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CHAPTER 3

Organizational Behavior and Management Thinking

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LEARNING OBJECTIVES

By the end of this chapter, the student will be able to:

- Explain what is meant by organizational behavior;
- State ten challenges of healthcare management;
- Define what is meant by cognition (or thinking) as it relates to behavior in organizations;
- Explain how perception and thinking influence behavior in the workplace;
- Describe the role of thinking in communication and problem solving in the workplace;
- Explain the role of thinking in organizational change and learning; and,
- Describe three ways a manager can use knowledge of thinking processes to improve communication between individuals, and within groups and organizations.

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INTRODUCTION

Healthcare managers, like all managers in other industries, are responsible for effectively using the material, financial, information, and human resources of their organizations to deliver services. As you can see from the topics presented in this textbook, the manager's role requires a wide range of both technical and interpersonal skills. Leadership (Chapter 1), motivation (Chapter 2), managing healthcare professionals (Chapter 9), and teamwork (Chapter 11) are some of the most important interpersonal skills of a manager, examined at length in other chapters of this text. The purpose of this chapter is to provide a sample of how knowledge of human cognition (or thinking) provides valuable insight about communication skills and organizational behavior to help future healthcare managers understand human behavior at work. While this chapter will not make you an expert on organizational behavior or managerial thinking, it will help you appreciate how the science of organizational behavior and management thinking can be used to work with others in a way that leads to beneficial outcomes for both people and organizations.

The chapter begins with a brief background on the field of organizational behavior, describes several organizational behavior insights for health administration, and then offers an extended discussion and illustration of how the healthcare manager can use managerial thinking and organizational behavior to achieve important organizational goals.

THE FIELD OF ORGANIZATIONAL BEHAVIOR

Organizational behavior is a broad area of management that studies how people act in organizations. Managers can use theories and knowledge of organizational behavior to improve management practices for effectively working with and influencing employees to attain organization goals. The field of organizational behavior has evolved from the scientific study of management during the industrial era, administrative theories of the manager's role, principles of bureaucracy, and human relations studies of employees' needs (Scott, 1992). Organizational behavior is an interdisciplinary field that draws on the ideas and research of many disciplines that are concerned with human behavior and interaction. These include psychology, social psychology, industrial psychology, sociology, communica-

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tions, and anthropology (Robbins, 2003). In this chapter, we will highlight ideas from cognitive psychology (the science of human thinking) and their extensions to organizational behavior.

ORGANIZATIONAL BEHAVIOR'S CONTRIBUTION TO MANAGEMENT

The most successful organizations make the best use of their employees' talents and energies (Heil, Bennis & Stephens, 2000; Huselid, 1995). Firms that effectively manage employees hold an advantage over their competitors. Pfeffer (1998) estimates that organizations can reap a 40% gain by managing people in ways that build commitment, involvement, learning, and organizational competence.

Because employees are key to an organization's success, how well the manager interacts and works with a variety of individuals is key to a manager's success. A manager who is skilled in organizational behavior will be able to work effectively with employees and colleagues across the organization, assisting and influencing them to support and achieve organization goals.

KEY TOPICS IN ORGANIZATIONAL BEHAVIOR

Organizational behavior is a broad field comprised of many subject areas. Work behaviors are typically examined at different levels—individual behavior, group behavior, and collective behavior across the organization—with different issues salient at each level. Studying individual behavior helps managers understand how perceptions, attitudes, and personality influence work behavior, motivation, and other important work outcomes, such as satisfaction, commitment, and learning. Examining interactions in the group setting provides insight into the challenges of leadership, teamwork, communication, decision making, power, and conflict. Studying organization-wide behavior (sometimes referred to as organization theory) helps explain how organizations structure work and power relationships, how they use systems for decision making and control, how an organization's culture affects behavior, how organizations learn, and how they adapt to changing competitive, economic, social, and political conditions.

