



**OBHRM 501: Human Behavior and Organizations**  
**Class 1 (4/30/03)**  
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*University of Michigan*

Managing for Excellence in Work Organizations

Teaching Note – Prepared by Jason M. Kanov  
*University of Michigan*

Goals of the class:

- 1) To provide a brief overview of the content and objectives for the entire course.
- 2) To facilitate student introductions and encourage students to connect their own experiences with the content of the course.
- 3) To lay a foundation for the course content by introducing terminologies, discussing underlying assumptions, and situating the material in the context of organizational research in general.
- 4) To introduce and discuss a real-life example of an organization that embodies excellence.

Videos and materials needed:

- Video – Southwest Airlines training video (Not available)
- Video – Celebrate What's Right With the World by Dewitt Jones. Available through Starthrower Distribution Corporation, 26 East Exchange Street, Suite 600, St. Paul, MN 55101.

Description and flow of the class:

A slide with a black border. On the left side, there is a decorative graphic consisting of overlapping colored squares (blue, yellow, red) and a black crosshair. The main text is centered and reads: 'OBHRM 501: Human Behavior and Organizations' in blue, followed by 'Managing for Excellence in Work Organizations' in black, and 'Jane E. Dutton' in black at the bottom.

**OBHRM 501: Human Behavior and Organizations**

Managing for Excellence in Work Organizations

Jane E. Dutton

Slide 1

A slide with a black border. On the left side, there is a decorative graphic consisting of overlapping colored squares (yellow, blue, red) and a black crosshair. The main text is centered and reads: 'Game plan' in blue, followed by a bulleted list of topics: 'Introduction' (with sub-bullets 'Course goals' and 'Class assets'), 'So what is organizational excellence?' (with sub-bullet 'A view from Southwest Airlines'), 'BREAK', and 'Course foundations' (with sub-bullets 'Core assumptions' and 'Flow (Will do requirements next class)').

**Game plan**

- Introduction
  - Course goals
  - Class assets
- So what is organizational excellence?
  - A view from Southwest Airlines

BREAK

- Course foundations
  - Core assumptions
  - Flow (Will do requirements next class)

Slide 2

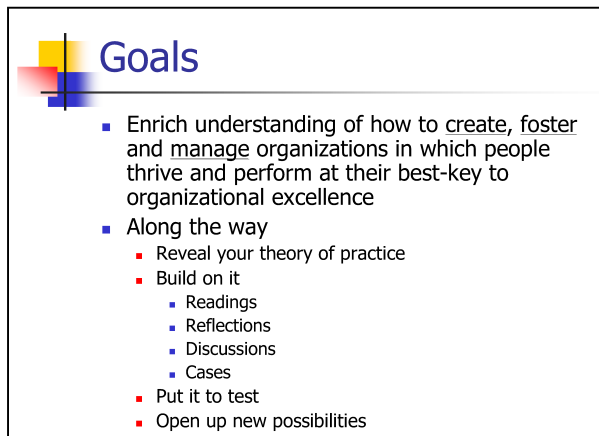
Slide 1 This is the introductory slide for this class. One of the primary goals of this class is to introduce and set the tone for the whole course. Being that the content and structure of this course is different from a typical core organizational behavior course, it may be worthwhile spending more time than one would typically spend with the introduction. The following questions can serve as a guide for introductory comments.

What is this class about? – This class is about learning how to unlock greatness in people—in self, in others, in groups/teams, in organizations. It is about creating, enabling, building, and sustaining excellence.

Why is this class important? – Providing a rationale for how the various topics were selected, why the focus is on enabling excellence, and why it is designed as it is may help the students engage more fully with the material. This is also a good place to situate the class as an outgrowth of Positive Organizational Scholarship

Who am I (the professor)? – Jane talked about her credentials and background as well as her motivation for teaching this class. Being that this is a relatively new approach to teaching organizational behavior, it is just as important to seem enthusiastic and personally invested in the material as it is to seem credible.

