

# MANAGEMENT AND ORGANISATIONAL BEHAVIOUR

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E-learning can be used in a variety of contexts with varying amounts of personal interaction. For example, with some university courses the majority of study is undertaken on-line with minimal attendance at campus or face-to-face tuition. However, in business organisations, technological and culture barriers appear to hinder the widespread uptake of on-line learning. For many students, there are a number of potential benefits associated with e-learning including: open access to education and flexibility in location and timing; quicker delivery of training; individuals can proceed at their own pace; acquiring computer skills; monitoring and feedback on activities. Potential disadvantages include: concerns over quality of content; maintaining motivation and danger of procrastination; lack of team working and social interaction.

The challenge involved in e-learning is not simply teaching in a different way. Rather, it means rethinking the whole nature of the teaching/learning process. It is clear that e-learning is more appropriate for the acquisition of knowledge and there are doubts about its application to the development of interpersonal social skills. Despite all of these reservations, as information communications technology develops and as people want to learn exactly what they need to know, with the minimum disruption to their lives, e-learning will become an increasingly significant part of training, either pre-course preparation or post-course evaluation and refreshment of knowledge.



How comfortable are YOU with the use of technology as a means of learning? Do you believe e-learning endangers personal interaction and the development of social skills?

## Knowledge management

As mentioned previously, it is clearly in the best interests of the organisation to develop the knowledge and skills of its employees. Learning at the individual or group level impacts on the learning, development and performance of the organisation as a whole, and the process of learning is influenced by the general climate of the organisation. An increasingly important aspect of organisational performance is the idea of **knowledge management**. Although there is no generally recognised definition, knowledge is defined in terms of a range of practices or processes to identify, capture, share, develop and apply knowledge to benefit organisational performance. Growth will continue as more collaborative IT applications become available. Knowledge management is related to business strategy, information technology, human resource management and people management, and can therefore be linked to organisational learning (**discussed in Chapter 16**).

### Explicit and tacit knowledge

*Nonaka* (1996) argues that competitive advantage is founded in the ability of companies to create new forms of knowledge and translate this knowledge into innovative action. He says that 'the one sure source of lasting competitive advantage

is knowledge' and describes the different kinds of knowledge that exist in organisations and the ways in which knowledge can be translated into action.<sup>27</sup> Nonaka (1996) distinguishes explicit and tacit knowledge.

- **Explicit knowledge** is that held consciously in mental focus by an individual. It is easily communicated, quantified and available to others in various forms such as language, mathematical expression or printed matter.
- **Tacit knowledge**, however, is internalised and an individual may not be consciously aware of it. It is personal and specific to the individual and more akin to wisdom that is inarticulate, understood but rarely described. Although more problematic, because it is not so easily disseminated, tacit knowledge is arguably as important as explicit knowledge.

According to Nonaka, those companies able to use both kinds of knowledge will make the creative breakthroughs. He suggests that the knowledge-creating companies systematically ensure that the tacit and explicit feed into each other in a spiral of knowledge. Tacit knowledge is converted into explicit knowledge by articulation and that explicit knowledge is used within an individual's cognitive understanding by a process of internalisation. It perhaps is no surprise that 'knowledge management' has been the subject of hype in the management literature and has been extolled as the route to the Holy Grail of competitive advantage.

## The importance of knowledge management

A substantial number of benefits have been identified by researchers of KM that have contributed to the surge of interest. *Kerr* (2003) identifies seven reasons why KM is an important area:

- business pressure on innovation;
- inter-organisational enterprises (e.g. mergers, takeovers, etc.);
- networked organisations and the need to co-ordinate geographically dispersed groups;
- increasingly complex products and services with a significant knowledge component;
- hyper-competitive marketplace (decreasing life cycles and time to market);
- digitisation of business environments and IT revolution;
- concerns about the loss of knowledge due to increasing staff mobility, staff attrition and retirements.<sup>28</sup>

*McLean* (2009) suggests that although many early management techniques have been relegated to the vaults of history, knowledge management shows no sign of disappearing from boardroom discussion. Knowledge management has become a major driver of organisational change and wealth creation.

