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Emerging
realities
for the
workplace
revolution

Organizational BEHAVIOR

Organizational Behavior

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ORGANIZATIONAL BEHAVIOR

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Dedicated with love and devotion to Donna,
and to our wonderful daughters,
Bryton and Madison
—S.L.M.

And to my family and my virtual family,
you know who you are!
—MAVG

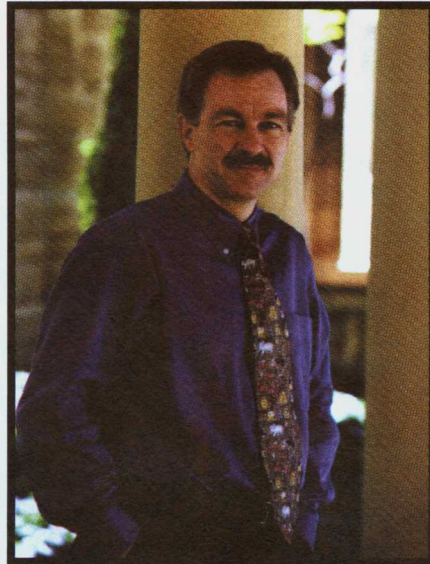
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Prentice Hall, 1990; *A Resource Guide for Internationalizing the Business School Curriculum*, AACSB/CIBER Publication, 1993; *Technology Transfer in International Business*, Oxford University Press, 1991; *Managing Complexity in High Technology Organizations*, Oxford University Press, 1990 and *The New Professionals: Managing Today's High Technology Employees*, Ballinger, 1988. She is presently writing up a decade's worth of work based on the international consortium she heads of researchers delving into "Best International HRM Practices."

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PREFACE



here's a revolution going on in the workplace. Knowledge is replacing infrastructure. Self-leadership is replacing direct supervision. Networks are replacing hierarchies. Virtual teams are replacing committees. Companies are looking for employees with emotional intelligence, not just technical smarts. Globalization has become the mantra of corporate survival. Co-workers aren't down the hall; they're at the other end of an Internet connection. Chances are they live somewhere else on the planet.

Organizational Behavior is written with this revolution in mind. This book describes organizational behavior (OB) theories and concepts in the context of current and emerging workplace realities. For example, we learn that telecommuters experience a new type of organizational politics, that clashing corporate cultures can sink a global merger, and that the Internet is driving fundamental changes in the way organizations are structured. We also discuss emerging concepts that are reshaping the field of organizational behavior, such as knowledge management, emotional intelligence, and appreciative inquiry. Throughout this book, we emphasize that these organizational behavior ideas are for everyone around the globe, not just managers in one country.

Emerging Issues and Concepts

If there was ever an ideal time to write a new organizational behavior textbook, this is it. Certainly, it's exciting to write a new book for a new millennium. But the real opportunity is to write a new organizational behavior book that captures and reflects the revolutionary changes in the workplace. *Organizational Behavior* highlights emerging issues and concepts in this rapidly changing work environment. For example, you will discover how self-leadership is replacing the traditional carrot-and-stick approach to employee motivation (Chapter 4), how the traditional topic of work attitudes has an increasing emphasis on workplace emotions (Chapter 7), how the "law of telecosm" and other information technology concepts are revolutionizing communication (Chapter 8), how the job-for-life model of career development is being replaced by employability (Chapter 17), and how network alliances are redrawing organizational structures (Chapter 18).

Knowledge management is another emerging concept that flows throughout *Organizational Behavior*. This increasingly popular way of viewing organizations is discussed in detail at the beginning of this book (Chapter 1). It is also considered when we look at several topics, such as attracting and retaining employees (Chapter 2), communicating across work units (Chapter 8), involving employees in corporate decisions and improving quality (Chapter 10), and designing organizations (Chapter 18).

Globalization, information technology, and ethics *Organizational Behavior* carefully integrates three other emerging workplace realities: globalization, information technology, and ethics. This book adopts a global perspective because we believe that the most interesting examples are found anywhere in the world, not just in New York or San Francisco. For instance, you will discover how Hongkong Telecom employees are developing their emotional intelligence, how Finland's Nokia has evolved from a manufacturer of toilet paper to a designer of high-tech cellular telephones, how Canada's Nortel Networks is improving employee communication by tearing down the walls and turning its headquarters into a cityscape, and how Japan's Pan

Pacific Hotel supports emotional labor by hiring for attitude. *Organizational Behavior* also emphasizes globalization through frequent discussion of diversity and cross-cultural issues.