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ORGANIZATIONAL BEHAVIOR ISSUES IN HEALTH ORGANIZATIONS

Organizational behavior, whether in a healthcare or other type of organization, is concerned with behavior that occurs under the conditions posed by an organizational situation. While a specific organization setting may create unique challenges or certain sets of problems, the behaviors of interest are similar to those of individuals, groups, and often organizations in other settings or industries (Weick, 1969). Thus, healthcare organization behavior does not create unique management issues so much as certain issues are more prevalent in health care and occur along with other challenges (Shortell & Kaluzny, 2000).

Many of these challenges directly or indirectly affect what is expected of healthcare workers and how they behave in healthcare organizations. Health organizations are staffed with a highly professional workforce and impose exacting requirements on how work is organized and accomplished. The complex work has a high risk of serious or deadly error, which necessitates highly reliable systems of practice at all organization levels. Complex technical and medical systems demand sophisticated technical expertise, which requires a highly educated, efficient, and well-coordinated workforce. Professional workers, especially physicians, work with a great deal of autonomy and control over the technical and clinical aspects of care delivery. As a result, healthcare managers are responsible for facilitating the delivery of highly complex medical services that must be carefully coordinated by autonomous professionals over whom the manager has little direct authority—all within an industry system that is facing extreme financial and policy challenges.

Squeezed by rising costs and declining reimbursements, many health organizations struggle to survive financially. In the face of increased competition and consumer demands, the health delivery system is changing rapidly to create new services and adopt new technologies, often by forming new partnerships. The chronic health conditions that characterize an aging population demand more outpatient care, which dramatically changes the nature of care delivery. Concerns over patient safety and quality of care demands workers skilled in clinical information management, total quality management, and evidence-based practice, yet labor shortages abound and are predicted to increase.

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The work of health care is carried out against the backdrop of these demands. Yet every day, the healthcare manager facilitates and orchestrates the accomplishment of organizational goals with an eye towards helping employees and colleagues successfully negotiate the complexities presented by the nature of healthcare work and the healthcare industry. To do this, the managers must be sure they themselves and those with whom they work continually find ways to effectively work together in a demanding industry. Organizational behavior skills help managers do this.

HOW THINKING INFLUENCES ORGANIZATIONAL BEHAVIOR

Organizational science explanations of human behavior increasingly draw upon human thinking, especially cognition and the creation of meaning. In the cognitive framework, behavior is inextricably tied to thinking. We cannot understand behavior without understanding the thoughts, assumptions, and attributes of a situation that precede behavior and its consequences.

Cognition refers to the mental processes involved in thinking, including attending to information, processing information, and ordering information to create meaning that is the basis for acting, learning, and other human activities. Cognitive science has taught us that information processing capacities and mental processes shape and govern one's perceptions, language, and, ultimately, one's behaviors. A focus on thinking highlights the importance of perceptions, assumptions, and social cues. It points out biases in information processing and creating common meaning during communication. Finally, it sets the stage for learning in that the human capacity to adapt is rooted in new ways of thinking and acting. Studies of thinking teach managers that humans have a limited capacity to process information, causing them to simplify and take shortcuts; that individuals' actions are largely determined by how they perceive the world; and that humans engage in an ongoing construction of their world by using stored information structures to guide their perception and interpretation of events and information (Fiske & Taylor, 1984).

In short, the lessons of cognition suggest that the foremost management task is to create common understanding among organization members. While thinking has long been implicit in understanding organization

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behavior, its importance grows in a knowledge economy that is driven by information (Huff, Huff & Barr, 2000). The effective healthcare manager works with organization members and constituents to make sense of their interactions and experiences and agree upon meaning so they can work together, make decisions, and take action. The rest of this chapter describes some cognitive principles commonly present in human interaction that often complicate organizational processes, and then discusses ways a manager can work to create a shared understanding that facilitates organizational effectiveness.

