

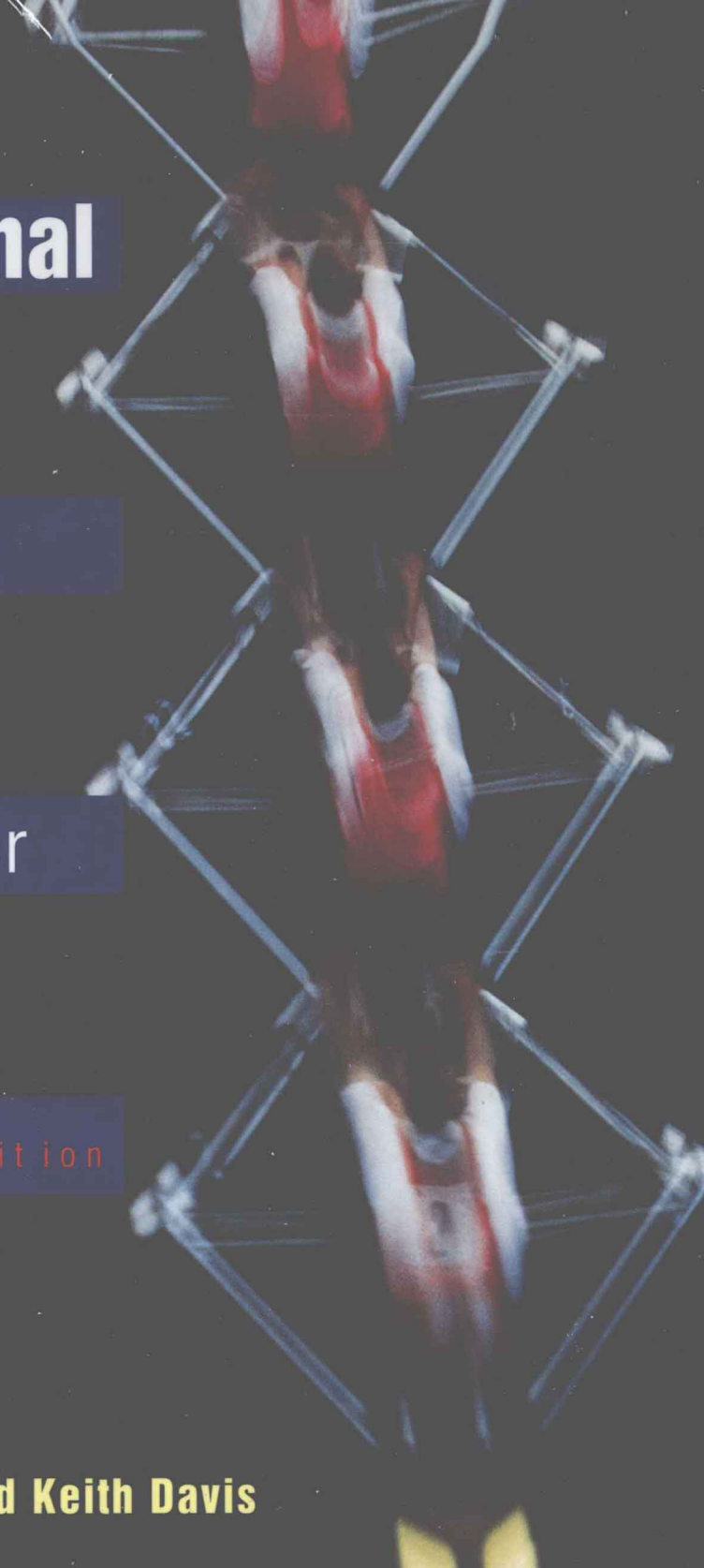
Organizational

Behavior

Human Behavior

at Work Tenth Edition

John W. Newstrom and Keith Davis



ORGANIZATIONAL BEHAVIOR

Human Behavior at Work

TENTH EDITION

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**ORGANIZATIONAL BEHAVIOR****Human Behavior at Work**

