

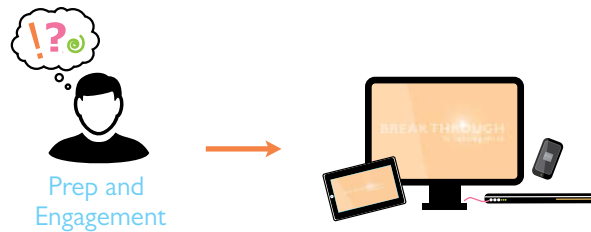
ESSENTIALS OF ORGANIZATIONAL BEHAVIOUR

STEPHEN P. ROBBINS
TIMOTHY A. JUDGE
KATHERINE E. BREWARD

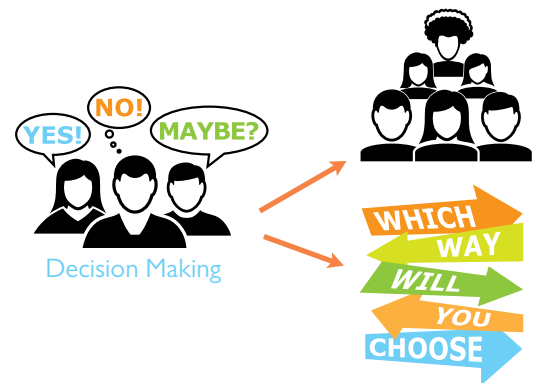
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ESSENTIALS OF ORGANIZATIONAL BEHAVIOUR

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This book is dedicated to our friends and colleagues in the Organizational Behavior Teaching Society who, through their teaching, research, and commitment to the leading process, have significantly improved the ability of students to understand and apply OB concepts. It is also dedicated to the many leaders, managers, and workers who agreed to share their stories for use as examples and mini cases throughout the text. Their willingness to reflect on their experiences and share their triumphs, mistakes, and hard-won insights improves the learning experience for all.

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Brief Contents

Part 1 Prologue	1
Chapter 1	What Is Organizational Behaviour? 1
Part 2 Understanding Yourself and Others	19
Chapter 2	Diversity in Organizations 19
Chapter 3	Attitudes and Job Satisfaction 46
Chapter 4	Emotions and Moods 63
Chapter 5	Personality and Values 82
Part 3 Making and Implementing Decisions	106
Chapter 6	Perception and Individual Decision Making 106
Chapter 7	Motivation Theories 126
Chapter 8	Motivation: From Concepts to Applications 147
Part 4 Communicating in Groups and Teams	166
Chapter 9	Foundations of Group Behaviour 166
Chapter 10	Understanding Work Teams 186
Chapter 11	Communication 203
Part 5 Negotiating Power and Politics	223
Chapter 12	Leadership 223
Chapter 13	Power and Politics 245
Part 6 Leading, Understanding, and Transforming the Organization System	266
Chapter 14	Conflict and Negotiation 266
Chapter 15	Foundations of Organization Structure 288
Chapter 16	Organizational Culture 309
Chapter 17	Organizational Change and Stress Management 327

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Contents

Preface xv

Acknowledgments xviii

About the Authors xix

1 What Is Organizational Behaviour? 1

LEARNING OBJECTIVES 1

The Importance of Interpersonal Skills 1

Enter Organizational Behaviour 2

Complementing Intuition with Systematic Study 3

Big Data 4

Disciplines That Contribute to the OB Field 4

Psychology 5

Social Psychology 6

Sociology 6

Anthropology 6

Political Science 6

Neuroscience 7

A Brief History of OB 7

There Are Few Absolutes in OB 7

Challenges and Opportunities for OB 9

Responding to Economic Pressures 11

Responding to Globalization 11

Managing Workforce Diversity 12

Improving Customer Service 12

Improving People Skills 12

Working in Networked Organizations 13

Enhancing Employee Well-Being at Work 13

Creating a Positive Work Environment 13

Improving Ethical Behaviour 14

Coming Attractions: Developing an OB Model 14

An Overview 14

Summary 15

Implications for Managers 15

Breakout Question for Group Discussion 15

Personal Inventory Assessment 16

Self-Reflection Activity 16

Mini Case Managing Group Behaviour Without Formal Power 16

Mini Case The People Side of Target's Canadian Catastrophe 17

2 Diversity in Organizations 19

LEARNING OBJECTIVES 19

Diversity 19

Diversity in the Canadian Context: Multiculturalism as a Guiding Principle and Formal Policy 20

