# INSTRUCTOR'S MANUAL
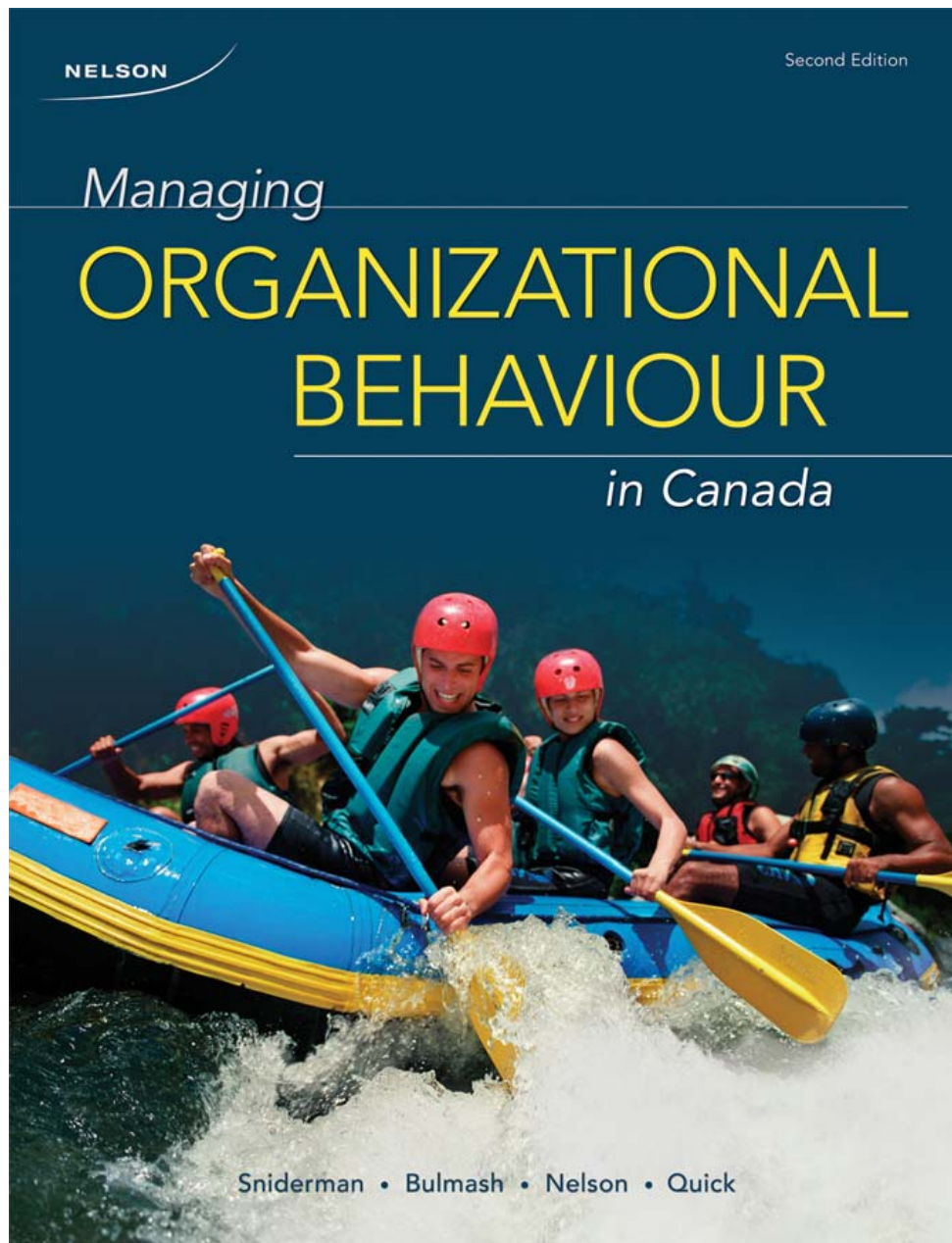
*to accompany*



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NELSON EDUCATION

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# Preface

This Instructor's Manual is intended to complement *Managing Organizational Behaviour in Canada,* Second Canadian Edition, by Pat R. Sniderman, Julie Bulmash, Debra L. Nelson, and James Campbell Quick. The Instructor's Manual is part of an extensive teaching package that includes the following resources (all of which are available on the *Instructor's Resource CD*, ISBN 13: 978-0-17-647433-1 / ISBN 10: 0-17-647433-1):

