MODULE 4 Organisational Behaviour 50+

Learning Objectives

At the end of this course, you are able to derive strategies in accordance with organisational structures, performance measurement and leadership behaviour on how to integrate employees50+, employees in transition and jobseeker50+.

You are going to learn about:

- Most relevant theoretic aspects of organisational culture, motivation, and leadership.

- Ways and problems to influence organisational behaviour.

- Motivation and other behavioural aspects of a particular group and/or organisation.

- Plans to integrate employees50+, employees in transition, and jobseeker50+ into organisational culture.

- Structures and instruments to motivate employees50+, employees in transition, and jobseeker50+ for further work and learning.

Overview

1. Organisational or corporate culture
    1.1. Functions and types of organisational culture
    1.2. Internal integration – working together with 50+
    1.3. Subcultures and generation differences
    1.4. Psychological contract

2. Motivation
    2.1. Definition of motivation
    2.2. Theories of motivation
            2.2.1. Content theories of motivation
            2.2.2. Process theories of motivation
    2.3. Motivation of older adults

3. Leadership
    3.1. Definition of leadership
    3.2. Leadership styles
    3.3. Leadership style for employees50+

4. Performance evaluation and rewarding system
    4.1. Performance evaluation for older employees
    4.2. Rewarding system for older employees

1. Organisational or corporate culture

- Organisational or corporate culture can be defined as the pattern of values, norms, beliefs, attitudes and assumptions that shape the ways in which people behave and things get done (Armstrong, 2006) or it guides behaviour of organisational members (Schermerhorn et al., 2012).

- It is unique for each organisation.
- It has been in focus of many researchers, theorists and practitioners.
- Attributes of organisational culture (Kreiten and Kinicki, 2013):
    - impact on employees' motivation, satisfaction and turnover,
    - source of competitive advantage and
    - managerial influence.

1.1 Functions of organisational culture

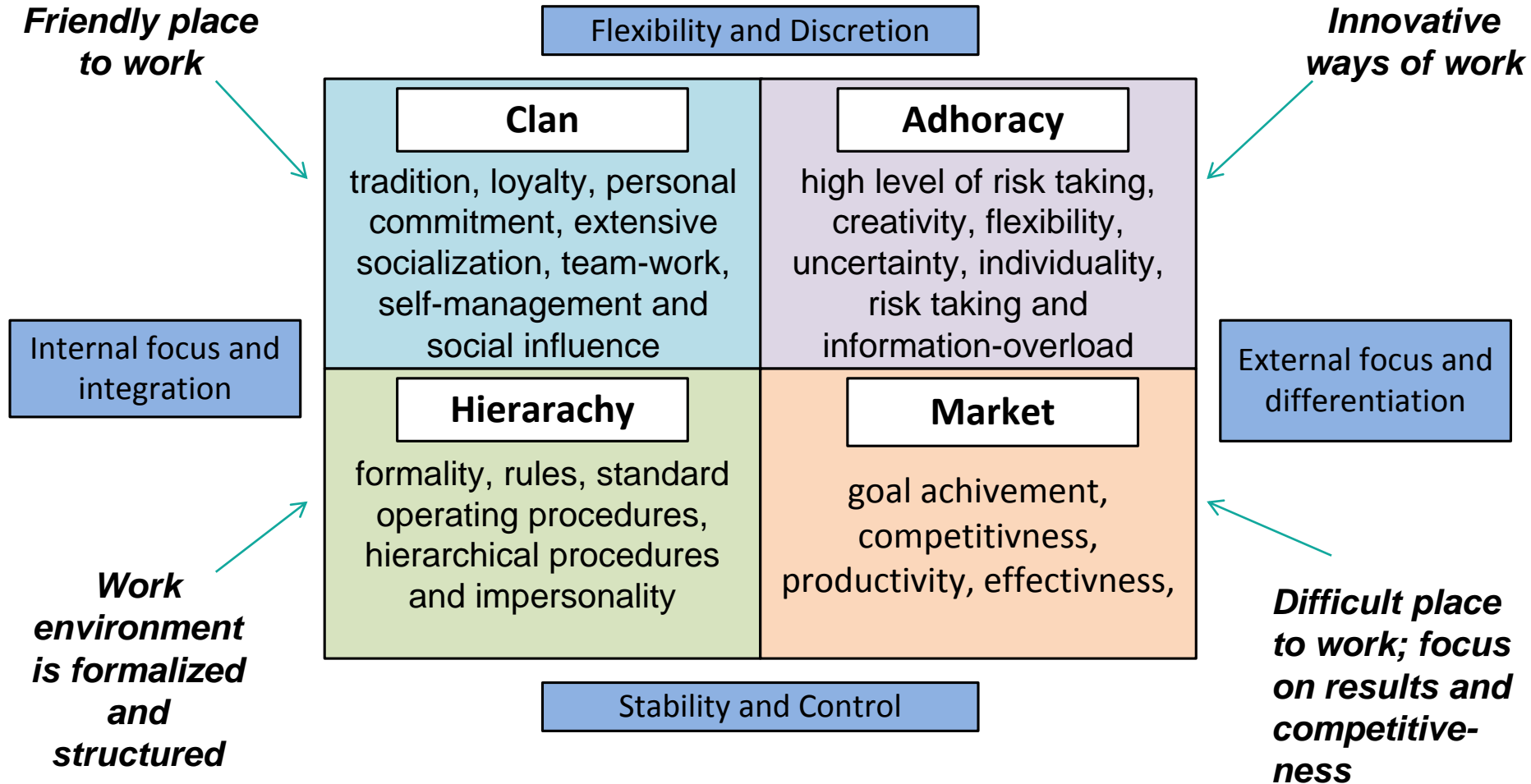**External adaptation** - What has to be accomplished and how?

