

Faculty of Commerce and Administration

VICTORIA UNIVERSITY OF WELLINGTON

Te Whare Wānanga o te Ūpoko o te Ika a Māui

International MBA Programme



**VICTORIA
MANAGEMENT SCHOOL**

Te Kura Whakahaere

2006

IMBA 505

Organisational Behaviour: Cross-Cultural Perspectives

COURSE OUTLINE

- Start Date:** 21 October 2006
- Format:** 12 - two-hour sessions over two weekends.
- Lecture Times:** 21 October: 2:00 pm – 6:00 pm & 7:00 pm – 9:00 pm
22 October: 11:00 am – 3:00 pm & 4:00 pm – 6:00 pm
18 November: 2:00 pm – 6:00 pm & 7:00 pm – 9:00 pm
19 November: 11:00 am – 3:00 pm & 4:00 – 6:00 pm
- Location:** William M W Mong Engineering Building (ERB) Rm 803
- Teaching Staff:** Paul McDonald, Ph.D., MBA, B.Eng.
- Office: RH 1005, PO Box 600, Wellington, NZ
Email: paul.mcdonald@vuw.ac.nz
- Telephone: 644-463-5506 Fax: 644-463-5084
- Textbook:*** Steven McShane and Tony Travaglione (2003) *Organisational Behaviour: on the Pacific Rim*. www.mhhe.com/au/mcshane
(Enhanced Version of textbook (2005) – can also be used.)

* - In addition to the textbook, this course will rely on materials from a variety of sources, including practitioner and academic journals.

Course Objectives

The International Master of Business Administration Programme serves to produce professional managers capable of fulfilling strategic roles within corporate and government enterprises. Integral to this capability is an understanding of the dynamics of human behaviour in organisational settings taking into cross-cultural issues.

This course aims to provide students with a solid theoretical base upon which a practical framework for managing and succeeding in the workplace can be established. The scope of this course, being the initial offering in the IMBA programme, is broad. All three levels of the organisational behaviour domain — personal, interpersonal, and organisational — are covered. By the end of this course, you should:

1. Have an understanding of the major theories and concepts underlying the social science of organisational behaviour.
2. Have a sense of how these theories are applicable within the context of international business practices, including cross-cultural management issues.
3. Have a strategic perspective with respect to the linkages and interrelationships in managing human resource interventions.

Assessment

Individual Assignment	20 %	due 4 November returned 18 November
Group Project Assignment	30%	due 18 November
Final Examination	50 %	16 December

Individual Assignment (20%) – The individual hand-in assignment will be discussed during the initial session, at which time detailed terms of reference will be distributed. Written assignment reports will be due at the lecture by 2:00 pm on Saturday, 4 November.

OB Group Project (30%) – The OB group project will be discussed during the first visit, at which time detailed terms of reference will be distributed. Written Group Reports will be due on Saturday 18 November at the lecture by 2:00 pm.

Important Note – Inclusion of others' work and research completed is welcome. However, such material (even if it is a single sentence) must be explicitly recognised with quotation marks in the project report, citing its origin in a footnote.

Final Examination (50%) - A final three-hour open-book examination will be held on Saturday, 16 December, (location and details to be advised by APIB) during which students will be expected to apply their knowledge to organisational problem situations described by means of case vignettes. In accordance with University policy, students must obtain a minimum of forty percent of the marks available on the final examination in order to pass the course.

Course Terms of Reference

Late Assignments

Given the modular nature of the course delivery and relatively short time for marking and return, it is imperative that assignments are handed in on time. Late assignments will incur a 50% penalty on the assigned mark. Assignments more than two weeks late will not be accepted. In addition, late assignments will not be available by the agreed-to return date.

Obtaining Terms

To obtain terms to sit the final examination in this course, students are required to participate in both weekend modules and submit both written assignment reports.

Passing the Course

In order to pass this course, students are required to obtain at least forty percent of the final examination marks available, and obtain at least fifty percent of the overall course marks available.

