**Session Four: Organizational Culture and values**

1. **Organizational culture and values**
   1. **Strategic Planning for human service organizations**

**(Daft, pp124-145), (Lewis, et al, 2001, pp43-55)**

Superior strategic performances are achieved through leadership choices. In a fast changing world, leaders are faced with a bewildering array of complex, ambiguous information, and no two leaders will see things the same way or make the same choices. The complexity of the environment and the uncertainty of the future can overwhelm an executive. Thus many are inclined to focus on internal organizational issues where they feel they have more control. They tend to concentrate on short term results rather than taking the long-term view.

The first essential step to remain competitive is to develop an understanding of the trends and discontinuities that can be used to gain an edge. Thinking about how to meet future customer needs is more important now than ever. Globalization, advancing technology, and changing demographics and lifestyles are profoundly altering the way business are perceived and operate.

Strategic Leadership is responsible for the relationship of the external environment to choices about vision, mission, strategy, and their implementation.

Leadership vision:

A vision can be thought of as a dream for the future. For organizations, a vision is an attractive, ideal future that is credible yet not readily attainable. A vision is not just a dream-it is an ambitious view of the future that everyone in the organization can believe in, one that can realistically be achieved, yet offers a future that is better in important ways than what now exists. It is an ambitious view of the future that requires employees to give their best. It is a guiding star, drawing everyone in the organization along the same path toward the future. Taking the organization on this path requires leadership. Bill Gates at Microsoft has been talking about “ a personal computer on every desk in every home” for 20 years-long before most people knew how to turn one on. When employees have a guiding vision, everyday decisions and actions throughout the organization responds to current problems and challenges in ways that move the organization toward the future rather than maintain the status quo.

The strategic planning model can be presented consisting of eleven stages:

1. **Initiate and agree on a strategic planning process:** this is about whether the organization’s commitment not only to develop a plan but also to ensure that it is implemented. An important implication is that the strategic plan may require the organization to break out of “business as usual” and do both new things and do the ongoing work in a new way. Decision makers should understand this point and expect that a new organizational culture, perhaps more dynamic and participative, may evolve.
2. **Identify organizational mandate: any HSO organization has formal and informal mandate.** Not for Profit organizations have formal mandates reflected in their government or foundation grants and contracts and any statements of purpose reflected in the organization’s bylaws or charter.

Informal mandates are sometimes harder to discover but may be found by looking at the expectations that the members of the organization’s governance bodies bring to their role. They may feel that they need to get the organization to either change or maintain its focus and purpose. Examples would include the use of a feminist philosophy in program design for women focused project, debate over medial or social models of substance abuse, the nature of services to persons with HIV/AIDS…etc.

1. **Identify the organization’s stakeholders and their needs and concerns:**

**Stakeholder Analysis:** stakeholder is a person or a company that is involved in a particular organization, project, system, etc., because they have invested in it or negatively or positively affected by it. During strategic plan development, leaders should assess the interests of stakeholders with the purpose of meeting their needs and sharing the expectation of the organization from its stakeholders.

|  |  |  |  |
| --- | --- | --- | --- |
| Name of stakeholder | Stakeholders needs and expectations | Ways for addressing their expectation | HSO’s expectation from stakeholders |
| EX. Private Colleges |  |  |  |
| CSOs |  |  |  |
| Students |  |  |  |

The key actors in the human service organization’s environment having the most influence on the organization are its funding sources, its regulatory bodies, the legal system, other human service organizations, and the organization’s clients and constituency groups. Hence, expectations for improved customer service are challenging agencies to make improvements in service delivery philosophies and methods. Managers need both depth perception and peripheral vision when looking at the environment. They need to know what is relevant from the past and need to look ahead into the future. In the present, they need to look “sideways” beyond the daily arena of service delivery programs.

1. **Clarifying Organizational Vision, mission and values**: human service organizations are inherently purpose driven and often put significant emphasis on the organization’s vision, mission and values.

What vision does

1. **Vision Links the Present to the Future:** vision connects what is going on right now with what the organization aspires to. A vision is always about the future but it begins with the here and now. Some say that today’s leaders need “bifocal vision,” the ability to take care of the needs of today and meet current obligations while also aiming toward dreams for the future.
2. **Vision Energizes People and Garners Commitment**: a powerful vision frees people from the mundane by providing them with a challenge worthy of their best effort. Employees are not generally willing to make emotional commitments just for the sake of increasing profits and enhancing shareholder wealth. Vision needs to transcend the bottom line because people are willing and even eager, to commit to something truly worthwhile, something that makes life better for other or improves their communities.
3. **Vision gives meaning to work**: people have always needed to find meaning and dignity in their work. People love having a larger purpose for what they do, and they want to feel pride in their work.
4. **Vision Establishes a Standard of Excellence**: vision provides a measure by which employees can gauge their contributions to the organization. Most workers welcome the chance to see how their work fits into the whole. It defines an image of the future and lets people see how they can contribute. A vision presents a challenge and asks people to go where they haven’t gone before. Thus it encourages workers to take risks and find new ways of doing things.

Five themes are common to powerful visions:

1. **Vision Has Broad Appeal**: it focuses on people. The ideal vision is identified with the organization as a whole, not with a single leader or even a top leadership team. It allows each individual to act independently but in the same direction. This is called the principle of self-reference. Self-reference means that each element in a system will serve the mission of the whole.
2. **Vision Deals with Change**: vision is about action and challenges people to make important changes toward a better future.
3. **Vision Encourages Faith and Hope**: vision exists only in imagination-it is a picture of a world that cannot be observed or verified in advance. The future is shaped by people who believe in it, and a powerful vision helps people believe that they can be effective, that there is a better future they can move to through their own commitment and actions. Vision is an emotional appeal to our fundamental human needs and desires-to feel important and useful, to believe we can make a real difference in the world.
4. **Vision Reflects High Ideals**: good visions are idealistic. Vision has power to inspire and energize people only when it paints an uplifting future. When Kennedy announced the “man on the moon” vision, NASA had only a small amount of the knowledge it would need to accomplish the feat.
5. **Vision Defines the Destination and the Journey**: a good vision for the future includes specific outcomes that the organization wants to achieve. It also incorporates the underlying value that will help the organization get there.

