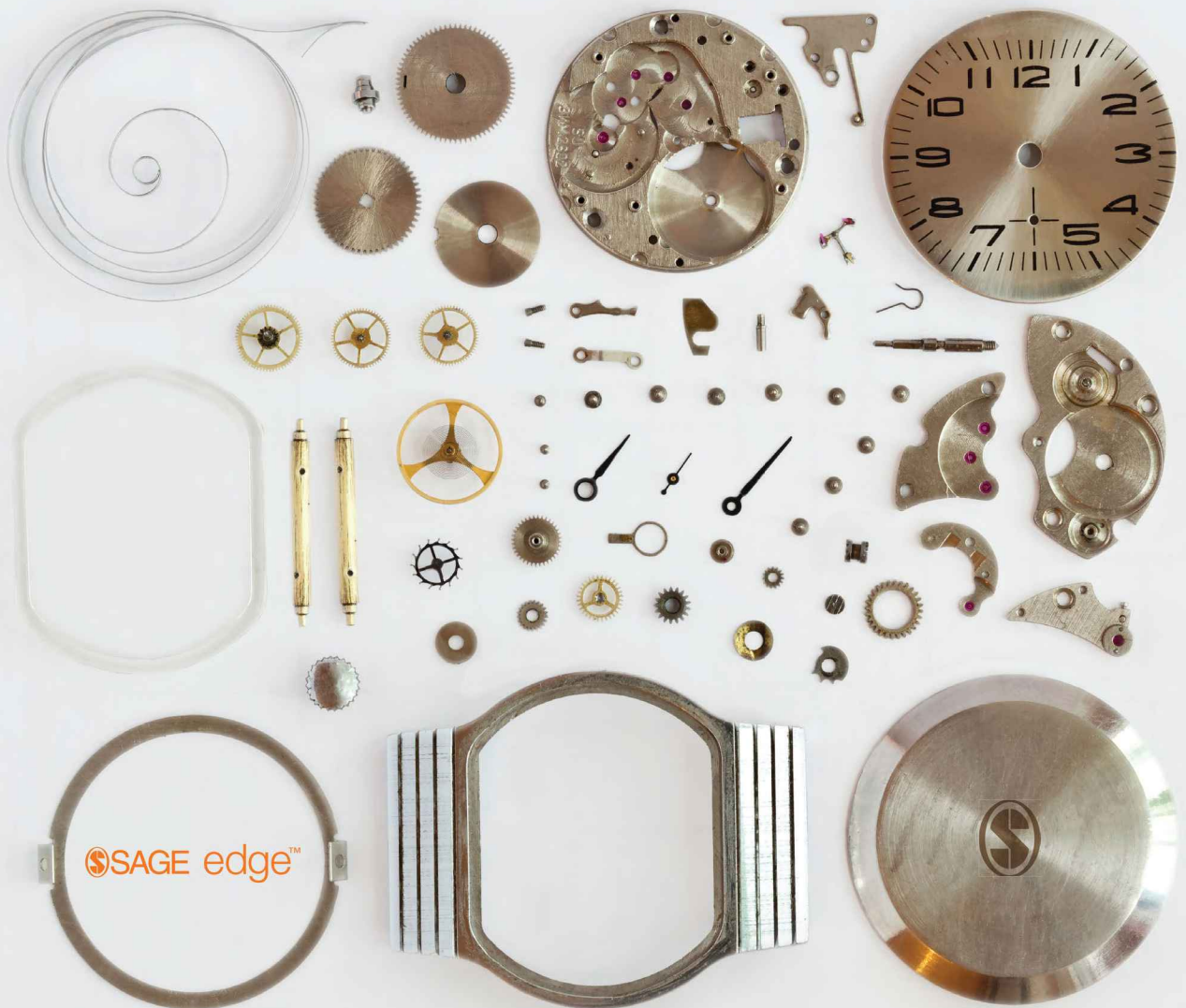


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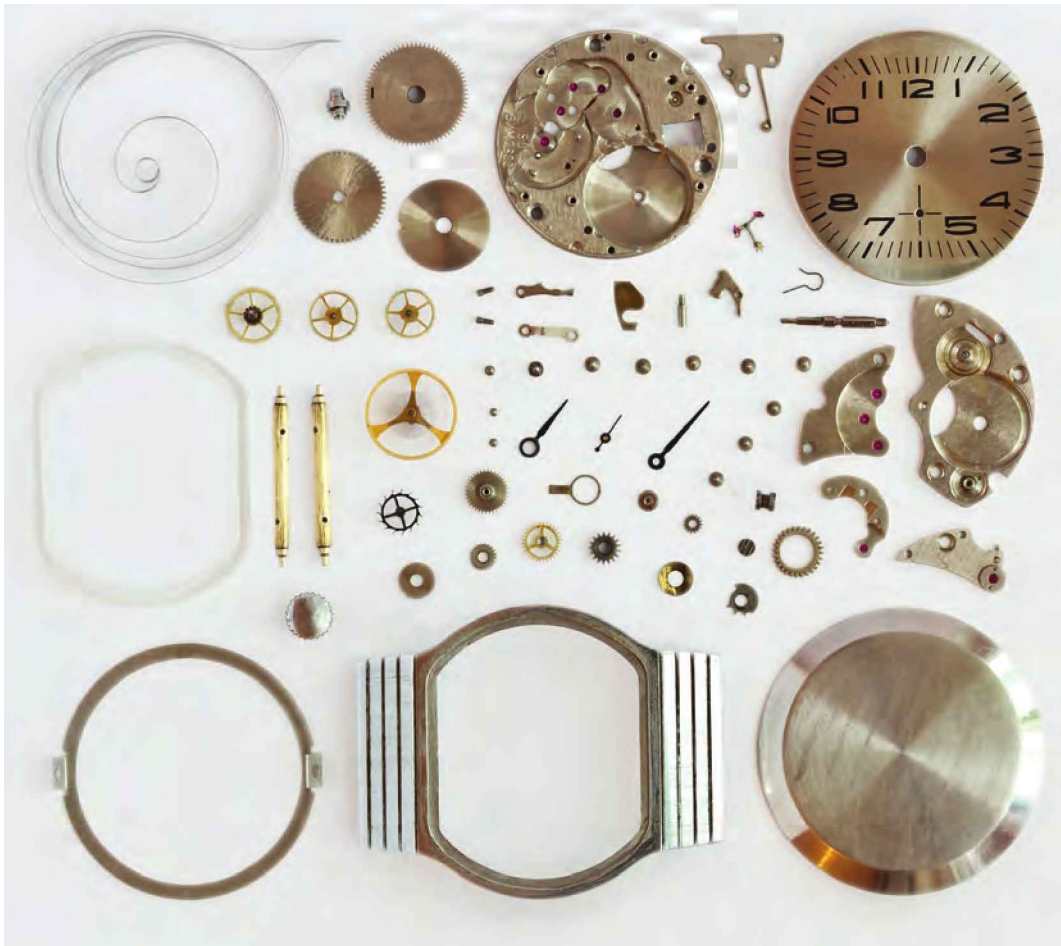
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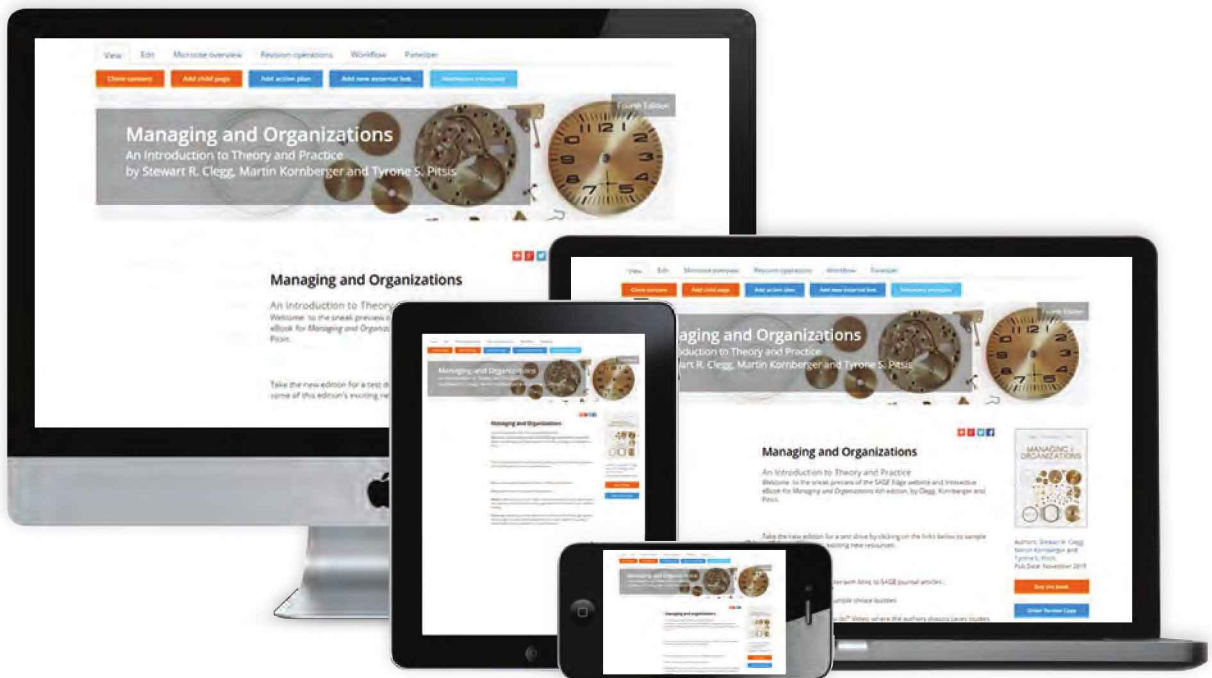