INDIVIDUAL PERCEPTION AND THINKING

Human understanding and the resulting organizational behavior are largely based upon how a person perceives and thinks about a situation (Elsbach, Barr, & Hargadon, 2005; Fiske & Taylor, 1984). **Perceptions** matter because how a person makes sense of a situation affects his or her attitudes, attributions, and behaviors. The process of perceiving involves noticing, selecting, and organizing information in order to respond. Information is naturally lost or distorted in this complex process, so the knowledge upon which a person's action is based may be incomplete or inaccurate. However, the actor assumes his or her knowledge is complete, and thus may act upon deficient information.

Experts have identified various habits of the mind that are based on the power of perceptions and patterns of thinking. Those with particular relevance for managers and organizations include perceptions, cognitive biases, Theory X and Theory Y, expectancies, expectancy theory, attribution theory, schemas, mental models, and sensemaking. Collectively, these principles demonstrate the power of thought, showing that how people view a situation has a strong effect on how they respond to and act upon that situation. They remind managers that much of organizational behavior is about each individual's "inner game," which is often not known by the individuals themselves nor revealed during interpersonal interactions. Thus, a valuable skill for managers is to elicit these thoughts in a way that organization members can work with them.

Perception

People vary greatly in what they notice and what draws their focused attention. Their attention processes will be influenced and filtered by their

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assumptions, values, knowledge, goals, past experiences, and other personal differences. As a result they will only take in part of the information they are presented with, and subsequently act upon partial information. In addition, the partial information that is taken in is subject to other mental processes that can create further distortions.

Cognitive Biases

As we have learned in recent decades, our human capacity to effectively process information is limited. So individuals compensate with judgment shortcuts (called **heuristics**) that simplify the decision process but create systematic biases affecting their judgments (Bazerman, 1998). These shortcuts make the complex processes of perceiving and judging vulnerable to the influence of assumptions and prior experiences that are readily recalled. A perceiver may notice and select only a subset of the information to which he is exposed because he is more apt to notice familiar cues or to arrange cues into meaningful groups based on his preconceptions and what he has learned from his own prior experiences and the experiences of others. For example, a mother can hear her child's voice in a noisy room and a star gazer finds it easier to locate a constellation once she knows the pattern to expect. Similarly, a physician who does not expect to see an exotic condition, like hanta virus, may fail to diagnose the problem because she is not attuned to the possibility.

Studies consistently document more than a dozen common biases, or systematic errors of perception and judgment, that, used inappropriately, diminish the quality of thinking by limiting the amount and richness of information processing. According to Das and Teng (1999) the four main categories of **cognitive biases** include 1) prior beliefs and assumptions that constrict one's capacity to absorb more information or prompt the use of preselected outcomes that narrow the range of options considered; 2) oversimplifying the problem definition or possible solutions, or relying on intuition, in a way that again limits the range of outcomes considered; 3) flawed assessments of the likelihood of occurrence; and 4) overestimating one's capacity to influence events (Korte, 2003).

The cognitive simplifications provided by judgment heuristics and biases do help the user streamline information processing. However, heuristics and biases are problematic when used inappropriately. The manager who can monitor and recognize situations with the potential for inappropriate biases and act to reduce biases and increase the appropriate use of

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information can significantly improve organizational decisions and actions (Bazerman, 1998).

Theory X and Theory Y

An early organizational psychologist, Douglas McGregor, described two very different ways of managing, termed **Theory X and Theory Y**. The two different approaches were based on very different underlying assumptions about human nature (McGregor, 1967). McGregor observed that early industrial management techniques were based on the negative beliefs that employees naturally dislike work and tend to avoid responsibility, so they must be compelled to perform (termed "Theory X"). He espoused a view based on the positive beliefs that employees are naturally motivated and committed, and that managers can fully tap employee talents by fostering employee growth, responsibility, and the development of their potential (termed "Theory Y"). One of the fundamental lessons from McGregor is that effective managers must "examine their deepest held beliefs about people and the nature of work" (Heil, Bennis, & Stephens, 2000, p. 15). Arguably the first step to managerial success begins with the manager's own philosophy of management—that is, the thoughts and assumptions that shape his or her own approach to management. Growing research support the merits of an intrinsically motivating (i.e., Theory Y) approach to engaging employees. Accordingly, managers must assess how well their own assumptions and behaviors and their organizations' policies and practices promote employee growth, development, engagement, and contribution (Heil, Bennis, & Stephens, 2000).

