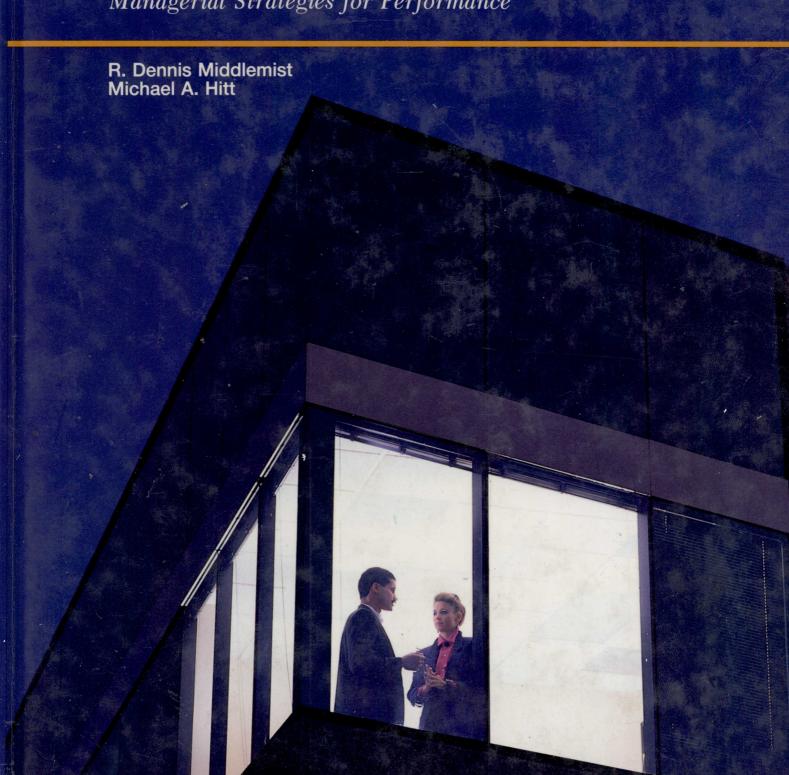
Organizational Behavior

Managerial Strategies for Performance



Organizational Behavior

Managerial Strategies for Performance

R. Dennis Middlemist Colorado State University

Michael A. Hitt Texas A&M University

DEDICATION

To my father, I remember To my mother, I care To Melanie, I love

Frankie, Shawn and Angie
—For the times that we have shared, and the times that we have missed

Copy Editor: Judy Lary Illustrations: Art by Axya

Composition: Parkwood Composition Service, Inc.

Cover Photo: Photo by David Hanover.

COPYRIGHT © 1988 By WEST PUBLISHING COMPANY 50 W. Kellogg Boulevard P.O. Box 64526 St. Paul, MN 55164-1003

All rights reserved
Printed in the United States of America

Library of Congress Cataloging-in-Publication Data

Middlemist, R. Dennis.

Organizational behavior : managerial strategies for performance /

R. Dennis Middlemist, Michael A. Hitt.

p. cm.

Includes index.

ISBN 0-314-68966-4

- 1. Organizational behavior—Case studies. 2. Communication in organization—Case studies.
- 3. Performance—Case studies. 4. Management—Case studies. I. Hitt, Michael A. II. Title.

HD58.7.M534 1988 87-33296

658.4-dc19

Photo Credits

4 Courtesy of Apple Computers, Inc. 77 Courtesy of Mississippi Management, Inc. 81 Courtesy of Gamma-Liaison. © 1987 by photographer Steve Liss. 106 Courtesy of Sygma. © 1977 by photographer Jean-Pierre Laffont. 179 Courtesy of LTV, Inc. 188 Courtesy of Sygma. 200 Courtesy of Sygma. © 1981 by photographer Roddey Mims. 212 Courtesy of Sygma. © 1986 by photographer Yvonne Gunner. 226 Courtesy of Ford Motor, Inc. 254 Courtesy of Woodfin Camp & Associates. © 1985 by photographer Tim Wilson. 340 Courtesy of Sygma. © 1986 by photographer Jacques Pavlovski. 348 Courtesy of Sygma. © 1987 by photographer Arthur Grace. 355 © 1987 by the Austin American-Statesman. 403 Courtesy of Beech Aircraft Corporation. 411 Courtesy of Sygma. © 1984 by photographer Bill Nation. 437 Courtesy of Chrysler Corporation. 452 Courtesy of the Center for Disease Control (CDC). 465 Courtesy of McDonnell Douglas. 552 Courtesy of Liz Claiborne.