1. PowerPoint® presentations that include key figures from the text and **Turning Point** in-class discussion generators and quizzes
2. Image Library with figures and illustrations from the text, allowing instructors to create their own presentations. (Note: a few figures are unavailable due to copyright restrictions.)
3. An article, "Multiple Choice Tests: Getting Beyond Remembering," by David DiBattista, 3M National Teaching Fellow (2007), that explains the rationale behind the Nelson Testing Advantage (NETA) program.
4. Nelson Education Testing Advantage (NETA) Test Bank and computerized ExamView Test Bank, with over 2000 multiple choice (including over 300 questions based on real-life scenarios), true/false, and essay questions, plus answers and page references to the text. The Test Bank questions are categorized by Bloom Category in order to assist instructors in assessing higher-order cognitive skills (42% of questions assess Knowledge, 29% assess Comprehension, 28 % assess Application, and 7% assess Analysis). NETA is a Nelson initiative that ensures that subject-matter experts who author test banks have had training in avoiding common errors in test construction and in developing multiple-choice test questions that assess higher-level thinking. See the Test Bank for details.)
5. Day One—Prof InClass PowerPoint® presentation that instructors can customize to orient students to the class and their text at the beginning of the course

Other resources for this book include:
- CBC Video Cases (ISBN 13: 978-0-17-647434-8 / ISBN 10: 0-17-647434-X)
- Comprehensive Web site (www.sniderman2e.nelson.com ) for students and instructors with self-quizzes and downloadable instructor resources

This instructor's manual has been created to help you engage your students in critical thinking about the content of your Organizational Behaviour course.  It has been structured in such a way that you can easily follow the chapter flow with energizing exercises and activities that are outlined for you in sequence.

Rather than write lengthy paragraph style answers to all questions and cases, I have chosen to use bullet point lists wherever feasible to enable you to readily access the information you need to prepare for and refer to while in class. Each Critical Thinking exercise, Self-Assessment and case is profiled with, depending on the nature of the material, short or very detailed outlines that will help you introduce, run and debrief it in class.  Because the times for major exercises are

provided in the text they are not provided here.  I hope that you will find this straightforward uncluttered style and teaching tips both easy to work with and helpful as you plan your lessons.

Each chapter is constructed as follows:

> ➢ ***Chapter Scan*** – this provides a brief introduction to the main topics of the chapter
> ➢ ***Detailed Chapter Contents*** – this provides a roadmap to the topics covered in each chapter
> ➢ ***The Chapter Summarized*** – a concise summary of the main concepts, as they are related to the learning outcomes for the chapter.  This material is the same as the chapter summaries found at the end of each chapter.  This has been done to ensure consistency of content and language.
> ➢ ***Learning and Teaching Suggestions to Promote Student Engagement*** – while the length of this section varies from chapter to chapter, you will always find some helpful tips for incorporating into your classroom videos, organizational examples from the text, the Critical Thinking activities and experiential exercises, **Take 2** videos which include for each chapter, a *Biz Flix,* and *Workplace Video* and along with a series of CBC video clips that are that were specifically chosen to reflect topics in each part of the text.  It is my hope that these ideas will assist you in both lesson planning and in your classrooms.
>
>   A new feature included in this area of the instructor manual for the second edition is a selection of suggested topics for use of the **Turning Point** clicker system in the classroom. For each chapter one complete question is provided and suggestions for others are given. The topics range from responses Organizational Reality insights to polling student responses to a variety of in-text references and self-assessment results to act as discussion starters.
> ➢ ***Critical Thinking (including Bloom Boxes)*** – this section provides information on the use and debrief of each critical thinking exercise embedded in the text, in the same order as the text, so that you have information readily available to use when you want a change of pace in the classroom.  Information is also included for Self-Assessment tools and Experiential Exercises.
> ➢ ***Key Terms*** – this list provides you with a quick reference point for the specific terminology and concepts covered in the chapter.
> ➢ ***Review, Discussion and Ethics Questions and Suggested Answers*** – these provide you with a starting point for responses to the questions posed in the text as well as providing hints for extended in-class discussions, where appropriate.
> ➢ ***Ethical Dilemma Questions and Suggested Answers*** – these provide a framework for thinking about possible answers that students may give.
> ➢ ***Mini Cases questions and Suggested Answers*** – when time is short these cases provide a quick way to have students apply, analyze and synthesize material covered in the chapter.
> ➢ ***Case Questions and Suggested Answers*** – this section provides a short summary of the case, links to other chapters and topics and responses to the questions posed in the text.
> ➢ ***Alternative Experiential Exercise*** – this section provides you with an expanded choice of exercises between those found in the text and the ones included in this section.
> ➢ ***Extra Experiential Exercises*** – specific references to other sources of exercises are provided so that you can easily find them.  In some chapters there are references to

additional exercises and role plays that can be found in Appendix A. These Appendix A exercises make use of  and build on the results of the MBTI Self Assessment in chapter 3.

If you have additional suggestions to share or comments on your successful use of the student engagement tools included in the text and outlined in this manual, we encourage you to share them with others by visiting the text website, www.sniderman2e.nelson.com.