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ORGANIZATIONAL BEHAVIOR

Human Behavior at Work



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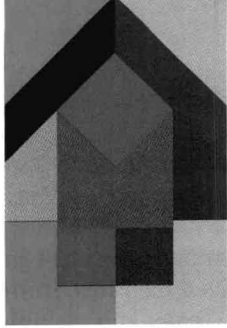
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John W. Newstrom has been a Professor of Human Resource Management in the School of Business and Economics at the University of Minnesota, Duluth, for more than twenty years. He previously taught at Arizona State University after receiving his Ph.D. in management and industrial relations from the University of Minnesota. His fields of interest are group decision making, the transfer of training to the work site, alternative work schedules, and team building. His teaching interests include organizational behavior, human resource development, and organizational change and development.

Newstrom is a former chairperson of the Management Education and Development Division of the Academy of Management and served on the national board of directors for the American Society for Training and Development. He has served as a reviewer for the *Academy of Management Journal*, *Academy of Management Review*, *Journal of Management Development*, and *Human Resource Development Quarterly*. He has also been a training consultant to numerous government organizations at the federal, state, and city levels, as well as to boards of directors of nonprofit organizations and firms in the computer, utility, paper products, health care, iron ore mining/processing, and heavy machinery industries.

Newstrom has published fourteen books. He is the coauthor (with Jon L. Pierce) of *Leadership: Readings, Assessments, and Exercises* (1995) and (with Lester R. Bittel) *Supervision: Managing for Results* (7th ed., 1996). He has also prepared (with Jon L. Pierce) *The Manager's Bookshelf* (4th ed., 1996) and *Windows into Organizations* (1990), plus (with Mary L. Broad) *Transfer of Training: Action-Packed Strategies to Ensure High Payoff from Training Investments* (1992). Working with Edward Scannell, he is the coauthor of the highly successful *Games Trainers Play* series of four books and *The Big Book of Games* (1996). In addition, he has written more than fifty articles that have appeared in journals such as *Personnel Psychology*, *Academy of Management Journal*, *Journal of Management*, *Personnel Journal*, *Training*, *Journal of Management Development*, *Business Horizons*, *Review of Business*, and *Training and Development*.

Keith Davis is Professor Emeritus of Management in the College of Business at Arizona State University. He is the author of prominent books on management and a past consulting editor for more than 130 books in the McGraw-Hill Series in Management. He is a Fellow in both the Academy of Management and the International Academy of Management.

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Davis is a former president of the Academy of Management, and he received the National Human Relations Award from the Society for Advancement of Management. He also has been a National Beta Gamma Sigma Distinguished Scholar and is an Accredited Senior Professional in Human Resources. He received the Distinguished Educator Award from the Academy of Management in recognition of his influence on an entire generation of management practitioners and teachers through his writings and leadership in the field.

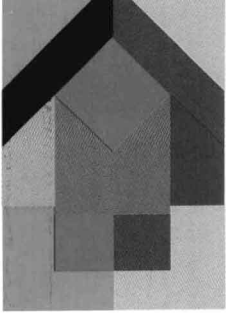
Another popular book prepared by Davis (with William B Werther, Jr.) is *Human Resources and Personnel Management* (5th ed., 1996), published by The McGraw-Hill Companies, Inc. Professor Davis was also a pioneer textbook author in the business, government, and society domain, producing the forerunner of the current *Business and Society: Corporate Strategy, Public Policy, Ethics* (8th ed., 1996) written by James E. Post, William C. Frederick, Anne T. Lawrence, and James Weber, published by The McGraw-Hill Companies, Inc. He also has contributed chapters to more than 100 other books and is the author of more than 150 articles in journals such as *Harvard Business Review*, *Academy of Management Journal*, *Management International*, and *California Management Review*. Four of his books have been translated into other languages.