Preface Preface

Organizational Behavior: Managerial Strategies for Performance is an introduction to the study and practical applications of organizational behavior. This field of study concerns the behavior of people within organizations to achieve both personal and organizational goals. It is a study that draws upon knowledge from a number of behavioral science disciplines and applies it to organizational settings.

The topics were selected on the basis of their relevancy and importance to current and future problems faced by managers in organizations. All of these concepts are supported by research findings which assure us that the statements made about people and their behavior are accurate. You will find them to be interesting, thought-provoking, and useful as you develop your skills in understanding people. Many current topics are unique to an introductory text in organizational behavior, such as personal space, minority relations, alcohol and drug abuse, and various topics in international management.

Many organizational behavior books stop after presenting the basic theory, satisfied that the reader will be able to easily apply the newly learned knowledge. However, we felt that application of these topics is often not obvious, and that simply learning new concepts does not guarantee that one will learn their applications. This book, like its predecessor—*Organizational Behavior: Applied Concepts*, is more than just an introductory text that surveys a large volume of behavioral research. It goes on to demonstrate how those concepts can be translated into managerial actions.

Each chapter begins with a "People in Organizations" case which is drawn from current news sources. These cases describe prominent organizations and managers as they have faced various problems. Important theories of organizational behavior are then explained, and their relationships to the case are shown. In addition, we have described other situations within the chapters that show how organizations have successfully (or sometimes less successfully) solved behavioral problems. These situations are detailed in the "Organizational Behavior/Strategy and Performance" cases.

In order to balance these applied cases, we have also searched for literature pertaining to popular myths that have organizational applications. These are XX Preface

described in a case titled "Myths versus Reality." In some cases the myth seems consistent with organizational realities, but in other cases the myth is inconsistent with theories and research findings in organizational behavior. We hope that these cases make students more thoughtful regarding the popular myths they may hold regarding management in modern organizations.

Finally, we hope that students will begin to appreciate the importance of sound research findings in the field. In addition to the theories and research presented in the body of the text, we have presented a number of research synopses titled "Focus on Research" within some of the chapters. These synopses present selected research in somewhat greater detail. These were selected so as to be representative of the diversity of research in the field, and for their relevancy to modern management.

The book is organized into five parts, building from basic to more complex skills. The first part presents a description of the organizational behavior discipline and the fundamental principles of behavioral research and diagnostic skills. These skills are then carried into the second part, which examines various aspects of individual behavior. Topics in this part include perception, learning, attribution, personality, attitudes, values, individual decision-making and problem-solving processes, motivation, job design and satisfaction, and stress. Job design and stress are new chapters, and recognize these as important applications of organizational behavior theories to perplexing problems in modern work settings.

Part Three contains theories, research, and applications of group processes. Topics in this section include intragroup dynamics, intergroup dynamics, and group decision making. Many practitioners believe that groups form the backbone of the organization, and we have examined both the positive and negative consequences of group behavior. We have examined group decision making as a process uniquely different from individual decision making, because of the social interactions that occur during group decision making. It is in controlling these phenomena that managers can lead groups to effective decisions. Part Four examines organizational processes including communication, conflict, power and politics, leadership, external environment, strategy, international operations, and organizational design and culture. Several of these topics are new to the text, and expand considerably upon recent research that relates people to organizations. This material recognizes the growing complexity of managing in our society. The discussion of international operations and the measurement of effectiveness add considerably to the skills needed by managers. Finally, the last part exposes the student to selected applications of organizational behavior knowledge. Although such knowledge has many, varied applications, we felt that organizational change and development, performance appraisal, rewards, and career planning are of particular relevance.