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# Chapter 1
## An Introduction to Organizational Behaviour

**Chapter Scan**

This chapter provides an introduction to the field of Organizational Behaviour (OB), its roots as well as its relationship to management, and discusses three benefits of studying OB. Then it outlines how organizations function using an open systems model and introduces the GHOST model to explain the internal organization. It briefly explores both formal and informal organizations before highlighting current OB challenges and opportunities. Current newsworthy topics, such as good corporate governance and ethical behaviour, as well as increased workforce diversity and knowledge management are discussed.

## Detailed Chapter Contents

## Learning Objectives
By the end of this chapter, the student will be able to do the following:
1. Define organizational behaviour (OB) and explain its roots.
2. Explain the relationship of organizational behaviour to the study of management.
3. Explain some of the benefits of studying organizational behaviour.
4. Describe an open systems framework for understanding how an organization functions, including the GHOST model of internal organization.
5. Explain the differences between the formal and the informal organization.
6. Provide an overview of four of the challenges and opportunities for effective OB management: corporate governance, social responsibility and ethics, globalization, change and competition, knowledge management (KM), and workforce diversity.

**The Chapter Summarized**
1. Organizational behaviour (OB) is a field of study that seeks to understand, explain, predict, and change human behaviour, both individual and collective, in the organizational context. It is an applied behavioural science that focuses on developing an organization's human capital. OB has grown out of contributions from numerous earlier fields of study such as psychology, sociology, engineering, anthropology, and management.
2. Organizations are defined as groups of people who work interdependently toward some common purpose. The job of a manager is a complex one and includes tasks related to the management of people as well as those related to the management of information, material, and financial resources. Managerial work includes planning, organizing, leading, and controlling, and managers perform their work through carrying out interpersonal, informational, and decisional roles. In addition to carrying out these roles, managers have to balance the need for order in their organizations with the competing need for flexibility and adaptability to change as outlined in the "Competing Values" framework for organizational effectiveness. Also, they have to balance the need to focus their attention inside the organization with the equally important need to focus their attention outside the organization.
3. There are at least three benefits to studying OB. First, OB concepts and skills help managers improve their company's bottom line. Second, mastering OB enables managers to become more effective at influencing others, both as formal managers and when they need to influence people over whom they have little or no control. Third, OB knowledge can lead to a specialization in the field of human resources management in the workplace, as well as graduate studies in OB or human resources management. 4. The open systems framework and the GHOST model of the internal organization help us understand the bigger picture of organizations, how the various parts both affect and are affected by each other, and how the organization interacts with its external task environment. The overall model is examined by exploring (1) the external task environment that includes forces such as economic, legislative and demographic; (2) organizational inputs; (3) GHOST—that is, the internal organization itself, which consists of the goals (G), human resources (H), organizational structure (OS), and technology (T); (4) the organizational outputs; and finally, (5) the feedback processes.
5. Organizations must also be viewed as consisting of both formal and informal dimensions. A second theoretical model of an organization stresses that it is what you do not see (below the surface) that is most influential. This model views the organization as consisting of two distinct dimensions: the formal organization, which is more observable, and the informal organization, which is less observable but exerts a significant influence.
6. Canadian organizations have to address a number of contemporary challenges and opportunities in order to manage organizational behaviour effectively. These challenges and opportunities flow from the external task environment:
   (1) corporate governance and ethics, (2) globalization, change, and competition, (3) knowledge management, (4) and workforce diversity. Corporate governance is the system of control and

performance monitoring of top management. Organizations are now being evaluated on their corporate social responsibility (CSR) and ethical behaviour. Globalization and heightened competition present opportunities and challenges and have forced organizations to think globally and become more quality- and customer focused. Effective knowledge management (KM) is becoming increasingly important as the quantity of information explodes. Canadian workplaces have become highly diverse, and we explore diversity in terms of employee culture, age/generation/career stage, gender, physical/mental disabilities, sexual orientation, and race and ethnicity. Workplace diversity, well managed, creates competitive advantage.

