
Organizational Behavior

Organ

Hamner

ORGANIZATIONAL BEHAVIOR

An Applied Psychological Approach

By

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Preface

With this revised edition, we have sought to refine and update a framework that may serve as a set of premises for managing behavior in organizations. Like its predecessor, we hope this volume will provide a basis for informed judgment by current and prospective managers in organizations. Again, we start from a fundamentally "micro" level of analysis and therefore have leaned upon psychology as the underlying discipline from which to borrow concepts and methods for studying individual and group behavior in organizations. However, we have been much more concerned with a balanced and mature treatment of organizational behavior as a discipline in its own right. And, since organizational behavior has its roots in a variety of disciplines, we have not labored under any misguided motive of disciplinary purity or consistency.

This edition reflects a number of changes, inspired in many instances by feedback from users of the first edition. In other cases, we have worked from our own interpretation of the trends gathering momentum in the continuing evolution of organizational behavior as an area of inquiry. We now offer three chapters, compared to a single chapter in the previous version, concerned with the organization itself as a behaving entity subject to analysis. A chapter discusses the internal structure of organizations, and another chapter treats the issue of the organization as affected by its external environment. A concluding chapter addresses the problem of organizational change and development, and in so doing attempts to pull together some of the more fundamental object lessons treated separately in preceding chapters.

In the first edition, Chapter 1 offered little more than the usual ritualistic opening remarks. In this version, Chapter 1 is more substantive in character. Some readers will doubtless also judge it to be

rather controversial in tone. The intent is to provide a preview of some of the issues that confront managers and professionals in their careers in organizations and to note the relevance of specific topics in the book for those issues.

The two chapters in the earlier version which reported on applied programs for enhancing the quality of work life have been condensed into one chapter with a more unified theme concerning work motivation.

The chapter on conflict has been deleted. We concluded that it was more useful to discuss specific forms of conflict as the issue arises in different contexts and at different levels of analysis.

A number of short cases now appear in the book at the ends of certain chapters. We hope that the cases will prove instructive in the task of bringing to bear the conceptual material upon the more recurring concerns of managers in organizations.

Stylistically, we have attempted to maintain more consistency across the various chapters and resort, to an extent of which we are capable, to less complex forms of sentence and paragraph structure. We have also tried to prune unnecessary citations within the narrative.

We view this volume as an appropriate text, either at the introductory level (e.g., for courses such as "Managing Behavior in Organizations") of undergraduate and master's programs, or for adoption in a more advanced, elective course (e.g., "Organizational Psychology," "Behavioral Sciences in Management"). Obviously, the purpose for which the book is used has implications for which chapters would be included or omitted (for example, at the introductory level, the instructor might choose to skip the chapter on research methods) and what type of companion texts or readings to accompany this volume.

The structure, content, and style of this edition reflect the many constructive comments generously offered by a number of colleagues. David Cherrington, who reviewed the entire manuscript, stood guard against overblown prose, lapses of discontinuity, and needless jargon; he also offered valuable advice on substance. Jim Wall, who also reviewed the whole manuscript, had excellent suggestions for the organization of content and points of emphasis and elaboration. Edward Morrison extended sound advice concerning changes that would improve this edition over its predecessor. Tom Mawhinney, during the course of numerous stimulating conversations, planted the seeds of ideas that bore fruit in the treatment of certain themes and perspectives. Quite a few useful suggestions flowed from first edition users who graciously responded to requests for feedback from the publisher and field staff. Edgar Williams, Paul Champagne, and W. D. Heier generously gave permission for us to include their cases, and for this

we wish to extend a special word of thanks. Finally, Becky Jayne and Tami Derieux typed the manuscript with a speed, efficiency, and quality that greatly expedited and smoothed the arduous process of revision.

Dennis W. Organ
W. Clay Hamner

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1

Organizational Behavior:

An Overview

What is organizational behavior?

What hath OB wrought?

Whither goeth OB?

Views of OB: Student and practitioner

WHAT IS ORGANIZATIONAL BEHAVIOR?

