

10TH EDITION

# ORGANIZATIONAL BEHAVIOR

MANAGING PEOPLE AND ORGANIZATIONS



GRIFFIN & MOORHEAD



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MANAGING PEOPLE AND ORGANIZATIONS

RICKY W. GRIFFIN







#### Organizational Behavior: Managing People and Organizations, Tenth Edition Ricky W. Griffin and Gregory Moorhead

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# PREFACE

The last ten years have produced some of the most challenging conditions ever faced by organizations and the people who comprise them. Organizations are contending with the longest and deepest economic recession since the Great Depression; wars and military skirmishes continue throughout the world; the pace of global technology innovation is increasing faster than ever; and natural and human-caused disasters seem to occur more frequently—all putting more and different kinds of pressure on organizations: first to survive, and, second, to develop new methods and processes, to develop new products and services, and to seek out new markets. While money, research, technological development, new marketing campaigns, and favorable political or governmental relations can be applied to provide some relief, the most important contributor to long-term organizational survival and success is in how an organization manages its people. The commitment and dedication of all of those who toil in the trenches and do the core work of the organization are the key elements in an organization's drive to change and evolve in order to confront the unprecedented challenges it faces. All facets of the field of organizational behavior contribute to the creation of a high performing organization, including motivational practices, key leadership processes, organization structure, high performing groups and teams, and the organization's culture.

It is the behavior of humans in organizations that creates and enacts the changes necessary for those organizations to survive and thrive in these challenging times. Now more than ever, managers need a comprehensive and sophisticated understanding of the assets, tools, and resources they can draw upon to compete most effectively. And understanding the people who comprise organizations—the operating employees, managers, engineers, support staff, sales representatives, decision makers, professionals, maintenance workers, and administrative employees—is critical for any manager who aspires to understand not only change but also how his or her organization needs to respond to that change.

As we prepared this edition of Organizational Behavior: Managing People and Organizations, we once again relied on a fundamental assumption that has helped this book remain a market leader since the publication of its first edition more than two decades ago: we must equip today's students (and tomorrow's managers) with a solid and grounded perspective on managing people that allows them to innovate, interpret, judge, imagine, and build behaviors and relationships. This perspective requires students to gain a firm grasp of the fundamentals of human behavior in organizations—the basic foundations of behavior—so that they can develop new answers to the new problems they encounter. As new challenges are thrust upon us from around the world by economic recession, natural and human-caused disasters, global competition, new technologies, newer and faster information processes, new world-wide uncertainties, and customers who demand the best in quality and service, the next generation of managers will need to go back to basics—the fundamentals—and then combine those

basics with new developments in the field of Organizational Behavior as well as with valid new experiences in a complex world, and ultimately develop innovative new solutions, processes, products, or services to gain competitive advantage.

#### THE TEXT THAT MEETS THE CHALLENGE

This edition of Organizational Behavior: Managing People and Organizations takes on that challenge by providing the basics in each area, bolstered by the latest research in the field, and infused with examples of what companies are doing in each area. We open each chapter with an introduction and a new opening vignette that provides an immediate example of how the topic of the chapter is relevant to today's organizations. So that students become involved with the opening incident and begin to think about the topics in the chapter, we provide two questions following the opening incident asking students what they think about some of the issues in the incident. Chapter outlines and learning objectives are also presented at the beginning of each chapter. We continue to build and reinforce learning techniques at the end of each chapter in order to provide more opportunities to work with the chapter content. In addition to a brand-new end-of-chapter case, experiential exercise, and self-assessment exercise, we have added an opportunity for students to build their own managerial skills with the Building Managerial Skills exercise. We have also kept the in-depth running case that is presented at the end of each part of the book. This edition's all-new running case features Netflix, Inc.

Organizational Behavior: Managing People and Organizations prepares and energizes managers of the future for the complex and challenging tasks of the new century while it preserves the past contributions of the classics. It is comprehensive in its presentation of practical perspectives, backed up by the research and learning of the experts. We expect each reader to be inspired by the most exciting task of the new century: managing people in organizations.

#### CONTENT AND ORGANIZATION

The tenth edition of Organizational Behavior: Managing People and Organizations retains the same basic overall organization that has worked so well for over 20 years. But within that framework, we also continue several exciting and innovative changes that were initiated in the ninth edition and further enhanced the book's usefulness. We have also integrated the latest research and managerial practice throughout the book.