**Mission**:

The mission is the organization’s core broad purpose and reason for existence. It defines the company’s core values, and reason for being, and it provides a basis for creating the vision. Whereas vision is an ambitious desire for the future, mission is what the organization “stands for” in a larger sense. The following are some of the questions that a good mission statement should answer:

* Who are we?
* What basic social needs do we address?
* What we do?
* What makes us unique? What is our niche?

Mission is typically made up of two critical parts: the core values and the core purpose.

The core value guides the organization “no matter what.” Core values define what the organizations stands for and core values can be held even if they become a competitive disadvantage in certain situations.

The mission includes the company’s core purpose. An effective core purpose statement doesn’t just describe products or services; it captures people’s idealistic motivations for why the organization exists.

It is important to remember that the vision continually grows and changes, while the mission endures. It serves as the glue that holds the organization together in times of change and guides strategic choices and decisions about the future.

1. **Assessing the Organization’s External and Internal environments:**

**Environmental Analysis:** Environmental scanning refers to systematically analyzing the current social context and the political and economic climate in which the organization’s welfare services are currently being delivered (including demographic trends, changes in the welfare policy and advances in communication technology, the going rate for costs and charges nationally, the current best practice in making services more acceptable and accessible…etc). Evaluating any advantages or limitations that the organization itself may have is assessing its internal climate and capacities which is part of environmental scanning.

Strength, Weakness, Opportunities and Threat (SWOT) Analysis can be exercised using a four grid matrix.

|  |  |
| --- | --- |
| **Strengths (Internal)**  Manufacturing/service efficiency  Skilled workforce?  Financing?  Reputation?  Systems and policies? | **Weaknesses (Internal)**  Outdated facilities?  Obsolete technologies?  Weak management?  Past planning failures? |
| **Opportunities (External)**  Possible new markets?  Strong economy?  Weak market rivals?  Emerging technologies?  Growth of existing market?  Favorable policies? | **Threats (External)**  New competitors?  Shortage of resources?  Changing market tests?  New regulations?  Substitute products? |

A useful technique for formulating strategies consistent with organizational mission and objectives is the SWOT analysis. It involves the analysis of organizational strengths and weaknesses, as well as environmental opportunities and threats. A SWOT analysis should provide a realistic understanding of the organization in relation to its environment. It should also assist in the creation of strategies that take maximum advantage of strengths and opportunities while minimizing weaknesses and threats.

It starts with an internal appraisal of the organization’s strengths and weaknesses. A major strategic management goal at this point is to identify distinctive competencies, or special strengths, that do or can give the organization a competitive advantage in its operating domain.

The other part of SWOT analysis involves the analysis of environmental opportunities and threats. Given the intended direction as clarified in an organization’s mission statement, it is necessary to assess how actual-and future-environmental conditions may affect its accomplishment. Broadly speaking, good strategic management is based on understanding the influences of the environment. These influences include the general environmental factors of economic, socio-cultural, legal-political, and technological conditions; they also include the specific environmental influences of an organization’s customers/clients, competitors, resource suppliers, and regulators, among others. All strategic management whether addressing the needs of the entire organization or one of its subcomponents, must be consistent with both short-run and long-run environmental challenges. This requires constant vigilance on the part of managers and the ability to interpret environmental trends correctly and use this understanding to make successful strategies and action plans.

1. **Identifying the strategic issues facing the organization**. Strategic issues are identified using a SWOT analysis: assessing how internal strengths and weaknesses interact with environmental opportunities and threats. Strategic issues can be differentiated from tactical issues: are part of the consciousness of the board and management, have long-term implication, affect the entire organization, involve significant financial stakes, are likely to require new or modified programs and changes in resource allocations, are sensitive to community or to political concerns. Three kinds of strategic issues are identified by Brayson (1995). Those for which no action is needed at present and merely need to be monitored; those that can be handled as part of the regular strategic planning cycle, and those that needs to be handled immediately.
2. **Formulating strategies to manage the issues**: general responses to the strategic issues identified are to build on strengths, overcome weaknesses, exploit opportunities and block threats. Strategy is a pattern of purposes, policies, programs, actions, decisions, and/or resource allocations that define what an organization is, what it does, and why it does it. Strategies can be developed at the agency level, at the program level, or for specific functions or processes. There should be a strategy for each strategic issue. The following questions are asked according to Bryson’s five step process as adapted from the Institute for Cultural Affairs model (Spencer, 1989).
   1. What are the practical alternatives, dreams, or visions we might pursue to address this strategic issue?
   2. What are the barriers to the realization of these alternatives, dreams, or visions?
   3. What major proposals might we pursue to achieve these alternatives, dreams, or visions directly or to overcome the barriers to their realizations?
   4. What major actions (with existing staff and within existing job descriptions) must be taken within the next year (or two) to implement the major proposals?
   5. What specific steps must be taken within the next six months to implement the major proposals, and who is responsible? (Brayson, 1995, p.139)
3. **Reviewing and adopting the strategic plan**: the plan should then be shared as widely as possible throughout the organization, ideally at briefing sessions where it can be discussed and the process celebrated.
4. **Developing an effective implementation process**: the keys to successful implementation of the plan are the commitment of all key internal stakeholders and a detailed action plan that is clear to all and for which responsible persons are assigned, necessary resources commitments, and clear connections between strategies and daily operations.
5. **Monitoring and updating the plan on a regular basis:** in monitoring the strategic plan, first, stay focused on what is important; the mission and mandate of the organization. Second assign a review group to identify strategies or action plans that may need to be modified. For organizations to succeed, they need ways to translate vision, values, and purposes into action, which is the role of strategy. Formulating strategy is the hard, serious work of taking a specific step toward the future. Strategic Management is the set of decisions and actions used to formulate and implement specific strategies that will achieve a competitively superior fit between the organization and its environment so as to achieve organizational goals. It is the leader’s role to find this fit and translate it into action.

Strategy formulation integrates knowledge of the environment, vision, and mission with the company’s core competence in a way to achieve synergy and create value for customers. When these elements are brought together, the company has an excellent chance to succeed in a competitive environment.

