

# Organizational behavior analysis essay sample

[Business](#), [Organization](#)



Organizational behavior is a field of studies that aims to conjoin the substance of other sciences that deal with behavioral matters, such as anthropology, psychology and sociology, in order to use it to improve management theories and managerial strategies. An organization is a number of people or groups all working together in a structured mechanism to achieve one or more goals. Organizational behavior then, comes in to investigate on how organizations affect individuals and the other way around (Duncan, 1978). Although the first questions on how the worker is being affected by his job were raised in the '30s (Brief and Weiss, 2002), with researches making their first steps on imprinting that phenomenon (Fisher and Hanna, "The Dissatisfied Worker" 1931; Kornhauser and Sharp, "Employee attitudes; suggestions from a study in a factory" 1932; Hersey, "Workers' Emotions in Shop and Home: A Study of Individual Workers from the Psychological and Physiological Standpoint" 1932; Hoppock, "Job Satisfaction" 1935; Roethlisberger and Dickson, "Management and the Worker" 1939), the field has presented academic development in the last 40 - 50 years (Luthans, 2005). That's when the first books referring on the subject were published (Bennis, "Changing Organizations" 1966; Filley and House, "Managerial Process and Organizational Behavior" 1969; Luthans "Organizational Behavior" 1973).

After being a subject of experimental studies and researches over the years, it acquired theoretical background, which was and still is being expanded.

The widely accepted and shared behavior among employees is what is what is generally referred as organizational culture. (Lee and Yu, 2004).

Organizational culture is a meaning open to a great variety of definitions,

due to the different research context that various writers looked into. It is the summary of commonly adopted opinions, customs, and patterns preserved by the employees (Hai, 1986) and instructed to newcomers (Hampden Turner, 1990) and has to do with the unparalleled class of the corporation (Kilmann, Saxton, Sepra et al, 1985) or as Deal and Kennedy (1982) said more simply, “ the way we do things around here”.

Culture is also a matter of conflict on whether it is a factor of great importance or not. Although it is implemental for an achieving corporation (Molenaar et al, 2002), Newman and Chaharbaghi (1998) argued that organizations are created in order to take advantage of an existing opportunity, by using or creating some means of technology, which redounds to the specific type of functioning, who’s visible effects are culture’s key point of study. Thus, leading companies create cultures by adapting to market demands and others resort on adopting their culture profile in order to keep up.

#### Structure and purpose of the essay

A company that has been operating effectively for 31 years was chosen for the current study, aiming to give a closer look to its cognitive operation and procedures in order to identify those positive elements its culture features and those that are open to improvement, in order to approach the goals and strategic plans manifested by the company itself. It was preferred to address to each matter individually, mixing research results with relevant literature for the better understanding.

## Method of collection

The data collection was based on qualitative research. It involved interviews taken from the owner and managing director of the company, department manager and full-time employees. The limitation on the choice of personnel interviewed was the minimum of ten years of working for the company. The organizational culture profile was used as the primary research instrument. More specifically, attention was given on cooperation and relationships between the members of the organization, communication and information sharing between employees as well as between employees and managers, motivation and evaluation, leadership, decision making and management of change. The second focus point was the cross – cultural organizational behavior of the company and what are the benefits or problems when negotiating and working with different cultures.

## The company

The organization that provided the information for this research is a company that bestirs itself in the consumer goods industry, merchandising toys and seasonal products. The company is operating since 1982 in Athens, Greece, in the area of Acharnai. ' V. Christakopoulos S. A.' runs a business of 17 employees, a number that goes up to 22, adding seasonal personnel. Their mission, according to the managing director, is “ to become the leading plush toy manufacturer in Europe by developing innovated, safe and value for money products”. Mr. Vassilis Christakopoulos also stated that the company’s strategic plans are “ to become the key supplier of big European retailers by capitalizing on the company’s current customer base”, to “

extend our product line by increasing our license agreements” and to “enhance the popularity of the ‘ Friendlies Plush’ brand to the European markets”. In 2010 they received the “ Strongest Companies in Greece” certificate by ICAP group.

### Communication

Organizational communication began to arise in industrial businesses in the 20th century, analyzing the communication channels and the ways that information flows inside an organization (Cheney, 2007). Nowadays, every kind of business activity bears upon communication and functionality depends on competency of managers and employees to communicate efficaciously (Clausen, 2007). In this case, due to the size of the company, there is no need of any kind of complex pattern of communication. Most of the information is being exchanged in general or department meetings. There are scheduled weekly or monthly meetings for subjects referring to budget, product development or sales and unplanned ones when something important comes up. Other information like shipment details, order lists and deliveries are distributed electronically either via e-mail or intranet network system. Those methods are generally accepted by the staff as the employees state that they receive clear and concise directives and the managers are glad to receive direct feedback.

