

# Organizational Behavior & Management

An Integrated Skills Approach

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To my wife, Holly, and my daughters, Lizzie and Kat.

-R. A.

To my wife, Lavina, my son, Daniel, my daughter, Carolyn, and Mom and Dad.

—L. K

Organizational Behavior and Management: An Integrated Skills Approach By Ramon J. Aldag and Loren W. Kuzuhara

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The modern work environment—and life in general—demands a wide variety of behavioral skills—a skills portfolio. Traditional organizational behavior and management textbooks and courses in colleges and universities generally have continued to do a good job of surveying major concepts and theories and presenting examples of companies that apply them in some form. However, instructors, their students, and the employers who hire the students as they graduate from undergraduate and MBA programs increasingly want and need textbooks to do something more. They call for books that place a greater emphasis on "what to do to be an effective manager" and how to develop the right mix of skills that are needed to support the implementation of these behavioral strategies. In addition, students must learn how to apply these organizational behavior and management skills within complex, dynamic organizational and external environments while facing time, resource, political, and regulatory constraints. This vast array of challenges requires a new breed of textbook.

#### A BALANCE OF THEORY AND SKILLS APPLICATIONS

Organizational Behavior and Management: An Integrated Skills Approach is intended for those instructors hoping to combine solid content coverage with a rich, integrated skills emphasis. This book is appropriate for organizational behavior (OB) or management courses in which instructors prefer a very strong skills and real-world emphasis, or for a management/OB skills course.

We believe the text offers a richer mix of skills and provides significantly more opportunities for skill development and mastery than current offerings, as well as greater use of Internet resources. We have attempted to give the book an open, "clean," and integrated look and feel. Rather than provide a lengthy early discussion of theory in each chapter, we instead offer short presentations of theory as appropriate before each skill. We employ a broad variety of cases and examples, avoiding an overreliance on case studies in manufacturing settings. We place strong emphasis on "real-world" examples and applications and use a wide variety of unique approaches to bring important theories and tools to life.

#### VISION OF THE TEXT

We designed *Organizational Behavior and Management: An Integrated Skills Approach* to be unlike any other text on the market. It was developed to have the following distinctive "personality":

> **Skills-based.** Students appreciate, and increasingly expect, to learn concrete, practical, transferable skills. The primary focus of the text is on skill development through skill assessment, awareness, attainment, and application.

- > Social learning perspective. As discussed in detail in Chapter 1 and illustrated on the inside front cover, the text applies a social learning perspective. The generalized steps of the social learning perspective include preassessment, conceptual learning and modeling, conceptual and behavioral practice, and life application. Our terms for these, to emphasize the skills focus and offer an organizing framework (4 A's), are skills assessment, skills awareness, skills attainment, and skills application. All text features are designed to aid with development of one or more of
- Applications-oriented. The text has an applied focus. Descriptive and theoretical content are presented only as needed to provide the foundation or rationale for applied materials.
- > Complete. The text provides a comprehensive set of tools and techniques needed for effective management in real-world situations.
- > Rich. We try to avoid the flavor of a technical manual in which students are pushed mechanically through a series of steps. Instead, our intention is to provide a rich learning environment in which students are pulled by interest in the material.
- > **Engaging**. The text is designed to engage the student, but not by "dummying down." It attempts to use interesting examples, an open writing style, and humor where appropriate.
- > Real-world. We avoid widgets and hypothetical firms. We choose tools and techniques that are applied in the real world. We regularly highlight the relevance of the text's content by explaining to students why it is important and how it is used in actual practice. We present interviews with practitioners in a variety of industries, organizations, and management levels to demonstrate the relevance of the content.
- > Current. In today's environment, examples more than a few years old are stale, if not completely outdated and wrong. As such, our examples are drawn almost exclusively from the last few years.
- > Accessible. The text is intended to be "friendly" in tone, layout, and content.

#### TEXT PHILOSOPHY

Every textbook has an underlying philosophy that guides its content and presentation. We feel it is important to make our philosophy clear so that you will better understand the flow and substance of the text. Here are some key elements of our philosophy:

Skills are the key to success in the modern environment. More sophisticated technology and more dynamic and complex markets require more sophisticated workers.<sup>1</sup> This creates the need for a skills portfolio. In the modern workplace, it is skills, rather than firm-specific knowledge, that are most critical to career success.<sup>2</sup>

these steps.

<sup>&</sup>lt;sup>1</sup>L. J. Bassi, G. Benson, and S. Cheney, "The Top Ten Trends," *Training and Development*, November 1996, pp. 28–42.

