researches and management experiences to assist sort out the complexities of this problem, and the general answer is "it depends". Which leadership style is most effective? This depends on the characteristics of the leader, and what the leader is trying to achieve (Dittle 1996).

The contingency approach to management recognizes that there is no one best way to manage, and the most effective management styles and organizational designs are dependent upon the demands of the situation (Dittle 1996).

**What Do Managers Do?**

Research on what managers do shows that they fulfill interpersonal, informational, and decisional roles. Important activities include routine communication, traditional management, networking, and human resource management. Managers pursue agendas through networking, and use intuition to vary across cultures. A good grasp of organizational behavior is essential for effective management (Kuman 1997).

**Managerial Roles**

Henry Mintzberg, a Canadian management theorist, conducted an in-depth study of the behavior of several managers. He discovered a complex set of roles played by the managers: figurehead, leader, liaison, monitor, disseminator, spokesperson, entrepreneur, disturbance handler, resource allocator, and negotiator. These role are summarized here (See Figure 1.5):

![Figure 1.5 Mintzberg's managerial roles.](image-url)

**Interpersonal role:**
- Figurehead: Performs ceremonial and symbolic duties such as greeting, visitors, signing legal documents
- Leader: Direct and motivate subordinates, training, counseling, and communicating with subordinates
- Liaison: Maintain information links both inside and outside organization: use mail, phone calls, meetings

**Information role:**
- Monitor: Seek and receive information, scan periodicals and reports, maintain personal contacts
- Disseminator: Forward information to other organization members; send memos and reports, make phone calls
- Spokesperson: Transmit information to outsiders through speeches, reports, memos

**Decisional role:**
- Entrepreneur: Initiate improvement projects, identify new ideas, delegate idea responsibility to others
- Disturbance Handler: Take corrective action during disputes or crises; resolve conflicts among subordinates; adapt to environmental crises
Managerial Activities:

After studied the behavior of a large number of managers in a variety of different kinds of organizations, the researchers indicated that the managers engaged in four basis types of activities: routine communication, traditional management, networking, and human resource management (Kuman 1997).

Managerial Agendas

Behavior patterns of successful managers was something that John Kotter observed. John Kotter discovered differences among them, but he also discovered similarities. He would categorize their patterns by agendas. These agendas were agenda setting, agenda networking, and agenda implementation (Kuman 1997).

"At Mattel Inc., Mattel Chief Executive Jill Barad used to be a manager of Mattel. She was in charge of the Barbie doll
section. Jill Barad boosted the doll sales from $320 million in 1985 to $415 million in 1986 (Goldman 1999). She got promoted because of her efforts. Now she is in charge of more than just Barbie dolls. She is in charge of the Mattel Company. People are questioning if Jill can handle a higher position making tough decisions. Mattel is going through some problems due to a decrease in sales. Jill recently made the decision to cut costs by eliminating 3,000 jobs and closing some plants (Goldman 1999). Jill is also going to Learning Co., the nation's second largest software company, hoping to capitalize on the Internet stock frenzy. Jill hopes this will put the company's costs in line with stalled revenue growth. People are questioning her management styles. They say she is too soft, initiating flexible hours, a two-week Christmas break and half-day Fridays. They also say she is a control fanatic. She boosted sales when she was a manager, the question is can she do the same as a chief executive of Mattel (Johnson 1999)?

**Agenda Setting**

At their positions, Kotter’s managers all came up with agendas of what they wanted to accomplish for their organization. Many came up with their agendas even before getting their positions in the organizations. Jill Barad knew what she wanted to accomplish when she became manager of Barbie dolls. She wanted to bring a toy she loved as a child into a modern age where a new generation of girls could appreciate a new oriented doll. As chief executive, Jill’s agenda is to keep Mattel from going out of business. Managers base their agendas on wide ranging informal discussion with a variety of people. One type to Jill was the new generation of girls (Johnson 1999).

**Agenda Networking**

A wide informal and formal network of key people inside and outside of its organization was a something Kotter’s manager established. Inside key people are peers, subordinates, and bosses. Outside key people are customers, suppliers, competitors, government officials, and the press. These people help provide managers with information related to their agendas. When Jill Barad was manager of Barbie dolls, her outside key people was the new generation of girls. She needed to know what these girls want in the modern age to sell Barbie dolls. When she became chief executive, she eliminated jobs and closed some plants also based on key outside people. One is rival competitor Hasbro Inc. They are launching a new line called "The Phantom Menace" based on the upcoming "Star Wars" movie. This could increase Mattel’s problems as they are already decreasing in sales. Another factor is big timing customers like Toys R Us who distributes their products. Toys R Us is planning to reduce Mattel's inventories. This adds to Mattel’s money problems (Johnson 1999).