- ◦ ways of reaching goals, task to be accomplished, methods used to achieve the goals and methods of coping with success and failure;
- ◦ the way in which employees are presenting their organisation to the outsiders expressing their positive values;
- ◦ deals with crucial organisational aspects such as mission, strategy and goals followed by measurement and corrections.

Internal integration – How do members resolve problems associated with working together?

- ◦ establishment of a unique identity;
- ◦ deciding who is member of the group and who is not;
- ◦ developing an informal understanding of acceptable and unacceptable behaviour and separating friends from enemies;
- ◦ developing a shared identity and collective commitment.

(Schermerhorn et al., 2012)

1.1 Types of organisational culture (CVF)

Friendly place to work

Innovative ways of work

Flexibility and Discretion

Clan	**Adhoracy**
tradition, loyalty, personal commitment, extensive socialization, team-work, self-management and social influence	high level of risk taking, creativity, flexibility, uncertainty, individuality, risk taking and information-overload
Hierarachy	**Market**
formality, rules, standard operating procedures, hierarchical procedures and impersonality	goal achivement, competitivness, productivity, effectivness,

Internal focus and integration

External focus and differentiation

Stability and Control

Work environment is formalized and structured

Difficult place to work; focus on results and competitive-ness

1.2 Internal integration (working together with 50+)

- Employees50+
  - Strongly emphasize internal integration
  - Are highly committed
  - Express great level of organisational identity
  - Have already proven themselves
  - Should be considered as a valuable resource for newcomers
  - Their KSA'a are extremely valuable for mentoring younger ones
  - Should be integrate in decision making
  - Should be provided with flexible work hours, reduced work schedule, part-time work or job sharing
  - Are more resistant to changes
  - Include „reverse mentoring"

1.3 Subcultures

- Subcultures are based on values shared by a group rather that by an organisation as a whole (Hitt et al., 2011, p. 469).

- Subcultures are formed within organisations because their members interact face to face more frequently with one another than with other people in the organisation.

- Presence of subculture can complicate the development and management of organisational culture.

