

EECS 498 System Design of a Search Engine

Winter 2026

Lecture 22: Organizational behavior, authority,
and the legal environment

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agenda

1. details
2. organizational behavior
3. legitimacy of authority
4. getting people to do stuff
5. leadership styles
6. the legal environment
7. Vamika's quandary

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details

Nothing new.

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OB

Organizational behavior (OB) deals with how people behave in organizations, how they organize into hierarchical and other structures, how they establish authority and motivate members to set and achieve their goals.

groups vs organizations

Lots of groups are ad hoc, just whoever shows up.

May or may not have leaders.

May or may not have any organization.

But business organizations choose their members, they have leaders, and they organize into reporting structures.

business organizations

The usual purpose of any business organization is to:

Establish who is responsible for what and to whom

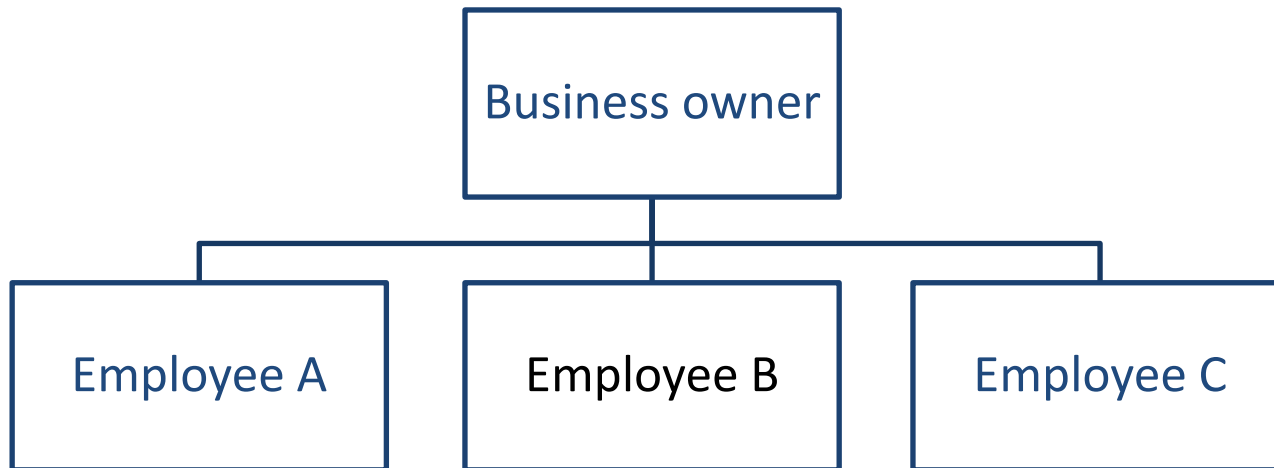
Define roles and responsibilities

Establish control mechanisms and policies

simplest organization

Consider a small business with a few employees.

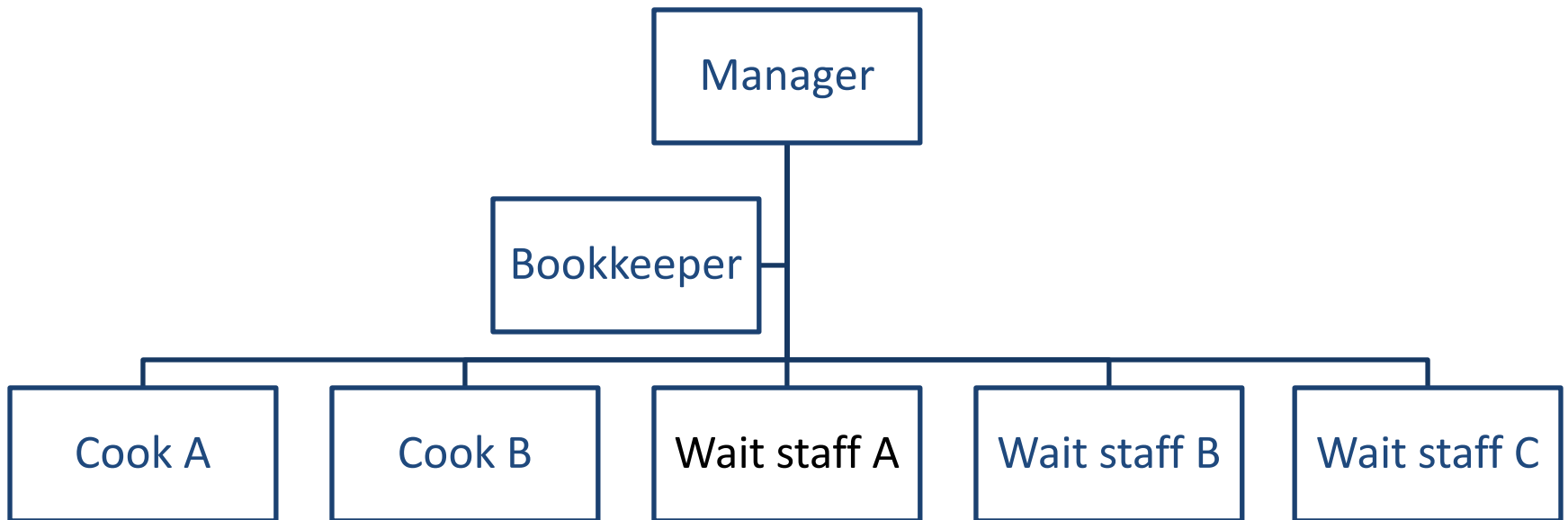
The reporting relationships are shown on an org chart.



simplest organization

Even the simplest organizations typically involve breaking up the work between people with different jobs.

Consider a restaurant.



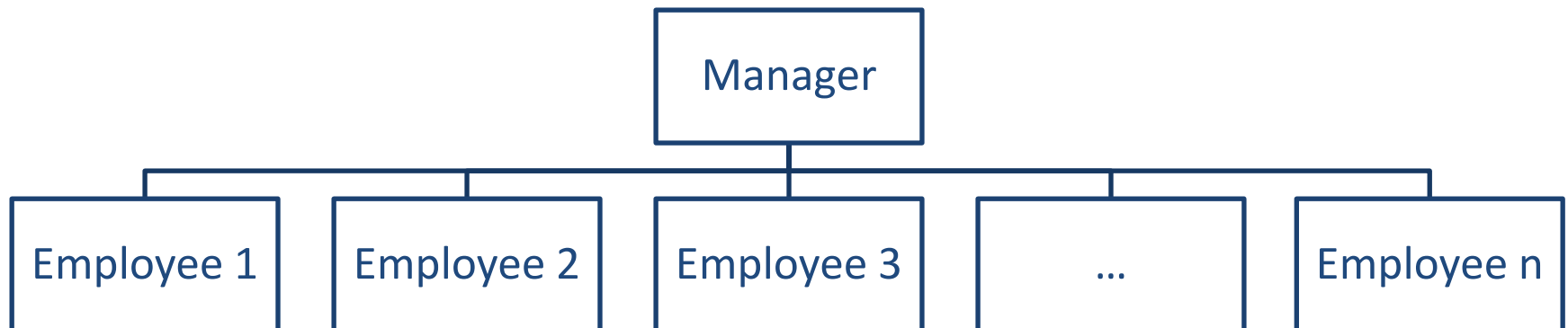
span of control

The number of direct reports to a manager is limited by the possible *span of control*.

If the activities are diverse and complex, that limits the span of control.

If the activities are standardized or the manager and workers are highly skilled, a wider span of control is possible.

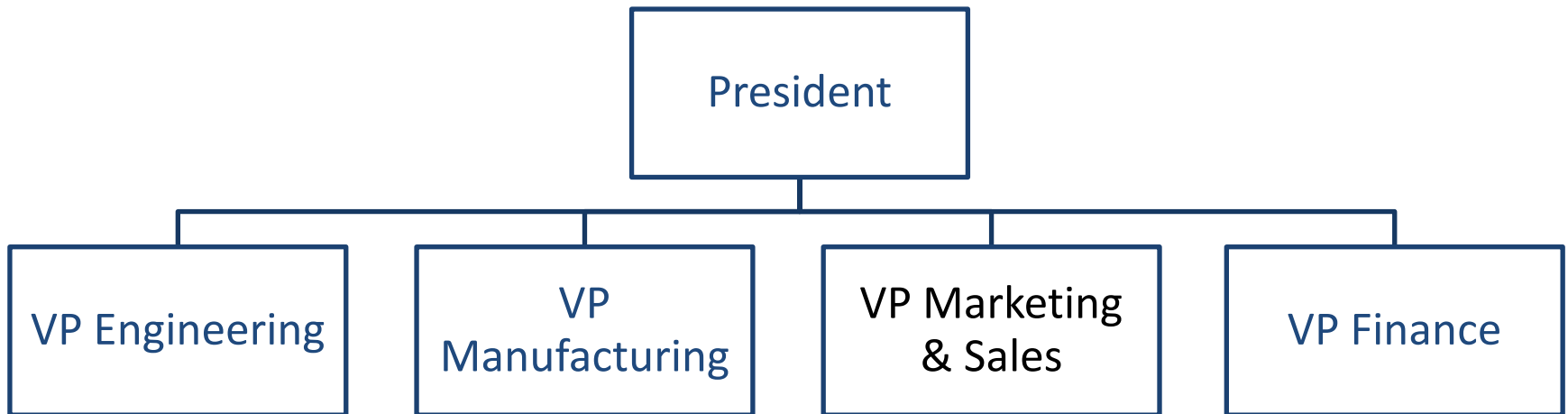
Ultimately, the limit is typically between 5 and 12 direct reports.



functional organization

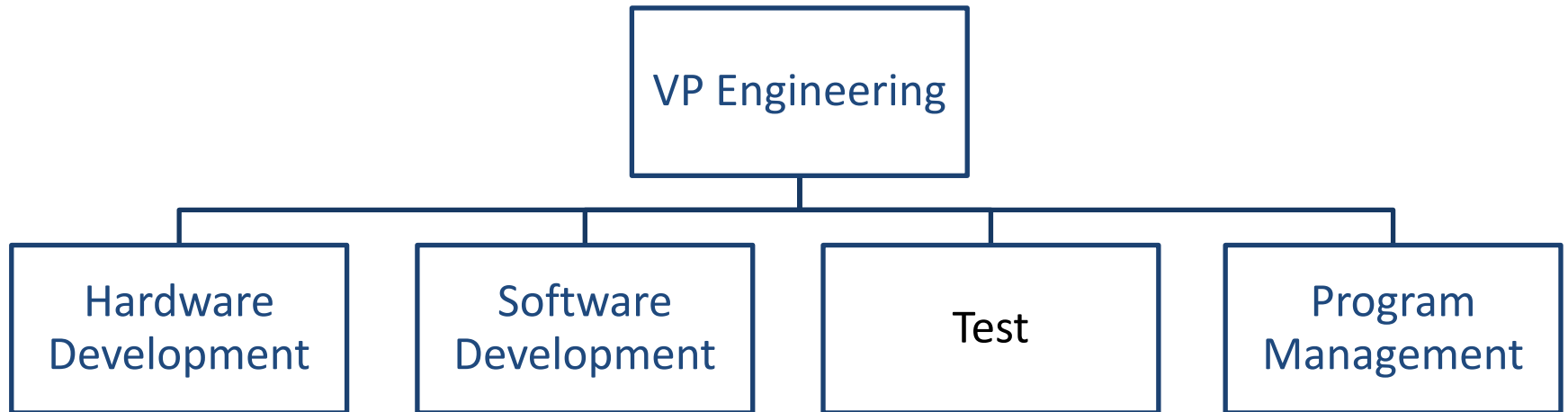
To grow beyond the limit of one manager's possible span of control, business organizations introduce hierarchy.

For example, a typical high-tech startup might have a simple functional organization. Each of the vice presidents might have their own organizations.



hierarchy

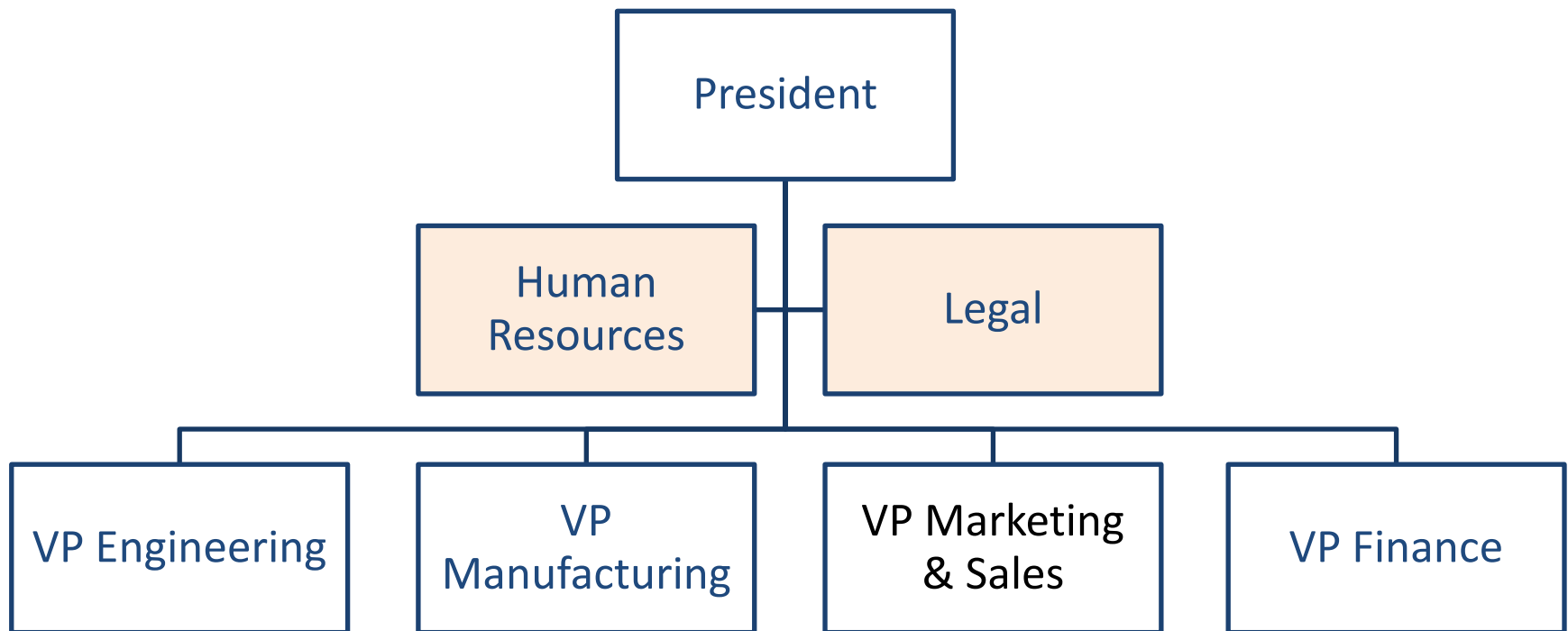
For example, here might be a typical engineering organization.



staff vs. line

Line organizations carry out the principal business of the organization and have decision-making authority.