<sup>&</sup>lt;sup>2</sup>J. H. Sheridan, "Selling Skills, Not Experience," *Industry Week*, January 8, 1996, pp. 15-17.

- Skills do not flow directly from knowledge. The knowing-doing gap, discussed in Chapter 1, requires the actual application and practice of skills.
- > The most valuable skills are broadly applicable, durable, and transferable. Students' career and personal growth will benefit from a portfolio filled with enduring and portable skills. Fortunately, unlike many technical skills, the managerial skills we will address will serve students well in many settings and over time.
- Critical management skills can be learned. While some people may seem more "gifted" than others at skills such as communicating, leading, or dealing with conflict, these and other skills we will address are primarily behavioral rather than trait-based.
- Skill mastery requires a solid conceptual foundation. Skills can't be applied blindly. To be effective, students need to know wby and wben the skill is needed and bow it should be used. Just as knowing without doing is futile, doing without knowing is potentially misguided and dangerous.
- Skills should be directed toward improving both personal and organizational outcomes. We view organizational behavior and management as having many goals. While enhancing organizational performance and other outcomes of the firm are important goals, the lack of a clear, direct impact on organizational outcomes does not mean a skill is unimportant. Other goals, such as improving individual satisfaction and health or fostering positive workplace interactions, are important in themselves. Further, we view personal and organizational outcomes as generally congruent, or potentially congruent. That is, in some cases personal and organizational outcomes move together. In other cases, companies can use reward systems and other policies and practices to help align personal and organizational consequences.
- > Skill learning is a lifelong activity. While many skills in students' portfolios will have enduring value, it will nevertheless be necessary to learn and apply new skills throughout one's career. Independent study, continuing education, on-the-job training, and professional associations may all help in this endeavor. This very important point is the primary theme of the final chapter of the text.

#### TEXT FEATURES

The text includes a variety of complementary features, consistent with our emphasis on skills assessment, skills awareness, skills attainment, and skills application.

- > Skills Objectives and Knowledge Objectives. Each chapter begins with a set of specific skills (assessment, attainment, and application) objectives and related knowledge (that is, skills awareness) objectives.
- > Review of relevant content. A solid overview of appropriate content is included in each chapter. This is presented in a logical flow and is interspersed with other features rather than presented as a block. While this material reflects current theory, research, and writing, there is very little emphasis on research per se. In addition, the intent is not to cata-

**Preface** 

log theories; specific theories are discussed only if they are "major" and have unique value. Multiple theories are presented in a section only when they are complementary and/or cumulative. That is, the intent is not to provide a series of critiques.

- Pre-Test Skills Assessment. This activity consists of brief scenarios involving management challenges. All of the scenarios are based on actual dilemmas faced by real-world managers, and all focus on the "bottom-line" concern of what to do to handle a management problem or situation. The exercises are intended to provide students with a baseline measure of how much they know about understanding and applying chapter concepts, as well as to offer an appreciation of the difficulty of the particular challenge.
- Self-Assessment materials. Each chapter includes one or more self-assessments of things such as communication styles, personality, leader-ship, conflict styles, career goals, stress levels, and so on. The Instructor's Resource Manual contains additional information about scoring and interpretation of these materials and offers norm data from about 800 students. The associated website will regularly update the norm data.
- Devil's Advocate. This feature identifies and responds to some of the most common student concerns or questions about the content covered in the chapter. The major theme of the Devil's Advocate feature is addressing the issue of why chapter content is important.
- > Skills Assessment activities. These activities—typically five to eight per chapter—provide intensive practice in the application of tools and techniques discussed in each chapter, facilitating personal, interpersonal, and managerial skills development. Many of these exercises are meant to be applied in a team context, or to offer that option. There are two levels of difficulty associated with these exercises—"basic" and "challenging." The exercises are intended to challenge students and prepare them for the work environment.
- "Voice of Experience" practitioner interviews. Interviews with a wide variety of managers, from recent graduates to seasoned professionals, are provided to capture the most difficult types of situations they have faced in the past, how they dealt with them, and what they learned from those experiences.
- Focus on Management boxes. Focus on Management boxes provide discussions of company applications of chapter materials as well as related Web addresses.
  - "Web Wise" materials. Web Wise boxes discuss resources and suggest associated Internet links students can explore. Other Web links are also provided for organizations discussed elsewhere in the chapters.
- Solution > Global Perspective boxes. Global Perspective boxes highlight global examples of chapter material. Other global material is fully integrated into the body of chapters.
- Real-World Management Challenges. These exercises—one per chapter—put students in actual situations or challenges facing managers at well-known companies. Students develop skill in creating action plans for dealing with such situations. Supplementary materials permit students to compare their action plans with the actual decisions made by management at those companies to handle the situations.