- Strong subcultures are often found in task forces, teams and specialized project groups. (line employees, technical and professional people, top management).

- Subculture can be created as a result of some other aspects, such as: gender, ethnicity, generation, education, religion, family status or local similarities (Schemerhorn et al., 2012).

1.3 Generation differences

- Generation differences can be crucial for creating different subcultures within an organisation due to many attributes that are characterised for each generation.

- In today's workplace the most common generations are the Younger Baby Boomers (born 1955-1964), Generation X (born 1965-1981) and Millennials or Generation Y (born 1982-2000) (Slocum and Hellriegel, 2011; Shirilla, 2015).

- Each of these generations have different work habits, ethics and communication skills.

- Having different generations within organisation, especially distinguishing them through the level of using different aspect of technology it will cause organisation to create and offer different various trainings bridging the gap between these groups of employees.

- The results of study researched by Moss and Martins (2014) indicate that there are significant differences in the way generations view certain dimensions of organisational culture, characterising Generation X as more cynical and Generation Y as more positive, optimistic or even somewhat idealistic about the world of work.

Exercise 1.

- The culture quiz: How high does your company score?
  - Answer the questions provided in the workbook.
  - Find your score!

- Questions for discussion:
  - Compare and discuss your score to other participants' score.
  - Are you surprised/satisfied with your score?

  - What do you think, what is the type of your organisational culture according to CVF?

2. Motivation

- **Motivation** is defined as forces within the individual that account for the direc-tion, level, and persistence of a person's effort expended at work.
  - Direction refers to an individual's choice when presented with a number of possible alternatives (e.g., whether to pursue quality, quantity, or both in one's work).
  - Level refers to the amount of effort a person puts forth (e.g., to put forth a lot or very little).
  - Persistence refers to the length of time a person sticks with a given action (e.g., to keep trying or to give up when something proves difficult to attain) (Schermerhorn et al., 2012).

- Several theories offer explanations of motivation. Most of them can be separated into two groups: content theories and process theories.

- Important content theories are: Hierarchy of Needs Theory, Acquired Needs Theory, and Two-Factor Theory.

- Important process theories are: Expectancy theory, Equity theory and Goal-setting theory.
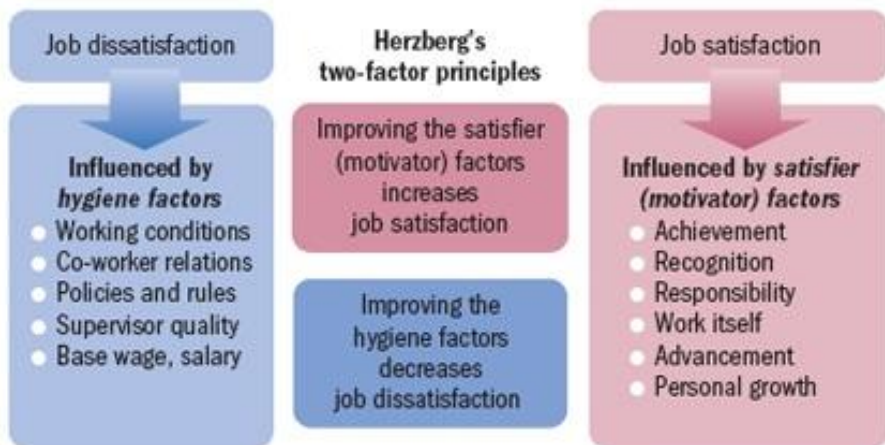
Hierarchy of Needs Theory

by Abraham Maslow

- One of the most popular motivation theories.

- According to Maslow, peo-ple are motivated by their desire to satisfy specific needs.

- In general, lower-level needs must be substantially met before higher-level needs become important.

