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# Organizational Behavior

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**2. Individual Behavior**

Unit photo—TRW.

**3. Social and Group Process**

Unit photo—Digital Stock.

**4. Organizational Systems**

Unit photo—New York Stock Exchange.

**5. Organizational Change and Development**

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## A. ORGANIZATIONAL BEHAVIOR IN CONTEXT

1. **Shifting Paradigms: From Newton to Chaos**, 8  
Toby J. Tetenbaum, *Organizational Dynamics*, Spring 1998.  
The old **paradigm for industry** and most organizations was linear. Today, the old idea of "if X then Y" does not necessarily apply. In fact, the paradigm now is "if X then?"
2. **The New Agenda for Organization Development**, 19  
W. Warner Burke, *Organizational Dynamics*, Summer 1997.  
People involved in **organization development** (OD) need to live by the basic values of their profession if they want to have an impact on their organization.

## B. EMPLOYER-EMPLOYEE RELATIONS

3. **The New Loyalty: Grasp It. Earn It. Keep It**, 31  
Jennifer Laabs, *Workforce*, November 1998.  
Times have certainly changed, and the **attitudes of employees toward their employers** have changed with it. Those new and changing attitudes are explored here with some interesting conclusions.
4. **Trust, an Asset in Any Field**, Roger C. Mayer, *Baylor Business Review*, Fall 1998. 35  
How important is **trust between employers and employees**? Trust, the basis of any relationship, needs to be worked on if managers are to unleash the potential of employees to contribute to a company's performance.
5. **Organizational Cynicism**, James W. Dean Jr., Pamela Brandes, and Ravi Dharwadkar, *Academy of Management Review*, April 1998. 37  
Cynicism has infected all **types of organizations**. The question is why and what can be done about it. The authors offer a conceptualization of organizational cynicism, setting the stage for a research agenda, with the hope of finding ways to manage or prevent it.

- EXERCISE 1: What Participation? Have Them "Vote with Their Feet"!** 46  
Barbara H. Holmes, *Journal of Management Education*, February 1997.



## Introduction to Organizational Behavior

Five articles in this section review the organizational paradigms and development of industry. Also considered are the relations of the individual in the workplace.





## Individual Behavior

In this section, eight selections examine diversity in the workforce, organizational policies, ethical issues, motivation, and mentoring programs.

### Overview

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#### A. DIVERSITY AND INDIVIDUAL DIFFERENCES

6. **Building a Rainbow, One Stripe at a Time**, Marc Adams, *HRMagazine*, August 1998. 50

How can an organization **enhance the diversity in its workforce**? Marc Adams has some useful suggestions for employers who want to build a rainbow in their workforce, and he says that, to begin with, a true commitment to diversity requires a long-term, **integrated program of recruitment** and retention.

7. **Why Diversity Matters**, Lee Gardenswartz and Anita Rowe, *HRfocus*, July 1998. 56

Why does diversity matter? The authors offer five important reasons why diversity is critical to an organization's bottom line success and some questions to ask about your company's organizational diversity.

#### B. VALUES AND ETHICS

8. **Walking the Tightrope, Balancing Risks and Gains**, Lin Gensing-Pophal, *HRMagazine*, October 1998. 59

In making judgement calls on **ethical issues**, human resources needs to balance the organization's fundamental values, the needs of employees, and the bottom line. To better accomplish this, **workplace ethics guidelines** need to be developed.

#### C. MOTIVATION

9. **Measuring the Effectiveness of Recognition Programs**, Bob Nelson and Patrick Dailey, *HRfocus*, November 1998. 63

Trying to **motivate employees** is difficult and determining the success of programs designed to motivate them is even more difficult. Bob Nelson and Patrick Dailey present some thoughts on this issue.

10. **Motivation: The Value of the Work Ethic**, J. Clifton Williams, *Baylor Business Review*, Spring 1998. 64

People who are self-motivated are going to do the best job they can because they want to. **Successful organizations hire these self-motivated people** and do whatever is necessary to help them live up to their own and the company's expectations.

#### D. LEARNING AND SELF-MANAGEMENT

11. **Guide Lines**, Alan Fowler, *People Management*, October 1998. 66

Mentoring programs are now an accepted part of managerial development, but they can be difficult. Alan Fowler deals with how to overcome those difficulties, especially between mentor and mentee, in order to establish an effective mentoring program.

12. **Will Your Culture Support KM?** Samuel Greengard, *Workforce*, October 1998. 68

For **knowledge management** to be successful, it must have the support of the organization's culture. The concept must be communicated, incentives provided, and accountability enforced.

13. **Managing Oneself**, Peter F. Drucker, *Harvard Business Review*, March/April 1999. 70

In the world to come, people will have to be more responsible for their own fate. They will have to **better manage themselves and their careers**.

- EXERCISE 2: The Twilight Zone of Diversity**, Linda Par-rack Livingstone and Bradley Thomas Livingstone, *Journal of Management Education*, April 1998. 78

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**A. GROUP DYNAMICS**

14. **Networks within Networks: Service Link Over-lap, Organizational Cliques, and Network Effec-tiveness**, Keith G. Provan and Juliann G. Sebastian, *Academy of Management Journal*, August 1998. 82

There has been research done on how people work inside a group, but not very much on how well a **network of groups works**. Keith Provan and Juliann Sebastian present an initial study that uses clique analysis to explain network effectiveness.