Computer-based information technology is another important theme woven throughout this book. The Internet, computer systems, and other emerging forms of information technology now play an integral role in organizational life, so it has a similar level of integration in *Organizational Behavior*. For instance, you will learn how information technology leads to technostress, improves and hinders communication, alters team dynamics, and leverages the potential for new forms of organizational structure. This book also recognizes the importance of ethical issues in various topics of organizational behavior, such as monitoring employee performance, stereotyping employees, using peer pressure, engaging in organizational politics, applying organization development practices, and influencing organizational culture.

Linking Theory with Reality

Every chapter of *Organizational Behavior* is filled with real-life examples to make OB concepts more meaningful and reflect the relevance and excitement of this field. For example, you will read about how St. Luke's, the British advertising firm, fashions its organization after a medieval guild, how employees at Billabong USA minimize stress by taking "surf breaks," how perceptual errors almost prevented the original *Star Wars* from becoming a blockbuster movie, how Amazon.com's frugal corporate culture is evident from tables made of old doors, and how computer programmers fulfill their needs by creating hidden "easter eggs" in software programs.

These anecdotes appear in many forms. Every chapter of *Organizational Behavior* is filled with photo captions and in-text stories about work life in this new millennium. Each chapter also includes "Connections," a feature that "connects" OB concepts with events in real organizations. Another feature, called *Fast Company Online*, highlights exciting and entertaining anecdotes from the award-winning business magazine. The *Business Week* Case Study in each chapter is another feature that encourages students to understand how OB concepts relate to workplace reality. The organizations described throughout this book have a balanced regional representation throughout the United States and around the world. Moreover, they represent a wide range of industries—from software to city government—and from small businesses to the Fortune 500.

Contemporary Theory Foundation

Organizational Behavior has a solid foundation of contemporary and classic scholarship. As you can see in the references, each chapter is based on dozens of articles, books, and other sources. The most recent literature receives thorough coverage, resulting in what we believe is the most up-to-date organizational behavior textbook available. Moreover, some of these references reveal that we have reached out to information systems, marketing, and other disciplines for new ideas. At the same time, this textbook is written for students, not the scholars whose work is cited. Consequently, we avoid detailed summaries of specific research studies and seldom mention in the text the names of researchers or their affiliations. Our purpose is to present OB scholarship in ways that students will remember long after the final examination.

Organizational Behavior Knowledge for Everyone

A distinctive feature of *Organizational Behavior* is that it is written for everyone in organizations, not just "managers." The philosophy of this book is that everyone who works in and around organizations needs to understand and

make use of organizational behavior knowledge. The new reality is that people throughout the organization—systems analysts, production employees, accounting professionals—are assuming more responsibilities as companies remove layers of bureaucracy and give teams more autonomy over their work. This book helps everyone to make sense of organizational behavior, and gives them the tools to work more effectively within organizations, no matter where they are located globally.

Supporting the Learning Process

Organizational Behavior supports student learning through several innovative pedagogical elements. We believe that these learning elements will make this book even more enjoyable to read, and make the OB material more memorable.

Fast Company Online Every chapter includes a *Fast Company Online* feature that summarizes articles from *Fast Company*, the popular business magazine dedicated to describing the workplace revolution. For example, students learn how employees at Pixar Animation Studios (creators of *A Bug's Life*) handle the stress of tight deadlines (Chapter 5) and how a Xerox communications manager relied on savvy political tactics to develop a company web-based information resource (Chapter 12). *Fast Company Online* includes questions for class discussion and self-learning. The feature is also linked to the full-text article available through *Organizational Behavior's* student online learning center web site.

Business Week case studies Found at the end of each chapter, *Business Week* case studies introduce the online full-text article and provide critical thinking questions for class discussion or assignments. These cases encourage students to understand and diagnose real world issues using organizational behavior knowledge. For example, one case study describes how investment firm Charles Schwab is redefining customer service in the industry by relying on teams rather than individual brokers to serve clients (Chapter 9). Another case study reveals the forces that drive and constrain organizational change at France Telecom (Chapter 15).