The field of organizational behavior is fascinating, because people are so valuable to organizations. It becomes even more intriguing when managers realize that they can improve the skills that allow them to manage organizations so that employees are more likely to be motivated and satisfied with their work. And yet some managers never develop these skills. For them, people are just a necessary aggravation. As you read through and complete this book, you will discover that people do not have to be an aggravation. They can be—and are—a definite asset to the skilled manager. You will also discover that there is nothing mysterious about learning these skills. They will come easily as you understand how the processes by which they can be applied.

Preface xxi

This unique combination of theory and practice has valuable use in both the classroom and the manager's office. One does not have to be a student to find this book valuable. As a reference source on the manager's desk, it can be an asset in the understanding and solving of human behavior problems that managers confront. It may be used to enhance the skills of managers, regardless of their previous training—or lack of training—in the behavioral sciences. This book is not meant, however, to be the "last word." Rather, you may find that it is just the beginning of an exciting venture of learning about people at work and how you can improve your relationships with them.

We are indebted to our colleagues across the country who provided valuable advice, stimulating criticism, and unselfish support for the manuscript. Many of the ideas in the book were substantially improved by their comments. We sincerely thank the following persons who provided input during one or more phases of development:

Maryann Albrecht

Gayle Baugh

Bonita L. Betters-Reed

Daniel J. Brass Ioe Foerst

Edward W. Frederickson

Cvnthia Fukami

Robert D. Goddard, III

David B. Greenberger

Sue Greenfeld

Karen J. Gritzmacher William H. Hendrix

Bruce Johnson Herb Johnson

Harriet A. Kandelman Ronald A. Klocke

Ronald A. Klocke Eliot Kushell

Monty L. Lynn

James C. McElroy Debra Nelson Marian C. Schultz J. Daniel Sherman

William B. Snavely Jay Tombaugh

Jay Tombaugh James Wilson University of Illinois, Chicago Russell Sage College

Russell Sage College Simmons College

Pennsylvania State University

University of Georgia

University of Texas, El Paso

University of Denver

Appalachian State University

Ohio State University Salisbury State College Arizona State University

Clemson University

Gustavius Adolphus College Sam Houston State University

University of Portland Mankato State University

California State University-Fullerton

Abilene Christian University

Iowa State University Oklahoma State University University of Alabama St. Mary's University Miami University

University of Houston-Clearlake

Pan American University

We also acknowledge the support made available by the College of Business Administration at Colorado State University, and the College of Business Administration at Texas Tech University. We also appreciate the excellent services of the West Publishing staff who worked on this project with us. It is an improved text because of all their assistance, support and excellent talents in creating a text.