15. **Managing Staff Relationships**, James P. Masciarelli, *HRfocus*, August 1998. 92

People need to be aware of their **relationships with others**. James Masciarelli looks at this from a human resource department's perspective.

**B. COMMUNICATION**

16. **Organizational Rules on Communicating: How Employees Are—and Are Not—Learning the Ropes**, Jeanette W. Gilsdorf, *The Journal of Business Com-munication*, April 1998. 94

How do organizations get their message across to their employees, and how effective are they? Jeanette Gilsdorf suggests that there are many ways and a variety of levels of effectiveness.

**C. LEADERSHIP**

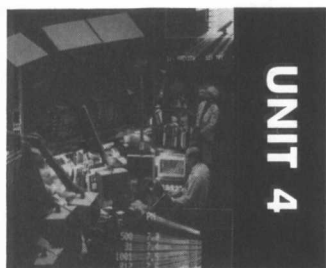
17. **What Makes a Leader?** Daniel Goleman, *Harvard Business Review*, November/December 1998. 107

Leadership is often ill-defined and hard to understand. It takes more than just a high IQ and technical competence to be a leader; it also takes emotional intelligence, as Daniel Goleman discusses in this article.



## Social and Group Process

Seven articles discuss how groups interact with regard to networking, establishing relationships, communication, negotiation, and team dynamics.



## Organizational Systems

Ten articles in this section examine the dynamics of organizational designs, external influences on the organization, training, the impact of women on the workplace, the significance of human resources, and the importance of commitment.

### D. POWER AND POLITICS

18. **Interest Alignment and Coalitions in Multiparty Negotiations**, Jeffrey T. Polzer, Elizabeth A. Mannix, and Margaret A. Neale, *Academy of Management Journal*, February 1998.

This study brings together two seemingly **disparate aspects of negotiation**: the search for coalition partners and the development of a negotiated agreement. The findings suggest that these can actually be done simultaneously.

### E. TEAMS

19. **Keeping Team Conflict Alive**, Shari Caudron, *Training & Development*, September 1998.

A certain amount of **conflict in an organization** can be a very good and creative force, as long as it does not get out of hand. Shari Caudron suggests five approaches to encouraging good disputes.

### F. INTERGROUP BEHAVIOR

20. **Inter- and Intracultural Negotiations: U.S. and Japanese Negotiators**, Jeanne M. Brett and Tetsushi Okumura, *Academy of Management Journal*, October 1998.

Does culture matter when people are negotiating? This article has some interesting observations on **inter- and intracultural negotiations**. The primary hypothesis, that joint gains will be lower in intercultural negotiations than in intracultural ones, was confirmed by the data.

- EXERCISE 3: Team Frames: The Multiple Realities of the Team**, Donald D. Bowen, *Journal of Management Education*, February 1998.

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#### A. EMERGING ORGANIZATIONAL DESIGNS

21. **The Shape of the New Corporation**, Jeremy Main, *Working Woman*, October 1998.

Successful corporations are going to have to be innovative and flexible. This article focuses on five firms that have adopted **flexibility and innovation as keys to their future success**.

22. **Beyond the Org Chart**, Phyllis Gail Doloff, *Across the Board*, February 1999.

An **organization chart** may be the official way by which a company is organized, but the **real way** that things get done may be through something else—the **invisible network**.

**23. The Future That Has Already Happened, Peter Drucker, 160**

*The Futurist*, November 1998.

The foreseeable future, or at least that part of the future that can be seen, has already happened and it means many changes. Two converging trends that managers must face, according to Peter Drucker, are the declining workforce and the importance of knowledge as a resource.

**24. There Is No Future for the Workplace, 162**

John A. Challenger, *The Futurist*, October 1998.

The workplace is changing and evolving: It may be changing to the point where it may no longer be recognizable. Supervision of tomorrow's workers may not require managers, but increased involvement by company leadership.

**B. WORK DESIGN**

**25. The Feminization of the Workforce, Sylvia Ann 167**

Hewlett, *New Perspectives Quarterly*, Special Issue, Volume 15, Number 3, 1998.

As the demand for workers grows in the society, the necessity of meeting their needs is also growing. The **impact of women in the workplace**, the problems that face them, and employers' responses in the form of family support policies are discussed by Sylvia Hewlett in this article.

**26. Making Work Meaningful: Secrets of the Future- 169**  
**Focused Corporation, Roger E. Herman and**

Joyce L. Gioia, *The Futurist*, December 1998.

For organizations to survive in the coming century, they will have to attract and keep their best performers. One way to do that is to make their work meaningful. Survival will depend on teamwork, loyalty, and vision at every level, according to Roger Herman and Joyce Gioia.

**C. PERFORMANCE APPRAISAL, FEEDBACK, AND REWARDS**

**27. New Keys to Employee Performance and Pro- 175**  
**ductivity, John Luthy, Public Management, March 1998.**

Employee performance and productivity are discussed by John Luthy in the context of seven dimensions of continuous improvement and individual development.

**D. HUMAN RESOURCES POLICIES AND PRACTICES**

**28. What Do CEO's Want from HR? Bill Leonard, 179**  
*HRMagazine*, November 1998.

Right now, CEOs are **demanding more from HR** than they ever have before, and in the future they will demand even more, as this article demonstrates. Bill Leonard conducts interviews with five CEOs of major organizations.