**Knowledge management aims to empower individuals and organisations to deal with real-life problems and issues which they face on a day-to-day basis. It also challenges them to identify ways in which they can 'know what they know' and use that conscious knowledge to assist their organisations to be a competitive force against rivals.<sup>29</sup>**

## Embedded within the business

The success of knowledge management depends on the culture of the organisation and its priority in sharing learning and knowledge, and has roots in the learning organisation. From an examination of the changing shape of knowledge sharing practices in organisations, *Burton* (2013) refers to criticisms of KM including that it can morph into a version of content management and rapidly become a specialist discipline with practitioners talking in abstract terms. Burton suggests the principles of knowledge management are not something where you bring in a specialist team to manage all your knowledge for you. It is something that has to be embedded within the business.<sup>30</sup>

The Chartered Management Institute (2016) points out that effective knowledge management can be a vital source of competitive advantage. It can enhance the ability to learn from past failures and be a driver for new ideas and more timely responses to change. However, this requires an integrated strategic approach with support from top management and a culture where knowledge is embedded in the skills, competencies and experience of the workforce over the long term.<sup>31</sup>



Tom Peters presents a stark view on organisational learning and the future – see [www.youtube.com/watch?v=Yg0OjblS48M](https://www.youtube.com/watch?v=Yg0OjblS48M). What do organisations need to focus on with regards to developing their employees going forward?

## Organisational memory

In the past, organisations may have relied largely on the stability of the organisation's structure for knowledge transmission. Managers would tend to know who to go to for advice and would seek out the older and experienced employees who held the 'know-how'. This knowledge and wisdom, accumulated over years of work, was a precious store of information. However, such a store was rarely formalised or articulated and would be communicated only on an informal basis. Communication to the next generation of employees was an important part of the organisation's culture and socialisation process.

Older employees were useful as a source of knowledge and guidance for younger ones. Many held the role of an informal mentor and were much appreciated by their younger subordinates. (**Mentoring and coaching are discussed later in this chapter.**) More flexible forms of structure, increasing rates of staff turnover, widening generation and age groups, downsizing and outsourcing have a major effect on the extent of what may be termed 'organisational memory'. Not only are relationships disrupted by the restructuring of the business, but also there is the potential for the complete loss of this powerful and important reservoir of knowledge and understanding.



In what ways do YOU believe that knowledge management is likely to be affected by widening generations and age groups in the workforce?



Knowledge management takes many forms

## Creativity

With a continuing turbulent and uncertain environment, organisations have an increasing need to foster a culture of creativity. For organisations to be innovative and maintain competitive advantage, creative solutions are required. Organisations need employees with the potential for both development and creativity. There are numerous definitions of **creativity** but it is defined generally, for example by *Goodman* (1995) in terms such as 'the process of generating new ideas or concepts' or more specifically such as 'the application of imaginative thought which results in innovative solutions to many problems'. Creativity is often linked with 'innovation' but this term is generally associated with the development of a new products or services.

According to *Goodman* (1995): 'Actively creative people have a talent for getting to the heart of a problem. They are not confused by detail and by the need to invoke standard approaches.' There tends to be consensus in the literature that suggests such individuals have a desire for originality, non-conformity and the opportunity to experiment and express new ideas. A difference can also be drawn between those people who are productive in terms of the number of ideas they can create and those individuals who have entrepreneurial capabilities and are able to bring the ideas to the marketplace.<sup>32</sup>

### Promoting a culture of creativity

The importance of the skill of creativity has received increasing attention in recent years, lending a so-called soft edge of organisational behaviour to the business literature. Strategic management writers suggest that managers will be required to go beyond rational/logical thinking and use their senses of feeling, creativity and intuition to create businesses for the future. *Hurst et al.* (1991) for example refer to The Creative Model of management, which is 'built on the philosophical assumption



that the real world which surrounds the organisation is a dynamic construct enacted by the members of the organisation over time.<sup>33</sup>

Such a view suggests that personality, sensitivity, creativity and communication skills are going to be the requirements of the future. It also requires managers to be proactive in their search for root causes to problems and be imaginative in solving them. In order to promote creativity, employees must feel motivated and there must be a supporting environmental climate and organisation structures. Managers and supervisors need to adopt a style of behaviour and leadership based on openness, respect and trust that encourages the generation and implementation of new ideas.