To know what organizational behavior (OB) is all about, it might help to mention some things that OB is *not*. It is not personnel management. Personnel management is a specific function or job responsibility charged with the administration of such activities as employee compensation and other benefits, training, labor relations, recruiting, and manpower planning. People who perform such functions may certainly benefit (as do others) from studying OB, but the knowledge and expertise that personnel officers require go well beyond that—for example, intelligent personnel management often requires knowledge about the law (especially as it pertains to hiring and labor practices), economics, and statistics. The point is that OB does not exist solely or even primarily for those who aspire to careers in personnel and industrial relations.

OB is not management. Again, OB represents a tool or resource of sorts for managers, but management ("getting things done through people," or simply "getting things done") entails more than OB. To manage is to plan, coordinate, procure, analyze, conceptualize, and a great many other activities that usually involve people, but they also touch upon dimensions usually beyond the pale of OB. Furthermore, one does not need a job title that includes the term *manager* or *administrator* to find relevance in OB. OB has something to offer for professionals, staff experts, salespeople, and other organizational officials not formally charged with supervisory responsibility.

Nor is OB just "the human side of management," any more than finance is simply the "money side of management" or accounting the "numbers side of management." OB is a field of study unto itself, and one does not have to be a manager to appreciate it or to benefit from it.

What, then, is OB? In the most straightforward way that we can define it, stripping down to essentials, *OB is the application of concepts, theories, methods of inquiry, and empirical generalizations from the behavioral sciences to the observation of behavioral phenomena in organizations*. Now, let us examine some of the key terms in this definition.

Concepts, Theories. OB is not just a list of truisms or a catalog of facts. It is, above all, a *framework* or *structure* for thinking about behavior and organizing bits of knowledge. Some of the concepts—the building blocks of this structure—are familiar to the layman; many are not. The test of their power, in any case, is their ability to "tie things together," to give coherence and meaning to an otherwise disorganized, jumbled array of sense data and opinions, to enable one to see relationships and go beyond the unique event in the here and now. The concepts and theories of OB give us the "big picture" or "bird's-eye view" for seeing patterns and order in behavior.

Methods of Inquiry. OB is more than just a storehouse of accumulated facts and opinion. It provides a means of adding to that storehouse, of testing opinions, of modifying facts as we go. The game is never over, the ledgers are never closed. OB is, in part, a continual process of learning. Some of these methods of learning, once again, are already familiar to you; some are not. As we will see in the next chapter, all of the available methods have their respective shortcomings; so what we “learn” is never with 100 percent confidence or etched in stone.

Empirical Generalization. We prefer this ungainly phrase to the simple word *facts*. *Fact* implies a bit of knowledge that is fixed and certain. There are facts in OB, but ultimately, of much more interest to us all are the tentative conclusions, or statements of relationship, which extend the scope of a number of facts. It is a fact that, in XYZ corporation, most of the people who quit last year previously reported less job satisfaction than those who stayed. Similar observations in other organizations, of varying types and at varying times, would lead us to the empirical generalization that job dissatisfaction is related to turnover. We can never know for sure that this will be true in every instance, but it is both useful and not unreasonable to assume such a relationship in the absence of contradictory information. In short, empirical generalizations represent a small trade-off of certainty or confidence for greater scope and breadth than contained in a fact. Fortunately, there are enough empirical data from OB and the supporting behavioral sciences to provide us with a useful set of empirical generalizations; and with ongoing research using various methods of inquiry, we are optimistic that further such empirical generalizations will continue to emerge.

Behavioral Science. In organizations, people learn how to do things, form impressions of others, influence one another, develop ties to groups, make decisions, are motivated to act in certain ways, and experience stress. People also do these things at home, with friends, and in the pursuit of hobbies. Thus, human behavior in organizations should have many similarities to behavior in other settings, and we would expect to find much of value in the behavioral sciences for understanding behavior in organizations.

Table 1-1 shows several disciplines from the behavioral sciences and how they contribute to OB. Each of these disciplines addresses a significant, fundamental dimension of human behavior. Furthermore, each discipline is wedded to the scientific method of using theory and empirical observation to study behavior. In each of these disciplines there is an accumulated fund of knowledge from which to draw for understanding behavior in organized settings. OB seeks to capitalize upon this fund of knowledge, at least as a broad foundation on which to build. Work groups, for example, are not the same thing as friendship groups, but if we understand the determinants of status in friend-