## Organizational Change and Development

In this section, five selections examine the importance of developing a learning organization, merger integration, and the importance of stress management.

### E. ORGANIZATIONAL CULTURE

- 29. Building Heart and Soul**, Joanne Cole, *HRfocus*, 184  
October 1998.

People who are committed to an organization are going to be more **effective employees**. Different ways to help employees at all levels feel more connected to the outcome of their work and to the larger strategies of their company are discussed in this article.

- 30. Cultural Change Is the Work/Life Solution**, 186  
Ann Vincola, *Workforce*, October 1998.

Family-friendly initiatives really work when they receive support from the top and **a commitment to cultural change**. Rather than viewing work/life benefits as an accommodation, management should look at them as strategic business initiatives.

- EXERCISE 4: Organization Structure and Design: The Club Ed Exercise**, Cheryl Harvey and Kim Morouny, *Journal of Management Education*, June 1998. 189

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### A. CHANGING STRUCTURE AND EFFECTIVENESS

- 31. Toward a Learning Organization: The Strategic Building Blocks**, Swee C. Goh, *SAM Advanced Management Journal*, Spring 1998. 194

Swee Goh outlines characteristics of **a learning organization** in this article, focusing on mission and vision, leadership, experimentation, transfer of knowledge, and teamwork and cooperation.

### B. INTERNATIONAL ORGANIZATIONS

- 32. Integrating Corporate Culture from International M&As**, Rita E. Numerof and Michael N. Abrams, *HRfocus*, June 1998. 200

If you think integrating a domestic **merger and acquisition** is difficult, then take a look at one on the international level—speed bumps abound even in the smoothest transitions. Rita Numerof and Michael Abrams offer operational strategies and tactics in this article.

- 33. Building Teams across Borders**, Charlene Marmer Solomon, *Global Workforce*, November 1998. 202

Developing teams that have a common cultural, linguistic, and social background is difficult enough; trying to develop **global teams** without those factors can be even more difficult, but, as Charlene Solomon indicates, it can be done.



### C. STRESS MANAGEMENT

**34. Cutting-Edge Stressbusters**, Gail Dutton, *HRfocus*, **207**  
September 1998.

Stress can kill people. This is an article about what some organizations are doing to help their employees reduce stress and be more productive. Companies are finding that stress reduction has some real bottom-line benefits that are worth a corporation's effort.

### D. MANAGING CHANGE

**35. Desperately Seeking Synergy**, Michael Goold and Andrew Campbell, *Harvard Business Review*, September/October 1998.

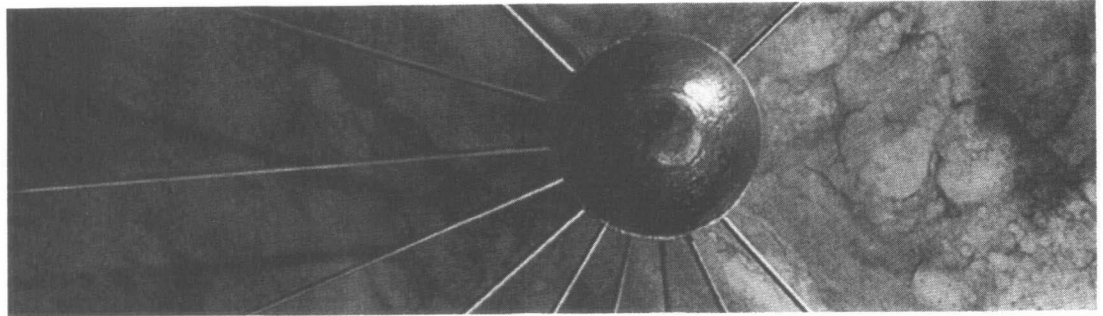
Large organizations often seek **synergy** in an attempt to become more efficient and profitable. But synergy, in addition to having an upside, may also have a downside. In this article Michael Goold and Andrew Campbell suggest that managers should adopt a **disciplined approach** to synergy in order to gain its rewards and avoid its frustrations.

**EXERCISE 5: Decisive Decision Making: An Exercise** **222**  
**Using Ethical Frameworks**, Mark Mallinger, *Journal of Management Education*, August 1997.

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# Organizational Behavior 00/01

*First Edition*



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# Topic Guide

This topic guide suggests how the selections and World Wide Web sites found in the next section of this book relate to topics of traditional concern to organizational behavior students and professionals. It is useful for locating interrelated articles and Web sites for reading and research. The guide is arranged alphabetically according to topic.

The relevant Web sites, which are numbered and annotated on pages 4 and 5, are easily identified by the Web icon (☺) under the topic articles. By linking the articles and the Web sites by topic, this ANNUAL EDITIONS reader becomes a powerful learning and research tool.

