Stephen P. Robbins | Timothy A. Judge

ORGANIZATIONAL BEHAVIOR

18TH EDITION

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1   17

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Brief Contents

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Contents

2 The Individual

3 *Attitudes and Job Satisfaction* 74

4 *Emotions and Moods* 102

5   *Personality and Values* 140

6   *Perception and Individual Decision Making* 176

7   *Motivation Concepts* 214

3   The Group

11   *Communication* 354

12 *Leadership* 392

13 *Power and Politics* 434

14 *Conflict and Negotiation* 470

15 *Foundations of Organization Structure* 506

4 The Organization System

16 *Organizational Culture* 542

17   *Human Resources Policies and Practices*   580

18   *Organizational Change and Stress Management*   622

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Stephen P. Robbins is Professor Emeritus of Management at San Diego State University and the world's best-selling textbook author in the areas of both management and organizational behavior. His books are used at more than a thousand U.S. colleges and universities; have been translated into 19 languages; and have adapted editions for Canada, Australia, South Africa, and India. Dr. Robbins is also the author of the best-selling books *The Truth about Managing People*, 2nd ed. (Financial Times/Prentice Hall, 2008) and *Decide & Conquer* (Financial Times/Prentice Hall, 2004).

In his "other life," Dr. Robbins actively participates in masters' track competitions. Since turning 50 in 1993, he's won 18 national championships and 12 world titles, and set numerous U.S. and world age-group records at 60, 100, 200, and 400 meters. In 2005, Dr. Robbins was elected into the USA Masters' Track & Field Hall of Fame.

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Timothy A. Judge is currently the Joseph A. Alutto Chair in Leadership Effectiveness at the Department of Management and Human Resources, Fisher College of Business, The Ohio State University. He has held academic positions at the University of Notre Dame, University of Florida, University of Iowa, Cornell University, Charles University in the Czech Republic, Comenius University in Slovakia, and University of Illinois at Urbana-Champaign. Dr. Judge's primary research interests are in (1) personality, moods, and emotions; (2) job attitudes; (3) leadership and influence behaviors; and (4) careers (person–organization fit, career success). Dr. Judge has published more than 154 articles in these and other major topics in journals such as the *Academy of Management Journal* and the *Journal of Applied Psychology*. He is a fellow of several organizations, including the American Psychological Association and the Academy of Management. Among the many professional acknowledgments of his work, most recently Dr. Judge was awarded the Academy of Management Human Resources Division's Scholarly Achievement Award for 2014. Dr. Judge is a co-author of *Essentials of Organizational Behavior*, 14th ed., with Stephen P. Robbins, and *Staffing Organizations*, 8th ed., with Herbert G. Heneman III. He is married and has three children—a daughter who is a health care social worker, a daughter who is studying for a master's degree, and a son in middle school.

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Preface

The World's Most Successful Organizational Behavior Text Is Better Than Ever

This matrix identifies which features and end-of-chapter material will help you develop specific skills employers are looking for in job candidates.

Employability Skills Matrix (ESM)

	Myth or Science?	Career OBjectives	An Ethical Choice	Point/ Counterpoint	Experiential Exercise	Ethical Dilemma	Case Incident 1	Case Incident 2
Critical Thinking		✓	✓	✓	✓	✓	✓	✓
Communication	✓	✓			✓		✓	
Collaboration					✓		✓	
Knowledge Application and Analysis			✓	✓	✓	✓	✓	✓
Social Responsibility		✓	✓	✓	✓	✓	✓	✓

(Employability Skills Matrix for Chapter 2)

Employability

A new **Employability Skills Matrix** at the beginning of each chapter provides students with a visual guide to features that support the development of skills employers are looking for in today's business graduates, helping students to see from the start of class the relevance of the course to their career goals.

Develop Self-Awareness and an Awareness of Others

The authors have recommended a **Personal Inventory Assessment** for each chapter, which is assignable in MyLab Management. These assessments help develop professionalism and awareness of oneself and others, skills necessary for future career success.

Emotional Intelligence Assessment

INTRODUCTION / SURVEY / **RESULTS**

PAGES 1

Emotional Intelligence Score: 75

Emotional Intelligence	Score Range
High emotional intelligence	Above 62
Normal emotional intelligence	57-62
Low emotional intelligence	Below 57

Emotional intelligence is the ability to diagnose, understand, and manage emotional cues. Researchers have identified four key areas of this capability: emotional awareness, emotional control, emotional diagnosis, and emotional response. Each area can be developed and enhanced, but it takes an understanding of what they are to enhance your own capability. Emotional awareness refers to one's level of awareness of how emotions influence decisions and how others' decisions affect one's own emotions. Emotional control speaks to how well individuals are able to appropriately

Your Results

High emotional intelligence
Normal emotional intelligence
Low emotional intelligence

Privacy Statement   « See Your Answers   Retake

(Personal Inventory Assessment in MyLab Management for Chapter 4)

Applied Learning Opportunities Throughout

Multiple opportunities to apply course concepts are found throughout the text and in MyLab Management. Each chapter references MyLab Management exercises such as branching, scenario-based **Try It Mini Sims**, and **Watch It Videos** about real companies. Global examples embedded throughout show how culture and diversity have an impact on the application of OB concepts.

(Try It Mini Sim in MyLab Management for Chapter 7)
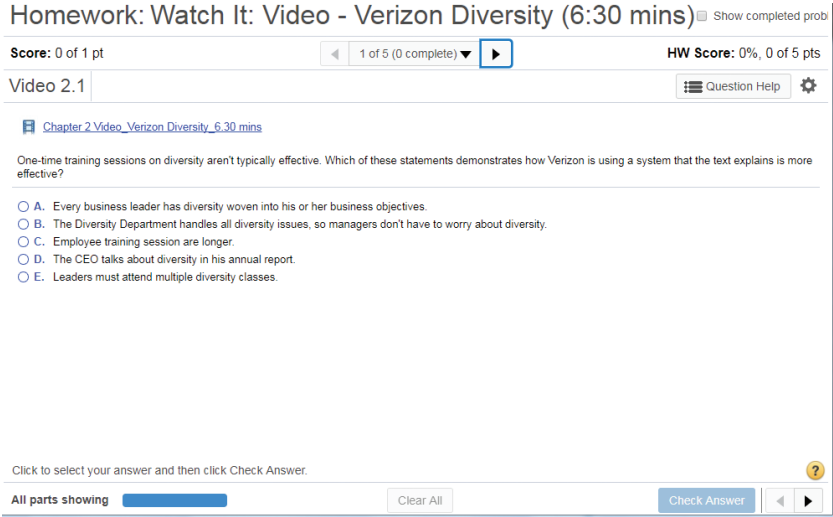
(Watch It Video in MyLab Management for Chapter 2)

Additional Application Practice in End-of-Chapter

Experiential Activities, **Ethical Dilemmas**, and **two Cases** are included at the end of each chapter**.** Also, **five Comprehensive Cases** at the end of the textbook provide more practice than any other text available.