**See transformational or creative leadership in Chapter 9.**

Imaginative thought may lead to new ways of seeing things that may be novel for the person or completely novel in time. According to *Burton* (2009, p. 25) 'creativity is often viewed as a talent which resides only in a few and many will not see it necessarily as part of their role. In the 21st century workplace, as well as building on existing knowledge, we need to develop new cultures which focus on developing creativity in everyone.' *Burton* (2009) refers to two parts to our imagination:

**synthetic imagination** which enables us to analyse previous and imagine scenarios based on that experience and knowledge; and **creative imagination** which enables us to develop completely new and different ideas and concepts to solve problems and achieve goals. Organisations moving from good to great, however are learning to trust ideas from the creative imagination as well.<sup>34</sup>

*Lucas* (2010) comments that: 'Organisations are toying with improvisation to help managers work together better in teams, release creativity and improve their presentation skills. However the key to gaining acceptance is getting past people's scepticism about its value in the workplace. Rigid structures are all very well but they can and do inhibit free thinking, which is vital for creativity, improving business performance and engaging with your audience.'<sup>35</sup>

## Blocks to creativity

People often lack confidence in their ability to be creative and organisations may set up a number of blocks. It is therefore understandable that creativity is suppressed and devalued. *Goodman* (1995) suggests six common blocks to personal creativity:

- **Perceptual** – habitual responses, stereotyping and reliance on past instructions and experiences.
- **Emotional** – fear, anxiety about looking foolish in front of others or making errors.
- **Process** – lack of technique or skills in process; a quick grasp at a solution.
- **Communication** – style, method or skills unsuitable for dealing with problems.
- **Environmental** – facilities, stress factors, mindsets of others which inhibit responses.
- **Cultural** – culture and attitudes not facilitative; too risky and open-ended.<sup>36</sup>

A distinction can be made in *Goodman's* list between the first four features, which are aspects of the individual's psyche and repertoire of skills and the last two, which are functions of the culture of the organisation. Unless there is a culture of creativity and interest in re-construction, it is more likely that individuals will use their creativity and resourcefulness outside the organisation or against the organisation rather than for the organisation. Despite the doubts and blocks, learning to be creative is encouraged by many writers through exercises and activities to stretch and develop imagination in

wild and novel ways – often referred to as ‘thinking outside the box’. **These include procedures such as lateral thinking and brainstorming, discussed in Chapter 8.**

## The magic of enchantment

In an age of austerity and tight finances, *Peck* (2011) refers to employees being beguiled by the magic of enchantment. Employees need to embrace the goals and values of the organisation needing less direction or supervision. Enchantment is a three-stage process by providing a MAP:

- **Mastery** – the ability to master new skills and improve themselves at work.
- **Autonomy** – the ability to work independently and not have someone breathing down your neck.
- **Purpose** – working for a higher calling than simply making money.

If people are enabled to master new skills while working autonomously on meaningful goals you will enchant them into wanting to do things rather than being made to. They are empowered and know what to do because they know what the organisation stands for.<sup>37</sup>

## Creativity and context

*Rickards, Runco and Moger* (2009) see creativity as a complex and compelling area of study that is as difficult to define as it is to achieve. In a thought-provoking series of contemporary articles, they explore how creativity can be better understood and used in a range of contexts including innovation and entrepreneurship, environmental influences, knowledge management, personal creativity and structured interventions. *Rickards et al.* (2009) refer to creativity occurring within particular contexts, two of the most important being cultural and organisational. These do not act merely as influences and determinants, however, but instead are also influenced by creativity. ‘It is simplistic to think that contexts are always the influence and creative thinking the result. Instead, interplay implies that environments act on and are influenced by creative people and their efforts.’<sup>38</sup>



To what extent do YOU have a creative imagination? In what ways have you been encouraged to, or dissuaded from, a more creative approach to your studies?

## Mentoring and coaching

Organisations need to offer learning and development opportunities which simultaneously challenge and support together with effective procedures that enable people to harness their potential. This requires creativity to engage and motivate people emotionally to operate at their limits. So, how are employees to learn and acquire the skills that are necessary to further their career progression? An integral part of this process is the role of mentoring and coaching. Both mentoring and coaching are concerned with helping individuals to take responsibility for their