Organizational Behavior
HRM In Construction

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### Organizational Behavior

- Modern society grow with org
- The organizations
- Organizational planning
- Organizational Development (OD)
- Management Development
- Success of OD
- The Process of OD
- Org Typology
- Traditional line & staff organization for construction firm
### Organizational Behavior

- **Matrix Organization**
- **Project organization**

#### Theories of leadership
- **1.** Trait theories
  - Great Man Theory
- **2.** Behavioral theories
- **3.** Contingency theories
  - Fiedler model
  - Hersey-Blanchard model
  - Handy’s best fit approach
Organizational Behavior

• Modern society grow with org
• We all belong to an org of some kind (from night club to international cooperation)
• There are broad range of definitions for the org
The organizations

- **The organizations:** Are grand (comprehensive) strategies individuals create to achieve objectives that require the effort of many.

- **The organizations:** The process of coordinating different activities to carry out planned transactions (deals/business) with the environment.
Organizational planning

• To be
  – Efficient
  – Effective
  – Robust (strong)

• Org have to cope with risk and uncertainty
• Aims, objectives & scope must be agreed upon.

• **Manager should do planning:**

• First at Strategic level:
  – They should be aware of products, methods and markets within which the firm operate.
• Manger have to plan at macro and micro levels.

• **At macro:** over all structure is needed.
  – Which include, communications, control and allocation of roles

• **At micro:** the job description, motivation, training, responsibilities and promotion to be planned.
Organizational Development (OD)

- OD is not a one time job, it will continue to evolve and subject to environmental forces which cause change.

Change can happen due to:
- Booms and slumps in the market
- Technological change
- Company mergers and or takeovers
• Combining of activities
• Centralization and decentralization
• To cope with changes, many companies adopted the Organizational Development (OD) program.
• OD program use a behavioral science approach to analyze the environment and changes
MD & OD

- **Management Development** program tends to concentrate on individuals being trained to keep up with advancement, OD tends to change the org internal Envi or culture.

- The success of change depends on the “**Change Agent**”

- Change Agent could be external consultant or specialist department within the org.
• The External consultant are not part of the org and able to view the org objectively and bring fresh ideas.

• **Fryer** suggest combination of both in addition to first line manager to ensure commitment and ideas from inside the org. (Considerable cost needed)
Success of OD

Factors for success:

• The **Social skills** of those who implementing the plan.

• Their ability to convince

• Achieving measurable improvement in conditions will encourage to continue.
• Make comprehensive analysis of the org
• Explain the necessity of the exercise to employee.
• Unlock peoples existing attitudes and fear about change
The Process of OD

- Undertake comprehensive analysis of org.
- To explain the necessity of the exercise to employee.
- It is important to unlock the people attitude and fear about change.

It can be done through:

- Breaking up existing work
- Fear of redundancy
• Loss of status
• The need to learn new skills
• Transfer to new department/manager

• Change can be achieved through:
  – Team building
  – Intergroup activity
  – Survey and feedback sessions
- Education and training program
- Clear planning & counseling session
- Counseling the work force
- Establish the attitude and behavior that will constitute new culture
- OD will succeed if the new culture was established.
- The next step is to monitor and measure the success
1.0 Line and staff organization

- Constituted of vertical chain of command where those holding line position exercise a formal authority over subordinate general membership staff.
- This allows to unilaterally issue or pass instruction down the hierarchy, authority is direct and uncomplicated.
• Staff act in supporting role to those with line authority.
• Authority for staff is usually limited to the area of their particular expertise.
• Those holding staff position are the specialist whose advise and support to line management enables functions, deemed necessary by the organization.
• In construction some individuals perform both line and staff functions.
• QS is working in department of QS will have a line relationship with the chief surveyor from whom they take orders but is also likely to have staff relationship with the firms site managers and supervisory personal.
Traditional line & staff organization for construction firm
Matrix Organization

• Organization inaction of work kept separate from organization of people.
• Part of traditional command hierarchy is replaced by network of vertical & lateral associations.
• Project manager are responsible to manage the work undertaken on individual project.
• While people managers are concerned with the development, welfare, quantification & completeness.
Difficulties in Matrix org

- divided loyalties bet functional manager and project manager.
- The feeling of workers that have to satify to bosses with different concerns.
- To which degree should the worker show loyalty: the manager of the project or the specialist group or department with whom they identify within the firm.
Project organization

• Org is not permanent, but temporary multi org.
• Mindful goals of the org
• Objective should be kept changeable to meet the nature of project which related to environment changes.
• Without change, there may be loss of opportunity, loss of skilled workforce, also could be cease of operating.
Leadership

• The effectiveness of org depends on:
• Ability to integrate workforce
• Well motivated and productive team that committed to the project and firm success.
• The words management & leadership are considered to be interchangeable, whiles may be synonymous. In fact they are not the same
• **Mintzberg** considers that Leadership as a managerial role.

• Others see management consist of dividing up work which is done by others and coordinated and integrated to achieve objectives.

• So management concerned with the activities of people (procedures and results).
• Leadership is influencing of others to do what manager want to do.
• Leadership goes beyond the formal activities of managers and introduces a broader interpersonal activity.
• **Ideally all Managers should be leader**
• But there are many leaders who are able to influence others by virtue of their personal charisma & who have no capabilities in terms of other managerial functions.
Theories of leadership

• 1. trait theories

• 2. behavioral theories

• 3. contingency theories
The Evolution of Leadership Theory

1950s
Trait theory

1960s
Behavioral styles theory

1970s
Situational theory

1980s
Transformational theory

1990s

Approximate time line (years)

HRM Ch5
The Trait Approach

• Leaders can be differentiated from their followers through the evaluation and comparison of their
  – physical characteristics,
  – mental characteristics and
  – psychological characteristics.

• There are certain individual traits that separate leaders from followers and effective and non effective leaders.
Great Man Theory

• “Leaders are born, not made”
• The leader traits are:
  – dominance,
  – high levels of energy,
  – intelligence and
  – self confidence
Criticisms to Trait Theory

- Ignore the needs of the followers,
- Fails to clarify the relative importance of various traits,
- Ignore situational factors
Behavioral (Style) Theory

- Behavioral approach:
- allows us to **train anyone to become a leader** through the encouragement of individual to **behave in ways that are required of leaders and allow potential leader to be expanded.**