ETHICAL DILEMMA BYOD

"What's your cell phone number? Good, I'll call you about the meeting." If you're like many people in the world who have used a smartphone for years, or one of the 1.3 billion people who bought one recently, chances are you've used it for work. In fact, your employer may have even invited— or asked—you to use your smartphone, tablet, or laptop in your job. Such is the bring-your-own-device (BYOD) trend, which started out of friendly convenience but now carries major ethical issues. For instance:

(Page 386)

EXPERIENTIAL EXERCISE Conveying Tone Through E-Mail

Pair off with someone you have not worked with before. In this exercise, you will pretend that you work for a small air-conditioning company. Occasionally one of your cowork-ers, Daniel, asks you to visit clients when they have an issue. Because this is not an official part of your job, you do this as a favor to Daniel and feel comfortable turning down his requests if you are unable to help him. When you're about to leave to go to lunch, you see the following e-mail.

the Phillips Park Animal Ke
just installed went out this
could go over there before
things over? A service tecl
there until three o'clock toc

Thanks!
Dan

(Page 385)

CASE INCIDENT 1 Warning: Collaboration Overload

"Regardless of what you're giving us, we're dying by e-mail," an executive told Jamie McLellan, a CTO at an advertis-ing agency. McLellan invested in many different collabo-ration tools with the goal of helping the employees work more efficiently. Many organizations have taken this same approach through open-plan offices, such as those in many knowledge-intensive companies like Facebook, which has a notorious 430,000-square-foot open office space. Among these tools, employees can use them to create internal

spent collabora
one's work) tra

Collaboratio
decision makin
number of co
ing communic
involved in d
requiring more
Although there

(Page 208)

Real and Relevant Examples

Every chapter is filled with examples to make OB more meaningful and help students recognize course concepts in action. **Profiles of real company leaders** throughout illustrate how course concepts have helped their success.

The transformational leadership of Netflix CEO Reed Hastings has helped the company grow from a small DVD rental service to an Internet streaming service with 93 million customers in more than 190 countries. Hastings encourages employees to take risks, empowers them to make decisions, and gives them the freedom and responsibility to create innovative ideas and products.
Source: Bernd Van Jutrczenka/DPA Picture Alliance/ Alamy Stock Photo

(Page 409)

Bernd Van Jutrczenka/DPA Picture Alliance/Alamy Stock Photo

OB POLL

Percentage of Men and Women Working

Men: -76.2% ... 64.4% ● 67.6% (2022 Projected)
Women: 40.8% ... 53.2% ● 56.0%
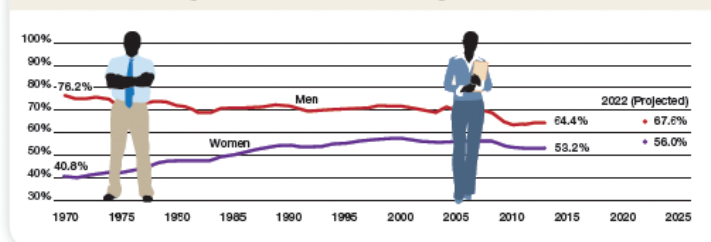
Sources: Based on U.S. Bureau of Labor Statistics, "Women in the Labor Force: A Databook," 2014, www.bls.gov/opub/reports/cps/women-in-the-labor-force-a-databook-2014.pdf; and U.S. Bureau of Labor Statistics, "Economic News Release," 2013, http://www.bls.gov/news.release/ecopro.t02.htm.

The **OB Poll** in each chapter highlights statistics that challenge common assumptions.

(Page 20)

The **Point/Counterpoint** feature presents opposing positions on hot topics in Organizational Behavior to help students learn to think critically.

Nonunion Positions and the Gig Economy Are Bad for Workers

POINT

What do Uber, Etsy, and Amazon Turk all have in common? All of these platforms are fuel for short-term freelance work, and a reflection of what economists have dubbed the gig economy. Fifty years ago, employers expected workers to stay with a company for 30 years. In exchange for their loyalty, employees were given more opportunities and a pension. Unlike the labor market of today, companies promoted from within. As this practice fell by the wayside, employers hired employees for shorter and shorter periods. Now, many new jobs are not long-term or even short-term positions: They're gigs. Employees work as independent contractors, using third-party platforms to connect to clients. Because these employees do not have a traditional employment contract, they have complete flexibility: They can work as much or

COUNTERPOINT

While the gig economy has its drawbacks, these platforms exist for a reason. Employers and employees alike are fed up with traditional employment. Yes, some people who work through freelance apps use it as a primary source of income. But there are just as many, if not more, who just want a flexible second job to get a little extra cash. If these positions were like the services they are replacing (e.g., cab companies), then gig employees would have to agree to specific policies regarding sick days and work a set schedule.

I'm also skeptical of this idea that freelancers are replacing traditional employment. Yes, some city-level data shows that gig-based jobs increased while payroll jobs decreased. But there are also more data from 2010 to 2014 that suggest that contractor and payroll jobs have increased in most sectors that support freelance platforms. For

(Page 498)

Career OBjectives

Is it wrong that I'd rather have guys on my team?

Please don't call me sexist; women are great colleagues and equally effective managers, but I'd rather have men on my team. It's more relaxing for me, and for the other guys I think, because we naturally understand each other and can talk freely. The teams with all men that I've been in have all been very productive.