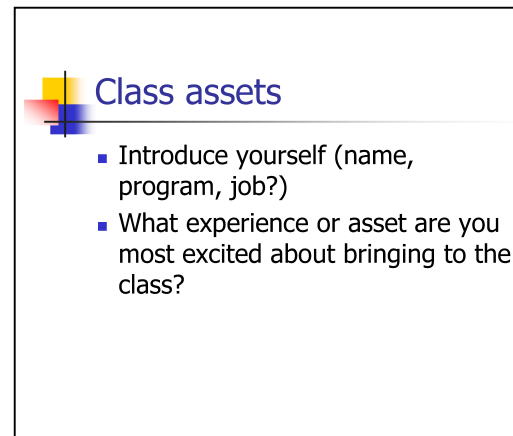
Slide 2 This slide provides an overview of the flow of this class.



**Goals**

- Enrich understanding of how to create, foster and manage organizations in which people thrive and perform at their best-key to organizational excellence
- Along the way
  - Reveal your theory of practice
    - Build on it
      - Readings
      - Reflections
      - Discussions
      - Cases
    - Put it to test
    - Open up new possibilities

Slide 3



**Class assets**

- Introduce yourself (name, program, job?)
- What experience or asset are you most excited about bringing to the class?

Slide 4

Slide 3 This slide outlines the main goals for the entire course. These goals can also be thought of as themes that will likely surface time after time in each class throughout the semester. Below is a more detailed explanation of some of the bullet points in the slide:

Reveal your theory of practice

A primary goal of this course is to help students understand why they do the things they do. Throughout this course, students will have an opportunity to

reflect on their attitudes and behaviors, and they will be challenged to think critically about *why* they hold these attitudes and engage in these behaviors. To put it more boldly, this class aims to make explicit some of the students' implicit theories about work, relationships, human nature, and life in general.

#### Build on it

In addition to revealing students' theories of practice, the content covered in this course gives students an opportunity to build on and perhaps even rethink their implicit theories of practice.

#### Put it to the test

This goal is about helping students understand how to move from theory to practice. Many of the topics that will be covered in this course are easy to talk about but not so easy to put into action.

#### Open up new possibilities

This is perhaps the primary goal of the class. It is about encouraging students to think 'outside the box' by exposing them to new ideas and practices that are real and that really work. It's about showing them that, even though business is often done in a particular way, it doesn't have to be done that way. Thus, this course can help students develop new perspectives on how business gets done.

Slide 4

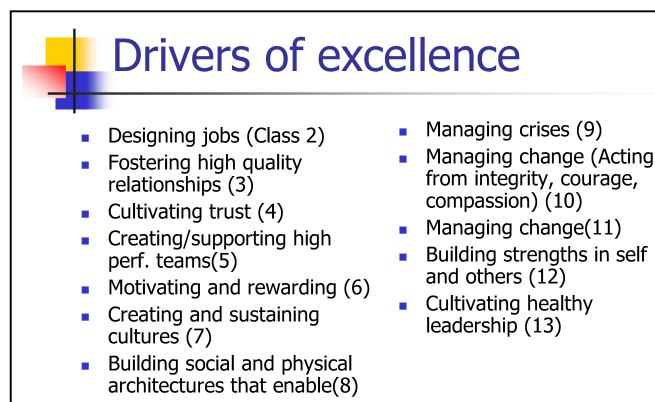
This slide sets up an icebreaker exercise that is designed to give all of the students in the class a chance to introduce themselves to each other. In addition to a basic introduction, this icebreaker asks students to identify an asset or experience that they are excited about bringing to the class. There are several reasons for this. First, it encourages students to think about how this class relates to them as individuals. Second, it gives the rest of the class a glimpse at the varied backgrounds represented in the class. Finally, it lets students know early on that their unique experiences and perspectives are valued, respected and important to the content and flow of this course.



So What is Organizational Excellence?

So what does excellence look like at Southwest Airlines?

Slide 5



Drivers of excellence

- Designing jobs (Class 2)
- Fostering high quality relationships (3)
- Cultivating trust (4)
- Creating/supporting high perf. teams(5)
- Motivating and rewarding (6)
- Creating and sustaining cultures (7)
- Building social and physical architectures that enable(8)
- Managing crises (9)
- Managing change (Acting from integrity, courage, compassion) (10)
- Managing change(11)
- Building strengths in self and others (12)
- Cultivating healthy leadership (13)

Slide 6

Slide 5

This slide prompts a discussion about organizational excellence by asking students to draw on what they know about Southwest Airlines (SWA) and identify instances of excellence. Using SWA at this point in the class is useful

because it provides the class with an opportunity to literally see manifestations of excellence in one organization. [Students should have read the SWA case provided in their coursepack before coming to class.]