Expectancy

Perceptual expectations can create a situation in which "believing is seeing." That is, prior knowledge or experience tends to make us perceive what we expect to perceive. In addition, expectations or beliefs ("my boss won't like my idea") or situational cues ("organic chemistry is a difficult course") influence how we tend to act in certain situations and events (Bandura, 1977). In addition to individual expectations, expectations can also arise from social interactions between people. At an extreme, expectations about another's behavior can create a "self-fulfilling prophecy." For example, classroom teachers who expect students to perform a certain way may verbally and non-verbally transmit their expectations to students in a way that increases the likelihood that the expected effect will occur. Simi-

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larly, a manager who believes that a certain employee has an "attitude problem" may treat that person in a way that elicits the very behavior that is objectionable.

Expectancy Theory

The effect of expectancies is very robust, and also appears in the **expectancy theory** of individual work motivation (see Chapter 2). This is a cognitive theory of outcome expectancy in which an employee's motivation to put forth effort on the job depends on the expectations that the individual will be able to perform a task, and that successful performance will result in valued outcomes (Vroom, 1964). The manager who recognizes the role that employee and managerial expectations play in motivation can strengthen motivation by providing appropriate encouragement and assistance to help an employee succeed at a task, by identifying the employee's desired outcomes and rewarding appropriately, and by clearly conveying organizational goals and the manager's own performance expectations.

Attribution Theory

To attribute is to make an inference, or to explain what causes something. According to **attribution theory**, people naturally seek to explain the likely cause of another's behavior. Regardless of their accuracy, our perceptions will influence what we presume to be the cause of another's behavior. In general, the presumed cause of observed behavior will be attributed to either a person's disposition or personality, or else to the situation in which the behavior occurs. **Fundamental attribution error** is a cognitive bias in which an observer makes incorrect causal attributions. In fundamental attribution error, the observer erroneously attributes an actor's behavior to the actor's internal disposition, rather than external situation. For instance, if a stranger cuts in line ahead of you at the movies, you may conclude the action is intentional and decide the person is rude, even though it may have occurred because the entrance signs were not clear to the person who cut in line.

Managers are susceptible to fundamental attribution error when judging employee performance, blaming an employee for poor performance that may actually be caused by circumstances beyond the employee's control. For example, **attribution error** occurs when a manager decides an employee who performs a task poorly is lazy or incompetent, rather than

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recognizing the employee needs training, clear incentives, or improved work equipment. To avoid making an erroneous performance attribution requires the manager to fully understand both how the work context affects employee performance and how the employee perceives the work context and how it is affecting performance.

Schemas and Mental Models

Schemas are cornerstones of cognitive simplification. **Schemas** are mental representations of one's general knowledge and expectations about a concept, including the concept's attributes and relations among those attributes (Fiske & Taylor, 1984). Schemas direct how we perceive, classify, store, and act upon information received. They organize what we know and guide how we use our knowledge. In short, they help people make sense of the world. According to Fiske and Taylor, people develop schemas for many different concepts and situations. **Person schemas** characterize a certain person's traits and actions (my dad will loan me his car if I mow the lawn); **role schemas** define appropriate behaviors and expectations for a social category (grandmothers bake cookies, professors should grade fairly); and **event schemas** dictate one's expected "scripts" for how certain events should unfold (taking final exams, conducting a performance evaluation). Schemas are sophisticated mental devices that simplify information processing about people and situations. Because they are cognitive simplifications, they can also be incomplete, inaccurate, and difficult to change. Thus they provide another opportunity for distortion when organization members search for common understanding.

Thinking is an individual process. While an organization does not think, its capacity to take collective action depends upon the degree to which organization members share a common view or shared way of thinking about a situation. Organizational schemas and mental models can be viewed as a form of organizational thinking.