Part 1 discusses the managerial context of organizational behavior. In Chapter 1 we introduce the basic concepts of the field, discuss the importance of the study of organizational behavior, and relate organizational behavior to the broader field of management. Chapter 2 focuses on the changing environment of organizations. The key topics addressed in this chapter are globalization, diversity, technology, ethics and corporate governance, and new employment relationships.

Part 2 includes six chapters that focus on the fundamental individual processes in organizations: individual behavior, motivation, employee performance, work stress, and decision making. Chapter 3 presents the foundations for understanding individual behavior in organizations by discussing the psychological nature of people, elements of personality, individual attitudes, perceptual processes, and workplace behavior. Coverage of emotional intelligence, added to this chapter in the ninth edition, was well received and has been retained. Chapter 4 focuses on the two primary categories of motivation theories: need-based approaches and process-based approaches. Chapters 5 and 6, meanwhile, move away from theory per se and describe some of the more

-

important methods and techniques used by organizations to actually implement the theories of motivation, with Chapter 5 discussing work-related methods for motivating employees and Chapter 6 addressing reward-based approaches to motivation. Work stress, another important element of individual behavior in organizations, is covered in Chapter 7. Finally, Chapter 8 is devoted to decision making and problem solving.

In Part 3 we move from the individual aspects of organizational behavior to the more interpersonal aspects of the field, including communication, groups and teams, leadership and influence processes, power and politics, and conflict and negotiations. Chapters 9 and 10 are a two-chapter sequence on groups and teams in organizations. We believe there is too much important material to have only one chapter on these topics. Therefore, we present the basics of understanding the dynamics of small group behavior in Chapter 9 and discuss the more applied material on teams in Chapter 10. In this manner readers get to understand the more basic processes first before attacking the more complex issues in developing teams in organizations. Chapter 11 describes the behavioral aspects of communication in organizations. We present leadership in a two-chapter sequence, examining models and concepts in Chapter 12 and contemporary views in Chapter 13. We believe users will especially enjoy Chapter 13, with its coverage of strategic, ethical, and virtual leadership, as well as gender and crosscultural impacts on leadership. Closely related to leadership are the concepts of power, politics, and workplace justice. This material is covered in Chapter 14. Part 3 closes with Chapter 15, devoted to conflict and negotiations in organizations.

In Part 4 we address more macro and system-wide aspects of organizational behavior. Chapter 16, the first of a two-chapter sequence on organization structure and design, presents the classical view of organizations and then describes the basic building blocks of organizations — division of labor, specialization, centralization, formalization, responsibility, and authority. Chapter 17 describes more about the factors and the process through which the structure of an organization is matched to fit the demands of change, new technology, and expanding competition, including global issues. Chapter 18 moves on to the important concept of organizational culture, describing the key elements of culture and how it is created and changed. The final chapter, Chapter 19, could really be the cornerstone of every chapter, because it presents the classical and contemporary views of organizational change. Due to the demands on organizations today, as stated earlier and by every management writer alive, change is the order of the day, the year, the decade, and the new century.

#### FEATURES OF THE BOOK

This edition of Organizational Behavior: Managing People and Organizations is guided by our continuing devotion to the preparation of the next generation of managers. This is reflected in four key elements of the book which we believe stem from this guiding principle: a strong student orientation; contemporary content; a real world, applied approach; and effective pedagogy.

#### **Student Orientation**

We believe that students, instructors, and other readers will agree with our students' assessment of the book as being easy and even enjoyable to read with its direct and active style. We have tried to retain the comprehensive nature of the book while writing in a style that is active and lively and geared to the student reader. We want students to enjoy reading the book while they learn from it. The cartoons and their content-rich captions tie the humorous intent of the cartoons to the concepts in the text. Thoughtprovoking questions bring the student into the opening incident, drawing them into the topics in each chapter. All of the figures include meaningful captions, again to tie the figure directly to the concepts. The end-of-chapter features retain the popular experiential exercises and the diagnostic questionnaires, or self-assessments, and the real-world cases that show how the chapter material relates to actual practice. A third of these exercises are new to this edition and all of the cases' boxed inserts are brand new.

#### **Contemporary Content Coverage**

This edition continues our tradition of presenting the most modern management approaches as expressed in the popular press and the academic research. The basic structure of the book remains the same, but you will find new coverage that represents the most recent research in many areas of the book.

