

GLOSSARY

Organizational Behaviour

- aggression** Aggression can be governed by rituals and set patterns of threat & response, including rituals for backing down.
See also *competition, cooperation, hormones (esp. testosterone)*
- allophilia** How much we like others. People's attitudes towards immigration, charitable giving, study, voluntary work, and travel are guided by what sorts of groups make them feel good – more based on how much they like Latinos than party affiliation, social and economic status. Tolerance has limits to: despite years of peaceful symbiosis, age-old distinctions between in and out groups can quickly reappear (e.g. Bosnia and Rwanda). Groups accepting a fiat-based truce may compete violently once they get a chance.
See also *altruism, attachment, trust*
- anxiety factors and sources**
- Unfamiliar or dissimilar audience
 - Novel or formal audience
 - Subordinate status
 - Conspicuousness or excess attention from audience
 - Undergoing evaluation
 - Previous repeated failure
- Arrow's impossibility theorem** Describes that no voting-based system can prevent 'despotism'
See also *voting*
- assimilation into an organization** Muslim beliefs hold that, if Muslim-friendly conditions do not exist, they have a duty to migrate in search of more genial places. When disconnected from moorings – customs, family life, and cuisine – a group of people can become fundamentalist and fanatical.
Learn how to write reports, How to analyze data, manage time, produce on a deadline, attend to detail.
- attachment** Strong bond with others. Mammals have a very strong attachment – families, friends, pets, etc. spring from this. Hormone oxytocin. This may be a key element to some types of religious behaviour, i.e. a belief or trust in a deity. This is an important mechanism in forming complex social interactions and institutions, to those viewing *gene protection* as the biological imperative. Attachment to things has a build-up of experiences, memories; developing emotion, and feelings (especially lasting ones) takes time.
Fussy infants find it difficult to detect responsiveness in their parents care. Sensitive parenting cultivates secure attachments, helps children learn how to defuse anger, fear and frustration. Republicans see this as spoiling the child.
Attachment to things has a build-up of experiences, memories.
See *social network, trust*

authority appeal	<p>To support ones opinion (etc) by reference to an authority, (perhaps because they said the same thing first or more credibly), even if they has argued the opposite, or an unrelated topic.</p> <p>see also <i>source credibility</i></p> <p>Most fields have (or develop) a standard set of papers that are agreed to be authoritative. A paper cited frequently will be cited more (with a lower threshold for 'content' relevancy) becoming better known or conventional wisdom.</p> <p>see also <i>availability of construction, clique, display behaviour, invisible college, social network</i></p>	<i>Latour, Bruno Science in action, 1987, Harvard University Press, Cambridge MA</i>
behavior shaping constraints	<p>Both a descriptive method and prescriptive technique for groups. Limits on how much, duration, and available actions. Although this does not directly specify a behaviour, these limits often serve control or implicitly specify the behaviour. This can make systems normally governed or described by differential equations manageable by regular people.</p> <p>Example: Drunkards walk, control to limit how long one is considering and alternative that is not panning out.</p> <p>see also <i>coin system</i></p>	
big things can be undone by small things	<p>This gives some a compelling a leverage.</p> <p>Apple migrated the BASIC in the Apple II ROM to a licensed version of Microsoft BASIC. The inhouse version was not used despite more accurately reflecting company values. The reason was that the MS version had a single, simple key feature that Apple's customers expected, and no-one added them to Apple's Basic.</p> <p>1985, Apple (specifically CEO John Sculley) renewed the BASIC license agreement with MS and had to (see above). MS insisted all forms of BASIC at Apple be destroyed (Ms bought them for \$1 and destroyed them). MS also got a perpetual license to the Mac User Interface.</p>	
birth rate	<p>Most often cite a birth rate of 2.1 per couple to keep population stable.</p>	
bonding	<p>To bond with someone, dress like them, talk like them, hang out in same places, have same interests. Mimic your boss.</p>	
business intelligence		<i>HP Luhn (IBM), 1958</i>
bystander effect	<p>People are less likely to assist, even if is necessary, when in a group.</p> <p>See <i>conformity (dissent)</i></p>	<i>Darley, John M; Bibb Latane, 1968, "Bystander intervention in emergencies: Diffusion of responsibility," Journal of Personality and Social Psychology 8 p377-383</i>
change persuading a group to change	<p>Difficult to persuade them to use ideas, values and skills outside of the tribe.</p> <p>Select best skills in the tribe to focus on, tends not to emphasize which traits to remove. Tries to make the outliers the norm.</p> <p>Consistency as a means of improvement. Compliance, ignorance, standards based.</p>	<i>Latane, Bibb; SA Nida, 1981, "Ten years of research on group size and helping," Psychology Bulletin 89 p308-324</i>
cheating	<p>When seeing a person (or some group) cheat, cheating will go up.</p> <p>When seeing a person (or other group) cheat, cheating remains low.</p>	
citation analysis	<p>works most frequently cited (directly or indirectly)</p>	
coalition	<p>Parties and division attempt to force influence over others; this can cause them to back extreme positions that are in areas outside of their interest, or are unrelated. Loose coalitions can be hard to keep together – even when it would be in the best interest of the parties. There can be competition even animus between the parties; with some try outdo others, even profiteer, when they see some outcome as inevitable.</p> <p>When there is a single decision time, coalitions (such as multiple parties) encourage moderation, compromise, and negotiations.</p>	

see also *competition, power index*

Coase ceiling

Therom: fixed costs of markets and transactions make it organizations preferred.

Ceiling: organizations can collapse under their own weight: each successive employee means more work for everyone. At some point the work achieved by a new employee isn't more than the work they incur.

There are things so frivolous that no one creates orgs for them.

collective
things the collective
can and cannot do

- 1) It's hard for an authoritative source, e.g. Encyclopedia Britannica, to research a diverse multitude of niche topics, find Experts, Authors, and reviewers.
- 2) It is easier for Wikipedia when
 - a) Topics are uncontroversial,
 - b) Grad. Students (etc) have time, mania, and political motivation to make a good pass at the topic.
- 3) Loss of insight & subtlety, by averaging the collective you avoid making sound judgments and considered opinions
- 4) Include all sorts of materials without committing to anything; can be superficially interesting
- 5) Can be valuable because peaks of stupidity and intelligence are not the same ones usually displayed by an individual.
 - a) Open source contributors are not anonymous
- 6) Hopeless when taste and judgment matter
- 7) Good at solving problems whose results can be evaluated by an uncontroversial, simple scalar performance parameter.
- 8) The collective is more likely to be smarter when it isn't defining its own questions
- 9) Good when the system of providing information to the collective has a quality control mechanism that relies on individuals to a high degree
- 10) Individual is most stupid when given both substantial power and insulated from the results of his actions.

*Jaron Lanier, Digital Maoism, 2006
http://www.edge.org/3rd_culture/lanier06/lanier06_index.html*

Commission, The

The governing board of the National Crime Syndicate (an east-coast affiliation of the mob or Mafia into a single unit).

- Formed from pre-existing structures, by merging and consolidating groups.
- The Commission was composed of major families as well as new operating units.
- Unlike other mob consolidations, many of the ethnic barriers to membership were lowered. Some of the different 'Families' came from different ethnic backgrounds.
- Each member of the Commission retained their own businesses, accounts, and participated in other businesses to a level of their choosing. In this sense, the Commission was more like a business association, such as Lloyd's of London.

Like many groups, the Commission showed some an evolution in its strategies and an aversion to certain risks. Strategy by the Commission showed evolution as well. Retaliation against prosecutors became forbidden, even when the head, Charles Luciano, was being prosecuted.

Dutch Schultz, who doggedly voted for killing the prosecutors, was killed by the Commission in 1936

business
development under
the Commission

The Commission provided the opportunity for business development (in addition to individual entrepreneurship), similar to other business networks. For example, it would choose to open a restaurant in the following manner. One member would propose the business, describing how the business would work, its location, its costs, its timeline, its major risks, the number of shares involved, and so forth. Usually, the proposal was formally presented – suit, ties, before an assembly of the

Commission – but done verbally; seldom was the presentation with overhead slides, with letters, or using a written prospectus. The upfront money could occasionally be a loan; but most often, it was cash from each interested individual, on an ownership basis. The Commission itself did not own the businesses.

Employees of these businesses were primarily from the general populace, not of a specific ethnicity or member of any ‘family’ etc. The businesses were often set up as legal corporations that could be, and have been, later sold. (I doubt they paid taxes though.)

committee

- 1) Treat them as real work
 - a) Set agendas and follow thru
 - b) Get people to accept responsibilities for tasks
 - c) Hold them accountable for getting the task done
 - d) Send action items out quickly after a meeting
- 2) The chair is responsible for managing, not doing all the work.
 - a) When writing a report, divide it up into N/2 parts, and assign each to two people. Med the two pieces if both respond. Most often, only one will
- 3) Treat the committee as a team
 - a) Make sure everyone knows what it is doing and why
 - b) Identify the role for each person, if possible. Each person should have meaningful work. Recognize their part regularly (incl. to their bosses)
- 4) Get active members
- 5) Get rid of dead wood. “You haven’t been able to attend; I’ll understand if you don’t have time to participate in the committee.”
- 6) Informally identify future leaders.

community

Corporations are seen as a threat to social structure, harmony and community. Communities are perceived as threatened by corporations, political partisans, and other tribes. Currently communities structured by religion see far off *media elitists* (i.e., Jews and homosexuals) attempting to destroy families. Other communities see strong religion and corporations as particular threats. Many expect corporations to provide not just jobs, underwriting of infrastructure, continuously improving products, continual price reduction, low cost entertainment, and so forth. The farthest left also expect the companies to ‘give back to the community’ – usually in the form of cash payouts or large goods for free.

see also: *chilling effect*

competition

Exposes contestants, and others to new ideas, innovations, techniques, and realization of what they *could* produce. Competition may be driven by hormones (often to poor performance). Willing to accept less rather than allow a rival to benefit – volatile.