Victoria IMBA Grading Standards

Excellent Category

A- (75 – 79%) to A (80 – 85%) to A+ (above 85%): The learning is demonstrated to a very high level of proficiency, i.e. it is at a standard that makes it exceptional at Master's level.

Very Good Category

B+ (70 – 74%): The learning is demonstrated at a high standard. Students have reached a level that clearly exceeds “competency”.

Good Category

B (65 – 69%): The learning is clearly demonstrated without being exceptional in any way. Students can be thought of as fully competent.

Satisfactory Category

B- (60 – 64%): The learning is demonstrated without being exceptional in any way. Students can be thought of as competent.

Marginal Category

C (50 – 54%) to C+ (55 – 59%): The learning is demonstrated to a minimally acceptable level. There may be flaws but these are not serious enough to “fail” the student.

Unsatisfactory / Failure Category

E (0 – 39%) to D (40 – 49%): The learning is absent or performed to a very low level, or the performance is seriously flawed.

Individual Work

While the Victoria IMBA programme has a tradition of study group collaboration, there are important elements in the assessment process that are strictly individual. Collaboration on individual assignments is not allowed. Please do not work together to formulate a response and do not loan out your completed assignments.

Plagiarism

The Victoria IMBA programme views plagiarism as a serious offence. Students who plagiarise put themselves at risk of expulsion from the programme. Plagiarism is defined as representing someone else's work as your own. It includes: cutting and pasting material from websites, typing in sentences and paragraphs from books and journals, copying from other assignments and materials, and taking quotes that others have used without recognising the originator. It also includes writing verbatim from a textbook in an open-book examination situation without recognising the source of your material. If you use other peoples' materials, then you must give them credit and recognise the source. This includes making the material explicit by putting it in quotations and placing a footnote at the bottom of the page or back of your document to indicate complete details of the author and source.



GENERAL UNIVERSITY POLICIES AND STATUTES

Students should familiarise themselves with the University's policies and statutes, particularly those regarding assessment and course of study requirements, and formal academic grievance procedures contained in the statutes in the VUW website.

The University Statute on Student Conduct and Policy on Staff Conduct

The Statute on Student Conduct together with the Policy on Staff Conduct ensure that members of the University community are able to work, learn, study and participate in the academic and social aspects of the University's life in an atmosphere of safety and respect. The Statute on Student Conduct contains information on what conduct is prohibited and what steps can be taken if there is a complaint. For queries about complaint procedures under the Statute on Student Conduct, contact the Facilitator and Disputes Advisor. This Statute is available in the APIB Administration Office or on the website at:

www.vuw.ac.nz/policy/StudentConduct

The policy on Staff Conduct can be found on the VUW website at:

www.vuw.ac.nz/policy/StaffConduct

Academic Grievances

If you have any academic problems with your paper you should talk to the tutor or lecturer concerned or, if you are not satisfied with the result of that meeting, see the IMBA Director. Class representatives are available to assist you with this process. If, after trying the above channels, you are still unsatisfied, formal grievance procedures can be invoked. These are set out in the Academic Grievances Statute which is published on the VUW website:

www.vuw.ac.nz/policy/AcademicGrievances

Plagiarism

Victoria University defines plagiarism as the copying of ideas, organisation, wording or anything else from another source without appropriate reference or acknowledgement so that it appears to be one's own work. This includes published and unpublished work, the Internet and the work of other students and staff. Plagiarism is an example of misconduct in the Statute of Student Conduct. Students who have plagiarised are subject to a range of penalties under the Statute. See the website: www.vuw.ac.nz/policy/StudentConduct

Reasonable Accommodation Policy

The University has a policy of reasonable accommodation of the needs of students with disabilities. The policy aims to give students with disabilities an equal opportunity with all other students to demonstrate their abilities. If you have a disability, impairment or chronic medical condition (temporary, permanent or recurring) that may impact on your ability to participate, learn and/or achieve in lectures and tutorials or in meeting the course requirements, then please contact the Course Coordinator as early in the course as possible.

disability@vuw.ac.nz

The name of the Disability Liaison Person can be obtained from the IMBA Programme Director.