—Jorge

Dear Jorge,
With all the talk currently focused on gender diversity in organizations, your

of team diversity's potential for higher morale, trust, and satisfaction. Notice that these are *values* as opposed to the reported *reality* from the paragraph above. Ellison concluded that there is a "mismatch between the kind of workplace people think they would like and the actual workplace that would make them happier."

Don't think this is your ticket to male-only teams, though. Happiness aside, this study found that diverse teams realized significantly greater rev-

You would be better off putting your efforts into creating an egalitarian atmosphere and choosing your teammates based on what they can contribute to your team.

Sources: Based on C. Diaz-Garcia, A. Gonzalez-Moreno, and F. Jose Saez-Martinez, "Gender Diversity within R&D Teams: Its Impact on Radicalness of Innovation," *Innovation-Management Policy & Practice* 15, no. 2 (2013): 149–60; S. Hoogedoorn, H. Oosterbeek, and M. van Praag, "The Impact of Gender Diversity on the Performance of Business Teams: Evidence from a Field Experiment," *Manage-*

The recently added **Career OBjectives** provide advice, in question-and-answer format, to help students think through how OB concepts can help them address issues they may face in today's workforce.

(Page 337)

Key Changes to the Eighteenth Edition

- *NEW* Employability matrix at the beginning of every chapter provides students with a visual guide to features that support the development of skills employers are looking for in today's business graduates, helping students to see from the start of class the relevance of the course to their career goals.
- *NEW* Application and Employability section in every chapter summarizes the relevance of each chapter for students' employability, the skills learned from chapter features, and the skills to be learned in the end-of-chapter material.
- *NEW* Personal Inventory Assessments (PIAs) in Chapter 5, "Personality and Values," and Chapter 8, "Motivation: From Concepts to Applications," reflect the most empirically sound Organizational Behavior research.
- *NEW* "Try It" single-chapter and multichapter mini simulations give students a chance to apply what they've learned about organizational behavior to real-world situations.
- *NEW AND UPDATED Opening Vignettes* in every chapter bring current business trends and events to the forefront.
- *NEW AND UPDATED* content in every chapter reflects the most current developments in OB research. This new content includes the following topics:
  - Expatriate Readjustment
  - Deviance and Counterproductive Work Behaviors
  - Customer Satisfaction
  - Emotional Labor
  - Mindfulness
  - Unemployment/Job Search
  - Behavioral Ethics
  - Deonance Theory
  - Third-Party Observations of Injustice
  - Job Enrichment
  - Voice
  - Abusive Supervision
  - Executive Board Composition
  - Espoused and Enacted Climates
  - High-Performance Work Systems
  - Human Capital Resources
  - Sleep Deprivation
  - Recovery Experiences
  - Job Demands
- *NEW* photos and captions in over 75 percent of chapters link the chapter content to contemporary, real-life worldwide situations to enhance students' understanding of hands-on application of concepts.
- *NEW* Point/Counterpoint features reflect ongoing tensions between perspectives in OB, focusing students' attention on new topics in 5 of 18 chapters.
- The following end-of-chapter material is either completely new or substantially revised and updated for each chapter (along with assisted-graded writing questions), bringing the most contemporary thinking to the attention of students:
  - *Experiential Exercise* (9 of 18 total)
  - *Ethical Dilemma* (9 of 18 total)
  - *Case Incidents* (18 of 36 total)
- Updated References throughout every chapter.

Chapter-by-Chapter Changes

Chapter 1: What Is Organizational Behavior?

- Revised *Learning Objectives*
- New *Opening Vignette* (Road Warriors)
- New research in The Importance of Interpersonal Skills and Big Data
- New major section: Employability Skills

Chapter 2: Diversity in Organizations

- New *Opening Vignette* ("Foodtrepreneurs" Unite!)
- New section on Expatriate Adjustment
- Revised/updated sections: Demographic Characteristics, Tenure, Sexual Orientation and Gender Identity, and Ability
- New research in Stereotype Threat; Discrimination in the Workplace; Age, Sex, Race, and Ethnicity; Hidden Disabilities; Religion; Sexual Orientation and Gender Identity; and Intellectual Abilities
- Updated *OB Poll* (Gender Pay Gap: Narrowing but Still There)
- Updated *An Ethical Choice* (Affirmative Action for Unemployed Veterans)
- New *Ethical Dilemma* (Voiding the "License to Discriminate")
- New *Case Incident 1* (Can Organizations Train Diversity?)
- New *Try It Mini Simulation* (Human Resources)

Chapter 3: Attitudes and Job Satisfaction

- New *Opening Vignette* (The Benefaction of Baristas)
- Revised/updated sections: Attitudes, Organizational Commitment, Perceived Organizational Support, Employee Engagement, and Organizational Citizenship Behavior (OCB)
- New research in Job Satisfaction and Involvement, Employee Engagement, Personality, Customer Satisfaction, and Counterproductive Work Behavior (CWB)
- New international research in Attitudes, Job Conditions, and Corporate Social Responsibility (CSR)
- Updated *Exhibit 3-2* (Worst Jobs of 2016 for Job Satisfaction)
- New *Try It Mini Simulation* (Attitudes and Job Satisfaction)
- New *Experiential Exercise* (Job Attitudes Situational Interview)
- New *Case Incident 1* (Self-Service Kiosks: From People to Robots)

Chapter 4: Emotions and Moods

- New *Opening Vignette* (Objections Sustained)
- Revised/updated sections: What Are Emotions and Moods?, The Basic Emotions, Moral Emotions, Do Emotions Make Us Ethical?, and Emotion Regulation Techniques
- New research in The Function of Emotions, Do Emotions Make Us Ethical?, Stress, Age, Sex, Emotional Labor, Affective Events Theory, Emotional Intelligence, and Emotion Regulation Techniques
- New international research in The Basic Emotions, Experiencing Moods and Emotions, Emotional Labor, Emotional Intelligence, and Emotion Regulation Techniques
- Updated *OB Poll* (Emotional States)
- New *Try It Mini Simulation* (Emotions and Moods)
- Updated *Experiential Exercise* (Mindfulness at Work)
- New *Case Incident 1* (Managers Have Feelings, Too!)
- New *Case Incident 2* (When the Going Gets Boring)