TOPIC AREA	TREATED IN	TOPIC AREA	TREATED IN
<b>Communication</b>	<ul style="list-style-type: none"><li>2. New Agenda for Organization Development</li><li>3. New Loyalty: Grasp It. Earn It.</li><li>4. <i>Trust</i>, an Asset in Any Field</li><li>5. Organizational Cynicism</li><li>9. Measuring the Effectiveness of Recognition Programs</li><li>11. Guide Lines</li><li>12. Will Your Culture Support KM?</li><li>14. Networks within Networks</li><li>15. Managing Staff Relationships</li><li>16. Organizational Rules on Communicating</li><li>18. Interest Alignment and Coalitions</li><li>19. Keeping Team Conflict Alive</li><li>20. Inter- and Intracultural Negotiations</li><li>22. Beyond the Org Chart</li><li>27. New Keys to Employee Performance and Productivity</li><li>29. Building Heart and Soul</li><li>31. Toward a Learning Organization</li><li>32. Integrating Corporate Culture</li><li>33. Building Teams across Borders</li><li>35. Desperately Seeking Synergy</li><li>☉ 1, 2, 5, 6, 7, 16, 17, 18, 19, 20, 21, 22, 23</li></ul>	<ul style="list-style-type: none"><li>29. Building Heart and Soul</li><li>33. Building Teams across Borders</li><li>35. Desperately Seeking Synergy</li><li>☉ 1, 2, 5, 6, 9, 16, 17, 18, 19, 20, 21, 22</li></ul>	
<b>Diversity</b>	<ul style="list-style-type: none"><li>1. Shifting Paradigms</li><li>3. New Loyalty: Grasp It. Earn It.</li><li>6. Building a Rainbow</li><li>7. Why Diversity Matters</li><li>13. Managing Oneself</li><li>14. Networks within Networks</li><li>18. Interest Alignment and Coalitions</li><li>20. Inter- and Intracultural Negotiations</li><li>25. Feminization of the Workforce</li><li>32. Integrating Corporate Culture from International M&amp;As</li><li>33. Building Teams across Borders</li><li>35. Desperately Seeking Synergy</li><li>☉ 2, 4, 9, 10, 11, 12, 14, 15, 34</li></ul>	<b>Human Resources</b> <ul style="list-style-type: none"><li>2. New Agenda for Organization Development</li><li>5. Organizational Cynicism</li><li>6. Building a Rainbow</li><li>7. Why Diversity Matters</li><li>9. Measuring the Effectiveness of Recognition Programs</li><li>11. Guide Lines</li><li>13. Managing Oneself</li><li>24. There Is No Future for the Workplace</li><li>25. Feminization of the Workforce</li><li>26. Making Work Meaningful: Secrets of the Future-Focused Corporation</li><li>27. New Keys to Employee Performance and Productivity</li><li>28. What Do CEO's Want from HR?</li><li>29. Building Heart and Soul</li><li>30. Cultural Change Is the Work/Life Solution</li><li>32. Integrating Corporate Culture</li><li>34. Cutting-Edge Stressbusters</li><li>☉ 1, 2, 3, 4, 5, 6, 8, 9, 10, 11, 12, 14, 15, 20, 22, 24, 25, 26, 27, 29, 32</li></ul>	
<b>Group Behavior</b>	<ul style="list-style-type: none"><li>1. Shifting Paradigm</li><li>2. New Agenda for Organization Development</li><li>3. New Loyalty: Grasp It. Earn It.</li><li>5. Organizational Cynicism</li><li>6. Building a Rainbow</li><li>7. Why Diversity Matters</li><li>9. Measuring the Effectiveness of Recognition Programs</li><li>12. Will Your Culture Support KM?</li><li>13. Managing Oneself</li><li>14. Networks within Networks</li><li>15. Managing Staff Relationships</li><li>16. Organizational Rules on Communicating</li><li>18. Interest Alignment and Coalitions</li><li>20. Inter- and Intracultural Negotiations</li><li>22. Beyond the Org Chart</li></ul>	<b>Leadership</b> <ul style="list-style-type: none"><li>1. Shifting Paradigms</li><li>2. New Agenda for Organization Development</li><li>3. New Loyalty: Grasp It. Earn It.</li><li>4. <i>Trust</i>, an Asset in Any Field</li><li>5. Organizational Cynicism</li><li>12. Will Your Culture Support KM?</li><li>17. What Makes a Leader?</li><li>21. Shape of the New Corporation</li><li>22. Beyond the Org Chart</li><li>23. Future That Has Already Happened</li><li>24. There Is No Future for the Workplace</li><li>28. What Do CEO's Want from HR?</li><li>31. Toward a Learning Organization</li><li>35. Desperately Seeking Synergy</li><li>☉ 5, 6, 17, 18, 20, 28, 29, 30, 31, 33</li></ul>	
		<b>Morale</b> <ul style="list-style-type: none"><li>1. Shifting Paradigms</li><li>2. New Agenda for Organization Development</li><li>3. New Loyalty: Grasp It. Earn It.</li><li>4. <i>Trust</i>, An Asset in Any Field</li><li>5. Organizational Cynicism</li><li>7. Why Diversity Matters</li><li>8. Walking the Tightrope, Balancing Risks and Gains</li><li>9. Measuring the Effectiveness of Recognition Programs</li></ul>	