Appeals / Concerns / Statute on Conduct

If you have any concerns with your courses, you should first talk to the lecturer concerned and, if you are not satisfied with the result of that meeting, contact the Director of the IMBA. (As I currently fulfil both roles, should we be unable to reconcile with respect to IMBA 505, then you should discuss your concerns with Associate Professor John Davies, Head of Victoria Management School, email: john.davies@vuw.ac.nz). The University has developed independent procedures for dealing with academic grievances and complaints. These procedures are set out in the Statute on Academic Grievances in the University Calendar.

Session Schedule - IMBA 505 - 2006

Session	Date	Topic	Basic Reading
1	21 October 2:00 – 4:00pm	- Course Introduction - Organisational Behaviour Defined	McShane et al. (2003/05) — Chap. 1
2	21 October 4:00 – 6:00pm	- The Future OB Context	(see handout)
3	21 October 7:00 - 9:00pm	- The Nature of Individual - Personality and Behaviour	Chaps. 3 & 4
4	22 October 11:00 am – 1:00pm	- Motivation	Chaps. 5 & 6
5	22 October 1:00 – 3:00pm	- Learning and OB Modification	Chap. 2 & Kreitner and Kinicki Chap. 7 (see handout)
6	22 October 4:00 – 6:00pm	- Group Dynamics	Chap. 8
7	18 November 2:00 – 4:00pm	- Communication	Chap. 11
8	18 November 4:00 – 6:00pm	- Leadership	Chap. 14
9	18 November 7:00 – 9:00pm	- Organisational Power and Politics	Chap. 12
10	19 November 11:00 am – 1:00pm	- Organisational Design	Chaps. 15
11	19 November 1:00 - 3:00pm	- Organisational Culture	Chaps. 16
12	19 November 4:00 – 6:00pm	- Organisational Change	Chap. 17

IMBA 505 – Session 1 – Teaching Objectives

Introduction (Text - read Chap. 1)

- get settled into the course, including course vision and values.
- understand course objectives and expectations. (review course outline).
- voice your needs and learning objectives.
- discuss the OB project - briefly.
- define *organisational behaviour*.

Supplementary Reading for Session 2:

1. McDonald, Paul (2003 - revised) "Workplace Reform: The Advent of the Information Age." Conference Paper, Association of Staff in Tertiary Education, Wellington, New Zealand.

Upcoming in Session 2:

- discuss the context of management - e.g. the information age.
- discuss OB in relation to management practices.
- challenge current management thinking - moving from control to commitment.

At the end of this lecture you should have an understanding of the nature of organisational behaviour and its managerial context. You should appreciate the unique topic areas comprising the course under the headings of: individual behaviour, group behaviour and organisational theory.

IMBA 505 – Session 2 – Teaching Objectives

The Future Context of OB (no text readings for this session)

- discuss the role of management in the context of the information age.
- recognise the shift from control to commitment models of management.
- highlight the concept of *adding value*.
- distinguish between effectiveness and efficiency.
- explore cross-cultural issues in the practice of management.

Critical Learning Points:

Effective managers do not operate in a vacuum. They appreciate and understand contextual variables, including dominant cultural values, the place and meaning of work within larger society, the role of technology in work, and emerging trends in modern life. An appreciation of context is particularly critical at this point in history as we move more and more into the information age.

In this lecture, I will advance two propositions: Proposition One, We are currently in a period of turbulence between the past industrial age and all its associated "factory" management principles and the coming information age which will demand "new-age" management thinking. Proposition Two, Achieving competitive advantage in this new age will require the full intellect and commitment of all people within the organisation. Whereas the employee-employer relationship in the industrial age was based on compliance to a set of rules, policies and procedures; the employee-employer relationships in the information age will be more egalitarian and be based on commitment to a vision and set of shared values. People will add value by thinking.