Chapter 5: Personality and Values

- Revised *Learning Objectives*
- New *Opening Vignette* (Leading the "Quiet Revolution")
- New major section on Personality, Job Search, and Unemployment
- Revised/updated section: The Big Five Personality Model
- New research in Conscientiousness at Work, Emotional Stability at Work, Extraversion at Work, Openness at Work, Agreeableness at Work, and Proactive Personality

- New Feature! *Personal Inventory Assessment* (Core Five Personality Dimensions)
- Updated *Myth or Science?* (We Can Accurately Judge Individuals' Personalities a Few Seconds after Meeting Them)
- Revised *Summary*
- Revised *Questions for Review*
- New *Ethical Dilemma* (From Personality to Values to Political Ideology in Hiring)
- New *Case Incident 2* (The Clash of the Traits)

Chapter 6: Perception and Individual Decision Making

- New *Opening Vignette* ("Unethical" Decisions in "Ethical" Organizations)
- Revised section on Halo and Horns Effects
- Revised/updated sections: Context, Attribution Theory, Selective Perception, Confirmation Bias, and Three Ethical Decision Criteria
- New research in Context, Bounded Rationality, Intuition, Escalation of Commitment, Risk Aversion, Personality, Gender, and Three Ethical Decision Criteria
- New international research in Contrast Effects
- New *Try It Mini Simulation* (Perception and Individual Decision Making)
- New *Point/Counterpoint* (Implicit Assessment)
- New *Experiential Exercise* (Mafia)
- New *Case Incident 1* (Warning: Collaboration Overload)
- New *Case Incident 2* (Feeling Bored Again)

Chapter 7: Motivation Concepts

- Revised *Learning Objectives*
- New *Opening Vignette* (When Goals Go out of Control)
- New sections on Equity Theory/Organizational Justice and Others' Reactions to Injustice
- Revised/updated sections: Hierarchy of Needs Theory, Two-Factor Theory, McClelland's Theory of Needs, Other Contemporary Theories of Motivation, and Expectancy Theory
- New research in McClelland's Theory of Needs, Self-Determination Theory, Goal-Setting Theory, Goal Commitment, Task Characteristics, Implementing Goal Setting, Equity Theory/Organizational Justice, and Job Engagement
- New international research in McClelland's Theory of Needs, Self-Determination Theory, and Equity Theory/Organizational Justice
- Revised *Summary*
- Revised *Implications for Managers*
- Revised *Questions for Review*
- New *Ethical Dilemma* (Follies of Reward)
- New *Case Incident 2* (Laziness Is Contagious)
- New *Try It Mini Simulation* (Motivation)

Chapter 8: Motivation: From Concepts to Applications

- New *Opening Vignette* (Employees Trading Places)
- New Section on Job Enrichment
- Revised/updated sections: Relational Job Design, Flextime, Job Sharing, Telecommuting, and How to Pay: Rewarding Individual Employees through Variable-Pay Programs
- New research in The Job Characteristics Model, Flextime, Telecommuting, Participative Management, Using Rewards to Motivate Employees, How

to Pay: Rewarding Individual Employees through Variable-Pay Programs, Bonus, and Employee Stock Ownership Plan
- New international research in The Job Characteristics Model, Flextime, How to Pay: Rewarding Individual Employees through Variable-Pay Programs, and Flexible Benefits: Developing a Benefits Package
- New Feature! *Personal Inventory Assessment* (Diagnosing Poor Performance and Enhancing Motivation)
- Updated *OB Poll* (Who Works from Home?)
- Updated *An Ethical Choice* (Sweatshops and Worker Safety)
- New *Try It Mini Simulation* (Motivation: From Concepts to Applications)
- New *Experiential Exercise* (Developing an Organizational Development and Compensation Plan for Automotive Sales Consultants)
- New *Ethical Dilemma* (You Want Me to Do *What?*)
- New *Case Incident 1* (We Talk, But They Don't Listen)

Chapter 9: Foundations of Group Behavior
- New *Opening Vignette* (A Tale of Two Cops)
- New research in Social Identity, Group Development, Role Expectations, Negative Norms and Group Outcomes, Status and Stigmatization, and Group Property 6: Diversity
- New international research in Group Property 4: Size and Dynamics and Group Property 6: Diversity
- New *Try It Mini Simulation* (Group Behavior)
- New *Point/Counterpoint* (Diverse Work Groups Are Smarter and More Innovative)
- New *Ethical Dilemma* (Is it Okay to Violate a Psychological Contract?)

Chapter 10: Understanding Work Teams
- New *Opening Vignette* (A Solution to Growing Pains)
- Revised/updated section: Diversity of Members
- New research in Multiteam Systems, Adequate Resources, Leadership and Structure, Team Composition, Common Plan and Purpose, Team Identity, Team Cohesion, Conflict Levels, and Training: Creating Team Players
- New international research in Conflict Levels
- New *Try It Multi-Chapter Mini Simulation* (Innovation and Teams)
- New *Try It Mini Simulation* (Virtual Teams)
- New *Try It Mini Simulation* (Teams)
- New *Experiential Exercise* (Should You Use Self-Managed Teams?)
- New *Ethical Dilemma* (Is It Worth Hiring a Star Instead of a Team Player?)
- New *Case Incident 1* (Trusting Someone You Can't See)

Chapter 11: Communication
- New *Opening Vignette* (The Oakhurst Comma)
- Revised/updated section: Social Media Websites
- New research in Upward Communication, The Grapevine, Meetings, E-Mail, Information Overload, Language, and Silence
- New international research in Cultural Barriers
- New *Try It Multi-Chapter Mini Simulation* (Diversity)
- New *Try It Mini Simulation* (Communication)
- New *Experiential Exercise* (Conveying Tone through E-Mail)
- New *Case Incident 1* (Do Men and Women Speak the Same Language?)
- New *Case Incident 2* (Trying to Cut the Grapevine)