**LEARNING AND TEACHING SUGGESTIONS TO PROMOTE STUDENT ENGAGEMENT**

| TOPIC | SUGGESTIONS |
|---|---|
| **General Introductions of Students** | Depending on the size of the class one of the following can be used: <ul><li>For 50 or fewer students: "People Bingo" exercise made up of two parts. Part A has questions equal to less than half of the class. The students circulate and introduce themselves to each other by answering one question on the list provided by the professor. Time limit the exercise as needed. Some sample statements for the students to complete are: "My favourite pizza must have …" "If I won a million dollars I would…"</li><li>For larger classes: "Small group" with the five/six people closest to you, identifying name, reason for taking the class and hopes and wishes for the course.</li></ul> |
| **Class Behaviour/Norms Establishment** | <ul><li>For 50 or fewer students: Creating a Positive Learning environment Using a structured interview approach based on Appreciative Inquiry, the students pair up and describe their best learning experience to each other and develop their wish statements for the kind of environment they'd like in the classroom and what they are prepared to commit to make this happen. This material is documented by the students without names, collected and is consolidated into one typed document that is returned to the students during the second class. This forms the basis of a confirmation of class ground rules. This takes approximately 30-40 minutes to run, but is well worth the investment since students feel a sense of ownership of the class behaviour rules.</li><li>The five questions I have used successfully are:<ul><li>Describe your best learning experience – it can be in school, at home, learning to ride a bike, etc.</li><li>What did you do to contribute to this positive experience?</li><li>What did others to contribute?</li><li>What would you like the environment in this class to be like? Be specific about behaviours that would help you.</li><li>What are you willing to commit to doing to make this happen?</li><li>For a larger class: Suggest reasonable guidelines such as all electronic devices turned off; expected behaviour when someone is asking/answering questions; suggested behaviour for small group work; assuming it is possible in the room, etc.</li></ul></li><li>For an alternative approach to this topic refer to the Alternative Experiential exercise found later in this chapter of the Instructor Manual</li></ul> |

| | |
|---|---|
| **What is OB and Relationship to Management** | • Show *8 Mile* video clip asking the students to watch for the topics outlined in the questions suggested in *Biz Flix in the Take 2 Videos.* <br> • Large group debrief of concepts and question responses. <br>     And/or <br> • Relate/refer to the Learning About the Context: Cirque du Soleil vignette at the beginning of the chapter to highlight key concepts of OB. <br> And/or questions presented on a slide that may require in depth or multiple choice/True/False answers using Turning Point clickers <br><br> Small group of 4-6 people to answer the question: <br> "How many of these concepts have they already experienced?" followed by collection of responses. |
| **The Benefits of Studying OB** | • Relate/Use the Implication for Life scenario on page 10 followed by paired discussions <br> • Solicit responses. |
| **Open Systems Framework and GHOST model** | • Exhibit 1.3 The Forces in An Organization's External Environment and Bloom Box Exercise in large group, both on page 13. Conduct small group discussions and then debrief in large group, or, <br> • How does this model apply to their workplaces? <br> • Use the GHOST model page 15 or a projected image of it, to walk through an example of how the internal system is influenced by and influences the external environment as well as how the various parts of the internal system act on each other. <br> • I give an example of one professor giving an A+ grade to all students for no work in a class – e.g., "What if I did this in this class?", and the students work through the implication for the rest of the organization and then employers, potential students, etc.  Students seem to enjoy working this through and understand the model and how it works. |
| **Formal versus Informal Organizations** | Refer to Exhibit 1.5 on page 17 <br> This could be done as a series of slides as a Turning Point clicker response exercise. Here's a suggested set of starter questions: <br> • Who has a job or had a job. <br>   a. Yes <br>   b. No <br> • I ONLY speak to my boss to help resolve problems <br> • I ONLY go to other people in other departments to get things done quicker <br> • I bypass procedures to get things done quicker <br>   a. Always <br>   b. Frequently <br>   c. Occasionally <br>   d. Seldom <br>   e. Never <br> • Another set of questions could include the following: <br> How many have worked in different companies in the same field, e.g. retail? <br> Did/do things get done the same way? <br> Are you expected to act the same way? <br> • Follow with debrief discussion |

| | |
|---|---|
| **Formal versus Informal Organization** | • Refer to page 17 of text and the meaning of the terms<br>• Paired 1 minute discussion with person beside them<br>• How does this relate to your university/college?<br>• Quick large group debrief |
| **Governance and Ethical Behaviour** | • Use the online CBC video clip *Emperors of Avarice* and debrief using the questions provided |
| **Current OB Challenges and Opportunities: Governance and Ethical Behaviour, Globalization, Knowledge Management and Workforce Diversity** | Use as many of these as there is time. Small group discussion and large group debriefs work well to help students get to know each other and connect with the material. Turning Point Clickers may also be used:<br>• Use a recent "In the news" item that they may have heard of to discuss the importance and implications of ethical and unethical behaviour<br>• Explain Corporate Social Responsibility and ask students to work in groups of four to come up with the names of three companies engaged in Corporate Social Responsibility.<br>• Ask students to name companies that are global in scope of operation. Relate responses to Global Reality 1.1 on page 8.<br>• Why is quality important? Do you as a consumer care about quality? Why?<br>• What happens to the knowledge of an organization at 5:00 pm? Should companies care about this? Why?<br>• What kinds of diversity are they aware of? Why should organizations care about it? Also link to Organizational Reality 1.2 on page26<br>• Large group debrief<br>    Or, depending on your focus:<br>• Bloom Box exercise 1.2 page 30 |

**Experiential exercise 1.1 page 29**    This makes a good homework assignment and bridge to the next class.

## Critical Thinking (Including Bloom Boxes)

*Exploring the Forces in the External Task Environment of Your College/University*
• This is a relatively straight forward exercise and most students should be able to easily give examples and rank order them
• An interesting alternative is to have students discuss their individual responses in small groups to explore different perspectives