Supplementary Reading for Session 3:

1. Adler, Nancy (2002) How Do Cultural Differences Affect Organisations? (Chapter 2) *International Dimensions of Organisational Behaviour*, Fourth Edition, South-Western Publishing, pages: 45 - 72.

Next Session: Models of Behaviour in Organisations

Think About: What causes behaviour???

IMBA 505 – Session 3 – Teaching Objectives

Personality and Human Behaviour (Text – read Chaps. 3 & 4)

- achieve a realistic model of human behaviour - interactional psychology
- understand the main elements of personality.
- appreciate the power of perceptual biases.
- understand situational elements in creating the right environment.
- realise that behaviour is more than a function of the person.

Critical Learning Points:

The primary objective of this third session is for you to achieve an understanding of personality and a realistic model of human behaviour. In addition to understanding the link between personality and behaviour you should be able to differentiate between the elements of personality (e.g., cognition, values, attitudes, intentions, etc.). In terms of a model of behaviour, my preference is for an interactionalist model (person x situation), but you should be aware of competing models (e.g., behavioural, cognitive). We will also grapple with the nature of people from a philosophical perspective. Our underlying assumptions about others have important implications for our management style.

Supplementary Reading for Session 4:

1. Konopaske, Robert and Ivancevich, John, M. (2004) "Motivation" (Chapter 5) *Global Management and Organisational Behaviour*, McGraw-Hill / Irwin, pages 163 to 188.

Coming Up Next Session:

Motivation - needs and process theories of motivation...

Think About: What motivates you???

IMBA 505 – Session 4 – Teaching Objectives

Motivation (Text – read Chaps. 5 & 6)

- be able to define the concept of motivation
- understand the need theories of motivation
- understand the socio-technical (job) related aspects of motivation
- understand the process theories of motivation
- understand Locke's goal setting theory

Critical Learning Points:

Of all the topics in organisational behaviour, motivation is probably the most theory-laden. This presents us with a challenge in terms of covering the multitude of theories while at the same time engaging in meaningful discussion.

- Work Motivation Theories include:

Need Theories:

- Maslow's Hierarchy of Needs
- Alderfer's ERG Theory
- McClelland's Need for Achievement, Power and Affiliation

Job Design Theories:

- Herzberg's Two-Factor Theory
- Hackman & Oldham's Job Characteristics Theory

Process (Cognitive) Theories:

- Adam's Equity Theory
- Vroom's Expectancy Theory
- Porter & Lawler's Extension to Expectancy Theory

Goal-Setting Theory:

- Locke's Goal Setting Theory

Supplementary Reading for Session 5 – Learning and OB Modification:

1. Chapter 7 - Kreitner and Kinicki (see student notes)

Next Session: Learning Theory, OB Modification, and Self-Management

Think About: How reinforcement and punishment affect your behaviour?

IMBA 505 – Session 5 – Teaching Objectives

Learning Theory (Text – read Chap. 2)

- be able to define the concept of learned behaviour
- to describe the history of learning theory
- to understand classical and operant conditioning
- to understand the steps in the process of OB modification
- to appreciate and understand the application of self-management

Critical Learning Points:

A recent trend in the information age is to move employees away from a "supervision" mentality and toward "self-management." Self-management is the latest extension of the behaviourist school. It builds on the principles of Organisational Behaviour Modification (OB mod - see Kreitner and Kinicki - Chapter 7). Behavioural self-management is defined as: the process of modifying one's own behaviour by systematically managing cues, cognitive processes, and contingent consequences.

It is possible that you, as a manager, may have to train / coach your employees in the process of self-management. The purpose of this lecture is to discuss learning, organisational behaviour modification, and self-management and to describe the steps necessary for an individual employee to self-manage.

