Chapter Objectives

• Upon completion of this chapter you will be able to:
  – Define groups and differentiate between different types of groups.
  – Identify the five stages of group development.
  – Show how role requirements change in different situations.
  – Demonstrate how norms and status exert influence on an individual’s behavior.
  – Show how group size affects group performance.
  – Contrast the benefits and disadvantages of cohesive groups.
  – Contrast the strengths and weaknesses of group decision making.
  – Compare the effectiveness of interacting, brainstorming, nominal, and electronic meeting groups.
  – Evaluate evidence for cultural differences in group status and social loafing, and the effects of diversity in groups.
Defining and Classifying Groups

• Group:
  – Two or more individuals interacting and interdependent, who have come together to achieve particular objectives

• Formal Group:
  – Defined by the organization’s structure with designated work assignments establishing tasks

• Informal Group:
  – Alliances that are neither formally structured nor organizationally determined
  – Appear naturally in response to the need for social contact
  – Deeply affect behavior and performance
Subclassifications of Groups

Formal Groups

• Command Group
  – A group composed of the individuals who report directly to a given manager

• Task Group
  – Those working together to complete a job or task in an organization but not limited by hierarchical boundaries

Informal Groups

• Interest Group
  – Members work together to attain a specific objective with which each is concerned

• Friendship Group
  – Those brought together because they share one or more common characteristics
Why People Join Groups

• Security
• Status
• Self-esteem
• Affiliation
• Power
• Goal Achievement
Five Stages of Group Development Model (Exhibit 9-2)

1. Forming
   – Members feel much uncertainty
2. Storming
   – Lots of conflict between members of the group
3. Norming Stage
   – Members have developed close relationships and cohesiveness
4. Performing Stage
   – The group is finally fully functional
5. Adjourning Stage
   – In temporary groups, characterized by concern with wrapping up activities rather than performance
Critique of the Five-Stage Model

• Assumption: the group becomes more effective as it progresses through the first four stages
  – Not always true – group behavior is more complex
  – High levels of conflict may be conducive to high performance
  – The process is not always linear
  – Several stages may occur simultaneously
  – Groups may regress

• Ignores the organizational context
An Alternative Model for Group Formation

Temporary groups with deadlines don’t follow the five-stage model

• Punctuated-Equilibrium Model
  – Temporary groups under deadlines go through transitions between inertia and activity—at the halfway point, they experience an increase in productivity.
  – Sequence of Actions
    1. Setting group direction
    2. First phase of inertia
    3. Halfway point transition
    4. Major changes
    5. Second phase of inertia
    6. Accelerated activity

Exhibit 9-3
Group Properties

Group Performance:

– Roles
– Norms
– Status
– Size
– Cohesiveness
Group Property 1: Roles

• Role
  – A set of expected behavior patterns attributed to someone occupying a given position in a social unit

• Role Identity
  – Certain attitudes and behaviors consistent with a role

• Role Perception
  – An individual’s view of how he or she is supposed to act in a given situation – received by external stimuli

• Role Expectations
  – How others believe a person should act in a given situation
  – *Psychological Contract*: an unwritten agreement that sets out mutual expectations of management and employees

• Role Conflict
  – A situation in which an individual is confronted by divergent role expectations
Zimbardo’s Prison Experiment

- Faked a prison using student volunteers
- Randomly assigned to guard and prisoner roles
- Within six days the experiment was halted due to concerns:
  - Guards had dehumanized the prisoners
  - Prisoners were subservient
  - Fell into the roles as they understood them
  - No real resistance felt
Group Property 2: Norms

• Norms
  – Acceptable standards of behavior within a group that are shared by the group’s members

• Classes of Norms
  – Performance norms - level of acceptable work
  – Appearance norms - what to wear
  – Social arrangement norms - friendships and the like
  – Allocation of resources norms - distribution and assignments of jobs and material
Group Norms and the Hawthorne Studies

A series of studies undertaken by Elton Mayo at Western Electric Company’s Hawthorne Works in Chicago between 1924 and 1932

• Research Conclusions
  – Worker behavior and sentiments were closely related.
  – Group influences (norms) were significant in affecting individual behavior.
  – Group standards (norms) were highly effective in establishing individual worker output.
  – Money was less a factor in determining worker output than were group standards, sentiments, and security.
Norms and Behavior

• Conformity
  – Gaining acceptance by adjusting one’s behavior to align with the norms of the group

• Reference Groups
  – Important groups to which individuals belong or hope to belong and with whose norms individuals are likely to conform

• Asch Studies
  – Demonstrated the power of conformance
  – Culture-based and declining in importance

Exhibit 9-4
Defying Norms: Deviant Workplace Behavior

• Deviant Workplace Behavior
  – Also called antisocial behavior or workplace incivility
  – Voluntary behavior that violates significant organizational norms and, in doing so, threatens the well-being of the organization
  – **Typology:**
    • Production – working speed
    • Property – damage and stealing
    • Political – favoritism and gossip
    • Personal Aggression – sexual harassment

Exhibit 9-5
Group Influence on Deviant Behavior

– Group norms can influence the presence of deviant behavior
– Simply belonging to a group increases the likelihood of deviance
– Being in a group allows individuals to hide – creates a false sense of confidence that they won’t be caught