TOPIC AREA	TREATED IN	TOPIC AREA	TREATED IN
	10. Motivation: The Value of the Work Ethic 13. Managing Oneself 23. Future That Has Already Happened 26. Making Work Meaningful: Secrets of the Future-Focused Corporation 27. New Keys to Employee Performance and Productivity 29. Building Heart and Soul 30. Cultural Change Is the Work/Life Solution 34. Cutting-Edge Stressbusters ☉ <b>1, 2, 5, 6, 9, 20, 24, 25, 26, 27, 32, 34</b>		34. Cutting-Edge Stressbusters ☉ <b>5, 6, 7, 13, 16, 17, 18, 19, 20, 24, 25, 26, 27</b>
<b>Organizational Development and Change</b>	1. Shifting Paradigms 2. New Agenda for Organization Development 3. New Loyalty: Grasp It. Earn It. 5. Organizational Cynicism 6. Building a Rainbow 7. Why Diversity Matters 8. Walking the Tightrope, Balancing Risks and Gains 11. Guide Lines 12. Will Your Culture Support KM? 13. Managing Oneself 14. Networks within Networks 15. Managing Staff Relationships 16. Organizational Rules on Communicating 21. Shape of the New Corporation 22. Beyond the Org Chart 23. Future That Has Already Happened 24. There Is No Future for the Workplace 25. Feminization of the Workforce 26. Making Work Meaningful: Secrets of the Future-Focused Corporation 28. What Do CEO's Want from HR? 29. Building Heart and Soul 30. Cultural Change Is the Work/Life Solution 31. Toward a Learning Organization 32. Integrating Corporate Culture 33. Building Teams across Borders 35. Desperately Seeking Synergy ☉ <b>4, 5, 6, 8, 9, 10, 11, 12, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 28, 29, 30, 31, 33, 34</b>	<b>Teams</b>	1. Shifting Paradigms 2. New Agenda for Organization Development 6. Building a Rainbow 7. Why Diversity Matters 13. Managing Oneself 14. Networks within Networks 19. Keeping Team Conflict Alive 20. Inter- and Intracultural Negotiations 22. Beyond the Org Chart 24. There Is No Future for the Workplace 31. Toward a Learning Organization 33. Building Teams across Borders 35. Desperately Seeking Synergy ☉ <b>1, 2, 4, 6, 16, 17, 18, 19, 20, 21, 22, 23, 28, 29, 30, 31, 33</b>
		<b>Trust</b>	2. New Agenda for Organization Development 3. New Loyalty: Grasp It. Earn It. 4. <i>Trust</i> , an Asset in Any Field 5. Organizational Cynicism 6. Building a Rainbow 8. Walking the Tightrope, Balancing Risks and Gains 11. Guide Lines 15. Managing Staff Relationships 16. Organizational Rules on Communicating 17. What Makes a Leader? 18. Interest Alignment and Coalitions 20. Inter- and Intracultural Negotiations 27. New Keys to Employee Performance and Productivity 29. Building Heart and Soul 30. Cultural Change Is the Work/Life Solution 31. Toward a Learning Organization 33. Building Teams across Borders 35. Desperately Seeking Synergy ☉ <b>1, 2, 6, 7, 9, 16, 17, 18, 19, 20, 21, 22, 23, 28, 29, 30, 31, 33, 34</b>
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## ● AE: Organizational Behavior

The following World Wide Web sites have been carefully researched and selected to support the articles found in this reader. If you are interested in learning more about specific topics found in this book, these Web sites are a good place to start. The sites are cross-referenced by number and appear in the topic guide on the previous two pages. Also, you can link to these Web sites through our DUSHKIN ONLINE support site at <http://www.dushkin.com/online/>.

The following sites were available at the time of publication. Visit our Web site—we update DUSHKIN ONLINE regularly to reflect any changes.

### General Sources

#### 1. American Psychological Association

<http://www.apa.org/books/homepage.html>

Search this site to find references and discussion of important workplace issues for the 1990s and beyond, including restructuring and revitalization of businesses.

#### 2. Human Resource Professional's Gateway to the Internet

<http://www.hrisolutions.com/index2.html>

Eric Wilson's site is rich with information about human resources management and links easily to additional Web sources.

#### 3. HVL HR Internet Resources

[http://www.hvl.net/hr\\_res.htm](http://www.hvl.net/hr_res.htm)

This site covers topics that range from Benefits to Salary Information, to Recruiting and Training.

#### 4. Voice of the Shuttle

<http://humanitas.ucsb.edu/shuttle/commerce.html>

Information on many subjects includes Restructuring, Reengineering, Downsizing, Flattening; Outsourcing; Human Resources Management; Labor Relations; Learning Organizations; The Team Concept; and Diversity Management.

### Introduction to Organizational Behavior

#### 5. Center for Organizational Theory (COT)

<http://socrates.berkeley.edu/~iir/cot/cot.html>

COT was founded in 1995 at the Institute of Industrial Relations at the University of California, Berkeley. Its major research project centers on the demography of corporations and industries and organizational processes.

#### 6. Industrial-Organizational Psychology Resource Center

[http://www.cs.ius.indiana.edu/LZ/PMCCARTH/web\\_docs/homepage.htm](http://www.cs.ius.indiana.edu/LZ/PMCCARTH/web_docs/homepage.htm)

Dr. Patrick McCarthy's site is for new students and experienced professionals alike. Both will find many valuable resources here, including documents and information on numerous industrial-organizational psychology topics of interest.

#### 7. Monograph: Trust within the Organization

<http://www.psc-cfp.gc.ca/prcb/mono1-e.htm>

This monograph from the Public Service Commission of Canada concludes that trust is an essential element of effective change management and organizational success.

