



Organizational Behavior

Fifth Edition

Robert Kreitner & Angelo Kinicki

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USED

Organizational Behavior

Fifth Edition

Robert Kreitner

Angelo Kinicki

Both of Arizona State University



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Mexico City Milan New Delhi Seoul Singapore Sydney Taipei Toronto

McGraw-Hill Higher Education

A Division of The McGraw-Hill Companies

ORGANIZATIONAL BEHAVIOR

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This book is printed on acid-free paper.

domestic 1 2 3 4 5 6 7 8 9 0 VNH/VNH 0 9 8 7 6 5 4 3 2 1 0
international 1 2 3 4 5 6 7 8 9 0 VNH/VNH 0 9 8 7 6 5 4 3 2 1 0

ISBN 0-07-231500-8

Vice president/Editor-in-chief: *Michael W. Junior*

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Cover photo: ©*Daniel J. Cox/Natural Exposures*

Inside back cover: ©*Corbis*

Interior wolf images: ©*Photodisc*

Photo research coordinator: *Sharon Miller*

Supplement coordinator: *Betty Hadala*

New media: *Barb Block*

Compositor: *Carlisle Communications, Ltd.*

Typeface: *10.5/12 Times Roman*

Printer: *Von Hoffmann Press, Inc.*

Library of Congress Cataloging-in-Publication Data

Kreitner, Robert.

Organizational behavior / Robert Kreitner, Angelo Kinicki.—5th ed.
p. cm.

Includes index.

ISBN 0-07-231500-8

1. Organizational behavior. I. Kinicki, Angelo. II. Title.

HD58.7 .K766 2000

658.3—dc21

99-086384

INTERNATIONAL EDITION ISBN 0071180494

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The International Edition is not available in North America.

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To the joys of life: Margaret's love and laughter; Mom's strength and courage, good friends, learning and teaching, purring cats, mountain hikes, desert rain, trees and birds, home-grown tomatoes, woodcarving, fishing, and almond M&Ms.

—B.K.

To Henry Kinicki, my dad, and to my wife and best friend Joyce Kinicki. Dad, your strength and faith have shown me what it really means to have courage in the face of adversity. Joyce, I am blessed and thankful to have you in my life. Your love, support, encouragement, and friendship helped me to grow and develop beyond my wildest dreams. You are the best!

—A.K.

About the Authors



ROBERT (BOB) KREITNER, PHD is a part-time Senior Lecturer in Management at Arizona State University. Prior to joining ASU in 1975, where he attained the rank of tenured Full Professor of Management, Bob taught at Western Illinois University. He also has taught organizational behavior at the American Graduate School of International Management (Thunderbird). Bob is a popular speaker who has addressed a diverse array of audiences worldwide on management topics. Bob has authored articles for respected journals such as *Organizational Dynamics*, *Business Horizons*, and *Journal of Business Ethics*. He also is the co-author (with Fred Luthans) of the award-winning book *Organizational Behavior Modification and Beyond: An Operant and Social Learning Approach*, and the author of *Management*, 8th edition, a best-selling introductory management text.

Among his consulting and executive development clients have been American Express, SABRE Computer Services, Honeywell, Motorola, Amdahl, the Hopi Indian Tribe, State Farm Insurance, Goodyear Aerospace, Doubletree Hotels, Bank One-Arizona, Nazarene School of Large Church Management, US Steel, and Allied-Signal. In 1981-82 he served as Chairman of the Academy of Management's Management Education and Development Division.

On the personal side, Bob is a native of Buffalo, New York. After a four-year tour of duty in the US Coast Guard, including service on the icebreaker EASTWIND in Antarctica, Bob attended the University of Nebraska-Omaha on a football scholarship. Bob also holds an MBA from the University of Nebraska-Omaha and a PhD from the University of Nebraska-Lincoln. While working on his PhD in Business at Nebraska, he spent six months teaching management courses for the University in Micronesia. In 1996, Bob taught two courses in Albania's first-ever MBA program (funded by the US Agency for International Development and administered by the University of Nebraska-Lincoln). He taught a summer leadership program in Switzerland from 1995 to 1998. Bob and his wife, Margaret, live in Phoenix with three cats and an orphaned wild bird, and they enjoy travel, hiking, woodcarving, and fishing.