- > Lighten Up features. We use humor as appropriate. As one example, we include Lighten Up boxes at the ends of chapters, focusing on the lighter side of topics. While humorous, each of these boxes is intended to reinforce key chapter content. More Lighten Up features are included at the textbook website.
- > "Bottom Line" figures. Students often ask about the "bottom line" associated with various concepts covered in organizational behavior and management classes; that is, "How do I apply this?" The Bottom Line feature addresses this concern by translating discussions of key topics and skills into a set of steps for applying them effectively in an organizational context.
- > Real-world examples. Real-world examples, drawn from a wide range of industries and situations, are used extensively throughout the text.
- > Top Ten List: Key Points to Remember. Presented at the end of the body of the chapter, the Top Ten List provides key managerial guidelines that students should take away from the chapter. While students will not remember everything they learn from reading a textbook, these lists attempt to reinforce important points that students should remember—and act on—in the future.
- > Questions for Review and Reflection. Each chapter contains Review Questions testing knowledge of chapter content. In addition, we provide thought-provoking questions to require students to critically assess issues and controversies relating to chapter material. These questions often require students to take and justify stands on chapter topics.
- Chapter-end Web Exercises. There are two chapter-end Web-based exercises per chapter. These require students to access and use chapterrelated Web material.
- > Chapter-end Cases. Chapter-end cases highlight recent events and challenges facing well-known companies and provide illustrations of chapter concepts. The student develops critical thinking and analytical skills by thoroughly analyzing the situation and applying appropriate tools or techniques to address the situation.
- Chapter-end Video Cases. Each chapter includes a video case showing an actual organization dealing with management challenges. The video cases include introductory material and questions for discussion geared to chapter content.

#### INSTRUCTOR RESOURCES

The following resources are designed to aid instructors and were developed entirely by the text authors.

> Instructor's Resource Manual (ISBN: 0-324-01331-0). The objective of the Instructor's Resource Manual is to provide a high-quality and comprehensive instructional resource designed to "make the instructor look great." This resource includes sample answers to Critical Thinking Questions, End-of-Chapter Cases, Real-World Management Challenges, and Video Cases. It provides chapter outlines, sample course syllabi, and lesson plans for each chapter. In addition, it provides further information about text Self-Assessment exercises, including norm data developed

specifically for the text, and it offers additional exercises, cases, activities, and Web links to enrich students' learning experiences. The Instructor's Resource Manual is designed to give instructors a confident grasp of all text material as well as to provide extra information, tips, anecdotes, and examples to allow the instructor to demonstrate mastery of the material and to give "value added" to students beyond the text material.

- > Test Bank (ISBN: 0-324-01333-7). The Test Bank contains approximately 100-150 questions for each text chapter. These questions include all basic formats, including multiple choice, true and false, short answer, fill-in-the-blank, and essay, as well as a significant number of "scenario type" questions. The level of difficulty of each question is indicated next to the item. The objective of this resource is to make the design of a high-quality (relevant, challenging, and defensible) exam a simple and efficient process for the instructor, as well as to permit tailoring of the exam to the instructor's preferred testing style.
- PowerPoint Slides (ISBN: 0-324-01332-9). Approximately 40 Power-Point slides are provided for each chapter, some drawn from text figures and others specifically designed for this resource. The PowerPoint slides include integrative figures, definitions of concepts, lists of important factors, practical implications, important conceptual frameworks, and other materials. Slides are attractively designed and fully animated to permit polished and professional presentations. Instructors may choose to use the presentations as they are provided, or to add their own content and enrichment features.
- Videos (ISBN: 0-324-11659-4; 0-324-11660-8). Designed to enrich and support chapter concepts, each of the videos presents real business issues faced by a variety of service and manufacturing organizations. The video cases challenge students to study management and OB issues and develop solutions to business problems.
- > ExamView Testing Software (ISBN: 0-324-01334-5). You can create, deliver, and customize print and online tests in minutes with this easy-to-use testing and assessment system. ExamView offers both a Quick Test Wizard and an Online Test Wizard that guide you step by step through the process of creating tests, while its unique WYSIWYG capability allows you to see the test you are creating on the screen exactly as it will print or display online. With ExamView's complete word-processing capabilities, you can enter an unlimited number of new questions or edit existing questions.
- > Instructor's Website at http://aldag.swcollege.com. The Instructor's Website, developed and maintained by the authors, contains the following features:
  - Downloadable PowerPoint slides and the Instructors' Resource Manual.
  - Norm data for Self-Assessment exercises. As noted earlier, the norm data to be provided in the Instructors' Resource Manual will be regularly updated on the Instructors' Website to provide a larger and more varied pool of comparison information.
  - Additional Web links. Links to hundreds of problem-solving resources on the Web are provided and are regularly updated.