Demographic Characteristics of the Canadian Workforce 20

Levels of Diversity 23

How Do Employees Differ? Biographical Characteristics 24

Age 24

Gender 26

Sexual Orientation and Gender Identity 27

Race, Ethnicity, and Immigration Status 27

Cultural Identity 31

Disability 31

Religion 33

Ability 34

Intellectual Abilities 34

Physical Abilities 35

Disabilities in the Context of Job Specification 36

Discrimination 36

Implementing Diversity Management Strategies 38

Attracting, Selecting, Developing, and Retaining

Diverse Employees 38

Diversity in Groups 40

Effective Diversity Programs 40

Summary 42

Implications for Managers 42

Breakout Question for Group Discussion 42

Personal Inventory Assessment 42

Self-Reflection Activity 43

Mini Case Disability-Based Discrimination 43

Mini Case Classroom Diversity and Groups 44

3 Attitudes and Job Satisfaction 46

LEARNING OBJECTIVES 46

Attitudes 46

What Are the Main Components of Attitudes? 47

Does Behaviour Always Follow from Attitudes? 48

Moderating Variables 49

What Are the Major Job Attitudes? 49

Job Satisfaction 50

Job Involvement 50

Organizational Commitment 50

Perceived Organizational Support 50

Employee Engagement 51

Job Satisfaction 52

Measuring Job Satisfaction 52

How Satisfied Are People in Their Jobs? 53

What Causes Job Satisfaction? 54

The Impact of Satisfied and Dissatisfied Employees on the Workplace 55

Job Satisfaction and Job Performance 56

Job Satisfaction and OCB 57

Job Satisfaction and Customer Satisfaction 57

Job Satisfaction and Absenteeism 57

Job Satisfaction and Turnover 57

Job Satisfaction and Workplace Deviance 58
Managers Often “Don’t Get It” 58

Summary 59
Implications for Managers 59
Breakout Question for Group Discussion 59
Personal Inventory Assessment 59
Self-Reflection Activity 59
Mini Case The Promotion 60
Mini Case Work Attitudes, Recognition, Feedback, and
Fairness 61

4 Emotions and Moods 63

LEARNING OBJECTIVES 63

What Are Emotions and Moods? 64

The Basic Emotions 64
The Basic Moods: Positive and Negative
Affect 65
Experiencing Moods and Emotions 65

The Function of Emotions and Moods 66

Do Emotions Make Us Irrational? 66
Do Emotions Make Us Ethical? 66

Sources of Emotions and Moods 67

Potential Influences on Moods and Emotions 67

Emotional Labour 71

Affective Events Theory 72

Emotional Intelligence 73

The Case for EI 73
The Case Against EI 73

Emotion Regulation 74

OB Applications of Emotions and Moods 75

Selection 75
Decision Making 75
Creativity 76
Motivation 76
Leadership 76
Negotiation 77
Customer Service 77
Job Attitudes 77
Deviant Workplace Behaviours 78
Safety and Injury at Work 78

Summary 78
Implications for Managers 78
Breakout Question for Group Discussion 79
Personal Inventory Assessment 79
Self-Reflection Activity 79
Mini Case Emotional Labour at the Call Centre 79
Mini Case Emotional Contagion Unleashed 80