Strategy can be defined as the general plan of action that describes resource allocation and other activities for dealing with the environment and helping the organization attain its goals. Asking questions such as “where is the organization now? Where does the organization want to be? What changes and trends are occurring in the competitive environment what courses of actions can help us achieve our vision?” are fundamental in strategy formulation.

**Core Competence**: is something the organization does extremely well in comparison to competitors. Leaders try to identify the organization’s unique strengths-what makes their organization different from others in the industry.

**Synergy**: occurs when organizational parts interact to produce a joint effect that is greater than the sum of the parts acting alone. As a result the organization may attain a special advantage with respect to cost, market power, technology, or employee skills. Synergy can be also obtained by good relations between suppliers and customers and by strong alliances between companies. Such collaboration helps members to share resources, skills, equipment, customer lists, and other information that enables each member to go after more business that it ever could without the team approach.

**Value Creation**: focusing on core competencies and attaining synergy helps companies create value for their customers. Value can be defined as the combination of benefits received and costs paid by the customer. A product that is low cost but does not provide benefits is not a good value.

In summary,

* Strategic management is the process of creating and implementing strategies to achieve long-term objectives.
* Corporate strategy sets the direction for an entire organization: business strategy sets the direction for a business division or product/service; functional strategy sets the direction for the operational support of business and corporate strategies.
* The four grand or master strategies are growth to pursue expansion, retrenchment to scale back operations, stability to maintain the status quo, and combination to utilize various aspects of growth, retrenchment, and stability.
* Strategies must support organizational mission and objectives.
* All managers are responsible for strategic management within their areas of supervisory responsibilities.
* All management practices and systems-including the functions of planning, organizing, leading, and controlling-must be mobilized to support strategy implementation.
  1. **Organizational Culture**

**Definition:**

The notion of organizational culture is rooted in cultural anthropology. Organizational culture is the collection of shared (stated or implied) beliefs, values, rituals, stories, myths, and specialized languages that foster a feeling of community among organization members. Culture, although based largely on taken-for-granted or “invisible”” factors, exerts a potent influence on behavior.

Some call organizational (or corporate) culture the “social glue” that binds an organization’s members together. Without the appreciation for the cultural aspect, an organization is just a meaningless collection of charts, tasks, and people.

Unfortunately there is a dark side to organizational cultures as well. Dysfunctional cultures anchored to irresponsible values and supportive of (or blind to) unethical conducts. The problem of groupthink is associated with cultural miss-direction.

**Characteristics of Organizational Culture:**

1. Collective:
2. Emotionally charged:
3. Historically based:
4. Inherently symbolic:
5. Dynamic:
6. Inherently fuzzy:

Forms and consequences of organizational culture

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| --- | --- |
| **Cultural forms** | **Cultural consequences** |
| *Symbols* (shared values, objects, and heroes | Sense of identity for the individual |
| *Language* (shared jargon, slogans, and humor) | Individual commitment to organization’s mission |
| *Stories* (shared legends and myths) | Organizational stability |
| *Practices* (shared rituals, ceremonies, and activities) | Organization makes sense to the individual |

Given the inherent fuzziness of organizational cultures, how can managers identify cultural weal spots that need improvement?

The following are some of the symptoms of a weak organizational culture.

1. **Inward focus**: has internal politics become more important than real-world problems and the market place?
2. **Morale problem:** are there chronic unhappiness and high turnover?
3. **Fragmentation/inconsistency**: is there a lack of ”fit” in the way people behave, communicate, and perceive problems and opportunities?
4. **Ingrown subcultures**. Is there a lack of communication among subunits?
5. **Warfare among subcultures**. Has constructive competition given way to destructive conflicts?
6. **Subculture elitism**. Have organizational units become exclusive “clubs” with restricted entry? Have sub cultural values become more important than the organization’s values?

**Session Five: Motivation**

1. **Theories of Motivation**

The complex webs of factors that motivate our work efforts are as varied as our occupations. The term motivation refers to a psychological process that gives behavior purpose and direction. It refers to the forces either internal or external to a person that arouse enthusiasm and persistence to pursue a certain course of action. Employee motivation affects productivity, and so part of a leader’s job is to channel followers’ motivation toward the accomplishment of the organization’s vision and goals. By appealing to this process, managers attempt to get individuals to pursue organizational objectives willingly. Motivation theories are generalizations about the “why” and “how” of purposeful behavior.

Job performance is the product of a combination of an individual’s motivation and ability. Both are necessary. All the motivation in the world, for example, will not enable a computer-illiterate person to sit down and create a computer spreadsheet. Ability and skills, acquired through training and/or on-the-job experience, are also required. The individual’s motivational factors –needs, satisfaction, expectations, and goals- are affected by challenging work, rewards, and participation.

People have basic needs, such as for food, recognition, monetary gain, that translates into an internal tension that motivates specific behaviors with which to fulfill the need. To the extent that the behavior is successful, the person is rewarded when the need is satisfied. The reward also informs the person that the behavior was appropriate and can be used again in the future.

Intrinsic and Extrinsic Rewards:

***Intrinsic rewards***: are internal satisfactions a person receives in the process of performing a particular action. An intrinsic reward is internal and under the control of the individual, such as to engage in task behavior to satisfy a need for competency and self determination. Intrinsic rewards appeal to the “higher” needs of individuals, such as accomplishment, competence, fulfillment, and self-determination.

***Extrinsic reward***: are given by another person, typically a supervisor and include promotions and pay increases. Because they originate externally as a result of pleasing others, extrinsic rewards compel individuals to engage in a task behavior for an outside source that provides what they need, such as money to survive in modern society. Extrinsic rewards appeal to the “lower” needs of individuals, such as material comfort and basic safety and security.

System wide rewards: Rewards can be provided system wide or on an individual basis. System wide rewards apply the same to every individual within the organization or department. Individual rewards may differ among people within the same organization or department. **Extrinsic system-wide** reward could be insurance benefits or vacation time. An **intrinsic system-wide** reward would be the sense of pride that comes from within by virtue of contributing to a “winning” organization.