Chapter 12: Leadership

- New *Opening Vignette* (From "Wacky" Vision to Total Hotel Industry Disruption)
- New section on Abusive Supervision
- Revised/updated sections: Trait Theories, Behavioral Theories, Leader-Member Exchange (LMX) Theory, How Charismatic Leaders Influence Followers, How Transformational Leadership Works, Evaluation of Transformational Leadership, Responsible Leadership, Authentic Leadership, and Ethical Leadership
- New research in Trait Theories, Leader-Member Exchange (LMX) Theory, What Is Charismatic Leadership?, Are Charismatic Leaders Born or Made?, How Charismatic Leaders Influence Followers, Does Effective Charismatic Leadership Depend on the Situation?, Transactional and Transformational Leadership, How Transformational Leadership Works, Evaluation of Transformational Leadership, Transformational versus Transactional Leadership, Authentic Leadership, Ethical Leadership, Servant Leadership, The Role of Time, and Training Leaders
- New international research in Leader-Member Exchange (LMX) Theory, Are Charismatic Leaders Born or Made?, How Transformational Leadership Works, Evaluation of Transformational Leadership, Authentic Leadership, Ethical Leadership, and Servant Leadership
- New *Try It Multi-Chapter Mini Simulation* (Leadership and Teams)
- New *Try It Mini Simulation* (Leadership)
- Revised *Implications for Managers*
- New *Experiential Exercise* (What's in a Leader?)
- New *Ethical Dilemma* (Should I Stay or Should I Go?)
- New *Case Incident 1* (Sharing Is Performing)

Chapter 13: Power and Politics

- New *Opening Vignette* (A Tale of Presidential Corruption)
- New research in Coercive Power, Social Network Analysis: A Tool for Assessing Resources, Applying Power Tactics, and Interviews and IM
- New international research in Performance Evaluations and IM
- New *Try It Mini Simulation* (Power and Politics)
- New *Ethical Dilemma* (Sexual Harassment and Office Romances)
- New *Case Incident 1* (Should Women Have More Power?)
- New *Case Incident 2* (Where Flattery Will Get You)

Chapter 14: Conflict and Negotiation

- New *Opening Vignette* (Bargaining Chips)
- Revised/updated section: Stage III: Intentions and Managing Functional Conflict
- New research in Types of Conflict, Stage IV: Behavior, Integrative Bargaining, Personality Traits in Negotiations, Moods and Emotions in Negotiations, and Gender Differences in Negotiations
- New international research in Loci of Conflict and Culture in Negotiations
- New *Exhibit 14-7* (Integration of Two Bargaining Strategies within One Negotiation Episode)
- New *Point/Counterpoint* (Nonunion Positions and the "Gig Economy" Are Bad for Workers)
- New *Ethical Dilemma* (The Case of the Overly Assertive Employee)

Chapter 15: Foundations of Organization Structure

- Revised *Learning Objectives*
- New *Opening Vignette* (Flattened Too Thinly?)

- Revised/updated sections: Departmentalization, The Simple Structure, The Virtual Structure, and The Leaner Organization: Downsizing
- New research in Work Specialization, Centralization, Boundary Spanning, The Bureaucracy, The Divisional Structure, The Virtual Structure, The Leaner Organization: Downsizing, Technology, and Organizational Designs and Employee Behavior
- New international research in Boundary Spanning
- New *Point/Counterpoint* (Open-Air Offices Inspire Creativity and Enhance Productivity)
- Revised *Questions for Review*
- New *Case Incident 2* (Turbulence on United Airlines)
- New *Try It Mini Simulation* (Organizational Structure)

Chapter 16: Organizational Culture

- New *Opening Vignette* (The Chevron Way)
- Updated/revised sections: A Definition of Organizational Culture, Culture Creates Climate, Barriers to Acquisitions and Mergers, and Top Management
- New research in A Definition of Organizational Culture, Do Organizations Have Uniform Cultures?, Strong versus Weak Cultures, The Functions of Culture, Culture Creates Climate, The Ethical Dimension of Culture, Culture As an Asset, Barriers to Diversity, Toxicity and Dysfunctions, Symbols, and Developing an Ethical Culture
- New international research in Culture Creates Climate, Culture and Innovation, and Barriers to Acquisitions and Mergers
- Updated *Myth or Science?* (An Organization's Culture Is Forever)
- Updated *An Ethical Choice* (A Culture of Compassion)
- New *Point/Counterpoint* (Organizational Culture Can Be "Measured")
- New *Experiential Exercise* (Culture Architects)
- Updated *Case Incident 1* (The Place Makes the People)
- New *Try It Mini Simulation* (Organizational Culture)

Chapter 17: Human Resources Policies and Practices

- New *Opening Vignette* (An Unusual Perk)
- Updated/revised sections: Types of Training, Improving Performance Evaluations, and The Leadership Role of HR
- New research in Recruitment Practices, Selection Practices, Application Forms, Background Checks, Assessment Centers, Interviews, Interpersonal Skills, Evaluating Effectiveness, and The Leadership Role of HR
- New international research in Who Should Do the Evaluating?
- Updated *An Ethical Choice* (HIV/AIDS and the Multinational Organization)
- New *Experiential Exercise* (Designing a Virtual Assessment Center Exercise)
- New *Ethical Dilemma* (Can I Recruit from My Social Network?)

Chapter 18: Organizational Change and Stress Management

- New *Opening Vignette* (The Bigs: Navigating the Job Market and Building a Career)
- Revised/updated sections: Change, Forces for Change, Process Consultation, Stimulating a Culture of Innovation, Stressors, and Physiological Symptoms
- New research in Implementing Changes Fairly; Selecting People Who Accept Change; Sources of Innovation; Context and Innovation; Stressors; Personal Factors; Perception; Physiological Symptoms; Managing Stress; Individual Approaches; Selection and Placement, and Training; Goal Setting; Redesigning Jobs; Employee Sabbaticals; and Wellness Programs

- New international research in Implementing Changes Fairly, Demands and Resources, Cultural Differences, Physiological Symptoms, and Psychological Symptoms
- New *Try It Multi-Chapter Mini Simulation* (Change)
- New *Experiential Exercise* (Learning from Work)
- New *Case Incident 2* (Lonely Employees)

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Acknowledgments

1

What Is Organizational Behavior?

Source: Jason Redmond/Reuters/Alamy Stock Photo

LEARNING OBJECTIVES

After studying this chapter, you should be able to:

1-1 Demonstrate the importance of interpersonal skills in the workplace.

1-2 Define *organizational behavior* (*OB*).

1-3 Show the value of OB to systematic study.

1-4 Identify the major behavioral science disciplines that contribute to OB.

1-5 Demonstrate why few absolutes apply to OB.