**Agenda Implementation**

To implement their agendas, managers would go anywhere in the network or outside of the organization for help. They also employ a wide range of influence tactics from direct orders to subtle language that will convey their stories indirectly. Jill Barad went outside her organization to the software company, Learning Co., hoping to become a success on the internet stocks. As chief executive, Jill’s agenda was to get Mattel back on track (Johnson 1999).
Managerial Minds

In contrast to how managers act, there is also a focus to how managers think. Managers have many observations and one key observation is managerial intuition. Intuition is problem identification and problem solving based on long history of systematic education and experience (Buhler 1999). Some ways intuition is used are:

- To sense that a problem exists
- To perform well-learned mental tasks rapidly
- To synthesize isolated pieces of information and data
- To double-check more formal or mechanical analysis

International Managers

The question that is asked is "Do managers in other global locations act and think the same way as managers in North America?" The answer is probably "yes." The styles of how foreign managers act or think might be different.

"In Seoul, Hyundai Group, South Korea’s largest family-owned conglomerate, could split into five smaller independent entities. This will slash group debts by $28.3 billion. People are blaming them for an economic crisis. Hyundai will transform itself into companies focusing on electronics, cars, heavy industry, construction and finance. Park Se-young, chairman of Hyundai’s corporate restructuring committee, says smaller groups after the split will run independently with only core companies staying. Hyundai would also reduce its affiliates through mergers, sales, etc." (Reuters 1999).

Foreign managers are similar to North Americans. They act and think the same way. Their styles are a little different. Jill Barad sensed a problem for Mattel and used her experience as manager to help her as chief executive. She decided to cut costs by eliminating jobs and closing plants. Hyundai sensed a problem as they were losing business just like Mattel. They didn’t eliminate the huge number of jobs. Instead, they split their company to reduce debts and formed mergers. Both Mattel and Hyundai sensed a problem and knew they needed to cut costs. The only difference was their styles of executing their agendas (Reuters 1999).
Some Contemporary Management Concerns

Diversity -- Local and Global

Diversity has its roots in the 1960s -- a period of massive transition in which minorities and other groups made significant advances in their respective in the workplace.

Demographic and social chance have created "the realities of today". In the past decade, the minority population in America grew very rapidly, especially in California. As the second millennium approach, the employment of minority has increased. In today's varied labor market, employers that want to attract the best people have to recognize that many of those people are women, and many more are from a greater variety of ethnic and religious backgrounds than in the past. By tapping into these people, a business can create a workforce that brings new perspectives to the job (Tomer 1998).

Diversity of age is also having an impact in organizations. This is particularly true of the most rapidly growing segment of California 's work force: employees of various ages working in the company. The rapid promotion of young technical experts in jobs has increased (Digh 1999).

Diversity of various groups has grown. In the past, women often had fewer promotion opportunities than men did. But now, this has been proven false. The number of women holds important position in the company has increased. The survey in many banks report reveals that the number of women among the bank's executives has increased from 9% in 1991 to 20% in 1996 (Digh 1999).

By valuing diversity, companies can adapt to these changes in a way that can make the best benefit for the company. The managers must manage it effectively. If managers want their employees work together effectively in teams, they have to understand and respect one another. We need all the talent we can get in coming to grips with the complexities of a global market place. If we all look the same, and talk the same, and think the same, then we are just going to come up with one dimensional, humdrum answers. It is often said that variety is the spice of life. Today, it is also a key ingredient for business success (Digh 1999).
Morale Crisis?

In the past few years, downsizing and restructuring have had a profound effect on American organizations. The big companies such as Intel, IBM, and General Motors have laid off a lot of employees. The consequence of these events has been decreased morale and the loyalty in the employees. Open communication has become the most important factors in choosing the jobs today (Jacob 1985). It is ranked above the salary or company size. Communication is an important topic in organizational behavior. Ironically enough, these concepts are not really new. Unfortunately, too many managers still do not understand it. Without sharing the same information management has access to, employees cannot make or understand decisions. Employer should communicate with their employees to help employees understand what is happening in the company and care about the success of their organization. These will reduce employee turnover, improved performance and improved employee moral.