Leaders often try to motivate others by providing them with the opportunity to satisfy higher needs, and thus become intrinsically rewarded. The source of an intrinsic reward is internal to the follower. When leaders empower followers, that is, allow them freedom to determine their own actions, subordinates reward themselves intrinsically for good performances. They may become creative, innovative, and develop a greater commitment to their objectives.

* 1. ***Need Theories:***

1. ***Abraham Maslow’s Hierarchy of Needs Theory:*** In 1943 psychologist Abraham Maslow proposed that people are motivated by a predictable five-step hierarchy of needs. Humans are motivated by multiple needs and those needs exist in a hierarchical order, where in the higher needs cannot be satisfied until the lower needs are met. Little did he realize at the time that his tentative proposal, based on an extremely limited clinical study of neurotic patients would become one of the most influential concepts in the field of management. The five hierarchy of motivating needs are:
   1. *Physiological needs*: the most basic physiological needs include food, water, sleep and sex. In the organizational setting, these are reflected in the needs for adequate heat, air, and base salary to ensure survival. Fulfillment of these lowest level needs enables the individual to survive, and nothing else is important when these bodily needs have not been satisfied. As Maslow observed “It is quite true that man lives by bread alone\_ when there is no bread”.
   2. *Safety Needs:* next is the need for a safety and secure physical and emotional environment and freedom from threats- that is, for freedom from violence and for an orderly society. In an organizational work place, safety needs reflect the needs for safe jobs, fringe benefits, and job security.
   3. *Belongingness or Love Needs*: People have a desire to be accepted by their peers, have friendships, be part of a group, and believed. People strive hard to achieve a sense of belonging with others. In the organization, these needs influence the desire for good relationships with coworkers, participation in a work team, and a positive relationship with supervisors.
   4. *Esteem Needs*: The need for esteem relates to the desire for a positive self-image and for attention, recognition, and appreciation from others. Within organizations, esteem needs reflect a motivation for recognition, an increase in responsibility, high status, and credit for contributions to the organization.
   5. *Self-Actualization Needs*: The highest need category, self-actualization, represents the need for self-fulfillment; developing one’s full potential, increasing one’s competence, and becoming a better person. Self-Actualization needs can be met in the organization by providing people with the opportunities to grow, be empowered and creative, and acquire training for challenging assignments and advancement.

The self-actualizing manager can have the following characteristics:

* Has warmth, closeness, and sympathy
* Recognizes and shares negative information and feelings.
* Exhibits trust, openness, and candor/honesty/frankness
* Does not achieve goals by power, deception, or manipulation
* Does not project own feelings, motivations, or blame onto others
* Does not limit horizons; uses and develops body, mind, and senses
* Is not rationalistic; can think in unconventional ways
* Is not conforming; regulates behavior from within

1. ***Frederick Herzberg’s Two-Factor Theory***: during the 1950’s Frederick Herzberg proposed a theory of employee motivation based on satisfaction. His theory implied that a satisfied employee is motivated from within to work harder and that a dissatisfied employee is not motivated. He believed that two entirely separate dimensions contribute to an employee’s behavior at work:
   1. *Hygiene factors*; the presence or absence of job dissatisfiers, such as working conditions, pay, company policies, and interpersonal relationships. When hygiene factors are poor work is dissatisfying. Hygiene factors work in the area of lower level needs, and their absence causes dissatisfaction. Unsafe working environment or a noisy working environment will cause people to be dissatisfied.
   2. *Motivators fulfill high level needs* and include achievement, recognition, responsibility and opportunity for growth. Higher level motivators such as challenge, responsibility, and recognition must be in place before employees will be highly motivated to excel at their work. The implication of the two factor theory for leaders is clear. The leader’s role is to go beyond the removal of dissatisfiers to the use of motivators to meet higher level needs.
2. *Acquired Needs Theory* (David McClelland): The acquired needs theory proposes that certain types of needs are acquired during an individual’s lifetime. People are not born with these needs but may learn them through their life experiences.
   1. *Need for achievement*: the desire to accomplish something difficult, attain a high standard of success, master complex tasks, and surpass others.
   2. *Need for affiliation*: the desire to form close personal relationships, avoid conflict, and establish warm friendship
   3. *Need for power*: the desire to influence or control others, be responsible for others, and have authority over others. Need based theories all focus on underlying needs that motivate how people behave.
3. *Reinforcement Perspective on Motivation*: Reinforcement theory simply looks at the relationship between behavior and its consequences by changing or modifying followers’ on the job behavior through appropriate use of immediate rewards or punishment. Behavior Modification is the name given to the set of techniques by which reinforcement theory is used to modify behavior. The basic assumption underlying behavior modification is the law of effect, which states that positively reinforced behavior tends to be repeated, and behavior that is not reinforcement tends not to be repeated. Tools of reinforcement include:
   1. Positive reinforcement
   2. Punishment
   3. Extinction
4. Expectancy Theory: *is a motivation model based on the assumption that motivational strength is determined by perceived probabilities of success. Expectancy refers to the subjective probability (or expectation) that one thing will lead to another*.

The expectancy theory of motivation is based on the premise that the amount of effort people expend depends on how much reward they expect to get in return. In addition to being broad, the theory deals with cognition and process. Expectancy theory is cognitive because it emphasizes the thoughts, judgments, and desires of the person being motivated. It is a process theory because it attempts to explain how motivation takes place.

According to the theory, in any given situation, people want to maximize gain and minimize loss. People choose among alternatives by selecting the one they think they have the best chance of attaining. Furthermore, they choose the alternative that appears to have the biggest personal payoff. Given a choice, people will select the assignment that they think they can handle the best and that will benefit them the most.

Expectancy theory is based on the relationship among the ***individual’s effort***, the ***possibility of high performance***, and the ***desirability of outcomes*** following high performance. A leader’s responsibility is to help followers meet their needs while attaining organizational goals. To increase motivation, leaders can increase followers’ expectancy by clarifying individual needs, providing the desired outcomes, and ensuring that individuals have the ability and support needed to attain their desired outcomes.

Expectancy theory has three basic components: ***valence***, ***instrumentality***, and ***expectancy***. All the three elements must be present for motivation to take place. To be motivated, people must value the reward, think they can perform, and have reasonable assurance that performance will lead to a reward.