*Brainstorm the Technology (T) of your College or University*
• Marketing of the university/college to students and parents
• Teaching by professors and TA's
• Counselling, both academic and personal
• Curriculum and program development
• Academic (grade) standards
• Advisory councils
• Financial support programs
• Enrolment and Registration processes
• Administrative systems such as grade and academic status tracking

- Housing support
- Peer guidance
- Student associations
- Academic integrity standards and processes

*The Costs and Benefits of Embracing Diversity page 25*
One could argue two ways:
- a strong focus on doing the most that can be done with the available resources in the organization, or,
- a focus on minimizing resources expended and only meeting minimum standards of accommodating diversity
- benefits include better connection to their stakeholders, community, government, employees, etc.
- improved reputation in society

*Self Assessment  Exercise 1.1 page 5 Test Your Knowledge of Organizational Behaviour (OB)*
This test could also be done as a Turning Point clicker exercise

*Self Assessment Exercise 1.2 page 21 Analyse Your Perceptions of a Change*
A quick pulse taking could be done on the number of students who found the change they analysed positive or negative using Turning Point clickers.
Discuss how students' perceptions of change will affect them, given the rapidly changing nature of the business environment they will enter after graduation.

*Experiential Exercise 1.1: My Absolute Worst Job*
This exercise offers the opportunity to introduce course concepts, as well as help students feel comfortable with one another. Almost everyone with work experience has had a terrible job or boss, so there is immediate recognition of the problem. And most students are eager to share these awful experiences.
Note: This exercise may also be done as a role-play, where two or more students act out an incident from someone's "worst job."
During the final discussion you will have an opportunity to bring up future topics which will be covered. For example, if a student says "poor communication between workers and bosses" was what made a job bad, you can mention how leadership and communication will be covered later.
One frequent problem cited is top management's lack of awareness of day-to-day problems. This is a good place to mention how the section on power will address abuse of power. Ask them if they have any experience as students which reinforces the idea that people at the top are not aware of problems at the bottom. They have numerous examples of this.
All in all, the exercise is easy, instructive and fun. The students really get involved.

**Sources:** "Chaos and the Manager's Job," in *Organizational Behaviour: Experiences and Cases, 4th ed.*, Instructor's Manual ed. D. Marcic, (Minneapolis/St. Paul: West Publishing, 1995); Peter B. Vaill, "A Manager's Job" in Managing as a Performing Art: New Ideas for a World of Chaotic Change (San Francisco: Jossey-Bass, 1989). Reprinted by permission of Jossey-Bass Inc., Publishers.

Alternative notes for this exercise:
Occasionally a student will reveal proprietary information about a company.  It might be wise to preface the discussion by suggesting that students describe the type of job, rather than mentioning the name of the company.

There are many humorous and bonding examples that have come from this exercise. You might want to tell the students that there have been a variety of answers. Two of the more extreme were:
(1) Digging cemetery plots in August in St. Louis. (No explanation was needed why this was not a "good" job.)
(2) On the committee for a state's inaugural ball, where the governor did not show up until 2:00 a.m.

These are good examples to illustrate that stress is related to behaviour and organizational factors, not just the type of job that an individual fulfills.

Students may also benefit from a discussion of elitism during the de-briefing of this exercise.

Students need to be reminded that although they personally may not want to work at McDonald's as a career, there are people who plan on making that organization their career.
We need to understand why other people may find what we think of as a "worst job" their ideal job.

Students may see some positions as "inherently worst jobs." Be sure to clarify that some individuals may take positions to fulfill financial obligations, and find their personal fulfillment through other means. The fact that they do not wish to "self-actualize" at work does not necessarily mean that they are not productive, valuable organizational members.

Recall that not all students will have work experience. It has been my experience that a large number of international students have little work experience because they go directly from secondary schools to college. You may need to make some allowances for these students so they do not feel like they are "in the wrong class because they are inexperienced." They could contribute by mentioning a job they would least like to do and why they would not want to have this position.