See also *aggression, conflict resolution, cooperation, policing, signaling (counter signaling)*

completion guarantor

A type of business insurance for a specific “project.” In the worst case, this a man sent by the insurer – representing the backers – who is allowed to take control of a failing project. The role is to ensure that the deal is completed; that is, the emotional and small issues are put aside. Needs to be able to blend in, be tactful, yet forceful.

compliance	<p>Beliefs of conforming people (in a group) do seem to change, at least temporarily. This includes what they experience, perceive, see, etc. (<i>a source of experimenter bias</i>). If they privately record their experiences there is a drop in this change.</p> <p>Used by entertainers, with direct and indirect signals. E.g. To take focus away from something, don't look at it – keep focus elsewhere. Start with priming effect. Get audience to do something – e.g. start with a priming effect – and use it to establish further compliance.</p> <p>See also <i>Clever Hans effect, conformity, guided recall, obedience, reciprocity</i></p>	<p><i>Deutsch, M; HB Gerard, 1955, "A study of normative and information social influences upon individual judgment," Journal of Abnormal and Social Psychology, 51 p629-636</i></p>
conflict resolution	<p>There are various differing styles to resolving conflicts between parties</p>	
accommodating style	<p>A strategy for handling conflicts in which people 'give in' to their opponents. Accommodators are the opposite of competitors; they tend to be passive and non-confrontational foregoing their personal goals and preferring to let their opponents reach their objectives.</p>	
avoidance style	<p>A strategy for handling conflicts in which a potential participant choose not to be part of a confrontation by choosing to say away from situations where disagreements and disputes are likely to occur.</p>	
collaboration style	<p>A strategy for handling conflicts in which people work jointly or willingly in cooperation with an opponent. This style is characteristic of persons who not only are seeking self-related goals in a conflict situation, but also have a sincere concern for their opponents.</p>	
competitive style	<p>A strategy for handling conflicts in which people narrowly view all conflicts as win-lose events. They believe that winning is their only goal – any concern for their opponent is unnecessary, unimportant, and a sign of weakness.</p>	
compromising style	<p>A conflict handling strategy where participants reach agreement by making mutual concessions.</p>	
conformity	<p>Yielding to perceived social norms or pressure. Key factors:</p> <p>GROUP SIZE. The group needs atleast 3 others, influence increases with the number of people, peaked around 6-7 people, with conformance ~37% of the time.</p> <p>GROUP UNANIMITY. A dissenter¹ – even a wrong one – reduces conformity from its peak by about 1/4th.</p> <p>See also <i>compliance, groups, obedience, social network</i></p>	<p><i>Asch, Solomon E, 1951 "Effects on group pressure on the modification and distortion of judgments." In H. Guetzkow (ed) Groups, leadership and men, Carnegie Press (Pittsburgh)</i></p> <p><i>1955 "Opinions and Social Pressures," Scientific American, 193(5) p31-35</i></p>
conspicuous behaviour	<p>See <i>shocking</i></p>	
cooperation	<p>Develops reciprocity, trust; hormones may aid or undermine cooperation.</p> <p>See <i>usufruct</i>.</p>	
critical technologies	<p>Critical technologies are products, devices, processes & procedures, and the application of these such that they create geographically pervasive and significant effects on:</p> <ul style="list-style-type: none"> ▪ Modes of conducting business ▪ Production processes ▪ Recovery and utilization processes ▪ Health or well being of mankind. 	
crowds madness of	<p>Many common forms of 'crowds' – loosely organized, sets of people whose membership is temporary – are usually considered to behave less rationally than the individual capacity of the members. Examples include mobs, traffic jams, 'tulip-bubbles', fads and so forth.</p>	

¹ Asch, Solomon E, 1956, "Studies of independence and conformity: A minority of one against a unanimous majority," *Psychological Monographs* 70(9 whole no 416)

Some cited reasons include: when decisions are cascaded (making one after another) an individual tends to follow group. Another reason is the lack of information (or the apparent lack) that is needed to be better than average.

See also *group, individual, organization*

wisdom of

Some crowds yield better results than individuals. Environments where decisions are made simultaneously (each individual makes all of his choices at one 'moment') tend toward independent and better crowd performance. It helps when the individuals make good guesses, but it is more important that bad guesses cancel each other out. Effective estimation by 'crowds' incorporates at least 4 items:

1. Diverse composition – a variety of people making up the crowd, possibly a 'bell curve' distribution of some hidden variables
2. Each participant must be independent enough to avoid conforming to the norm.
3. A channel for each participant to speak his or her mind.
4. A mechanism to combine these into a single answer.

It is my judgment that these crowds are simultaneously trying a larger number of different options; this makes the trial and error very fast, rewards everyone for the crowd finding a better answer than the average individual, and it diminishes the punishment of the under-performers.

See also *decision market*

examples of wise crowds

Some examples of wise crowds might include: democracy, markets, "Who Wants to be a Millionaire?," bees, Jelly Bean counters, etc.

For example, I travel on 212 which will develop a jam 1 mile after the last turn off; however the road bends at the turnoff, so one cannot see how backed up the road is *before* the turnoff. The best estimation method I have found is as follows: after passing the 494 exit, I count the number of cars crossing a light post a quarter of a mile ahead. Too many cars, and it is likely the jam is queuing faster than it is being serviced.

dates

Movies fill most of the time, so the participants don't have to talk (awkwardly) and gives them something to talk about later.

Restaurants and being around other people. Gives a chance to talk about others.

Activity / fear. Misattribution of arousal.

decision making² group based

Groups, on average, choose riskier decisions.

Individual productivity declines in groups; reduced effort, coordination ranges from poor to good. Allocate specific responsibilities to individuals and provide

Summary: argues that the conclusion of a group is, in the long term, better than that of a small number of experts.
Surowiecki, James. *The Wisdom of Crowds*. Double Day, 2004
<http://www.randomhouse.com/features/wisdomofcrowds/excerpt.html>

² Latane B; Williams, K; Harkins, S 1979, "Many hands make light the work: The causes and consequences of social loafing." *Journal of Personality and Social Psychology* 37, p822-832

Latane, B 1981 "The psychology of social impact," *American Psychologist* 36, p343-356

Weldon, E; Gargano, GM, 1988. "Cognitive Loafing: the effects of accountability and shared responsibility on cognitive effort." *Personality and Social Psychology Bulletin* 14(1) p159-171

Steiner, ID 1976, "Task-performing in groups" in JW Thibaut, JT Spence, RC Carson (Eds) *Contemporary topics in social psychology*, General Learning Press, Morristown, NJ

Stoner, JAV 1961, *A comparison of individual and group decisions involving risk*. Unpublished Masters Thesis, Massachusetts Institute of Technology

Pruitt, DG 1971, "Choice shifts in group discussion: An introductory review." *Journal of Personality and Social Psychology*, 20 p339-360

Meyers, DG; Lamm, H 1976, "The group polarization phenomenon." *Psychological Bulletin*, 83 p602-607

	recognition of their work.	
	Group success depends on nature of task, and can use all efforts of members.	
factors in efficiency	<p>Cohesiveness.</p> <p>Are there methodological procedures for search and appraisal?</p> <p>Is the group insulated?</p> <p>Is there leadership to moderate or direct group?</p> <p>Is there 'stress' or emphasis on favoring a particular solution? Often in the form a leader or other influential person.</p> <p>Is there much change of finding a better solution anyway?</p> <p>Those count for and against effectiveness.</p>	
groupthink	<p>Overview. Distorts information to held perceptions. Divides world into an in group and an out group. Promotes an incomplete gathering of information.</p> <p>Symptoms:</p> <ul style="list-style-type: none"> ▪ Illusions of invulnerability ▪ Belief in inherent morality of group ▪ Collective rationalization ▪ Stereotypes of the out-of-favor groups ▪ Direct pressure on dissenters ▪ Self-censorship ▪ Illusion of unanimity ▪ Self appointed mind-guards, though-police 	<p><i>Irving L Janis, 1972 Victims of group think. Houghton Mifflin, Boston</i></p> <p><i>1973 January Groupthink, Yale Alumni magazine, p16-19</i></p> <p><i>Irving L Janis, L Mann, 1977 Decision-making: A psychological analysis of conflict, choice, and commitment. Free Press, New York</i></p>
decision market	<p>The idea that a market of people providing weight opinions can estimate or predict more accurately, as a group, then an expert working alone. The markets mean (median, or mode) of the bets or estimates, when taken as a distribution, is often the correct answer.</p> <p>See <i>crowds (wisdom of)</i></p>	
delphi analysis	<p>Forecasting technique. Cycles where experts predict and moderate keeps iterating until converges. Group think is prevented by individuals by having the contributors not receive feedback from others (i.e. no estimate on what consensus should be).</p>	
design party	<p>A gathering – not stressful – of 9 or fewer people. The goal is to have people with some energy, get them relaxed and creative. So the time of day should be right after the rush hour, a long flight, etc. The first few drinks should be free. The people should be dressed presentably, cleanly even attractively. Invite inviting people, if necessary, to make the gathering interesting. The host should do proactive / energy boosting activity. Have visceral material – images, clips, audio. Assign 2 items to each person – but don't let them choose. Give group 30 minutes to generate 4 ideas. Do several rounds of pitching items</p> <ol style="list-style-type: none"> 1. Time constraint: build something cool and simple 2. Force lack of attachment 3. Get input outside your domain 	
display behaviour	<p>Behaviour, dress and appearance, typically to demonstrate group affiliation (few show <i>otherness</i>). Often denigrated as motivated by sexual desire or neediness. Includes conspicuous consumption and waste.</p> <p>see also <i>distractor, dominance display, signaling</i></p>	
dogs	<p>help owners forge intimate relationships with others.</p>	

dominance display A display behaviour to signal higher status relative to others.