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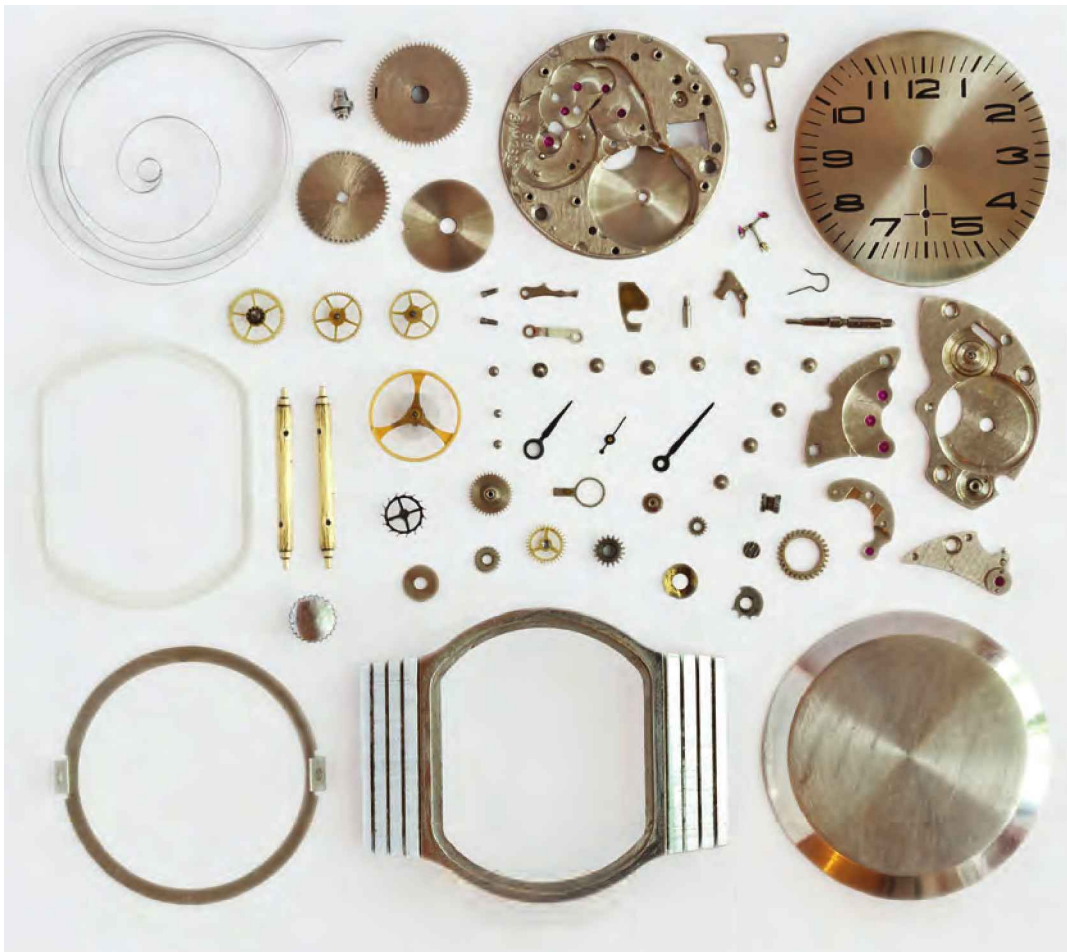
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Stewart R Clegg • Martin Kornberger • Tyrone S Pitsis

