

CONTEMPORARY  
management

FOURTH EDITION



GARETH R. JONES JENNIFER M. GEORGE

# Contemporary Management

Fourth Edition

Gareth R. Jones

Texas A&M University

Jennifer M. George

Rice University



**McGraw-Hill  
Irwin**

Boston Burr Ridge, IL Dubuque, IA Madison, WI New York San Francisco St. Louis  
Bangkok Bogotá Caracas Kuala Lumpur Lisbon London Madrid Mexico City  
Milan Montreal New Delhi Santiago Seoul Singapore Sydney Taipei Toronto



## CONTEMPORARY MANAGEMENT

Published by McGraw-Hill/Irwin, a business unit of The McGraw-Hill Companies, Inc., 1221 Avenue of the Americas, New York, NY 10020. Copyright © 2006, 2003, 2000, 1998 by The McGraw-Hill Companies, Inc. All rights reserved. No part of this publication may be reproduced or distributed in any form or by any means, or stored in a database or retrieval system, without the prior written consent of The McGraw-Hill Companies, Inc., including, but not limited to, in any network or other electronic storage or transmission, or broadcast for distance learning.

Some ancillaries, including electronic and print components, may not be available to customers outside the United States.

This book is printed on acid-free paper.

2 3 4 5 6 7 8 9 0 WCK/WCK 0 9 8 7 6

ISBN-13: 978-0-07-286082-5

ISBN-10: 0-07-286082-0

Editorial director: *John E. Biernat*

Senior sponsoring editor: *Kelly H. Lowery*

Managing developmental editor: *Laura Hurst Spell*

Editorial assistant: *Amy Luck*

Executive marketing manager: *Ellen Cleary*

Producer, Media technology: *Mark Molsky*

Lead project manager: *Mary Conzachi*

Senior production supervisor: *Sesha Bolisetty*

Coordinator freelance design: *Artemio Ortiz Jr.*

Photo research coordinator: *Lori Kramer*

Photo researcher: *Sarah Evertson*

Media project manager: *Betty Hadala*

Supplement producer: *Gina F. DiMartino*

Developer, Media technology: *Brian Nacik*

Cover and interior icon design: *Asylum Studios*

Interior design: *Artemio Ortiz Jr.*

Typeface: *10.25/12 Baskerville*

Compositor: *Precision Graphics*

Printer: *Quebecor World Versailles Inc.*

### Library of Congress Cataloging-in-Publication Data

Jones, Gareth R.

Contemporary management / Gareth R. Jones, Jennifer M. George.-- 4th ed.  
p. cm.

Includes index.

ISBN 0-07-286082-0 (alk. paper)

I. Management. I. George, Jennifer M. II. Title.

HD31.J597 2006

658--dc22

2004042322

# Preface

Many changes have taken place in the world of business in the three years since we last revised our book. Major companies such as Enron, Tyco, WorldCom, Arthur Andersen, and many mutual fund companies have been accused of acting either unethically or illegally. As a result, many of these companies have gone out of business or are close to bankruptcy, tens of thousands of employees have lost their jobs, and millions of ordinary investors have seen their savings plunge in value. At the same time, the dot-com bust and the growth in the outsourcing of information technology, services, and manufacturing jobs to countries overseas has led to further job losses. As a result of these developments, many people have begun to look closely at the way large global companies are managed and to closely scrutinize the behavior of their managers. The ethics of top managers and ethical concerns throughout organizations have come to the forefront of attention.

In addition, the fast-changing domestic and global environments increase the need for organizations and their managers to find new ways to respond in order to maintain and improve their performance. There are mounting pressures on managers to integrate new information technology into all aspects of an organization's operations to improve efficiency and customer responsiveness. The increasing diversity of the workforce has made it imperative for managers to understand how and why people differ so that they can effectively manage and reap the benefits of diversity. The continuing need to innovate and improve the quality of goods and services to allow an organization to compete effectively confronts managers on a daily basis. The tasks that managers must perform effectively have become more complex and challenging than ever before.

The fourth edition of *Contemporary Management* has been significantly revised to reflect and address these challenges to managers and their organizations. Encouraged by the favorable reception and increasing support for our book, and

based on the reactions and suggestions of both users and reviewers, we have added new chapters and altered others to respond to the many changes that have been taking place.

## Major Content Changes and Chapter Reorganization

To respond to the increasing need to expose students to the ethical implications of management decisions, the book now includes a complete chapter—Chapter 4, titled “Ethics and Social Responsibility”—which contains new and more detailed coverage of many important topics. For example, we examine the nature of ethical dilemmas and why they arise; we provide a new stakeholder approach to ethics; we discuss in depth the relationship between ethics and digital piracy (e.g., downloading of songs and movies); and we have increased our coverage of the nature of ethical principles and how to follow them. In addition, we have developed a new ethical exercise, found at the end of every chapter, which provides students with a hands-on ethics learning experience. Taken together, these additions provide an instructor with the materials and opportunity to make ethics a significant part of the course content, if so desired.

The creation of a separate chapter on ethics has also allowed us to expand our coverage of diversity, so we have a new chapter—Chapter 5, “Managing Diverse Employees in a Multicultural Environment”—that is devoted to diversity. Among the new issues we discuss are the effects of the population growth of Asians and Hispanics in the workplace, employee wage and position disparities and the advantages of ensuring fair treatment and representation, and the implications of disabilities and sexual orientation in the workplace. To address current issues, in an era when companies



like Wal-Mart are facing diversity lawsuits involving hundreds of millions of dollars, we include new material on effectively managing diversity and eradicating sexual harassment.

Another major change has been the combination of the two separate chapters on the domestic and the global environments into one—Chapter 6, “Managing in the Global Environment.” This change has resulted in a superior and more streamlined presentation of the material. Moreover, little has been lost, because material in the former two chapters has been incorporated into other chapters where it is better integrated. For example, the section on methods of expanding internationally has been incorporated into the discussion of global strategy in Chapter 8, “The Manager as a Planner and Strategist.”

In another major change, we have rewritten the chapter on operations management to focus on issues in developing functional strategies for managing value-chain activities. In this edition, responding to our users’ and reviewers’ suggestions, we now have two sequential chapters on the strategy-making process: the revised Chapter 8 and a new Chapter 9, titled “Value-Chain Management: Functional Strategies to Increase Quality, Efficiency and Responsiveness to Customers.” We are very pleased with this change for it has enabled us to link the different levels of strategy making while still maintaining a strong focus on managing operations and processes.

Finally, in reorganizing our chapters, we have moved our discussion of organizational change to Chapter 11, on organizational control, and begun our treatment of organizational culture in Chapter 3. Chapter 3, “The Manager as a Person: Values, Attitudes, Emotions, and Culture,” now discusses the nature and significance of organizational culture. Chapter 11, “Organizational Control and Change,” then discusses how culture is a powerful way of shaping behavior in organizations. In addition, the new Chapter 11 allows us to make clear the important link between an organization’s ability to control its activities in order to be able to innovate and adapt to a changing environment.