1-6 Identify managers' challenges and opportunities in applying OB concepts.

1-7 Compare the three levels of analysis in this text's OB model.

1-8 Describe the key employability skills gained from studying OB that are applicable to other majors or future careers.

> **MyLab Management** Chapter Warm Up
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ROAD WARRIORS

Logan Green was very frustrated with how difficult it was to get around Southern California. Deciding to leave his car at home while heading off to college, he relied on a mix of public transportation and rideshares arranged through Craigslist and often found himself waiting long periods for rides and occasionally stranded. After years of being vexed by these problems, inspiration struck during a postgraduation trip to Zimbabwe: "There was this crowdsourced transportation network where anyone could be a driver and they could set their own routes." It was perplexing to Logan how a country like Zimbabwe with very little resources could have a better transportation network than Southern California. Drawing from this experience, Logan created Zimride, a platform from which people can find and manage carpools.

Later, Zimride caught the attention of John Zimmer, a Cornell graduate who was living in New York City and working as an analyst at Lehman Brothers. After completing Lehman's two-year analyst program, John "did not feel a connection" to what he was doing, and decided to leave Lehman in order to pursue a partnership in Zimride, much to the dismay of his colleagues on Wall Street. Since his formative years at Cornell, John was captivated by the idea of sustainable transportation, a concept that he was introduced to during his coursework. The problem to John was that current transportation systems are not sustainable: "Seventy percent of car seats are unused. Seventy percent of our highway infrastructure is inefficient."

Together, John and Logan envisioned a transportation revolution: They wanted to completely change the way people get from one place to another. Under the banner of their shared vision, the two started Lyft, an app-based ridesharing platform that operates in hundreds of U.S. cities and is valued today at $5.5 billion, more than double its 2015 valuation. John and Logan are very different from one another—Logan, an introvert, came from an alternative background, with his parents sending him to a high school in which students took class trips to sweat lodges for self-discovery. John, on the other hand, is very extroverted and assertive, and was raised in a middle-class suburb in Connecticut. Despite their personality differences, they worked extremely well together to foster the exponential growth of Zimride and Lyft.

In spite of the lightning fast growth rate of Lyft, John and Logan have not forgotten the drivers and employees that are the foundation of Lyft: They strive to foster a culture and climate of employee appreciation and recognition. As Logan notes, "The more employees a company has, the less likely anyone gets noticed. And when employees don't feel individually responsible for the company's success, things slow down." To help employees feel appreciated, Lyft makes sure to celebrate both employee and work-group accomplishments, giving awards that are customized to each group. Lyft also makes sure that drivers feel welcome, too, recognizing them in newsletters and blogs, and flying them to headquarters to get their feedback and input.

John and Logan also wanted to emphasize that the Lyft experience is all about community, fun, and positivity. They decided that a pink mustache, or a so-called carstache, was the way to go. A customer looking up toward an approaching Lyft car may see an (often glowing) pink mustache attached to the front of the car, and the Lyft driver will also often fist-bump the passenger when he or she gets in, emphasizing how customers should feel relaxed and happy about their ride experience.

Although Lyft grew quickly, employees at Zimride were left uncertain about the future and wondering if they would get a chance to contribute to Lyft. Zimride had over 150 paying clients, and John and Logan had to approach the situation delicately. They made the decision to restructure, and they re-employed 90 percent of its employees to work at Lyft. Eventually, however, they sold Zimride to Enterprise's vanpooling business. To this day, Lyft has been a strong player in the new ridesharing industry and has faced its share of challenges, setbacks, and successes.

Sources: Based on L. Buchanan, "Lyft's CEO on Creating a Great Company Culture," *Inc.*, June 2015, http://www.inc.com/magazine/201506/leigh-buchanan/logan-green-on-employee-recognition.html; D. L. Cohen, "Former Lehman's Banker Drives Startup Zimride," Reuters, September 15, 2010, http://www.reuters.com/article/us-column-cohen-zimride-idUSTRE68E3KN20100915; K. Kokalitcheva, "Lyft Raises $1 Billion, Adds GM as Investor and Partner for Driverless Cars," *Fortune*, January 4, 2016, http://fortune.com/2016/01/04/lyft-funding-gm/; R. Lawler, "Lyft-Off: Zimride's Long Road to Overnight Success," TechCrunch, August 29, 2014, https://techcrunch.com/2014/08/29/6000-words-about-a-pink-mustache/.

The details of Logan and John's experiences with Lyft reflect the increasing complexity, and speed, of organizational life. They also highlight several issues of interest to those of us seeking to understand organizational behavior, including motivation, justice, ethics, turnover, emotions, personality, and culture. Throughout this text, you'll learn how organizational challenges often cut across areas like these, which is exactly why the systematic approach pursued in this text and in your course is important.

The Importance of Interpersonal Skills

1-1 Demonstrate the importance of interpersonal skills in the workplace.

Until the late 1980s, business school curricula emphasized the technical aspects of management, focusing on economics, accounting, finance, and quantitative techniques. Coursework in human behavior and people skills received relatively less attention. Since then, however, business schools have realized the significant role that interpersonal skills play in determining a manager's effectiveness. In fact, a survey of over 2,100 CFOs across 20 industries indicated that a lack of interpersonal skills is the top reason why some employees fail to advance.[1]

Incorporating OB principles into the workplace can yield many important organizational outcomes. For one, companies known as good places to work—such as Adobe, LinkedIn, Fast Enterprises, World Wide Technology, Bain & Company, Google, the Boston Consulting Group, and Facebook[2]—have been found to generate superior financial performance.[3] Second, developing managers' interpersonal skills helps organizations attract and keep high-performing employees, which is important because outstanding employees are always in short supply and costly to replace. Third, strong associations exist between the quality of workplace relationships and employee job satisfaction, stress, and turnover. One very large study of hundreds of workplaces and more than 200,000 respondents showed that social relationships among coworkers and supervisors were strongly related to overall job satisfaction. Positive social relationships were also associated with lower stress at work and lower intentions to quit.[4] Additional research suggests that positive work relationships help employees to flourish, leading to improvements in job and life satisfaction, positive emotions at work, and perceptions that one's work has meaning.[5] Fourth, increasing the OB element in organizations can foster social responsibility awareness. Accordingly, universities have begun to incorporate social entrepreneurship education into their curriculum in order to train future leaders in addressing social issues within their organizations.[6] This is especially important because there is a growing need for understanding the means and outcomes of corporate social responsibility (CSR).[7]

IBM Chief Executive Virginia Rometty has the interpersonal skills required to succeed in management. Communication and leadership skills distinguish managers such as Rometty, who is shown here at a panel discussion in Washington, D.C. Rometty is an innovative leader capable of driving IBM's entrepreneurial culture, and her skills have helped her rise to the top of her profession.
Source: Jonathan Ernst/Reuters/Alamy Stock Photo

We understand that in today's competitive and demanding workplace, managers can't succeed on their technical skills alone. They also have to exhibit good people skills. This text has been written to help both managers and potential managers develop people skills and to acquire the knowledge that understanding human behavior provides.