This slide begins to talk more concretely about organizational excellence. This course conceptualizes excellence in a rather novel way but it is important that students grasp its meaning because it is a term that will be used throughout the course. For this reason, it may be worthwhile to spend some time nailing down what the concept of excellence (for individuals and organizations) means in this course. This course aims to understand how to unleash excellence at three levels: in ourselves, in others, and in our organizations. In this sense, excellence is about understanding what brings you as an individual to life and thinking about how you as a manager can bring others to life.

Discussion about excellence at SWA (30 minutes):

What are some *indicators* of excellence at SWA? What do you see in the case that reflects the excellence of the organization? [Responses to this question are recorded on a board at the front of the room on the right (from the class's perspective).]

- *Sample responses:* Employees are happy; they are willing to work together; they are motivated to work longer hours for less pay; there is a good connection between employees and management; attraction and retention of employees; good labor relations; innovation; outstanding customer service; financial performance; organizational costs are low
- *Additional thought:* Notice that traditional markers of excellence—profitability and cost—may not be mentioned right away. This is interesting because although these indicators are exemplary at SWA, the other less-traditional indicators seem more noteworthy and extraordinary.

What are some *drivers* (causes) of excellence at SWA? [Responses to this question are recorded on a board at the front of the room on the left (from the class's perspective).]

- *Sample responses:* Selection and training practices; an informal culture; a culture that reflects equality throughout the organization; employee recognition by management; an organizational mission/vision that stresses community and teamwork and organizational practices that are consistent with these ideas; the structure of the organization; empowering practices
- *Additional thought:* It may be difficult at times to know whether some of the things that the class identifies are indicators or drivers of excellence. This is an important point that may come up several times throughout this discussion. This is an issue that we will revisit in the “Problems and dilemmas” section.

Video – SWA training video for new employees (8 minutes):

This is a fun video that shows many clips of Southwest employees on the job. The focus of the video is on explaining that the “spirit” of SWA is the key to the organization's success, and it says that the spirit of Southwest is in you—the employees. The video builds on the case by offering more insight into the excellence of SWA – references to “positively outrageous customer service” and the “love” that characterizes the spirit of the organization are two ways in which

excellence is referred to in the video. [The video is shown on a screen between the two boards used in the preceding discussion that have “indicators of excellence” and “drivers of excellence” written on them. This sort of physical arrangement is intended to suggest a movement from drivers of excellence (left) to the organization in action (the video in the center) to indicators of excellence (right).]

Discussion about excellence at SWA based on the video (12 minutes):

Does the video reveal any additional *indicators* of excellence? [Written on the same board as the previously identified indicators.]

- *Sample responses:* The employees are not just satisfied, they are energized; the organization seems able to adapt to changing circumstances; the organization seems healthy, intelligent, and wise
- *Additional thoughts:*
  - This is quite different than what many organizations tend to look like. For example, it is not uncommon for other organizations to make their members feel drained and less capable, as opposed to SWA that seems to energize and empower their employees.
  - This link between excellence and energy is an important theme that will come up repeatedly throughout this course.

Does the video reveal any additional *drivers* of excellence? [Written on the same board as the previously identified drivers.]

- *Sample responses:* diversity; love; a desire to have fun; competitiveness of the culture; simplicity in how things are structured and executed; employees having internalized a socially valued organizational identity; the founders of SWA having come to the airline industry as outsiders and bringing with them a fresh perspective about how to do things

Slide 6

This slide lists various drivers of excellence that will be covered over the course of the semester. While going through the drivers listed on this slide, we suggest that you try to connect each of them to the drivers that were identified in the preceding discussions about SWA. Doing this can help the class see how this slide builds on those discussions about SWA in setting up the general flow of the class content from week to week. Each driver on this slide can be thought of as a pathway to fostering excellence. The class is set up to examine each of these pathways in turn. The numbers in parentheses at the end of each driver on the slide refers to the class # in which that topic will be covered.



