Instructor’s Manual to Accompany

Organizational Behavior 10/e

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Teaching Notes for Additional Cases

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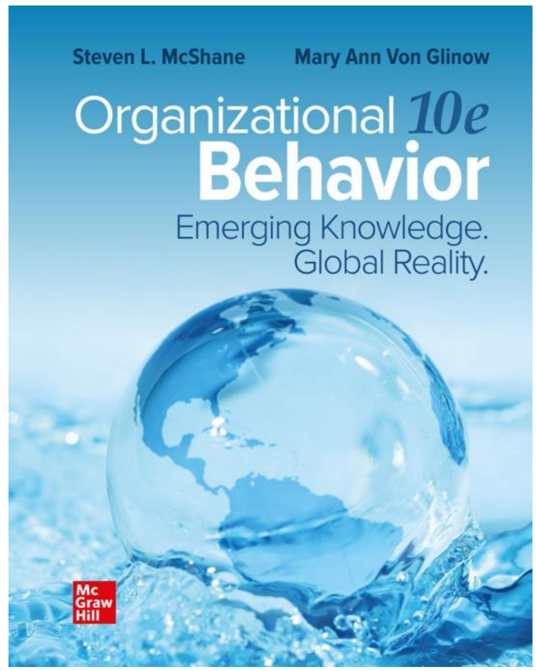

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Teaching Notes for Additional Cases

INTRODUCTION TO TEACHING NOTES FOR ADDITIONAL CASES

This document includes teaching notes for the additional cases in *Organizational Behavior, Tenth Edition*. Each case analysis includes a list of the most relevant case topics, a brief case synopsis, and a case analysis.

The Additional Cases do not have any discussion questions. This gives instructors more flexibility to use these cases for assignments or in-class discussion. However, many of the teaching notes include case questions with suggested answers. Alternatively, some teaching notes present a suggested analysis of the case in terms of symptoms, problems, and recommendations.

The next page provides a matrix of topics related to the additional cases in this book. The primary topics—those discussed specifically in the teaching notes—are indicated with a black dot. Secondary topics are indicated with a white dot. Secondary topics are not explicitly discussed in the teaching notes but are potentially relevant to the case.

Case Chapter->	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**	**14**	**15**
Arctic Mining Consultants	●			○	●	○		●				●			
Bayou Life Assurance and Waltham Financial			○	○							●			●	○
CentraClear Inc.					○					●	○				
Keeping Suzanne Chalmers			○		●	●				○					
The Regency Grand Hotel	●			●	●	●				○		○		○	○
Tamarack Industries				○	○			●			●	○			
The Outstanding Faculty Award					○		●	●						○	

Conifer Corp.					○			●			○				○
Verberg Kansen N.V.			○	○	●			●			●				○
Vêtements Ltée					●	○									

Chapter 1: Introduction to the Field of Organizational Behavior

Chapter 2: Individual Differences: Personality and Values

Chapter 3: Perceiving Ourselves and Others in Organizations

Chapter 4: Workplace Emotions, Attitudes, and Stress

Chapter 5: Foundations of Employee Motivation

Chapter 6: Applied Performance Practices

Chapter 7: Decision Making and Creativity

Chapter 8: Team Dynamics

Chapter 9: Communicating in Teams and Organizations

Chapter 10: Power and Influence in the Workplace

Chapter 11: Conflict and Negotiation in the Workplace

Chapter 12: Leadership in Organizational Settings

Chapter 13: Designing Organizational Structures

Chapter 14: Organizational Culture

Chapter 15: Organizational Change

ARCTIC MINING CONSULTANTS

These case teaching notes were prepared by Steven L. McShane, Interconnected Knowledge.

Primary Case Topics

Motivation, individual performance (MARS), leadership, and team dynamics

Case Synopsis

A crew of four people staked claims for Arctic Mining Consultants. The case describes their production over the seven days, as well as incidents that occurred over this time. In particular, the case describes how the leader (Parker) reacts to the lower performance of Millar and the other crew members.

This is one of my favorite cases because it covers diverse topics and has a personal touch to it. Students seem to be very involved in the case—it is written in a way that they can easily visualize (even though few of us have worked in these harsh conditions). We don't have an epilogue, except to say that Millar works in the forest industry in a management position.

Symptoms

The main symptoms in this case are that Millar's work effort decreased by the end of the project, Millar was thinking about quitting during the assignment, Millar did not accept subsequent job offers from Parker, and Millar felt dissatisfied with the assignment and with Parker.