R. Dennis Middlemist Michael A. Hitt

$Contents ext{-}In ext{-}Brief$

Preface xix

Chapter 1
Introduction to Organizational Behavior 3

Chapter 2 Organizational Behavior Theories, Research, and Applications 23

Chapter 3
Perception, Learning, and Attribution 57

Chapter 4
Personality, Attitudes, and Values 91

Chapter 5 Individual Decision Making 119

Chapter 6 Motivation 141

Chapter 7
Job Design and Satsifaction 169

Chapter 8 Stress 199 vi Contents-In-Brief

Part Three Group Processes 223

Chapter 9

Intragroup Dynamics 225

Chapter 10

Intergroup Dynamics 253

Chapter 11

Group Decision Making 279

Part Four Organizational Processes 311

Chapter 12

Communication 315

Chapter 13

Conflict 339

Chapter 14

Power and Politics 367

Chapter 15

Leadership 393

Chapter 16

External Environment, Strategy, and International Operations 425

Chapter 17

Organizational Design and Culture 451

Part Five Managerial and Organizational Applications 483

Chapter 18

Organizational Change and Development 485

Chapter 19

Performance Appraisal and Rewards 517

Chapter 20

Career Planning and Jobs in Management 551

Glossary 579

Name Index 587

Subject Index 597

Contents

Preface

Part One
Foundations of
Organizational Behavior 1

CONTRACTOR CONTRACTOR

Overview 1

Chapter 1 Introduction to Organizational Behavior 3

Learning Objectives 3 Telecommuting Allows Employees to Come to Work in their Bathrobes: Is This a Good Change? 4 What is Organizational Behavior? 5 Why Study Organizational Behavior? 6 BUILD TORNITRATECT AND PERFORMANCE Increasing Productivity By Applying Knowledge of Organizational Behavior 7 Types of Organizations 8 Conduct of Effective performance Appraisals 9 Concepts of Organizations 10 Systems Concept 10 Contingency Concept 12 MYTH YERSUS REALITY The Chain of Command Should Never Be Managers, Effective Organizations, and Organizational Behavior 14 Organizational Effectiveness 14 Managers and Organizational Behavior 14 The Plan For This Text 15 NIZATIONAL BEHAVIOR STRATEGY AND PERFORMANCE Business Dictatorships and Ignoring Environmental Signals Leads to Failure 16 Summary 17 Questions for Review 18 ASI All in a Day's Work 18 TALL PARTIES | Diagnosing My Situation 20 Footnotes 21

Chapter 2 Organizational Behavior Theories, Research, and Applications 23

Learning Objectives 23

Photograph And Carlotte Choosing Benefits: Like Choosing
Food in a Cafeteria 24

What Are Organizational Behavior Theories? 26
Relationships 26
Predictions 26
How Organizational Behavior Theories are Developed 27
Intuition and Behavior 27
Experience and Behavior 28
Research and Behavior 29
Research 33
Research Designs 33
Effects of Piecework Incentives and Bonus

Plans on Performance With Difficult Goals 34 Overview 35 Types of Research Designs 36 Closing Notes on Research Designs 40

The Application of Organizational Behavior Concepts 40
Wasting One Third of a Workday—No Wonder the U.S. Has

Productivity Problems 41
Observation and Assessment 42
Determination or Isolation of Relevant Factors 44
Choice of Appropriate Theory 46
Application of the Theory and Follow-up 47

Improving Training Effectiveness through Research-based Diagnosis 48 Summary 49 Questions for Review 50 An Ounce of Prevention or a Pound of Cure 50

Case Diagnosis 52

Footnotes 52

Part Two Individual Processes 55

Overview 55

Chapter 3 Perception, Learning, and Attribution 57

Learning Objectives 57

Borden Puts the Moo Back in Elsie 58

The Nature of Perception 59 Person Perception 60

The Nature of the Perceiver 60

Familiarity Breeds Accurate Perceptions 61

The Nature of the Situation 62

Effects of Perceived Consequences on

Behavior 64

Problems in Person Perception 64

Other Issues in Perception 66

Self-Perception 66

Task Perception 67

Organizational Applications of Perception Concepts 67

The Learning Process 69

Classical Conditioning 69

Operant Conditioning 70

Vicarious Learning 75

Organizational Applications of Learning Concepts 76

Competitive Games on Bedmaking Lead to Better Profits 77 The Attribution Process 78

Getting to the "Hart" of the Matter 80 Application of Attribution Concepts 82 Summary 82 Questions for Review 83 Just a Matter of Timing 84

Best Bet for Training 85

Footnotes 86

Chapter 4 Personality, Attitudes, and Values 91

Learning Objectives 91

Harold Gray's Personality Dominates

United Technologies 92

The Meaning of Personality 93

Determinants of Personality Development 94

Physiological Nature 94 Assessing Personality 95

Applications of Personality Concepts 96

Cognitive Concepts of Personality 97

Motivational Concepts of Personality 98

Self Esteem and Performance of Survivors

Following Layoffs 99 The Nature of Attitudes 100 Attitude Formation 102

Learning 102

Social Information Processing 102

Attitude Consistency 103

Job Satisfaction 103

Attitude Change 104

Putting Satisfaction Back into the Job 105

Worker Attitudes Spell Trouble for Japanese Firms 106

Persuasive Communication 106

Dissonance Approach 108

Values 110

Development of Values 110

Types of Personal Values 110

Values and Job Attitudes 111

Summary 112

Questions for Review 112

Selected Entries from the Diary of Melissa Cannon 113

Pencil and Paper Assessment? 115

Footnotes 116

Chapter 5 Individual Decision Making 119

Learning Objectives 119

Tough Decisions at the Top 120

The Decision Making Process 121

Satisficing 122

Decision Making Styles 123

Gathering Information 123

Rational Decision Rules Improve Decision

Accuracy 124

Judging and Evaluating Alternatives 126

Making the Wrong Decision and Having It Come Out Right 128 Other Behavioral Factors in Decision Making 128

