Organizational Behavior

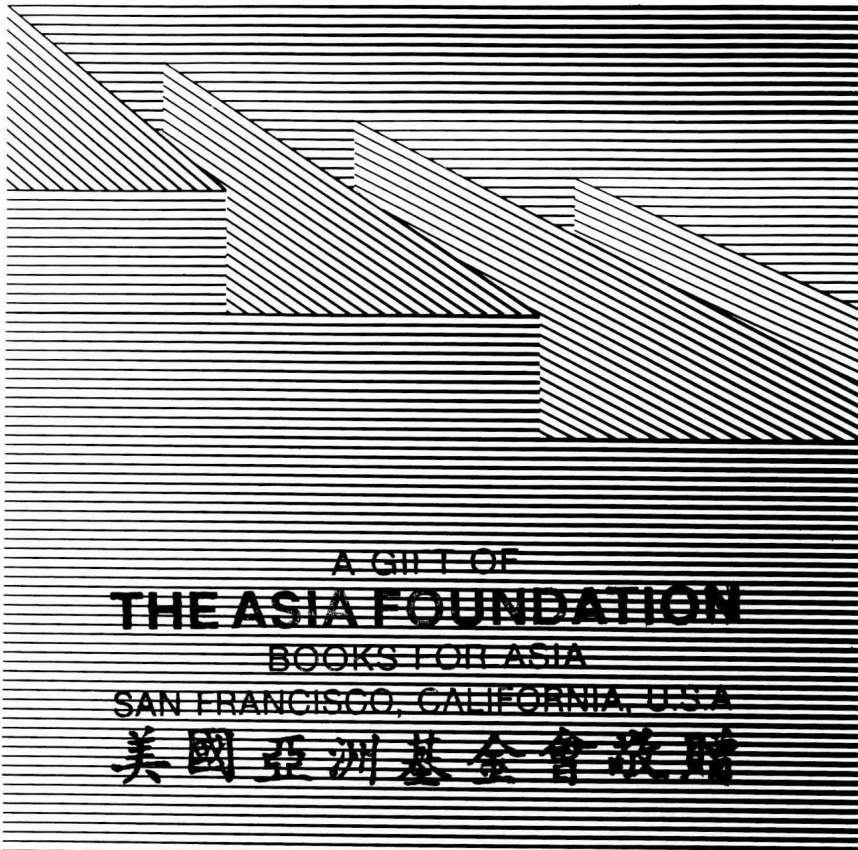**Randall B. Dunham**

Organizational Behavior
People and Processes
in Management

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Preface

I first began teaching organizational behavior (OB) at the University of Wisconsin–Madison in 1975. Since that time, over 4,000 students have enrolled in my OB classes. For the most part, these students have been very willing to share their reactions to the content of the course, and we have learned together. As a result, I understand organizational behavior more fully but realize that there is still much to learn. In this book I try to acknowledge the current limits of what OB has to offer and provide honest evaluations of the strengths and weaknesses of the issues covered. In writing this book, I am sharing with you a lot of me and a little of each of those 4,000 students.

Through interaction with my students, I have come to believe that a text that is conversational in nature has the best chance of communicating effectively. This book follows that belief. For you to gain from our conversation, the book must be much more than technically accurate and up to date. The content must also be relevant, concise, understandable, challenging, and enjoyable. The book must make clear *why* each issue is important and focus not only on the theoretical value of knowledge but the applied value as well. Although I am a firm believer in the value of basic knowledge, this book concentrates on knowledge that has clear and direct applications in organizations. I do not mean to imply that this book will tell you exactly what to do in any one particular organizational situation. You still must think, evaluate, and make your own decisions. However, application of this knowledge is possible and realistic if you are willing to work at it.