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An Introduction to Theory and Practice

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SAGE Publications Ltd
1 Oliver's Yard
55 City Road
London EC1Y 1SP

SAGE Publications Inc.
2455 Teller Road
Thousand Oaks, California 91320

SAGE Publications India Pvt Ltd
B 1/I 1 Mohan Cooperative Industrial Area
Mathura Road
New Delhi 110 044

SAGE Publications Asia-Pacific Pte Ltd
3 Church Street
#10-04 Samsung Hub
Singapore 049483

Editor: Kirsty Smy
Development editor: Sarah Turpie
Editorial assistant: Molly Farrell
Production editor: Sarah Cooke
Copyeditor: Gemma Marren
Proofreader: Sharon Cawood
Indexer: Silvia Benvenuto
Marketing manager: Alison Borg
Cover design: Francis Kenney
Typeset by: C&M Digitals (P) Ltd, Chennai, India
Printed and bound in Great Britain by Ashford
Colour Press Ltd



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First edition published 2004
Second edition published 2008
Third edition published 2011
This fourth edition published 2016

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Library of Congress Control Number: 2015941418

British Library Cataloguing in Publication data

A catalogue record for this book is available from the British Library

ISBN 978-1-4462-9836-7
ISBN 978-1-4462-9837-4 (pbk)
ISBN 978-1-4739-3844-1 (pbk & interactive ebk) (IEB)

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About the Authors

Stewart R. Clegg Stewart is Professor of Management and Research Director of the Centre for Organization and Management Studies at the University of Technology Sydney Business School. For over forty years he has been extremely active in teaching and researching organizations and management from a sociological perspective, in both Europe and Australia.

His major research interests have always centred on power relations in organizations and in theory. He is the author of many books, including *Strategy: Theory and Practice* (2011), a further collaboration with Martin Kornberger, among others, as well as being the editor of a great many volumes, including the award-winning *Handbook of Organization Studies* (2006). He has published many articles in leading journals such as the *Academy of Management Review*, *Organization Science*, *Organization Studies*, *Administrative Sciences Quarterly*, *Journal of Political Power*, *Human Relations*, *Organization* and the *Journal of Management Studies*.

Stewart seeks to be the embodiment of the potential of the sociological imagination to illuminate social reality. To this end he has tried, with his co-authors, to make understanding management and organizations relevant, accessible, and stripped of pretension.