**Southwest Airlines: Update**

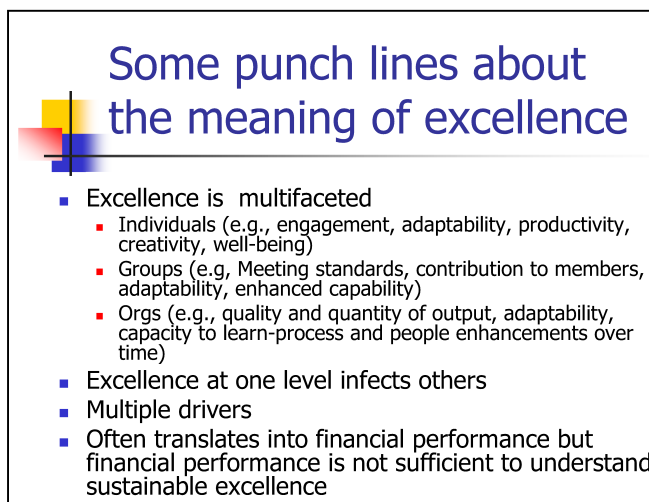
- Continued excellence in quality service
- Exceptional safety records
- Extraordinary efficiency
- Resilience after 9-11
- Loyal, engaged employees
- Strong relational fabric
- Profitability stronger than other airlines
- Successful leadership succession (life after Herb)

Slide 7

Slide 7 This slide presents more recent information about SWA's continued success. The bullet points on this slide can be thought of as additional indicators of organizational excellence. It is important to include slides like this because they remind the class that the excellence of an organization like SWA is associated with more traditional markers of success such as profitability. It also shows that the excellence of the organization is sustainable over time.

Additional information about SWA should be available online and in various publications. Consider including some of this information in slides as well. It is also important to note that SWA continues to have success even though Herb Kelleher is no longer the CEO.

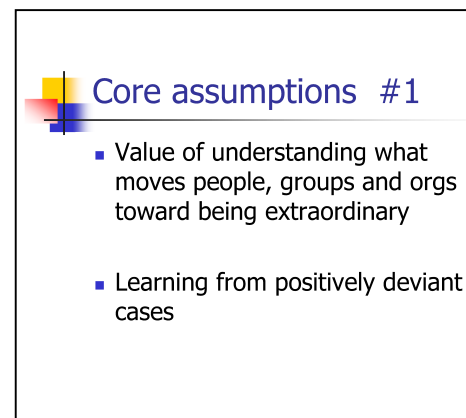
Break (10 minutes)



**Some punch lines about the meaning of excellence**

- Excellence is multifaceted
  - Individuals (e.g., engagement, adaptability, productivity, creativity, well-being)
  - Groups (e.g., Meeting standards, contribution to members, adaptability, enhanced capability)
  - Orgs (e.g., quality and quantity of output, adaptability, capacity to learn-process and people enhancements over time)
- Excellence at one level infects others
- Multiple drivers
- Often translates into financial performance but financial performance is not sufficient to understand sustainable excellence

Slide 8



**Core assumptions #1**

- Value of understanding what moves people, groups and orgs toward being extraordinary
- Learning from positively deviant cases

Slide 9

Slide 8 This slide summarizes some take-away ideas about excellence, many of which may have been hinted at in the preceding discussions.

Slide 9

This is the first of two slides about the core assumptions that underlie the content and structure of this course. These slides help to set the tone for the whole class and they introduce concepts that help to build a common language for talking about excellence. In this slide, the concept of “positively deviant cases” is introduced.