Problem Analysis

The main problems in this case relate to the issues of motivation, leadership, and team dynamics.

Motivation

Expectancy theory explains why Millar didn't work as hard at the end of the assignment, and why he did not accept further assignments. Millar had a low E-to-P expectancy due to Parker's poor coaching. Rather than working with Millar on further improving his performance, and rewarding Millar for his good performance, Parker criticized Millar. This criticism continually weakened Millar's perception that he is able to perform this type of work. Millar's low perception of competence made him "give up" during the last day. (This is significant because Millar's extra effort would have enabled the crew to complete the assignment on time.)

Millar's lack of effort on the last day can also be explained by his P-to-O expectancy. Specifically, Millar believed that he received insults from Parker no matter how well he performed the task. Notice that on the days that Millar completed 8.5 and 7 lengths, Parker said nothing. On days when Millar's performance was lower, Parker criticized Millar.

The P-to-O expectancy also explains the effect of pay and the bonus on Millar's motivation. Specifically, on the last day, Millar felt that getting an extra day's pay was almost as good as receiving the bonus, particularly considering the hard work (a negative outcome) he would have to endure to complete the work by the end of the day.

(NOTE: Rather than using expectancy theory, students can analyze Millar's motivation through behavior modification, particularly Parker's use of punishment. Equity theory might also explain Millar's behavior on the last day of work. Specifically, he compared himself to Boyce, who continually had lower performance than Millar yet received less verbal abuse. Millar adjusted his inputs—job performance—so that his outcome/input ratio would be balanced with Boyce's ratio.)

MARS Model

The key to this case is that Millar had misguided role perceptions. Specifically, he put his effort into higher quality ("picture perfect") posts and too much blazing (marking out the area), whereas Parker required more quantity than quality. Millar was motivated to perform the work, and he demonstrated an ability to perform the work. Some students will argue that Millar had more difficult territory than the others (i.e., the situation undermined his performance). However, the evidence suggests otherwise. The team covered extensive area over an entire week, so the law of averages suggests that the territory would be fairly evenly distributed over that time. Also, Parker and Talbot worked on the territory of others (assisting them) without any decrease in performance. Even if Millar had more difficult terrain throughout the week, he was short by only 2.5 lengths, which would have been achieved if he focused on quantity and less quality from the beginning.

Leadership

According to the path–goal leadership model, Parker is effective at setting goals (achievement-oriented style). However, he does not provide enough (any?) supportive leadership. He does not treat them with respect nor is he concerned for their well-being. Yet, path–goal theory says that the leader should be supportive because the work (physical labor, deadlines) is stressful.

Parker also fails to use the directive style, yet there is some evidence that he needs to clarify performance criteria. Specifically, near the end of the assignment, Parker complains that Millar is too neat with his work, that is, he should focus more on quantity than quality. This suggests that Millar (and perhaps the others) could use some guidance on the type of performance required for this assignment.

Team Dynamics

There are several team dynamics operating in this case. Parker and Talbot share one tent, and Millar and Boyce share the other tent. This physical arrangement may have weakened relations between Parker and the employees in the other tent. Team cohesion is perhaps also low due to the low task interdependence in this assignment.

Team cohesiveness seems to be low because the team norm of completing the project on time was not supported by Boyce. (Boyce said that he worked only as hard as he had to.)

Recommended Solution

It is probably too late to encourage Millar to work with this company again. However, several long-term actions would improve motivation, performance, and retention of other employees.

One recommendation would be to find out why Parker did not provide more supportive and directive leadership. If he lacks supervisory knowledge, then the company should consider providing him (and perhaps other crew leaders) leadership training. The lack of clear role perceptions is a major issue here, which can be traced back to Parker's lack of clear direction and coaching (he noticed Millar's work earlier in the week but said nothing).

There may be some problem with the size of the bonus relative to the size of the paycheck for an extra day's work. Depending on its cost-effectiveness, the company might consider increasing the size of the bonus.

If Millar (and perhaps other employees) are paying too much attention to the quality of takes and not enough attention to the quantity, then it may be useful to provide some basic "role perception" training. This would be a short session (one-half day?) where employees learn about the performance standards more clearly.

BAYOU LIFE ASSURANCE AND WALTHAM FINANCIAL

These case teaching notes were prepared by Steven L. McShane, Interconnected Knowledge.