Martin Kornberger Martin received his PhD in Philosophy from the University of Vienna in 2002. After a decade in Sydney he currently lives in Vienna and works at Copenhagen Business School. He is also a visiting professor at the University of Edinburgh Business School and the WU Vienna University of Economics and Business. With an eclectic bookshelf behind him, his eyes are firmly focused on organizations: How do we manage them? How do we strategize their futures? How do organizational cultures shape insiders? How do brands engage with outsiders? What makes some organizations more innovative than others? And what ways are there to make organizations behave more ethically?

Martin has written several other books including *The Brand Society* (2010), which explores how brands transform practices of production and consumption, and *Strategy: Theory and Practice* (2011) with Stewart Clegg, Chris Carter, and Jochen Schweitzer.

His research has been published in leading journals including *Accounting, Organizations and Society*, *Public Administration*, *Strategic Organization*, *British Journal of Management*, *Organization Studies*, *Organization*, *Human Relations*, *Management Learning*, *Sociological Review*, *AAAJ*, *Journal of Business Ethics*, *Scandinavian Journal of Management*, *Industrial Relations Journal*, *European Management Review*, *Gender Work and Organization*, *Journal of Management Inquiry*, and others.

In a previous life, together with two friends, Martin started his own business, a brand consultancy called PLAY (<http://playcomms.com>) which was sold to a global advertising network in 2012.

Tyrone S. Pitsis Tyrone received his PhD (Management) from University of Technology, Sydney, and a BSocSc Psychology (Hons) from the University of New South Wales. He is currently Professor of Strategy and Organization Theory at the University of Leeds Business School, UK where he teaches Strategy and Design. He is also an Honorary Professor of Management at the University of Technology, Sydney and Visiting Professor of Strategic Change at the Department of Engineering and IT at the University of Sydney. He has also held visiting appointments at EDHEC in France.

His major area of research is in the phenomenology of inter-organizational collaboration, strategic foresight, and process innovation. He is an editor of *The Handbook of Organizational and Managerial Innovation* (2014), as well as author of several research book chapters, encyclopedic entries, and publications in journals such as *Organizational Science*, *Organization Studies*, *Journal of Management Inquiry* and *Journal of Business Ethics*, among others. He is a founding editor in chief of the *Journal of Strategic Contracting and Negotiation* – a collaboration between Sage and the International Association for Contract and Commercial Management. He has been a recipient of research awards, including from the British Academy of Management, and the Emerald Science Citation of Excellence Award with Stewart Clegg and Kjersti Bjørkeng. In 2011 he was elected Chair: Practice Theme Committee of the Academy of Management, and he is currently the PTC AOM Director of Impact and Engagement.

Tyrone is consistently ranked in the top 1 per cent of teachers. He also works with several major organizations to help them align their people and strategy for innovation. He was inducted as a Fellow of the Royal Society of the Arts (FRSA) in 2013. He lives in Newcastle upon Tyne and travels extensively in Europe, Australia and North America. Tyrone originally began his working life as a chef, starting off as a kitchen hand and working his way up to an Executive Chef in award-winning restaurants and hotels. He now cooks as little as possible. Aside from his family, Tyrone could not imagine life without music.

Acknowledgements

All book authors need good friends, patient colleagues, and great loves. Starting with the last first, many people have helped us in many ways over the various editions of the book; we would like especially to acknowledge our families, our colleagues, and the team at SAGE – Sarah Turpie and Kirsty Smy especially. We would also like to acknowledge the various universities that have supported our endeavours: the University of Technology, Sydney, where it all began; Universidade Nova School of Economics and Business, Lisbon; Newcastle University Business School, EM-Lyon; Copenhagen Business School; University of Edinburgh Business School; WU Vienna University of Economics and Business; University of Leeds; and University of Sydney.

Stewart, Martin, and Tyrone

Publisher's Acknowledgements

The publishers would like to extend their warmest thanks to the following individuals for their invaluable feedback on the Third Edition and comments on draft material for the Fourth Edition.

Christopher Sykes, University of Wollongong

Deborah Knowles, University of Westminster

Elina Meliou, University of Winchester

Faiza Ali, Liverpool John Moores University

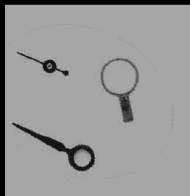
Jose Bento da Silva, University of Warwick

Leah Tomkins, Middlesex University London

Teresa Oultram, Keele University

HOW WILL HELP SUPPORT YOUR LEARNING

offers a range of learning resources in the text and online designed to help you understand key management concepts and how to apply these in practice to help you go further in your studies.



MANAGING INDIVIDUALS
SEEING BEING FEELING

LEARNING OBJECTIVES

This chapter is designed to enable you to:

- Develop an understanding of how psychology contributes to organisational behaviour
- Describe the process of perception and understand how it can affect performance
- Outline how values drive individual behaviour
- Outline a range of personality theories
- Explain how positive psychology can improve people's work/lives

BEFORE YOU GET STARTED

A few words from the great William James (1842-1902), American philosopher

The greatest discovery of my generation is that
man can alter their lives by altering their attitudes of mind.