See also *display behaviour, management by ridicule*

emergency leaders Emergency leaders are expected to absorb information rapidly; to judge the information's sense, meaning, relevance, and reliability. To decide what the options are and choose, all with little real information.

employee preferred characteristics

- Ability to assume responsibility
- Willingness to work hard
- Initiative / drive / resourcefulness
- Motivation
- Ability to handle stress
- Self-discipline
- Desire to succeed
- Team player
- Confidence / self-reliance
- Interpersonal skills
- Flexibility
- Oral communication
- Personality
- interest in job
- Organization / planning skill
- Personal appearance
- Leadership
- Creativity
- Written communication
- Job related experience
- Entrepreneurial spirit

epidemics Governments are slow to acknowledge outbreaks, except when it is to their advantage. Consider that a 'terror threat; is posted, not from the guerilla's, but from a govern't responding to a rise in popularity of political opposition. Companies that profit by the alert, fear – and the purchasing response – are more likely to publicly announce the risk.

fascism a political theory advocating an authoritarian, hierarchical system of governance; contrast with democracy and liberalism.

feasibility study Seeks the exact nature of the problem to be solved. Seeks an outline of one or more solutions to the problem. For simple ones seeks to answer will it work? Will it pay? Will it be used?

feminism A movement arguing that women have been systematically denied an equal role in society.

Tenents: Exclusion of women is neither new nor accidental. The set of choices, options, rewards (etc) within a given field have, in effect, differences when presented to men and women.

Some go further with psycho-analytic or object-relations theories; technology is presented to control over women's bodies. This is bad: domination by men. This is good: freedom from men.

<i>Feminism</i>	<i>Problem</i>	<i>Solution</i>	<i>Goal</i>
liberal	Inequality	Equal rights	De facto equality
Marxists	Class oppression	Monetary rights	Economic independence
Radical	Patriarchy	Technology	Gender role freedom

Table 1: Types of feminism

<i>Feminism</i>	<i>Problem</i>	<i>Solution</i>	<i>Goal</i>
Socialist	Class/gender/race	Un-denial	Interdependence
Multicultural	Cultural	Multiculturalism	Cultural equality

techno-feminism Examples of women who write pornographic stories set in the Star-Trek universe.

firm
theory of existence

Coase postulated about why firms exist and their size. Economic agents have to engage in a large number of *transactions*, familiarity themselves with a very large number of relationships in the market. These transactions include things as small and large as gathering information about sellers, products, services, sale terms, negotiation, finalizing contracts, monitoring fulfillment, revising expectations, developing designs, planning schedules, and so forth.

Coase, Ronald "The nature of the firm," Economica n.s. 4, November 1937, p 386-405

The competition between firm-based approaches and others is based on the continuous and large number of transactions, and their costs. Firms exist because their approach can handle many transactions at a lower cost. For instance, the hierarchy in many firms is used to assign work to specific people, drawing upon an established available pool of people (surplus capacity). The extreme opposite is a search to find who is entitled to contract the work, and a search throughout markets to find qualified personnel, to negotiate the pay kit and other contractual elements (e.g., work to be done, duration, location, techniques, standards of acceptance, etc.).

Firms can grow until the expense of their system makes the firm uncompetitive. Growth after this point risks business failure.

Optimism in the past half century about mechanized approaches – often operational research algorithms, software and communication systems – provide options that may supplant firms or modify their organizational methods.

See also *group*

floor plan
stores

Charles Saunders. Check out lines and queue theory. Inventory. Decompression zone

Fourierism
1841

"A system for re-organizing society into co-operative communities of small groups living in common." Websters

friend
Aristotle's five definitions

1. One who desires and performs the good, or what appears to him as the good, of another person for the sake of that person.
2. One who desires the existence and life of another person for that person's sake
3. One who spends all his time in the company of another person
4. One who shares the same ideals and desires as another person
5. One who shares all the joys and sorrows of another person

gangs of New York

1900-1920. Boss Tweed and Tammany Hall would pay the local gangs for favors – usually voter harassment – and give them political cover during the rest of the year. This allowed the gangs to commit crimes (without prosecution) to recruit, to establish/hold/protect a territory, contacts, "work" leads.

Gangs were usually grouped by ethnic composition – Italian gangs, Irish gangs, 'Jewish,' etc. No mention of the Hessians or Normans.

Some famously entrepreneurial 'hoods' came from these gangs. Gangs hired hands (protection, terrorizers) for the docks, black-markets, etc. Drug dealers and delivery.

Gaullism

In the mode of Charles de Gaul (who led France out of NATO so as to increase French influence), a belief "that French power should be projected through a strong Europe, built on the Franco-German axis and forming a counterbalance to

The Economist, "The changing of the guard." November 27, 2004; p 25-27

	the United States.”	
goal contagion	When someone is passion (driven with a goal) others will be too.	
goal setting	Goals are set to motivate, encourage employees to action. Typically they are a disconnected from the picture, creating harmful outcomes. <ul style="list-style-type: none"> ▪ Creates a narrow-minded focus – a framing effect, a willful blindness ▪ The focus on specific goals can encourage immoral behaviour ▪ Can encourage too much risk taking with downsides cumulated by the organization. 	<i>Goals gone wild</i>
GOPAC	GOPAC is Newt Gingrich’s Political Action Committee in 1994 when he became House Majority Leader. It was reported that the introduction included the following description of GOPAC strategy: <ol style="list-style-type: none"> 1. Go negative early 2. Be persistent, don’t stop 3. Focus on small details to demonize opponent 4. Don’t try to educate during the campaign cycle. 	
Goldilocks stratagem	A gimmick used in salesmanship and bureaucracies. Present 3 basic recommendations: one too cold, one too hot, and one that is ‘just right,’ (really your pet recommendation). This leaves out other worthy recommendations. This stratagem can also be explained by availability.	
groups overview	<ul style="list-style-type: none"> ▪ Roles and social responsibilities for some members ▪ Norms for the group ▪ Communication structure, includes rules about who talks with whom (channels) ▪ Power structure and influence ▪ Diffusion of responsibilities 	<i>Forsyth, DR, 1983, An introduction to group dynamics Brooks/Cole (Pacific Grove, CA)</i>
cognition	Separated into: <ul style="list-style-type: none"> ▪ Computation and estimation tasks (such as the value of a product, the mass of an object, or the number of beans in a jar). ▪ Coordination tasks where success requires members to put aside some of their self-interest. Examples include finding buyers, sellers and a transaction price. 	
	see also <i>crowds (wisdom of), firm</i>	
choice in groups	Choice in groups has the following topics: <ul style="list-style-type: none"> ▪ Just distribution of wealth (distributive justice). This often has different principles, criteria, or operational definitions among different groups. ▪ Constitution ▪ Democracy, organizational hierarchy and dictatorship 	
	see also <i>behaviour shaping constraints, decision</i>	
cohesion	How strongly members are linked and likely to stay in group.	
constitution	“specifies the way in which members’ preferences are taken account of in determining the group’s choices”	<i>Summary: one professors opinion of what constitutes Choice Theory.</i>
norms	The set of acceptable behaviour <i>within</i> a group, sometimes are situation specific.	<i>Allingham, Michael Choice Theory: A Very Short Introduction, Oxford University Press, 2002</i>
performance	Depends on both the norms of a group as well its cohesiveness.	

Performance related norms	Group cohesiveness	
	<i>High</i>	<i>Low</i>
High	High	Moderate
Low	Low	Low to moderate

Table 2: Productivity based on cohesiveness and performance norms

planning	Delphi method to estimate duration of a given plan. see also <i>planning notebook</i>
training	An individual's statements are considered more official group statements the more status the individual has in the group, or higher up in the organization.
group size	Limits on size of social network an individual can develop is related to cognitive limits. The dunbar numbers is about 148. Maximum bureaucracy within in a group or organization is \leq Dunbar # Typically a person has very small core group (which he intimately discuss important matters), about 7. Upper limit to size of groups estimated to be 2x dunbar
group solidarity	Significant cultural influence
group work	Shared workspace allowing many people. Cooperation, allowing consideration and analysis of the same elements and the same time. Permanence – external memory that can be quickly referenced, in a context this is often a little and a lot. Memory quantity of those artifacts is focused Perceptual processing, spatial arrangement reflecting relationships Individual differences in people are 'compensated' with many (redundant) channels and means of conveying information. Shared communication and shared understanding of errors is critical to reliability and robustness of tasks.
herd immunization	Overall, everyone is healthier if many people get flu-shots – even if they "rationally" would not choose to. "when a critical proportion of a group is immune to a disease, too few individuals are susceptible for that disease to be passed one to another." This may be related to 'tragedy of the commons' This highlights the roles of the organization. People over-estimate the probability of catching the flu and its duration of contagiousness underestimated the effectiveness and duration of vaccine; but correctly estimated the duration of symptoms. In this case, the whole is worse off if the members have better information, shy of pandemic.
hitonami	Japanese national tendency with wanting to be like others. This helps the nation innovate despite the lack of other enablers.
homogeneity	Too much heterogeneity and social generosity declines; communities / countries resist welfare, as it aids people unlike themselves. Communities and how they pull together.
idea org control of idea	Organizations control an idea by <ol style="list-style-type: none"> 1. defining questions of interest to it 2. methods that can be used to support those 3. the kind of results that are acceptable
impact analysis	<i>see citation analysis</i>