Table 1-1
Related Disciplines Contributing to Organizational Behavior

<i>Discipline</i>	<i>Relevant Topics</i>
Experimental psychology	Learning; motivation; perception; effects of physical environment on psychomotor performance; stress
Social psychology	Group dynamics; attitudes and attitude change; impression formation; personality; leadership
Clinical psychology	Human adjustment; emotional stress; abnormal behavior; human development throughout the life cycle
Sociology	Socialization processes; social satisfaction; status systems; effects of major social institutions such as family, community, religion, organization structure
Political science	Interest groups; conflict; power, bargaining; coalitions, strategic planning; control
Anthropology	Comparative organizational structures; their functions in varying cultures; cultural influences on organizations; adaptation of organization to environment
Economics	Human resource planning; labor market changes; productivity analysis; cost/benefit analysis

ship groups, that gives us a basis for exploring patterns of influence in work groups.

There is a very fine line between what we normally call *organizations* and the many other social contexts which actually are characterized by some degree of organization. Thus, behavior in organizations is not radically different from behavior in most other settings. Hitting a baseball is different from hitting a tennis ball, but the fundamental principles are much the same. OB assumes that certain fundamental principles underly behavior in any context and readily turns to those disciplines that have long studied such principles.

Behavioral Phenomena in Organizations. While behavior in organizations is, as we have stated, not discontinuous with behavior in other contexts, there are reasons for viewing the formal organization as a rather special kind of environment. To begin with, organizations place more *constraints* on behavior than other settings. Official authority, job duties, and explicit expectations take away some of the natural variability and spontaneity manifested in behavior in the home or on the playground. Formal organizations, in a sense, are unnatural; they represent the culmination of developments in society which constrain the individual in the interests of the larger culture. People do not naturally constrain themselves; one must learn and adapt to this fact, and this process of learning and adapting to external

constraints is in itself both intellectually interesting and pragmatically important.

Second, organizations have ongoing purposes and goals to an extent not usually found in unorganized settings. To be sure, the real goals of organizations are not always what they are stated to be. Nonetheless, business corporations do have to make a profit (sooner or later), which in turn means they have to produce goods or services with reasonably efficient use of resources; hospitals have to treat the sick; schools must educate. In short, organizations must have a rationale, an overriding reason for existence. That rationale, whatever its form or nature, becomes the point of departure for *evaluating* the behavior that occurs in the organizational environment. For this reason, those of us who study OB—whether we be managers, students, or behavioral scientists—will never demonstrate cool objectivity toward the behavior we observe in organizations. We will naturally and inevitably seek to evaluate that behavior: Does it hinder or promote the effectiveness of the unit in reaching its goal? Will it improve the organization's functioning with respect to certain criteria? Will it help to achieve some ends but not others? In sum, OB is "results oriented." Of course, we must exercise caution against prematurely prescribing with respect to such matters as leadership styles, job design, or methods of group problem solving. The fact remains that we study those issues in the hope of ultimately coming up with some conclusions about how to make organizations more effective.

This ultimate concern for knowledge that will make organizations more effective does not in itself provide a sharp, absolute distinction between OB and its sister sciences. Scholars in the fields of psychology, sociology, and political science also aspire to provide a contribution towards better social policies and conditions of life; and those who study OB frequently manifest a concern for basic science, for knowledge as its own reward. But qualitatively there is a difference between OB and the others in that OB has more immediate concern with designing, administering, and changing organizations.

Two criteria ultimately provide the bases for evaluating phenomena in organizations. One of these is *performance*, the effectiveness of the organization in attaining the ends or purposes which bring it into existence. Performance, of course, is far from being a simple criterion. Almost always it is complex in nature. For a private corporation performance may represent some weighted combination of return on stockholder investment, growth in sales, rate of introduction of new products, and efficiency in use of resources. Maximizing the attainment of any one of these goals typically means a trade-off on the others. Some performance criteria—such as net contributions to the larger culture—may be so subjective as to preclude their operational use as a basis of evaluation. Researchers in OB, in order to retain a footing on objectivity, generally avoid the issue of evaluation