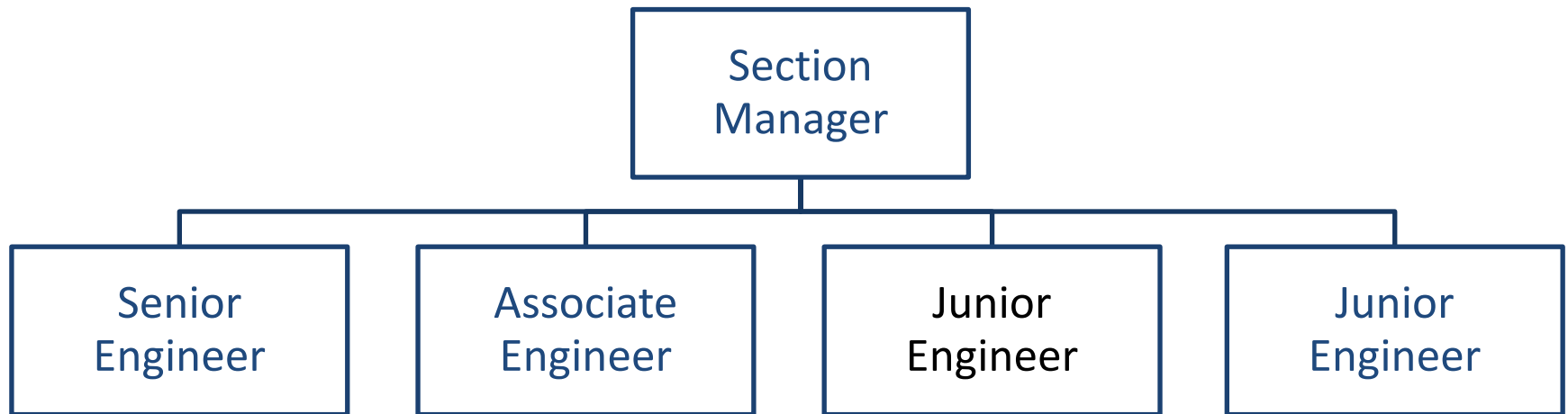
Staff organizations provide shared or advisory services.



staff vs. line

The distinction is also made between managers who have “people responsibility” and staff who do not.

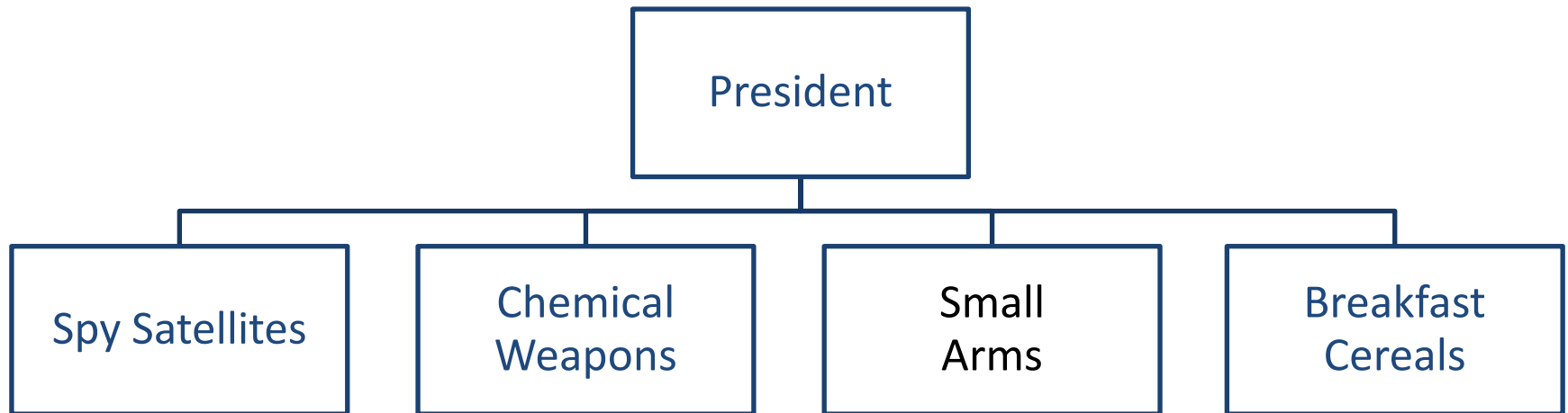
Many companies have a “dual ladder”.



divisions

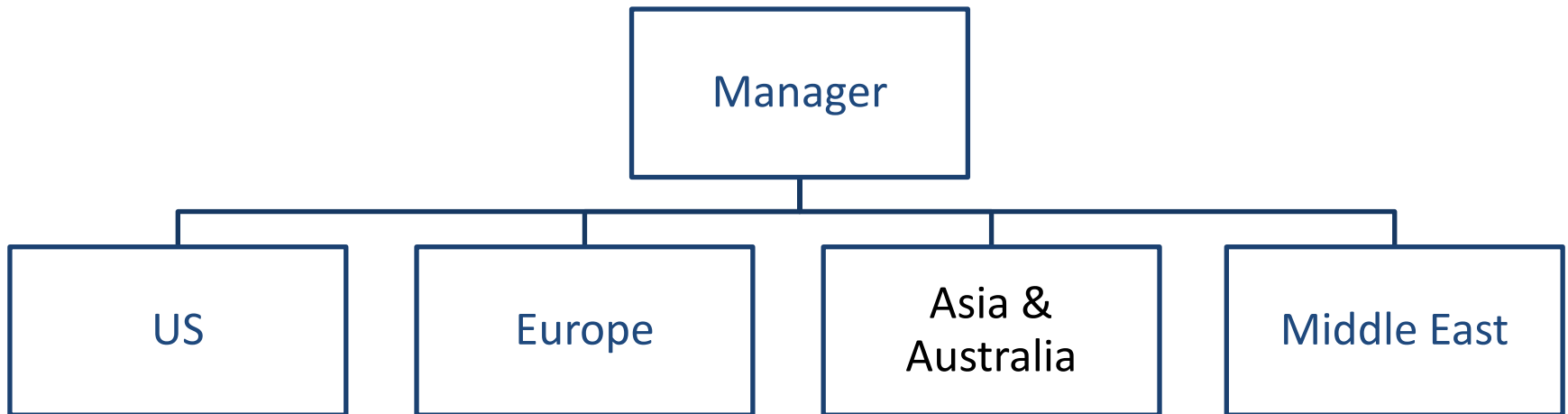
To grow still larger, businesses create divisions along product lines.

Often, divisions are goaled and measured as a profit centers, allowing them operate as largely independent businesses.



divisions

Regional divisions are another option at any scale, e.g., dividing up sales by region, engineering projects between labs, manufacturing between plants.



committees

Organizations will often create and assign work to committees.

They may be either standing committees or created as a task force to tackle a particular problem.

Committees typically have a chairman but the members are drawn from around the organization and don't usually report to the chairman.

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organizing people

Ultimately, the objective of a business organization is to get people to work together, respecting the lines of authority.

This brings up questions of legitimacy of authority and how to motivate people.

legitimacy of authority

Legitimacy of authority refers to the perceived right of an authority figure to have power and control over others.

This can be based on various factors, such as expertise, position, and tradition.

legitimacy of authority

Your boss has legitimate authority because they can fire you.

Police have legitimate authority because they can arrest you.

Teachers have legitimate authority because they're presumed to know what they're talking about and they can grade their students' work.

illegitimate authority

Not all authority is legitimate.

Some random person offering their opinion on Facebook probably isn't a legitimate authority unless they have special expertise.

A home invader with a gun can force you to do things but they are not a legitimate authority because they're breaking the law.

A manager who starts every meeting with sexist or racist jokes or who treats employees unfairly might be obeyed, but their authority won't be seen as legitimate.

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getting people to do stuff

There are various theories and evidence about what motivates people and how to do stuff.

Scientific management

The Hawthorne effect

Human Relations Movement

Maslov's hierarchy

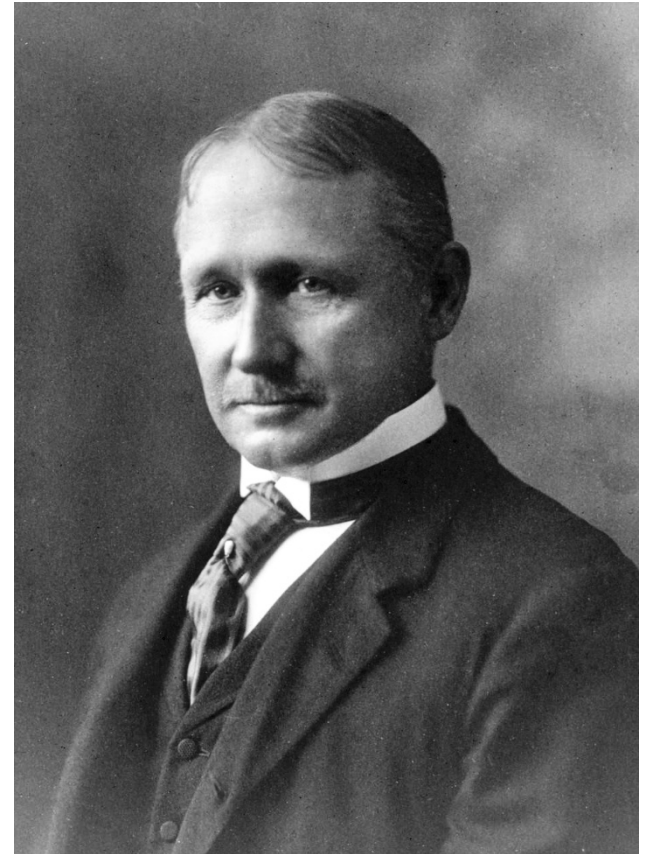
Theory X

Theory Y

Theory Z

scientific management

In the late 1800s/early 1900s, Frederick Taylor, an American mechanical engineer, used *time and motion studies* to show that by breaking down a complex task into smaller tasks, each task could be studied to find the most efficient way of doing it.



scientific management

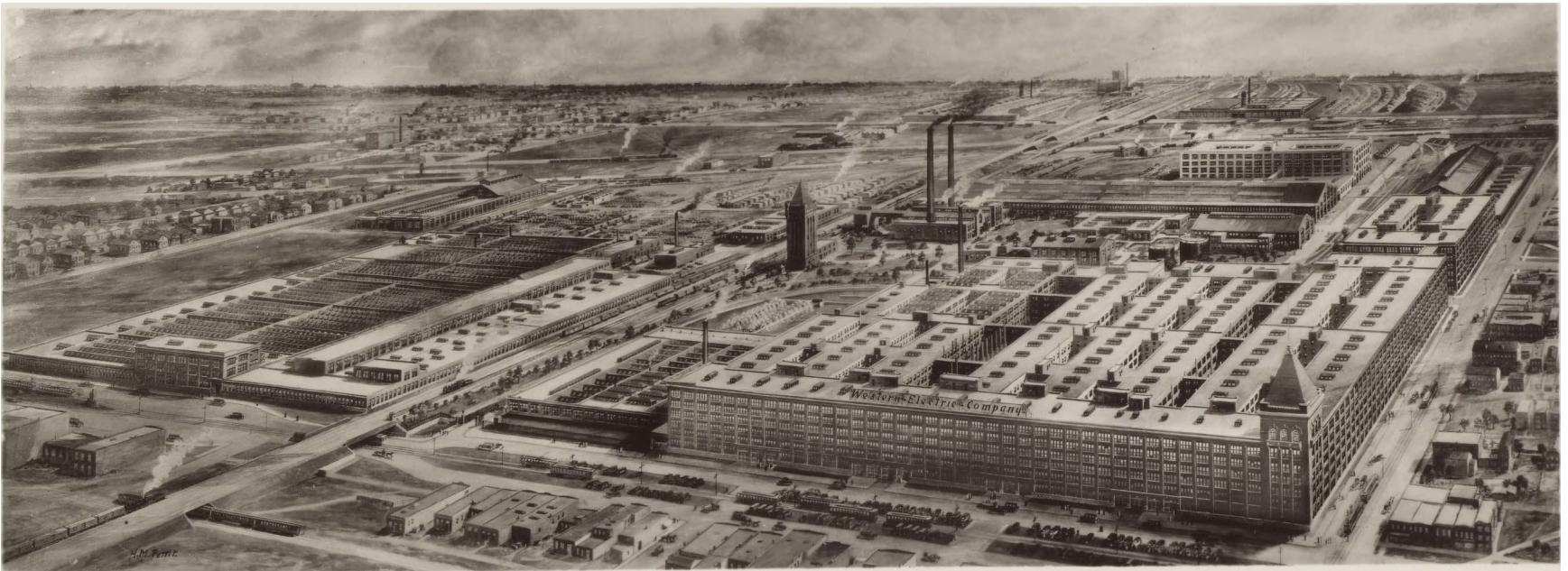
Took off during World War II, when production bottlenecks forced the government to turn to scientists and engineers to help increase production.