5 Personality and Values 82

LEARNING OBJECTIVES 82

Personality 83

What Is Personality? 83

Dominant Personality Frameworks 84

The Myers-Briggs Type Indicator 84
The Big Five Personality Model 85

Other Personality Frameworks 87

The Dark Triad 88
Approach–Avoidance 90

Other Personality Traits Relevant to OB 90

Core Self-Evaluations 91
Self-Monitoring 91
Proactive Personality 91

Personality and Situations 92

Situation Strength Theory 92
Trait Activation Theory 94

Values 94

The Importance and Organization of Values 95
Terminal Versus Instrumental Values 95

Linking an Individual’s Personality and Values to the Workplace 95

Person–Job Fit 95
Person–Organization Fit 97

International Values 97

Hofstede’s Framework 97
The GLOBE Framework 99
Comparison of Hofstede’s Framework and the GLOBE
Framework 100
Our Primary Trading Partner: Key U.S./Canadian
Differences 100
Nations Within Nations: Aboriginal Values in the
Canadian Context 101
Acculturation and Biculturalism: Immigrant
Adjustment and Changes in Values 101

Summary 101
Implications for Managers 102
Break-Out Question for Group Discussion 102
Personal Inventory Assessment 102
Self-Reflection Activity 102
Mini Case The Personality Problem 103
Mini Case Interview Expectations and Cultural
Confusion 104

6 Perception and Individual Decision Making 106

LEARNING OBJECTIVES 106

What Is Perception? 107

Factors That Influence Perception 107

Social Perception: Making Judgments About Others 107

Attribution Theory 107
Common Shortcuts in Judging Others 109

The Link Between Perception and Individual Decision Making 111

Decision Making in Organizations 112

The Rational Model, Bounded Rationality, and
Intuition 112

Common Biases and Errors in Decision Making 113

Overconfidence Bias 113

Anchoring Bias 114
Confirmation Bias 115
Availability Bias 115
Escalation of Commitment 115
Risk Aversion 115
Hindsight Bias 116

Organizational Constraints on Decision

Making 116

Performance Evaluation 116
Reward Systems 117
Formal Regulations 117
System-Imposed Time Constraints 117
Historical Precedents 117

What About Ethics in Decision Making? 117

Three Ethical Decision Criteria 118

Creativity in Organizations 119

Creative Behaviour 119
Causes of Creative Behaviour 120
Creative Outcomes (Innovation) 121

Summary 121

Implications for Managers 122

Breakout Question for Group Discussion 122

Personal Inventory Assessment 122

Self-Reflection Activity 122

Mini Case Hiring School Bus Drivers 123

Mini Case Career Planning as Decision

Making 124

7 Motivation Theories 126

LEARNING OBJECTIVES 126

Defining Motivation 127

Early Theories of Motivation 127

Hierarchy of Needs Theory 127
Theory X and Theory Y 128
Two-Factor Theory 129
McClelland's Theory of Needs 130

Contemporary Theories of Motivation 131

Self-Determination Theory 131
Goal-Setting Theory 132

Other Contemporary Theories of

Motivation 135

Self-Efficacy Theory 135
Equity Theory and Linkages to Perceptions of
Organizational Justice 136
Expectancy Theory 141

Fostering Workplace Motivation 142

Creating Job Engagement 142

Summary 143

Implications for Managers 143

Breakout Question for Group Discussion 144

Personal Inventory Assessment 144

Self-Reflection Activity 144

Mini Case What Does "Fair" Mean? 144

Mini Case Goals, Revisited 145

8 Motivation: From Concepts to Applications 147

LEARNING OBJECTIVES 147

Motivating by Job Design: The Job Characteristics Model 148

The Job Characteristics Model 148

How Can Jobs Be Redesigned? 149

Job Rotation 149
Job Enrichment 150
Relational Job Design 151

Alternative Work Arrangements 151

Flextime 151
Job Sharing 153
Telecommuting 153

Employee Involvement 155

Examples of Employee Involvement Programs 155
Linking Employee Involvement Programs and
Motivation Theories 156