Primary Case Topics

Organizational culture and organizational conflict

Case Synopsis

Waltham Financial, a large life insurance and financial services company headquartered in Boston performs well internationally but has been losing market share within the United States. It divided the company into its international and American businesses and acquired Bayou Life Assurance of Jackson, Mississippi, which Waltham then merged with its American business. Waltham's American business was moved to Bayou's offices in Jackson. Employees of Waltham's American business were shocked and stressed by the announced move to Jackson. Bayou's employees were equally anxious, mainly about the uncertainty of who would acquire the firm and what lay ahead for their careers, later in terms of how to fit in with Waltham's imposed culture. Ten "assertive" Waltham managers from Boston arrived in Jackson to decide amalgamation and downsizing of groups with high duplication. They learned from a consultant's analysis that the two companies had significantly different cultures. Six months later, more than 10 percent of Bayou's staff and almost all of its executive team had left (quit, fired, retired). The annuities department was significantly short-staffed as many Bayou employees departed and almost all of Waltham's annuities people refused to move to Jackson, resulting in significantly delayed annuities payments to clients. Many Bayou employees looked forward to some of the changes imposed by Waltham, but they also resented Waltham's arrogance and imposition on Bayou staff. For almost two years, employees in the merged organization worked long overtime hours in overcrowded and cramped conditions in four buildings spread across Jackson.

Discussion Questions and Suggested Answers

1. **Diagnose this case in terms of merging two organizational cultures.**

   The merger of Waltham's and Bayou's organizational cultures was handled very poorly, in several ways.

   First, no bicultural audit of the companies' corporate cultures occurred before the merger was completed. Waltham executives paid no attention to organizational culture in its analysis and decision to acquire Bayou Life Assurance. Waltham saw the acquisition as "an ideal fit" from a business perspective, namely that Bayou was well established and successful in the American insurance market, which Waltham's American business lacked. The issue of organizational culture did not arise until after Waltham had acquired Bayou, specifically when Waltham's integration team arrived in Jackson and a consultant evaluated Bayou's executives.

   Second, Waltham and Bayou had significantly different organizational cultures, which imposed major problems for the merger. As one Waltham manager admitted: "We were blindsided by the new problems we faced and by the different worldviews of these companies." Waltham's culture was described as "aggressive, entrepreneurial, consultative, and sales-oriented." Bayou's culture was more "bureaucratic, formal, patriarchal, and focused on financial controls." We have only indirect information about how the clashing cultures affected the merged organization, but Bayou employees resented Waltham's intrusion and many Bayou employees left (both voluntary and dismissed). This led to staff shortages, which caused customer service problems. The resentment among Bayou staff likely also slowed their integration in the merged organization as well as cooperation with Waltham coworkers.

Third, Waltham applied a deculturation strategy to merge the two cultures. Specifically, it imposed Waltham's culture on Bayou employees. Students should point out that deculturation is difficult to apply successfully even when the most appropriate strategy because "the acquired firm's employees resist the cultural intrusions from the buying firm, thereby delaying or undermining the merger process." For the Waltham–Bayou merger, deculturation was almost certainly the wrong strategy because Waltham's American business was not performing as well as Bayou's business, and some aspects of Bayou's culture (more mechanistic—formal, bureaucratic, financial controls, etc.) likely contributed to that success. An integration strategy would likely have been the best approach for this merger because Bayou employees appreciated elements of Waltham's culture, and Bayou's culture likely provided some competitive advantages over Waltham in the U.S. market.

2. Diagnose this case in terms of organizational conflict.

Dysfunctional conflict occurred among employees throughout the merger of Waltham's U.S. and Bayou's businesses. Much of this conflict was felt by Bayou employees toward Waltham (mainly managers, but possibly also toward its employees transferred to Jackson).

The main source of conflict between Bayou employees and Waltham is differentiation. Waltham and Bayou staff had different "worldviews," which created friction in decision making and behaviors. We don't have details about those clashes, just comments from Waltham and Bayou staff that these differences existed, that many Bayou employees felt antagonism toward Waltham managers, and that many Bayou staff left the company. The different organizational cultures would have led to overt conflicts regarding the right way of doing things, as well as covert conflict in the minds of Bayou employees when required to apply Waltham's work practices. Not all of the practices imposed by Waltham caused conflict, however, because Bayou employees did appreciate some of them (employee involvement, entrepreneurialism, and sales-oriented thinking).

Conflict between Bayou employees and Waltham also occurred due to poor communication from Waltham managers (and likely from some Waltham employees) to Bayou staff. Waltham staff communicated with an "air of superiority" and subtle "condescending opinion of the Bayou assurance company and its staff." This condescension and belittlement of Bayou employees was threatening to their self-concept ("We felt like second-hand goods."), status, and likely their career potential at the merged organization.