They began to create mathematical models to apply to production problems, a branch of OB called operations research.



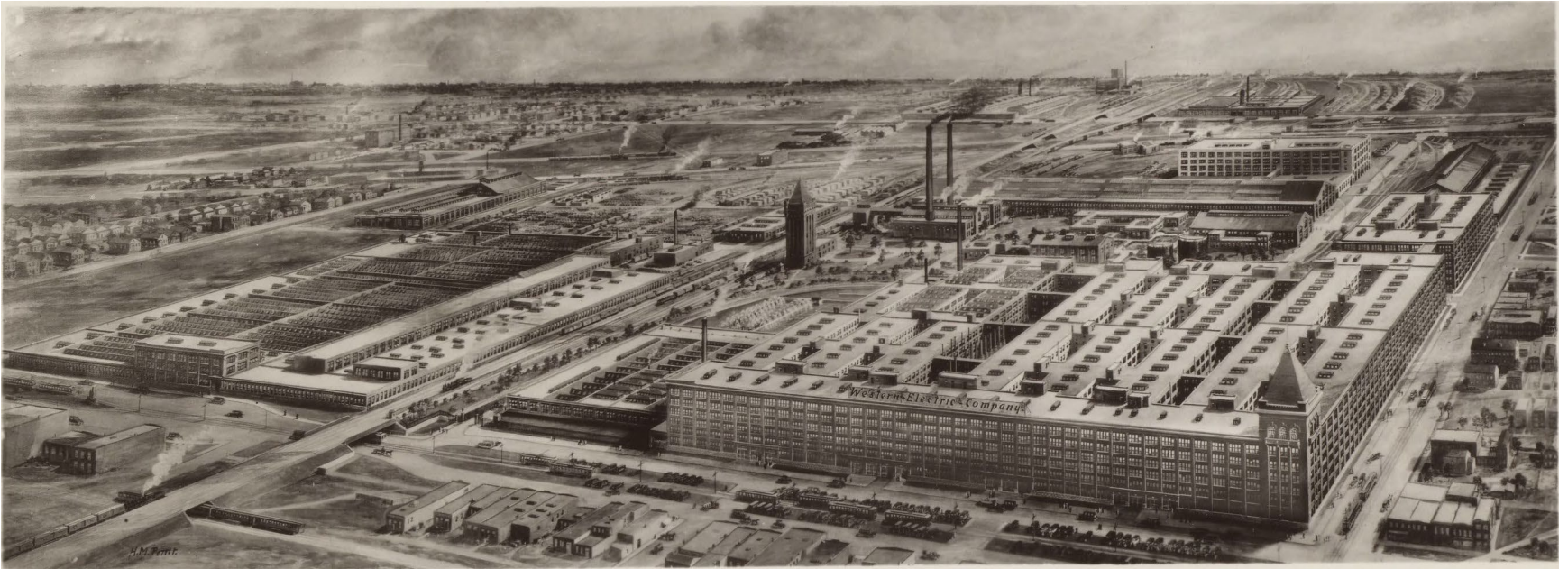
Hawthorne studies

Between 1924 and 1932, Harvard psychologist Elton Mayo conducted a (later criticized) series of studies at Western Electric's Hawthorne Works near Chicago to determine if they could optimize productivity by adjusting the light level up and down until they found the perfect level.



Hawthorne studies

Every time they changed the light, it didn't matter whether it was up or down, productivity improved until they ended the study, at which point, productivity slumped.



Hawthorne effect

Coined in 1958 by Henry Landsberger to describe the way people modify their behavior when they're aware they're being observed.

Human Relations Movement

Based on these studies, Mayo argued that workers are "social beings" who perform better when they feel valued, heard, and part of a team.



Human Relations Movement

The Human Relations Movement he founded emphasized that employee motivation and productivity are driven more by social factors, recognition, and group dynamics than by monetary incentives or physical work conditions.



Maslov's hierarchy of needs

In 1943, American psychologist Abraham Maslov proposed that certain basic needs must be met before individuals can progress up the hierarchy to more complex needs.



Image source: <https://www.thoughtco.com/maslows-hierarchy-of-needs-4582571>

theory x

In 1960, Douglas McGregor at MIT renamed Taylor's scientific approach to management Theory X.

Under Theory X, people are inherently lazy and need to be motivated to work with a combination of rewards and punishments. They lack creativity and ambition and they're there simply to work.

theory y

He also renamed Mayo's behavioral approach Theory Y.

Under Theory Y, people are self-motivated if they have a supportive environment. They're inventive and should be given responsibility and consulted for their ideas.

theory z

In the 1980s, William Ouchi called the version of theory X used in Japan theory Z.

Under theory Z, managers and workers work together in cohesive work groups using consensus for decisions. To improve quality, they use quality circles.

Every employee is involved in *kaizen* – the continuous struggle to improve.

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culture

Organizations develop a culture around the way they treat people.

Consider:

IBM's "open-door" and "respect for the individual" policies in the 1970s.

Microsoft's "stack ranking" (finally ended in 2013).

Amazon's "two pizza" rule.

policy

Organizations will also use policies and practices to enforce their culture and avoid problems.

Examples:

Rules regarding liquor at a company event.

Prohibitions on engaging in a relationship with a subordinate.

Defined working hours.

Job titles and descriptions.

Periodic performance reviews.

Complaint procedures.

Award programs.

Periodic training on issues like discrimination and bias.

common leadership styles

Authoritarian

Participative

Delegative

Transactional

Transformational

common leadership styles

Authoritarian

Participative

Delegative

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Transformational

An autocratic style where the boss makes all the decisions with little input from others.

common leadership styles

Authoritarian

Participative

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Transactional

Transformational

A democratic style where decisions are commonly up for debate by the entire team.

Downside is that it can be indecisive.

common leadership styles

Authoritarian

Participative

Delegative

Transactional

Transformational

A laissez-faire style where employees are given a lot of freedom and autonomy. They set their own schedules and priorities.

Requires employees who don't require much direction, e.g., research faculty.

common leadership styles

Authoritarian

Participative

Delegative

Transactional

Transformational

A managerial style that focuses on performance targets and rewards and penalties for meeting or not meeting the targets.

Often seen in sales organizations.

common leadership styles

Authoritarian

Participative

Delegative

Transactional

Transformational

Transformational leaders energize their teams with a vision.

Steve Jobs and Jeff Bezos are examples.

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the legal environment

Some people have multi-year contracts or tenure appointments that make it hard to fire them.

But most employees in the US are “at will”, meaning they can be terminated at any time for any reason as long as it’s not a prohibited reason like disability, gender, age, race, religion, national origin, and so on.

The reason doesn’t have to be true. You can be fired because they don’t like your red tie even if you don’t own and have never worn a red tie.

Title VII of the Civil Rights Act of 1964

Title VII makes it illegal to discriminate against someone on the basis of race, color, religion, national origin, or sex.

The law also makes it illegal to retaliate against a person because the person complained about discrimination, filed a charge of discrimination, or participated in an employment discrimination investigation or lawsuit.

The law also requires that employers reasonably accommodate applicants' and employees' sincerely held religious practices.

Pregnancy Discrimination Act

Amended Title VII to make it illegal to discriminate against a woman because of pregnancy, childbirth, or a medical condition related to pregnancy or childbirth or retaliate because they complained.

The Equal Pay Act of 1963 (EPA)

This law makes it illegal to pay different wages to men and women if they perform equal work in the same workplace or retaliate because someone complained.

The Age Discrimination in Employment Act of 1967 (ADEA)

This law protects people who are 40 or older from discrimination because of age.

Title I of the Americans with Disabilities Act of 1990 (ADA)

This law makes it illegal to discriminate against a qualified person with a disability in the private sector and in state and local governments or retaliate because they complained.

The Genetic Information Nondiscrimination Act of 2008 (GINA)

This law makes it illegal to discriminate against employees or applicants because of genetic information or retaliate because they complained.

Genetic information includes information about an individual's genetic tests and the genetic tests of an individual's family members, as well as information about any disease, disorder or condition of an individual's family members (i.e. an individual's family medical history).

adverse employment action

An adverse employment action is anything that affects the terms or conditions of your job that negatively affects you.

It can be anything from extra hours, a less-desirable assignment, a demotion, termination, or anything that decreases your chances of promotion.

They can usually do this.

They just can't do it for an illegal discriminatory reason or in retaliation for a complaint about discrimination.

as a practical matter

It is very difficult to prove discrimination.

There's often lots of plausible deniability in why they treated you badly, especially if it's the result of a committee decision.

This is why most attorneys will not be willing to accept a discrimination case on contingency unless it's a class action case where they demonstrate consistent discrimination against large numbers of members of the protected class.

as a practical matter

If you believe you have been the victim of illegal discrimination or retaliation, you are allowed to complain to your employer and/or to the EEOC, which will investigate your complaint.

EEOC investigations average 10 months.

If they find your complaint was justified, they may try to negotiate a resolution. If they don't find sufficient evidence, they will issue a "right-to-sue" letter, meaning you can sue on your own.

as a practical matter

If you do decide to pursue an individual case of discrimination, you have to pay for it up-front. Expect it to cost anywhere from \$30K to \$500K and take up to 5 years.

If you win, you will be entitled to lost wages, which you will be expected to have attempted to mitigate by finding another job.

You may be entitled to punitive damages but only if the employer's conduct was *egregious*, which has a different meaning in the law. If they didn't actually rape you, it probably doesn't qualify.

as a practical matter

Employers are not allowed to retaliate because you complained, regardless of how often you've complained or whether your complaint has any merit.

Because it can be easier to relate an adverse action to a complaint, and the complaint doesn't have to be proved valid, it can be easier to prove retaliation than discrimination.

as a practical matter

If you're being mistreated by your employer, you may not have many choices.

It's not illegal for them to make you miserable as long as it's not for a protected reason.

as a practical matter

Most cases eventually settle before going to court.

as a practical matter

HR is not your friend.

Their job is to make sure the company never gets sued. Or if they ever do get sued, they never lose.

as a practical matter

It often comes down to deciding whether to stay or go.

It matters who you have in your life. They can help you or not.

Every day you waste with the wrong person is a day you might have spent with the right person.

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Vamika's quandary

Based on an actual case, *“Vamika’s Quandary: Navigating Through Workplace Mistreatment”*, Copyright 2023, Ivey Business School Foundation.

facts of the case

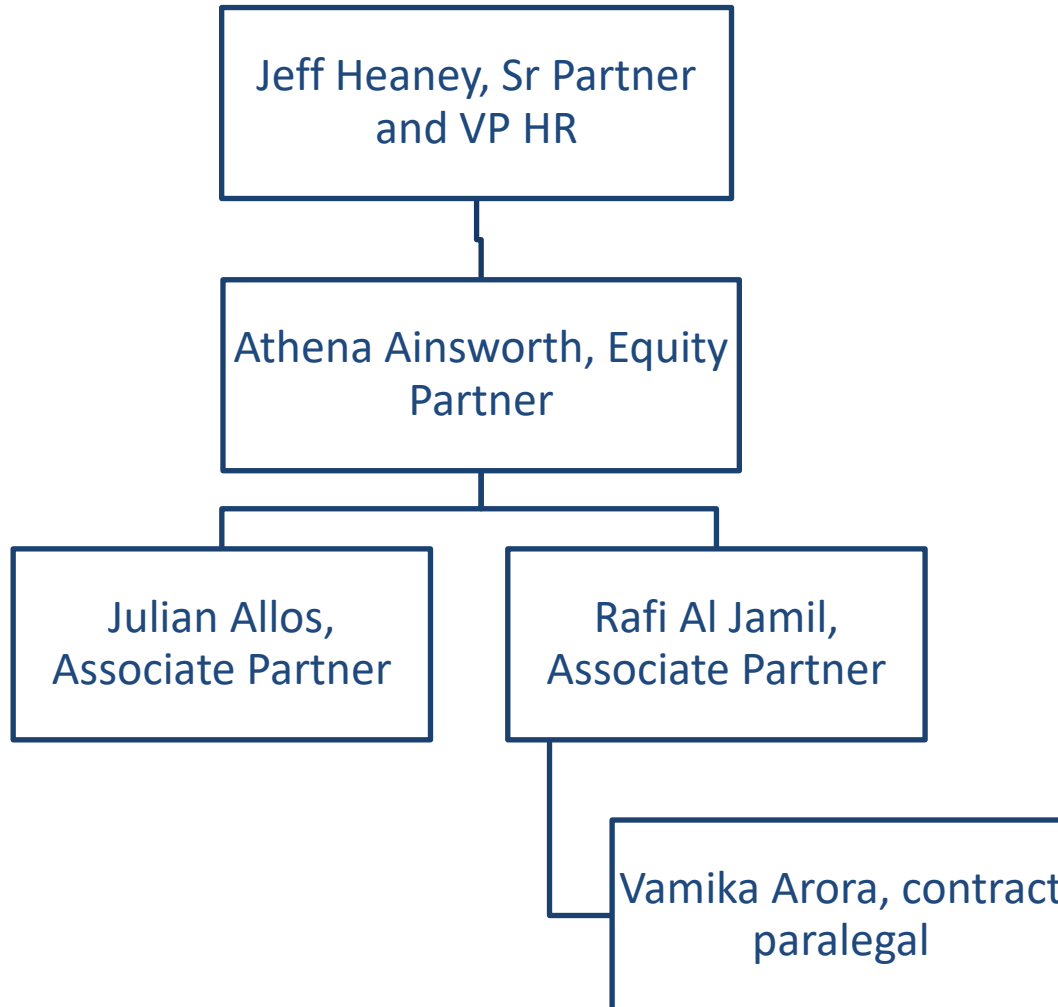
Vamika Arora graduated from law school during the pandemic and had great difficulty finding a job.