#### Real World, Applied Approach

The organizations cited in the opening incidents, examples, cases, and boxed features throughout this edition represent a blend of large, well-known and smaller, less well-known organizations so that students will see the applicability of the material in a variety of organizational settings. Each chapter opens and closes with concrete examples of relevant topics from the chapter. The running end-of-part case about Netflix provides a more in-depth case for class discussion. Each chapter also contains two boxes, selected from the five types of boxed features included in this edition. Each box has a unique, identifying icon that distinguishes it and makes it easier for students to identify.

As in the ninth edition, and completely unlike other books, we have achieved a very exciting form of integration with the boxed inserts in this edition. One box in the chapter continues the story from the opening case and then ties it to one of the thematic concepts described below:

- Each "Technology" box describes how a company uses advances in computer and information technology to improve its business.
- Each "Change" box shows an organization rethinking its methods of operation to respond to changes in the business climate.
- Each "Globalization" box describes an organization meeting the needs of its increasingly complex global environment.
- Each "Diversity" box shows an organization dealing with its increasingly diverse work force.
- Each "Ethics" box shows an organization's ethical perspective when making decisions or dealing with complicated situations.

#### **Effective Pedagogy**

Our guiding intent continues to be to put together a package that enhances student learning. The package includes several features of the book, many of which have already been mentioned:

- Each chapter begins with a Chapter Outline and Objectives and ends with a Synopsis.
- "Discussion Questions" at the end of each chapter stimulate interaction among students and provide a guide to complete studying of the chapter concepts.

- Following the Opening Incident in each chapter are two thought-provoking questions in a "What Do You Think?" section that draw the students into the incident and then into the topics in the chapter.
- "Experiencing Organizational Behavior" exercises at the end of each chapter, (many new to this edition), help students make the transition from textbook learning to real world applications. The end-of-chapter case, "Organizational Behavior Case for Discussion," also assists in this transition.
- A "Self Assessment Exercise" activity at the end of each chapter gives students
  the opportunity to apply a concept from the chapter to a brief self-assessment or
  diagnostic activity.
- The "Building Managerial Skills" activity provides an opportunity for students to "get their hands dirty" and really use something discussed in the chapter.
- The Opening and Closing Cases—all of which are brand new to this edition and accompanying boxed inserts—one half of which are new—illustrate chapter concepts with real life applications.
- The brand-new Integrative Running Case at the end of each part focuses on Netflix and provides an opportunity for students to discuss an actual ongoing management situation with significant organizational behavior facets.
- Figures, tables, photographs, and cartoons offer visual and humorous support for the text content. Explanatory captions to figures, photographs, and cartoons enhance their pedagogical value.
- A running marginal glossary and a complete glossary found on the textbook website provide additional support for identifying and learning key concepts.

A new design reflects this edition's content, style, and pedagogical program. The colors remain bold to reflect the dynamic nature of the behavioral and managerial challenges facing managers today, and the interior photographs in this edition have been specially selected to highlight the dynamic world of organizational behavior.

But why zebras on the cover? Well, for one thing, they present an attractive image. But more seriously, if we look a bit closer we can see that while all zebras look similar to one another, in reality the marking and patterns on each is unique. They are social animals that live and travel in groups. Within each group there is a well-defined hierarchy based on power and status, and each group has a leader. And the group itself works with certain other groups (such as impalas and wildebeests) to protect themselves from other groups (most notably lions). When you have finished reading and studying this book, you will come to understand that like zebras, each of us as human beings has certain things in common with all other humans, but each of us is also unique. We are social, live and travel in groups, have hierarchies and leaders, and both collaborate and compete with others. So, what can managers learn from zebras? Probably more than you think, and they are still wonderful creatures to watch!

We would like to hear from you about your experiences in using the book. We want to know what you like and what you do not like about it. Please write to us via e-mail to tell us about your learning experiences. You may contact us at:

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Although this book bears our two names, numerous people have contributed to it. Through the years we have had the good fortune to work with many fine professionals who helped us to sharpen our thinking about this complex field and to develop new and more effective ways of discussing it. Their contributions were essential to the development of this edition. Any and all errors of omission, interpretation, and emphasis remain the responsibility of the authors.

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R.W.G. G.M.

For my daughter Ashley, a rock star at work but still her daddy's sweet and shining star.

-R.W.G.

For my family: Linda, Alex, and Lindsay.

-G.M.

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