INTRODUCTION

It is not an over-dramatization to say that those of us alive today live in an era of unparalleled uncertainty. In the last few years we have seen a number of natural disasters ranging from destructive floods and earthquakes to global financial meltdowns, increasing economic power trending towards the same time advances in technology, particularly in communications, are transforming the ways in which we not only do business but also relate and communicate within and between societies. As organizations face unparalleled levels of complexity and uncertainty that arise from such changes, they must become more agile and responsive, not only to survive but also to capitalize on the opportunities available to them during turbulent times. It is no secret that people – how they relate to one another, work together, share ideas – are at the very core of the ability of organizations to be responsive, adaptive, and successful. What we hope will be the chapters of this textbook is that the relational aspects of management, while often treated as 'the soft stuff', are probably going to be a part of your life as a manager. Indeed, most of the problems

Organizational behavior (OB) refers to the study of human behavior in organizational contexts. OB is an applied discipline that concerns itself with individual level, group level and organizational level processes and practices that inhibit or enable organizational performance.

OB field. The 25 years and a psychologist who influences the

EXTEND YOUR KNOWLEDGE

Rujivo, Nonaka, Robert Chia, Robin Holt and Vera Politskaya's (2014) 'Wisdom, Memory and Organization: Management Learning, 45-48-386-395, which is available at the <http://www.sagepub.com/handbook/organization>. Begins by outlining many spectacular and disastrous recent failures of wisdom, management and organizational behavior in the financial sector of recent times. They go on to outline a particular approach to wisdom derived from Aristotle, known as *phronesis*, before outlining the interesting case that constitutes the special issue. Some of these may well be interesting and we strongly recommend having a look at the special issue, guided by the introduction.

The case of Barings shows that we should not assume that a dominant culture is always the official one. In some organizations, such as various financial firms such as Enron and WorldCom, a dominant culture has been established as one of corruption. Although such cultures are often considered as illegitimate, deliberation suggests that formal tolerance can be established as the local norm.





...component and...
...might not be valued by society...
... (self-schemata) and social values (social...
... values are something people feel strongly about...
... become very upset when they feel their values are threatened...
... In essence, this is where the role of a manager is most...
... and sharing understanding about values, whether they are those...
... a customer, a superior, or other organizations. Understanding values...
... aligning organizational behavior and managing people.

WHAT WOULD YOU DO?

You run a small boutique advertising business in the IT industry, employing 15 people. After several secret meetings, you recently decided to take on a major company Robin & Batman Tobacco (RBT) as a client. This is a lucrative contract and feel a little uneasy that you will help sell cigarettes, you make the announcement morning to all staff thinking that they will be happy, given you have a profit share place. That afternoon, four of your employees come into your office and say that on RBT, they will have to leave the company. What would you do now, and what have done?

Schwartz (1992) identifies some values as "non-negotiable".
For instance, if you value life and freedom above all else and watch protesting about your country going to war, it is likely to be an amazing victory. At this time, your values are at the forefront of your thoughts but you do not hold them...

What would you do? features help you to develop your understanding of key concepts within each chapter. You are given mini cases and scenarios and asked 'what would you do?' in this situation. In the eBook, Stewart and Tyrone also provide an example of what they would do via accompanying videos.

Go further links to videos and online articles are scattered throughout the chapters, directly linking you to an array of websites, videos, news articles and journal articles to help broaden your understanding of each topic.

... of Engineers...
... why Barings management...
... lending more than £500 million...
... when it had only collected £31 million...
... a strong culture - one in which no one...
... what it might seem - which had disastrous...
... as one in which employees never asked...
... appear ignorant. The dominant unofficial culture...
... whatever may have been maintained officially.

EXTEND YOUR KNOWLEDGE

Rajne, Nonaka, Robert Chia, Robin Kilduff and Vesa Penttinen
Management Learning, 45 (4) 345-356
www.journals.sagepub.com/management/learning, http://
spectacular and disastrous recent failures of wisdom, manag...
financial sector of recent times. They go on to outline a parti...
derives from Aristotle, known as phronesis, before actual...
constitute the special issue. Some of these may well be m...
having a look at the special issue, guided by the introduc...

The case of Barings shows that we should not...
is always the official one. In some organizati...
or firms such as Enron and WorldCom, a di...
that was one of corruption. Although su...
their proliferation suggests that formal...
become established as the local na...

... point made by Mintzberg (1973)...
... minutes or so. One consequence is that man...
... intuitive judgments because managing means doing...
... pressure rather than having leisurely opportunities to con...
... Hence, an intuitive ability to understand the different elem...
... culture that they are working with is an essential prerequisite

IN PRACTICE

How should practical managers relate to organ and management research?

Managers, as we have seen from Mintzberg's research, are busy people - demands on their time and consequently limited attention spans. What they do with the wealth of knowledge that management researchers have produced is different authorities suggest different things. Donaldson (1992) would have maintained the findings of management science. He would want them to be dogmatic about management recipes, such as the excellence studies promoted. What managers do, what management science says they should do, are sometimes significantly different.