- *Talk to the Authors*. This feature enables instructors to submit questions to the authors, request teaching tips regarding any aspect of the book, offer their own suggestions and examples, and so on. The authors will personally respond to e-mail queries.
- "Management Skills in the Movies." This unique feature offers a
  listing of movies (professional, training, and Hollywood-made) that
  illustrate skills discussed in the text. Many students enjoy watching
  videos that illustrate course concepts. This website feature will
  provide a listing of video clips that have been effectively used by instructors to illustrate important OB and management concepts and
  skills, as well as tips for their use.
- Regular updates. The website will be actively maintained to provide new information concerning management tools, the real-world examples used in the text, new examples, and new exercises relating to the Web links. Again, the text, Instructors' Resource Manual, and website will each incorporate a variety of exercises relating to these links.

#### STUDENT RESOURCES

- > InfoTrac College Edition (0-324-01330-2). With InfoTrac College Edition, students get complete, 24-hour-a-day access to full-text articles from hundreds of scholarly journals and popular periodicals such as *Newsweek, Time,* and *USA Today.* Thousands of full-length, substantive articles spanning the past four years are updated daily, indexed, and linked. And because they're online, the articles are accessible from any computer with Internet access. InfoTrac College Edition is perfect for all students, from dorm-dwellers to commuters and distance learners.
- > Web Tutor <sup>™</sup> harnesses the power of the Internet to deliver innovative learning aids that actively engage students. Web Tutor was designed to help students grasp complex concepts and to provide several forms of interactive learning reinforcements. This rich collection of content, customized for *Organizational Behavior and Management: An Integrated Skills Approach*, is available to students online.

Thomson Learning has partnered with two of the leading course management systems available today—Blackboard and WebCT—to deliver WebTutor content cartridges to instructors around the world.

WebTutor on WebCT (ISBN: 0-324-11856-2) Web Tutor on Blackboard (ISBN: 0-324-12764-2)

Personal WebTutor Access Certificate (ISBN: 0-324-13472-X)

Four-month Access (ISBN: 0-324-13473-8) One-month Access (ISBN: 0-324-13474-6)

WizeUp Digital Edition (ISBN: 0-324-12865-7). The WizeUp Digital Edition of this text contains the complete textbook, powered by WizeUp software. It features powerful study tools to help you study faster and easier. With the digital version, you can instantly find exactly what you need with powerful search tools, add notes anywhere in the textbook, search, sort, and print your notes to make a custom study guide, and much more.

- > Interactive Study Center at <a href="http://aldag.swcollege.com">http://aldag.swcollege.com</a>. The Student Website, also developed and maintained by the authors, offers the following student resources:
  - Interactive practice quizzes with feedback. The best way to
    prepare for exams is to get as much practice as possible answering
    questions that test mastery of each chapter's content. The Interactive Study Center includes multiple choice and test questions for
    each chapter.
  - Challenge topics. This resource gives students easy-to-understand explanations of some of the most difficult concepts discussed in the book. Additional examples of each concept will be provided with the explanations.
  - *Cyber review sessions.* These offer concise overviews of the content covered in each chapter. Many students request review sessions from their instructors when it is exam time. This website feature provides students with a concise overview of the key topics covered in each chapter and helps students to see how all of the topics fit together into a coherent whole. This is an extremely valuable resource for students when they are preparing for an upcoming exam.

#### TEXT ORGANIZATION

The text begins with a chapter emphasizing the importance of skills in the modern workplace and presenting the book's management skills framework. There are then 11 "substantive" chapters and a "looking ahead" chapter. Each of the substantive chapters focuses on a particular skills cluster. While the text provides relatively comprehensive coverage of standard topics, those topics are clustered around common themes and skills. We believe this permits the use of richer, more integrated materials while minimizing redundancies.