Taking on Budweiser, Miller, and the Teamsters is Risky

Business 131

Creative Decision Making 132

Need for Creative Decisions 132

Making Creative Decisions 133

Complex Decisions and Managerial Demands 134

Strategies for Application 134

Summary 135

Questions for Review 136

Denver South 30 136

The Impact of Decision Context 137

Footnotes 138

X Contents

Chapter 6 Motivation 141

Learning Objectives 141 Rewarding for Performance is Like Putting Money in the Bank 142 Content Theories 144 Need Hierarchy Concept 144 ERG Concept 146 Achievement, Affiliation, and Power 147 Are High Achievers Compulsive Workaholics? 148 Two-Factor Concept 149 Conclusions Regarding Content Theories 151 Process Theories of Motivation 151 Expectancy Concept 152 You Get What You Pay For: Salary vesus Commission 154 Equity Theory 155 Goal-Setting Theory 157 Reactions to Job Inequities 158 Conclusions Regarding Process Theories 161 Motivating Subordinates 161 The Boss's Raises are Getting Smaller 162 Summary 163 Questions for Review 164 The Motivation of a Rhodes Scholar 164 What is My Motivation? 165

Job Design and Satisfaction 169 Chapter 7

Footnotes 166

Learning Objectives 169 The Death of Corporate Loyalty 170 Jobs, Specialization, and Satisfaction 171 Specialization 171 Job Satisfaction 172 Job Design Modifications 173 Task Specialization 174 Task Despecialization 175 Participation in Decisions 177 Roadblocks to Successful Job-Design Modifications 177 Assembly Links Without Workers: Effective Retraining of the Work Force 178 Successful Job Redesigns 178 Job-Redesign Process 180 Individual Factors and Job Redesign 181 Work Environment and Job Design 182 Social Information Processing Approach 183 Sociotechnical Approach 183 Quality of Work Life 185 Cultural Effects 185 The Japanese Magic Doesn't Always Work 186 Job Design and Organizational Behavior 187 Soviet Workers Are Not as Happy in their Jobs as U.S. Workers 188 Employee Commitment, Absenteeism, and Turnover 189 Future Directions of Job Design 190 Summary 190 Questions for Review 191 Can I Ever Please Them? 192 What Do I Like in a Job? 193 Footnotes 194

Contents

Chapter 8 Stress 199

Learning Objectives 199

Eating Humble Pie in Front of the

President 200 Stress 201

Types of Stress 202

Causes and Consequences 204

Causes of Stress 204

The Merger Syndrome 206

Consequences of Stress 208

Theory F: A Job without a Dream 209 Organizational Consequences 210 Coping With Stress 210

Executive Celebrities: More Over, Hollywood 212

Critical Issues for Managers 213 International Stress 213

Women Can Cope with Stress Better than

Men Can 214

Stress and Female Managers 215

Summary 215

Questions for Review 216

Friend or Employee? 216

How High is your Stress Threshold 218

Footnotes 219

Chapter 9 Intragroup Dynamics 225

Learning Objectives 225

Team Taurus Puts the Zip Back into

Ford 226

The Nature of Groups 227

Formal and Informal Groups 228

Open and Closed Groups 230

Is McKinsey Too Closed and Losing Its Prestige? 231

Reference Groups 232

Group Formation 232

Interpersonal Needs 232

Assignments to Groups 233

Group Development and Structure 234

Stages of Development 234

Group Structure 236

Female Leadership Roles in Groups 238

Group Effectiveness Depends on the

Leader 239

Effects of Groups on Organizational Processes 241

Communication 242

Task Achievement and Productivity 242

Teamwork Increases Productivity, Allowing Smith-Corona to be

Competitive with the Japanese 243

Job Satisfaction 245

Conformity 246

Summary 246

Questions for Review 247

The New Quota 248

A Group Attitude 249

Footnotes 250

Part Three Group Processes 223

Overview 223

Chapter 10 Intergroup Dynamics 253

Learning Objectives 253

Macintosh Prima Donnas Take Bite

Out of Apple 254 Intergroup Closure and Competition 256

Territoriality 257 Cohesiveness 257

Goal Incompatibility 258

Individuality and Intergroup System 260

Individual and Group Identity 260

Salience of Group Distinctions and Power 261

Intergroup Anxiety between Minority and Majority Members Related to Degree of Previous Contact 264