The material in this book is intended for anyone involved with organizations. Of the 4,000 students mentioned earlier, about half have been business majors in accounting, finance, management, marketing, and so forth. The rest have come from many different fields, including communication arts, economics, engineering, family resources, industrial relations, nursing, psychology, social work, and sociology. What these people all have in common is that they are now participating in, and will continue to participate in, organizations. The behaviors and attitudes of organizational members are influenced by a wide variety of factors—many of which are addressed in this book. It is my immediate goal to make your introduction to this material enjoyable and to get you excited about learning. My long-term goal is to have you *use* this material in your present and future organizations. I am excited about the field of organizational behavior and hope to share this with you through this book.

Throughout the book you will see materials and ideas provided by some of my previous students. If you have ideas for improvement, let me hear from you. When appropriate, this book will be revised and I would be happy to have your help in making it better. If you write, try to be as specific as possible about what you like or do not like. It would be interesting to know if you consider this the best or worst textbook you have ever seen, but it would be *useful* to know *why* you feel this way and to have your specific suggestions for change. Write to me through the publisher.

ACKNOWLEDGMENTS

Although I am the sole author of this book, its production involved many significant contributions from other people. To each of you, I extend my thanks.

My wife, Susanne, was extremely patient during the lengthy process of developing the book. Her support was tremendous.

Several colleagues from other institutions patiently and thoroughly reviewed earlier versions of the manuscript. Their comments were extremely helpful and provided much-needed guidance. In alphabetical order, these contributors were: Terry Cobb of Virginia Polytechnic Institute and State University, Chester C. Cotton of California State University, William Crampon of Sangamon State University, Howard Garland of the University of Texas–Arlington, David Greenberger of The Ohio State University, James McElroy of Iowa State University, and Ray Montagno of Ball State University.

E. Kirby Warren of Columbia University and L. L. Cummings of Northwestern University, Consulting Editors for the Management Series at Richard D. Irwin, Inc., provided valuable ongoing comments during the development of the manuscript. Larry's role dates back to the conception of the idea for creating this book. His thoughts and suggestions were many and greatly influenced the structure of what you see on these pages. Thank you, my friend, for the scholarly and social interactions of the past. I hope they continue well into the future.

Each chapter of this book contains one or more original interviews with scholars and/or practitioners in the field of organizational behavior. I would like to thank each of the interviewees for the significant amount of time and thought they put into these interviews. I learned from your comments and am convinced that students will do the same. I apologize for converting your in-depth interviews into one-page collections of excerpts, but I have attempted to retain their spirit. Once again, in alphabetical order I thank: J. Stacy Adams, Clayton P. Alderfer, L. L. Cummings, Fred E. Fiedler, John R. P. French, Jr., J. Richard Hackman, Bruce W. Hamstra, Frederick H. Herzberg, Irving L. Janis, Barbara M. Karmel, Steven Kerr, Ed Killeen, Bryan Lawton, John P. Kotter, Wayne H. Larson, Gary P. Latham, Edward E. Lawler, Edwin A. Locke, Greg R. Oldham, John Schienle, Leonard A. Schlesinger, Chester A. Schriesheim, Frank J. Smith, and James E. Ware.

Two students gave generously of their time in contributing to this book. Deb Hoelzel did extensive library research and related activities. Linda Bell volunteered to read the entire set of page proofs and thus contributed immensely to the quality control of the final product.

Randi K. Huntsman worked with me in Madison on the editing of the entire text. While writing, I have a tendency to get caught up in the spirit of the idea. Randi *constantly* reminded me that although the spirit moves, words communicate. For her help in producing, revising, and editing the manuscript, I am grateful.

In closing, I would like to extend my most heartfelt thanks to my friend and colleague from the University of Minnesota–Duluth, Jon L. Pierce. Jon participated in many discussions about the design and execution of the book. He listened to my ramblings about how good I wanted this book to be and provided a regular flow of ideas for how to accomplish this. He read every word of the manuscript and reacted in detail. In many other ways too difficult to describe, Jon has contributed to this book and to me personally. The first copy of this book is for you, Jon.