She finally found work in August 2020 as a paralegal at Darby & Fox LLP, an employment law firm in London, as a paralegal in Aug 2020 on a one-year contract.

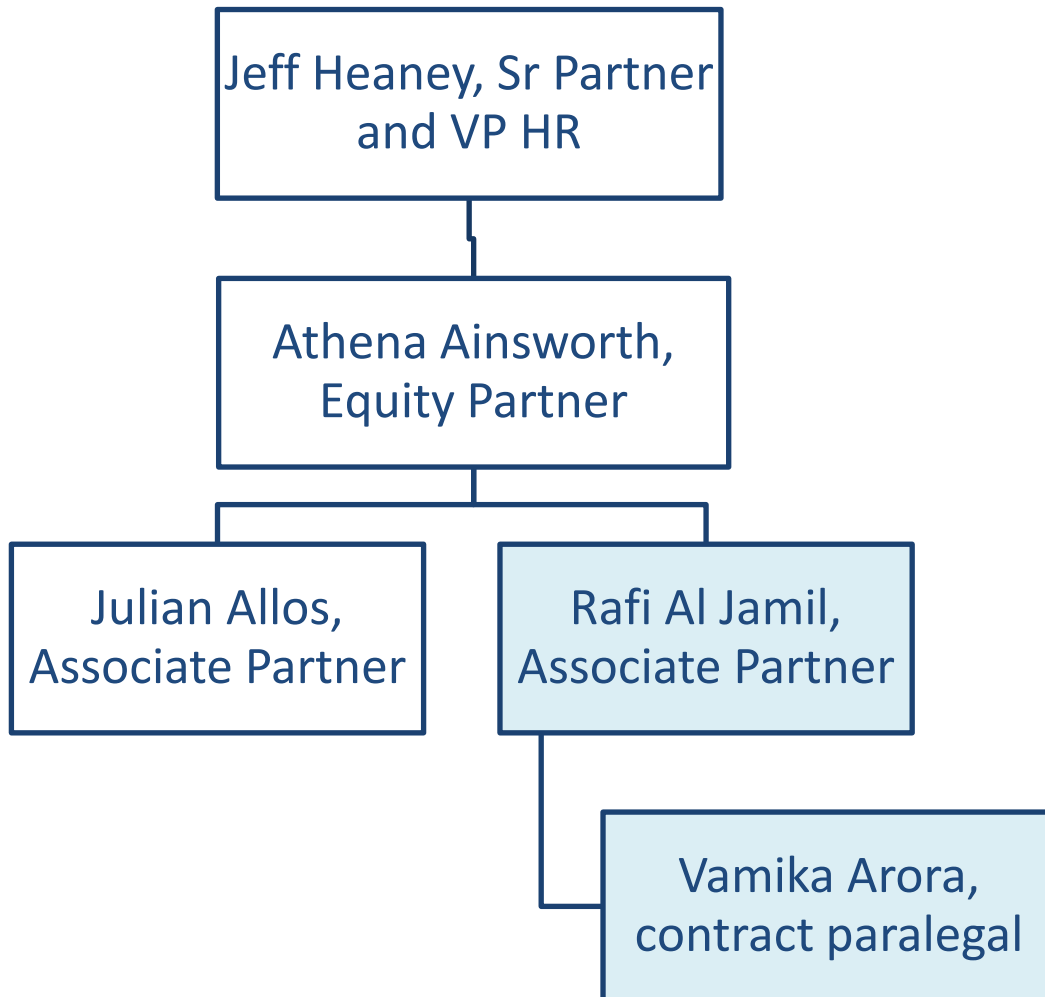
As a newly-hired contract worker, she was required, unlike anyone else, to work at the empty office.

She endured overwork, disrespect, after-hours assignments, phone calls with shouting, job threats, and conflicting assignments.

the hierarchy

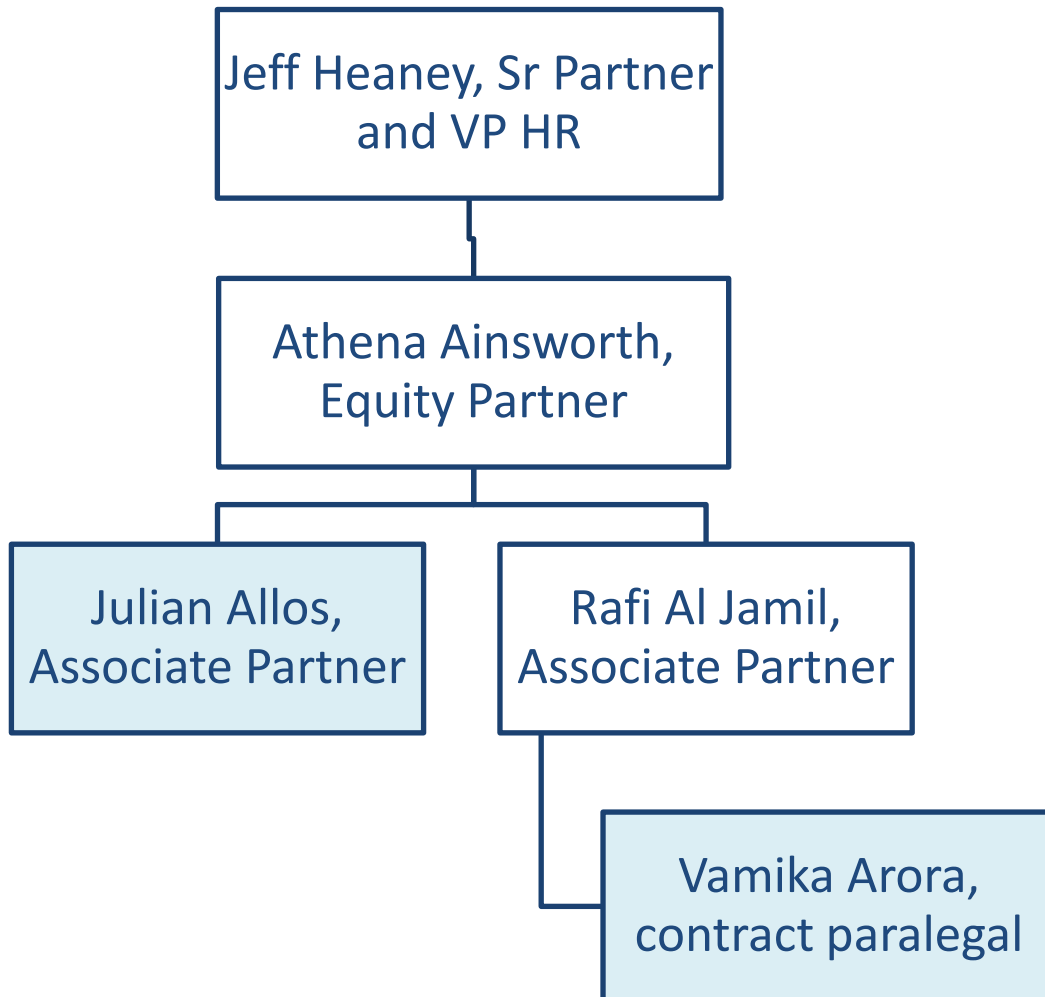


the hierarchy



Two weeks after she starts, she's assigned to work for Rafi Al Jamil.

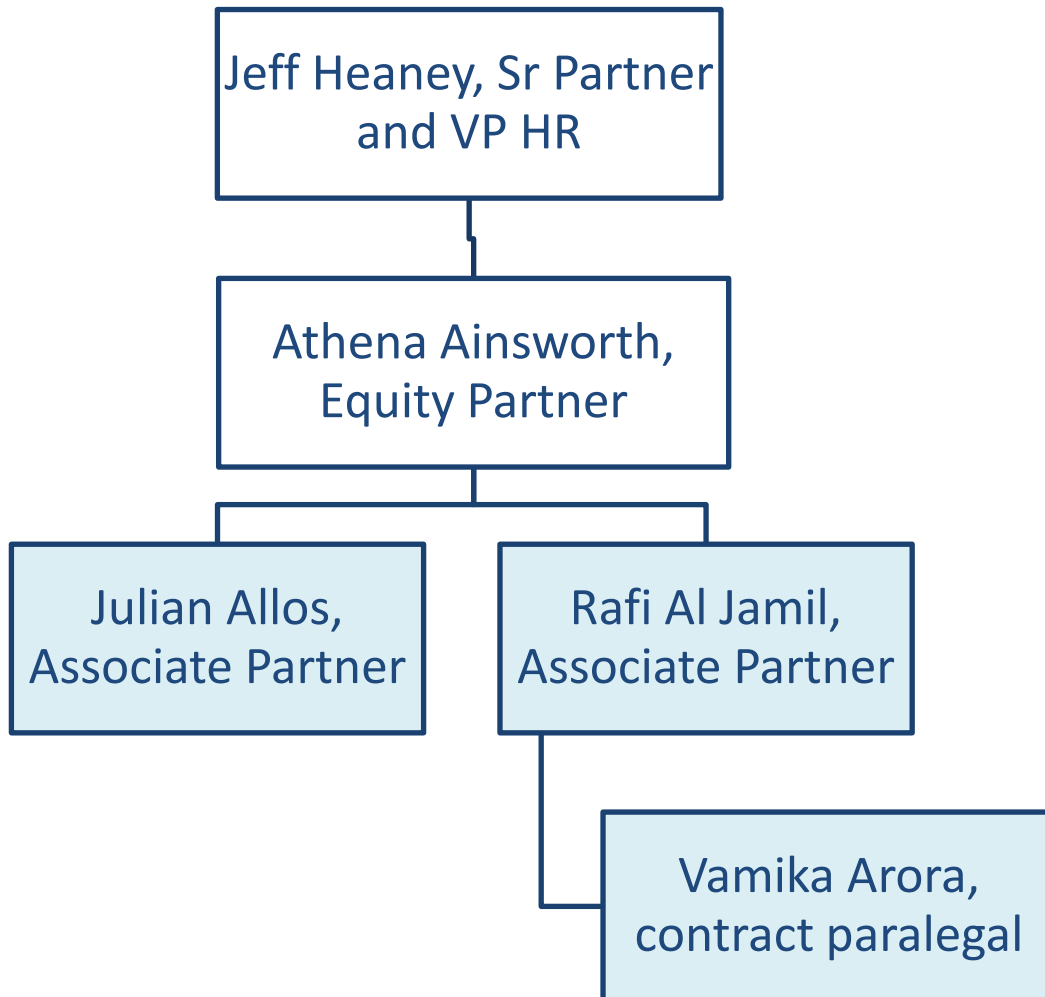
the hierarchy



But before she gets her assignment, she gets an email from Allos, demanding that he come to his office.

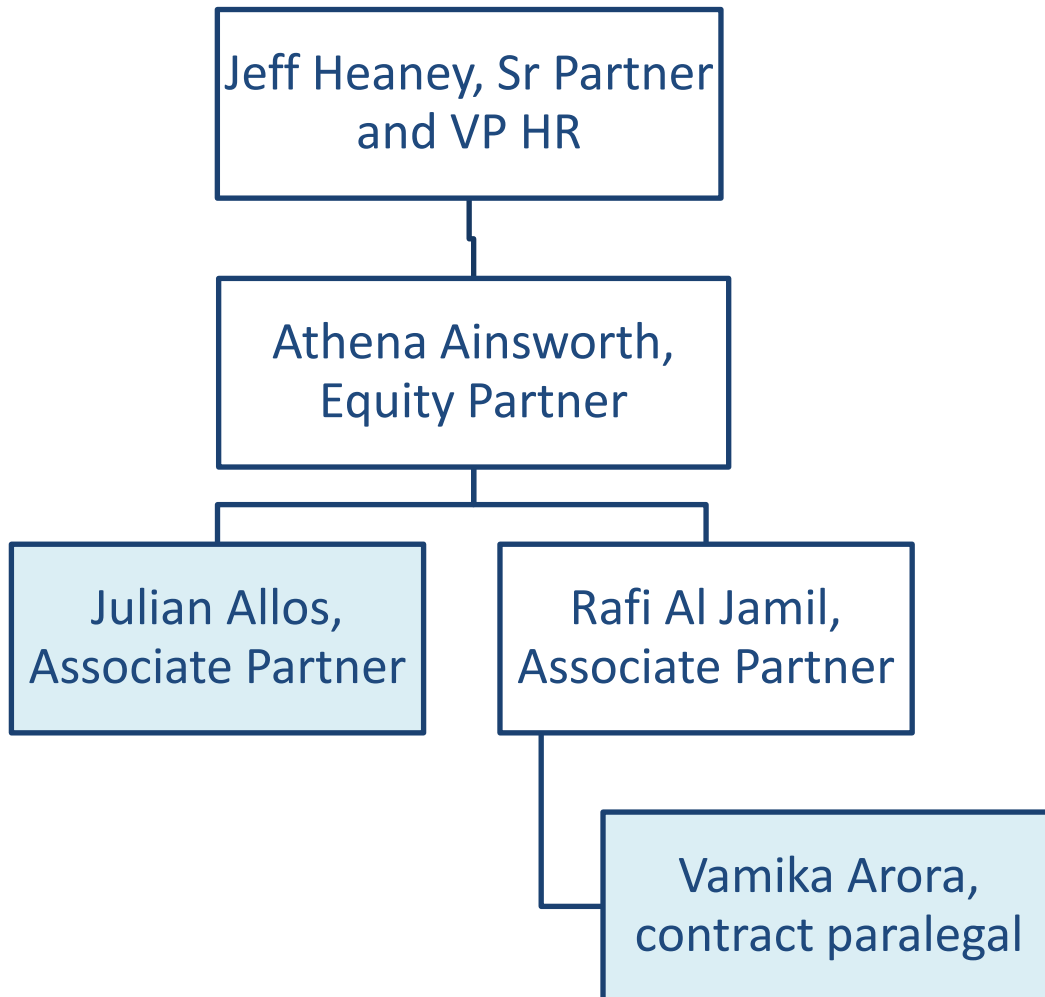
It starts badly with Allos when he has her standing outside his door for 15 minutes for their first meeting.

the hierarchy



She finds she has two bosses and their demands are sometimes conflicting.