Exhibit 9-6
Group Property 3: Status

A *socially defined position or rank given to groups or group members by others* – it differentiates group members

- Important factor in understanding behavior
- Significant motivator

- **Status Characteristics Theory**
  - Status derived from one of three sources:
    - Power a person has over others
    - Ability to contribute to group goals
    - Personal characteristics
Status Effects

• On Norms and Conformity
  – High-status members are less restrained by norms and pressure to conform
  – Some level of deviance is allowed to high-status members so long as it doesn’t affect group goal achievement

• On Group Interaction
  – High-status members are more assertive
  – Large status differences limit diversity of ideas and creativity

• On Equity
  – If status is perceived to be inequitable, it will result in various forms of corrective behavior
Group Property 4: Size

• Group size affects behavior
• Size:
  – Twelve or more members is a “large” group
  – Seven or fewer is a “small” group
• Best use of a group:

<table>
<thead>
<tr>
<th>Attribute</th>
<th>Small</th>
<th>Large</th>
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</thead>
<tbody>
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<tr>
<td>Individual Performance</td>
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<tr>
<td>Problem Solving</td>
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<td>Diverse Input</td>
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<td>Fact-Finding Goals</td>
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<tr>
<td>Overall Performance</td>
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Issues with Group Size

• **Social Loafing**
  – The tendency for individuals to expend less effort when working collectively than when working individually
  – *Ringelmann’s Rope Pull*: greater levels of productivity but with diminishing returns as group size increases
  – Caused by either equity concerns or a diffusion of responsibility (*free riders*)

• **Managerial Implications**
  – Build in individual accountability
  – Prevent social loafing by:
    • Set group goals
    • Increase intergroup competition
    • Use peer evaluation
    • Distribute group rewards based on individual effort
Group Property 5: Cohesiveness

Degree to which group members are attracted to each other and are motivated to stay in the group

- Managerial Implication
  - To increase cohesiveness:
    - Make the group smaller.
    - Encourage agreement with group goals.
    - Increase time members spend together.
    - Increase group status and admission difficulty.
    - Stimulate competition with other groups.
    - Give rewards to the group, not to individuals.
    - Physically isolate the group.
Group Decision Making vs. Individual Choice

• Group Strengths:
  – Generate more complete information and knowledge
  – Offer increased diversity of views and greater creativity
  – Increased acceptance of decisions
  – Generally more accurate (but not as accurate as the most accurate group member)

• Group Weaknesses:
  – Time-consuming activity
  – Conformity pressures in the group
  – Discussions can be dominated by a few members
  – A situation of ambiguous responsibility
Group Decision Making Phenomena

• Groupthink
  – Situations where group pressures for conformity deter
    the group from critically appraising unusual, minority,
    or unpopular views
  – Hinders performance

• Groupshift
  – When discussing a given set of alternatives and
    arriving at a solution, group members tend to
    exaggerate the initial positions that they hold. This
    causes a shift to more conservative or more risky
    behavior.
Groupthink

• Symptoms:
  – Group members rationalize any resistance to the assumptions they have made.
  – Members apply direct pressure on those who express doubts about shared views or who question the alternative favored by the majority.
  – Members who have doubts or differing points of view keep silent about misgivings.
  – There appears to be an illusion of unanimity.

• Minimize Groupthink By:
  – Reduce the size of the group to 10 or less
  – Encourage group leaders to be impartial
  – Appoint a “devil’s advocate”
  – Use exercises on diversity
Group Decision-making Techniques

*Made in interacting groups where members meet face-to-face and rely on verbal and nonverbal communication*

- **Brainstorming**
  - An idea-generating process designed to overcome pressure for conformity

- **Nominal Group Technique (NGT)**
  - Works by restricting discussion during the decision-making process
  - Members are physically present but operate independently

- **Electronic Meeting**
  - Uses computers to hold large meetings of up to 50 people
## Evaluating Group Effectiveness

<table>
<thead>
<tr>
<th>Effectiveness Criteria</th>
<th>Interacting</th>
<th>Brain-storming</th>
<th>Nominal</th>
<th>Electronic</th>
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<td>Number and quality of ideas</td>
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<td>Moderate</td>
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<td>High</td>
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<td>Social Pressure</td>
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<td>Speed</td>
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<td>Potential for Interpersonal Conflict</td>
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<td>Commitment to Solution</td>
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<td>Development of Group Cohesiveness</td>
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<td>Moderate</td>
<td>Low</td>
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</tbody>
</table>

Exhibit 9-8
Global Implications

• Status and Culture
  – The importance of status varies with culture
  – Managers must understand who and what holds status when interacting with people from another culture

• Social Loafing
  – Most often in Western (individualistic) cultures

• Group Diversity
  – Increased diversity leads to increased conflict
  – May cause early withdrawal and lowered morale
  – If the initial difficulties are overcome, diverse groups may perform better
  – Surface diversity may increase openness
Summary and Managerial Implications

• Performance
  – Typically, clear role perception, appropriate norms, low status differences, and smaller, more cohesive groups lead to higher performance

• Satisfaction
  – Increases with:
    • High congruence between boss’s and employees’ perceptions about the job
    • Not being forced to communicate with lower-status employees
    • Smaller group size