Common schemas can facilitate common understanding needed for collective action. When schemas are shared among organization members, they can define and guide organizational behaviors and actions. In healthcare organizations, members may hold schemas about strategies to attract and retain nurses, patients' roles in deciding about their treatment, or how to work with other healthcare organizations in the local market. These shared schemas enable organizational action consistent with the schemas, and may also hinder action that does not fit existing schemas.

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Mental Models

Recent efforts to understand how organizations change and learn have led to the study of "mental models" in organizations. **Mental models** are "deeply held internal images of how the world works" (Senge, 1990, p 174). While expectancies and schemas are concerned with how we receive and store information, mental models are concerned with how we use that information in reasoning. Mental models are similar to expectancies and schemas in that they are abstract representations of reality that define expectations and interpretations. They are a guide to reasoning and they can also restrict how people think and act. Managers can change and improve organizations by discovering, sharing, challenging, and changing the schemas and mental models that guide how organization members think.

For example, a new longterm care center manager finds the facility's occupancy rate is too low, and the staff is convinced the center's location is undesirable. When the manager does a market analysis, he learns that client decisions are more influenced by available services rather than location. The staff's mental model that location drives client choice of facility was incorrect. When staff members revised their mental model to address range of services, the center's occupancy rate improved.

Sensemaking in Organizations

Perception and thinking are mainly concerned with how well one can accurately process and understand information and whether that understanding corresponds correctly to the information stimuli. A related problem is how people individually and collectively comprehend the meaning of ambiguous information or situations that are subject to several plausible interpretations. Ambiguous information is unclear and **equivocal**, in that it has multiple meanings and is open to several interpretations. Individuals frequently encounter ambiguous situations in organizations. Ambiguity becomes increasingly problematic as more individuals are involved, making it hard to find a common meaning on which to base action.

The term **sensemaking** refers to the process by which organizations arrive at a plausible interpretation of what an equivocal situation means (Weick, 1995). While sensemaking begins with the cognitive processes of individuals, involving multiple people (as in the organization setting) makes it a social process that also depends upon communication, interpersonal dynamics, and the give and take of dialogue and negotiation.

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Studies on perception and thinking have given us new insight into mental habits. Sometimes these habits alter information processing, which can lead to miscommunications. Sensemaking calls attention to how organization members select information and communicate about alternative interpretations to arrive at an understanding that defines an equivocal situation and guides subsequent actions. Sensemaking is thus a fundamental component of many core organizational behaviors and processes, including communication, problem solving and decision making, coordination, conflict, and change. According to Weick, Sutcliff, and Obstfeld (2005), sensemaking has some important lessons for the manager. First, through the process of determining what is important in a situation, we define our environment and thus create our own opportunities and constraints—an organizational parallel to the self-fulfilling prophecy. Second, meaning is made retrospectively, in that the meaningful pattern we call understanding often emerges in hindsight as we process events with others. Third, sensemaking organizes information to create a plausible (if not necessarily accurate) understanding of a situation that is sufficient for organizational action and learning.

MANAGING AND LEARNING

As we have seen, perception and thinking among individuals are complex processes. Knowledge of biases, Theories X and Y, fundamental attribution error, mental models and sensemaking won't fix every situation encountered in an organization. However, these ideas point out that how people comprehend a situation can be very different from the actual facts of the situation, and will vary across individuals. The adage that perception is reality applies to organizations, and thinking and sensemaking principles can help the manager work with perceived realities. These ideas demonstrate that what one believes about a person or a situation, even if incomplete or inaccurate, will determine how one responds to that person or situation. The manager who is blind to assumptions and perceptions, both her own or others', will be working from an incomplete and inaccurate knowledge base.