Supplementary Reading for Session 6 - Group Dynamics:

1. McDonald, Paul, and Sharma, Ashwin (1994) "Toward Work Teams with a New Zealand Public Service Organisation" *International Conference on Work Teams, Dallas, Texas.*

Next Session: **Group Dynamics**

Think About: **Your experiences working within groups...**

IMBA 505 – Session 6 – Teaching Objectives

Group Dynamics (Text – read Chap. 8)

- definition of a group
- theories of group formation
- advantages and benefits of groups
- critical factors in effective group performance including cohesiveness
- negative aspects of groups including groupthink
- team work including self-managed teams

Critical Learning Points:

We have discussed individual behaviour, motivation and learning, now let us turn our attention to group dynamics. In this lecture, we define the concept of groups. We discuss how and why groups form and identify critical factors for effective group functioning. The concept of *synergy* will be discussed. Dysfunctional aspects of groups such as *groupthink* and *social loafing* are also recognised.

It is important to recognise that group effectiveness — measured in terms of quality, the capability of the group to work together in the future, and individual personal growth — is a function of both the internal dynamics of the group (e.g. common purpose, role clarity, agreed to norms, size, etc.) and external factors (e.g. reward systems, training systems, availability of coaches, etc.). The paper by Ashwin Sharma and myself on work teams at NZISS emphasises the importance of external factors to group effectiveness.

Supplementary Reading for Session 7 - Communication:

1. McDonald, P. (1995) "Your Actions Speak Louder than your Words"
Unpublished Paper - For IMBA 505 - Communications Lecture.

Next Session: Communication

Think About: The process through which you communicate with others???

IMBA 505 – Session 7 – Teaching Objectives

Communication (Text – read Chap. 11)

- the importance of communication
- one versus two-way communication
- model of communication - sender / receiver
- cultural issues in interpersonal communication
- nonverbal communications
- the art of giving feedback

Critical Learning Points:

This session we examine the topic of communication. The ability to communicate effectively is critical to many of the other organisational behaviour processes discussed in this course. The best idea in the world left unsaid is basically worthless. Managers must be effective communicators — both in terms of sending (speaking) and receiving (listening).

We review the process of communication including a number of important concepts (e.g., mode, frame of reference, code, noise, etc.). Of particular interest is the topic of nonverbal communication, an essential aspect of communication often taken for granted during face-to-face conversations. We discuss listening behaviour and consider why many people including managers are poor listeners. It is also important to recognise how cross-cultural differences affect how we communicate and listen. At this point in the course, we already recognize the importance of giving feedback. In this lecture, we discuss the communication dynamics of effective feedback.

Supplementary Reading for Session 8 - Leadership:

1. McDonald, Paul (2002), “Where have all the leaders gone?”

Next Session: Leadership

Think About: Are you a leader??? Why? or Why Not?

IMBA 505 – Session 8 – Teaching Objectives

Leadership (Text – read Chap. 14)

- defining the concept of leadership
- leadership versus management
- trait theories of leadership
- behavioural theories of leadership
- contingency theories of leadership
- charismatic / transformational leadership
- beyond leadership - superleadership

Critical Learning Points:

This session we examine the fascinating topic of leadership. Controversy continues along many dimensions within this topic: Are leaders born or made? Is leadership the same as management? Should a leader's style be universal or situational? And, to what extent can managers / leaders vary their personal style?

We review of number of theories of leadership including trait theories, behavioural theories, contingency theories, and transformational theories.

Supplementary Reading for Session 9 - Power and Politics:

1. Cialdini, R.B. (2001) "Harnessing the Science of Persuasion." *Harvard Business Review*, (October), pgs. 72 – 79.

Next Session: **Power and Politics in Organisations**

Think About: **Sources of Org. Power and what works best ???**

IMBA 505 – Session 9 – Teaching Objectives

Power and Politics (Text – read Chap. 12)

- defining the concept of power in organisations.
- power - is it a positive or negative force?
- McClelland - two faces of power
- Raven and French - five bases of power
- organisational politics
- gaining and using power in an ethical manner

Critical Learning Points:

This session we examine the political dimension of organisational life. An appreciation for and understanding of this dimension is, in my view, critical to managerial success. It represents one of the three basic elements of organisational life: political, cultural and rational.