Randall B. Dunham

Contents

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Part

1 ■ Introduction and Overview

2 ■ Standards for Evaluating OB Knowledge

Organizational Behavior: Definition of Field and Standards for Evaluating Knowledge

The chapters in Part I introduce the field of organizational behavior (OB). Chapter 1 provides a sample of the types of questions addressed by organizational behavior and discusses the usefulness of OB knowledge. The past, present, and future of OB are explored briefly and an overview of the book is presented. Chapter 1 ends with a discussion of the role of theory and research in building usable OB knowledge and offers you a challenge to use the knowledge contained in this book.

Chapter 2 explains several significant standards used to evaluate the quality and usefulness of knowledge about attitudes and behaviors in organizations. In short, Chapter 2 will help you become a better consumer of knowledge. The ability to evaluate information critically will be useful in later parts of this book and whenever you need to examine information which might influence your decisions. At the heart of the evaluation of knowledge are the questions of reliability and validity. Chapter 2 addresses these through the use of examples of problems faced by managers in organizations.

1

Introduction and Overview

> The physical sciences have now achieved such success that it is possible for all men to die together. Relatively little is being done to make it possible for us to live together.

> *Ross Stagner*[1]

INTRODUCTION

This chapter is intended to provide you with your first formal exposure to the systematic study of behaviors and attitudes in organizations. After reading this chapter, you will have a basic understanding of what organizational behavior (OB) is, why it is important, and how it will be studied in this book.

WHAT KINDS OF QUESTIONS DOES OB EXAMINE?

Each chapter of this book examines important questions regarding the application of OB knowledge in organizations. Because human behaviors and attitudes cannot be predicted or explained with complete accuracy, the answers provided in this book are not absolutes. Rather than providing "the one perfect solution" to a problem, this book offers guidance from the OB field to help you learn how to find a good answer for each situation.

Although you will still be responsible for the decisions you make in managing behaviors and attitudes in organizations, this book will provide you with knowledge and perspectives to assist you in the decision-making process. If you expect this *book* to answer questions for you, you will be disappointed. If you expect it to help *you* answer questions, you should be pleased.

Here is a partial sample of some of the types of questions considered in this book:

1. Does job satisfaction influence performance?
2. What is the financial impact of satisfaction?

3. Can organizations motivate workers by making rewards contingent on performance?
4. Why do groups of competent individuals often make incompetent decisions? How can this be prevented?
5. How can workers have more power in organizations than management?
6. Are leaders "born," or can people be taught to lead?
7. What causes conflict in organizations? How can conflict be managed?
8. How can organizations manage stress?
9. How can communication systems contribute to the success or failure of organizational plans?
10. How can the introduction of new ideas in organizations be managed effectively?
11. What are the ethical implications of using organizational behavior knowledge?

WHAT IS OB? WHERE DID IT COME FROM? WHERE IS IT HEADING?

The Focus of OB

Organizational behavior focuses on the understanding of behaviors and attitudes within organizations. A primary purpose of the OB field is to understand *why* people in organizations feel and behave as they do. The study of OB attempts to document the organizational factors which influence workers (and therefore the organization itself). It also describes the processes by which these factors exert their influence. Thus, one major component of OB involves acquiring relatively pure knowledge (*why* things happen as they do). However, the power of our knowledge about organizational behavior comes from *applying* this knowledge. This book focuses both on understanding and applying OB information.

The Roots of OB[2]

Larry Greiner of the University of Southern California notes that archeological finds have demonstrated clearly that complex organizations have existed for centuries. He implies that the successful building of massive temples around 3500 B.C. is evidence that complex organizations not only existed but, to some significant degree, were managed successfully. We cannot know for sure how thoroughly our ancient predecessors understood behaviors and attitudes, nor how systematic they were in influencing the behaviors and attitudes of organizational members. The remains of their ac-