A critical management task is to remedy the limits of human and organizational thinking and create common understanding among organization members, which is largely accomplished through conversation and

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discussion. The process of sharing assumptions and perceived realities makes them available to others, encourages individuals to refashion their own mental constructs, and promotes elaboration of common mental frameworks. In short, learning occurs and knowledge is created in the process of discussing and revising individual and organizational mental models (Easterby-Smith, Crossan, & Nicolini, 2000). In a knowledge economy, organizations with a superior ability to learn and adapt are expected to create new knowledge, master new behaviors, innovate, continually improve their work processes, outperform their competitors, and adapt to competitive pressures. The manager who can work with perceptions and mental models contributes to making a learning organization.

Current methods to foster learning and knowledge development in organizations often target ways to expand shared understanding, to improve shared mental models, and to engage in collective sensemaking. For example, Peter Senge (1990) outlines a set of five essential practices or "disciplines" that characterize the learning organization. His first two disciplines are systems thinking to discern the pattern of connections between elements of a system and a drive for individual proficiency that leads to personal mastery. Senge's last three disciplines help address the innate cognitive limits of individuals and groups. They include surfacing and challenging mental models, creating a common identity with a shared vision of the future, and team learning that uses dialog to remove assumptions and create shared meaning.

THINKING AND SENSEMAKING IN COMMUNICATION AND PROBLEM SOLVING

The bottom line of the organization and learning literature is that, instead of assuming meaning is clear, effective managers examine and test mental models and assumptions about the organizational world in order to increase shared understanding among members. Bias is inherent to human thinking, yet a manager can reduce bias through skillful collective communication and problem solving. One of the simplest ways to accomplish this is by sharing mental representations and beliefs with others through questioning, discussion, and debate (Heil, Bennis, & Stephens, 2000; Senge, 1990). Thus, communication and problem-solving skills are paramount to

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successfully working with thinking in organizations. However, as the ideas in this chapter suggest, successful communication and problem solving are less about following step-by-step procedures and more about creating clear common meaning.

Communication

Communication is "the creation or exchange of understanding between sender(s) and receiver(s)" (Shortell & Kaluzny, 2000, p. 224). Communication is one of the manager's most powerful tools and most important responsibilities because it can be used to create a shared, common focus. While communicating sounds easy, it is really much more than exchanging words and messages. Experts identify many barriers to communication. Communication failure may occur if the sender does not clearly convey the purpose or message, or provides too much information. The receiver may not correctly comprehend the message, may resist the message content or distort its meaning, or may not view the sender as credible. The communication setting also creates barriers, which can include relaying messages through an organizational chain of command, role or status differences between sender and receiver, or simply the logistical challenges of available time and media.

Some of the most potent communication barriers are the thoughts and perceptions of the sender and receiver. Successful communication only occurs when we overcome the myriad assumptions, biases and preconceptions brought to the conversation to achieve shared meaning. Shared understanding is the ultimate test of communication success (Shortell & Kaluzny, 2000).

Problem Solving

Perhaps the most important work of a manager is to assure that organizational problems are solved. A problem exists when the current and the desired state of affairs differ, and the manager solves the problem by finding a way to reach the desired state. Every day, healthcare organizations face problems related to treatment plans for patients, improving patient safety and quality of care, meeting patients' needs and expectations, determining the best mix of services to offer, and attracting and retaining the best workers. The successful manager is able to handle complex, ambiguous prob-

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lems that are not clearly defined and for which opinions vary on the nature of the problem and possible solutions. This does not mean the manager always knows exactly what to do. Rather it means that the manager finds a way to engage others in finding an appropriate solution.

Problem solving involves two main phases, **problem identification** and **problem solution**, with various tasks occurring in each phase (Daft, 1992; Schein, 1988; Whetten & Cameron, 1998). The first phase involves recognizing and identifying the problem and its causes, setting goals, and generating options. The second phase involves assessing options, and choosing, implementing, and evaluating the chosen solution. While these problem-solving steps appear to be logical, actual problem solving and decision making in organizations often varies from this ideal process. Problem solving can be difficult because managers may have incomplete information or are unable to process all of the information related to the problem, goals and priorities may be unclear or in dispute, and results of alternatives may be uncertain.