Labor and Management Cooperate to Save Jobs and Reduce

Unemployment 265

Intergroup Openness and Cooperation 266

Lateral Communication 266

Chaos: The Result of Uncoordinated Teams 268

Goal Interdependency 268

Committee and Project Teams 270

Laboratory Training for Intergroup Relations 271

Summary 272

Questions for Review 273

Ward versus Alpha; Score Equals One to Nothing 273

What is My Group Like? 275

Footnotes 275

Chapter 11 Group Decision Making 279

Learning Objectives 279

Group Decision Making Helps

Cummins Increase Productivity and Reduce Absenteeism 280

Groups and Decision Making 281 Group Decision Processes 281

Development of Norms in Decision Making Groups 283

Participation in Group Decision 284

Learning the Hard Way Led to Failure of Nonlinear Systems but

Success at Kaypro 285

Group Decision-Making Phenomena 290

Group Decision-Making Techniques 294

Evaluation of Group Decisions 299

Participative Decision Making Wastes

Time 301

From Autocratic to Flexible Teams: Solving Conflict, Hiring, and

Career Problems 302

Diverse Groups, Solutions, and Decision

Quality 303

Summary 304

Questions for Review 304

Meltdown 305

Building Alternatives 307

Footnotes 307

Chapter 12 Communication 315

Part Four Organizational Processes 311

Learning Objectives 315

Gripes, Complaints, and Improving

Overview 311

Communication 316
Importance of Communication 317

The Communication Process 318

Communication within Organizations 319

Communication Networks 319

Direction of Organizational Communication 320

Interpersonal Communication 321

Developing an Effective Communication System 322

Barriers to Effective Communication 323

Organizational Barriers 323

Individual Barriers 325

Overcoming Communication Barriers 327

What's Going on at Allegheny International 328

Communication Audit 329

Effective Communication 330

Relationship of Communication Style and

Managerial Performance 331

Summary 332

Questions for Review 333

"Roll 'em!" 333

Communication Barriers 335

Footnotes 335

Chapter 13 Conflict 339

Learning Objectives 339

Daniloff-Zakharov Tug of War: Reagan

versus Gorbachev 340

Nature of Conflict within Organizations 341

Functional Conflict 342

Dysfunctional Conflict 342

Causes of Conflict 343

Structural Factors 343 Communication 345

Personal Causes 346

M: II Causes 540

Miscellaneous Causes 346

Types of Conflict 347

Interorganizational Conflict 347

Intergroup Conflict 347

Differences at the Top in CBS: Bitter Showdown in New York 348

Interpersonal Conflict 349

Role Conflict 350

Managing Organizational Conflict 351

Diagnosis 351

Resolution Techniques 351

Budget Cuts versus Taxes in Texas: Gunfight at OK Corral 352

Conflict Management Styles 355

Organizational Application of Conflict-Resolution Techniques 356

Females are More Likely to Avoid Conflict

than to Deal with It 357

Stimulation of Conflict 357

Subordinates' Response to Conflict 358

Other Comments 358

Summary 359

Questions for Review 360

The Making of the Brooklyn Bluebirds 360

Managing and Resolving Conflict 362

Footnotes 363

Chapter 14 Power and Politics 367

Learning Objectives 367

Dirty Politics, Power and Mary

Cunningham 368

xiv Contents