## KEY TERMS

Note that Abbreviations after the key term refers to those commonly used in the text and/or referenced materials.

| | |
|---|---|
| anthropology) | informal organization |
| behavioural science | knowledge management (KM) |
| boundary-spanning roles | management |
| communities of practice (CoP) | managers |
| corporate governance | organizational behaviour |
| corporate social responsibility (CSR) | organizational culture |
| disability | organizational inputs |
| diversity | organizational outputs |
| engineering | organizational structure (OS) |
| ethical behaviour | organizations |
| external task environment | psychology |
| feedback | scientific management |
| formal organization | Six Sigma |
| glass ceiling | sociology |
| goals (G) | tacit knowledge |
| Hawthorne studies | technology (T) |
| human capital | total quality management (TQM) |
| human resources (H) | transnational organization |
| human resources management | triple bottom line |

## Review & Discussion Questions

1. *Explain why the open systems framework for explaining how organizations function is compared to viewing an organization as a living system.*
   - Organizations interact with their environment and require balance to survive
   - like a living system an organization is open to feedback from its external environment and adapts accordingly to prosper and survive

2. *Define OB and explain its disciplinary roots.*
   - a field of study that seeks to understand, explain, predict and change human behaviour, both individual and collective in the organizational context
   Roots:
   - Psychology:  work teams, work motivation, training and development, power and leadership, human resource planning, and workplace wellness
   - Social psychology and Sociology: Group and intergroup dynamics, roles, norms, and standards of behaviour that emerge within groups, compliant and deviant behaviour, effects of codes of ethics in organizations
   - Engineering: Design of work, efficiency, performance standards, productivity, and goal-setting; includes scientific management
   - Anthropology: Organizational culture, origins of culture, patterns of behaviour
   - Management (Administrative science): Design, implementation, and management of various administrative and organizational systems

3. *What are the benefits of studying organizational behaviour and how does OB differ from the discipline of management?*
   - First, OB concepts and skills help managers become more effective, thereby improving their companies' bottom lines.
   - Second, mastering OB enables you to become more effective at influencing others, both as a formal manager and when you need to influence people over whom you have little or no authority.
   - Third, the study of OB benefits you if you choose to major in the field of organizational behaviour or if you plan to work in the field of human resources (HR).

4. *The competing values framework outlines two sets of competing demands that managers typically face. Explain what these are and discuss whether balancing these competing values are likely to become more or less challenging in the future, giving your rationale.*
   - Managers have to balance their responses to two competing realities to successfully carry out their work.
   - First, they have to balance the need for order in their organizations with the competing need for flexibility and adaptability to change.
   - Second, they have to balance the need to focus their attention inside the organization with the equally important need to focus their attention outside the organization
   - Student discussions may, based on current economic uncertainty, focus on the chaos external to organizations and the upheavals this has caused in some industries and organizations and thus conclude that it will become more challenging.

5. *Explain all the elements of the GHOST model of the internal organization.*
   - Goals (G) - the action strategies that leaders create and follow to accomplish the organization's purpose and vision
   - Human Resources (H) – the employees and managers within the organization
   - Organizational Structure (OS) – how work is designed to fit the organization's goals
   - Technology (T) – the range of tools, knowledge information technology, work processes and techniques used to transform inputs into outputs

6. *In what ways have increasing change, globalization, and competition made the study of OB more important than ever before?*
   - Leaders and mangers need to be effective in leading change and motivating their employees to achieve the organization's goals
   - leaders are responsible for generating environmental and societal benefits in addition to economic ones, and for governing responsibility and ethically in a global business climate that is highly competitive, turbulent, and diverse. Their customers expect a triple bottom line mind set.
   - Globalization, sociocultural, and demographic changes at home have resulted in contemporary work organizations that have diverse workforces. All of these differences mean that people in organizations must understand and value these differences to capitalize on them rather than use them as barriers to achieving organizational and personal success.

7. *What is meant by knowledge management and how does effective knowledge management relate to the model of the internal organization?*
   - Knowledge Management (KM) is acquiring and using the right knowledge, by the right people at the right time, to help achieve company objectives
   - KM aids the ability of an organization to share information across department lines and across work groups
   - It helps ensure that organizational memory will be preserved and wisdom transferred when the baby boom generation begins to retire
   - Human resources is an important consideration as you need to motivate people to learn and share new knowledge and information to keep the business viable
   - How the information and knowledge is shared is part of the Technology and therefore has an impact on Organizational Structure

## ETHICS QUESTIONS

1. *Is it ethical to use behavioural science knowledge to influence people toward achieving one's own objectives? Could this be considered to be an example of manipulation or exploitation if this knowledge is used by people in positions of power?*
   Students may argue on either side of this question:
   - If the influence does not cause harm the other person, then it is OK
   - If the influence does not consider the other person's best interests, then it should not be done
   - Since everyone in an organization can benefit from organizational behaviour knowledge and may already be trained in related skills, organizational behaviour cannot be considered a manipulative or exploitative tool to be used by people in positions of power

2. *Debate the following quote from the text: "Companies need to show that they're not just greedy institutions."*
   - Students may bring in examples of companies that they think have been greedy
   - They may, also, focus on the need to make a profit to stay in business

# ETHICAL DILEMMA

***General Introduction to the Ethical Dilemmas in the text:***
The purpose of the Ethical Dilemmas is to encourage students to develop their awareness of ethical issues in the workplace and the managerial challenges they present. The dilemmas are set up to present situations in which there is no clear ethical choice. The goal for the instructor is to guide students through the process of analyzing the situation and examining possible alternative solutions. There are no "right" answers to the questions at the end of each scenario, only opportunities to explore alternative generation and generate discussion of the appropriateness of each alternative.