Management and *Organizational Behavior*

manager   An individual who achieves goals through other people.

organization   A consciously coordinated social unit, composed of two or more people, that functions on a relatively continuous basis to achieve a common goal or set of goals.

Let's begin by briefly defining the terms *manager* and *organization*. First, the most notable characteristic of **managers** is that they get things done through other people. They make decisions, allocate resources, and direct the activities of others to attain goals. Managers are sometimes called *administrators*, especially in nonprofit organizations. They do their work in an **organization**, which is a consciously coordinated social unit composed of two or more people, that functions on a relatively continuous basis to achieve a common goal or set of goals. By this definition, manufacturing and service firms are organizations, and so are schools; hospitals; churches; military units; nonprofits; police departments; and local, state, and federal government agencies.

More than ever, new hires and other employees are placed into management positions without sufficient management training or informed experience. According to a large-scale survey, more than 58 percent of managers reported that they had not received any training, and 25 percent admitted that they were not ready to lead others when they were given the role.[8] Added to that challenge, the demands of the job have increased: The average manager has seven direct reports (five was once the norm), and less time than before to spend directly supervising them.[9] Considering that a Gallup poll found organizations chose the wrong candidate for management positions 82 percent of the time,[10] we conclude that the more you can learn about people and how to manage them, the better prepared you will be to be the right management candidate. OB will help you get there. Let's start by identifying a manager's primary activities.

planning   A process that includes defining goals, establishing strategy, and developing plans to coordinate activities.

organizing   Determining what tasks are to be done, who is to do them, how the tasks are to be grouped, who reports to whom, and where decisions are to be made.

leading   A function that includes motivating employees, directing others, selecting the most effective communication channels, and resolving conflicts.

controlling   Monitoring activities to ensure that they are being accomplished as planned and correcting any significant deviations.

The work of managers can be categorized into four different activities: **planning**, **organizing**, **leading**, and **controlling**. The *planning* function encompasses defining an organization's goals, establishing an overall strategy for achieving those goals, and developing a comprehensive set of plans to integrate and coordinate activities. Evidence indicates the need for planning increases the most as managers move from lower-level to midlevel management.[11]

When managers engage in designing their work unit's structure, they are *organizing*. The organizing function includes determining what tasks are to be done, who is to do them, how the tasks are to be grouped, who reports to whom, and where decisions are to be made.

Every organization contains people, and it is management's job to direct and coordinate those people, which is the *leading* function. When managers motivate employees, direct their activities, select the most effective communication channels, or resolve conflicts, they're engaging in leading.

To ensure that the activities are going as they should, management must monitor the organization's performance and compare it with previously set goals. If there are any significant deviations, it is management's job to get the organization back on track. This monitoring, comparing, and potential correcting is the *controlling* function.

Management Roles

Henry Mintzberg, now a prominent management scholar, undertook a careful study of executives early in his career to determine what they did on their jobs. On the basis of his observations, Mintzberg concluded that managers perform 10 different, highly interrelated roles or sets of behaviors, thus serving a critical function in organizations.[12] As shown in Exhibit 1-1, these 10 roles are primarily (1) interpersonal, (2) informational, or (3) decisional. Although much has changed in the world of work since Mintzberg developed this model, research indicates the roles have changed very little.[13]

Interpersonal Roles   All managers are required to perform duties that are ceremonial and symbolic in nature. For instance, when the president of a college hands out diplomas at commencement or a factory supervisor gives a group of high school students a tour of the plant, they are acting in a *figurehead* role. Another key interpersonal role all managers have is a *leadership* role. This role includes hiring, training, motivating, and disciplining employees. The third role within the interpersonal grouping is the *liaison* role, or contacting and fostering relationships with others who provide valuable information. The sales manager who obtains information from the quality-control manager in his own company has an internal liaison relationship. When that sales manager has contact with other sales executives through a marketing trade association, he has external liaison relationships.

Exhibit 1-1	**Minztberg's Managerial Roles**
Role	**Description**
Interpersonal	
Figurehead	Symbolic head; required to perform a number of routine duties of a legal or social nature
Leader	Responsible for the motivation and direction of employees
Liaison	Maintains a network of outside contacts who provide favors and information
Informational	
Monitor	Receives a wide variety of information; serves as nerve center of internal and external information of the organization
Disseminator	Transmits information received from outsiders or from other employees to members of the organization
Spokesperson	Transmits information to outsiders on organization's plans, policies, actions, and results; serves as expert on organization's industry
Decisional	
Entrepreneur	Searches organization and its environment for opportunities and initiates projects to bring about change
Disturbance handler	Responsible for corrective action when organization faces important, unexpected disturbances
Resource allocator	Makes or approves significant organizational decisions
Negotiator	Responsible for representing the organization at major negotiations

Source: H. Mintzberg, *The Nature of Managerial Work*, 1st ed., © 1973, pp. 92–93. Reprinted and electronically reproduced by permission of Pearson Education, Inc., New York, NY.

Informational Roles   To some degree, all managers collect information from outside organizations and institutions, typically by scanning the news media and talking with other people to learn of changes in the public's tastes and what competitors may be planning. Mintzberg called this the *monitor* role. Managers also act as a conduit to transmit information to organizational members. This is the *disseminator* role. In addition, managers perform a *spokesperson* role when they represent the organization to outsiders.