* **Valence**: the worth or attractiveness of an outcome is referred to as valence. An outcome is anything that might stem from performance, such as reward. Each outcome has a valence of its own. And each outcome can lead to other outcomes or consequences, referred to as second-level outcomes. A person who receives an outstanding performance appraisal (a first level outcome) becomes eligible for a promotion (second level outcome).
* **Instrumentality**: The probability assigned by the individual that performance will lead to certain outcomes is referred to as instrumentality. (An instrumentality is also referred to as a performance-to-outcome expectancy because it relates to the outcome people expect from performing in a certain way). When people engage in a particular behavior, they do so with the intention of achieving a desired outcome or reward.
* **Expectancy**: The probability assigned by the individual that effort will lead to correct performance of the task is referred to as expectancy. (The same concept is also referred to as effort-to-performance expectancy). An important question people ask themselves before putting forth effort to accomplish a task is, “If I put in all this work, will I really get the job done properly?” Expectancies thus influence whether a person will even strive to earn a reward. Self-confident people have higher expectancies than do less self-confident people. Being well trained increases a person’s subjective hunch that he or she can perform the task.

The importance of having high expectancies for motivation meshes well with a new thrust in work motivation that emphasizes the contribution of self-efficacy, the confidence in your ability to carry out a specific task. If you have high self-efficacy about the task, your motivation will be high.

Environment

Outcome

Outcome

Valence of outcome

Performance

Effort

Expectancy Instrumentality

Outcome

Ability

Implication of expectancy theory for leaders and managers with respect to motivating others:

1. Determine what level and kinds of performance are needed to achieve organizational goals
2. Make performance level attainable by the individuals being motivated
3. Train and encourage people
4. Make explicit the link between rewards and performance
5. Make sure rewards are large enough
6. Analyze what factors work in opposition to the effectiveness of the reward
7. Explain the meaning and implications of second-level outcomes
8. Understand individual differences in valences.
9. Goal-Setting Theory: Goal setting is a basic process that is directly or indirectly part of all major theories of work motivation. A vision, for example, is really an exalted goal. The core finding of goal setting theory is that individuals who are provided with specific hard goals perform better than those who are given easy, nonspecific, “do your best” goals or no goals. The premise underlying goal-setting theory is that behavior is regulated by values and goals. A goal is what a person is trying to accomplish.

Specific goals lead to higher performance than do generalized goals. Telling someone to “do your best” is a generalized goal. Another key point is that performance generally improves in direct proportion to goal difficulty. The harder one’s goal, the more one accomplishes. In order to improve performance, goals need to be:

* Specific
* Hard but realistic
* Accepted by the person
* Used to evaluate performance
* Linked to feedback and rewards
* Set by individuals or groups
* Learning oriented,

Goals motivate employees by:

* Directing attention: directs one’s attention to a specific purpose
* Encouraging effort: a goal encourages one to exert effort toward achieving something specific
* Encouraging persistence: a challenging goal requires sustained or repeated effort, it encourages persistence
* Fostering goal attainment strategies and action plans: because goal creates the problem of bridging the gap between actual and desired, it fosters the creation of strategies and action plans.

1. Behavior modification and Motivational Skills: Behavior modification is a well-known system of motivation, is an attempt to change behavior by manipulating rewards and punishment. Behavior modification stems directly from reinforcement theory. The underlying principle of behavior modification is the law of effect: behavior that leads to a positive consequence for the individual tends to be repeated. In contrast, behavior that leads to a negative consequence tends not to be repeated.

Rules for the use of behavior modification

1. Target the desired behavior. An effective program of behavior modification begins with specifying the desired behavior-that which will be rewarded.
2. Choose an appropriate reward or punishment. An appropriate reward or punishment is one that is
   1. Effective in motivating a given group member or group
   2. Feasible from the company standpoint
3. Supply ample feedback
4. Do not give everyone the same size reward
5. Find some constructive behavior to reinforce.
6. Schedule reward intermittently
7. Rewards and punishments should follow the behavior closely in time
8. Change the reward periodically
9. Make the rewards visible and the punishment known

The carrot and stick controversy

Despite the testimonies of numerous organizations that enjoy incentives programs, the arguments against the efficacy of carrot and stick method are growing. Critics argue that extrinsic rewards are neither adequate nor productive motivators and may even work against the best interest of organizations. The reasons for this criticism include the following:

1. Extrinsic rewards diminish intrinsic rewards
2. Extrinsic rewards are temporary
3. Extrinsic rewards assume people are driven by lower needs
4. Organizations are too complex for carrot and stick approaches
5. Carrot and stick approaches destroy people’s motivation to work as a group.

**Session Six: communication and conflict resolution**

1. **Communication and Conflict Resolution in Human Service Organizations** 
   1. **Definition:**

**Communication**: is a process by which information and understanding are transferred between a sender and a receiver. The sender is anyone who wishes to convey an idea or concept to others, impart information, or express a thought or emotion. Potential communication errors exist when sending and receiving messages, because knowledge, attitudes, and background act as filters and create “noise” when translating from words into meaning.

***Management communication***; managers are information processors. They spend most of their time on meetings, telephone calls, talking informally with others. Managers scan their environments for important written and personal information, gathering facts and data, which in turn are then sent to subordinates and others who can use it. Managers have a huge communication responsibility directing and controlling an organization. Communication effectiveness lies in accuracy of formulation, with less “noise” as one determinant of success. Managers communicate facts, statistics, and decisions. Effective managers establish themselves at the center of information networks to facilitate the completion of tasks.

***Leadership communication***: leaders often communicate the big picture-the vision-rather than facts and pieces of information. A leader is a communication champion. A leader as communication champion is grounded in the belief that communication is essential to pursuing the organizational vision. Learning, problem solving, decision-making, and strategizing are all oriented around and stem from the vision. Communicating vision is not only about formal speeches and motivating people. It is about drawing the vision to the forefront in people’s minds during day-to-day interactions and activities. Leaders can use many communication methods including rich channels of communication, stories, metaphors, informality, openness, and dialogue.