*To my mother Lillian,
wife Diane,
son Scott,
and daughter Heidi—
my sources of family support, and my life's greatest treasures*

John W. Newstrom

*To my mother Grace,
wife Sue,
son Charles,
daughter Jean,
and my delightful grandchildren*

Keith Davis



Preface

Most students today have had at least part-time experiences in some form of work organization. You have quickly learned that not all behavior—whether your own, your manager's, or that of your workmates—is entirely rational. And you may have pondered a series of questions about what you saw and felt:

- Why do people behave as they do at work?
- How can individuals, groups, and whole organizations work together more effectively within the increasing pace of corporate change, dramatic restructurings and downsizings, and advancing global competition?
- What can managers do to motivate employees toward greater productivity?
- What responsibility do managers have for ensuring employee satisfaction?
- What can you learn from theory, research, and the experiences of other managers to help you become an effective future manager?

These and many other questions provide the background for this tenth edition of *Organizational Behavior: Human Behavior at Work*.

Great progress has been made in the field of organizational behavior since this book was first published. The study and practice known as organizational behavior goes beyond the integration and application of behavioral science to work situations. It is an emerging field in which many questions and opportunities for improvement remain. This book provides rich insights into people at work in all kinds of situations and organizations.

We have tested earlier editions of this book on the firing line in university classrooms and in organizations for more than forty years. Many ideas offered by long-time users of previous editions and other insightful reviewers are incorporated in this new edition. Many topical ideas, figures, and applied examples have been provided by professors and managers from around the country. We actively solicit comments from both faculty and students to help us make the book even more useful in the future. We listen, *we care about your input*, and we strive to use it to produce a high-quality product. We invite you to contact the lead author by mail (at the University of Minnesota-Duluth, Duluth, Minnesota 55812, by phone (218-726-8762), or via the Internet (jnewstro@d.umn.edu) with any comments, ideas, or questions you may have.

It may help you to appreciate this book more fully if you understand the roles we assume as authors. We begin by continuously immersing ourselves in the thinking, research, and practice of organizational behavior to gain an in-depth understanding. We keep abreast of new developments by regularly reading dozens of journals and books, as well as interacting with managers in a variety of organizations. Then we develop a logical and engaging organizational framework and proceed to identify the most important elements for inclusion. Finally, we organize and present the information in ways that will help readers learn and retain the ideas.

Our final objective is to produce a book that is accurate, useful, up-to-date, and engaging. We emphasize content and substance, and we present the material in an organized and provocative fashion that will enable readers to integrate the various parts of this discipline into a whole philosophy of organizational behavior. The tenth edition has been upgraded by thorough citations to recent research and practice, which indicate the basis for our conclusions.

Where appropriate, we include alternative viewpoints on a subject or express the weaknesses inherent in a particular model or concept. There are no simple answers to complex behavioral issues. We encourage readers to do their own thinking and to integrate a variety of perspectives. Consequently, we believe that this book will serve as a valuable foundation of behavioral knowledge. We hope it will stimulate readers to enrich their understanding through continued study of organizational behavior. Many prior students have chosen to retain their copy of *Organizational Behavior*, and they refer to it as a valuable reference manual when they encounter real-world problems and issues.

FEATURES OF THE BOOK

Many features of *Organizational Behavior: Human Behavior at Work* stand out in the eyes of its users. The most notable is its *careful blending of theory with practice*, so that its basic theories come to life in a realistic context. Readers learn that concepts and models do apply in the real world and help to build better organizations for a better society. The ideas and skills learned in organizational behavior can help readers cope better with every aspect of their lives.

Another popular feature is the hundreds of *examples of real organizational situations*. These real-life vignettes show how actual organizations operate and how people act (sometimes unexpectedly!) in specific situations. Most of the major concepts in this book are illustrated with one or more of these true examples.

A feature highly appreciated by both faculty and students is the book's *readability*. Following standard guidelines developed by Flesch and Gunning, we have maintained a moderate (but descriptive) vocabulary level, manageable sentence length, and a readable style to present a complex field in understandable language. Variety—provided by figures, practical illustrations, and

research results—enhances the readability by presenting a refreshing change of pace from content discussions.