In order to address the Ethical Dilemmas, a brief discussion of the some common ethical theories is necessary.

Rule-Based or Utilitarian Ethical Theory
Utilitarian theory was first formulated in the eighteenth century by Jeremy Bentham and later refined by John Stuart Mill. Utilitarians look beyond self-interest to consider impartially the interests of all persons affected by an action. The theory emphasizes consequences of an action on the stakeholders. The stakeholders are those parties affected by the outcome of an action. Utilitarians recognize that trade-offs exist in decision making. Utilitarian theory is concerned with making decisions that maximize net benefits and minimize overall harms for all stakeholders. It is similar to cost-benefit analysis decision making. The ultimate rule to follow is the "Greatest Good for the Greatest Number."

Virtue-Based Ethical Theory
Virtue theory dates back to the ancient Greek philosophers, especially Plato and Aristotle. Judgment is exercised not through a set of rules, but as a result of possessing those dispositions or virtues that enable choices to be made about what is good and holding in check desires for something other than what will help to achieve this goal. Thus, virtue-based ethics emphasizes certain qualities that define appropriate behaviour and the right action to take. Unlike the other standard ethical theories discussed, virtue theory does not establish a set of criteria to evaluate potential decisions. Rather, it emphasizes the internal characteristics of an individual with whom we would want to enter into a relationship of trust. The ultimate goal is for "the decision maker to do the right thing in the right place at the right time in the right way."

Rights-Based Ethical Theory
The evolution of rights theory dates back to the seventeenth century in writings of Thomas Hobbes and John Locke. Modern rights theory is associated with the eighteenth-century philosopher Immanuel Kant. Rights theory assumes that individuals have certain entitlements that should be respected such as freedom of speech, the right of privacy, and due process. Kant's theory establishes an individual's duty as a moral agent toward others who possess certain rights. It is based on a moral principle that he calls the categorical imperative. One version of the categorical imperative emphasizes the universality of moral actions. The principle is stated as follows: "I ought never to act except in such a way that I can also will that my maxim (reason for acting) should become a universal law." The ultimate guiding principle is, "I should only act in a way in which I would be happy if everyone in that situation would act the same."

Justice-Based Ethical Theory
Formulations of justice theory date back to Aristotle and Plato in the fifth century B.C. An important modern contributor to the theory of justice is John Rawls. The major components of justice theory are equity, fairness, and impartiality. These concepts require that actions taken reflect comparative treatment

of individuals and groups affected by the action. The ultimate question here is, "Are the processes by which decisions are made and the outcomes of those decisions equitable, fair, and impartial?"

Suggested answers for the questions at the end of each chapter scenario are provided in this instructor's manual. They are by no means exhaustive, nor are they meant to be the "correct" answers. Each student must decide for himself or herself which alternative most clearly agrees with his or her value system.

1. *Does Brian have an obligation to lead the company to globalization?*
   - Some would argue that Brian has an obligation to do whatever is best for the company and to maximize shareholders' wealth. If the best thing for the company is to go global, then Brian has to either take the company in that direction or step down as CEO. Others would argue that Brian has a duty to address the needs of all stakeholders. If this is the case, Brian is one of the stakeholders and his needs should carry equal weight with anyone else's needs.
2. *What is Brian's responsibility to himself and his family?*
   - Brian does have a responsibility to himself and to his family. As stated above, Brian and his family are stakeholders in this decision and their needs should carry equal weight with the needs of other stakeholders.
3. *Consider Brian's decision in light of the guidelines for ethical decision making in chapter two.*
Assuming that Brian decides to go global:
   1. Front page test: Would I be embarrassed if my decision became a headline in the local newspaper? NO. Does not appear to be an issue.
   2. Golden rule test: Would I be willing to be treated in the same manner? YES.
   3. Dignity and liberty test: Are the dignity and liberty of others preserved by this decision? MAYBE. Brian needs to consider this.
   4. Equal treatment test: Are the rights and welfare of lower-status people given full consideration? YES. Brian needs to consider this.
   5. Personal gain test: Is an opportunity for personal gain clouding my judgment? NO
   6. Congruence test: Is this decision or action consistent with my espoused principles? YES. He has already led the company through growth. Has this been one of his guiding principles?
   7. Procedural justice test: Can the procedures used to make this decision stand up to scrutiny by those affected? YES. Given Brian's wish to take things easier, what decision processes will he use? For the greater good or his own?
   8. Cost–benefit test: Does a benefit for some cause unacceptable harm to others? NO
      How critical is the benefit? Can the harmful effects be mitigated?
      Who gets the biggest benefit from each of the decision choices?
   9. Good night's sleep test: Whether or not anyone else knows about my action, will it produce a good night's sleep? YES. Depending on the choice he makes, Brian needs to consider others' reactions