Decisional Roles   Mintzberg identified four roles that require making choices. In the *entrepreneur* role, managers initiate and oversee new projects that will improve their organization's performance. As *disturbance handlers*, managers take corrective action in response to unforeseen problems. As *resource allocators*, managers are responsible for allocating human, physical, and monetary resources. Finally, managers perform a *negotiator* role, in which they discuss issues and bargain with other units (internal or external) to gain advantages for their own unit.

Management Skills

Another way to consider what managers do is to look at the skills or competencies they need to achieve their goals. Researchers have identified a number of skills that differentiate effective from ineffective managers.[14] Each of these skills is important, and all are needed to become a well-rounded and effective manager.

technical skills   The ability to apply specialized knowledge or expertise.

Technical Skills   **Technical skills** encompass the ability to apply specialized knowledge or expertise. When you think of the skills of professionals such as civil engineers or oral surgeons, you typically focus on the technical skills they have learned through extensive formal education. Of course, professionals don't have a monopoly on technical skills, and not all technical skills have to be learned in schools or other formal training programs. All jobs require some specialized expertise, and many people develop their technical skills on the job.

human skills   The ability to work with, understand, and motivate other people, both individually and in groups.

Human Skills   The ability to understand, communicate with, motivate, and support other people, both individually and in groups, defines **human skills**. Many people may be technically proficient but poor listeners, unable to understand the needs of others, or weak at managing conflicts. Managers must have good human skills because they need to get things done through other people.

conceptual skills   The mental ability to analyze and diagnose complex situations.

Conceptual Skills   Managers must have the mental ability to analyze and diagnose complex situations. These tasks require **conceptual skills**. Decision making, for instance, requires managers to identify problems, develop alternative solutions to correct those problems, evaluate those alternative solutions, and select the best one. After they have selected a course of action, managers must be able to organize a plan of action and then execute it. The abilities to integrate new ideas with existing processes and to innovate on the job are also crucial conceptual skills for today's managers.

Effective versus Successful Managerial Activities

Fred Luthans and his associates looked at what managers do from a somewhat different perspective.[15] They asked, "Do managers who move up most quickly in an organization do the same activities and with the same emphasis as managers who do the best job?" You might think the answer is yes, but that's not always the case.

Luthans and his associates studied more than 450 managers, all engaged in four managerial activities:

1. **Traditional management.** Decision making, planning, and controlling.
2. **Communication.** Exchanging routine information and processing paperwork.
3. **Human resources management.** Motivating, disciplining, managing conflict, staffing, and training.
4. **Networking.** Socializing, politicking, and interacting with outsiders.

The "average" manager spent 32 percent of his or her time in traditional management activities, 29 percent communicating, 20 percent in human resources management activities, and 19 percent networking. However, the time and effort that different *individual* managers spent on those activities varied a great deal. As shown in Exhibit 1-2, among managers who were *successful* (defined in terms of speed of promotion within their organization), networking made the largest relative contribution to success, and human resources management activities made the least relative contribution. Among *effective* managers (defined in terms of quantity and quality of their performance and the satisfaction and commitment of employees), communication made the largest relative contribution and networking the least. Other studies in Australia, Israel, Italy, Japan, and the United States confirm the link between networking, social relationships, and success within an organization.[16] The connection between communication and effective managers is also clear. Managers who explain their decisions and seek information from colleagues and employees—even if the information turns out to be negative—are the most effective.[17]
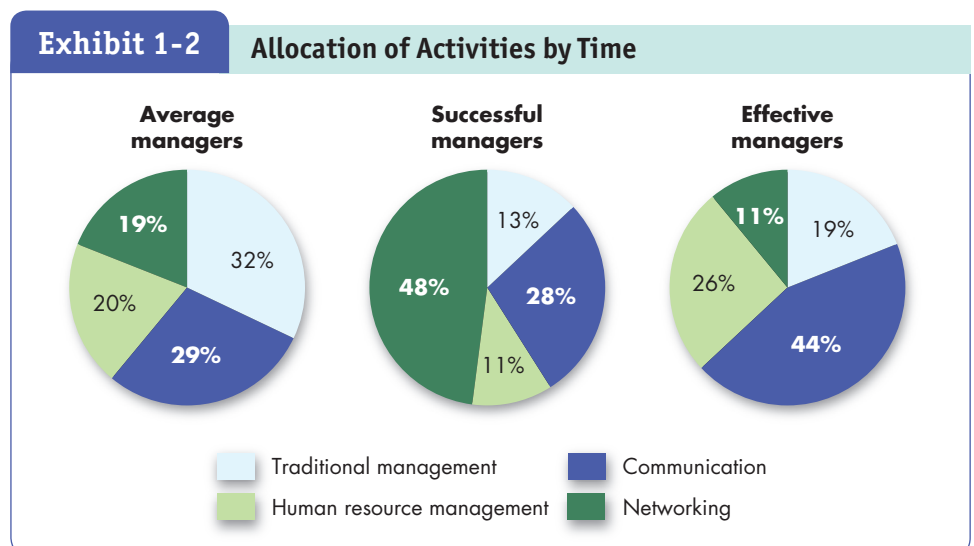
This research offers important insights. *Successful* (in terms of promotion) managers give almost the opposite emphases to traditional management, communication, human resources management, and networking as do *effective* managers. This finding challenges the historical assumption that promotions are based on performance, and it illustrates the importance of networking and political skills in getting ahead in organizations.

Now that we've established what managers do, we need to study how best to do these things. **Organizational behavior (OB)** is a field of study that investigates the impact that individuals, groups, and structure have on behavior

When you see this icon, Global OB issues and research are being discussed in the paragraph.

organizational behavior (OB) A field of study that investigates the impact that individuals, groups, and structure have on behavior within organizations for the purpose of applying such knowledge toward improving an organization's effectiveness.

| Exhibit 1-2 | Allocation of Activities by Time |

Average managers: 32% Traditional management, 29% Communication, 20% Human resource management, 19% Networking

Successful managers: 13% Traditional management, 28% Communication, 11% Human resource management, 48% Networking

Effective managers: 19% Traditional management, 44% Communication, 26% Human resource management, 11% Networking

Source: Based on F. Luthans, R. M. Hodgetts, and S. A. Rosenkrantz, *Real Managers* (Cambridge, MA: Ballinger, 1988).