We are very excited about the major changes we have made to the fourth edition of *Contemporary Management*. We feel they reflect, and challenge students to think beyond, the changes that

are occurring in management and the workplace; we also feel they offer an account of management that will stimulate students.

## Other Content Changes

In revising our book, we have kept at the forefront the fact that our users and reviewers are very supportive of our attempts to integrate contemporary management theories and issues into the analysis of management and organizations. As in previous editions, our goal has been to distill new and classic theorizing and research into a contemporary framework that is compatible with the traditional focus on management as planning, leading, organizing, and controlling but that transcends this traditional approach.

Users and reviewers report that students appreciate and enjoy our presentation of management, a presentation that makes its relevance obvious even to those who lack exposure to a real-life management context. Students like the book’s content and the way we relate management theory to real-life examples to drive home the message that management matters both because it determines how well organizations perform and because managers and organizations affect the lives of people inside and outside the organization, such as customers and shareholders.

In keeping with this tradition, besides making the major content changes noted earlier, we’ve added many new and updated topics and issues throughout all of the chapters in the book. Some highlights are new coverage of the implications of global outsourcing; expanded coverage of information technology throughout the book, including the use of enterprise resource planning and B2B systems; inclusion of scales for measuring personality; new treatment of emotions and emotional intelligence, including a new scale that measures the latter; new treatment of dysfunctional cultures; new material on intuition and creativity; expanded focus on global strategy; new discussion of inert and adaptive cultures; expanded discussion of online recruiting, mentorship, and pay differentials; expanded coverage of gender, emotional intelligence, and leadership; discussion of the use of new communication systems to improve decisions making; and expanded coverage of the negotiating process.

## Unique Emphasis on Contemporary, Applied Management

As these changes suggest, our contemporary approach has led us to discuss many concepts and issues that are not addressed in other management textbooks. Our contemporary approach also is illustrated by the way we have chosen to organize and discuss these management issues. We have gone to great lengths to bring the manager back into the subject matter of management. That is, we have written our chapters from the perspective of current or future managers to illustrate, in a hands-on way, the problems and opportunities they face and how they can effectively meet them. For example, in Chapter 3 we provide an integrated treatment of personality, attitudes, emotions, and culture; in Chapter 4, a focus on ethics from a student's and a manager's perspective; and in Chapter 5, an in-depth treatment of effectively managing diversity and eradicating sexual harassment. In Chapters 8 and 9, we provide an integrated treatment of strategy by highlighting the choices managers face as they go about performing their planning role.

This applied approach can also be clearly seen in the last three chapters of the book, which cover the topics of managing organizational conflict, politics, and negotiation; managing information technology; and promoting innovation, product development, and entrepreneurship. Our chapters provide a student-friendly, behavioral approach to understanding the management issues entailed in negotiations, information systems, and innovation and entrepreneurship. In fact, the management of information technology to create and sustain a competitive advantage has always been a major theme of our book.

## Flexible Organization

Another factor of interest to instructors concerns the way we have designed the grouping of chapters to allow instructors to teach the chapter material in the order that best suits their needs. For example, the more micro-oriented instructor can follow Chapters 1 through 5 with Chapters 12

through 16 and then do the more macro chapters. The more macro-oriented professor can follow Chapters 1 and 2 with Chapters 6 through 11, jump to 17, 18, 19, and then do the micro chapters, 3 through 5 and 12 through 16. Our sequencing of parts and chapters gives instructors considerable freedom to design the course that best suits their needs. Instructors are not tied to the planning, organizing, leading, and controlling framework, even though our presentation remains consistent with this approach.

## Acknowledgments

Finding a way to integrate and present the rapidly growing literature on contemporary management and make it interesting and meaningful for students is not an easy task. In writing and revising the various drafts of *Contemporary Management*, we have been fortunate to have the assistance of several people who have contributed greatly to the book's final form. First, we are grateful to Andy Winston, our sponsoring editor, for his ongoing support and commitment to our project and for always finding ways to provide the resources that we needed to continually improve and refine our book. Second, we are grateful to Laura Spell, our developmental editor, for so ably coordinating the book's progress and to her and Ellen Cleary, our marketing manager, for providing us with concise and timely feedback and information from professors and reviewers that have allowed us to shape the book to the needs of its intended market. We also thank Artemio Ortiz for executing an awe-inspiring design; Mary Conzachi for coordinating the production process; Alexander Ruiz, Denise Bear, and Kalin Fotev (Rice University) for their research assistance; and Elaine Morris (Rice University) and Patsy Hartmangruber (Texas A&M) for providing excellent word-processing and graphic support. We are also grateful to the many colleagues and reviewers who provided us with useful and detailed feedback and perceptive comments and valuable suggestions for improving the manuscript.

Producing any competitive work is a challenge. Producing a truly market-driven textbook requires tremendous effort beyond simply obtaining reviews of a draft manuscript. Our goal was simple

with the development of *Contemporary Management*: to be the most customer-driven principles-of-management text and supplement package ever published! With the goal of exceeding the expectations of both faculty and students, we executed one of the most aggressive product development plans ever undertaken in textbook publishing. Hundreds of faculty have taken part in developmental activities ranging from regional focus groups to manuscript and supplement reviews and surveys. Consequently, we're confident in assuring you and your students, our customers, that every aspect of our text and support package reflects your advice and needs. As you review it, we're confident that your reaction will be, "They listened!"

We extend our special thanks to the faculty who gave us their feedback during the development of the fourth edition:

Gerald Baumgardner, *Pennsylvania College of Technology*  
 Barry Bunn, *Valencia Community College*  
 Gerald Calvasina, *Southern Utah University*  
 Bruce H. Charnov, *Hofstra University*  
 Jay Christensen-Szalanski, *University of Iowa*  
 Teresa A. Daniel, *Marshall University*  
 Sandra Edwards, *Northeastern State University*  
 Kim Hester, *Arkansas State University*  
 Gwendolyn Jones, *University of Akron*  
 Kathleen Jones, *University of North Dakota*  
 Joanne E. Kapp, *Siena College*  
 Nicholas Mathys, *DePaul University*  
 Douglas L. Micklich, *Illinois State University*  
 Clive Muir, *Stetson University*

Our thanks go also to the faculty who contributed greatly to previous editions of *Contemporary Management*:

Fred Anderson, *Indiana University of Pennsylvania*  
 Jacquelyn Appeldorn, *Dutchess Community College*  
 Barry Armandi, *SUNY-Old Westbury*  
 Dave Arnott, *Dallas Baptist University*  
 Douglas E. Ashby, *Lewis & Clark Community College*  
 Kenneth E. Aupperle, *University of Akron*  
 Barry S. Axe, *Florida Atlantic University*  
 Jeff Bailey, *University of Idaho*  
 Robert M. Ballinger, *Siena College*