Robin Dunbar, Oxford University

*Russell Bernard
Peter Killworth*

"Pricking Consciences" The Economist March 17, 2007

influence	<p>Items that influence people include:</p> <ul style="list-style-type: none"> ▪ Reciprocity, gifts, and asking big first ▪ Commitment and consistency ▪ Social similarity ▪ Whether the audience likes the person or not ▪ Authority ▪ Scarcity <p>see also <i>citation analysis, group-think, policing</i></p>
role of	<p>Influential, high-ranking people:</p> <ul style="list-style-type: none"> ▪ Can help social connectedness and contacts, networking with little risk; influential people moderate interactions and stop bullying. This is important in large (structured) organizations as well as generic populations ▪ Are often needed to endorse new ideas too novel to be accepted otherwise. Some assume that bad ideas are accepted due to this influence; however a democracies are not free of bullying or groupthink, nor correctly judge the acceptability of novel ideas.
institutions	<p>The formal laws and unwritten rules of society. In rich economies, they function well overall; in poor ones, they do not. Why?</p> <p>Are good institutions the cause of or by product of economic progress?</p> <p>Areas colonized for economic potential received good institutions</p> <p>Areas colonized by opportunity (their misfortune) rather than any potential, received poor institutions.</p> <p>The natives were supplanted during colonization, by colonists.</p>
American paternalism	<p>Bequeath institutions, grants, foundations, and ‘aid’</p> <p>Found promising areas to colonize.</p> <p>Installed, supported, encouraged ‘friendly’ governments, although the US has backed many thugs as well. (e.g. in South Korea, before it became a democracy).</p>
basic institutions	<p>Educational, Governmental, Economic, Religious, Family</p>
interaction factors	<p>The main factors the predict social interaction are:</p> <ul style="list-style-type: none"> ▪ Whether or not the person previously interacted (e.g. wrote a letter, email, etc) ▪ Daily patterns, structure ▪ Weekly patterns, structure
intimacy behaviour	<p>The warm, close exchange with others, marked by open communication. Disclose more about themselves to friends, laugh, smile, look at others more.</p> <p>See also <i>motivation (intimacy)</i></p>
investigation	<p>The people (possibly) involved: name, role, picture, date of death</p> <p>Timeline of events: dates of events. Include implied or Toulmin argument of elements.</p>
Keiretsu	<p>Horizontal business groups anchored by a bank and a trading company. They stick together, buying each others products and services. This type of arrangement is most common in Japan.</p> <p>see also <i>social capital, trust</i></p>
labor	<p>How work is divided up</p>

McAdams, Don P; S Heal, S Krause, 1984, "Social Motives and patterns of friendship," Journal of Personality and Social Psychology, **47(4)** p828-838

MacAdam, Don P; RJ Jackson, C Krishnit, 1984, "Looking, laughing, and smiling in dyads as a function of intimacy motivation and reciprocity," Journal Personality **52(3)** p261-273

division of	<p>How to ensure it gets done</p> <p>How to prevent group think (Two-man rule for safety and quality)</p> <ul style="list-style-type: none"> ▪ Don't make the two-men boss-worker hierarchy ▪ Delphi method (independence) ▪ Fate: requirements without choice ▪ Freewill: choice 														
leadership	The functions, behaviours, and personality characteristics of those with responsibilities, influence, and authority over other members.														
logistics	<p>An organization primarily provides shipping and receiving functions, and reports to the Chief Financial Officer. It is often comprised as a grouping of the following functions:</p> <table border="0"> <tr> <td>▪ Inventory management</td> <td>▪ Receiving, dock management, and cross docking</td> </tr> <tr> <td>▪ Warehousing</td> <td>▪ Traffic management and fleet operations</td> </tr> <tr> <td>▪ Order management</td> <td>▪ Fleet maintenance</td> </tr> <tr> <td>▪ Transportation</td> <td>▪ Product returns</td> </tr> <tr> <td>▪ Freight consolidation and distribution</td> <td>▪ Carrier selection</td> </tr> <tr> <td>▪ Product marking, labeling, and packaging</td> <td>▪ Rate negotiation</td> </tr> <tr> <td>▪ Packing</td> <td>▪ Logistics information systems</td> </tr> </table>	▪ Inventory management	▪ Receiving, dock management, and cross docking	▪ Warehousing	▪ Traffic management and fleet operations	▪ Order management	▪ Fleet maintenance	▪ Transportation	▪ Product returns	▪ Freight consolidation and distribution	▪ Carrier selection	▪ Product marking, labeling, and packaging	▪ Rate negotiation	▪ Packing	▪ Logistics information systems
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▪ Product marking, labeling, and packaging	▪ Rate negotiation														
▪ Packing	▪ Logistics information systems														
mafia	<p>The Mafia during 1900-1920's was related to the gangs, but largely separate from them. The Mafioso saw themselves as being of some social standing; they might <i>hire</i> the gangs, but certainly were not <i>a gang</i>. At this time, the Mafia was till tradition bound, Sicilian, feudal, and with elaborate traditions and ceremonies. Like the gangs, the Mafia were self-limiting, because the violent feuds. The existing structure, contacts, business arrangements, facilities, etc. all provided a system for growth and influence.</p> <p>In Chicago, Al Capone formed citywide rule. While in New York 'Lucky' Luciano developed a more substantial organization.</p>														
management by ridicule	<p>"The <i>One Minute Manager</i> recommended that managers spend a minute a day praising their employees. MBR takes more time. You need to spend hours every day in meetings with your key senior people where you point out at length exactly why this person or that person's ideas are utterly ridiculous. Not everyone can do it. You've got to be good at intellectual intimidation and rhetorical bullying. According to MBR theory, your brilliant arguments establish a clear intellectual dominance that give people the confidence to accept you and follow you -- their leader. I'd excuse my behavior by telling myself I was just having 'an open and honest debate.' The fact is, I just didn't know any better."</p>														
management	<p>"Coordinates the effort of people to accomplish goals and objectives by using available resources efficiently and effectively" (wikipedia) Actions taken to manage the development, maintenance, and use of the system. Examples are policies, procedures, and rules of behavior.</p> <p>2. Operational: Day-to-day mechanisms and procedures used to protect operational systems and environment. Examples are awareness training, configuration management, and incident response.</p>														
management control systems	combinations of planning, strategy, penalties, and rewards that shape management behaviour, in part to encourage consistency between many different (and distant) people.														
manager	<ul style="list-style-type: none"> ▪ A manager designs and develops security, safety, and investigative programs. ▪ Managers work with budgets and other resources (equipment, uniforms, 														

Larry Ellison in Softwar, Matthew Symonds

technology, software, etc.) to ensure that the protective mission is achieved.

- Managers oversee processes (procedures) that accomplish organizational goals and objectives.
- Staff functions without a supervisory span of control over line employees may be performed by managers. Training, technical support, auditing, etc. are staff functions.
- A manager coordinates activities rather than supervises them.
- Turnover and job rotation can create overall improvement and a challenge.
- The manager should stay current on industry events by reviewing news sources, trade publications, and web sources, such as the IFPO Article Archives, among others.

goals

- Improving department by hiring new talent
- Avoid time-consuming interviews
- Avoid expensive recruiting costs
- Find the right individual
- Fill know current & future positions

markets
systems of
cooperation

Portfolios and indexes – using a normal distribution to generate income or define a benchmark

Surowiecki's – normal distribution to estimate links importance, and concrete values – counts, mass, location, etc.

mechanism design

Prescriptive economics: “how to arrange our economic interactions so that, [even] when everyone behaves in a self-interested manner, the result is something we all like. The word mechanism refers to the institutions and rules of the game that govern our economic activities, which can range from a Ministry of planning in a command economy to the internal organization of a company to trading a in a market.” Current focuses on addressing the “lack of incentive for people to share their information... truthfully... [The goal] is to design mechanisms in which everybody does best for themselves by sharing truthfully whatever private information they have that is asked for. [But] Even this cannot guarantee an optimal outcome.”

*The Economist, Economics Focus,
October 20, 2007*

message flow
upward in an
organization

The kinds of messages that move upward in an organization primarily include:

- routine operations messages
- assessments by experts
- feedback on completion of tasks
- reports on problems

The messages as they move upward often change in key ways:

- condensed
- simplified
- standardized
- idealized
- synthesized

see also *narrative*

downward in an
organization

The kinds of messages that flow downward: requests, specific orders and instructions. Operating guidelines, policy-shift directives. The messages, as they move downwards, change in key ways:

- Most messages are selectively presented to individuals, rather than the whole message to everyone.
- The recipients pay selective attention, rather than listen to the whole thing

- Selective perception
- Selective retention and recall
- Selective action – not everyone acts, or is expected to act, on the message
- Vocabulary differences. The terms and diction, may change for different audiences; the message may be misunderstood – or not understood at all – by many people. The translation may subtly or significantly change meaning.

messages

Groups want to hear (and say) messages that provide a safe, positive version of the world; self-righteous. Telling people messages that they want to hear, or are receptive to. Contradictory & not traceable to fact.

Microsoft strategy

Wound the opponent; they will often do themselves in
 Keep on marginalizing a company
 Track competition
 Track companies that pose a risk for future competition or suitable to be acquired

surviving competition with Microsoft

Do a least one thing very well
 Partnerships are temporary – don't trust the partner
 You can't win a personality contest
 Strong, clear leadership
 Encourage paranoia against Microsoft

generic mistakes

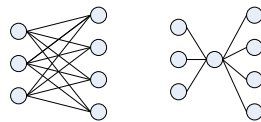
Being like a popular system without the full functionality, services or compatibility
 Pleasing developers over the customers
 Not including the right killer app
 Not minding the companies health
 Not having a back-up revenue stream.

middle - management
 why it exists

As companies grow larger it is harder for people to get time with the one or two managers. These managers in turn have little time for their own tasks. Employee happiness declines, with increased friction. Middle management is a division of labor for attention.

middle-men
 why do they exist

Overall, middlemen simply loose organization. If a supplier had to sell to individual customers, it would not specialize and would have to spend a great deal for each sale – recruiting customers to product, company, provide access information, sales force for large number of transactions, and so forth. Customers would have to expend more to find the supplier for each given transaction – and have to have more transactions per basket.



Middlemen simplify market structure, and reduces the transactions costs; can be considered a Schelling point.

motivation

- Simple internal drives: an internal state of tension that motivates engagement of activities.
- Incentives and external drivers
- Goal directed behaviour, decision making. Perception and structure of alternatives – actions, achievements, the personal value of getting things done.
- Complex socially-influenced motivations (which don't easily fit into the above)

Bolles, RC, 1975, Theory of Motivation, Harper & Row (New York)
McClelland, DC, 1975, Power: The inner experience, Irvington (New York)
Skinner, BF, 1953, Science and Human Behaviour, Macmillan (New York)

Table 3: Complex socially-influenced motivations

▪ Abasement	▪ Defence	▪ Order
▪ Achievement	▪ Deference	▪ Play
▪ Affiliation	▪ Dominance	▪ Rejection
▪ Aggression	▪ Exhibition	▪ Sentience
▪ Autonomy	▪ Harm avoidance	▪ Sex
▪ Blame avoidance	▪ Avoidance of humiliation	▪ Succorance
▪ Counter action	▪ Nurturance	▪ Understanding
		▪ Self-actualization

Atkinson, John W; D Birch, 1978, Introduction to motivation, Van Nostrand (New York)

Murray, Henry A, 1938, Explorations in Personality, Oxford University Press (New York)

achievement motive

Need to master difficult challenges, to outperform others, to meet a higher standard of performance. The relative effects include:

- Work harder with persistence
- Delay gratification³
- Competitive occupations⁴
- Career Success and Social Mobility⁵
- Relationship with society, organizations⁶ – if the motivation is broad – the average need for achievement is 'high' across the society or organization – the society will be marked with progress and productivity.