Experiential activities Experiential exercises and self-assessments represent an important part of the active learning process. *Organizational Behavior* facilitates that process by offering one or two team exercises in every chapter as well as a self-assessment exercise in most chapters. Many of these learning activities are not available in other organizational behavior textbooks, such as a not-so-trivial game of cross-culture communication and etiquette (Chapter 8) and an assessment of your self-leadership skills (Chapter 4).

Chapter cases and additional cases Every chapter includes one short case that challenges students to diagnose issues and apply ideas from that chapter. Four additional cases appear at the end of the book for more comprehensive analysis. Many cases are new to this book. Others, such as Perfect Pizzeria, are classics that have withstood the test of time.

Video cases Every chapter includes a video segment from the NBC News Archives and the Irwin/McGraw-Hill management library. These video clips, which range from two to seven minutes, focus on critical issues in *Organizational Behavior*, such as the potential for clashing cultures in the newly merged DaimlerChrysler (Chapter 16) and giving employees at the Los Angeles Dodgers the power to make better decisions (Chapter 12).

Connections and photo captions *Organizational Behavior* is grounded in the philosophy that students learn by connecting theory with real-world situations. One way that we provide this connection is through a feature called “Connections,” which illustrates the relevance of organizational behavior theories and concepts. For example, you will learn how AARP, Sprint, Volvo and other firms go to extraordinary lengths to have fun at work (Chapter 7) and how a Campbell’s Soup executive in Canada generates constructive conflict. *Organizational Behavior* is also filled with fully-captioned photos that bring organizational behavior concepts to life. Specific questions accompany most photo captions to encourage critical thinking and stimulate classroom discussion.

Student online learning center (www.mhhe.com/mcshane1e) *Organizational Behavior* offers a comprehensive web site to complement the textbook and further support every student’s learning experience. The student OLC includes direct links to the full-text *Fast Company* articles featured in each chapter; direct links to the full-text *Business Week* case studies in each chapter; study questions similar to those found in the test bank, links to relevant organizational behavior web sites, and other valuable resources for students.

Indexes, margin notes, and glossary *Organizational Behavior* tries to avoid unnecessary jargon, but the field of organizational behavior (like every other discipline) has its own language. To help you learn this language, key terms are highlighted in bold and brief definitions appear in the margin. These definitions are also presented in an alphabetical glossary at the end of the text. We have also developed a comprehensive index of content, names, and organizations described in this book.

Instructor Support Materials

Organizational Behavior includes a variety of supplemental materials to help instructors prepare and present the material in this textbook more effectively. Some restrictions may apply, so please consult your McGraw-Hill representative regarding these resources.

Instructor online learning center Along with the Student OLC, *Organizational Behavior* incorporates on its web site many materials for the instructor. These include downloadable supplements, sample syllabi, links to OB news, online updates to chapter material from the authors, and even a Teaching Tips Bulletin Board for you to share with other colleagues interesting classroom approaches and ideas.

PowerPoint® presentations *Organizational Behavior* includes a complete PowerPoint presentation package with one file of PowerPoint “slides” for each chapter. Each PowerPoint file has more than a dozen overheads relating to the chapter, complete with builds and transitions. Most files include one or more photographs from the textbook.

Instructor’s resource manual The *Instructor’s Resource Manual* is written entirely by the textbook authors to ensure that it represents the textbook’s content and supports instructor needs. Each chapter presents the learning objectives, glossary of highlighted words, a chapter summary, complete lecture outline (in larger typeface!), solutions to the end-of-chapter discussion questions, notes for the cases and experiential exercises, summary sheets for the

PowerPoint file, and other support materials. The *Instructor's Resource Manual* also includes a very large set of transparency masters and notes for the end-of-text cases.

Test bank The *Test Bank* manual includes more than 1,400 multiple choice, true/false, and essay questions. All questions were written by the textbook authors and the majority have been tested in large class examinations. Each question has a page reference, as well as a difficulty level, many of which are based on actual student results.

Computerized test bank The entire *Test Bank* manual is available in a computerized version for Windows. Instructors receive special software that lets them design their own examinations from the test bank questions. It also lets instructors edit test items and add their own questions to the test bank.

Acknowledgments

Organizational Behavior involves dozens of people, not just the two co-authors whose names appear on the front cover. In fact, this project illustrates the power of organizations to accomplish incredible tasks.

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