#### 8. Society for Human Resource Management (SHRM) HR Links

<http://www.shrm.org/hrlinks/>

Here is a very complete collection of links, that includes topics such as Diversity, Flexible Work Arrangements, International HR, and Management Practices. From this starting point, explore other aspects of SHRM also.

### Individual Behavior

#### 9. American Civil Liberties Organization (ACLU)

<http://www.aclu.org/issues/worker/campaign.html>

The ACLU provides this interesting page on workplace rights in "Campaign for Fairness in the Workplace." Briefing papers on workplace issues cover issues of lifestyle discrimination, workplace drug testing, and electronic monitoring.

#### 10. Career Magazine: Diversity in the Workplace

<http://www.careermag.com/newsarts/diversity/fed.html>

This keynote address by David Clark of Federated Department Stores offers seven indicators of an employer's genuine commitment to diversity.

#### 11. Diversity in the Workforce

<http://www.consciouschoice.com/issues/cc083/workdiv.html>

This article by Lisa Stewart appeared in the magazine *Conscious Choice* and provides interesting reading on the issue of diversity in the workplace.

#### 12. Diversity in Workforce Produces Bottom Line Benefits

<http://www.villagelife.org/news/archives/diversity.html>

Melissa Lauber's short article following the \$176 million discrimination settlement with Texaco is presented here. Related Web sites are also available at this site.

#### 13. Knowledge Management and Organizational Learning

<http://www.brint.com/OrgLrng.htm>

BRINT, the BizTech Network provides this exhaustive site that covers definitions, discussions, and data mining, and it presents unlimited resources on organizational learning and learning organizations, and out-of-box thinking.

#### 14. Report on Workforce Diversity

<http://www.fs.fed.us/land/fire/difference.htm>

At this site, an update and revitalization of Fire and Aviation Management's efforts to improve workforce diversity is available. The report offers key recommendations for revitalizing the human resource specialist's position that can be adapted by other companies.

#### 15. Workforce Diversity Plan for ORNL

[http://www.ornl.gov/HR\\_ORNL/WFD/plan\\_pub.htm](http://www.ornl.gov/HR_ORNL/WFD/plan_pub.htm)

Oak Ridge National Laboratory's (ORNL) report concerns diversity leadership in order to achieve mission success "in a rapidly changing scientific business and political environment through the unique strengths of our employees, community, and business partners."

### Social and Group Process

#### 16. IIR Library Site Map

<http://socrates.berkeley.edu/~iir/sitemap.html>

This site map of the Institute of Industrial Relations at the University of California, Berkeley, points out research planned by the Center for Culture, Organization, and Politics, the Center for Organization and Human Resource Effectiveness, and the Center for Work, Technology, and Society.



### 17. Journal of Organizational Behavior: Aims and Scope

<http://www.interscience.wiley.com/jpages/0894-3796/aims.html>

The Journal of Organizational Behavior reports on the growing research in organization behavior fields throughout the world. Topics include motivation, work performance, job design, quality of work life, training, leadership, and many more.

### 18. Organizational Behavior and Human Decision Processes

<http://www.apnet.com/www/journal/ob.htm>

Research areas presented by this journal include group structure and communication, individual and group decision processes, judgment and choice behavior, leadership, and task performance and motivation.

### 19. Teams, Teambuilding, and Teamwork

<http://www.organizedchange.com/teamhome.htm>

Here is a source for articles on teams that are accessible on the Internet. Titles include "Improving Cross-Functional Teamwork" and "Nailing Jelly to a Tree: Self-Directed Work Teams," among many others.

## Organizational Systems

### 20. Center for Organization and Human Resource Effectiveness

<http://socrates.berkeley.edu/~iir/cohre/cohre.html>

From this COHRE page navigate to Brief Policy Papers, Research in Progress, and a Virtual Library. The Center is dedicated to "anticipating and creating new responses to a continuously changing business environment."

### 21. Global Business Network (GBN)

<http://www.gbn.org/home.html>

Committed to perceiving the present in order to anticipate the future and better manage strategic responses, the GBN's activities and services are designed to think collaboratively about the business environment. GBN originates scenario planning and offers help with the process online.

### 22. Human Resources—Corporate Culture

<http://www.auxillium.com/culture.htm>

This site offers a short and interesting paper on corporate culture. It includes the Hofstede Cultural Orientation Model, which classifies cultures based on where they fall on five continuums.

### 23. Organizational Development

<http://home.navisoft.com/hrmbasics/orgdev.htm>

The Human Resource Basics home page includes an excellent list of Web sites and discussion lists.

## Organizational Change and Development

### 24. AHN.COM: Researchers Link Job Strain, Hypertension

[http://www.ahn.com/Health\\_News\\_Nov/112398A.htm](http://www.ahn.com/Health_News_Nov/112398A.htm)

Among the interesting research pieces available at this America's Health Network site is this one on stress.

### 25. APA HelpCenter: Get the Facts: Psychology at Work: Stress in the Workplace

<http://helping.apa.org/work/stress5.html>

This selection is adapted from *The Stress Solution* by Lyle Miller and Alma Dell Smith, and it is offered by the American Psychological Association.

