

WEEK 7

ORGANIZATIONAL BEHAVIOR

- The Behavior *of* Organizations
- The Necessity of the RA

The Behavior of Organizations

The behavior of organizations (i.e. organizational behavior proper) stems from the effort that organizations make to present themselves to their stakeholders as coherent units.

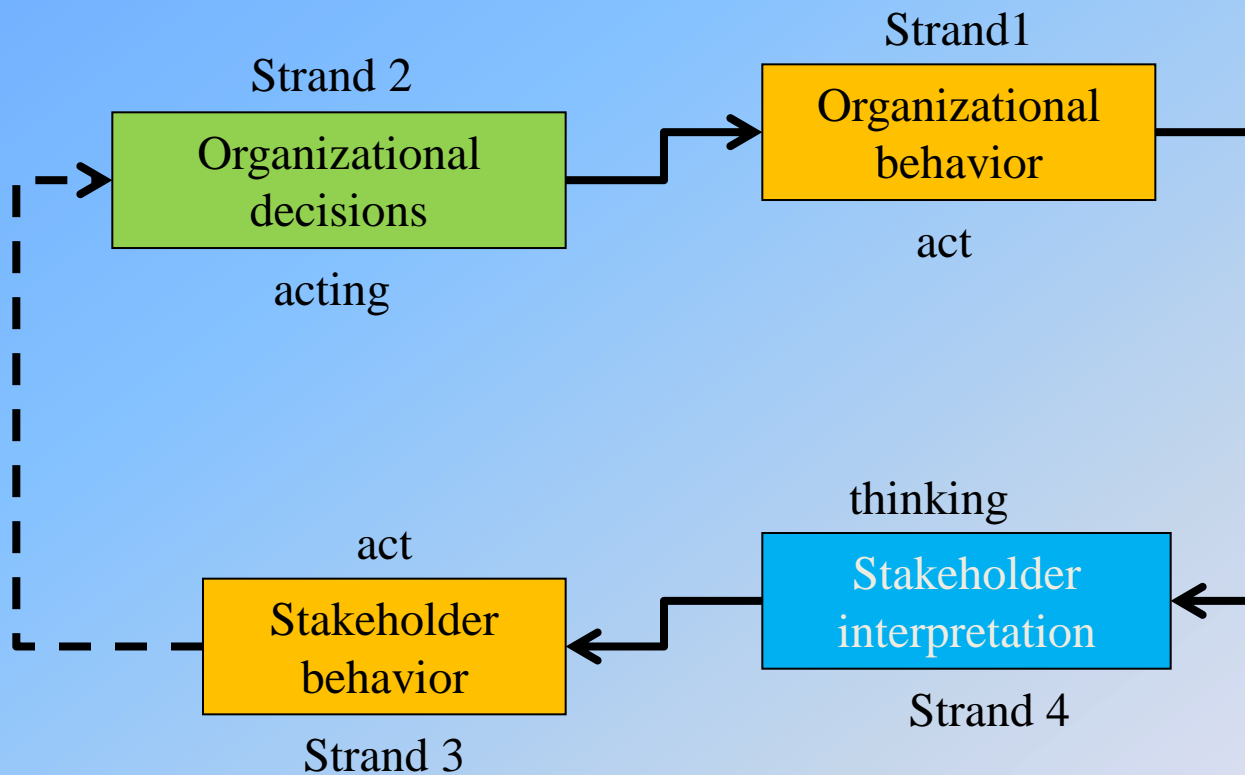
1. Organizations as units display behavior = what the organization does
2. Organizational behavior expresses an organizational identity = what an organization is
3. Organizational identities are constructed and expressed = use of description

The Behavior of Organizations

4. Organizational identities are build on value assumptions = building trust and other values
5. Organizational identities are a function of organization processes who an organization is and what an organization does is the result of cohesion forces (structure, knowledge, culture, power, and language), individuals (leaders, managers) and qualified relationships (teams, norms, antagonisms).

The Behavior of Organizations

Relational behaviors



The Behavior of Organizations

Strands - organization

1 – external

Ways the organization uses to inform consumers and wider communities about its products, activities and how it presents itself to them.

The Behavior of Organizations

Strands - organization

2 – internal

What the organization does internally so as to maintain a level of trust with its stakeholders

The Behavior of Organizations

Strands - stakeholder

3 – internal

How the consumers and wider communities think of the organization in terms of its behavior, activities and products.

The Behavior of Organizations

Strands - stakeholder

4 – external

How consumers behave relative to having interpreted organizational acts

The Behavior of Organizations

Typology of organizational behaviors

Dimension	<i>Strategic type</i>			
	Defender	Analysyer	Prospector	Reactor
Perception of environment	Stable	Moderately changing	Dynamic and growing	None
Strategy	Maintain market Protect turf	Maintain, but selectively innovate Selectively identify opportunities	Find and exploit new opportunities Aggressively identify opportunities	No coherent strategy React to environment
Underlying values	Efficiency and flexibility	Mix of efficiency values	Flexibility	None defined
Operating focus	Cost control, mechanistic organization	Cost control and innovation	Innovation, expansion, and organic organization	Depends on immediate circumstances