Donita Whitney-Bammerlin, *Kansas State University*  
 Frank Barber, *Cuyahoga Community College*  
 Sandy Jeanquart Barone, *Murray State University*  
 Lorraine P. Bassette, *Prince George's Community College*  
 Gene Baten, *Central Connecticut State University*  
 Josephine Bazan, *Holyoke Community College*  
 Hrach Bedrosian, *New York University*  
 Ellen A. Benowitz, *Mercer County Community College*  
 Mary Jo Boehms, *Jackson State Community College*  
 Jack C. Blanton, *University of Kentucky*  
 David E. Blevins, *University of Arkansas at Little Rock*  
 Karen Boroff, *Seton Hall University*  
 Barbara Boyington, *Brookdale Community College*  
 Charles Braun, *Marshall University*  
 Gil Brookins, *Siena College*  
 Patricia M. Buhler, *Goldey-Beacom College*  
 David Cadden, *Quinnipiac College*  
 Thomas Campbell, *University of Texas-Austin*  
 Thomas Carey, *Western Michigan University*  
 Daniel P. Chamberlin, *Regents University-CRB*  
 Nicolette DeVille Christensen, *Guilford College*  
 Raul Chavez, *Eastern Mennonite University*  
 Anthony A. Cioffi, *Lorain County Community College*  
 Sharon F. Clark, *Lebanon Valley College*  
 Sharon Clinebell, *University of Northern Colorado*  
 Dianne Coleman, *Wichita State University*  
 Elizabeth Cooper, *University of Rhode Island*  
 Anne Cowden, *California State University-Sacramento*  
 Thomas D. Craven, *York College of Pennsylvania*  
 Kent Curran, *University of North Carolina*  
 Arthur L. Darrow, *Bowling Green State University*  
 Ron DiBattista, *Bryant College*  
 Thomas Duening, *University of Houston*  
 Charles P. Duffy, *Iona College*  
 Steve Dunphy, *University of Akron*  
 Subhash Durlabhji, *Northwestern State University*  
 Robert A. Eberle, *Iona College*  
 Karen Eboch, *Bowling Green State University*  
 Robert R. Edwards, *Arkansas Tech University*  
 William Eldridge, *Kean College*  
 Pat Ellsberg, *Lower Columbia College*  
 Stan Elsea, *Kansas State University*  
 Dale Finn, *University of New Haven*

- Charles Flaherty, *University of Minnesota*  
 Robert Flemming, *Delta State University*  
 Jeanie M. Forray, *Eastern Connecticut State University*  
 Marilyn L. Fox, *Minnesota State University–Mankato*  
 Alisa Fleming, *University of Phoenix*  
 Ellen Frank, *Southern Connecticut State University*  
 Joseph A. Gemma, *Providence College*  
 Neal Gersony, *University of New Haven*  
 Donna H. Giertz, *Parkland College*  
 Leo Giglio, *Dowling College*  
 David Glew, *Texas A&M University*  
 Carol R. Graham, *Western Kentucky University*  
 Matthew Gross, *Moraine Valley Community College*  
 John Hall, *University of Florida*  
 Eric L. Hansen, *California State University–Long Beach*  
 Justin U. Harris, *Strayer College*  
 Allison Harrison, *Mississippi State University*  
 Brad D. Hays, *North Central State College*  
 Robert A. Herring, III, *Winston-Salem State University*  
 Eileen Hogan, *Kutztown University*  
 Eileen Bartels Hewitt, *University of Scranton*  
 Stephen R. Hiatt, *Catawba College*  
 Tammy Bunn Hiller, *Bucknell University*  
 Jerry Horgesheiner, *Southern Utah University*  
 Gordon K. Huddleston, *South Carolina State University*  
 John Hughes, *Texas Tech University*  
 Charleen Jaeb, *Cuyahoga Community College*  
 Richard E. Johe, *Salem College*  
 Velma Jesser, *Lane Community College*  
 Gwendolyn Jones, *University of Akron*  
 Jehan G. Kavooosi, *Clarion University of Pennsylvania*  
 Peggi Koenecke, *California State University–Sacramento*  
 Ken Lehmann, *Forsyth Technical Community College*  
 Lianlian Lin, *California State Polytechnic University*  
 Grand Lindstrom, *University of Wyoming*  
 Mary Lou Lockerby, *College of DuPage*  
 Esther Long, *University of Florida*  
 George S. Lowry, *Randolph-Macon College*  
 Bryan Malcolm, *University of Wisconsin*  
 Z. A. Malik, *Governors State University*  
 Mary J. Mallott, *George Washington University*  
 Jennifer Martin, *York College of Pennsylvania*  
 Robert L. McKeage, *University of Scranton*  
 Reuben McDaniel, *University of Texas*  
 John A. Miller, *Bucknell University*  
 Richard R. J. Morin, *James Madison University*  
 Behnam Nakhai, *Millersville University of Pennsylvania*  
 Thomas C. Neil, *Clark Atlanta University*  
 Brian Niehoff, *Kansas State University*  
 Judy Nixon, *University of Tennessee*  
 Cliff Olson, *Southern Adventists University*  
 Ralph W. Parrish, *University of Central Oklahoma*  
 Dane Partridge, *University of Southern Indiana*  
 Sheila J. Pechinski, *University of Maine*  
 Fred Pierce, *Northwood University*  
 Mary Pissnar, *Baldwin Wallace College*  
 Laynie Pizzolatto, *Nicholls State University*  
 Eleanor Polster, *Florida International University*  
 Paul Preston, *University of Texas–San Antonio*  
 Samuel Rabinowitz, *Rutgers University–Camden*  
 Gerald Ramsey, *Indiana University Southeast*  
 Charles Rarick, *Transylvania University*  
 Robert A. Reber, *Western Kentucky University*  
 Bob Redick, *Lincoln Land Community College*  
 Tina L. Robbins, *Clemson University*  
 Kathleen Rust, *Elmhurst College*  
 Deborah Britt Roebuck, *Kennesaw State University*  
 Harvey Rothenberg, *Regis University*  
 George Ruggiero, *Community College of Rhode Island*  
 Cyndy Ruszkowski, *Illinois State University*  
 Michael Santoro, *Rutgers University*  
 Amit Shah, *Frostburg State University*  
 Richard Ray Shreve, *Indiana University Northwest*  
 Sidney Siegel, *Drexel University*  
 Raymond D. Smith, *Towson State University*  
 William Soukup, *University of San Diego*  
 H. T. Stanton, Jr., *Barton College*  
 Nestor St. Charles, *Dutchess Community College*  
 Lynda St. Clair, *Bryant College*  
 Gerald Schoenfeld, Jr., *James Madison University*  
 Don Schreiber, *Baylor University*  
 John L. Schmidt, Jr., *George Mason University*  
 Robert Schwartz, *University of Toledo*  
 Michael Shapiro, *Dowling College*  
 Roy L. Simerly, *East Carolina University*  
 Randi L. Sims, *Nova Southeastern University*  
 Raymond Shea, *Monroe Community College*  
 Sharon Sloan, *Northwood University*  
 William A. Sodeman, *University of Southern Indiana*  
 Carl J. Sonntag, *Pikes Peak Community College*