The Meaning of Power and Influence 369 Social Bases of Power 370 Expert Power 370 Referent Power 371 Reward Power 371 Coercive Power 372 Legitimate Power 372 Situational Bases of Power 373 Resources 373 Decision Making 374 Information 374 Using Power Effectively 375 Upward Power 375 Downward Power 375 ONAL BEHAVIOR STRATEGY AND PERFORMANCE. Power Splits a Family Down the Middle 376 Sharing Power and Influence 377 MATH VERSUS REALITY Women are Not Successful Risk Takers and Entrepreneurs 378 Organizational Politics 380 Political Structure of Organizations 381 Political Tactics and Games 382 STRAILGY AND PERFORMANCE Hook Up Your Computer and Find Out Who Holds the Power 383 Controlling and Managing Political Behavior 385 Concluding Remarks on Organizational Politics 386 Summary 387 Questions for Review 388 Whatever Is Necessary! 388 EXPERIENTIAL EXERCISE Power 389 Footnotes 390

Chapter 15 Leadership 393

Learning Objectives 393 PEOPLE IN ORGANIZATIONS: The Leadership Dynamo: Reinventing GE 394 The Nature of Leadership 395 Trait Concepts of Leadership 396 Behavioral Concepts of Leadership 397 University of Michigan Studies 397 Ohio State Univesity Studies 398 Managerial Grid 399 Contingency Leadership Concepts 401 Contingency Model of Leadership Effectiveness 401 TIONAL BEHAVIOR/STRATEGY AND PERFORMANCE: Leadership Hall of Fame 402 The Path-Goal Leadership Model 406 Other Contingency Leadership Concepts 408 Organizational Applications of Contingency Concepts 409 ORGANIZATIONAL BEHAVIOR/STRATEGY AND PERFORMANCE. A Driven Leader: John DeLorean 410 Leadership Situational Factors 411 FOCUS ON RESEARCH: Comparison of Leadership Styles in Japan versus the U.S. 413 Effective Leadership 414 Summary 415 Questions for Review 416 The Two Presidents 417 TAL MAERCISE. Coping with Employee Problems 418 Footnotes 420

Chapter 16 External Environment, Strategy, and International Operations 425

Learning Objectives 425
PEOPLE IN ORGANIZATIONS: The Restructuring of Corporate America 426

The Organization and Its Environment 427 The Task Environment 427 The General Environment 428 **Environmental Uncertainty 429 Boundary Spanning 431** Managing External Dependence 432 Managerial Applications of Environmental Concepts 432 Strategy 433 Corporate Strategy 433 BEHAVIOR STRATECY AND PERFORMANCE: Grim Prospects for Sears & Roebuck, Company in Retailing 434 **Business Strategy 436** INTOR STRATEGY AND PERFORMANCE. Chrysler's Strategy for the Future 437 Organization Design for Uncertainty and Integration 438 Slack Resources 438 Self-Contained Tasks 438 Vertical Information Systems 439 Lateral Relations 439 International Factors and Organization Design 440 Cultural Effects 441 MESTARCIA Effects of Occupation on Work Orientation in Different Cultures 442 Implementing Management Techniques in Different Cultures 442 Multinational Organization Structures 443 Summary 444 Questions for Review 446 Skiing into Environmental Roadblocks 446 M MANUEL Structure for Strategy 447 Footnotes 448

Chapter 17 Organizational Design and Culture 451

Learning Objectives 451 Egos, Power, and Politics at the Center for Disease Control 452 Technology and Organizations 453 Technology and Structure 453 Changing Technology 455 Technology and Competitiveness 456 Technology and Work 456 Size and Structure 457 The Design of Organizations 458 Structure and Behavior 460 Organizational Culture 460 ACCE. Lufthansa Tries to Change Its Bureaucratic Tradition 461 Cultural Socialization 462 Cultural Audit 463 Subcultures 464 Cultural Effects on Organizations 464 RUSTRATEGY AND PERFORMANCE. Developing a Productive Culture At McDonnell Douglas 465 Organizational Effectiveness 466 Measurement of Effectiveness 467 Organizational Performance as an Antecedent to Chief Executive Succession 472 Summary 473 Questions for Review 474 How Effective is Hillwood Medical Center 475 THE EXERCISE Defining Organizational Culture and Effectiveness Criteria 477 Footnotes 478