The Behavior of Organizations

prospectors	defenders	analysers	reactors	motivators	aggressors	traditionalists
Adventurous Bold Contemporary Cool Creative Cutting-Edge Daring Dashing Dazzling Dynamic Eccentric Energetic Exciting Exuberant Fantastic Fashionable Futuristic Innovative Novel Stimulating Stunning Stylish Upbeat Wild Youthful	Careful Circumspect Conservative Convenient Defensive Protective Prudent	Balanced Calm Caring Friendly Stable Well-adjusted	Busy Casual Informal Familiar	Appealing Inspiring Inviting Majestic Modern One-of-a-kind Nifty Radiant	Fierce Intense Powerful Striking Strong	Dry Formal Old Serious Vintage

The Behavior of Organizations

A typology of Stakeholder behaviors

type	calculating shopper	deliberate shopper	passive shopper	passionate shopper
elements	<p>shopping is a rational necessity: it is like work</p> <p>preference for known brands</p>	<p>shopping is a rational passion: it is like sport</p> <p>preference for known brands</p> <p>sensitive to recommendations</p>	<p>shopping is an unplanned necessity: it is like a visit to the dentist</p> <p>sensitive to recommendations</p>	<p>shopping is an unplanned passion: it is a hobby</p> <p>preference for outlets or unknown boutiques</p>
behaviors	<p>analytical</p> <p>calculating</p> <p>comparing</p> <p>leery</p> <p>patient</p> <p>planning</p> <p>listing</p>	<p>analytical</p> <p>calculating</p> <p>cautious</p> <p>cool-headed</p> <p>experimenting</p> <p>unhurried</p>	<p>complying</p> <p>listless</p> <p>planning</p> <p>slovenly</p>	<p>ardent</p> <p>changing</p> <p>creating</p> <p>curious</p> <p>dreaming</p> <p>experimenting</p> <p>impatient</p> <p>joyful</p> <p>playful</p>

The Behavior of Organizations

Qualifying relationships

positive	problematic	inexistent
close durable resilient strong	brittle dysfunctional fragile rocky unstable	broken estranged shattered

The Necessity of the RA

Relational Approach is a tool for understanding the relationship between business organizations, be it, hotelier, bank, oil company, fashion boutique, school etc. and its stakeholders.

To extend, it is a tool to map out the relationship between non-profit organizations, or even the state and their stakeholders.

The Necessity of the RA

It considers that both the organization and its stakeholders are important in the relationship. Indeed, it puts emphasis on their *interdependence* rather than unilateral dependence.

It also considers the need for a balanced power relationship between the interested parties.

The Necessity of the RA

When the locus of power is concentrated in the hands of consumers *or* organizations, the relationship between them is far from being healthy.

We can apply the same line of thinking to all stakeholders.

The Necessity of the RA

Practically then, what does all this mean?

It means that in the face of antagonistic forces, tendencies and interests, organizations need to understand both antagonists, be it, the stakeholder and the organization itself.

How?

The Necessity of the RA

1/ understand and qualify the behavior *of* the organization in the markets it operates

Behavioral indicators include advertising, official communiqués, websites, competition, types of markets, social media and other official and public documents.

The Necessity of the RA

2/ understand the origin of the behavior *of* the organization in the markets it operates (that is, the behavior in the organization)

Behavioral roots include value descriptions, quality systems, organizational structure, ecological concerns, social responsibility, leadership and management styles, cohesion tactics and politics.

The Necessity of the RA

3/ understand and qualify the behavior of stakeholders (both internal and external)

Behavioral indicators include stakeholder opinion polls, AGM behaviors, press reports, investor confidence, statistical measures, consumer attitudinal research, employee satisfaction data.

The Necessity of the RA

4/ establish the behavioral links between the behaviors of the organization and that of the stakeholders, that is, qualify the relationship between the two.

The Necessity of the RA

5/ take action accordingly, that is, include the findings in the strategic process

Note that once the strategy is established along with its development, a forecasted or expected behavior of the organization should be rendered explicit.

The Behavior of Organizations

Example: McDonalds

Strand 1: [website](#), [advertisements](#), [surveys](#)

Strand 2: [corporate info](#); getting into the company

Strand 3: -

Strand 4: [research](#), [articles](#), [critiques](#), [statistics](#), surveys

Behavioral Map

type of behavior a display of	tool
organizations	
creativity - prospectors	table 1
circumspection - defenders	table 1
balance - analyzers	table 1
informality - reactors	table 1
modernity - motivators	table 1
strength - aggressors	table 1
formality - traditionalists	table 1
individuals	
creativity, initiative, empowerment	Leadership Type
team-orientation	Leadership Style
team work, coordinator roles	Belbin
guidelines	Leadership Type
direction	Path-Goal
shaper role	Belbin
autocracy	Management Style
protection, well-being	Management Style

Behavioral Map

task-orientation achievement-orientation rationality thinking planner, task implementer plant, implementer, monitor, completer roles	Leadership Style Path-Goal Management Concern Learning Style Belbin
support, participation people-orientation emotions-orientation, collegiality, support feeling planner, participative implementer collaborative, sharing	Path-Goal Leadership Style Management Concern Management Style Learning Style Power & Negotiation
cultural cohesion accommodating, avoiding	Management Concern Power & Negotiation
power, politics power concentration competitive	Management Concern Organizational Structure Preference Power & Negotiation
language, discourse	Management Concern
resource investigator, specialist roles	Belbin

Looking Ahead

What's Left to Do?

This is just one way of summarizing the behaviors and tools; other ways are certainly possible. It is also possible to expand this table by adding other tools found on the internet or in specialist literature (e.g. Northhouse, Shermerhorn). What is also necessary is to construct a tool from tables 1, 2, 3 so as to have a complete array of means to better understand the behavior of individuals and organizations.