Robert W. Sosna, *Menlo College*  
William A. Stoeber, *Seton Hall University*  
Charles I. Stubbart, *Southern Illinois  
University-Carbondale*  
James K. Swenson, *Moorhead State University*  
Karen Ann Tarnoff, *East Tennessee State University*  
Jerry L. Thomas, *Arapahoe Community College*  
Joe Thomas, *Middle Tennessee State University*  
Kenneth Thompson, *DePaul University*  
John Todd, *University of Arkansas*  
Thomas Turk, *Chapman University*  
Linn Van Dyne, *Michigan State University*  
Jaen Vanhoegaerden, *Ashridge Management College*  
Gloria Walker, *Florida Community College*  
Stuart H. Warnock, *University of Southern Colorado*  
Toomy Lee Waterson, *Northwood University*  
Philip A. Weatherford, *Embry-Riddle Aeronautical  
University*  
Ben Weeks, *St. Xavier University*  
Emilia S. Westney, *Texas Tech University*

W. J. Williams, *Chicago State University*  
Robert Williams, *University of North Alabama*  
Shirley A. Wilson, *Bryant College*  
Robert H. Woodhouse, *University of St. Thomas*  
Michael A. Yahr, *Robert Morris College*  
D. Kent Zimmerman, *James Madison University*

Finally we are grateful to two incredibly wonderful children, Nicholas and Julia, for being all that they are and the joy they bring to all who know them.

**Gareth R. Jones**

Lowry Mays College and Graduate School  
of Business  
Texas A&M University

**Jennifer M. George**

Jesse H. Jones Graduate School of Management  
Rice University

# G GUIDED TOUR R

## RICH AND RELEVANT EXAMPLES

An important feature of our book is the way we use real-world examples and stories about managers and companies to drive home the applied lessons to students. Our reviewers were unanimous in their praise of the sheer range and depth of the rich, interesting examples we use to illustrate the chapter material and make it come alive. Moreover, unlike boxed material in other books, our boxes are seamlessly integrated into the text; they are an integral part of the learning experience, and not tacked on or isolated from the text itself. This is central to our pedagogical approach.

Each chapter opens with "A Manager's Challenge," which poses a chapter-related challenge and then discusses how managers in one or more organizations responded to that challenge. "A Manager's Challenge" helps demonstrate the uncertainty and excitement surrounding the management process.

### A Manager's Challenge

Steve Jobs Transforms Apple Computer

#### What is high-performance management?

In 1976, Steven P. Jobs sold his Volkswagen van, and his partner Steven Wozniak sold his two programmable calculators. They then invested the proceeds of \$1,350 to build a computer circuit board in Jobs's garage. So popular was the circuit board, which was developed into the Apple II personal computer (PC), that in 1977 Jobs and Wozniak incorporated their new business as Apple Computer. By 1985 Apple's sales were almost \$2 billion; nevertheless, in the same year Jobs was forced out of the company he founded. Jobs's approach to management was a big part of the reason he lost control of Apple.<sup>1</sup>

After Apple was founded, Steve Jobs saw his role as leading the development effort to create new and improved PCs, and he started many different project teams to develop new and different PC models. Although this was a good strategy, Jobs's management style was often arbitrary and overbearing and caused many problems. He often played favorites among various employees and teams, championing some (e.g., his personal project, the Lisa PC team), against others (the Macintosh

team). His actions led to fierce competition among project teams, many misunderstandings, and a great deal of distrust among members of competing teams.<sup>2</sup>



Like many effective managers, Steve Jobs has learned from his mistakes.

...individuals are...  
Salient individuals are more often the object of attention of a work group, for example. A manager who has one Hispanic subordinate reporting to her may lead to the Hispanic in group meetings because of the salient individuals who are often perceived for outcomes and operations and are evaluated more...  
...good job on a project, she receives excessive praise...  
...deadline, she is excessively chastised.

#### Overt Discrimination

**Overt discrimination**  
Knowledge and willingly denying diverse individuals access to opportunities and outcomes in an organization.

Inaccurate schemas and perceptions of organizational members to their inaccurate perception of knowledge and willingly deny outcomes in an organization is not only unethical but also from their organizations, often.

Overt discrimination is a procedural justice. Moreover, discrimination, costly lawsuits can ensue.



**Focus on Diversity**

#### Gender Discrimination

In June 2001, six Wal-Mart stores alleged widespread discrimination against female employees. In 2002, additional female employees filed lawsuits against the company. Potentially the employer, the suit claims that Wal-Mart and its stores have the case advanced when reconsideration of the case by a county judge.<sup>120</sup> The number of lawsuits filed against Wal-Mart in 2002 was the highest in the industry.

...acceptance from customers worldwide... it is emphasis on this development. Because national differences between countries in consumer preferences often require that managers to suit the preferences of local consumers, the position as a leading global organization, need for local customization. In Brazil, McDonald's sells milk shakes flavored with...  
...the guarantee, an exotic berry that grows along McDonald's sells milk shakes flavored with...  
...local people consider an aphrodisiac.<sup>15</sup> Similar to selling Barbie dolls in Japan, it had to redesign hair, facial features, and so on) to suit the tastes of local consumers. Companies also have to be careful to design information systems and Web sites to enable customer acceptance from customers worldwide.

#### Designing Global Information Systems

As more and more customers buy products from a company's Web site is increasing. Good design of domestic customers but also those overseas involved in designing a good Web site can expert Wal-Mart to close down its Web site and rework its search and ordering system.<sup>16</sup> of the easiest-to-use and most popular Web site in the world, after creating a Japanese version of the site, Dell's designers found that Japanese customers were not attracted to it at all.

The reason? Dell's designers decided to place the order button outside of the screen, and in the feelings and emotions.<sup>17</sup> Dell's designers now and now, whenever they create a Web site it is to work with local managers to make sure it does not offend local tastes or customs. Avoid errors. To avoid embarrassing mistakes, companies are correctly using the country's language.



**Information Technology Byte**

exporting: Making products at home and selling them abroad.

Importing: Selling at home products that are made abroad.