CONCLUSION AND APPLICATIONS

This chapter offers a brief overview of organizational behavior in health care, and highlights how perceptions, thinking, mental models, and other thinking patterns play out in organizational life. The study of thinking processes indicates that human and organizational behavior is best understood as driven by people's perception of their world, rather than assuming they clearly comprehend all the facts of a complex world. The implication for managers is that fundamental organizational activities like communication, problem solving, and decision making depend less on following certain procedures and rely more upon the manager's efforts to bring employees together in defining a shared understanding that supports a focus on collective action.

As mentioned earlier, one of the best ways to address distortions and differences in thinking is by sharing mental models and understandings with others through questioning, discussion, and debate. The following scenarios provide the opportunity to examine these ideas more closely and work with them in practice.

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ACTION INQUIRY: A FRAMEWORK FOR CHECKING ASSUMPTIONS

Torbert's (2004) Action Inquiry approach to organizational research fosters a type of dialogue that is an antidote to the assumptions and beliefs that limit thinking and learning, and serves to build shared understanding. Torbert's framework consists of four "forms of speech," or four steps to follow in the course of a conversation. Using these steps or forms of speech promotes awareness of self and awareness of others in a way that tests perceptions and assumptions. All four forms of speech are to be used sequentially during a conversation to steadily question (or inquire) how well practices (or action) support desired results:

- **Framing**—State the purpose and objectives for the current discussion, including any assumptions that need testing, to reveal the speaker's intentions and seek a common purpose;
- **Advocating**—State an opinion, perception, or feeling at an abstract level;
- **Illustrating**—Relate an anecdote or give an example that highlights the direction the speaker advocates; and,
- **Inquiring (and listening)**—Ask questions of listeners to learn their views and experiences regarding the speaker's explanation of the situation (as expressed by the speaker's prior framing, advocacy, and illustration statements).

Repeated questioning or inquiry using Torbert's four forms of speech will heighten awareness of the manager's own perspectives and practices, and also the perspectives and practices of other organization members. The purpose of this form of dialogue is to directly address assumptions and perceptions. The result is to increase personal and organizational effectiveness because this type of inquiry elicits and discusses people's understandings in a way that increases the parties' common understanding. Through the process of action inquiry, organization members can better create a common or collective viewpoint that provides a framework for collective organizational action.

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APPLICATION EXERCISE 1: PRELUDE TO A MEDICAL ERROR

Mrs. Bee was lying in her bed after her morning physical therapy with Mr. Traction and felt like she couldn't breathe. "Is something bothering you, Mrs. Bee?" asked Nurse Karing. "I know you had a disagreement with your husband regarding rehabilitation last night," she said. Nurse Karing knew that Mrs. Bee had suffered a bad fall and that therapy was going to be difficult for her to handle. She had discussed the support issues that were important during stressful hospitalizations with Mrs. Bee's husband and he had appeared supportive. She felt that a disagreement wasn't the source of Mrs. Bee's discomfort.

Nurse Karing thought back to her previous night's visit with Mrs. Bee. Mrs. Bee had complained of terrible spasms within her left calf. Nurse Karing had proceeded to order a STAT venous doppler ultrasound to rule out thrombosis. She had also paged Dr. Cural to notify him that Mrs. Bee was having symptoms of thrombosis. Dr. Cural, upset that he was being bothered after a long day of work, had shouted into the phone, "I evaluated that patient this morning and nothing was wrong with her. I don't need incompetent nurses calling me at night to tell me that my patient is having leg cramps. Don't bother me again! And by the way, you had no right to order that test! Cancel it! (click)." The phone call had upset Nurse Karing, leaving her feeling humiliated and distracted. She had canceled the venous doppler test, as directed by Dr. Cural, thinking that he must have been right. Mrs. Bee was probably just having leg cramps from being sedentary during the day. And besides, she had thought, Dr. Cural always claimed to know his patients inside and out! Still, Nurse Karing had gone home that night feeling bothered by the incident and the lack of respect and communication displayed by her coworkers lately.