Chapter 2, The Organizational Context, focuses on a variety of skills needed to get the "big picture" of the firm and to ensure that actions are consistent with overall organizational goals. Chapter 3, Understanding and Valuing Differences, stresses knowledge and skills required in increasingly diverse organizations, including personality, national culture, perceptions, and attitudes; together, these topics speak to the nature of diversity and the ways we may react to it. In Chapter 4, Solving Problems, we address skills needed for problem solving, creativity enhancement, and negotiating. Chapter 5, Communicating Effectively, offers approaches to improving such critical communication skills as written communication, effective speaking, active listening, attending to nonverbal communications and informal communications, and use of electronic communication tools. In Chapter 6, Motivating Effectively, we focus on skills related to understanding employee needs, applying learning theories, setting effective goals, linking effort to outcomes, assuring fairness, and designing jobs to be intrinsically motivating. Chapter 7, Leading Effectively, provides guidelines and exercises to develop your leadership knowledge and skills. In that chapter, we will consider how leaders gain power and exert social influence, and we will address key leader skills and behaviors.

Chapter 8, Organizational Culture, Empowerment, and Ethics, addresses

topics which, taken together, are critical to the ongoing success and health of organizations. The chapter focuses on skills for assessing culture and managing cultural change, and it shows how cultures can be designed to empower employees and encourage ethical behavior. In Chapter 9, Fostering Personal Growth, we focus on skills you will need to proactively take charge of your life, effectively deal with stressors, and actively manage your career. Chapter 10, Managing Politics, Conflict, and Change, deals with three interrelated issues that are pervasive in organizations and create uncertainty, turmoil, and stress, and we will provide guidelines for dealing with each of them. Chapter 11, Attracting, Selecting, and Developing Employees, addresses key human resource skills. Chapter 12, Managing Teams, explores the management skills that you will need to effectively create and lead teams. Finally, Chapter 13 provides a summary of the skills addressed in the book and offers specific, detailed guidance for lifelong skills learning.

#### AN INVITATION

We have made every effort to offer in *Organizational Behavior and Management: An Integrated Skills Approach* and its supplements a unique, comprehensive, accessible set of resources for instructors who hope to employ a strong skills emphasis in an organizational behavior or management course. Through the text's website, we hope to work with you as you use these materials, not only to provide information but also to learn your perspectives, insights, concerns, examples, and approaches. We invite you to take full advantage and contact us via e-mail, phone, or in any other way, and we look forward to interacting with you as you help prepare students for the Brave New World of organizational behavior and management.

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Ray has 30 years of experience teaching management principles, organizational behavior, decision making, introduction to business, human resource management, business policy, and other courses. He has served on more than 50 Ph.D. thesis committees.

An active researcher on such topics as leadership, culture, group decision processes, task design, and motivation, Ray has published more than 70 journal articles and book chapters in Administrative Science Quarterly, Academy of Management Journal, Academy of Management Review, Decision Sciences, Journal of Applied Psychology, Journal of Management, Psychological Bulletin, and elsewhere. He

is co-author of six books, including *Business in a Changing World* (fourth edition), *Management* (second edition), and *Leadership and Vision*, and has served as associate editor for organizational theory and behavior for the *Journal of Business Research*, essays co-editor of the *Journal of Management Inquiry*, and on the Board of Consulting Editors for the *Journal of Applied Psychology*. He currently serves on the Editorial Review Boards of *Organization and Environment* and the *Journal of Leadership Studies*. He has served as a proposal reviewer for the Office of Personnel Management and the National Science Foundation and has received NSF funding for his research.

Ray served as the 1991-1992 president of the National Academy of Management, a professional organization with 10,000 members in more than 80 countries, and as the 1992-1993 president of the Foundation for Administrative Research. He has also served on the Board of Governors of the Academy of Management and in other Academy of Management positions in the Research Methods, Public Sector, Organizational Behavior, and Social Issues Divisions and in the Organizations and the Natural Environment Interest Group. He also has served as President of the Midwest Academy of Management and in various roles in the Decision Sciences Institute and the Industrial Relations Research Association.

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#### LOREN W. KUZUHARA

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Loren is the faculty advisor for the UW-Madison student chapters of the Society for Human Resource Management (SHRM) and Sigma Iota Epsilon (SIE). He also is the Sam Walton Fellow for the UW-Madison Students in Free Enterprise (SIFE) team and the coach for the student team that competes in the annual HR Games competition.

Loren earned his bachelor's degree in psychology from the University of Illinois at Urbana-Champaign, and his Master of Business Administration and Ph.D. in management and human resources from the University of Wisconsin-Madison.

Loren has corporate experience working in the Strategic Research Department at American Family Insurance. He is an active management consultant as well.

Loren's research interests revolve around work motivation, leadership, team development, training and development, organizational effectiveness and human resource management.

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