**IMPORTING AND EXPORTING** The process of exporting and importing. A company makes products at home and sells them abroad. An organization abroad or allow a local organization in the foreign country to invest in developing manufacturing facilities abroad if it allows a local company to invest in developing manufacturing facilities abroad.

A company engaged in importing sells abroad (products it makes itself or buys from a foreign company). Most of the products that Pier 1 Imports, The Limited sell to their customers are made abroad. Imported products include Irish glass, French wine, Italian furniture, and many other products. Importing has potential for growth and features a wide variety of products with prospects for international trade and low-cost manufacturing.



Managing Globally

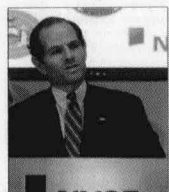
**Levi Strauss**  
Levi Strauss, a world-famous apparel manufacturer, is paying extra costs to be able to compete in the global market. Levi's products are made in other jeans-making countries, such as China, where labor is much lower. With prices for



Ethics in Action

### Taking Responsibility for Exposing Wrongdoing

Noreen Harrington, a former fund manager at a firm based in Secaucus, New Jersey, became famous for overhearing traders discussing all managed hedge funds—investment funds that use financial assets to offset risks and provide a return.<sup>20</sup> Harrington was not involved in these trades but helped overhearing the traders. From the time mutual fund managers were allowing shares in the fund after the market had closed and gave the traders an unfair advantage on funds, who were able to trade only when the market was closed. Harrington told Edward J. Stern, a member of the Hartz Group, what she had overheard about trading carried on. Harrington resigned her position so that security regulators would uncover what was going on.



After Harrington felt a re trading on and relayed Hartz's investigation family although in taking what she had yet even a major industry

Planning is a difficult activity because normally what goes on is not immediately clear. Managers take risks when they commit resources to pursue a particular strategy. Either success or failure is the outcome of the planning process. Dell succeeded spectacularly in the PC makers either went out of business (such as Packard Bell). Huge sums of money (like IBM and AT&T) trying to compete. In Chapter 8 we focus on the planning process and on the strategies that managers can select to respond to opportunities or threats in an environment. Patricia Russo's rise to power at Lucent illustrates well how planning and strategy making are to a manager's career success.



Manager as a Person

### New CEOs Bring Change at Avon and Lucent

Two global companies that have required a radical overhaul in recent years are Avon, the well-known door-to-door cosmetics giant, and Lucent Technologies, the telecommunications company. After several years of declining sales, Avon recognized the need for change and appointed Andrea Jung as its CEO, the first woman to lead the company. Jung faced a tough task in trying to transform this traditional company. She began by searching for a new vision for the company.

Avon's main problem she decided was reaching beyond the 16-year-old woman who had always been its main customer. She targeted the important 16 to 24 year old segment and attracted them by focusing on young customers who will become its main customer. In 2003, a new Avon division called *Mark* began to distribute cosmetics designed specifically to meet the needs of this young segment. To meet the sales challenge of direct distribution to customers, Jung also decided to recruit a sales force from the younger demographic groups. She hoped to serve their needs, its selling parties can be geared to the new age group and its sales reps can be trained to respond to the needs of this market.

The potential of this market is enormous for the 17 million women who have a total purchasing power of almost \$100 billion and spend 20 percent of their income on beauty products. In 2003, Jung personally communicated her vision for Avon to 13,000 sales representatives gathered in Las Vegas to preview Avon's new product lines, to listen to the new CEO. Jung let the sales representatives know that future success depended on their efforts and that they were a vital part of the company.

Today, Avon has four million reps located around the world.

Additional in-depth examples appear in boxes throughout each chapter. "Management Insight" boxes illustrate the topics of the chapter, while the "Ethics in Action," "Managing Globally," "Focus on Diversity," and "Information Technology Byte" boxes examine the chapter topics from each of these perspectives.

These are not boxes in the traditional sense; that is, they're not disembodied from the chapter narrative. These thematic applications are fully integrated into the reading. Students will no longer be forced to decide whether to read boxed material. These features are interesting and engaging for students while bringing the chapter content to life.

**NEW!** "Manager as a Person" boxes focus on how real managers brought about change to their organizations. These examples within many chapters give students the opportunity to reflect on how individual managers dealt with real-life on-the-job challenges related to various chapter concepts.



# EXPERIENTIAL LEARNING FEATURES

We have given considerable time and attention to developing state-of-the-art experiential end-of-chapter learning exercises that drive home the meaning of management to students. These exercises are grouped together at the end of each chapter in the section called Management in Action.

## TOPICS FOR DISCUSSION

**AND ACTION** A set of chapter-related questions and points for reflection, some of which ask students to research actual management issues and learn firsthand from practicing managers.

## BUILDING MANAGEMENT

**SKILLS** A self-development exercise that asks students to apply what they have learned to their own experience of organizations and managers or to the experiences of others.

## NEW! MANAGING ETHICALLY

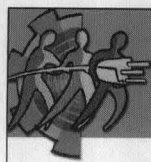
An exercise that presents students with an ethical scenario or dilemma and asks them, either individually or in a group, to think about the issue from an ethical perspective to understand the issues facing practicing managers.

## SMALL GROUP BREAKOUT

**EXERCISE** This unique exercise is designed to allow instructors in large classes to utilize interactive experiential exercises in groups of three to four students. The instructor calls on students to form into small groups simply by turning to people around them. All students participate in the exercise in class, and a mechanism is provided for the different groups to share what they have learned with one another.

## EXPLORING THE WORLD WIDE

**WEB** This is an Internet exercise designed to draw students into relevant material on the Web and give them the experience of judging its potential value while applying what they have learned.



# Management in Action

## Topics for Discussion and Action

### Discussion

1. What is the relationship between ethics and the law?
2. Why do the claims and interests of stakeholders sometimes conflict?
3. Why should managers use ethical criteria to guide their decision making?

4. As an employee of a company, what are some of the most unethical business practices that you have encountered in its dealings with stakeholders?
5. What are the main determinants of business ethics?

### Action

6. Find a manager and ask about the most important ethical rules that he or she uses to make the right decisions.
7. Find an example of (a) a company that has an obstructionist approach to social responsibility and (b) one that has an accommodative approach.



## Building Management Skills

### Dealing with Ethical Dilemmas

Use the chapter material to decide how you, as a manager, should respond to each of the following ethical dilemmas:

1. You are planning to leave your job to go work for a competitor; your boss invites you to an important meeting where you will learn about new products your company will be bringing out next year. Do you go to the meeting?
2. You're the manager of sales in an expensive sports-car dealership. A young executive who has just received a promotion comes in and wants to buy a car that you know is out of her price range. Do you encourage the executive to buy it so that you can receive a big commission on the sale?
3. You sign a contract to manage a young rock band, and that group agrees to let you produce their next seven records, for which they will receive royalties of 5 percent. Their first record is a smash hit and sells millions. Do you increase their royalty rate on their future records?