ANGELO KINICKI is a Professor and Dean's Council of 100 Distinguished Scholar at Arizona State University. He joined the faculty in 1982, the year he received his doctorate in business administration from Kent State University. His specialty is Organizational Behavior.

Angelo is recognized for both his research and teaching. He has published over 60 articles in a variety of leading academic and professional journals devoted to organizational behavior. Angelo's success as a researcher also resulted in his selection to serve on the editorial review boards for the *Academy of Management Journal*, *Journal of*

Vocational Behavior, and the *Journal of Management*. He also received the All Time Best Reviewer Award from the *Academy of Management Journal* for the period of 1996–1999. Angelo's outstanding teaching performance resulted in his selection as the Graduate Teacher of the Year and the Undergraduate Teacher of the Year in the College of Business at Arizona State University. He also was acknowledged as the Instructor of the Year for Executive Education from the Center for Executive Development at Arizona State University.

One of Angelo's strengths is his ability to teach students at all levels within a university. He uses an interactive environment to enhance undergraduates' understanding about organizational behavior and management. He focuses MBAs on applying organizational behavior theories to solve complex problems. The PhD students learn the art and science of conducting scholarly research.

Angelo also is a busy consultant and speaker with companies around the world. His clients are many of the *Fortune* 500 companies as well as a variety of entrepreneurial firms. Much of his consulting work focuses on creating organizational change aimed at increasing organizational effectiveness and profitability. One of Angelo's most important and enjoyable pursuits is the practical application of his knowledge about organizational behavior.

Angelo and his wife Joyce have enjoyed living in the beautiful Arizona desert for 18 years, but are natives of Cleveland, Ohio. They enjoy traveling, hiking, and golfing.

Preface

Things move very fast in today's Internet-linked global economy. Competition is intense. Speed, cost, and quality are no longer the trade-offs they once were (meaning improvement in one came at the expense of one or both of the others). Today's customers want immediate access to high-quality products and services at a reasonable price. Thus, managers are challenged to simultaneously speed up the product creation and delivery cycle, cut costs, and improve quality. (And to do so in an ethical manner.) Regardless of the size and purpose of the organization and the technology involved, *people* are the common denominator when facing this immense challenge. Success or failure hinges on the ability to attract, develop, retain, and motivate a diverse array of appropriately-skilled people. The *human factor* drives everything. To know more about workplace behavior is to gain a valuable competitive edge. The purpose of this textbook is to help present and future managers better understand and manage people at work.

Although this Fifth Edition of *Organizational Behavior* is aimed at undergraduate business students in similarly named courses, previous editions have proven highly versatile. *Organizational Behavior* has been used effectively in MBA programs, executive education and management development programs, and industrial and organizational psychology programs around the world. (Note: A special European edition is available.) This textbook is the culmination of our combined 48 years of teaching experience and research into organizational behavior and management in the United States, Pacific Rim, and Europe. Thanks to detailed feedback from students, professors, and practicing managers, this Fifth Edition is more refined and better organized. Many new changes have been made in this edition, reflecting new research evidence, new management techniques, and the fruits of our own learning process.

Organizational Behavior, Fifth Edition, is a product of the *total quality management* (TQM) process described in Chapter 1. Specifically, it is *user driven* (as a result of carefully listening to our readers), developed through close *teamwork* between the authors and the publisher, and the product of *contin-*

uous improvement. Our TQM approach has helped us achieve a difficult combination of balances. Among them are balances between theory and practice, solid content and interesting coverage, and instructive detail and readability. Students and instructors say they want an up-to-date, relevant, and interesting textbook that actively involves the reader in the learning process. Our efforts toward this end are evidenced by many new topics and real-life examples, a stimulating art program, timely new cases and boxed inserts, end-of-chapter experiential exercises for both individuals and teams, and more than two dozen exercises integrated into the text. We realize that reading a comprehensive textbook is hard work, but we also firmly believe the process should be interesting (and sometimes fun).