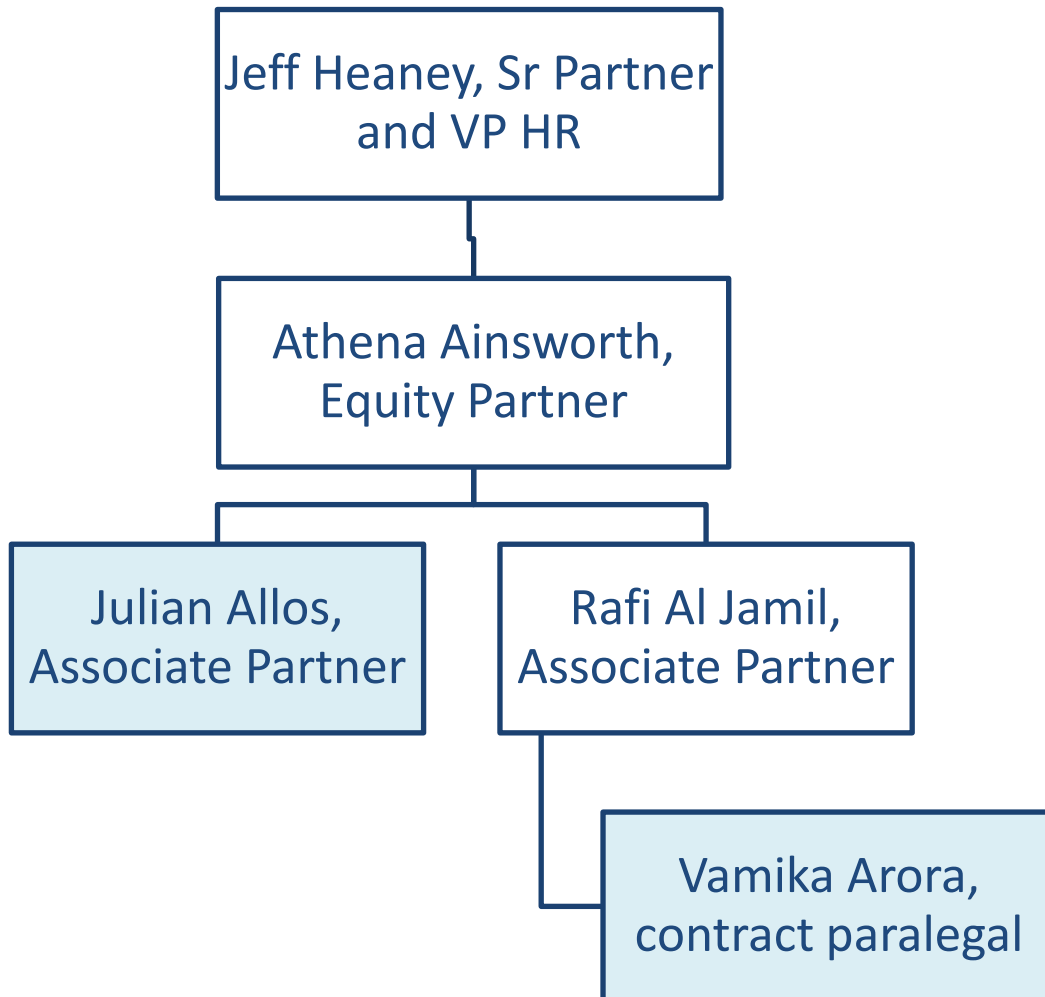
the hierarchy



A lot of Allos's tasks are more complex than would be assigned to a paralegal.

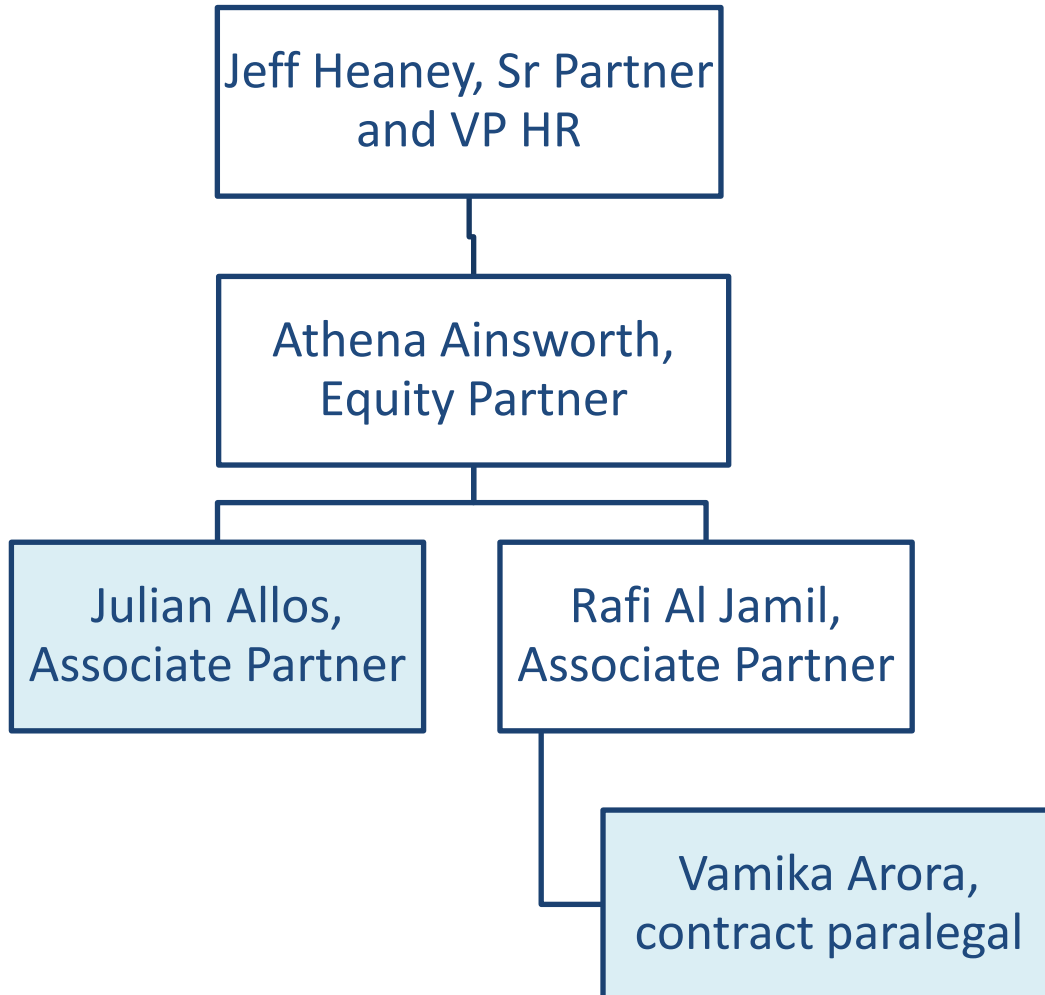
Assignments and feedback are vague, e.g., demanding corrections without specifying they just wanted an extra comma.

the hierarchy



Emails were always respectful, but Allos often called in the evenings and was often rude and shouting at her on the phone.

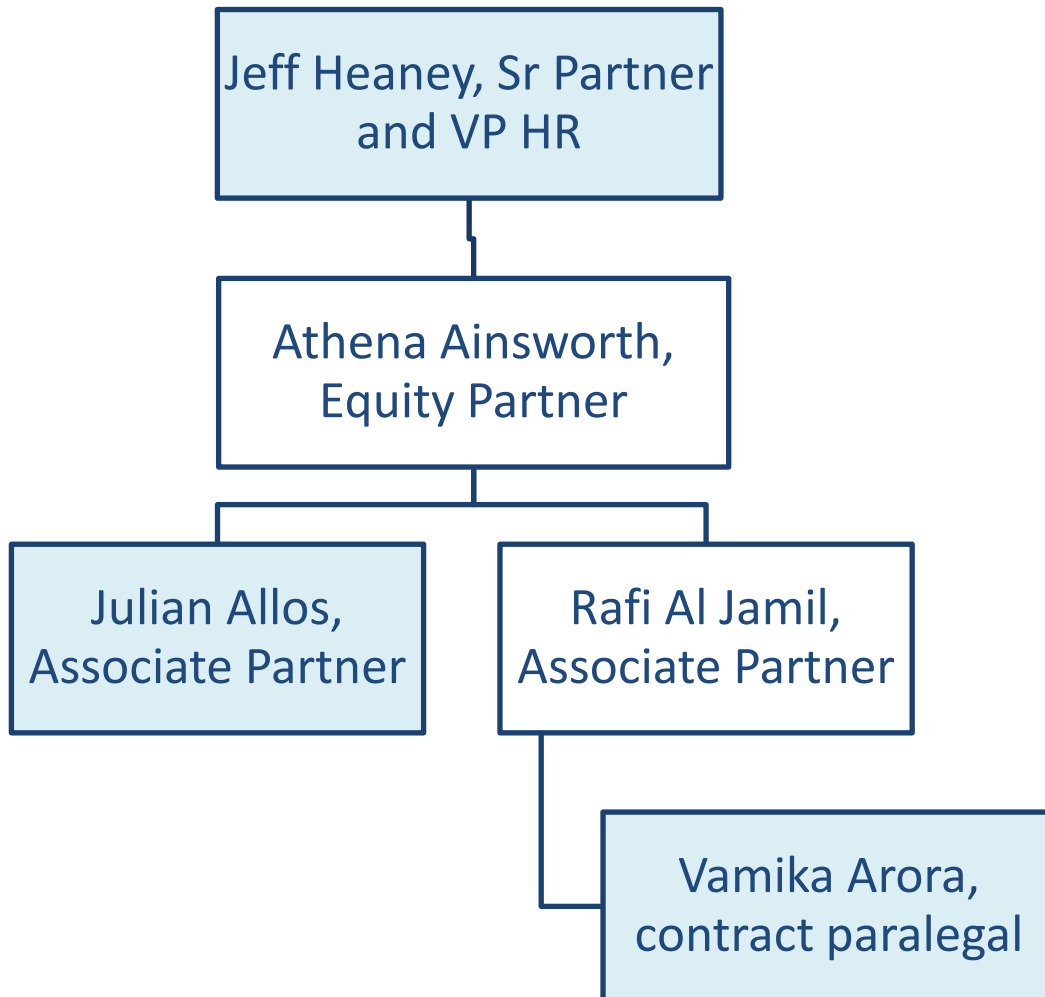
the hierarchy



It reaches a head when Allos sends an email asking Arora to pick up a book at the library.

She doesn't see the email until that night and replies that's she's gone home.

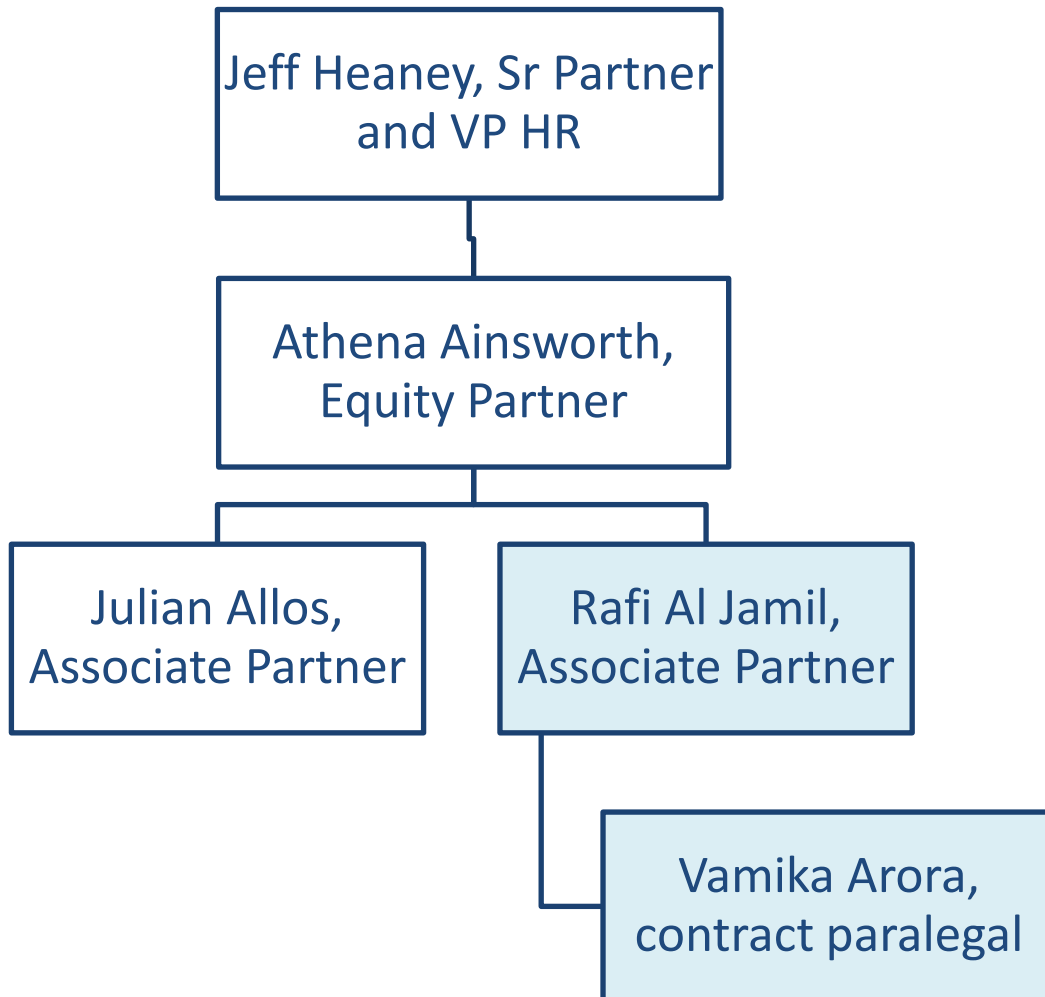
the hierarchy



Allos is furious and warns, “You might lose your job soon.”