Slide 10

Slide 10

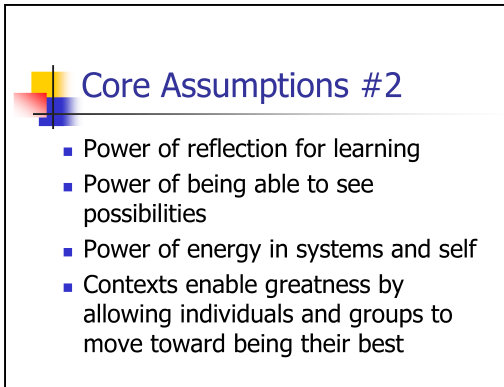
This slide breaks the idea of positive deviance down into individual and organizational factors. “Negative deviance”, “normal”, and “positive deviance” represent the left, middle, and right of a normal curve, respectively. Typically, there is a focus on achieving normalcy (e.g., health, effectiveness, efficiency, etc.) by seeking out instances of negative deviance and fixing them in some way. The focus of this class (and of Positive Organizational Scholarship in general) is on understanding how to achieve positive deviance (e.g., excellence, etc.). We want to understand what enables positive deviance and what sustains it. [Slide 10 is adapted from Cameron, K. “Organizational Virtuousness and Performance.” In K. Cameron, J. Dutton and R. Quinn, 2003, Positive Organizational Scholarship (San Francisco: Berrett-Koehler).]

The language that is used on this slide to depict positive deviance and extraordinary performance is not ideal because we do not have a well-developed language for talking about people and organizations this way. We have many words for negative states and problems but not so many words for the positive.

To help explain this slide, medicine can serve as a useful analogy. For instance, how does a doctor know if someone is healthy? Medical professionals are not trained to focus on qualities and characteristics that are indicators of thriving. Rather, being healthy typically means being free from illness or specific medical problems. Thus, if a doctor cannot find something wrong with you it is assumed that you are healthy. In an organization, things are assumed to be going well if there are no noticeable problems. Such a focus may keep organizations

functioning at a normal or ordinary level of performance but it does not help to foster extraordinary levels of performance.

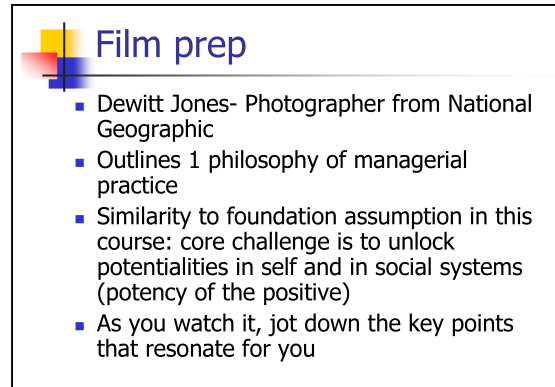
Traditional approaches to understanding organizations that focus on problems and deficits are still important but these approaches are only part of what we should be paying attention to. If problems and deficits are all that we focus on then we will miss a lot of what is going on in organizations. We should also be trying to understand individuals and organizations when they are at their best. What do we know about how/when individuals and organizations are thriving?



**Core Assumptions #2**

- Power of reflection for learning
- Power of being able to see possibilities
- Power of energy in systems and self
- Contexts enable greatness by allowing individuals and groups to move toward being their best

Slide 11



**Film prep**

- Dewitt Jones- Photographer from National Geographic
- Outlines 1 philosophy of managerial practice
- Similarity to foundation assumption in this course: core challenge is to unlock potentialities in self and in social systems (potency of the positive)
- As you watch it, jot down the key points that resonate for you

Slide 12

Slide 11 This slide presents additional assumptions that underlie the content and structure of this course. The fourth bullet point about contexts enabling greatness by helping to bring out the best in people is particularly important point that will be revisited on many occasions throughout the course.

Slide 12 This slide sets up a video. As students watch the video, they should be noting the ideas that resonate for them as well as those they disagree with or do not buy.

Video “Celebrate what is right with the world” (12 minutes):

“Our perception controls our reality.” “You won’t see it until you believe it.”

This video is about developing an approach to management and doing business that starts with looking for what is right or good about something or someone rather than what is wrong or bad. It is about unlocking the potential of people and of situations. “Celebrating what’s right gives you the energy to fix what’s wrong.” The purpose of the video is to open students up to new possibilities in terms of how business is done (or how it could be done).

Discussion about reactions to the video (25 minutes):

A video like this can generate a lot of discussion. On the one hand, it presents a lot of ideas that people want to believe, but on the other hand it seems to be such a far cry from how business is typically done. For this reason, it is realistic to expect that there will be some resistance to the ideas presented in this video. A key managing this discussion is to find a balance between what business is like now and what business could be like.