McClelland, DC, 1985, "How Motives, Skills, and Values determine what people do," American Psychologist 40 p812-825

McClelland, DC; John W Atkinson, RA Clark, EL Lowell, 1953, The Achievement Motive, Appleton-Century-Crofts (New York)

French, EG; FH Thomas, 1958, "The relation of achievement motivation to problem-solving effectiveness," Journal of Abnormal and Social Psychology 56 p46-48

³ Mischel, W, 1961, "Delay gratification, need for achievement, and acquiescence in another culture," *Journal of Abnormal and Social Psychology* 62 p543-552

⁴ McClelland, W, 1965, "Achievement and Entrepreneurship: A longitudinal study," *Journal of Personality and Social Psychology* 1 p389-392

⁵ Crockett, H, 1962, "The achievement motive and differential occupational mobility in the United States," *American Sociological Review* 27 p191-204

Veroff, J; John W Atkinson, S Feld, G Gurn, 1960, "The use of thematic apperception to assess motivation in a nationwide interview study," *Psychological Monographs* 74 (12 Whole No 499)

⁶ McClelland, DC, 1961, *The achieving society*, Van Nostrand (Princeton, NJ)

deCharms, R; GH Moeller, 1982, "Values expressed in American childrens' readers: 1800-1950," *Journal of Abnormal and Social Psychology* 64 p136-142

	<ul style="list-style-type: none"> ▪ Situational influences – the long-term strength of personal achievement motivation. Task-specific probability estimate of success. Task-specific rewards, tangible and intangible. ▪ Seeking to avoid failure⁷ – can produce achievement, cause avoiding taking risks.⁸ ▪ Seeking to avoid success – fear of social rejection, gender roles, equally distributed among men and women. 	<p>Atkinson, John W, 1974, "The mainsprings of achievement-oriented activity," In John W Atkinson, JO Raynar (Eds), <i>Motivation and Achievement</i>, Wiley (New York)</p> <p>Atkinson, John w, 1981, "Studying personality in the context of an advanced motivational psychology," <i>American Psychologist</i> 36 p117-128</p>
	See also <i>competition</i>	
affiliation motive	The need to associate with others and maintain social bonds (join groups, make friends, love)	
	See also <i>cooperation, relation, social networks</i>	
intimacy motive	The need to have warm, close exchanges with others, marked by open communication. An important component of affiliation.	<p>McAdams, Don P, 1980, "A thematic coding system for the intimacy motive," <i>Journal of Research in Personality</i> 14 p413-432</p> <p>1982, "Intimacy Motivation," In AJ Stewart (Ed) <i>Motivation and Society</i>, Jossey-Bass (San Francisco)</p>
	See also <i>cooperation, intimacy</i>	
nakodo	In Japan these are match makers; formerly aunts and busybody neighbors, now dating services	
Nash equilibrium	Only applies if two (or more) players cannot or will not co-operate – none can gain by changing <i>just</i> his strategy.	
obedience	The following of commands. People follow commands readily, esp. if it is from an authority figure.	<p>Frank Norris, Milgram, S, 1963 <i>Behavioral study of obedience</i>, <i>Journal of Abnormal and Social Psychology</i> 67 p371-378</p> <p>1964, "Issues in the study of obedience," <i>American Psychologist</i> 19 p848-852</p> <p>1968, "Reply to the critics," <i>International Journal of Psychiatry</i> 6 p294-295</p> <p>1974, <i>Obedience to authority</i>, Harper & Row (New York)</p> <p>1986, <i>The obedience experiments: A case study of controversy in social science</i>, Praeger (New York)</p>
	Getting people to eat disgusting things seems to be a good proxy for measuring how likely they are to take orders.	
octopus	Imagery to refer to big businesses that, through cross-ownership agreements, gained effective control of whole industries. This is particularly common in Europe.	<p>Smith, Every E. "The power of dissonance techniques to change attitudes" <i>Public Opinion Quarterly</i> 25:626-39.</p> <p>Frank Norris, <i>The Octopus: A California Story (1901)</i>. <i>Novel</i>.</p>
operating plans	<ol style="list-style-type: none"> 1. A yearly business plan comprised of estimated demands, sales returns 2. A budgeted plan adapted to feedback from HQ on the initial business plan, 	

⁷ Atkinson, John W; D Birch, 1978, *Introduction to motivation*, Van Nostrand (New York)

⁸ Atkinson, John W,; GH Litwin, 1960, "Achievement motive and test anxiety conceived as motive to approach success and to avoid failure," *Journal of Abnormal and Social Psychology* **60** p52-63

Weiner, B, 1978, "Achievement Strivings," In H London, JE Exmer (Eds) *Dimensions of Personality*, Wiley (New York)

suppliers, etc.

3. Each month, define a monthly demand forecast that is communicated to the appropriate business units.

4. Deliver daily orders to recovery units.

operations research

Provides “algorithms for handling difficult multivariate decision problems, sometimes involving uncertainty.” (Simon, 1996, p20)

Typical tools: linear programming, integer theory, queuing, theory, linear decision rules.

Typical problem characteristics. Have thousands of variables, uncertainty, “impose strong mathematical structure,” “shape and squeeze the real-world problem to fit their computational requirements.”

Common factors: cost, acceptability to operators, efficiency in use, versatility.

Evaluations. Examine with criteria, performance measures, expectations.

“Comparative evaluations may seek only data in relative levels of performance achievement among the entities.. Non-comparative evaluations often explore not only the degree of attainment of expectations, but also reasons for a performance outcome.”

Swanson, p62

opinion leaders

Individuals that spread, confirm or negate an advertisers message thru their networks.

See also *social network*

Lazarsfeld, Paul; Elihu Katz, Personal Influence (1955) media-studies book

organization coalition

The organization may be divided along functional or product line or means. These divisions are their own coalitions, and may form coalitions with each other.

See also *firm*

categories of

Emphasis on pursuit of relatively specific goals, e.g. business. Tends to have social structures that are much more formalized than other organizations.

Emphasis on???? Religion, Charities. Members share a common interest in the organizations survival, members engage in collective activities. The structure is less formal.

Coalition of shifting interest groups that develop goals thru negotiation. (e.g. Standards organizations, joint-projects). Activities, results & structure is strongly influenced by environmental factors.

cohesion

That which binds members of an organization to each other and to the group as a whole. Realistically it is based on a combination of sentiments. Cohesion within small groups of work associates, reward-based cohesion in more temporary groups, assignment-based cohesion among members of decision-making groups within the organization, and dependency-based cohesion that is a product of task interdependence in the overall structure.

constitution

Defines the organizations form, structure, character and fundamental roles. (charter)

controls

The following are the various types of ‘controls’ available in an organization; some relate to its work, process, and actual organizations:

Donello Meadows 12 leverage points

1. The purpose or goals of the system, division or organization
2. Power to add to, change, or re-arrange the system
3. Rules of the system, including constraints
4. Structure of information flow, and the access controls
5. Gain on the positive-feedback (including sales commissions)
6. Design patterns
7. Strength of negative feedback (rel effect to dampen)
8. Length of delay (relative rate of system changes)
9. Structure of material stocks and flows

10. Size of buffers and excess stocks (relative to flows)

11. Constants, parameters, etc.

philanthropic

There is a need for a few people to maintain long-term stewardship; transitory governance works against it. Members seldom have much time to donate. Founder's want an examination. Autocratic and other mechanisms anger people.

<i>Legal Category</i>	<i>Primary Weighting</i>	<i>Example</i>
partnership	one vote per share, consensus, other	Marriage, business
cooperative	one vote per share one vote per member (less common)	
corporation	one vote per share, other	Business, churches, cities, social organizations
union	one vote member	Labor, credit

Table 4: Types of organization

organization man
defective definition

“This book is about the organization man. If the term is vague, it is because I can think of no other way to describe the people I am talking about. They are not the workers, nor are they the white-collar people in the usual, clerk sense of the word. These people only work for The Organization. The ones I am talking about belong to it as well. They are the ones of our middle class who have left home, spiritually as well as physically, to take the vows of organization life, and it is they who are the mind and soul of our great self-perpetuating institutions. Only a few are top managers or ever will be. In a system that makes such hazy terminology as ‘junior executive’ psychologically necessary, they are of the staff as much as the line, and most are destined to live poised in a middle area that still awaits a satisfactory euphemism. But they are the dominant members of our society nonetheless. They have not joined together into a recognizable elite – our country does not stand still long enough for that – but it is from their ranks that are coming most of the first and second echelons of our leadership, and it is their values which will set the American temper.”

William Whyte The Organization Man
<http://www.english.upenn.edu/~afilreis/50s/whyte-main.html>

party

A party in power too long brings sleaze, fractiousness, lack of direction (some parties degrade this way much faster)

peerage

1. King/Queen
2. Duke/Duchess
3. Marquis/Marchioness
4. Earl/Countess
5. Viscount/Viscountess -- Given to those who royalty honors
6. Baron/Baroness (lord) – distinction, not hereditary

personal zone

Relates to social phenomenon:

Intimate zone: 0-18”
Casual-Personal: 14”-4’
Social, Consultative: 4’-8’
Public: 8’+

planning

A game between planners & the affected. Planners make move (e.g. implement a design), while whose affected “alter their own behaviour to achieve their goals in the changed environment.”