Two-Factor Theory

by Frederick Herzberg

Herzberg's two-factor theory

This theory suggests that satisfaction and dissatisfaction are not opposite ends of the same continuum but are inde-pendent states. In other words, the opposite of high job satisfaction is not high job dissat-isfaction; rather, it is low job satisfaction. Likewise, the opposite of high dissatisfaction is low dissatisfaction. It follows that the job factors leading to satisfaction are different from those leading to dissatisfaction, and vice versa.
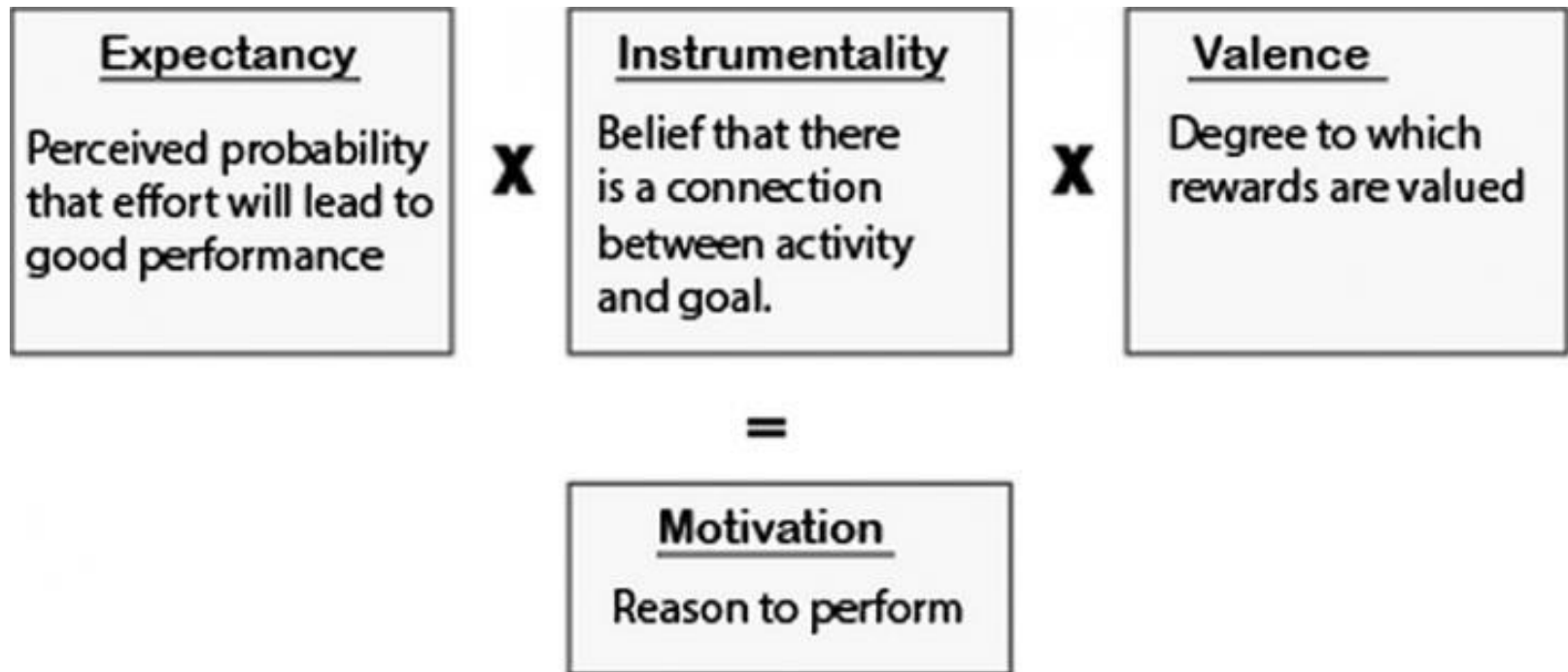
Two Factor Theory (Herzberg)

Expectancy theory

by Victor Vroom

Motivation to work depends on the relationships between the three expectancy factors.

Expectancy

Perceived probability that effort will lead to good performance

X

Instrumentality

Belief that there is a connection between activity and goal.