Using Pay to Motivate Employees 156

What to Pay: Establishing a Pay Structure 157
How to Pay: Rewarding Individual Employees Through
Variable-Pay Programs 157

Using Benefits to Motivate Employees 160

Flexible Benefits: Developing a Benefits Package 161

Using Intrinsic Rewards to Motivate Employees 161

Employee Recognition Programs 161

Summary 162

Implications for Managers 162

Breakout Question for Group Discussion 163

Personal Inventory Assessment 163

Self-Reflection Activity 163

Mini Case Getting the Best from Your Salesforce 163

Mini Case Enriching Jobs at the Construction Site 165

9 Foundations of Group Behaviour 166

LEARNING OBJECTIVES 166

Defining and Classifying Groups 167

The Five-Stage Model 167
An Alternative Model for Temporary Groups with
Deadlines 168

Group Roles 169

Role Perception 169
Role Expectations 169
Role Conflict 169

Group Norms 170

Norms and Behaviour 170
Conformity 170
Deviant Workplace Behaviour 172

Group Status 173

What Determines Status? 174
Status and Norms 174
Status and Group Interaction 174

Group Size 174

Groups and Work Attitudes: More on Social Loafing 175

Group Cohesiveness 175

Group Diversity 176

Faultlines 177

Group Decision Making 177

Groups Versus the Individual 177

Groupthink and Groupshift 178

Group Decision-Making Techniques 180

Summary 181

Implications for Managers 182

Breakout Question for Group Discussion 182

Personal Inventory Assessment 182

Self-Reflection Activity 182

Mini Case Accepting New Norms? A Harassed Reporter

Fights Back 183

Mini Case Canada's (Biased?) Guide to Healthy Eating 184

10 Understanding Work Teams 186

LEARNING OBJECTIVES 186

Why Have Teams Become So Popular? 187

Differences Between Groups and Teams 187

Types of Teams 188

Problem-Solving Teams 188

Self-Managed Work Teams 188

Cross-Functional Teams 189

Virtual Teams 190

Multiteam Systems 191

Creating Effective Teams 192

Context 192

Team Composition 193

Team Processes 195

Turning Individuals into Team Players 197

Selecting: Hiring Team Players 197

Training: Creating Team Players 197

Rewarding: Providing Incentives to Be a Good Team

Player 198

Beware! Teams Aren't Always the Answer 198

Summary 199

Implications for Managers 199

Breakout Question for Group Discussion 199

Personal Inventory Assessment 200

Self-Reflection Activity 200

Mini Case Lifelong Learning and Teamwork 200

Mini Case Team Incentives and Unintended

Consequences 201

11 Communication 203

LEARNING OBJECTIVES 203

The Communication Process 204

Direction of Communication 204

Downward Communication 205

Upward Communication 205

Lateral Communication 205

Organizational Communication 206

Formal Small-Group Networks 206

The Grapevine 207

Modes of Communication 208

Oral Communication 208

Written Communication: Traditional Print and

Electronic Forms 208

Nonverbal Communication 210

Choice of Communication Channel 211

Channel Richness 211

Choosing Communication Methods 211

Information Security 213

Persuasive Communication 213

Automatic and Controlled Processing 213

Interest Level 213

Prior Knowledge 214

Personality 214

Message Characteristics 214

Barriers to Effective Communication 214

Filtering 214

Selective Perception 215

Information Overload 215

Emotions 215

Language 215

Silence 216

Communication Apprehension 216

Lying 217

Global Implications 217

Cultural Barriers 217

Cultural Context 218

A Cultural Guide 218

Summary 219

Implications for Managers 220

Breakout Question for Group Discussion 220

Personal Inventory Assessment 220

Self-Reflection Activity 220

Mini Case The Informal Communication Network 221

Mini Case Voicing and Being a "Team Player" 221

12 Leadership 223

LEARNING OBJECTIVES 223

What Is Leadership? 223

Trait Theories 224

Behavioural Theories 224

Summary of Trait Theories and Behavioural

Theories 226

Contingency Theories 226

The Fiedler Model 226

Other Contingency Theories 228

Charismatic Leadership and Transformational

Leadership 229

Charismatic Leadership 229

Transformational Leadership 232

Authentic Leadership: Ethics and Trust 235

What Is Authentic Leadership? 235

- Ethical Leadership 235
- Servant Leadership 235
- Trust and Leadership 236
- What Are the Consequences of Trust? 237