### Cooperation and relationships

Cooperation and knowledge sharing between employees or work groups often take part in raising the productivity. In addition to that, research results show that mutual cooperation is producing satisfaction among

employees and workers. (Kosfeld and von Siemens, 2011). Relationships in V. Christakopoulos S. A. are warm and tight. It is a family environment. It is a father and son business and the board of direction, consisted by five people, has not changed the last 20 years. With the manager director's initiative, they have cultivated a spirit of teamwork and cooperation. Following the product manager's words, this did not have a noticeable impact on the performance or productivity in measurable means, but it narrowed the possibilities of mistakes being done.

#### Motivation and evaluation

Motivating an employee to work is the process of showing the importance of the task that he is ask to put effort on and to increase the amount of that effort that will be dedicated to that task (Mitchell, 1979). Locke (1968) argued that the pattern of goal pursuing is the most effective motivating strategy, which also applies better on specific rather than general goals and that the harder the goal, the greater amount of effort will be given to be achieved. Every department, in the company referred in this study, has a meeting every six months in order to set its semi annual goals. As the employees in the accounting department mentioned, there are financial bonuses, which are being set among with the goals, to motivate the employees to pursue and achieve the targets.

As for the managers of each department, they are also being rewarded with company's shares, so apart from the bonuses, they enjoy the profit, which is handed out by dividends. In long term periods, industriousness and hard work are also taken under consideration and special rewards are provided to

employees that are considered to have offered a great deal in the organization's effort to develop. The evaluation process is divided in short term and long term reports. Short term evaluation is carried out based on productivity and performance. Long term evaluation takes under consideration creativity and the generation of new ideas. In both cases, judgment and rating are an obligation and responsibility of the managers.

### Decision Making and Leadership

The separation of the essence on management and leadership is another problem of the management theories that is difficult to solve (Linstead et al, 2004). Although both roles are cooperating towards the same target, the success of the organization (Nienaber, 2010), management is the procedures that maintain the functioning of a complex combination of operations and leadership is what specify the future plan of the business, sets the goals and line up everyone involved to follow that same route (Kotter, 1990). Both managers and leaders can be decision makers, which means that they need to be equipped with a set of skills in order to meliorate the way they solve problems (Holian, 2006) and they are the ones to keep the company competitive (Nohria and Berkley, 1994). V. Christakopoulos S. A. is following a model of leadership. For every major decision, the managing director makes the final call or takes the matter completely on his hands. For any subject associating with the product, the resolution also involves the product manager. In general terms, every department handles its own cases, but there is always the feeling – and safety synchronically – that the situation is under the control of the senior management, as reported by an employee of the imports department.

Although the first impression presents a situation of a monitored and autocratic working environment and the employees as passive member of the organization, the product manager comes in to change our prospective on the matter. In describing the character of leadership that is being exercised, he highlighted that the company encourages individuality and initiative as well as innovativeness is being rewarded. He introduced Mr. Vassilis Christakopoulos as man of inspiration, who is able to influence his subordinates and ease tension whenever it is needed, using a lot of humor. There are numerous studies on the impacts of the existence of humor in the workplace and they have shown that it serves as many purposes as the occasions that it is found to being used; from dealing with stress and coping with high-anxiety situations (Smith, Harrington and Neck, 2000; Yovitch, Dale and Hudak, 1990; Hatch, 1997), to gently express feelings and retain balanced relationships (Trice and Beyer, 1993; Holmes 2000; Terrion and Ashorth 2002) or as Csikszentmihalyi (1996) noticed, a way to indirectly fillip important and sensitive subject. The importance in this case lies on two factors.

Firstly, it is shown that persons working in environment that encourage humor, are presenting greater levels of cooperation as they are in a state of positive mood (Isen and Baron, 1991). Secondly, according to researches, it propels freedom of thought (Bergson, 1911; Bateson, 1972) and creates an open and accepting environment for new ideas, impacting positively on organizational creativity (Lang and Lee, 2010). Organizational creativity has to do with productivity of new ideas (Mumfor and Gustafson, 1988; Amabile, 1988). It was defined by Woodman, Sawyer and Griffin (1993) as ‘ the



creation of a valuable, useful new product, service, idea, procedure, or process by individuals working together in a complex social system’.

### Adaptability and management of change

Recently, the fact that some companies perform better than others and the elements that give them such an advantage have drawn a lot of attention (Garg and Singh, 2006). Studies have shown that the most competitive companies are the ones that are more flexible (Dixon, 1992). Although management of change has been under a lot of research, there has not yet been given the indispensable attention by the business world (Linstead et al, 2004). It consists all the necessary procedures and methods to ensure that the organization does not sidetrack from its goals (Prosci, 2002) and that is achieved by identifying what needs to be altered, formulating the new line to be followed and putting it into practice (Tichy et al, 1990). Because organizations are groups of people working together, in order to proceed to a change, you have to ensure that it involves every ring of the chain, from managers to employees (Beatty and Ulrich, 1996), persuade them for the reasons that the change is aiming improvement (Duck, 1993) and make sure that everyone is heading at the same direction (Pattanayak, 2000).