Other features of the book include:

- A detailed table of contents to locate major topics
- Provocative quotes at the beginning of each chapter to stimulate thought and in-class discussion, and margin notes to highlight key concepts
- Chapter-opening illustrations preceding every chapter to engage the reader in a real-life issue
- A widely accepted presentation of four models of organizational behavior that provides an integrating framework throughout the book
- Strong (and early) coverage of employee communication, much of it based on the authors' own research
- Two comprehensive chapters on motivational theories and another on their application to reward systems in organizations
- A chapter on empowerment and participation that is unique among organizational behavior books in capturing this highly contemporary approach
- Discussion of international issues in organizational behavior so students can later examine how selected concepts might require adaptation to other cultures
- A unique concluding chapter that examines contemporary issues in organizational behavior, and also takes a refreshing look at the limitations of organizational behavior to provide yet another balanced perspective
- At least one behavioral incident for analysis and one experiential exercise to involve students in their own learning, at the end of every chapter
- A comprehensive glossary of terms at the end of the book, providing a concise definition-at-a-glance for hundreds of key organizational behavior terms

New or expanded features in the tenth edition include:

- A significantly streamlined chapter structure that accents the issues of greatest importance in organizations today—motivation, leadership, interpersonal behavior, groups and teams, and the nature of change and its effects
- New coverage of teams—their organizational context, factors that make them successful, and team-building processes that help members work together more effectively
- A new feature, called What Managers Are Reading, that provides concise summaries of recent best-selling books related to the chapter content
- Boxes within each chapter that focus on ethical questions, diversity issues, or international aspects of organizational behavior
- A sharply increased attention to practicality, as evidenced by the frequent inclusion of a set of “action guidelines” to guide managers toward improved practice of organizational behavior
- Several new cases at the end of the book that represent a variety of organizational settings and behavioral issues

LEARNING AIDS

Major features included in each chapter are chapter objectives, introductory

quotations and incidents, a chapter summary, terms and concepts for review, and true case incidents for analysis in terms of chapter ideas. All chapters contain thorough and up-to-date references that provide a rich source of additional information for the interested reader. These come from a wide variety of sources (covering both academic and practitioner-related publications) to demonstrate that useful knowledge and illustrations can be found in many places. We encourage students to refer to these references regularly, as they not only indicate the source of information but often provide an interesting historical perspective on an issue or a countervailing viewpoint. There are also numerous discussion questions, many of which require thought, encourage insight, or invite readers to analyze their own experiences in terms of the ideas in the chapter. Other questions suggest appropriate group projects. Each chapter also contains an experiential exercise to involve students in the application of a chapter concept.

INSTRUCTIONAL AIDS

Since this book has been used in classrooms for nine previous editions, several classroom-proven instructional aids have been developed and refined over the years:

Study Guide, prepared by Jon L. Pierce (University of Minnesota, Duluth)

The **Study Guide** will help students learn the basic concepts and principles of organizational behavior and then test their comprehension of these concepts and principles. For each of the text's chapters, it includes a chapter overview and outline, a list of action-oriented learning objectives, and objective and subjective examination questions. Boxed inserts that highlight important definitions and themes from the text are incorporated throughout. In addition, answers for the objective examination questions are provided in an appendix at the back of the **Study Guide**.

Instructor's Manual/Test Bank, prepared by Amit Shah (Frostburg State University)

The **Instructor's Manual** portion of this supplement is designed to save instructors time. It includes sample assignment sheets for quarter and semester schedules; chapter synopses; teaching suggestions; a detailed analysis for each of the end-of-chapter case incidents; and suggested answers to the end-of-chapter discussion questions and cases in the last part of the text. Blank lines are incorporated throughout the teaching material so that instructors can write notes about the subject matter. The **Test Bank** portion contains multiple-choice and true-false questions for each of the text's chapters and solutions for each.

Computerized Test Bank

A computerized version of the printed Test Bank is available in both DOS and

Windows versions. This powerful system, which has on-line testing capabilities, allows tests to be prepared quickly and easily. Instructors can view questions as they are selected for a test; scramble questions; add, delete, and edit questions; select questions by type, objective, and difficulty level; and view and save tests.