Open communication is sharing all types of information throughout the company, especially across functional and hierarchical levels. Open communication runs counter to the traditional flow of selective information downward from supervisors to subordinates. Eliminating the conventional boundaries and directions of communication enables leaders to convey a higher mission and establish followers’ understanding of it. Followers need to see the vision and values enacted by their leaders before they can accept what leaders want to convey. Thus, open communication not only improves the operations of an organization, but it provides a foundation for a leader to communicate vision, values, and other vital big picture information.

Listening is an important tool of communication for leaders.

***Listening***: listening involves the skills of grasping and interpreting a message’s genuine meaning. Only then can a leader’s response be on target. Listening requires attention, energy, and skill. (Refer the keys to effective listening on the text page 160). ***Listening involves dialogue, discussion and discerning***.

***Dialogue***: a dialogue occurs when a group of good listeners convene. In dialogue, people together crate a stream of shared meaning that enables them to understand each other and share a view of the world. People may start out as polar opposites, but by talking authentically to one another, they discover their common ground, common issues, and common dreams on which they can build a better future. An absence of prejudgment, personal agendas, and right answers are characteristics of participants who engage in a dialogue. Participants in a dialogue do not presume to know the outcome nor do they sell their convictions. Participants bring only uncertainty; they have no “right” answer or solution because it has yet to be discovered. A dialogue’s focus is to reveal feelings and build common ground, with more emphasis on inquiry than advocacy. The result of a dialogue is marked by group unity, shared meaning, and transformed mind-sets. The kind of result is far reaching. A new, common mind-set is not the same thing as agreement, because it creates a reference point from which subsequent communication can start.

***Discussion***: Explores opposition by individuals who advocate their positions and convince others to adopt those positions. While both types of communication can result in change, a discussion is resolved by logic or “beating down” opponents. The result of a discussion is limited to the topic deliberated.

***Discernment***: by this kind of listening, the leader detects the unarticulated messages hidden below the surface of spoken interaction, complaints, behavior, and actions. A discerning leader pays attention to patterns and relationships underlying the organization and those it serves.

**Communication Channel:**

For leaders to be effective communicators, the communication channel they are applying is essential.

Communication channel is a medium by which a communication message is carried from sender to receiver. A leader may discuss an issue face-to-face, use the telephone, write a memo or letter, use email, or put an item in a newsletter depending on the nature of the message.

The richness of an information channel can be influenced by three characteristics:

1. The ability to handle multiple cues simultaneously
2. The ability to facilitate rapid, two-way feedback; and
3. The ability to establish a personal focus for the communication.

* **Face-to-face** discussion is the richest medium, because it permits direct experience, multiple information cues, immediate feedback, and personal focus. Face-to-face discussion facilitates the assimilation of broad cues and deep, emotional understanding of the situation.
* **Telephone conversation and interactive electronic media**, such as voice mail and electronic mail, while increasing the speed of communication, lack the element of “being there.” Eye contact, gaze, blush, posture, and body language cues are eliminated. Therefore, a leader’s ability to listen actively or discern is diminished.
* **Written media** that are personalized, such as notes and letters, can be personally focused but they convey only the cues written on paper and are slow to provide feedback. Impersonal written media, including fliers, bulletins, and standard computer reports, are the lowest in richness. The channels are not focused on a single receiver, use limited information cues, and do not permit feedback.

**Stories and Metaphors:**

Communication encounters can be further enriched by leaders who are conscious of the language they use and the definitions and contexts they create with their language. Choosing the best terminology is but one way leaders can enrich their communication. It is in the leader’s preview to direct followers’ attention to the values that underlie the organization, to define the meaning of situations and objectives, and to give visionary messages in ways that make them palpable and meaningful to organizational members. People seek meaning in their daily work and want to understand their role in the large context of the organization. By using language rich in metaphor and storytelling, leaders can make sense of situations in ways that will be understood similarly throughout the organization.

**Feedback and Learning:**

Feedback is an essential tool for leadership communication. As an evaluation, feedback enables leaders to determine if they have been successful or unsuccessful in communicating with others. It is only by evaluating the success of a communication can leaders reformulate and increase the effectiveness of subsequent messages, signals, and organizational practices. The feedback process involves four elements:

1. **Observation**. Visible occurrences, either subordinate behavior or result of organizational activity
2. **Assessment**. Interpretation of observed behaviors, an evaluation of the results in terms of vision and goal
3. **Consequence**. The outcome of what is observed, and can include both actual consequences and the consequences possible if no change takes place.
4. **Improvement or development**. The sustainment or improvement of behaviors.

Leaders communicate what they observe, how they assess it, what consequences it has, and how to effectively address the observed behavior and consequences. Each element is communicated from the leader to the individual or organization.

* 1. **Cross-cultural communication**

A major underlying factor in overcoming cross-cultural communication barriers is to understand attributions, the judgments we make about the behavior and attitudes of others. Three factors affect the attribution or judgments we make. Judgment in attribution specifically focuses on interpretations of causations.

***Perception*** refers to the various ways in which people interpret things in the outside world and how they react on the basis of these interpretations. Example, the interpretation of Adegegna Bozene

***Stereotyping*** is evaluating an individual on the basis of our perception of the group or class to which he or she belongs. Although stereotype has a negative connotation, positive stereotypes can be useful in dealing with people from another culture. Example, positive attributes /Gurage people are hard working and business oriented/, negative attributes /some ethnic groups whose livelihood is based on manufacturing jewelry and others craft works are evil eye/

***Ethnocentrism*** is the assumption that the ways of one’s culture are the best ways of doing things. Displaying ethnocentrism can lead to complete communication breakdowns.