The use of power and political behaviour in organisations is controversial. Some see it as a positive phenomenon, others see it as a destructive phenomenon. We define the concept of power, discuss Raven and French's classification of five types of power, consider McClelland's distinction between personal and social power, and deliberate over the application of a variety of political strategies.

Supplementary Reading for Session 10 - Organisational Design:

1. Walker, D., Walker, T., & Schmitz, J. (2003) "The Global Environment." *Doing Business Internationally* (Second Edition), McGraw–Hill, pgs. 1 to 32.

Next Session: **Organisational Design**

Think About: **Network Organisations versus Hierarchies**

IMBA 505 – Session 10 – Teaching Objectives

Organisational Design (Text – read Chap. 15)

- defining the term – organisation
- Weber's concept of classical bureaucracy
- traditional functional / product designs
- organic / mechanistic designs
- integration and differentiation
- emerging metaphors of organization
- network organisations

Critical Learning Points:

This session's lecture focuses on the topic of organisational design. Accepted traditions in organisational design are currently under attack. The concept of multiple-level organisations consistent with Max Weber's bureaucratic imperatives has become obsolete. Enabled by tremendous technological advances in computers and telecommunications, many organisations are moving to cut out costly "middle-management" overhead. While the shape of "tall and thin" continues to be held in esteem for the human physique, "short and fat" is definitely in for the organisational physique. We discuss traditional organizational design principles in addition to introducing the latest trends such as network organisations.

Supplementary Reading for Session 11 - Organisational Culture:

1. McDonald, P. and Gandz, J. (1992) "Getting value from shared values." Organizational Dynamics, (Winter), pgs. 64 to 77.

Next Session: **Organisational Culture**

Think About: **Cultural artifacts evident in your company ???**

IMBA 505 – Session 11 – Teaching Objectives

Organisational Culture (Text – read Chap. 16)

- defining the concept of org. culture
- understand the origins of culture
- discuss why we are interested in culture
- identify different cultural types
- gain insights into diagnosing culture
- discuss the management of culture
- cultural change in organisations.
- national culture differences

Critical Learning Points:

For many years and still to a great extent today, our thinking about management and organisations has been bounded by the rational / mechanistic model. Anyone who has worked in an organisation for any length of time will acknowledge the inadequacies of this model. More recently, organisational science has started to recognize organisations as places where political and cultural behaviour occur. The purpose of this session is to explore the notion of organisations as cultural entities with shared values and norms of behaviour.

During this session we will: define the nature and origin of organisational culture, discuss its component elements, describe ways in which organisations attempt to socialise new employees to the organisational culture, and discuss the process of cultural change.

Supplementary Reading for Session 12 - Organisational Change:

1. Kanter, R.M. (1985) Managing the Human Side of Change, *Management Review*.
2. Kotter, J.P. (1995) Leading Change: Why Transformation Efforts Fail. *Harvard Business Review*, (March - April), pgs. 59 to 67.

Next Session: Managing Organisational Change (Final Session)

Think About: How would you manage large-scale organisational change ???

IMBA 505 – Session 12 – Teaching Objectives

Organisational Change (Text – read Chap. 17)

- the turbulent nature of the environment
- why organisations must change
- the forces of change
- human resistance to change
- models of change management

Critical Learning Points:

Our series of sessions concludes with a discussion focusing on a very important topic: managing change in organisations. In the new millennium it appears that the only reliable constant in modern organisational life is constant change. During this session we will discuss the nature of change and some of its driving forces. We will talk about managing resistance to change with specific reference to Rosabeth Moss Kanter's article on the human side of change. In addition, Kurt Lewin's three-stage change model will be introduced.

An entire sub-field of organisational behaviour, organisational development, is devoted to helping managers plan for and manage change. We will discuss this field and some of its underlying principles and assumptions.

Final Examination:

16 December 2006

3 hours – Open Book

Business Case Study and Associated Questions