Structural Changes in the Fifth Edition

Part One in this Fifth Edition provides a foundation of understanding as well as a cultural context for the study of organizational behavior. In Parts Two through Five, the material flows from micro (individuals) to macro (groups and organizations) topics. Once again, we have tried to achieve a workable balance between micro and macro topics. As a guide for users of the previous edition, the following structural changes need to be noted:

- The single chapter on power, politics, conflict, and negotiation has been divided into two chapters: Chapter 14, Managing Conflict and Negotiation, and Chapter 16, Influence Tactics, Empowerment, and Politics. This improved topical alignment includes extensive new coverage of conflict.
- Two macro chapters in the Fourth Edition (Chapters 18 and 19) have been combined into a single chapter. Chapter 19, now titled Organizational Effectiveness and Design, provides more efficient coverage of essential macro topics.
- As a result of user feedback, the Behavior Modification and Self-Management chapter (now

Chapter 10) has been moved forward to Part Two: This creates a smoother topical flow from motivation to feedback and rewards to behavior modification.

- Individual and Group Decision Making (Chapter 11) is now the lead-in chapter for Part Three on Group and Social Processes. This creates the good bridge between micro and macro topics our users prefer.
- As requested by users, the chapters on group dynamics and teams and teamwork are now paired as Chapters 12 and 13 in Part Three.
- Performance appraisal is now covered in an optional module following Chapter 9 on feedback and rewards.
- Chapter numbers for Chapters 10 through 12 and 14 through 19 have been changed from the prior edition to reflect these topical realignments.

AACSB/IAME Coverage

In keeping with curriculum recommendations from the AACSB/International Association for Management Education for greater attention to managing in a global economy, managing cultural diversity, improving product/service quality, and making ethical decisions, we feature these chapters:

- A full chapter on international organizational behavior and cross-cultural management (Chapter 4). To ensure integrated coverage of international topics, 29 boxed features titled “International Organizational Behavior” can be found throughout the text.
- Chapter 2 offers comprehensive and up-to-date coverage of managing diversity.
- Principles of total quality management (TQM) and the legacy of W Edwards Deming are discussed in Chapter 1 to establish a quality-improvement context for the entire textbook. Also, many quality-related examples have been integrated into the textual presentation.
- Ethics is covered early in the text (Chapter 3) to set a proper moral tone for managing people at work. Ethical issues are raised throughout the text. New to this Fifth Edition are 20 interactive “Ethics at Work” pop-out boxes integrated into the textual flow (one per chapter). They raise hard-hitting ethical issues, ask tough



questions, and have corresponding interpretations on our Web site. They are a constant reminder of the importance of ethical management.

New and Expanded Coverage

Our readers kindly tell us how much they appreciate our efforts to keep this textbook up-to-date and relevant. Toward that end, you will find new or significantly improved coverage of the following topics in this Fifth Edition: knowledge management, layers of diversity, glass ceiling, espoused versus enacted values, types of organizational culture, individualist versus collectivist cultures, North American women on foreign assignments, organizational identification, attitude stability, emotional intelligence, disability stereotypes, the set-up-to-fail syndrome, a new job performance model of motivation, distributive/procedural/interactional justice, race and feedback, role of trust in 360-degree feedback, pay inequality, performance appraisal concepts and techniques, managing antecedents at UPS, judgmental/availability/representativeness heuristics, decision-making styles, extension of Tuckman group development model (group decay), group effectiveness and value diversity, virtual teams, cooperative versus competitive team goals, conflict-producing trends, desired conflict outcomes, types of conflict, personality conflict, workplace incivility, value conflict, intergroup conflict, cross-cultural conflict, conflict triangles, alternative dispute resolution (ADR), ethics in negotiation, messages sent by different communication media, Extranets, drawbacks of E-mail, videoconferencing, updated list of influence tactics, empowerment and information sharing, barriers to delegation, personal initiative in delegation, trust and delegation, new empowerment research, cross-cultural impression management, culture and charismatic leadership, effects of leadership across different organizational levels, eustress, perceived stress, new treatment of organizational decline, virtual organizations, information technology as a force of change, and organizational causes of resistance to change.