## Managing Ethically

As the chapter discussed, Arthur Andersen's culture had become so strong that some of the company's partners and their subordinates acted unethically and pursued their own interests at the expense of other stakeholders. Many employees knew they were doing wrong but were afraid to refuse to follow orders.

At Beech-Nut, the company's ethical values completely broke down; some managers joked about the harm being done to stakeholders.

1. Why is it that an organization's values and norms can become too strong and lead to unethical behavior?

2. What steps can a company take to prevent this problem—to stop its values and norms from becoming so inwardly focused that managers and employees lose sight of their responsibility to their stakeholders?



141

## Small Group Breakout Exercise

### Is Chewing Gum the "Right" Thing to Do?

Read the paragraph below. Then break up into groups of three or four people and answer the discussion questions.

In the United States the right to chew gum is taken for granted. Although it is often against the rules to chew gum in a high school classroom, church, and so on, it is legal to do so on the street. If you possess or chew gum on a street in Singapore, you can be arrested. Chewing gum has been made illegal in Singapore because those in power believe that

it creates a disgusting mess on pavements and feel that people cannot be trusted to dispose of their gum properly and thus should have no right to use it.

1. What makes chewing gum acceptable in the United States and unacceptable in Singapore?

2. Why can you chew gum on the street but not in a church?
3. How can you use ethical principles to decide when gum chewing is ethical or unethical and if and when it should be made illegal?



## Exploring the World Wide Web

Go to Wal-Mart's Web site ([www.walmart.com](http://www.walmart.com)) and read the information there about the company's stance on the ethics of global outsourcing and the treatment of

workers in countries abroad. Then search the Web for some recent stories about Wal-Mart's global purchasing practices and reports on the enforcement of its code of conduct.

1. What ethical principles guide Wal-Mart's approach to global purchasing?
2. Does Wal-Mart appear to be doing a good job of enforcing its global code of conduct?



## Additional Activities on the Build Your Management Skills DVD

- **Test Your Knowledge:** Ethics
- **Self-Assessment:** Assessing Your Ethical Decision-Making Skills
- **Manager's Hot Seat:** Ethics: Let's Make a Fourth Quarter Deal



## Be the Manager

You are an entrepreneur who has decided to go into business and open a steak and chicken restaurant. Your business plan requires that you hire at least 20 people as chefs, waiters, and so on. As the owner, you are drawing up a list of ethical principles that

each of these people will receive and must agree to when he or she accepts a job offer. These principles outline your view of what is right or acceptable behavior and what will be expected both from you and from your employees.

### Creating an Ethical Code

Create a list of the five main ethical rules or principles you will use to govern the way your business operates. Be sure to spell out how these principles relate to your stakeholders; for example, state the rules you intend to follow in dealing with your employees and customers.



142



## BusinessWeek

### Cases in the News

#### Can Boeing Get Out of Its "Ethical Cloud"?

The unexpected resignation of Boeing chairman and CEO Philip M. Condit on December 1, 2003, followed a year of turbulence at the world's largest aerospace company. The final straw for Condit, 62, may have been the previous week's ouster of two senior Boeing officials for an alleged ethics lapse.

Condit's resignation created several daunting challenges for his immediate successor—Harry C. Stonecipher, former Boeing president and chief operating officer. Stonecipher, 67, who retired last year and remained as a board member, immediately assumes the post of CEO and president of a company that has more than \$54 billion in annual revenues.

In his first press conference as top gun, Stonecipher seemed to say all the right things by pledging to answer any and all questions, including those swirling around a highly criticized air-tanker deal with the federal government. The blunt-talking, no-nonsense leader will have to be true to his word and get Boeing soaring again.

Clearly, Stonecipher has his work cut out. Condit's resignation is tied to Boeing's persistent reluctance to disclose all the particulars of a controversial plan to lease Boeing 767 tankers to the Air Force. The plan was blasted for the secrecy in which

the contract was negotiated and for the fact that leasing would be much more expensive for the federal government than an outright purchase (see BW, 7/7/03, "Inside Boeing's Sweet Deal").

Condit's departure came a week after Boeing CFO Michael Sears resigned. The company cited unethical conduct, saying he negotiated the hiring of an Air Force missile-defense expert while he was still working for the Pentagon and had direct influence over Boeing's bid to secure the tanker contract. Sears denied any wrongdoing.

"It's very surprising for a company such as Boeing to have not one but two apparent ethical breaches in less than six months," says Steven Ryan, a Washington (D.C.) attorney who represents contractors seeking work with the federal government. In July 2003 the Pentagon had punished Boeing for stealing trade secrets from rival Lockheed Martin to help win rocket-launch contracts. The punishment adds up to \$1 billion in lost business, and the Pentagon has indefinitely banned Boeing from bidding on military satellite-launching contracts.

"Condit's resignation is a reflection of the seriousness of the problem," says Ryan. And the situation suggested that something wasn't right inside Boeing's culture—something that Stonecipher had helped change when he was president and was now responsible and accountable for coming clean.

"Everything the former leadership at Boeing did was surrounded by an ethical cloud of controversy and needed to be reviewed to ensure that it was in the best interest of the taxpayer and war-fighter," says Steve Ellis, vice president for Taxpayers for Common Sense. With Condit out, the board apparently chose the tough-talking Stonecipher because he's well regarded on Wall Street and because he knows the ways of the Pentagon. With the mandatory retirement set at 65 for Boeing execs, Stonecipher received a special exemption to return.

How Boeing got itself and its top execs tangled up in such a mess has yet to be fully explained. The stock, at just over \$38, barely moved on the news of Condit's departure. And it has moved mostly higher last year from an all-time low of just over \$24 hit back in March 2003. Still, analysts say, the stock should have been much higher, and Stonecipher had a long way to go to regain the trust of angry and skeptical investors, public-interest groups, and the U.S. government.

#### Questions

1. What kinds of unethical actions did Boeing's managers engage in?
2. What effect did this have on the company and how can its CEO prevent future unethical behavior?

Source: Stanley Holmes, "Can Boeing Get Out of Its Ethical Cloud?" *BusinessWeek*, December 2003.

## BUSINESSWEEK CASES IN THE NEWS

Each chapter has two cases for analysis that are actual or shortened versions of *BusinessWeek* articles. The accompanying discussion questions encourage students to think about and analyze how real managers deal with real problems in the business world. These cases give instructors the opportunity to explore issues in more depth if they choose.

**BE THE MANAGER** This exercise presents a realistic scenario in which a manager/organization faces some kind of challenge, problem, or opportunity and the student plays the role of the focal manager figuring out how to address the challenge based on the chapter content. These exercises provide students with a real, hands-on way to take an action-oriented approach to solving "real" problems by applying what they've just learned in the chapter.