Interdependence is another source of conflict because Waltham managers worked closely with Bayou employees after the merger.

Students might observe that conflict also occurred between Waltham's employees in Boston and the company's executives. Specifically, many employees felt threatened by the move to Jackson. We don't have much detail about this conflict but we do know that many Boston employees resented and were stressed by the prospects of being transferred to Bayou's head offices in Jackson. Many had a condescending view of Bayou Life Assurance and of Jackson, Mississippi. The decision to move them to Jackson and into the merged firm would have threatened their self-view, their physical workspace comforts (which were very good in Boston), and possibly their career potential. The main source of conflict between Waltham's employees in Boston and the company's executives is incompatible goals. Waltham executives had a set of objectives that conflicted with the career and lifestyle preferences of many Boston employees.

Other Possible Topics for Case Analysis

Organizational culture and organizational conflict are the two most obvious topics for this case, but there are many other relevant topics. Here are brief comments on others:

Organizational change. The process of merging two businesses and moving a large number of people to another city is a substantial organizational change. You might ask students to conduct a force field analysis, particularly on the various restraining forces that employees exhibited against the move.

Employee attitudes. Students could examine issues of organizational commitment and job satisfaction among Bayou and Waltham employees, including the EVLN model. For example, they might assess Waltham's management in building commitment among Bayou employees by examining each of the five strategies for building commitment.

Perceptions. This case is an organizational variation of group-level perceptual differences and biases. Some Waltham employees seem to have engaged in stereotyping (and discrimination) of people from Jackson, Mississippi. But more generally, both groups engaged in the categorization, homogenization, and differentiation process, which may have slowed the process of coming together as a unified organization. This topic is also relevant from a positive view by examining what interventions were introduced later to integrate the two organizations. These include the bus tours, onboarding process, focus groups, counseling, and moving all employees into one building.

CENTRACLEAR INC.

These case teaching notes were prepared by Steven L. McShane, Interconnected Knowledge.

Primary Case Topics

Organizational power, influence, and politics

Case Synopsis

Nanoklar GmbH, a German firm, became majority shareholder of CentraClear Inc., an American manufacturer of centralized and stand-alone industrial air filtration systems. Sven Andersen, CentraClear's founder and majority stockholder, continued to operate the firm with limited influence by Nanoklar, but two years later the German firm was acquired by a large European conglomerate that wanted Nanoklar to impose more control over CentraClear. Relations between Andersen and Nanoklar deteriorated. Andersen was eventually forced out by the board when Leon Kaminski, a CentraClear manager who held 15 percent of the stock, agreed to sell his holdings to Nanoklar so the German firm could mandate complete acquisition of the firm. Kaminski immediately became CEO, but he had not participated with (nor known about) Nanoklar directors hiring a new chief operating officer. Mitch Logan was offered the position with strong support from Nanoklar directors on CentraClear's board but without support from Kaminski. The case describes the problems that Logan faced during the next six months as he tried to receive support and information so that he could perform his job. His main problems came from Kaminski and from Jules Dubois, the director of finance who had briefly held the chief operating officer position.

What Actually Happened? This case is an adaptation of a court case in another country in which the terminated chief operating officer (named Mitch Logan in this case) sued CentraClear's director of finance (Jules Dubois in this case). CentraClear had given Logan a reasonable severance payment for the termination, but Logan sought tort damages from Dubois for the intimidating political tactics that Dubois had engaged in to ensure Logan's departure. The lower court awarded damages to Logan after concluding that Dubois' actions intended to harm Logan. The majority of the Court of Appeal agreed that Dubois' actions were "reprehensible," but they reversed the lower court's award on the grounds that intimidation was not illegal or actionable. One court of appeal judge dissented, explaining why the lower court's decision to award Logan should stand. In other words, while the lower court claimed victims of "backstabbing" and related organizational politics may sue for damages, the majority of the court of appeal disagreed.

Discussion Questions and Suggested Answers

The dominant theme in this case is organizational power, influence, and politics. Consequently, the questions below focus on this topic. However, the CentraClear case can also be discussed around other topics, including: organizational conflict (Andersen against Nanoklar; Dubois and Kaminski against Logan); and motivation (expectancy theory analysis of Dubois' motivated behaviors).

1. **What influence tactics were organizational politics used by Dubois and Kaminski against Logan?**

   Several influence tactics were used as organizational politics by Dubois and Kaminski. Dubois distributed information selectively by providing incomplete information on some occasions and