He copies Heaney on an email criticizing Arora’s work.

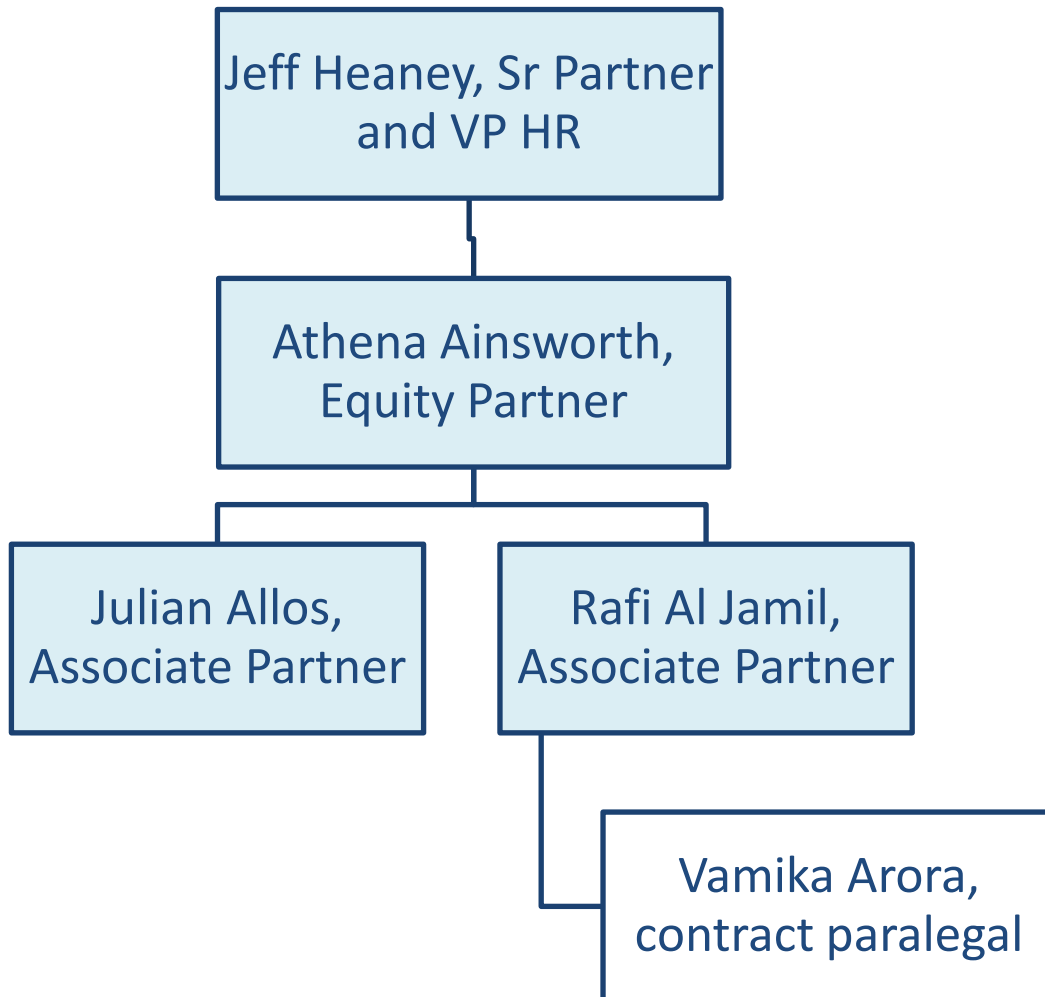
the hierarchy



Arora asks Jamil for advice.

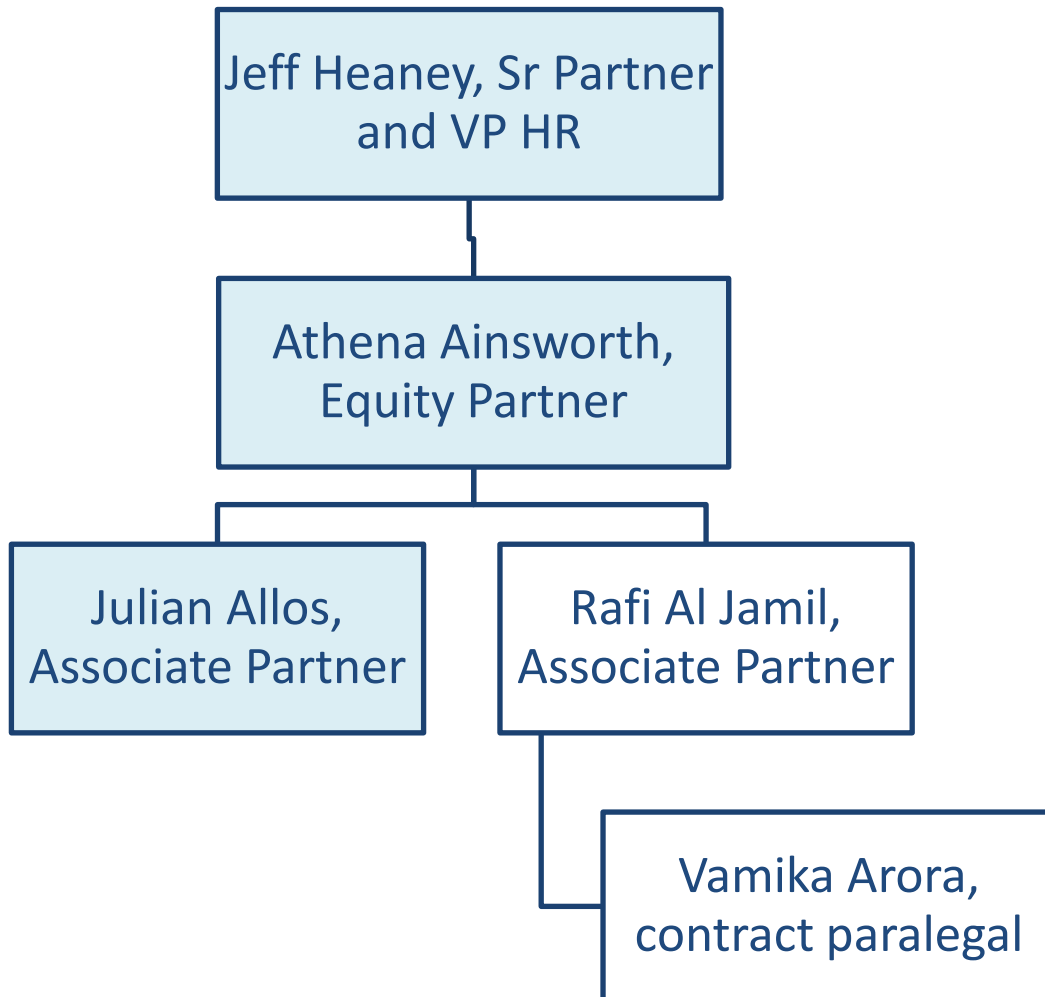
He tells her not to respond, that he would speak to Allos.

the hierarchy



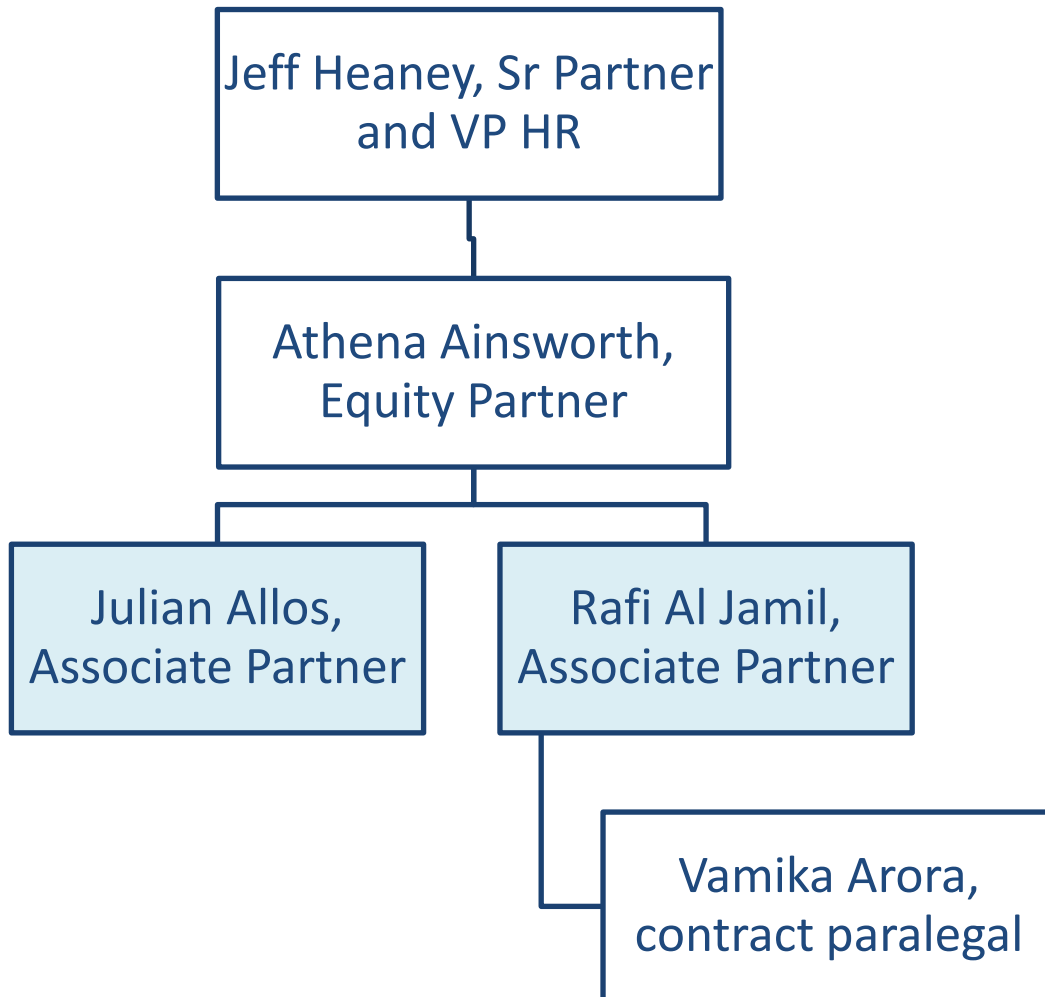
Jamil raises the issue at the next partner's meeting but in a heated argument is accused of influencing Arora's insubordination.

the hierarchy



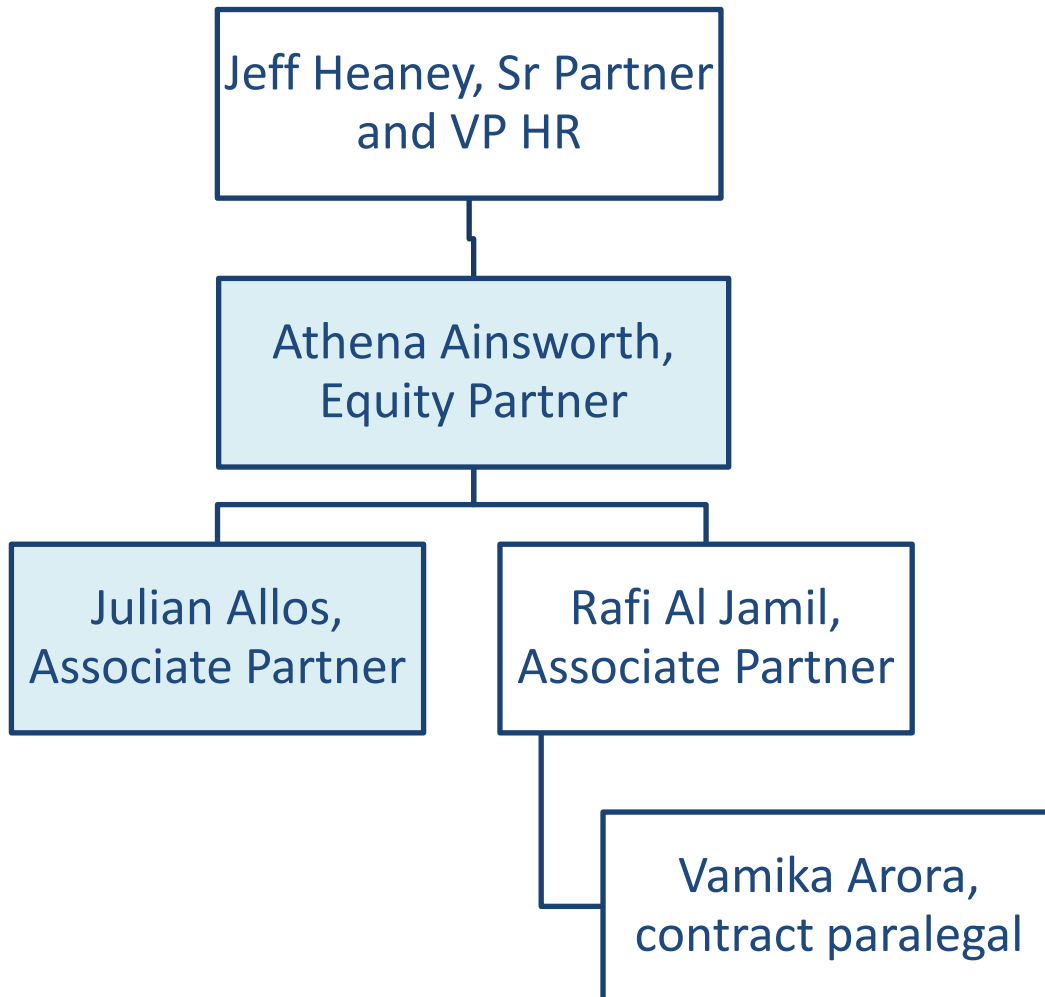
After the meeting, Allos and Ainsworth approach Heaney to complain about Jamil.