As students share their thoughts about what resonated with them as they watched the video, it is likely that some students will be skeptical. Here are some examples of skeptical comments you might encounter as well as some suggestions for how to respond to such comments:

- Sometimes you have to be blunt with people; sometimes you have to fire people; sometimes you have to provide corrective feedback. This is all true but some ways of doing this are more enabling (and less damaging) than other ways.
- Would a company like SWA still have the “spirit” if it were not so successful? One way of responding to a question like this would be to turn it around and ask if it would be so successful if it did not have the “spirit”. There’s no easy answer for either question. The fact is that SWA and other organizations have found unique ways of doing business and they are also very successful. The relationship between this way of doing business and success is what we are exploring in this class.

Additional thoughts:

Traditional ways of doing business may be very different than the approach talked about in this video but that doesn’t mean that it has to be this way. According to what is being taught in this course, there is sound reason to think things could be different, but in order for things to change, we must first realize that change is possible. What if we all approached our work by looking to celebrate what is right rather than dwelling on what is wrong?

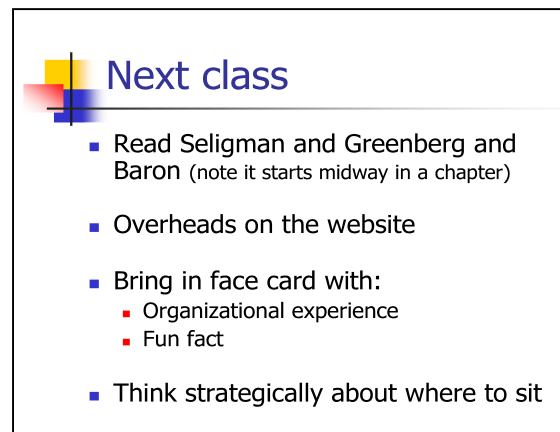
Change is not only possible; it is also necessary. How will traditional companies that rely on money as their primary motivator motivate their employees now that money is drying up?



**The ultimate managerial and personal challenge**

- How to architect organizational contexts that enables employees and groups to thrive? (Managing for excellence)
- How to find and create organizational contexts where you thrive and perform at your best?  
(Being managed for excellence)

Slide 13



**Next class**

- Read Seligman and Greenberg and Baron (note it starts midway in a chapter)
- Overheads on the website
- Bring in face card with:
  - Organizational experience
  - Fun fact
- Think strategically about where to sit

Slide 14

Slide 13 This slide restates that this class is about learning how to bring out the best in oneself, in others, and in one’s organization. As this course progresses, it should become more and more apparent that talking about how to accomplish these things is relatively easy but it is much more difficult to put these ideas into action.

Slide 14      This is an administrative slide about things to keep in mind for the next class.

Additional Resources:

Appreciative Inquiry (AI) is a practice of accomplishing change by starting with what is right or working well. It relates to the ideas talked about in the video about celebrating what is right. Visit <http://appreciativeinquiry.cwru.edu/> for more information. AI is also covered in more detail in the [teaching note for class 11](#).

Puzzles and dilemmas:

- 1) How can you tell whether something is an indicator or a driver (cause) of excellence (or of any other phenomenon)?
  - While this question may be difficult if not impossible to answer, an important thing to keep in mind is that indicators and drivers are highly interconnected. For example, having employees who are energetic and intrinsically motivated may be a reflection of organizational excellence but this can also help to drive other aspects of excellence such as outstanding customer service. There is the potential for indicators and drivers of excellence to build on each other in a positive spiral or feedback loop.
  - Drawing a distinction between indicators and drivers of various phenomena (e.g., excellence) is something that we try to do throughout the semester. Thus it is important to help the class understand this distinction. Sometimes students may suggest a driver that fits better as an indicator or vice versa. It may therefore be necessary at times to reclassify the students' responses but doing this can serve as a good opportunity to teach students about the distinction.
  
- 2) The ideas taught and the language used in this class may conflict with what is taught in other parts of the MBA program.
  - This is true and it is a big part of why we think this is such an important class. A primary goal of this class is to present students with new perspectives and open them up to new possibilities.