It is a convention of most management science that managers are rational. There is a great deal of anecdotal evidence suggesting that managers - even ones - are not necessarily as rational as they might seem to be. Our favorite is the most popular of US presidents, Ronald Reagan, a former actor. People of firm that he knew, such as Star Wars (Lucas, 1977-2002), whom he made of the world that he sought to manage. He wasn't a sociologist. Do not laugh for many decision-makers in the conditions of strategists or feng shui practitioners.

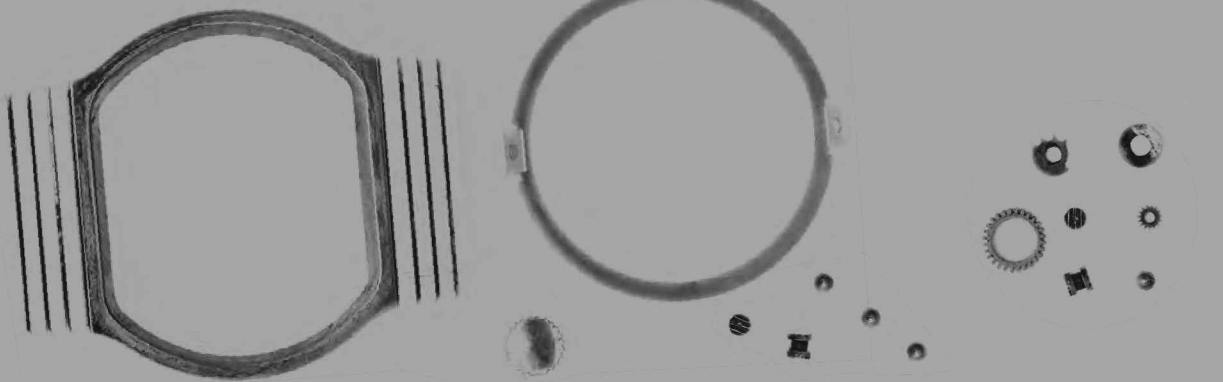
In practice features illustrate the relevance and significance of key concepts covered in the text with practical real-life examples.

Summaries review the main concepts and issues covered in the chapter so you can make sure that you are clear on what was covered, and why.

SUMMARY

In this chapter we have introduced some key ideas about... and its discussion in management and organization theory.

- The notion that we can make others do what we want to do, by persuading them to want to do it is one that has a long history, eventually became formalized as an integrative view of organization culture, spurred by the remarkable commercial success of Excellence (Peterson and Waterman, 1982).
- The 'strong-culture' perspective, even though it is the most common is not the only well-developed view of organization culture.
- Other views see strong cultures as the problem, not the solution. They think of them as dominant rather than empowering.
- More recently, ethnographers have suggested that it is not normal for some organizations to have neither a strong nor a dominant culture. On the contrary, culture may be characterized by fragmentation.
- Finally, postmodern theorists suggest that all representations of culture are characterized by such a complex intertextuality that they are better thought of as occasions for conversation, rather than as in any sense a definitive account of culture. These are the people who are familiar with the...



EXERCISES

1. Having read this chapter you should be able to say in your own words what the following key terms mean:
 - Culture
 - Levels of culture
 - Organization culture
 - Dimensions of
 - National culture
 - Subculture
 - Cultures'
 - Counterculture
 - consequences
2. What are the three levels of culture, and how do they operate?
3. What are the management arguments for a strong culture?
4. What is the difference between seeing a culture as a strength or a weakness?
5. What are the differences between integration, fragmentation accounts of culture?
6. What would postmodernists make of organizational culture? In what ways are contemporary management practices different from those of the past?

End of chapter exercises provide group and individual based exercises designed to deliver practical and reflective learning on key issues, concepts, and phenomena covered in each chapter.

Test yourself with multiple choice questions and flashcards of glossary terms available via the interactive eBook as well as the SAGE edge site.

TEST YOURSELF

Review what you have learned by visiting:
<https://edge.sagepub.com/managingandorganisations> or your
eBook. Try yourself with multiple choice questions.

CASE STUDY

SEC Enjoining organizational culture

In the 1980s 'culture' operated as a kind of 'spin sesame' concept in management. Subsequently it has been heavily criticised. Despite the critics, the concept continues to be widely used by managers and consultants. It signifies processes in organisations that other concepts do not capture so well. A project of 'it' was devised in year 2000 in collaboration with the Scandinavian engine company SEC.

Cultural merging

SEC was in a heavy growth period after mergers and acquisitions of a number of companies. Reasoning behind the mergers was to position the company for the complete solutions to large engineering projects, which were getting larger shares of the total project market. The challenges of creating and realising a new culture after mergers and acquisitions are all too familiar from the literature. Large mergers have globally spent well above \$5 trillion on mergers and acquisitions. SEC identified challenges with diverse personalities & had acquired...

Innovative case studies at the end of each chapter include questions designed for reflective learning and the reinforcement of key concepts.

Additional resources offer a selection of handpicked resources such as novels, texts, movies, music, and other forms of media that explain and expand upon chapter contents.