Simon, p154 ibid

personality

Conformance, ability to handle mixed an conflicting information, need to be motivated.

persuasion

Keys to significantly changing the thinking or opinion of an audience, that work together individually or together:

- Appeal to reason,
- Research: presenting relevant data,

Howard Gardner, Changing Minds, 2004 Harvard Business School Press

	<ul style="list-style-type: none"> ▪ The view or idea has some <i>resonance</i>: it seems right ▪ The ability to described and represented in a number of forms, each reinforcing the others ▪ Inviting reciprocity by giving rewards, resources or gifts ▪ Real world events ▪ Resistances 	
factors	<p>A presenter is should be presentable, and size-up his audience:</p> <ul style="list-style-type: none"> ▪ Credibility – signaling by expertise, experience; Credibility is improved when mention an issue has several sides⁹ (even if they are not elaborated) ▪ Likeability ▪ Physical Attractiveness¹⁰ ▪ Matching – how similar is the other part to us? ▪ Is the audience educated on the issue? ▪ What is the audience pre-disposed to? <p>See also <i>creative personality, relationship</i></p>	<p><i>Bersheid, E 1966, "Opinion change and communicator-communicatee similarity and dissimilarity," Journal of Personality and Social Psychology, 4 p670-680</i></p> <p><i>Hass, RG, 1981, "Effects of source characteristics on cognitive responses and persuasion." In RE Petty, TM Ostrom, TL Brock (eds) Cognitive responses in persuasion, Erlbaum (Hillsdale, NJ)</i></p>
one-sided messages	<p>One sided messages work only if the audience is uneducated about the issue, or they're pre-disposed to your point of view.</p>	<p><i>Loumsdaine, A; I Janis, 1953, "Resistance to counter-propaganda presentation," Public Opinion Quarterly, 17 p311-318</i></p>
fear arousal in persuasion	<p>Fear-arousal is successful when structured as:</p> <ul style="list-style-type: none"> ▪ Consequences are exceeding unpleasant ▪ If warning is ignored the outcome is very likely ▪ It is avoidable if the advice is followed 	<p><i>Leventhal, H, 1970, "Findings and theory in the study of fear communications." In L. Berkowitz (ed) Advances in experimental social psychology, Vol 5 Academic Press (New York)</i></p>
rhetorical questions ¹¹	<p>Rhetorical questions are useful only when the audience is neutral and the argument is very strong. Otherwise, draw conclusions for the audience.</p>	<p><i>Rogers, RW, 1975, "A protection motivation theory of fear appeals and attitude change," Journal of Psychology 91 p93-114</i></p>
latitude of attitude ¹²	<p>Latitude of acceptance is the range of potentially acceptable positions on an issue; it is centered on an initial position. Persuasion is more effective if the arguments and desired conclusions fit within the audience's latitude of acceptance (see also <i>complexity horizon</i>). Arguments outside the latitude area are unpersuasive no matter how good they are.</p> <p>See also <i>anchoring effect, Bayesian, character</i></p>	
social judgment	<p>People are willing to consider alternative views, if they are not to dissimilar to their own.</p>	<p><i>Sherif et al 1961, ibid</i> <i>Upshaw 1969, ibid</i></p>

⁹ Jones, RA; JW Brehm, 1970, "Persuasiveness of one- and two-sided communications as a function of awareness there are two sides." *Journal of Experimental Social Psychology, 6 p47-56*

¹⁰ Chaiken, S; MW Baldwin, 1981, "Affective-cognitive consistency and the effect of salient behaviour information on the self-perception of attitudes," *Journal of Personality and Social Psychology, 41 p1-12*

¹¹ Petty, Richard E; John T Cacioppo, 1986, "The elaborate likelihood model of persuasion," In L. Berkowitz (Ed) *Advances in experimental Social Psychology, Vol 19 Academic Press (New York)*

¹² Sherif, M; CI Hovland, 1961, *Social Judgment: Assimilation and contrast effects in communication and attitude change*, Yale University Press (New Haven, CT)

Upshaw, HS, 1969, "The personal reference scale: An approach to social judgment," In L. Berkowitz (Ed) *Advances in experimental social psychology, Vol 4 Academic Press (New York)*

Atkins, A; K Deaux, J Bieri, 1967, "Latitude of acceptance and attitude change: Empirical evidence for a reformulation," *Journal of Personality 6 p47-54*

planning notebook “A thick loose-leaf notebook with tabs for every conceivable issue. It [is typically] full of advance planning, anticipation of possible contingencies, specification of goals and objectives, identification of means of achieving the goals, estimation of resources required, timelines, and assignment of responsibilities.”

Summary: The direction and bureaucratic organization under presidents made the US better defenders of the nation despite the limits and weaknesses of the system and the people involved. Clarke, Richard Against All Enemies 2004 p197

pockets Settlements, punishment come out of at least 1 of 4 pockets: The investor/owner, the citizen/taxpayer, the client/customer, and the creditors (who may not get their money back)

policing Harmony is partly maintained with small numbers of high-ranking individuals who intervene in conflicts of lower-ranking individuals, in a disinterested manner. This policing allows individuals to socialize with little risk, helping to hold a large group together. Without them social interactions are fewer and briefer; there are more cliques and more aggressive incidents.

see also *influence*

popularity maintenance Constant campaigning, at the expense of the country or employer – depriving it of both funds and a leader.

possibility structure Systems of meaning, action, beliefs that are basic to and tend to remain unquestioned by members in a given society.

power Ability to motivate people to do something they would not otherwise do. Basis of power: legitimate (or position), reward, coercive, expert, referent (or charismatic)

power index By building coalitions or voting blocks, or acting as a swing vote, a person or group can have more influence than one would estimate from their social standing or number of voting shares. The index is constructed based on the number of ways in which a party may change a losing coalition into a winning coalition, or vice-versa. (A simple example is the Supreme Court). Some systems attempt to match this power index (relative to others) with their percentage to vote: approval voting, Borda counts, and cumulative voting (each voter gets N votes when there are N seats)

John F Banzhaf III. 1965. GWU Legal professor. Sued tobacco. Coalitions and power indices.

see also *coalition*

practice becoming a field Sometimes a practice emerges as a field:

- what it studies
- what the field does, it's job duties, role
- standards
- practices
- Rating or ranking which techniques / practices as better or worse than others
- Maturation

preferential treatment If preferential treatment cannot be stopped, maybe it can be expanded to just about everyone; the same can't be said of everyone.

presentation

- Provide a meaningful benefit for each topic. Concrete “why to care”
- Visual
- Use mistakes, failures and surprise, counter-intuitive moments (p300/p400)
- Give audience confidence
- Build curiosity: Charm, seduction, mystery
- Fun keeps people engaged

- Stories:
 - Pacing: give time to apply it
 - A lead (foreshadowing)
 - It's about how the audience feels

Establish connection: get audience to respond to a request, emotional investment, relax.

Surprise the audience (see attribution) in a good way. They'll enjoy it more because others enjoy it.

Keep entertaining: emotion pacing, just for fun activities.

Provide a path to growth (eg levels and rewards). If people aren't getting a challenge they are abstractly interested in, they'll see it out elsewhere from time to time.

Intense emotions: feeling enthusiasm, desire

Remove guilt, fear, disgust, distress, anxiety,

lust delight

Engagement

How to stimulate multiple encodings? How to keep arousal up?
Misattribution of arousal

Number items

See also *persuasion*.

president

President & other leaders have considerable power to what the centre ground is.

process

Process involves:

- Employees functioning well in groups that compose potentially mammoth corporations
- Mastering procedures developed by others
- Adapting procedures to current circumstances
- A system that derives resulting products from the process itself, not behavioural responses of individuals who may come or go
- Changing, updating, even transforming the procedures as conditions change

See also *specific intelligence*

Procter & Gamble process

Listening to the customer, customer oriented

Critical role of research throughout product lifecycle.

Development phase: profile behaviours and needs of customers, identify benefits that would satisfy them.

Advertising: vividly call attention to product benefits

Packaging testing: should act as a "stop sign" on shelves

Usage studies

Prospect profiles

Profile products that est met customer needs

1. Understand fundamental customer needs
2. Design complete solution to meet those needs
3. make the solution intuitive to use

Follow the customer home.

All employees watch customers in stores when products roll out.

properties of organization

- Cleverness is limited. Not composed of exceptional particularly bright people. Can carry an analysis only so deep..
- Coordinating mechanisms. Central planning, may be based on statistics. Bargain and negotiation. Hierarchical organizations, lines of format authority, networks of communication.
- Theory (simon, p153). “Examines organizations in terms of: The balance between the inducements that are provided to members to perform their organizational roles the contributions that the members thereby provide to the achievement of the organizational goals.”

psychographic segmentation

division of a market into segments based on how consumers values, attitudes, interests, lifestyle patterns, activities and opinions.

reciprocity

Ask for a big favor and then ask for a smaller favor.

See also *sharing, trust*

relationships

People can identify a large number of individuals, track relationship with each (including making moral judgments), and even act despite a cost to oneself. This may be the origin of virtue (see *altruism*). Competition and ranking against each other. Some things we track include family lineage, social networks, sexual, calling & networking trees. We make tools to help with this. This may also have a relationship with sensing otherness, display behaviour, and racism.

We seem to keep our circle of familiars or family to less than about 150. Once we've formed such a circle, we vet much more before allowing someone in. Web of relationships that foster trust, and help disseminate ideas.

see also *coalitions, identification, keiretsu, memory, social capital, systems of competition, systems of cooperation, trust*.

factors

There are four major factors:

- Proximity – How easy it is to visit one another; how easy it is to talk, communicate
- Matching – People become friends, married to those that are similar to themselves. But, whose choice is the pairing?
- Attitude similarity¹³ – Similar attitudes are a good fit – they don't provide a cause to split – or it may attract. Dissimilar attitudes are a barrier to overcome, and may repel.
- Reciprocity¹⁴

Murstein, B, 1972, “Physical attractiveness and marital choice.” *Journal of Personality and Social Psychology*, 12 p8-12

Aron, A, 1988, “The matching hypothesis reconsidered again: Comment on Kalick and Hamilton.” *Journal of Personality and Social Psychology*, 54(3) p441-446

Ability to form social relationships and repair it once it breaks down.