Some suggestions to overcome cross-cultural communication barrier:

* Be sensitive to the fact that cross-cultural communication barriers exist. Example
  + Asking personal questions. The British protect their privacy
  + Thinking that a business man from England is unenthusiastic, when he/she says “not bad at all”. English people underestimate positive emotions.
  + Expecting to complete work during the French 2hrs lunch
  + Expecting punctuality. Your appointments usually arrive 20-30minutes late /Spain/
  + Shaking hands or hugging Japanese in public. They consider the practice offensive
  + Not interpreting “we will consider it” as a no when spoken by Japanese businessperson.
  + Using black boarders on stationery and business cards because black is associated with death in China.
* Challenge your cultural assumptions
* Show respect for all workers. Behavior that promotes good cross-cultural relations in general helps overcome communication barriers
* Use straightforward language, and speak slowly and clearly
* When the situation is appropriate, speak in the language of the people from another culture
* Observe cross-cultural differences in etiquette (in good manners)
* Do not be diverted by style, accent, grammar, or personal appearance.
* Avoid racial or ethnic identification except when it is essential to communication
* Be sensitive to differences in nonverbal communications
  1. **Conflict Management, Resolution and Negotiation**

The term conflict has a strong negative connotation, evoking words such as opposition, anger, aggression, and violence. But conflict does not have to be a negative experience. Based on research evidence most organizational conflicts occur within a cooperative context. “Conflict involves incompatible behaviors; one person interfering, disrupting, or in some other way making another’s actions less effective” (Dean Tjosvold, 1993). The definition sets the scene for important distinction between competitive (or destructive) conflict and cooperative (or constructive) conflict.

**Competitive Vs cooperative conflict**

*Competitive conflict:*

Opposing goals mistrust and disbelief avoid and win-lose go separate ways

*Collaborative conflict*

Collaborative goals trust and rely discuss and win-win move forward together.

*Styles to handle conflict /conflict management/:*

1. ***Competitive style***: the competitive style is a desire to win one’s own concerns at the expense of the other party, or to dominate. A person with a competitive orientation is likely to engage in win-lose power struggle. It reflects assertiveness to get one’s own way, should be used when quick, decisive action is vital on important issues or unpopular actions, such as during emergencies or urgent matters.
2. ***Accommodative style***: favors appeasement, or satisfying the other’s concerns without taking care of one’s own. People with this orientation may be generous or self-sacrificing just to maintain a relationship. In groups this style is best when people realize that they are wrong, when an issue is more important to others than to oneself, when building social credits for use in later discussions, or when maintaining cohesiveness is especially important.
3. ***Sharing style/compromising style***: moderate amount of both assertiveness and cooperativeness. It is appropriate when the goals on both sides are equally important, when opponents have equal power and both sides want to split the differences, or when people need to arrive at temporary or expedite solutions under time pressure.
4. ***Collaborative style***; reflects both a high degree of assertiveness and cooperativeness. This style enables both parties to win although it may require substantial dialogue and negotiation. The collaborative style is important when both sets of concerns are too important to be compromised when insights from different people need to be merged into an overall solution, or when the commitment of both sides is needed for a consensus.
5. ***Avoiding style***; reflects neither assertiveness nor cooperativeness, is appropriate when an issue is trivial, when there is no chance of winning, when a delay to gather more information is needed, or when a disruption would be costly.

**Bargaining/Negotiating**: means that the parties engage one another in an attempt to systematically reach a solution. They attempt logical problem-solving to identify and correct the conflict. This approach works well if the individuals can set aside personal animosities and deal with conflict in a businesslike way.

Negotiation is “a decision-making process among interdependent parties who do not share identical performances”. It is through negotiation that the parties decide what each will give and take in their relationship.

**Elements of effective negotiation:**

* *Adopting a Win-Win attitude*. Win-Win is a frame of mind and heart that constantly seeks mutual benefit in all human interactions. Win-Win means that agreements or solutions are mutually beneficial, mutually satisfying. All parties feel good about the decision and feel committed to the action plan. Win-Win sees life as a cooperative, not a competitive, arena.
* *Knowing your BATNA* (Best Alternative to a Negotiated Agreement). This old-sounding label represents the anchor point of effective negotiations. What will you settle for if negotiations do not produce your desired outcome(s)? BATNA is the standard against which any proposed agreement should be measured. That is the only standard which can protect you both from accepting terms that are too unfavorable and from rejecting terms it would be in your interest to accept.
* *Identifying the Bargaining Zone*. Negotiation is useless if the parties involved have no common ground. At the other extreme, negotiation is unnecessary if both parties are satisfied with the same outcome. Midway, negotiation is necessary when there is a degree of overlap in the range of acceptable outcomes. Hence, the bargaining zone can be defined as the gap between the two BATNASs- the area of overlapping interests where agreement is possible.

Mediation: using a third party to settle a dispute involves mediations. A mediator could be a supervisor, another team leader, or someone from the human resources department.

**Power, Politics, and Leadership:**

**Power** is an intangible force in organizations. It cannot be seen, but its effect can be felt. Power is often defined as the potential ability of one person (or department) to influence other person (or departments) to carry out orders or to do something they otherwise would not have done. Power is the ability of one person or department in an organization to influence other people to bring about desired outcome. It is the potential to influence others within the organization with the goal of attaining desired outcomes for power holders.

There are five types of powers of leaders:

1. Legitimate power: is granted from a formal position in an organization. Certain rights, responsibilities, and prerogatives accrue to anyone holding a formal leadership position and followers accept this legitimacy.
2. Reward power: this power vested with authorities to exercise on subordinates to influence their behavior.
3. Coercive power: it is the negative side of legitimate and reward power where leaders exercise reprimand, negative letter or warning, and other administrative measures.
4. Expert power: refers to the competence or knowledge and expertise that leaders have so that subordinates will go along the decisions or recommendations of the leaders. Subordinates also can have expert power where leaders may not have on some very technical aspects of a task.
5. Referent power: steams from the leader’s personality characteristics that command followers’ identification, respect, and admiration so they wish to emulate the leader.

What are the sources of power for leaders?

* Legitimate, Reward and Coercive powers can emanate from the leader’s formal position in an organization
* Expert and Referent powers are derived from the leader’s personal qualities.
* Organizational dependency refers to the interdepartmental dependency as a key element underlying leader power.
* Organizational centrality: the extent to which the work of a department is more central to bring about the final output of the organization is the source of power for the leader.
* Coping with uncertainty: when the organization is uncertain about the future direction, the department that develops a coping up mechanism is more powerful over other department. Example in the context of the new CSO policy environment, the resource mobilization and communication departments of HSOs in Ethiopia have helped to design strategies to ensure the survival of their organizations.