the hierarchy



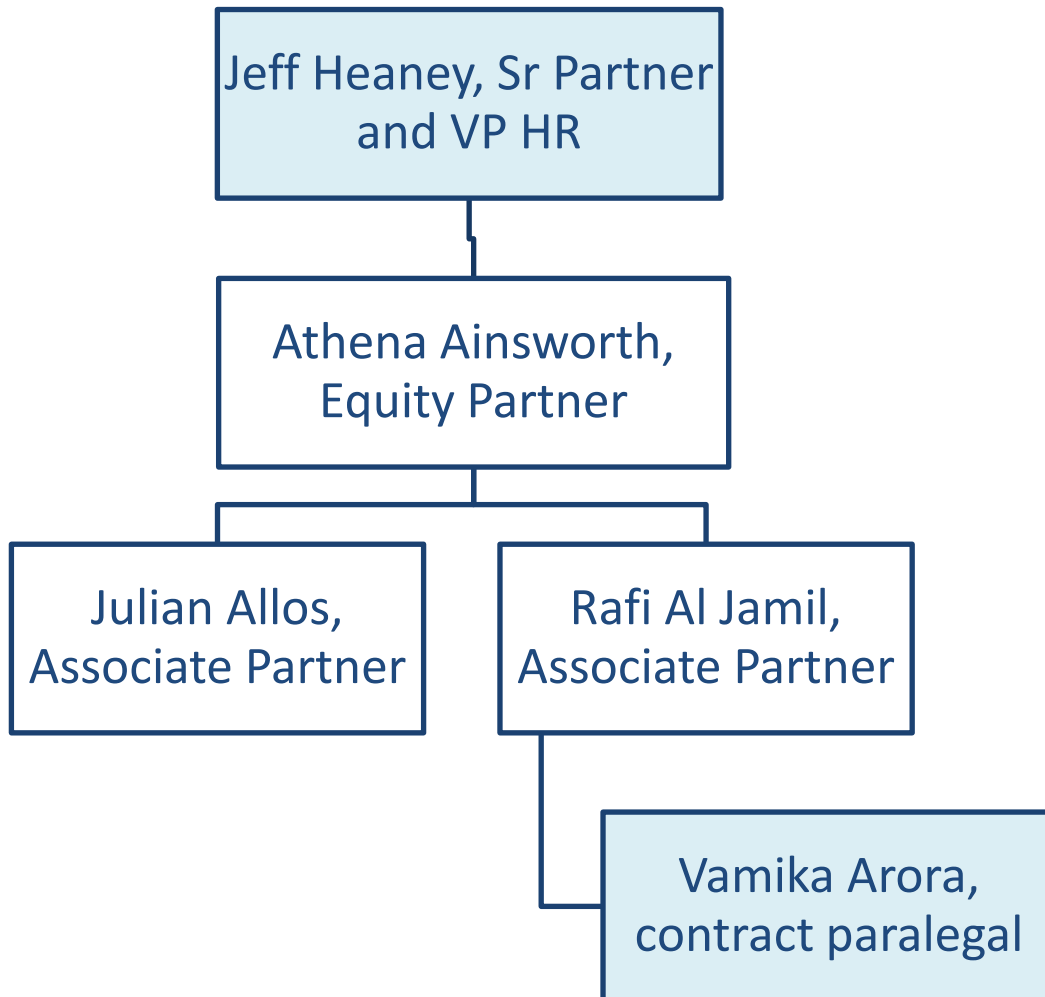
Arora learns that Allos and Jamil are rivals.

the hierarchy



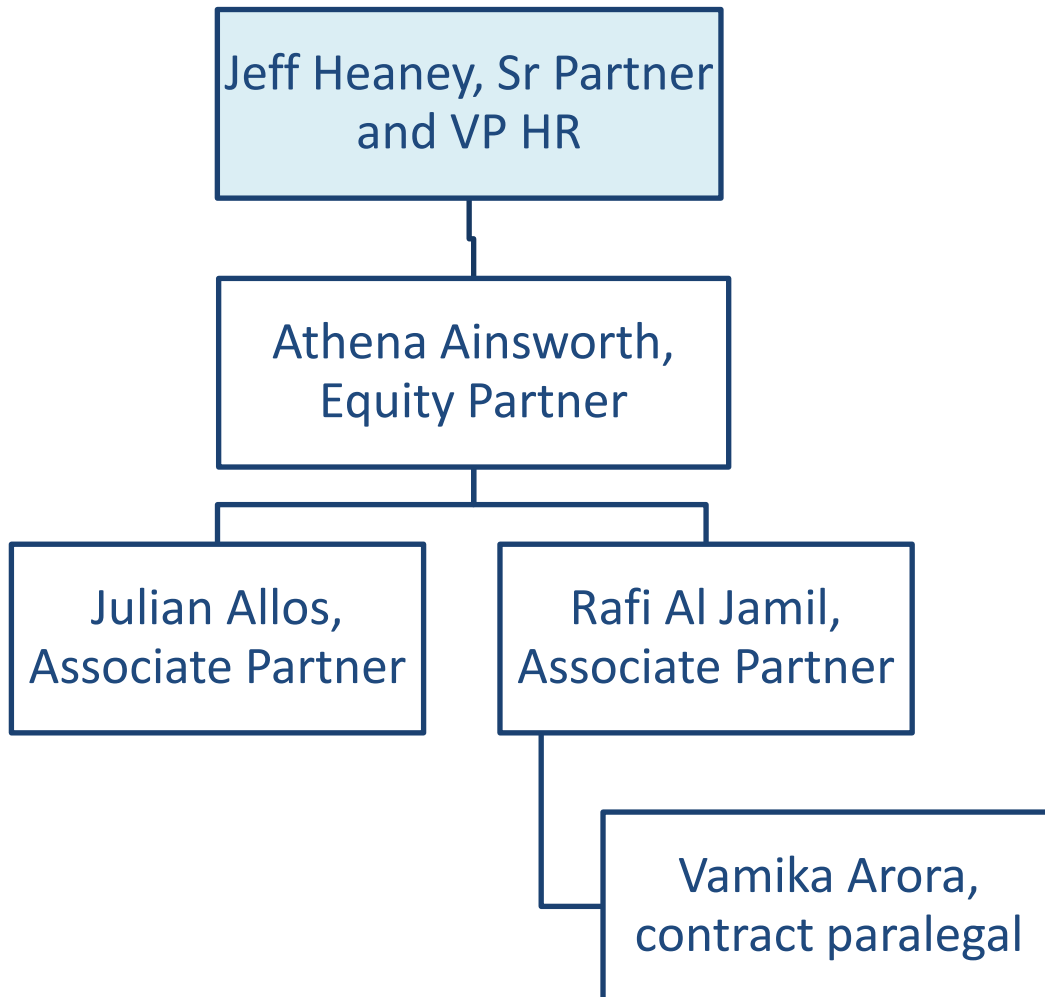
Ainsworth and Allos
are married and have
a reputation for
shrewdness and
spiteful behavior.

the hierarchy



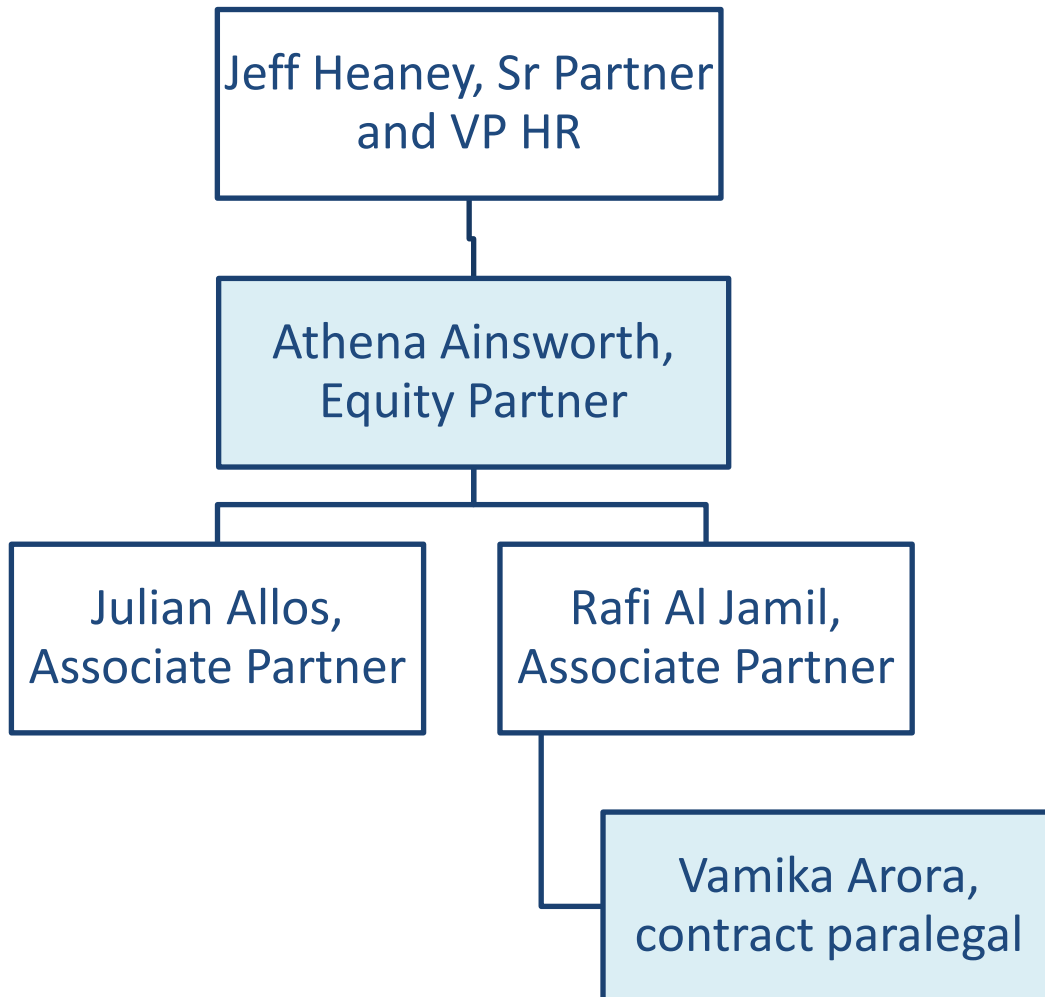
Heaney calls Arora to his office where he tells her it was a misunderstanding and some bruised egos and that the matter is closed.

the hierarchy



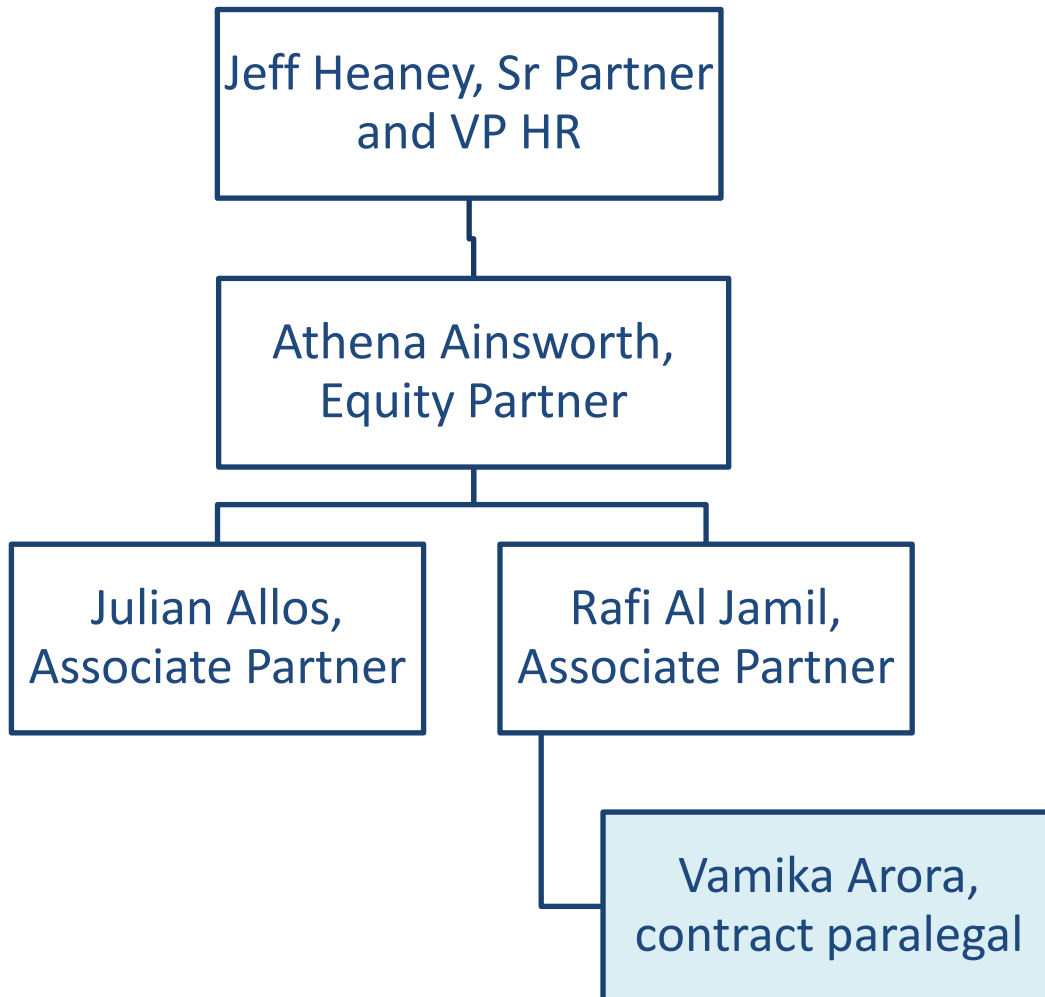
Heaney quits and
Ainsworth becomes
senior partner.

the hierarchy



Ainsworth asks Arora to obtain two extra signatures for time off. No other paralegal is asked to do this.

the hierarchy



It's March 2021 and Arora is 8 months into her 12-month contract.