X

Valence

Degree to which rewards are valued

=

Motivation

Reason to perform

Equity Theory

- Individuals are motivated by fairness, and if they identify inequities in the input or output ratios of themselves and their referent group, they will seek to adjust their input to reach their perceived equity.

- An individual who perceives that she or he is being treated unfairly in comparison to others will be motivated to act in ways that reduce the perceived inequity by:

by John Adams
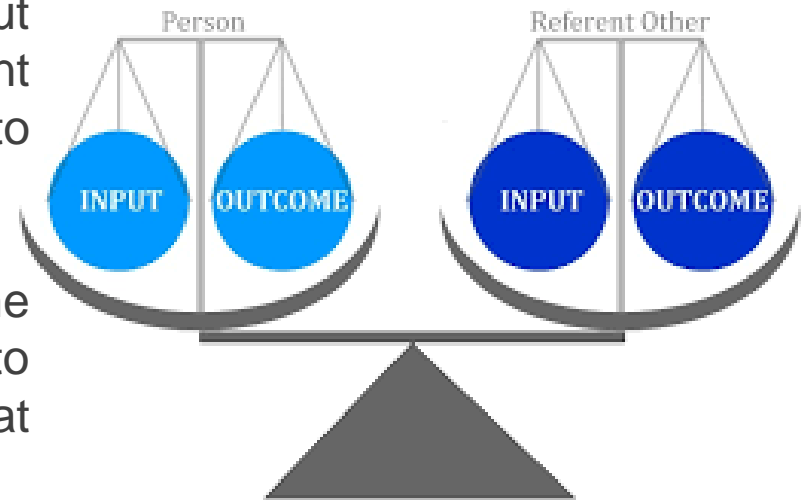
  - changing their work inputs by putting less effort into their jobs;
  - changing the rewards received by asking for better treatment;
  - changing the comparison points to make things seem better;
  - changing the situation by leaving the job (Schermerhorn et al., 2012).

Goal-Setting Theory

by Edwin Locke

- The basic premise is that task goals can be highly motivating if they are properly set and if they are well managed.
- This theory states that specific and challenging goals along with appropriate feedback contribute to higher and better task performance.

Goal Setting

Specific
Measurable
Attainable
Relevant
Time-bound

Goal-Setting THeory

Include employees in goal setting

Tie goals to work unit

Set specific goals

Ask supervisors to set their goals

Hold performance meetings

Ongoing feedback and coaching

Ensure focus on relevant areas

Align reward systems with results

Exercise 2.

Motivation of adults50+

- According to the presented theories of motivation and your knowledge and experience:

    Define motivational factors that could be relevant for employees50+ and jobseekers50+.

3.1 Leadership

- The Oxford English Dictionary defines leadership as the action of leading a group of people or an organisation, or the ability to do this.

- Daft and Marcic (2001, pp.168) stated that leadership is used to motivate employees to adopt new behaviours and, for some strategies, to infuse new values and attitudes.

- House et al. (2004, pp. 15) consider leadership as the ability of an individual to influence, motivate, and enable others (its followers) to contribute toward the effectiveness and success of the organisations of which they are members.

- Leadership is the process of influencing others and the process of facilitating individual and collective efforts to accomplish shared objectives (Yukl, 2006).

- Leadership is a social influence process in which the leader seeks the voluntary participation of subordinates in an effort to reach organisation goals (Omolayo, 2007).

- Leadership is the process of inspiring others to work hard to accomplish important tasks (Schermerhorn, 2008).