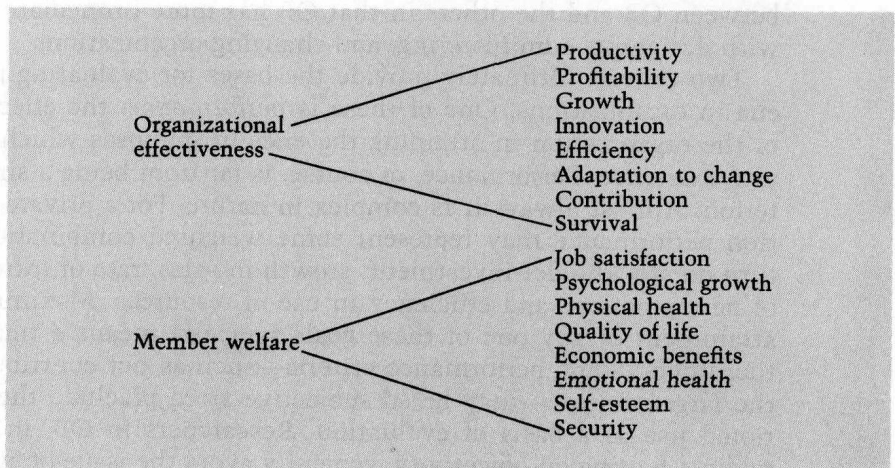
in terms of *total* performance by dealing empirically with one measurable facet of performance at a time. Supervisory styles may be compared in terms of their relationship with a measure of productivity or product quality (such as percent rejects); differing methods of organizing research and development activities are compared with respect to number of patents secured; personality traits of purchasing officers may be tested as to how well they predict cost savings in procurement of supplies. Weighting and combining various indices as a basis for policy requires a value judgment, which must be made by a manager, executive, or public administrator, or sometimes by the public through directly or indirectly expressed wishes. The point is that we can scarcely escape using some criterion of assessing various behaviors in organizations.

The other criterion used by OB to assess organizational practices is *member welfare*. Empirically this often takes the form of some measure of *satisfaction*, especially when the members are full-time employees. Other aspects of fulfillment include personal safety, psychological growth, physical and emotional health, and self-esteem. The phrase *quality of work life*, much in use today, captures the essence of what we mean by member fulfillment.

Figure 1-1 elaborates upon these two criteria which underly the evaluative judgments by OB.

We hasten to underscore the point that performance and member welfare are indeed *separate* criteria and that favorable judgments of organizations concerning either criterion do not automatically imply favorable views on the other. One company with which the authors are familiar had a long history of recording a high return on investment for stockholders (largely represented by a single family) and an

Figure 1-1
Criterion Values in the Study of Organizational Behavior



industry reputation for making a good product at a fair price, even though most members of its labor force did not feel they were treated equitably. Conversely, we are aware of organizations in which professional employees are well paid, supervised with respect and consideration, and given abundant opportunities for personal growth and development—yet, by most accounts, these same organizations somehow do not render the amount or quality of services that would justify the resources allocated to them.

As OB continues to develop as a field of study, we hope to bring about theories and applications which will enable us to improve both the effectiveness of organizational performance and the benefits of organizational life for participants. In the meantime, we have to accept the fact that performance and member welfare stand more or less as independent criterion values, sometimes correlated with each other but with no guarantee that improving either one will improve the other.

OB as a Community of Interests

OB also represents a community of interests. This community includes OB teachers and researchers (such as those employed by schools of business and public administration), teachers and researchers in supporting disciplines, consultants, and managers.

A significant event in the evolution of this community occurred in 1959. That year marked the publication of the Gordon-Howell report, so named for the two economists commissioned by the Ford Foundation to evaluate programs of business education in institutions of higher learning. Gordon and Howell concluded that business school curricula in too many instances lacked solid intellectual content. They urged business schools to include exposure to more basic disciplines such as economics, mathematics, and the behavioral sciences. Very soon, psychologists and sociologists with special interests in applying their expertise to organizational behavior found their way into schools of administration. Gradually they developed their own graduate programs of study in OB, formed associations with like-minded colleagues, founded journals to communicate their theories and findings, and collaborated with both behavioral scientists and managers to study such issues as job motivation and leadership.

Managers, by and large, welcomed such developments. Although a few of them were skeptical that the behavioral sciences could ever add much to the tough-minded analysis of organizational problems, most managers had been conditioned since the 1930s to incorporate the behavioral dimension into their thinking. This awareness resulted from the influence of the celebrated Hawthorne experiments, conducted by Western Electric in the 1920s and early 1930s and reported