A Focus on Quality and Speed

With both local and global competition growing rapidly, there has been a strong emphasis on products and services with higher quality. Customers needs and wants before, during and after a sale are the emphasis today and to identify how to fit this into the organization is a key issue. Total Quality Management has been the answer to achieve these goals for many companies. TQM is a structured system in which an organization attempts to achieve continuous improvement in quality of its products and services (Dean 1998).

Quality encompasses a wide array of aspects of a product or service. Generally it can be defined as everything from extra services to the planet or even a web site for customer feedback. For example, Intel used TQM programs to enhance their computer microchip by incorporating Japanese learned design systems into their business. Other companies such as Hewlett Packard, Motorola, Phillips, IBM and Digital are also benefiting from the use of TQM programs within their business scope. Ford Motor Company also successfully applied TQM to enrich their business. By using TQM techniques they were able to cut cost by almost 10% (Integrated Quality Dynamics Inc. 1999).

But what does this mean, how does the passion for quality and speed has to do with organizational behavior? Involvement and commitment are two things that are required of employees. This usually means that management has to allow employees to make some decisions that used to have to concern managers. Teamwork is another key element for quality and speed. It is absolutely necessary for not only individuals but also groups to work together to meet customer expectations ("Organizations Strive For Dream Team Success" 1998).
1. Marriott predicted that becoming the employer of choice will help it to become the hotel provider of choice for customers. It accepted the idea that customer-oriented employee behavior predicts customer satisfaction. It also used demographic trends to predict increased difficulties in attracting excellent candidates from its traditional labor pool of young people, since that labor pool was shrinking in size. What the firm needs now is some explanation of the factors that will both attract and retain excellent personnel. To find this out, the company used extensive employee surveys (it was already experienced in surveying customers). The surveys revealed that training, career opportunities, and interesting work were some critical factors to attract and retain the kind of service-oriented employees they wanted.

2. In terms of management actions, Marriott began to provide more extensive training and career opportunities, including internships with high schools and colleges. It also redesigned work to provide for more teamwork and responsibility and began to provide managers with second language training (e.g., Spanish) where appropriate. Second language facility among managers obviously makes Marriott an attractive employer for entry level people whose first language is not English. The company also enlarged its recruiting pool by targeting retired people who wanted part-time work and by seeing itself as competing with the military for entry-level hiring. Accommodating diversity provided the company with more excellent job candidates from which to choose.
TOTAL QUALITY MANAGEMENT

• A Simplified TQM Diagnostic Model

These pages are designed for Leaders and Managers who want to:

• Repair, jump-start or diagnose problems in existing TQM initiatives, or
• Design and implement their own less expensive and culturally tuned TQM, or
• Become competent internal consultants to their company's TQM system.
TQM Total Quality Management Diagnostics

- **TRADITIONAL MANAGEMENT APPROACH:** This is the most common. A TQM is overlayed (some say forced) upon the other two systems. This approach represents the 80% failure of TQM's. In this approach TQM never becomes an accepted reality by either organizational or human resource management. It is usually seen as competition, or "something to be tolerated." The TQM system consumes valuable resources needed by the other systems and rejection begins to occur.
- **INTEGRATED MANAGEMENT APPROACH:** This is the least common. A TQM is blended and balanced with existing cultural initiatives in both organizational and human resource management systems. This represents the 20% success rate of TQM's. Whether both organizational management and human resource management systems take on a "quality management commitment" or "join a quality management team" is not important. The principles of quality management are attended to as an important third system that blends, integrates, aligns and maximizes the other two systems to beat competition in world class quality performance. This approach can often be divided into two sub-choices, depending upon managerial resources, readiness, acceptance, and competencies. See FAQ on TQM for a discussion on these approaches.

**THE NEED FOR THREE INTEGRATED and SIMPLIFIED MODELS**

- Managers committed to successful implementation of total quality management (TQM) must have both an HRD Model and an OD Model that work together.
- In simplified terms, HRD + OD = TQM. Even though a TQM is an entity within itself, it must see its existence as the catalytic blending of the other two systems. It does not consume the other systems, it empowers them to do what they have wanted to do - attain world class customer quality!
- This can be tricky politically, and is the reason for this Simplified TQM Diagnostic Model. You may access simplified HRD and OD models by clicking on the HRD and OD acrostics.

**BASIC ELEMENTS OF**

**A SIMPLIFIED TQM MODEL**

http://www.skyelet.net/~ktg/tqm.html
References


Daniels, Aubrey C. Bringing Out the Best in People. How to Apply the