Pedagogical and Cooperative Learning Features

The Fifth Edition of *Organizational Behavior* is designed to be a complete teaching/learning tool that captures the reader's interest and imparts useful

knowledge. Some of the most significant pedagogical features of this text are:

- Classic and modern topics are given balanced treatment in terms of the latest and best available theoretical models, research evidence, and practical applications.
- Several concise learning objectives open each chapter to focus the reader's attention and serve as a comprehension check.
- Every chapter opens with a real-name, real-world case study to provide an interesting and relevant context for the material at hand. Nineteen of these brief cases are new to this Fifth Edition. They highlight male and female role models as well as US and foreign companies.
- A colorful and lively art program includes captioned photographs and figures.
- Hundreds of real-world examples involving large and small, public and private organizations have been incorporated into the textual material to make this edition up-to-date, interesting, and relevant.
- Women play a prominent role throughout this text, as is befitting their large and growing presence in the workplace. Lots of female role models are included. Special effort has been devoted to uncovering research insights about relevant and important gender-related differences.
- New to this Fifth Edition are 20 interactive "Ethics at Work" pop-out boxes integrated into the textual flow (one per chapter), which raise hard-hitting ethical issues and ask tough questions. Feedback is provided on the book Web site at www.mhhe.com/kreitner.
- Key terms are emphasized in bold print where they are first defined and featured in the adjacent margins for review purposes.
- Twenty-seven OB Exercise boxes are distributed throughout the text to foster personal involvement and greater self-awareness. Readers will gain experiential insights about their cultural orientation toward time, self-esteem, perception, motives, sense of fairness, roles, power, impression management tactics, conflict handling style, work group autonomy, decision-making style, upward communication, stress, and readiness for change.
- A "Summary of Key Concepts" feature at the end of each chapter restates the chapter learning objectives and concisely answers them.
- Ten discussion questions at the end of every chapter challenge the reader to explore the personal and practical implications of what has just been covered. These questions also are useful for classroom discussion and cooperative learning.
- The Internet Exercises found at the end of each chapter have been completely updated for the Fifth Edition, offering more interactivity, variety, and link durability. These exercises encourage and aid students in navigating the Internet to learn more about topics and organizations covered in the text. The Internet Exercises also can serve as a valuable tool for cooperative learning when students team up to track down relevant new information.
- Forty end-of-chapter exercises foster hands-on experiential and cooperative learning. Every chapter is concluded with a Personal Awareness and Growth Exercise and a Group Exercise. Each exercise has learning objectives, an introduction, clear instructions, and discussion questions to facilitate interaction and learning.

Also available with this Fifth Edition is a complete set of supplement materials for students and instructors:

For the Student

- *Student CD-ROM*. Packaged free with every new copy of the text the CD contains the integrative case video featuring the Specialized Bicycle Ponients Company with discussion questions, chapter quizzes, selected PowerPoint slides, and Web links. The CD helps students prepare for exams and conduct Internet searches related to text examples. Instructors can assign the video and discussion questions in preparation for classroom discussion.
- *Web site www.mhhe.com/kreitner*. The student portion of the Web site features Internet exercises (from book), OB in the News (weekly text updates from the authors), Self-Assessment activities, a directory of Web links, and an online learning center, including online quizzing and text review materials. Several just-for-fun links have been added to the site as well, such as Why Wolves? (where you can access a series of links to wolf Internet sites) and the Dilbert Zone.