Overhead Transparencies

A set of color transparencies is available to help instructors demonstrate key principles and concepts during their lectures. Transparencies consist of illustrations from other sources that will supplement text material, as well as selected text figures.

PowerPoint Presentations

The color **Overhead Transparencies** will also be available as PowerPoint electronic presentation slides for Windows 3.1.

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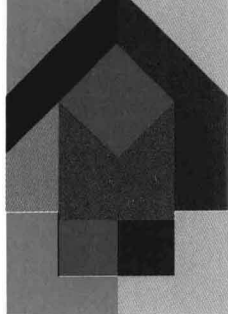
Videos, selected from NBC News Archives, are available for instructors to enhance their lectures.

ACKNOWLEDGMENTS

Many scholars, managers, and students have contributed to this book, and we wish to express our appreciation for their aid. In a sense, it is their book, for we are only the agents who prepared it. We are especially grateful for thorough and competent reviews of the book by Stephen C. Branz; Edward W. Friese, Walton Community College; Steven L. Grover, Indiana University; Larry E. Maher, State University of New York at Oswego; Jeff Mello, Golden Gate University; Kenneth C. Solano, Northeastern University; Marilee Smith, Kirkwood Community College; and Paul L. Wilkens, Florida State University. Their comments, questions, and suggestions have been carefully studied, found to be of substantial merit, and incorporated into the text wherever possible.

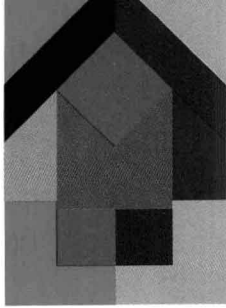
Many of our academic associates have directly or indirectly provided valuable insights, collegial support, and ongoing encouragement, and for that we wish to thank Jon Pierce, Steve Rubenfeld, and Dean Rod Lievano of the University of Minnesota, Duluth. We also appreciate the help of the many McGraw-Hill employees—especially Adam Knepper, Valerie Raymond, Terri Varveris, and Linda Richmond—who took a sincere and professional interest in improving the quality of the book, and the copy editor, Alice Jaggard. Finally, we are grateful to Joe Murphy for his role in the production of technically excellent and error-free prior editions of this book, in which we take great pride.

JOHN W. NEWSTROM
KEITH DAVIS



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UNDERSTANDING A SOCIAL SYSTEM

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 ■ Psychological and Economic Contracts

SOCIAL CULTURE

Cultural Diversity ■ Social Culture Values

ROLE

Role Perceptions ■ Mentors ■ Role Conflict ■ Role Ambiguity

STATUS

Status Relationships ■ Status Symbols ■ Sources of Status
 ■ Significance of Status

ORGANIZATIONAL CULTURE

Characteristics of Cultures ■ Measuring Organizational Culture
 ■ Communicating and Changing Culture

SUMMARY

Terms and Concepts for Review
 Discussion Questions
 Incident: Liberty Construction Company
 Experiential Exercise: Role Perceptions of Students and Instructors
 References

An Ethics Question

What Managers Are Reading

PART II**Motivation and Reward Systems****5 Motivational Basics****Chapter Objectives****A MODEL OF MOTIVATION****MOTIVATIONAL DRIVES**

Achievement Motivation ■ Affiliation Motivation ■ Competence
 Motivation ■ Power Motivation ■ Managerial Application of the
 Drives

HUMAN NEEDS

Types of Needs ■ Variations in Needs ■ Maslow's Hierarchy of
 Needs ■ Herzberg's Two-Factor Model ■ Alderfer's E-R-G Model
 ■ Comparison of the Maslow, Herzberg, and Alderfer Models

BEHAVIOR MODIFICATION

Law of Effect ■ Alternative Consequences ■ Schedules of
 Reinforcement ■ Interpreting Behavior Modification ■ Social
 Learning Theory

GOAL SETTING

Elements of Goal Setting