### 26. Canadian Institute of Stress

<http://www.stresscanada.org/wman.html>

In this selection, which focuses on "corporate vitality," you are invited to evaluate "How Fit for Change" any particular workforce is when compared to 100 North American workplaces. Learn about change management programs here.

### 27. Employer-Employee.com: Preventing and Curing Employee Burnout

<http://www.employer-employee.com/Burnout.html>

This article offers suggestions for how to tell whether an employee problem is burnout and, if so, how to deal with it.

### 28. Organisation and Management Theory

<http://www.nbs.ntu.ac.uk/staff/lyerj/list/hromt.htm>

This part of Ray Lye's list of Human Resource Management Resources on the Internet includes links to Learning Organisation, Research at Harvard Business School, Human Change by Design, Learning and Change, and Organisations.

### 29. Organizational Behavior Resources

[http://www.graceland.edu/~dungan/org-be/resources\\_org-be.html](http://www.graceland.edu/~dungan/org-be/resources_org-be.html)

Andy Dungan keeps this Internet list on organizational behavior and human resource management research resources at Graceland College. Links include organizational behavior sources, an essay on corporate culture, material on organizational development, and a site on quality management principles.

### 30. Organized Change Consultancy

<http://www.organizedchange.com/framesetindex.htm>

This selection from an international consulting and training firm includes a useful miniquiz for evaluating companies, many articles, and a topical index.

### 31. Researching Organisational Change and Learning

<http://www.nova.edu/ssss/QR/QR2-4/rhodes.html>

Carl Rhodes's paper offers a qualitative narrative approach to organizational change and learning.

### 32. Simple Stress-Busters Relieve Burnout

<http://www.ncci.com/html/ncoj2.htm>

Bill Hager discusses how an enlightened employer can reduce workers' compensation costs by following 10 actions to relieve employee stress.

### 33. Six Management Concepts

<http://www.timesystem.com/timesystem/methods/book/default.htm>

This book, published on the Web, examines the contemporary concepts of benchmarking, networking, business process reengineering, organizational learning, core competence, and empowerment.

### 34. Studies in Cultures, Organizations, and Societies

<http://www.ucalgary.ca/~cancomm/studies.html>

A scholarly forum for critical debate on the culture and symbolism of everyday life in organizations can be accessed here.

**We highly recommend that you review our Web site for expanded information and our other product lines. We are continually updating and adding links to our Web site in order to offer you the most usable and useful information that will support and expand the value of your Annual Editions. You can reach us at: <http://www.dushkin.com/annualeditions/>.**

# Unit 1

## Unit Selections

*Organizational  
Behavior in Context*

*Employer-Employee  
Relations*

1. **Shifting Paradigms: From Newton to Chaos**, Toby J. Tetenbaum
2. **The New Agenda for Organization Development**, W. Warner Burke
3. **The New Loyalty: Grasp It. Earn It. Keep It.**, Jennifer Laabs
4. **Trust, an Asset in Any Field**, Roger C. Mayer
5. **Organizational Cynicism**, James W. Dean, Jr., Pamela Brandes, and Ravi Dharwadkar

**EXERCISE 1: What Participation? Have Them "Vote with Their Feet"!** Barbara H. Holmes

## Key Points to Consider

- ❖ People are the primary asset of any organization. Name several other forms of competitive advantage in the marketplace.
- ❖ What is the value of trust in the organization? Between employees? Between the employee and the employer?
- ❖ In a changing world where order is becoming chaos, how can organizations deal with change?
- ❖ How can companies and employees deal with the changes in the social contract between employer and employee?



## Links

[www.dushkin.com/online/](http://www.dushkin.com/online/)

5. **Center for Organizational Theory (COT)**  
<http://socrates.berkeley.edu/~iir/cot/cot.html>
6. **Industrial-Organizational Psychology Resource Center**  
[http://www.cs.ius.indiana.edu/LZ/PMCCARTH/web\\_docs/homepage.htm](http://www.cs.ius.indiana.edu/LZ/PMCCARTH/web_docs/homepage.htm)
7. **Monograph: Trust within the Organization**  
<http://www.psc-cfp.gc.ca/prcb/mono1-e.htm>
8. **Society for Human Resource Management (SHRM) HR Links**  
<http://www.shrm.org/hrlinks/>

These sites are annotated on pages 4 and 5.

Organizations are made up of people—not machines, balance sheets, or buildings. For an organization to be successful in today's highly competitive global environment, it must rely on its people.

For most organizations, competitive advantage founded on technology is often transitory at best and deceptive at worst, especially as the pace of technological change quickens and today's cutting edge technology becomes tomorrow's obsolete equipment.

Organizations themselves must recognize that they are bound to change over time, if for no other reason than the fact that their personnel will change over time. It bears repeating that a corporation is a collection of individuals with different and varied talents, all seeking to achieve success in their daily lives, which includes their role in the company.

The only thing that is certain for any organization today is that things are changing. In the past, most organizations and people viewed the world in a sort of linear context. This view of the world can be traced back to one of the first modern scientists, Isaac Newton. One of the great minds to grace the world's stage, Newton developed the intellectual basis for most of the world's scientific and intellectual development for the past 400 years. That linear approach no longer necessarily applies. Just as Newton's physics was replaced by Albert Einstein's, because it was inadequate to explain what scientists were observing in the real world, so the linear explanation of reality is about to be replaced. It is no accident that a recent business best-seller by Tom Peters was entitled *Thriving on Chaos* (Park Avenue Press, 1999). The old idea of "if X then Y" is obsolete. Now the new paradigm amounts to "if X, then who knows what will follow."