## NEW! ADDITIONAL ACTIVITIES ON THE BUILD YOUR MANAGEMENT SKILLS DVD

Do you want to put your students' leadership skills to the test, assess their emotional intelligence, or see how they would handle an employee who is not meeting expectations? You'll have opportunities to do all of this and more with Test Your Knowledge, Self-Assessment, and Manager's Hot Seat exercises on the Build Your Management Skills DVD. A list of relevant exercises on the DVD is included at the end of each chapter.

**CHOOSING EXERCISES** Our idea in offering instructors such a wide array of exercises to promote the learning experience is that instructors can *choose and select* from these exercises and vary them over the semester so that students can learn the meaning of management through many different avenues. These exercises complement the chapter material and have been class tested to add to the overall learning experience. Students report that they enjoy and learn from them.

# INTEGRATED LEARNING SYSTEM

Great care was used in the creation of the supplemental materials to accompany *Contemporary Management*. Whether you are a seasoned faculty member or a newly minted instructor, you'll find our support materials to be the most thorough and thoughtful ever created!

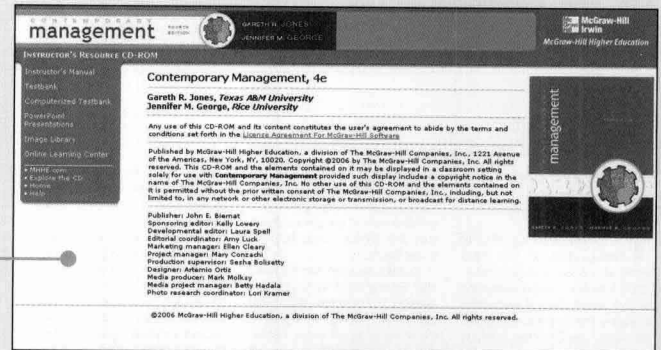
## Instructor's Presentation Manager CD-ROM

This presentation CD-ROM allows instructors to easily create their own custom presentations using resources on the CD, like the Instructor's Manual and PowerPoint. The computerized test bank is also included on this CD.

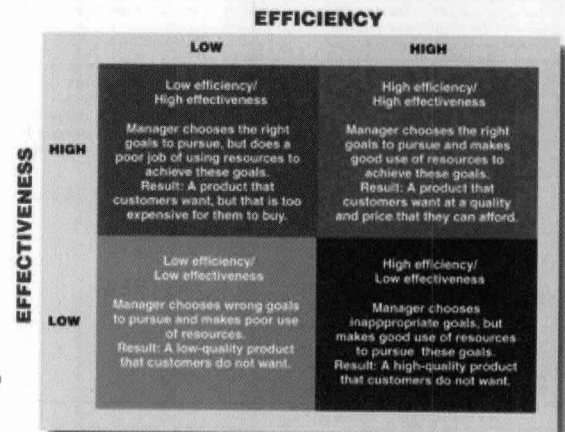
**Instructor's Manual** Prepared by Stephanie Bibb of Chicago State University, the IM contains a chapter overview; learning objectives; key terms; resources available; notes for opening case; a lecture outline; notes for Topics for Discussion and Action questions; notes for Building Management Skills exercises; notes for Small Group Breakout exercises; notes for Be the Manager exercises; notes for Exploring the World Wide Web exercises; notes for Test Your Knowledge, Self-Assessment, and Manager's Hot Seat DVD exercises; notes for *BusinessWeek* cases; lecture enhancers; and video case teaching notes.

## PowerPoint® Presentation

Approximately 400 slides feature reproductions of key tables and figures from the text as well as original content—prepared by Brad Cox of Midlands Tech. A new feature in the PowerPoint Presentation, “Movie Example” slides, will help you incorporate popular movies, such as *Office Space* and *Monty Python and the Holy Grail* into your management course. These slides appear at the end of each chapter presentation and include notes on how the movies can be used to generate discussion and to illustrate management concepts.



## Efficiency, Effectiveness, and Performance in an Organization

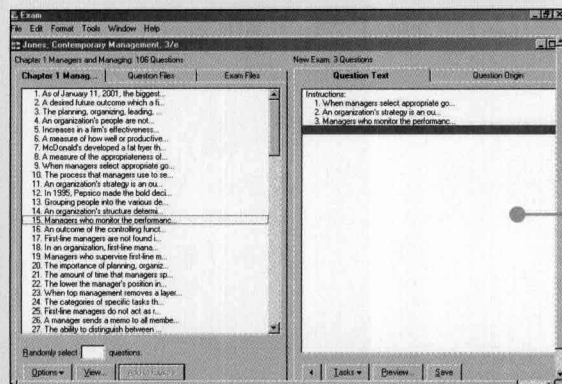


High-performing organizations are efficient and effective.

© Copyright McGraw-Hill. All rights reserved.

Figure 1.1  
1-1





## Test Bank and Computerized

**Test Bank** The test bank has been thoroughly reviewed, revised, and improved, in response to customer feedback, by Eileen Hogan of Kutztown University. There are approximately 100 questions per chapter, including true-false, multiple-choice, and essay, each tagged with level of difficulty (corresponding to Bloom's taxonomy of educational objectives), correct answer, and page references to the text.

**NEW! Case Videos** One video is provided for each of the 19 chapters, and each has a corresponding written Video Case included at the end of the book. These videos illustrate application of the relevant chapter concepts and feature timely and thought-provoking topics affecting the business environment, as well as profiles of successful businesses and managers. All videos are available in DVD or VHS format.

## Video Cases

### Chapter 1 Video Case: The Legacy of GE's Jack Welch

As General Electric's chairman, Jack Welch was one of the world's most powerful corporate leaders. He was also viewed as one of America's toughest executives and an icon to be admired. The now-retired Welch, his famous management style, and his accomplishments have been the subjects of books and university business classes.

Under Welch, from 1981 to 2001, GE became the world's most valuable company, with a market value of \$406 billion. Welch spurred that dramatic growth by performing management functions his own way. He chose not to follow the traditional strategy of sticking with what a company knows but instead, accumulated diverse businesses. Originally a manufacturer of household appliances, lighting, and jet engines, GE bought NBC as well as companies offering medical products, financial services, and car leasing.

Welch restructured GE before restructuring became common among large corporations. Although his company was profitable, Welch sold some of GE's subsidiaries and reduced the payroll. Some 118,000 jobs—about one in four—were slashed. The deep cuts earned Welch the nickname "Neutron Jack," a moniker he is said to have detested. Welch endured the criticism and continued his practice of identifying, keeping, and rewarding high-performing employees at General Electric.