Cooperation, emotional reactions, ability to control emotional reactions.

relationship marketing

consumers, distributors, suppliers are used, along with personality, trust, long-term relationships to promote marketing.

research

1. Defined the problem succinctly and clearly

¹³ Byrne, D, 1971. *The attraction paradigm*, Academic Press (New York)

Byrne, D; GL Clore, G Smeaton, 1986, “The attraction hypothesis: Do similar attitudes affect anything?” *Journal of Personality and Social Psychology*, 51(6), p1167-1170

Rosenbaum, ME, 1986. “The repulsion hypothesis: On the nondevelopment of relationships.” *Journal of Personality and Social Psychology*, 51(6) 1156-1166

¹⁴ Byrne, D; SK Murnen, 1986, “Maintaining loving relations,” In RJ Steinberg and ML Barnes (Eds), *The psychology of love*. Yale University Press(New Haven, CT.)

approach	<ol style="list-style-type: none"> 2. Identify appropriate techniques 3. Collect necessary data 4. Develop solution 5. Analyze results (the solution) 6. Start again if necessary or implement the results 	
limits of	<p>Expected value of Perfect Information; this is the maximum value to be spent gathering data. It is the Δprofit from perfect forecasting and making best choices (it is a theoretical max)</p> <p>Expected Value of Sample Information. (Less than above). Maximum amount to be spent gathering data. It is the Δprofit from collecting and using the data.</p>	
resource division	<p>To have N people divide a resource evenly:</p> <ol style="list-style-type: none"> 1. The first person marks off (what he claims is) $1/N$ th 2. The others can shave off a bit if they think it's bigger than $1/N$th 3. The last person to touch it gets that chunk 4. The process is repeated with the remaining participants and resource 	<i>John Allen Paulos (1995)</i>
reward systems	<p>Distribution individual, group, or whole organization</p> <p>Intrinsic rewards: pleasure while doing job</p> <p>Extrinsic rewards: involve environment around job, e.g. salary, bonus. Direct compensation and indirect compensation.</p>	
right hand rule	Only the next person on the right may speak.	
righteous	Unites us into teams, divides us against other teams, blinds us to the truth.	
Roman Catholic Church	Has a hierarchy of priests and bishops under the Pope; a liturgy centered in the Mass, and veneration of the Virgin Mary and saints. Clerical celibacy, and a body of dogma including transubstantiation and papal infallibility.	
rules	<p>Rules exist because previous officials were lax. We also use incentives to fix what went wrong; a wrong idea.</p> <p>The rules can be hurtfully employed by reasonable people.</p> <p>People's jobs involve characteristics that are hard to write down. These (and scripts) seek consistency, to remove variation. Unfortunately this removes both over performers, as well as under performers, leaving mediocrity.</p>	
rumor	<ol style="list-style-type: none"> 1. Most details, especially the important ones that explain what was happening, are removed ('leveling') 2. Some details are exaggerated, expanded on, misrepresented, or added (sharpening). This gives the rumor a key part of its meaning. 3. Translated into the audiences world view, adding interpretation or parts to direct interpretation. 	
shocking	See <i>trust violators (hardcore)</i> .	
shopping teams	A fad in China, group negotiation, reduces process; for those vendors that do not have to market have a low cost in seeking customers (see Coase transaction cost). Lowers clearing costs.	
signaling	<p>Economists try to explain the purchase of certain products, and schooling. When these don't improve performance or outcomes, why spend the time and money? The theory is that these are display behaviour, sending a signal to distinguish this (possibly average) person from the rest.</p> <p>Basic signaling theory divides a population into two classes: above and below</p>	

average. More advanced signaling uses three classes: low ability (well below average), average ability, and high ability (well above average). The three classes are needed to solve a problem economists have in explaining why people send detrimentally false signals, or simply confusing signals – to the economist, such signals are about receiving benefits by positive distinction.

countersignaling

The highest ability people try to set themselves apart from the average ability by sending signals to appear other than the most brilliant. The best students in a class tend to ignore simple or easy questions, and seldom emphasize their grades in job interviews. Instead, they know their interviewer has seen their grades, setting them apart from the low ability people. This also distinguishes the high ability candidates from the average class as well – the average candidates will tend to emphasize their grades to distinguish themselves from the low ability candidates.

Counter-signaling helps explain why some managers are obsessed with displays of power or position, and others are not. (The average flaunts that they are not in the lowest class; the highest class, with positions of authority, distinguish themselves from the mediocre by seldom flaunting.)

Summary: argues that the best students dress in casual attire for rational reasons (to set themselves apart from the second-best students, who dress for success) – and not for irrational ones (such as arrogance or poor social skills)

*“Signal Failure” The Economist May 3 2003;
 “Too cool for school? Signaling and countersignaling” N. Feltovich, R. Harbaugh, and T. To. RAND Journal of Economics, Winter 2002.*

similarity

Close enough along a sufficient number of dimensions of relevance.

sinking ship

Internal signals: layoffs, fewer projects & smaller projects, not paying bill on time or increasing time to pay.

Capital planning and strategic planning.

Owners/principals are living a lavish lifestyle and/or aren't spending enough time managing the business.

Clash of leadership / business philosophies among senior management

Senior leaders quitting

Closed-door meetings at the executive level and little information is being passed down.

Sr. management showing signs of depression, anxiety, and/or short tempers

Externals signs: loss of big customer(s), company has not kept with current state of the art, developments, techniques, or equipment which makes your primary business obsolete overtime.

What was easy business to acquire during boom years has dried up & the company isn't in marketing.

Consolidation is occurring in the industry and the bigger, full service firms are gaining market share.

situational awareness

Each member in the group is fully aware of the situation, of what has gone on, and what is planned.

see also *peripheral awareness, shape coding*

size

Once an organization gets past a certain size, it has complicated hierarchies, rules and regulations. Formal measure to command loyalty and cohesion.

threshold for

Society often needs to be a certain size before science can take off – be willing to support a portion of population that takes years before payoff, many of which will never happen.

social capital

Concern with the web of relationships that foster trust, and help disseminate ideas.

see also *keiretsu, Octopus, relationships, trust.*

social choice function

Kenneth Arrow's theorem is that there is no foolproof way to derive group preferences from individual preferences.

social comparison

See *happiness, social desirability, social hierarchy*

theory

social desirability bias

Self-reporting often has a number of distortions so that the person appears to be more socially acceptable.

see also *bias*

Summary: despite evidence or a determination to the contrary, subjects claim that they voted in an election or gave to a charity. Katz, D. 1951. 'Social psychology and group process.' In CD Stone (Ed) Annual Review of Psychology

social expectations

The shared rules that govern all kinds of human social behaviour in group settings. These are the norms, roles, ranks and controls by which group members pattern their interactions with each other.

social hierarchy

Those higher up in social ranking live longer and healthier. The stats include:

- Actors who win Oscars, on average live 4 more years than the rest
- The rich, white in Montgomery County live about 20 years longer than those 12 miles away in poor downtown Washington DC.
- Lower grade bureaucrats are at greater risk for heart disease than those higher up.
- Lower social ranking – including the poor and unskilled – are less able and less likely to hedge risks; they are more hurt by volatility and lose resources (etc) to those who are wealthier (where it becomes more concentrated)

Summary: Those with greater social status are happier, live longer, and have more options. Marmot, Sir Michael Status Syndrome: How Your Social Standing Directly Affects Your Health and Life Expectancy. 2004 Bloomsbury.

see also *coalitions, counter-signaling, decisions (groups), signaling theory*

social status

Women, in a way unlike men, value high status in a mate.

social interaction

Our social interaction requires at least simplistic models of others. Cooperation, nice deceptions etc. The feedback – receptivity, facial expressions, body language, etc. – simplify the modeling while getting good efficiency. Some selfish people can exploit this for their own benefit. Empathy with others, beliefs, descriptions. Gossip.

A critical stage of cognitive development is the ability to adopt other people's viewpoints.

see also *belief revision*

social networks theory, origins

1955 book on media studies, and later Stanley Milgram 1967 letter study

Lazarsfeld et al, ibid

Milgram, Stanley (1967) did the study with the letters

letter study

Origin: started in Omaha, Nebraska.

Target: a Boston, MA associate.

Constraint: each person was given a letter and could pass it on only to someone they know on a first name basis. Rules prohibited 'broadcasting' or sending the same letter to several parties at once.

Goal: minimize the number of hops.

Milgram found that the number of intermediate links ranged from 2 to 10, with 5 being the most common.

model

Hubs that forward a message to a large number of people. Hubs that forward a large number of people to a message or product. Most networks are more valuable because they focus – they discriminate in from out.

Marketing is encouraged to communicate with *opinion leaders*, rather than broadcasting.

analyzing the network

Unit structure, local structure, global structure. Great ones include the highway, the electric system, plumbing, web and telephone

Form an incidence matrix can be used to represent who-knows-how in a society or organization. Using this one can find:

- The number of 2 and 3-step paths from person #1 to person #2

- The identity of the central figure in the group
- Cliques
- Roles
- Dominance relations in the group

Internet sites, e.g. *Tribe* and *MySpace*, designed as social networking applications, have low quality networks due to insufficient discrimination – few dump former friends, or reject “friend requests.”

see also *incidence matrix*, *power index*

discrediting or attacking

Find a clear idiot and focus the press releases on him. The PR should ignore the true leader.

problems with leaders

Leaders, in loose networks, have many flaws:

- Stubborn leaders ruin cooperation
- Leaders may not know the scope of the problem or how to use resources other than in a piecemeal way
- Individual departments do their best, even it hampers others
- There are many tasks outside the scope of an given individual entity
- Board or council not respecting or recognizing a higher authority

socialism

State socialism – limited and gradual
 National socialism – totalitarian principle of government, race, supreme leader, state control of industry
 Guild socialism – state ownership, guild management
 Marx’s Socialism
 Utopian socialism.

Distinction between who gets control of industry, ownership and management.

socialist freedom

Freedom depends on the freedom of others.

society

Society is shaped by hidden pay-offs and punishments. Swayed by what is available (supply) and the hearts desire (element):

- Prefer X but will alter demands to market conditions (preference ordering actually changes)
- Settling with what is offered now

supervisor

What Is a Supervisor? What does it mean to be a supervisor? handle numerous conflicts. Required to meet management’s or their client’s expectations in the daily routine of operational activities.

