

December 2008

Essay Questions

Essay 1

Your organisation, over the last year, has been through a process of organisational redesign. As part of this process the number of managers has been substantially reduced, the company has moved from a functional design to a mixed product, territorial design and there have been moves to delegate more responsibility down to those functions closest to the customer. However the Board feels that, while what has been done so far has been successful, there is still work to be done at the job design level in the organisation. Focus groups held as part of change evaluation have indicated that employees generally feel low job satisfaction and are unhappy with the level of job challenge that they now experience. How can the organisation change this situation?

(60 marks)

- [Examiner's Solution](#)
- [Selected Student Answer](#)

Job design is all about getting the job content factors right in terms of:

- Skill variety (the different skills, talents and abilities to do the job);
- Task identity (the completeness of tasks from start to finish);
- Task significance (the influence on the life of the employee and other people);
- Autonomy (employee freedom and discretion to control the work);
- Feedback (direct feedback on the effectiveness of the employee);
- Social opportunities (the opportunity to interact with others at work and socially).

Effective job design also needs to address the critical psychological states of the employee in terms of the experienced meaningfulness of the work, the experienced responsibility for work outcomes, and the knowledge of results from work activities. This, of course, links directly to the concept of job satisfaction (JS).

Getting the job content factors right and dealing with the critical psychological states will produce personal and work outcomes in terms of high motivation and performance, high job satisfaction and low absenteeism/turnover.

Job design principles include horizontal job loading where the work can be expanded by applying job rotation, job enlargement, and cross training with other employees. Vertical job loading is also important in delivering improvement in organisational and individual outcomes through providing direct feedback on performance; providing opportunities to learn new skills; giving employees the ability to influence scheduling of work; designing each job with some unique qualities; giving employees control over job resources; and increasing personal accountability.

Additional factors are 4-day weeks, job-sharing, telecommuting and flexi-time.

JS includes facets of work, rewards (extrinsic and intrinsic), fellow workers, supervision and promotion. The fact that the company has gone through change including downsizing and de-layering indicates that JS will have been affected by these changes (downsizing usually involves changes in work load, inevitably results in changes in personnel, and cuts down possible career options through a flattened structure). For the individual, the determinants of JS are years in career and expectations (the latter being effected by downsizing/de-layering). The organisational determinants of JS are supervision (reducing through downsizing/de-layering), job challenge (possibly increasing), job clarity and incentives (including, of course, the idea that people look for equity in pay). There is an indirect link between performance and JS (with rewards being a mediating function).

In practical terms, there are a number of obstacles that might stand in the way of implementing Job Design principles:

- It may be that the technological aspects of a job are such that significant changes in Job Design might be impossible (or too expensive);
- The cost of starting up and maintaining a Job Design programme can be high on an organisational basis. Especially in times of environmental or organisational change, it may well be that too much effort has to be put into Job Design to make it effective;
- There is a need to take into account the preferences of individual employees to make Job Design effective. If this is the case, then resistance to change will be much greater. In organisations that have adopted the principles of involvement, empowerment and self-directed teams, there is a greater likelihood of successfully implementing a Job Design programme.
- Resistance may come from Managers or Unions. For Job Design to be effective managers must be prepared to delegate authority because if this is a problem it can lead to the failure of Job Design programmes. Equally, union opposition can pool the resistance of individual employees and become a major barrier to effective change being implemented.

Implementation of an effective Management by Objectives system in which challenging goals are agreed between managers and their staff would provide an effective vehicle to pull the above together.

Essay 2

You are a newly appointed middle manager in a government department that has been organised along the lines of a private sector organisation, with the leadership of a CEO. Individual assessment of job performance has never been a facet of organisational life in the organisation but you have been asked by the CEO to consider the advantages of such systems and how they might be implemented. What are the options that the organisation might adopt and what are the difficulties that might be experienced in their adoption?

(60 marks)

- [Examiner's Solution](#)
- [Selected Student Answer](#)

The most common forms of appraisal systems are absolute standards (AS), graphic rating systems (GRS) and behaviourally anchored rating systems (BARS). In addition, it would be possible to utilise a Management by Objectives (MbO) system as an input to these systems.

The Absolute Standards (AS) system of performance appraisal has the potential of having many of the errors that can exist. With a fixed and inflexible set of performance criteria (that are usually 'all or nothing' in nature) personal bias from the supervisor can become a major issue, especially if the organisation has a wide range of supervisory levels all with their own level of experience and expectation. The 'halo effect' of rating an employee based upon the evaluation of other traits can also become a bias that is difficult to manage (especially in close team environments where the supervisor is much more part of the team). Recency error, where the supervisor rates the whole year (say) based upon one recent event can be a problem since most AS systems do not have a requirement for ongoing feedback to be provided to employees. Supervisor errors of strictness or leniency

based on whether they believe that either all employees do match up or all employees do not match up can often raise inconsistency of application across the whole organisation or parts of the organisation. Similarity error is more likely in that supervisors rate as important those aspects in which they themselves display high quality. Forced rating, where the supervisor matches individual ratings with an overall rating, can also lead to errors.

AS systems tend to produce, therefore, less valid individual performance appraisals.