***Using the general ethical theories outlined above here are some ideas for consideration and possible probing questions of students:***
*Rule* – From a rule perspective, one might argue that the greatest good is to take the company global. The needs of Brian and his family do not equal the needs of the rest of the company and all of the other stakeholders.
*Virtue* – Virtue ethics tells us that Brian needs to be of strong enough character to make the right decision given all the circumstances. He must weigh the needs of himself and his family and the needs of the other stakeholders and do what is right, even if it means taking on the task of moving the company into a global market.
*Rights* – Here, Brian must ask himself whether anyone in his situation would act in a similar fashion. Would other CEOs be willing to take on the task of going global or would they too want to enjoy their last years in the position? Finally, he must consider how these would decisions affect all of society.

*Justice* – This framework has the least impact on Brian's decision. Most would agree that no matter which decision Brian makes, both were fair since Brian worked hard for 20 years and the company and all of its stakeholders are better off than they were when he started.

## Mini Case:

A student association (SA) has a long history of growth at its university. Last year some executives were charged with theft and were fired. Recently students expressed dissatisfaction with the services they received from the SA and there were a number of other problems.

1. *Using the above facts and the textbook descriptions of the model, summarize what you know about the inputs and outputs of the SA.*
    Inputs:
    Student executives, student volunteers, money from students and university, information on current student needs, information on other university SA initiatives
    Outputs:
    Student advocacy, discount programs, social programs, university administration advocacy inputs, reputation

2. *Using the above facts and the textbook descriptions of the model, summarize what you know about the goals (G), human resources (H), organizational structure (OS), and technology (T) of the student association (SA).*
    Goals:
    Provide services and support to students
    Provide students with financial benefits through bulk purchases and discounts
    Provide advocacy services to students
    Represent student views to the university administration
    Human Resources:
    Elected executive who receive pay, student volunteers to run specific programs
    Poor relationships between volunteers and executives
    Poor relationships among the executives
    No discussion of relationship of managers with SA executives or with students
    High turnover
    Organizational Structure:
    Executive and volunteers who work on specific projects/programs
    Technology:
    Seems to be a lack of financial oversight processes
    Technology:
    Lack of process to gather up to date information re needs and wants from students
    Lack of governance processes

3. *On the basis of this diagnosis, what are the most important areas the SA needs to work on to improve their organization's effectiveness?*
    Process to obtain information and follow students' needs/wants
    Governance and financial management processes
    Marketing to improve image

**CASE:** Refer to the Integrative Cases section of this Instructor Manual for CandyCo notes.

**MEDIA RESOURCES AND TAKE 2 VIDEO CASES**
Please check the Media Resources in the appendices for instructor materials.

**ALTERNATIVE EXPERIENTIAL EXERCISE**
**Creating a Quality Learning Environment**
The exercise will give you the opportunity to discuss the elements of a quality learning environment. The basic question your group will need to answer first is whether good education provides a service or produces a product. Once you have made that decision, you will be able to address the questions in Step 2 of the exercise.

**Step 1.** The class will divide into groups of approximately six members. Each group elects a spokesperson and answers the following question: Does education provide a service or produce a product? The spokesperson should be prepared to explain the group's answer to this basic question during the cross-team exchange.

**Step 2.** Each group is to generate answers to these additional questions. The group should spend approximately five minutes on each question and make sure that each person has made a contribution to the group's response. The spokesperson for each group should be ready to share the group's collective responses.

    **a.** *What are the important characteristics of a high-quality learning environment?* Members should focus on the physical, social, and psychological characteristics of the environment, as well as on behaviours of the students and instructor.

    **b.** *What format results in the best learning?* For example, should lectures, debates, discussion, role-playing, and group activities be included? If so, in what proportion?

    **c.** *What problems or obstacles have you encountered previously to a high-quality learning environment?* These may be related to the subject matter, evaluation processes, workload expectations, or other aspects of the classroom environment.

**Step 3.** Each group will share its answers to the questions in Steps 1 and 2. Cross-team questions and discussion will follow.

**Step 4.** Allow for a few minutes at the end of the class period to answer questions about the course or your professional background and experience. Be prepared to ask questions at this time.

## EXTRA EXPERIENTIAL EXERCISES

The following alternative exercises to supplement the material in the textbook can be obtained from:

Marcic, Dorothy, Seltzer, Joseph, & Vaill, Peter. *Organizational Behaviour: Experiences and Cases*, 6<sup>th</sup> *Ed*. South Western College Publishing Company, 2001.

**Assumptions About People and Organizations**. p. 1-4. <u>Time</u>: 25-50 minutes
    <u>Purpose</u>: To develop awareness about organizational behaviour issues.