The question in organizational behavior is how to deal with these rapid and unpredictable changes in the organization, and, of course, in society as a whole. Personal, internal values and ethics are the only true source of guidance possible in an environment marked by chaos. There is no great guiding beacon of light that can be used to navigate the world of work, no lighthouse of knowledge or techniques that can magically transform chaos into order. As the article "The New Agenda for Organizational Development," points out, only people who are true to their own set of values can have an impact on their organizations.

This change in the organizational environment has led to a great deal of change on the part of employees who are simply responding to and trying to make some sense out of what is essentially a chaotic world. People simply do not work for an organization for 40 years anymore and get a gold watch at the end of their working lives. Employees are no longer loyal to the organization in the old sense because the organization is no longer loyal to them. In the current environment, employees are

trying to develop and prepare themselves at all times for what is likely to happen next. They will remain loyal if they perceive that it is in their interest to remain with the organization. Otherwise, they will move on. The challenge for organizations who are seeking to retain their best employees is how to take advantage of "The New Loyalty: Grasp It. Earn It. Keep It." (See article 3).

Perhaps the single greatest loss for organizations in their relations with their employees has been trust. During this era of downsizing, rightsizing, reengineering, and RIF's (reduction in force), trust has been lost in many organizations. When whole departments and divisions are simply eliminated in a frenzy of cost cutting, the employees, both those discharged and those retained, can only conclude that their individual efforts, successes, accomplishments, and concerns are of little or no consequence to the organization. The only thing that the company cares about is the short-term bottom line. "Trust, an Asset in Any Field" (see article 4), is thrown to the winds, and employees are left to fend for themselves.

As the twenty-first century begins, the American economy has the lowest unemployment rate in over 20 years, and the lowest employment rate among industrialized nations. Jobs are plentiful and often go begging because there are not enough qualified people to fill them. Wages are up and unemployment is down, but many employees are in a bad mood. Gripping, lawsuits, and even violence are increasing because there is a gap between what organizations say and what they do. Many organizations may "talk the talk" but seem unable to "walk the walk" when the time comes. These unfulfilled expectations and promises on the part of the organization create an atmosphere of distrust. Putting the right spin on something has become more important than dealing with it in a straightforward manner. Firings become "reengineering," and layoffs, "rightsizing." Black becomes white in an almost Orwellian attempt at what amounts to "doublespeak."

These conditions have led to a new era of cynicism (see "Organizational Cynicism") that is infecting many parts of American society. People have learned that all is not as it seems and that organizations will quickly turn on people. They have been treated with disrespect and an obvious attitude that implies that they do not matter. They have learned that their best efforts are often not appreciated; that loyalty, based on the old, unspoken contract between the employees and the employer, is a thing of the past; and that their value to the organization is often measured in ways over which they have no control.

Employees and their organizations must learn to be more flexible and responsive to a changing and chaotic environment that guarantees nothing, but that will reward those willing to take advantage of the opportunities presented to them.

# *Shifting Paradigms:* **From Newton to Chaos**

*Chaos theory shows us a world far more complex and unpredictable than Newton's physics can explain. Can we apply the theory to organizations?*

**Toby J. Tetenbaum**

*Chaos often breeds life,  
When order breeds havoc.*

—Henry Brooks Adams

**C**haos theory and its spin-off, complexity theory, argue that relationships in complex systems, like organizations, are non-linear, made up of interconnections and branching choices that produce unintended consequences and render the universe unpredictable. Can this theory, now widely discussed in the scientific community, provide a new, more accurate lens for viewing organizations? Or is it something useful for physicists, with no application to management?

Various commentators have suggested that this new paradigm can be useful in dealing with current and future change in organizations. Using this lens, however, presents an unprecedented challenge for change agents in all types of organizations. The new realities differ dramatically from the past.

## **THE TRADITIONAL WORLD OF NEWTON**

Newtonian science, the underpinning of civilization from the 1700s to the present, is rooted in physics and mathematics—rule-bound disciplines that require data “up front”

in order to operate. The core of the paradigm, the laws of motion, suggests that the world is a well-behaved machine. It offers the promise of a law-abiding and predictable universe, a belief strengthened by the notion that relationships between cause and effect are simple, clear, and linear. The “if X . . . , then Y” view of the world prevailed for two centuries, delighting scientists whose ultimate goal was to predict and control.

When we entered the industrial era, the lens of Newtonian science led us to look at organizational success in terms of maintaining a stable system. If nature or crisis upset this state, the leader's role was to reestablish equilibrium. Not to do so constituted failure. With stability as the sign of success, the paradigm implied that order should be imposed from above (leading to top-down, command-and-control leadership) and structures should be designed to support the decision makers (leading to bureaucracies and hierarchies). The reigning organizational model, scientific management, was wholly consistent with ensuring regularity, predictability, and efficiency.

When the future is viewed as predictable, organizations do well to send their top leaders off on a retreat where they can envision a future state and develop a long-range plan for realizing that vision. The leaders have various planning models at their disposal, some of which have been used effectively for years;