GSR is still the most popular system in use with performance criteria being set that are meaningful to both supervisor and employee, thus providing more content validity than the AS system discussed above. This method of rating does differentiate between individual employees and encourages the tendency to spread employees out along each scale. Supervisors, using degrees of success or failure, are in a much stronger position to assess the strengths and weaknesses of individuals. GSR still has validity issues related to strictness, leniency or similarity. The use of fixed distributions by some organisations can also create problems in that individuals sense inequity.

BARS systems emphasise work behaviour and give supervisors (and employees) sight of different levels of performance in behavioural terms. The focus is, therefore, on how the job is done rather than individual characteristics. Design of BARS systems is inherently participative, which is much more congruent with team focused organisations. For BARS to be effective, a number of systems may need to be created to match job sets and this produces a much more complicated system overall.

MbO is a system that increases work motivation and employee performance, provides clear expectations of what is required of the employee by the organisation and improves the validity of performance evaluation. Most MbO systems require ongoing reporting of progress to meeting objectives and, therefore, provide a clear set of data against which to judge performance. A well designed MbO system gives individuals a clear line-of-sight between their own objectives and those of the overall organisation. The system also integrates personal with organisational goals, thus encouraging people (in Maslow's terms) towards self-actualisation.

For this public service organisation it would seem that an amalgamation of BARS and MbO would provide an effective way forward. It is important, however, to involve staff in deciding which systems to adopt and the detail embedded within them. It is likely that this organisation is unionised which may define a way forward through collective decision-making.

The proposed introduction of an appraisal system could well be perceived as a cultural change for the organisation and as such it could take a long time to implement. To give implementation the best chance of being successful, it would be advisable to implement these changes using a planned process.

The best answers to this question would include some discussion of Lewin's change model, Dailey's eight-stage expansion of that model and perhaps the HOME model of cultural change.

Key to managing resistance to these changes will be involving people in defining the detail of the changes and managing the union/management relationship in such a way that barriers can be broken down rather than being built

Essay 3

Following your successful implementation of a number of recent computer projects, you have been appointed as the project manager for a new, high profile project that will deliver a key customer interface programme. You have been given a wide remit to effectively define the budget for the project and have been given Director level status and access to the Board for the duration of the project. Having been in post for a month, you and your team have identified that there is severe resistance within customer facing groups in the organisation to co-operating with your team to do the initial design work that will lead to an effective solution. From your understanding of OB, what can you do about this situation to ensure a successful outcome?

(60 marks)

- [Examiner's Solution](#)
- [Selected Student Answer](#)

From the question you have to access to a number of sources of individual power within the organisation. On the personal level, it is likely, from your past successes, that you have a measure of **referent power** that will be enhanced by your appointment to Director level to lead this project. In addition, as part of your successful track record, you will have access to **expert power**. These sources of power are personal to you and will have transferred with you to this new job.

At the organisational level, you clearly have the **legitimate power**, through your appointment, that comes with the position of Director. As you have control over the budget, you inherently have **reward power**, at least at the level of the direct team (and possibly in a wider organisational sense). Finally, it is probable that you have a measure of access to **coercive power**, certainly within the team, and because of your ability to appoint anyone to the team, also in the wider organisation.

You have access, therefore, to all the major sources of interpersonal power and have the **choice to exercise** those sources to influence the successful launch of the product.

In terms of organisational sources of power, your team have been given a central role in the launch of the product. That **centrality power** could be invoked should the launch programme be in danger of not being delivered. There is no evidence that you have access to the other organisational sources of power: **scarcity**, **uncertainty** or **absence of substitutes**.

Through the power given (legitimately) to create the team you have the opportunity to create a balance high performing group of people (by design). Such a cohesive, high performing team has the potential to build further centrality.

The main issue that you have is with the customer facing people who are not currently part of your team. It would seem most effective, therefore, for you to organise in such a way as to include these people in some way. Each of your team members could lead mini-teams with the customer facing people to fully involve them in the planned change and, therefore, engage their involvement in ongoing decision-making.

- While possessing the sources of power identified above, it will require choices to be made to exercise those sources (*a source of power having no meaning while it is not exercised*).
- Use of influence *does not happen in a vacuum* and effective use will be balanced, therefore, by the results of others using their sources of power. The fact that you have potential power does not mean that its application will be successful.
- If the individual has a personalised need for power, then there is the potential for **misuse**, and a negative form of playing politics for the benefit of the individual rather than the organisation. This can lead to people resisting the exercise of power.

- Using sources of power is easiest within the **context of the team** being led, followed by managing the boss and is least easy when going beyond those 'simple' organisational boundaries.
- If the people affected perceive that power is being used in a **manipulative** manner, they may well react by being more resistant than had the power not been exercised at all.

Although the changes being proposed are important, they probably will not have major organisational impact and it is important not to put in place a change mechanism that is too big for the problem at hand. It is quite possible to implement the required changes using the principles behind Lewin's change model and Dailey's expansion of it without introducing unnecessary bureaucracy that would get in the way of effective change. Utilising a team building approach between your own direct team and the customer facing staff would seem to be the most effective way forward.