For the Instructor

- *Instructor's Resource Manual*, prepared by Kim J Wade, Washington State University. Lecture

outlines, case solutions, exercise notes, supplemental lecture material, additional exercises, and more can be found in this substantive and convenient resource volume. Also provided in the manual is a continuing case involving an in-depth study of a first-time manager tackling a department with a variety of organizational behavior–related problems. This case (a.k.a. the Roberta case) illustrates in detail how topics from the text can actually affect an individual manager’s job. A set of discussion questions for each International OB issue is provided, allowing the instructor to more easily incorporate this important material into a lesson plan. Teaching notes for the video series and transparency masters are also included.

- *Test Bank*, prepared by Kim J Wade, Washington State University. The test bank has been expanded in the Fifth Edition to offer more than 1,500 true/false, multiple-choice, and essay questions. Essay questions now include suggested answers. All questions have been reevaluated and revised as needed to ensure an emphasis on testing concepts rather than definitional memorization. Every question is conveniently tagged with a difficulty rating and a page reference to the text.
- *Computest*. A computerized version of the test bank allows the instructor to generate random tests and to add his or her own questions.
- *Videos*. An integrative video case has been added to the package for the Fifth Edition, featuring Specialized—an innovative bike manufacturer with global operations and headquarters in Morgan Hill, California, where “building bikes isn’t a job . . . it’s a full-bore, hardcore religion.” This four-part video (complementing the major sections in the text) explores Specialized unique organizational culture, commitment to employee development and teamwork, and organizational design and strategy. The video shows how the various levels of an organization fit together and what makes a successful organization tick. A corresponding written case appears in the text, and a digital version of the video is available on the Student CD-Rom.

In addition to the new integrative case video on Specialized, a comprehensive set of **chapter videos** is available, consisting of NBC News broadcast footage and original business documentaries. Most of the chapter videos are new to the Fifth Edition and are related

to specific examples and cases in the text. Highlights include “Bill Gates Discusses His Book ‘Business at the Speed of Thought,’ ” “*Fortune Magazine’s* Best Companies for Minorities,” “EuroDisney,” “How Safe Is Our Work Environment?,” “Challenger Space Shuttle Disaster,” and “Computer Culture: Stress for Workers in Cyberspace.” An icon in the text indicates when there is a video that corresponds to a textbook example or case.

- *PowerPoint Presentation Software*, prepared by Janet Drez of Kinicki and Associates. More than 200 colorful PowerPoint slides are provided, complementing the 20 chapters in the text. These slides consist of both original lecture materials and key textual material. In response to suggestions from our adopters, the Fifth Edition presentation has been expanded to include representations of *all* figures and tables in the text.
- *Color Acetates or Transparency Masters*. All of the PowerPoint slides are also available as either color acetates or transparency masters.

Words of Appreciation

This textbook is the fruit of many people’s labor. Our colleagues at Arizona State University have been supportive from the start. Through the years, our organizational behavior students at ASU, the American Graduate School of International Management (Thunderbird), and the University of Tirana (Albania) have been enthusiastic and candid academic “customers.” We are grateful for their feedback and we hope we have done it justice in this new edition. Sincere appreciation goes to Kim Wade of Washington State University, for her skillful and dedicated work on the *Instructor’s Resource Manual* and *Test Bank*. Thank you to Dale Boroviak for a very professional job of managing our permissions. Thank you to Janet Drez for creating the PowerPoint presentation.

To the manuscript reviewers spanning the five editions go our gratitude and thanks. Their feedback was thoughtful, rigorous, constructive, and above all, essential to our goal of *kaizen* (continuous improvement). Reviewers for this edition were:

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Special thanks go to our dedicated “pack” at Irwin/McGraw-Hill: our editors, John Biernat and Laura Hurst Spell; and our design and production team, Kiera Cunningham, Sara Evertson, Kimberly Hooker, Rose Hepburn, and Sharon Miller.

Finally, we would like to thank our wives, Margaret and Joyce, for being tough and caring “first customers” of our work. This book has been greatly enhanced by their common sense, reality testing, and managerial experience. Thanks in large measure to their love and moral support, this project again was completed on time and it strengthened rather than strained a treasured possession—our friendship.

We hope you enjoy this textbook. Best wishes for success and happiness!

Bob Kreitner
Angelo Kinicki

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