Involving employees and motivating them for a change has also been taken under consideration by authors in the last few years (Morrison and Phelps, 1999). Due to its field and specialization, the company of our concern, had the ability to be particularly flexible. Their plan on keeping in touch with the market is creating close relationships with big retailers and be in constant contact with them in order to be able to adapt to their needs, which of

course on their side, conform to the requirements of the consumers. As the owner accurately points: “ You have to be adaptive in order to sustain success for 31 years”. His effort, as he declares, is to continuously pass this temperament to the executives of the company. In the same context, the constant change, the organization often finances seminars and educational programs to keep staff up to dated on new technologies.

#### Cross - cultural business and consequences

Although people and organizations from different cultures have been merchandising for more that two thousand years (Elisseeff, 2000), cross - cultural organizational behavior does not hold a long back as a subject of research (Gelfand et al, 2007). Nowadays, it is considered a really important factor and cultural skills are regarded to be crucial on negotiating performance (Earley and Ang, 2003), because it becomes more arduous to communicate when originating from different cultures and speak different languages (Adler, 2002). Because of the nature of the product, the Greek company consists one of the first visitors in China and have been in partnership with Chinese companies for many years. Therefore they have a lot of experience on the subject on cross - cultural business and negotiations. The first and bigger problem they encountered was the language barrier, but it shrunk down over the years, with more Chinese professional studying and acquiring degrees in foreign countries; thus, becoming more familiar with the widely used English language.

For the product manager, it was never a great issue, annotating that when doing business, you always come to mutual understanding. “ We want to

buy, they want to sell”, he says. So practically, what was needed to be done, was to find the means to simplify the process. As Lee et al (2001) argued, when you eliminate the problem of translation, you find that different cultures are structurally corresponding. Technology then came in to give the solution to that. As written communication is more convenient than verbal speech, e - mails as well as the usage of photographs and videos, facilitated the exchange of information. There is another issue when two different cultures, as different as an Asian and a European, sit on the same table to collaborate.

There are deviations in behavior and way of life that both sides need to understand and respect. The import manager explains that when one side visits the other partner’s homeland, he needs to accept his hospitality and the way it is offered. Other details must also be clear, whether it refers to the quality of the product or other demands related to the product that might differ in proportion to each culture. The whole process requires open - mindedness. Lastly, after surpassing the initial obstacles, cross - cultural enterprising can be really a beneficial as the managing director of the company remarks. When he was asked to give an example, he said that as his friend and partner, the Chinese manufacturer, admitted, that they have been influenced by the European culture and have partially adopted the western know - how. This last statement came to agree with Liu et al (2005) that Chinese negotiators are more amenable and adjustive than others.

## Discussion

In this study, I examined the organizational culture of V. Christakopoulos S.

A. merchandising company. I canvassed and divided the components that define it into subcategories and associated the results with relevant literature. It is a company that is designated by a warm, family work environment and has developed a climate of cooperation. The form of communication is direct, with most of the information regarding the organization is exchanged verbally. Authority is centralized and decision making is concentrated at the senior levels on management.

The owner and management director also meets the role of the leader, and all significant issues go through his hands. It is an adaptive company that follows the market's needs and can cope through the difficulties that come up when cooperating with partners that function based on a different culture. Their ability to adjust is apparent when looking at the company's age. At first sight, the results of the study imply that there is no need of any significant change in the company's culture, as it has been running smoothly for a long period of time. When giving a second look at the goals that have been set, it is evident that all three of them suggest the enlargement of the company and the widening of its entrepreneurial activity. What will happen if the task volume doubles or triples the present? Will that mechanistic structure model and the non – formalization on the way information is distributed coax to deal with these magnitudes?

### Suggestions

Taking under consideration the strategic plans of the discussed company, this study suggests some internal changes for the company, according to the concepts and theories of the organization behavior disciplines. To begin with,

there might be a need of automation in order to facilitate processes. Moreover, a configuration of the positions inside the company and the specialization of each position's activities will lead to a networking management model with standardized procedures, with each department dealing with its own affairs. Lastly, the increased size of the business will probably require the formalization of documentation. This will serve the purpose of avoiding mistakes made by deterioration of messages, since they will be formally written down and not carried on verbally.

### Conclusion

It is not easy to understand organizational behavior because there is no specific approach that is able to include all kinds of people and all kinds of situations (Mitchell, 1979). It is a subject that has many dimensions and in order to clear its blurred concepts, we need to proceed to many layers of analysis. That is the reason authors have been studying each component separately. Even this way, though, no one has achieved so far to find the core of each topic. Another possible explanation is that the field is changing alongside with the rules of the market and theory fails to evolve with the same pace, leaving us behind and giving researchers the role of an observer, who devotes his time on recording the visible results, while at the same time things keep on developing. The substance of the current study, on whatever has to do with the examples given by the company providing the evidence, is that organizational culture as an outcome, is a puzzle, which's pieces come from every person and element involved in the organization. Ultimately, adaptability and ability to change does not only rely on exogenous factors, but also has to do with internal affairs. Thus, constant

evaluation is needed in order to develop, become eminent and maintain in a leading position.

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