ADDITIONAL RESOURCES

1. There are some great movies on issues about work and culture. See Kevin Smith's (1994) *Clerks*, Colin Higgins' (1980) *Nine to Five*, Judge's (1990) *Office Space*, and the classic *On The Waterfront* (1954).
2. A classic HR movie is the John Ford classic, *How Green Was My Valley* (1941), which traces 50 years in the lives of a close-knit coal mining community. As the years pass, the Morgans try to survive a lengthy strike, and a mining accident, meanwhile, their beloved traditions slowly disintegrate.
3. There are also some fantastic situation comedies on TV, such as *The Office* and some all-time classic episodes concerning work in *The Simpsons*.
4. <http://www.hrsguide.net> is an excellent resource for practitioners of HRM. The site is full of the latest information in HRM, and provides some excellent links to a number of interesting sites.
5. To read an interesting article on the knowledge economy and work, visit <http://www.dallasgroup.com/>. For more information on the Commission on the Future of American Readers, the US...

HOW TO USE THE INTERACTIVE EBOOK

Interactive icons appear throughout the book to let you know when extra online resources are available. To access these just log-in to your interactive eBook and click on the icon, or visit <https://edge.sagepub.com/managingandorganizations4e> to access these resources via SAGE edge.



What would you do? videos of Stewart and Tyrone debating what they would do in the scenarios outlined in the text and providing useful pointers for your own decision making



Links to **journal articles** provide useful readings to help you delve deeper and support your assignments



Links to key organizations' **websites** and **online articles** help you to go further and expand your understanding



Watch **online videos** to get a better understanding of key concepts and provoke in-class discussion



Interactive quizzes at the end of every chapter help you to test your knowledge and prepare for your exams

LECTURER SUPPORT

provides insights into how to use the book in your own teaching, as well as how you might use the exercises and case studies found in the book;

for each chapter that you can use in class. These can be adapted and edited to suit your own teaching styles and needs;

offers a wide range of multiple choice, short- and long-answer assessment questions, complete with model answers;

improves the quality of the learning experience for students.

Praise for the Third Edition

'This is an exciting book. It covers the most important concepts in good currency. The coverage is based on the best and most relevant research. It connects with practical problems. It is written in language that is clear and accessible. It contains innovative exercises to help the readers expand their knowledge beyond simply reading this book.'

Chris Argyris, James B. Conant Professor Emeritus, Harvard University and Monitor Group

'This is truly the most exhaustive textbook on organization and management that ever existed. It conveys complex messages avoiding complicated style; it moves gracefully between the summaries of theories and examples from practice, between models to imitate and errors to be avoided, between micro and macro lenses applied to organizational phenomena. While obviously meant as a travel guide – a thorough and detailed manual for the beginners, it offers many unexpected insights and pearls of wisdom even for the most seasoned travelers interested in knowledge of and about management.'

Barbara Czarniawska, M.A., E.D., Professor of Management Studies, Göteborg University

'Managing and Organizations succeeds at being practical and honest in its treatment of working in and with organizations. It challenges students to build their competencies and insights step by step while deepening their awareness of opportunities for genuine achievement while working through workplace conflicts and politics.'

Denise M. Rousseau, H. J. Heinz II Professor of Organizational Behavior and Public Policy, Director, Project on Evidence-based Organizational Practices, Carnegie Mellon University

'A textbook on managing thinking and practice that takes the reader into "real life", within and outside organizations. It is conceived as a travel guide that allows to connect and make connections between what is already known and what may be discovered and enjoyed during the voyage. It is friendly and challenging, simple and complex at the same time. And, most important, it is faithful: it delivers what is promised in the first lines of its introduction.'

Silvia Gherardi, University of Trento, Italy

'Here it is, the second edition of one of the best and most intriguing introductions to the complex processes of managing in organizations to be written in the past decade ... It offers a perfect mix of practical information and well-thought-out and challenging theoretical insights, which will help the reader to reflect critically on the complex processes of managing and organizing.'

Hans Doorewaard, University of Nijmegen, The Netherlands

'The book is up-to-date yet historically grounded. It is easy to read yet richly textured. It maps the territory of organizational studies in clear and useful ways.'

Its lively format, excellent examples, and topical coverage make it a unique and highly relevant text for becoming a thoughtful practitioner of organizations.'

Jane Dutton, Robert L. Kahn, Distinguished University Professor of Business Administration and Psychology, University of Michigan

'The book is a true pleasure to read! It is an excellent "travel guide to the world of management", not only because of its wealth of detailed information and insight, but also because it makes you want to travel! Don't leave home without it! And if you don't go, read it at home!'

Kristian Kreiner, Professor, Copenhagen Business School, Department of Organization, and Director, Center for Management Studies of the Building Process, Realdania Research

'Managing and Organizations is a real adventure ... *it is a novel, innovative and unconventional textbook, which will not only inform but will also entertain* ... a real must in understanding the process of management and organizational behavior.'

Professor Sir Cary L. Cooper, CBE, Professor of Organizational Psychology and Health at Lancaster University Management School, and Editor in Chief of the *Blackwell Encyclopedia of Management*

'Critical and practical, scholarly and aesthetically enjoyable ... Students on Master courses and reflective practitioners will find insight, inspiration and encouragement to think differently about what has been seen as a pretty dry area. *What more could be expected of a learning and teaching resource?*'

Richard Weiskopf, Department of Organization and Learning, School of Management, Innsbruck University

'Most textbooks discuss *in vitro* organizations: bloodless, lifeless, distorted and inanimate, hence ready for study and dissection. This volume is different. Written as a "realist's guide to management", it pictures organizations as they are in the "real world": alive, paradoxical, emotional, insecure, self-confident, responsible, irresponsible. This book, in other words, contains life, the life of organizations. *To read this book is to live that life.*'

Miguel Pina e Cunha, Universidade Nova de Lisboa

'In an age where there is saturation of textbooks on Managing and Organizing, particularly due to their limited impact on management practice, this book provides a truly refreshing perspective.'