Welch is known for dismantling GE's large bureaucracy and opening up corporate communication. Some have said that Welch lis-

tened as much as he talked and that he always spoke in a straightforward manner. He excelled at personal interaction and motivation and as the top executive was highly visible in his company. Welch visited and taught at GE's famous Management Development Institute in Crotonville, New York. His leadership style centered on having strong employees and managers at all levels and empowering them to make decisions and engage in what he called "boundaryless thinking."<sup>1</sup>

Some people who worked with Welch have described the former chairman's interaction as more aggressive than egalitarian or cooperative. Others have said that Welch's often-used motivational technique was the fear factor: perform or hit the road. Welch determined in the early 1980s that to be at the top, GE could not fill management positions with deadwood—people who felt comfortable, secure, and protected from competition in their jobs within the depths of a large corporation. Welch thought it was better for individuals performing at the lowest levels to move on in other directions when they are young. During his tenure at GE, Welch selected the best people he could find and then trained and promoted them. Many who learned from him took their leadership skills to other large firms. Some of Welch's "lieutenants" head some of the world's major corporations, such as Home Depot, TRW, 3M, and others.

Widely publicized and lauded, Welch's leadership techniques also

surface in noncorporate environments. The head of the Junior League of London, a nonprofit organization of volunteers offering social services, has employed Welch-style principles to motivate her group's 400 members.

Of course, Jack Welch's years at GE included not only stunning corporate accomplishments but also setbacks and controversies. A proposed merger with Honeywell was rejected by European Union regulators. The Environmental Protection Agency under the Bush administration ordered GE, at a cost of \$500 million, to clean up 40 miles of Hudson River bottom polluted by PCBs before the substances were banned. After Welch's exit from GE in September 2001, critics attacked his substantial benefit package, including an arrangement that provided more than \$2 million a year for an array of perks such as air transportation and personal services. Welch promptly agreed to give back \$2 million.

#### Questions

1. In what ways did Jack Welch perform the leadership function effectively?
2. Identify the type of skills—conceptual, human, or technical—that was most likely Jack Welch's strong suit when he was GE's top executive. Explain.
3. Would you like to work for a leader like Jack Welch? What would be the advantages? What would be the disadvantages?

The videos and video cases will enliven the classroom through viewing and discussing interesting companies and people—such as Seattle's famous Pike Place Fish Market or Todd McFarlane, who founded a successful comic-book and toy company—or thought-provoking management topics and issues—such as the legacy of GE's Jack Welch; the federal government's investigation of Enron's bankruptcy, including the role played by whistle-blower Sherron Watkins; and *Supersize Me*, the documentary film that caused McDonald's to discontinue its supersize menu offerings. Each case provides a written overview of the video content as well as additional background information and discussion questions that encourage students to critically examine and apply chapter concepts to analyzing the case.

# FOR STUDENTS

## **Student Study Guide**

Prepared by Thomas J. Quirk of Webster University, the Study Guide has been completely updated with the goal of helping students master course content. Each chapter includes learning objectives; a chapter outline; and matching, true-false, multiple-choice, and essay questions, with answer keys including page references to the text.

## **NEW! Student DVD—Build Your Management Skills**

This DVD makes it easy to use the latest in technology to help students hone their personal management skills. Packaged free with every new copy of the text, the Student DVD features Manager's Hot Seat exercises such as "Ethics: Let's Make a Fourth Quarter Deal" and "Change: More Pain than Gain"; Test Your Knowledge exercises such as "Fiedler's Contingency Model of Leadership" and "Porter's Five Forces"; and Self-Assessments such as "Active Listening Skills Inventory" and "Do You Have What It Takes to Be a Leader?" An end-of-chapter section titled "Additional Activities on the Build Your Management Skills DVD" shows which exercises to use with a particular chapter. The DVD can also be ordered separately.

## **The Contemporary Management Online Learning Center**

[www.mhhe.com/jonesgeorge4e](http://www.mhhe.com/jonesgeorge4e)

The Online Learning Center (OLC) is a Web site that follows the text chapter by chapter. OLC content is designed to reinforce and build on the text content. As students read the book, they can go online to take self-grading quizzes, review material, or work through interactive exercises. OLCs can be delivered multiple ways—professors and students can access them directly through the textbook Web site, through PageOut, or within a course management system (i.e., WebCT, Blackboard, or eCollege). In addition, PowerWeb, which brings you up-to-date articles from leading periodicals and journals, as well as current news, is now fully integrated into the OLC and is available as premium content, requiring a passcode card that is bound into new texts for free. Premium-content passcode cards are also available separately.

## **BusinessWeek Edition**

Students can subscribe to *BusinessWeek* for a specially priced rate of \$8.25 in addition to the price of this text, when instructors order the *BusinessWeek* edition (0073207527).

## **The Wall Street Journal Edition**

Your students can subscribe to *The Wall Street Journal* for 15 weeks at a specially priced rate of \$20 in addition to the price of the text. Students will receive the *How to Use the WSJ* handbook plus a subscription card shrink-wrapped with their new text. The subscription also gives students access to [www.wsj.com](http://www.wsj.com).



# Brief Contents

## **PART ONE**

---

Management

### **CHAPTER ONE**

Managers and Managing 2

### **CHAPTER TWO**

The Evolution of Management Thought 40

### **CHAPTER THREE**

The Manager as a Person: Values, Attitudes, Emotions, and Culture 74

## **PART TWO**

---

The Environment of Management

### **CHAPTER FOUR**

Ethics and Social Responsibility 112

### **CHAPTER FIVE**

Managing Diverse Employees in a Multicultural Environment 146

### **CHAPTER SIX**

Managing in the Global Environment 188

## **PART THREE**

---

Decision Making, Planning, and Strategy

### **CHAPTER SEVEN**

The Manager as a Decision Maker 222

### **CHAPTER EIGHT**

The Manager as a Planner and Strategist 258

### **CHAPTER NINE**

Value-Chain Management: Functional Strategies to Increase Quality, Efficiency, and Responsiveness to Customers 298

## **PART FOUR**

---

Managing Organizational Architecture

### **CHAPTER TEN**

Managing Organizational Structure 332

### **CHAPTER ELEVEN**

Organizational Control and Change 374

### **CHAPTER TWELVE**

Human Resource Management 410

## **PART FIVE**

---

Managing Individuals and Groups

### **CHAPTER THIRTEEN**

Motivation and Performance 454

### **CHAPTER FOURTEEN**

Leadership 492

### **CHAPTER FIFTEEN**

Effective Groups and Teams 528

### **CHAPTER SIXTEEN**

Communication 566

## **PART SIX**

---

Controlling Critical Organizational Processes

### **CHAPTER SEVENTEEN**

Managing Organizational Conflict, Politics, and Negotiation 604

### **CHAPTER EIGHTEEN**

Utilizing Advanced Information Technology 634

### **CHAPTER NINETEEN**

Promoting Innovation, Product Development, and Entrepreneurship 666

**VIDEO CASES** 698

**GLOSSARY** 717

**CREDITS** 730

**INDEX** 765