3.1 Leadership

There are four commonalities among the definitions of leadership:

- Leadership is a process between a leader and followers;

- Leadership involves social influence;

- Leadership occurs at multiple level in an organisation (leadership involves mentoring, coaching, inspiring and motivating at individual level; leaders build teams, generate cohesion and resolve conflicts at a group level; and finally leaders build culture and generate change at the organisational level);

- Leadership focuses on goal accomplishment.
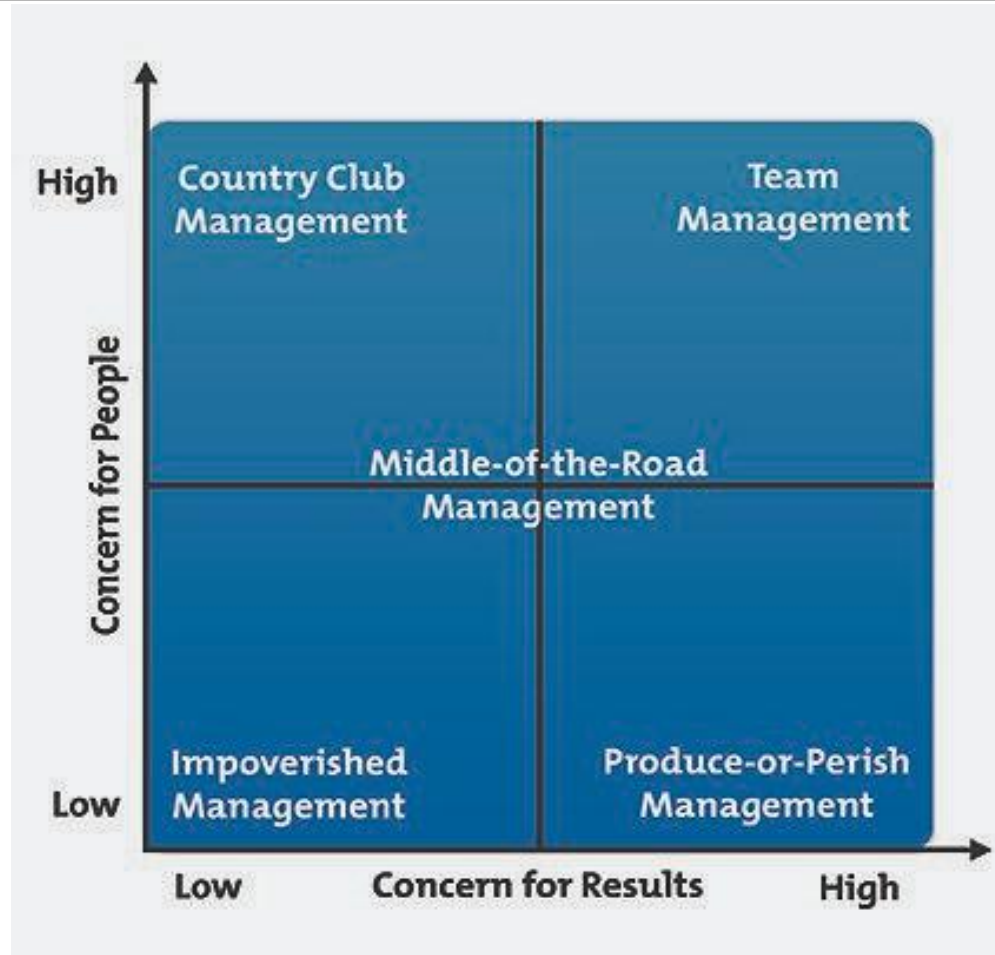
(Northouse, 2007)

3.2 Leadership styles

- Leadership style is the manner and approach of providing direction, implementing plans, and motivating people.

- The style that individuals use will be based on a combination of their beliefs, values and preferences, as well as the organisational culture and norms which will encourage some styles and discourage others.

- So it could be stated that there are as many leadership styles as there are leaders.

3.2 Lewin's leadership style

Authoritarian
Authoritarian leaders direct and control all activities without meaningful participation by other members of the team.

Participative
Participative leaders encourage group members to participate, but retain the final say over the decision-making process.

Delegative
Delegative or laissez-faire leaders give little or no guidance to group members.