She's miserable. She's overworked and mistreated.

What should she do?

questions

1. What made Vamika an easy target for her mistreatment?
2. If it had happened in the US, would they have broken the law?
3. Assuming most good managers aren't sociopaths intent on mistreating employees, even if when it is perfectly legal, what went wrong at this firm to have allowed this to happen?
4. How did the organization and reporting structure contribute? Would that be allowed at most companies?
6. If you were Vamika and it was happening to you here in the US, describe your options. What would you do and why?

what made Vamika an easy target

She was a recent graduate from law school.

She needed a job and it was hard to find one during Covid.

She was new and temporary at Darby & Fox, a “rented mule”.

She’s young and female.

would they have broken the law in the US?

Probably not. No clear evidence that the mistreatment was the result of discrimination based on protected status retaliation for a protected complaint.

Additionally, Darby & Fox is an employment law firm. They probably know how to stay precisely inside the line.

Assuming managers aren't sociopaths,
how did this happen?

Maybe they are sociopaths.

We could be dealing with a husband-and-wife pair of two sociopaths, Athena Ainsworth and Julian Allos.

Studies suggest that perhaps 5% of the population has antisocial personality disorder but most are completely functional.

Being a sociopath or a psychopath can apparently even be an advantage in some professions.

characteristics of psychopathy

Shallow emotions and reduced fear), stress tolerance, lack of empathy or guilt, cold-heartedness, egocentricity, superficial character, manipulativeness, irresponsibility, impulsivity and antisocial behaviors such as parasitic lifestyle and criminality.

careers for psychopaths

Most popular

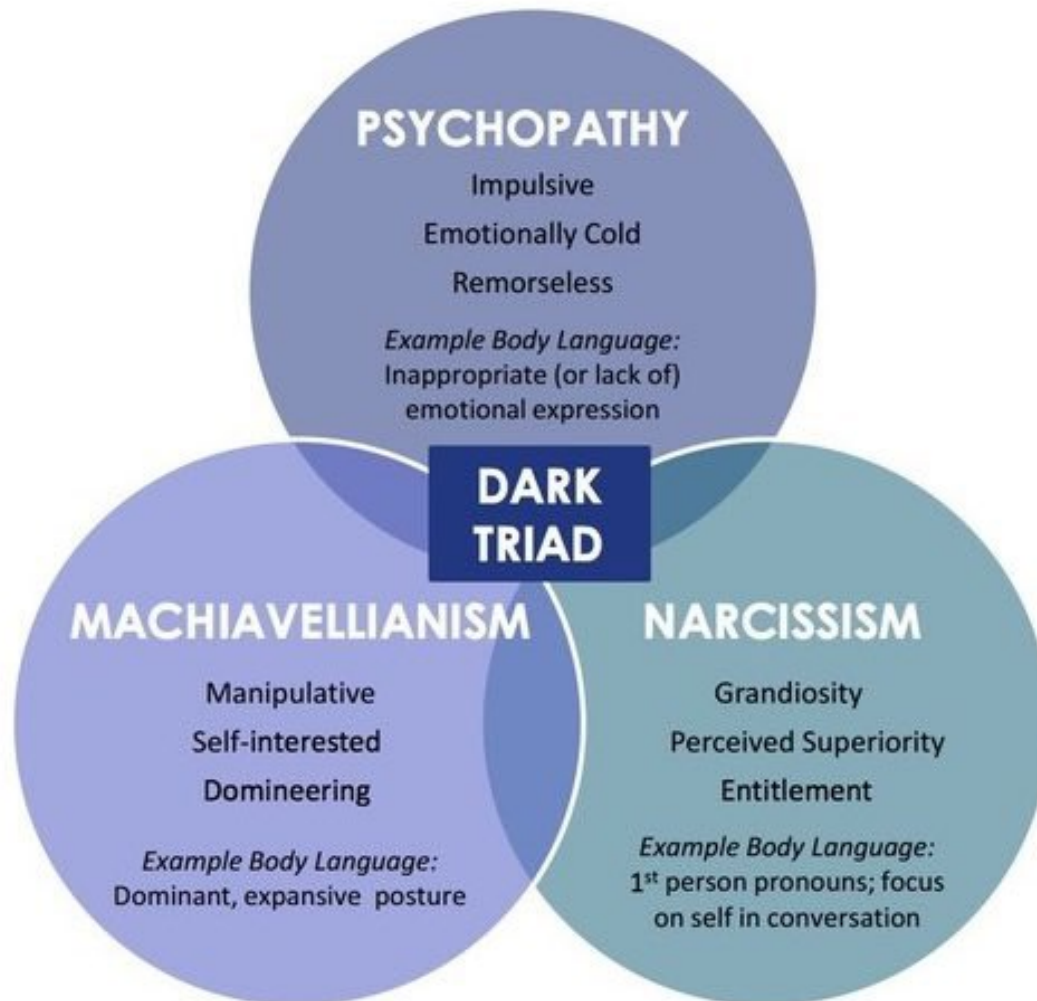
1. CEO
2. Lawyer
3. Media personality
4. Salesperson
5. Surgeon
6. Journalist
7. Police officer
8. Clergy
9. Chef
10. Civil servant

Least popular

1. Care aide
2. Nurse
3. Therapist
4. Craftsperson
5. Hair stylist
6. Charity worker
7. Teacher
8. Artist
9. Primary care doctor
10. Accountant

Source: <https://time.com/32647/which-professions-have-the-most-psychopaths-the-fewest/>

the dark triad



Source: https://en.wikiversity.org/wiki/Motivation_and_emotion/Book/2020/Dark_triad_personality_and_emotion

How did the organization contribute?

They failed to set proper policies.

Examples:

Rules regarding liquor at a company event.

Prohibitions on engaging in a relationship with a subordinate.

Defined working hours.

Job titles and descriptions.

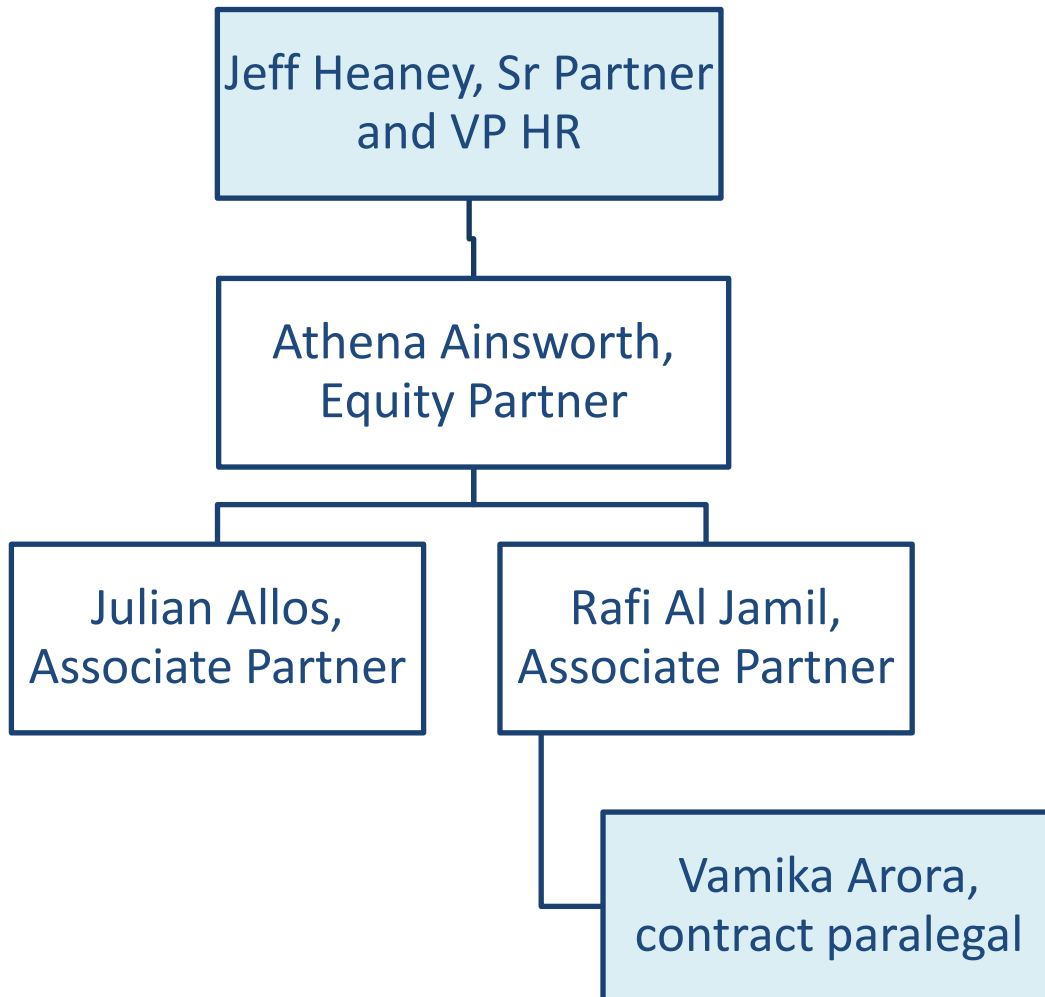
Periodic performance reviews.

Complaint procedures.

Award programs.

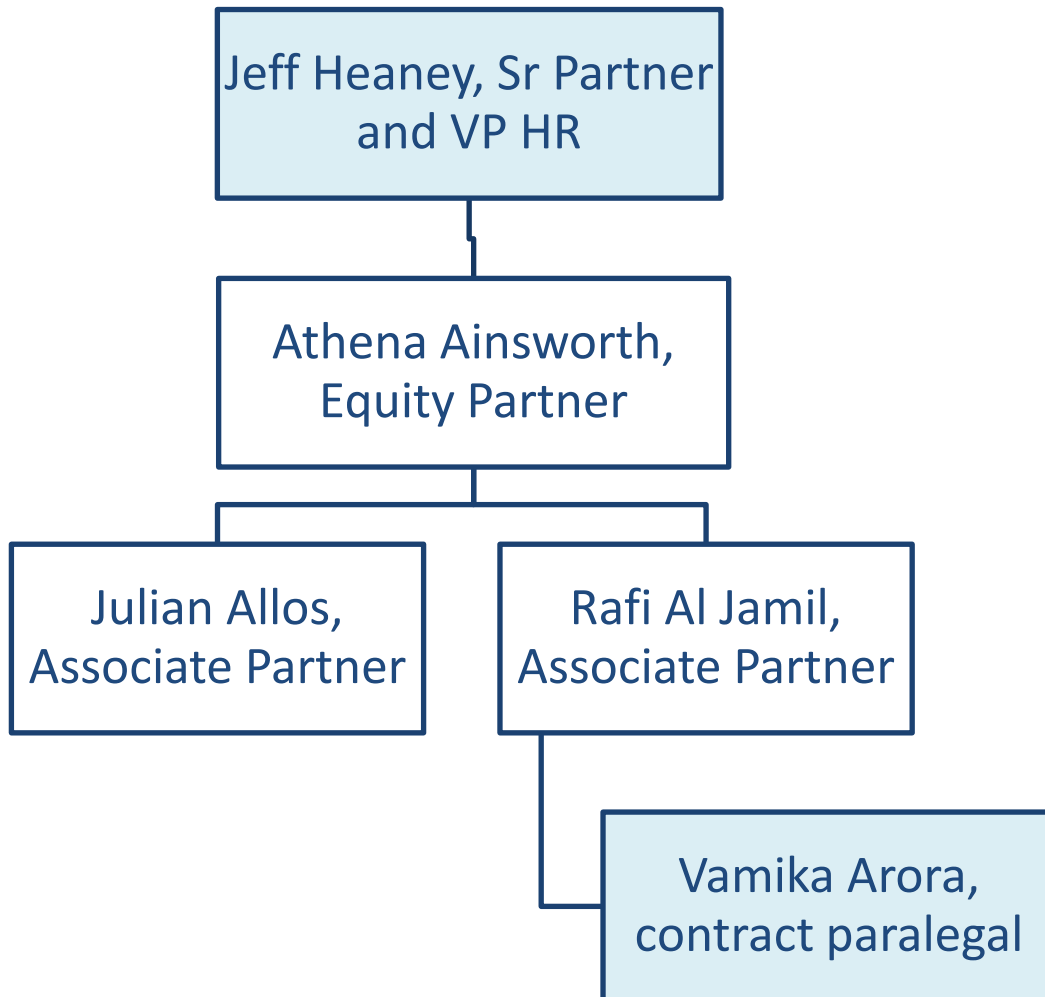
Periodic training on issues like discrimination and bias.

the hierarchy



Heaney was asleep at the switch proclaiming the problems were merely a misunderstanding and some bruised egos.

the hierarchy



But Heaney was on his way out and perhaps simply didn't want to fight with two sociopaths.

(Reminder: HR is not your friend.)

what would you do?

what actually happened

After 9 months, Vamika left for a better job.

She decided to avoid formal complaints or legal measures, worried Ainsworth and Allos could harm her career.