*Organizational Politics Asserting Influence*: involves activities to acquire, develop, and use power and other resources to obtain desired future outcomes when there is uncertainty or disagreement about choices. Engaging in politics can be either a positive or negative force, depending on what a leader wants to accomplish. The following are some of the political tactics leaders use to get things done in an organization.

1. Build coalition: taking the time to talk to followers and other leaders to explain problems and describe their point of view. An important aspect of coalition building is to build positive social relationships. Social relationships are built on liking, trust, and respect. Reliability, trustworthiness, and the motivation to work with others to achieve desired future outcomes are the desired use of politics.
2. Expand network: a leader’s network of contacts can be expanded by reaching out to establish contact with additional people and by co-opting dissenters.
3. Use legitimacy and expertise: the area that a leader has recognized legitimacy and expertise can be used to exert influence. Because in their area of expertise they can produce logical arguments and factual evidence to persuade others that a proposal is viable and can produce the desired outcomes.
4. Use information and analysis: information and its ability to reduce uncertainty, is a source of influence. It is often important to gather facts and figures and do underlying rational analysis to enable broad support of a proposed course of action. A leader can commission research to find out facts about an alternative course of action he/she is promoting.
5. Use symbolic actions: use symbols, stories, heroes, slogans, and ceremonies to persuade others of the high purpose to be achieved with the desired course of action.
6. Use assertiveness: leaders with the courage to bring their proposal forward and explicit may be accepted simply because others may not have better alternatives. Political activity will be effective when leaders ask, and made their vision, goals and desired changes explicit so the organization can respond. Effective political behavior requires sufficient forcefulness and risk-taking to at least try to achieve desired outcomes.
   1. **Teamwork Building for Organizational Effectiveness:**

Team: a team is a unit of two or more people who interact and coordinate their work to accomplish a specific goal.

1. Teams are made up of two or more people
2. People in a team work together regularly
3. People in a team share a goal

A team is a group of people, but the two are not equal. A professor, coach, or employer can put together a group of people and never build a team. There could be a group of people who are better individually but who never make up a better team. The team concept implies a sense of shared mission and collective responsibility. A team achieves high levels of performance through shared leadership, purpose, and responsibility by all members working toward a common goal. Teams are characterized by equality; in the best teams, there are no individual “stars” and everyone sublimates individual ego to the good of the whole. (Daft)

A team is a small number of people with complementary skills who are committed to a common purpose, set of performance goals, and approach, for which they hold themselves accountable. Teamwork is an understanding and commitment to group goals on the part of all team members. All teams are groups, but not all groups are teams. (Dubrin)

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| ***Differences Between Groups and Teams*** | |
| ***Groups*** | ***Teams*** |
| Has a designated, strong leader | Shares or rotates leadership roles |
| Individual accountability | Mutual and individual accountability (accountable to each other) |
| Identical purpose for group and organization | Specific team vision or purpose |
| Performance goals set by others | Performance goals set by team |
| Works within organizational boundaries | Not inhibited by organizational boundaries |
| Individual work products | Collective work products |
| Organized meetings, delegation | Mutual feedback, open-ended discussion, active problems-solving |

Source: Daft, R. L. p.270

**Types of Teams**

**Functional Teams/Vertical Team or Command Team/**

A supervisor and subordinates in the formal chain of command form a functional team. Functional teams may include three or four levels of hierarchy within a department. A financial analysis department, human resources department, and services departments all are functional or vertical teams. Each is created by the organization within the vertical hierarchy to attain specific goals through members’ joint activities.

**Cross-Functional Teams**

Cross-Functional Teams are made up of members from different functional departments within the organization. CFTs typically have a specific team leader and lead change projects, such as creating a new product in a manufacturing organization or developing an interdisciplinary curriculum in a middle school. Cross functional teams generally involve projects that affect several departments and therefore require that many views be considered.

Cross-functional teams are based on assigned rather than voluntary membership. Cross functional teams facilitate information sharing across functional boundaries, generate suggestions for coordinating the departments represented, develop new ideas and solutions for existing organizational problems, and assist in developing new practices or policies. The members of one type of cross-functional team, the problem-solving or process-improvement team, meet voluntarily to discuss ways to improve quality, efficiency, and the work environment. These teams may gradually evolve into self-directed teams.

**Virtual teams**

A virtual team is a physically dispersed task group linked electronically. Face to face contact is usually minimal or nonexistent. E-mail, voice mail, videoconferencing, web-based projects software, and other forms of electronic interchange allow members of virtual teams from anywhere on the planet to accomplish a common goal. Special steps need to be taken to communicate role expectations, performance norms, goals, and deadlines. Virtual team work may be faster than the traditional face to face kind, but it is by no means easier.

In managing virtual teams, one reality is evident. Periodic face-to-face interaction, trust building, and team building are more important than ever when team members are widely dispersed in time and space.

**Self-directed teams:**

Self-directed teams are long-term or permanent in nature and they typically include three elements:

* The team includes workers with varied skills and functions and the combined skills are sufficient to perform a major organizational task, thereby eliminating barriers among departments and enabling excellent coordination.
* The team is given access to resources such as information, financial resources, equipment, machinery, and supplies needed to perform the complete task.
* The team is empowered with decision making authority, which means that members have the freedom to select new members, solve problems, spend money, monitor results, and plan for the future.

**Determinants of Team Effectiveness**

|  |  |
| --- | --- |
| **People related factors**   * Personal work satisfaction * Mutual trust and team spirit * Good communications * Low unresolved conflicts & power struggle * Low threat, fail-safe, good job security | **Effective Team Performance**   * Innovative ideas * Goal(s) accomplished * Adaptable to change * High personal/team commitment * Rated highly by upper management. |
| **Organization-related factors**   * Organizational stability and job security * Involved, interested, supportive management * Proper rewards and recognition of accomplishments * Stable goals and priorities |
| **Task-related factors**   * Clear objectives, directions, and project plans * Proper technical direction and leadership * Autonomy and professionally challenging work * Experienced and qualified project/team personnel * Team involvement and project visibility |