- The person who represents higher authority.
- The person who assesses situations and conditions to make on-the-spot judgments without favor, prejudice, or fear.
- The person who is a responder to any and all situations.
- The person who must galvanize the efforts of many to attain stated goals.
- The person who must assign tasks and ensure compliance and constant quality performance.
- The person who is accountable and, therefore, first in line to shoulder reaction, both good and bad.
- Finally, the person who must make a decision for management based on his or her professional development.

The supervisor's role should be to assist in enabling the manager to provide a level of support within the organization. Supervisors must take responsibility for corporate regulations, moral and ethical tone, as well as providing the required level of security and customer service required.

swarm intelligence	intelligence of groups even though members may be very dumb. Studies simple coordination mechanisms.	
sync	Pendulums, walking, teamwork, menstruation ¹⁵	
teams	How they come together and work together – adjustment to phase get into sync. Independent of outside world. Group tight linkage where feedback is an aggregate of whoever master.	
team building	activities include goal setting, role analysis (to delineate team member responsibilities), develop relationships between team members.	
team factors	<ol style="list-style-type: none"> 1. “Proficiency in a practice essential to the team. 2. “Capacity to articulate a vision of the team’s value in the world that others embrace and commit to; 3. “Capacity to enter into binding commitments and fulfill them 4. “Capacity to share on the spot, real-time assessments of performance, for the sake of building and maintaining trust, including disclosures of moods and emotions inspired by the environment and actions of the team 5. “Capacity to observe one’s own history and how it interacts with the histories of the others on the team 6. “Capacity to blend, meaning to dynamically align one’s intentions, movements, and actions with those of others.” 	<p>The profession of IT: Orchestrating Coordination in Pluralistic Networks <i>Peter J Denning, Fernando Flores, Peter Luzmore</i> <i>Communication of the ACM, March 2010</i></p>
touch	Physical contact, touch increases touch between parties See also <i>hormone (oxytocin)</i> .	<p><i>Summary: participants in a trust game that were given a massage where far more reciprocating and signaling trust.</i> <i>Vera Morhenn in Evolution of Human Behaviour (2008)</i></p>
Toyota process	<p>Trains workers to treat any problem as an opportunity to learn. Examine current state, generate hypothesis how to improve it, highly specific expected outcome.</p> <ol style="list-style-type: none"> 1. Highly specify activities 2. Clearly define transfer of materials and information 3. Keep pathway for every product & service simple & direct 4. Detect and solve problems where and when they occur with Scientific Method <p>Questions each step and why it is necessary. Typically employees are asked:</p> <ol style="list-style-type: none"> 1. Minimum time to process XYZ 2. Exactly how many process steps are required to complete XYZ 3. Is your actual time _____ <ol style="list-style-type: none"> a. Do you know the critical process step that constrains the throughput capacity? b. Is the uptime (MTBF) in the step predictable? c. Is there a fundamental reason that the actual time can't approach the minimum process time? 4. Cost per material at each step? Is scrap rate less than X? Is rework rate less than Y? 5. Were you able to rapidly identify and trace latest drop in yield? <ol style="list-style-type: none"> a. Did you have enough data to empirically correlate the yield drop 	

¹⁵ this contested as it has not been replicated or may be rare

to a piece of equipment or specific process step?

- b. How do you know that the equipment is operating within specifications?

see also *Proctor and Gamble*.

trust

The success of social groups depends, in part, on trust:

1. Trust between independent agents lowers transaction costs; a lack of trust raises the costs, in terms of lost opportunities, risk coupons (such as background checks, insurance, personal safety devices), and higher prices.
2. Successful companies, social groups, and societies depend on this trust to encourage stability and a productive focus on the primary operational goals.
3. It is hard to develop and increase trust
4. It is always easier to undermine trust than to build it. This can happen directly, as thru poor character and actions. Trust can also be inhibited or indirectly undermined by social structures, or rules (which are easier to create than to fix)

Trust affects how to interact with strangers.

See also *hormone(oxytocin)*, *social network (attacking)*, *touch*

When someone visible to you does something visibly positive (trust building), or they sacrifice to make you better off oxytocin is release in the brain; Oxytocin promotes trusting others. This is part of a cycle of reciprocity. The more you believe in someone else, the more you get in return. (However, small slights undermine trust, which have to be ignored or forgotten – see *deception*)

Initially men are more trusting than women.

Response to positive interaction – reward more than men

Response to distrust (cheated) interaction – women forgive more quickly than men, boosts dihydrotestosterone in men

trust network

One of a variety of means of signaling credibility of a person. Social networks that employ a trust metric tend to have a very small constitutional organization, if any – that is to say, there may a governing board and a “president for life”, but no treasurer, secretary, etc. The trust metric serves as a pragmatic, cooperative feedback mechanism to self-regulate communal (or pragmatic anarchic) groups. They are primarily used by groups predisposed to *intellectual* solutions.

two-sided business

For the business to exist, one has to court two sides – e.g. an operating system won't get customers without a large number of applications, and no one will produce applications without a large number of customers. Need to get both sides on board, keep them happy, and encourage them to develop deals with each other; however, the strategies to do this vary, are difficult and fraught with risk. Price, to a given side of the market, may not be related to the costs of serving that side. One side may receive give-aways while the other side is overcharged. This is to encourage a market on side to come so that the other will to: women drink free at singles bars, low-cost game consoles.

ultimate game

Players are responsible for agreeing how to divide money between them; if there is no agreement, then everyone loses the pot.

rationality

While *rationalist* economists claim that any offering is rationally acceptable, they misunderstand human reasoning. *Money* is not the goal for players – it is a means. Most have a goal of social prosperity (to do better than 30% of their neighbors prosperity), or *utility*, what it can achieve: social just, harmony and consensus. They are willing to take less (or none) to punish injustice or inequality. It is costly for (most) players to determine and compare absolute prosperity.

Summary: argues that trust is an economic necessity for successful social groups.
Francis Fukuyama “Trust: The Social Virtues and The Creation of Prosperity,”
<http://www.amazon.com/exec/obidos/tg/detail/-/0684825252>

The more competitive would rather accept less than see a rival prosper in *one-off* (or small number of) negotiations/trades; this isn't true with a large number of trades.

ultimatum game

Variation on the *ultimate game* where one player proposes how to divide the pot, and the other accepts or rejects the offer; there are no further rounds.

'usufruct' principle of

Allows resources to be used by any individual provided he leaves them in at least as good a state as they were given. Can be found in ancient Roman law. Used by school bicycle and boat clubs

see also *non-rival goods, sharing*

Vernon cycle

Three distinct stages: development, maturation, and standardization. Products in the development stage can only be made in close proximity to the knowledge that created it. In maturation, any sufficiently skilled society can produce the product. Once standardized, the product can be made in almost any modern economy; this leads to becoming a commodity, and a distinction from the center of development and the center of production.

There seems to be different psychological structures within the Vernon cycle: Later states are more structured, codified (by definition), commodity classification and suitable for cost-benefit analysis. Earlier stages are more service oriented – emphasize value rather than benefit, cost is not very specific or concrete before actions are taken. One may choose between different cost-structures rather than costs. Individual **A** is prone to denouncing **B** as stupid & irrational for not doing as **A** wishes, especially with a slanted cost-benefit analysis.

virtue

Can makes markets healthy from an economic perspective, and can make the participants healthier as well. See also sharing, trade, charity, altruism.

vocational themes

1. Investigative
 - o Intellectual, scientific, mathematical problems
 - o Analytical, critical, curious, introspective, methodological
2. Realistic
 - o Concrete & operational
 - o Mechanical skills, lacking social skills
3. Artistic
 - o Unsystematic, tasks and artistic projects
 - o Painting, writing, drama
 - o Imaginative, expressive, independent
4. Social
 - o Education, helping, religious
 - o Social activities, cooperative, friendly, helpful, insightful, persuasive, responsible
5. Enterprising
 - o Political & economic achievement, supervision, leadership
 - o Leadership, control, verbal expression, recognition, power
 - o Extroverted, sociable, happy, assertive, popular, self-confident
6. Conventional
 - o Orderly, systematic, concrete tasks
 - o Verbal & mathematical skills
 - o Conformist, clerical & numerical skills

Holland, JL Making vocational: A theory of careers. 1985, Prentice-Hall (Englewood Cliffs, NJ)

voting

Arrow's impossibility theorem

Even the best democracies can't prevent being undermined. He concluded that no voting method could simultaneously achieve all of the following:

Kenneth Arrow, 1948-1949

- Universality. The voting method should provide a complete ranking of all alternatives from any set of individual preference ballots.
- Monotonicity criterion. If one set of preference ballots would lead to an overall ranking of alternative X above alternative Y and if some preference ballots are changed in such a way that the only alternative that has a higher ranking on any preference ballots is X, then the method should still rank X above Y.
- Criterion of independence of irrelevant alternatives. If one set of preference ballots would lead to an overall ranking of alternative X above alternative Y and if some preference ballots are changed without changing the relative rank of X and Y, then the method should still rank X above Y. (see *decoy effect*)
- Citizen Sovereignty. Every possible ranking of alternatives can be achieved from some set of individual preference ballots.
- Non-dictatorship. There shouldn't be a specific voter whose ballot is always adopted.

work
environment for
optimal experience

- Interaction should include direct, immediate feedback
- "Have specific goals and established procedures
- "Motivate
- Challenges that require skill, but "neither so difficult as to create a sense of hopelessness and frustration, nor so easy as to provide boredom"
- Merging of action and awareness
- A sense of control and "Provide a sense of direct engagement, producing the feeling of directly experiencing the environment, directly working on the task.
- "Provide appropriate tools that fit the user and task so well that they aid and do not distract
- Concentration on the task at hand: "Avoid distractions and disruptions that intervene and destroy the subjective experience."
- A loss of self consciousness and an altered sense of time

Norman, Don, Things that make us smart, Addison-Wesley Publishing Company, 1993 p35

See also *flow*