3.2 The Blake Mouton Managerial Grid

3.2 Likert's leadership style

EXPLOITATIVE AUTHORITATIVE

- It is based on one way communication.
- Decision making is centralised.
- Based on threat and fear.

BENEVOLENT AUTHORITATIVE

- There is one way communication.
- It is based on rewards.
- The decision making is centralised

CONSULTATIVE LEADERSHIP

- There is two way communication but upwards communication is limited.
- It is based on appropriate rewards
- The decision making is limited and decentralised.

PARTICIPATE LEADERSHIP

- This style of leadership is based on group participation.
- There is two way communication
- The decision making is decentralised.

Source: Likert's 1967 leadership style

3.2 Transactional VS – formational Leadership

Transactional Vs Transformational Leadership

Transactional Leadership	Transformational Leadership
Leaders are aware of the link between the effort and reward	Leaders arouse emotions in their followers which motivates them to act beyond the framework of what may be described as exchange relations
Leadership is responsive and its basic orientation is dealing with present issues	Leadership is proactive and forms new expectations in followers
Leaders rely on standard forms of inducement, reward, punishment and sanction to control followers	Leaders are distinguished by their capacity to inspire and provide individualized consideration, intellectual stimulation and idealized influence to their followers
Leaders motivate followers by setting goals and promising rewards for desired performance	Leaders create learning opportunities for their followers motivate and stimulate followers to solve problems
Leadership depends on the leader's power to reinforce subordinates for their successful completion of the bargain	Leaders possess good visioning, rhetorical and management skills, to develop strong emotional bonds with followers
Leaders often use technical knowledge to determine the change process	Leaders search for adaptive solutions to engage hearts and minds in the change process

3.2 Leadership style for employees50+

Employees'50+ characteristics should be observed

in the process of choosing an appropriate leadership style (Yu & Miller, 2005):

Work values	Work attitudes	Work expectations
Work hard	Job promotion	Money & recognition reward
Loyalty to employee	Loyalty to employer	
Teamwork	Balance of work & family	Job security
Chain of commands	Steadiness and rhythm	Liberal
Desire to management	Formality	Sense of entitlement
Technical challenges	Commitment	Highly competitive work
	Corporate paternalism	Step by step promotion
		Authority
		Employee

Exercise 3.

Discussion.

1. Describe an appropriate leadership style for employees50+ that is based on individual work characteristics.

2. Is there any connection between motivational factors and leadership style for employees50+?

3. Should motivational factors be included in the choice of leadership style and in which way?

4.1 Performance evaluation for employees50+

- An employer has to estimate whether it is more advantageous to adjust the performance system or whether the employee should adapt (Bird, 2014).

- Older workers should receive fair performance measurement standards; performance objectives for older employees cannot be applied always under the same circumstances and can be influenced by an employee's age.

- Older workers are as motivated as younger workers; are more consciously engaged in performance; should have the same opportunities to contribute to goal achievement; should have access to training; possibility of aged-mixed working teams (Vasconcelos, 2015; Zwick et al., 2013).

4.2 Rewarding system for employees50+

- A reward is perceived as a desirable incentive by the recipient, and is obtained in consequence of an action. In order to perceive an incentive as positive, the reward must fulfill a recipient's need.

- As each employee has different needs, there is no general desirable reward for all employees.

- In order to design a motivating reward system, a heavy measure of intrinsic compensation should be combined with traditional measures of extrinsic compensation (McCoy, 2012).

- In addition to monetary rewards, contemporary employees want and are increasingly demanding reward diversity and reward choice.

Exercise 4. Discussion

What compensations would you include in Cafeteria benefits plan for employees50+?

Summary

- HR 1: Organisational culture in the sense of integrating older employees in the workforce due to generation differences.

- HR 2: Adequate leadership styles for older employees according to their characteristics.

- Coun 1: Choosing appropriate motivation due to motivational theories and needs of older employees.

- Coun 2: Crucial rewarding elements for older employees based on their age.

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