Elena Antonacopoulou, Professor of Organizational Behaviour, University of Liverpool Management School

'This book is both scholarly and fun. It may even give textbooks a good name! I thoroughly recommend it to all students and lecturers who want something more enjoyable, insightful and enduringly satisfying than McManagement takeaways or force-fed ivory tower correctness.'

Richard J. Badham, Professor of Management, Macquarie Graduate School of Management

Introduction

Welcome to the new world of management and organization theory! We will take you on a trip through some main roads, back streets, secret places, and exciting viewpoints, to explore management thinking and practice. But let us begin at the beginning ...

THE IDEA

The three of us all worked in the School of Management at the University of Technology, Sydney, where this book was conceived. Stewart is a Visiting Professor at Universidade Nova, Lisbon, in Portugal, in the Newcastle University Business School, UK, and at EM-Lyon in France. Martin is a professor at Copenhagen Business School and has visiting appointments at the Vienna University of Economics and Business and the Edinburgh University Business School. Tyrone is Professor of Management at the University of Leeds and Honorary Professor in the Business School at the University of Technology, Sydney and visiting Professor in the Department of Engineering and IT at the University of Sydney. In each of these places the ideas that form this book have been rehearsed and practised. We would like to thank all the students and colleagues at University of Technology, Sydney (UTS) and elsewhere for their insights and inspiration. Drawing on this global experience we believe we have written a book that can travel as readily as we do. We have written a textbook that introduces management as we conceive of it. It is a realist's guide to management, and this is what makes it so different from many other books. It is not a work of desiccated science fiction, creating an 'as if' world where technical dreams come true and the reality of life lived in organizations rarely intrudes. We tell it like it is, but we also suggest how to do it better; thus we offer a book that proposes a new approach to management and treats it in an open and refreshing way.

The book provides not only an account of theories, but also an introduction to their practice – one that we hope you will find enjoyable. To make it more so, we have used examples from everyday life and culture, such as football and skating, as well as discussions of management and organization theories. The book provides a resource for making connections, a book that will connect with you and will connect you to lots of other interesting ideas and people. It is meant to be serious but also fun. It is undoubtedly scholarly, but it is also accessible. It is a book to use. In short, we think that you will find this book challenging but also engaging.

THE GUIDE

The idea that structures the book is quite simple. Think of a travel guide. It provides you with all the necessary information you need to know to enjoy your trip. Of course, sometimes it is tricky to read, with lots of details and comparisons, maps, and tables. But it also gives you a flavour of the country you will visit, its lifestyle, culture, and attractions. To package this into a formula, what a guidebook does is provide you with necessary information, but it also fascinates, inspires, and motivates you to explore more and to see things from different perspectives. So we decided that we wanted to write a travel guide to the world of management, containing reliable maps of the terrain, highlighting some critical viewpoints, and

outlining ways forward, as well as exploring some of the nooks and crannies and byways while observing the main thoroughfares. We wanted to provide you with a resource book that helps you to navigate through this world and encourages you to explore not only new, exciting, and brilliant aspects, but also some dark sides as well. And it is a guide with great interconnectivity: being able to produce the book as both a conventional printed text and as an interactive eBook has given us far more opportunity to make the book an aid to extended learning.

HOW TO USE THE BOOK

We have divided the book into three parts, which we have envisaged rather as a photographer focusing a camera. First, we begin with the close-up focus, with issues related to managing the individual in the organization, matters that are close at hand to the individual, such as teams, groups, leading, coaching, mentoring, human resource management, and cultures at work. Then, in the second part of the book we open up the perspective a little wider, to take in more of the scene that surrounds individuals at work, by looking at the organizational practices that they are necessarily involved in when being organized. Here, the themes are broader, involving managing power and politics, conflict, communications, knowledge and learning, and highly contemporary and salient issues of corporate social responsibility, sustainability and ethics, as well as the constant issue of innovation and change. The third part of the book opens up the full landscape view. We look at how the historical landscape underlying present practices was formed, beginning with the long-standing search for the elixir of the one best way to manage, a search that never will and never can arrive at its destination. We pause for a while to focus on some of the most pervasive features in this landscape – the persistence of bureaucracy, despite its many critiques, and the widespread rationalization of this landscape by the simple systems of McDonaldization. Organizational design does not stop with bureaucracy and McDonaldization, of course, so we also consider some of the new organizational forms that have emerged subsequent to the development of these designs, right up to contemporary concerns with virtual organization. Increasingly, tomorrow's managers will have to manage in a global context, considering the impact of globalization and the issues that it raises, and will raise, for any successful contemporary manager. Increasingly, in the contemporary world, organizations cannot be treated as if they stand apart from the momentous forces shaping our everyday life as employees, consumers, and citizens, which have major implications for employment relations, the world of work, and its management.