But today, Mrs. Bee was short of breath, pale, and had elevated blood pressure, and was losing consciousness. Nurse Karing ordered a STAT VQ scan to rule out a pulmonary embolus. Nurse Karing called for help. The nursing team and Dr. Krisis (from the ER) raced to the room to help stabilize Mrs. Bee. "Looks like we have another problem from one of the nursing floors," observed Dr. Krisis. "Someone must have not had time again to call the doctor yesterday to see if a venous doppler was necessary. Now she's really critical!" Nurse Karing ignored Dr. Krisis's comment and notified Dr. Cural. "Why didn't anybody call me to tell me that my

(*continued*)

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patient was having problems? I am the physician! Can't you nurses do anything right? Don't you know that you need to focus on what symptoms Mrs. Bee is having. Get Mrs. Specimen up here to draw some blood. I want STAT ABGs now! Get ICU on the phone!"

At the same time, Mr. Friendly, the social worker, happened to be walking by. He stopped to speak to Dr. Cural and Nurse Karing. "Mrs. Bee's paperwork is all ready. Her insurance will allow her to go to a rehabilitation facility for one week of physical therapy. The MediCar will be here in 1 hour to pick her up." Nurse Karing was furious. She thought to herself, "It's time for administration to hear this one."

QUESTION A: Identify and discuss examples of preconceptions, assumptions, and mental models evident in this scenario. What are the consequences of the ways these health providers are thinking about the situation?

QUESTION B: Discuss some strategies each actor could use to deal with the preconceptions, assumptions, and mental models evident in this scenario. Roleplay the scenario using those strategies.

SOURCE: Scenario courtesy of Jennifer Krapfl, RN, MHA

APPLICATION EXERCISE 2: THE FINANCE DEPARTMENT AT ROSEVILLE COMMUNITY HOSPITAL

Kelly Munson, the new Finance Manager of Roseville Community Hospital, was reviewing a recent staff meeting in which the staff discussed reorganizing the Finance department. Louise Smith, who had been with the department for eight years, agreed that outdated computer systems compromised level of service to patients, but was unenthusiastic about making major changes. Frank Williams, who had applied for Kelly's job, but didn't get it, was unwilling to cooperate with the rest of the department. John Evans, who had recently completed his MHA degree, was eager to try new approaches that he learned in grad school. Kelly sighed, thinking how difficult it can be to help department members understand how their work fits together and to decide how to change operations to better serve patients and the hospital.

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ACTIVITY A: Role-play a discussion between Louise, Frank, John, and Kelly as they discuss whether or not to reorganize the Finance department. Following the role-play, describe the assumptions and thought patterns that seemed to emerge in this scenario and discuss how they might be hindering the Finance department's ability to effectively solve this problem.

ACTIVITY B: Role-play a discussion between Louise, Frank, John, and Kelly on whether or not to reorganize the Finance department. Use the principles of Action Inquiry during the discussion to check each others' assumptions. Discuss how the conversation differs when you address underlying assumptions.

APPLICATION EXERCISE 3: REAL LIFE SCENARIO

Think of a recent situation in which you participated where it would have been helpful to address underlying assumptions. What was the situation, who was involved, what were their roles, what were they trying to accomplish, and what actually happened? What did you observe that leads you to believe assumptions played a role in this situation? What could you have done differently to change the situation? What will you do or say differently in similar situations in the future?

DISCUSSION QUESTIONS

1. Describe an incident from a past job where you would like to better understand how the organizational setting influenced employee behavior. What was the situation, and what happened? If you had been the manager in that situation, what would you have needed to understand to handle that situation?

2. Give examples of incidents from your past jobs where perceptions and cognition (or thinking) may have had a strong influence on employee behavior. What was the situation, who was involved, and how did they act? Describe the thinking patterns you observed.

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3. Discuss the role of thinking in promoting organizational change and learning. In what ways could you as a manager use thinking to improve learning and change?
4. Discuss the role of thinking processes in organizational communication and problem solving. In what ways could you as a manager use thinking to improve communication and problem solving?

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