Leading for the Future: Mentoring 237

- Mentoring 237

Challenges to the Leadership Construct 238

- Leadership as an Attribution 238
- Substitutes for and Neutralizers of Leadership 239

Finding and Creating Effective Leaders 240

- Selecting Leaders 240
- Training Leaders 240

Summary 240

Implications for Managers 241

Breakout Question for Group Discussion 241

Personal Inventory Assessment 241

Self-Reflection Activity 241

Mini Case A Study of Leadership Style 242

Mini Case Situational Leadership Comes Clean 243

13 Power and Politics 245

LEARNING OBJECTIVES 245

A Definition of Power 245

Contrasting Leadership and Power 246

Bases of Power 246

- Formal Power 247
- Personal Power 247
- Which Bases of Power Are Most Effective? 248

Power Tactics 248

How Power Affects People 251

Politics: Power in Action 252

- Definition of Organizational Politics 252
- The Reality of Politics 252

Causes and Consequences of Political Behaviour 253

- Factors Contributing to Political Behaviour 253
- How Do People Respond to Organizational Politics? 255
- Impression Management 256

The Ethics of Behaving Politically 259

Mapping Your Political Career 260

Summary 261

Implications for Managers 262

Breakout Question for Group Discussion 262

Personal Inventory Assessment 262

Self-Reflection Activity 262

Mini Case Power Abused—Celebrity and Harassment 263

Mini Case Power in Academe 264

14 Conflict and Negotiation 266

LEARNING OBJECTIVES 266

A Definition of Conflict 267

- The Traditional View of Conflict 267
- The Interactionist View of Conflict 267

Types and Loci of Conflict 268

Types of Conflict 268

Loci of Conflict 269

The Conflict Process 270

Stage I: Potential Opposition or Incompatibility 271

Stage II: Cognition and Personalization 271

Stage III: Intentions 272

Stage IV: Behaviour 273

Stage V: Outcomes 274

Negotiation 275

Bargaining Strategies 276

The Negotiation Process 278

Steps in the Negotiation Process 278

Individual Differences in Negotiation Effectiveness 280

Personality Traits in Negotiation 280

Moods/Emotions in Negotiation 280

Culture in Negotiations 281

Gender Differences in Negotiations 282

Summary 283

Implications for Managers 283

Breakout Question for Group Discussion 283

Personal Inventory Assessment 284

Self-Reflection Activity 284

Mini Case Win-Lose Negotiation Tactics Lead to Corporate Humiliation 284

Mini Case Coming Back from Conflict 285

15 Foundations of Organization Structure 288

LEARNING OBJECTIVES 288

What Is Organizational Structure? 289

- Work Specialization 289
- Departmentalization 290
- Chain of Command 291
- Span of Control 291
- Centralization and Decentralization 292
- Formalization 293

Common Organizational Designs 293

- The Simple Structure 293
- The Bureaucracy 294
- The Matrix Structure 295

New Design Options 296

- The Virtual Organization 296
- The Boundaryless Organization 297
- The Leaner Organization: Downsizing 298

Why Do Structures Differ? 300

- Organizational Strategies 301
- Organization Size 301
- Technology 301
- Environment 302

Organizational Designs and Employee Behaviour 302

Summary 304

Implications for Managers 304

Breakout Question for Group Discussion 305

Personal Inventory Assessment 305

Self-Reflection Activity 305
Mini Case Structured for Service 305
Mini Case Structuring for Multiple Purposes—Finding the
Right Balance 306

16 Organizational Culture 309

LEARNING OBJECTIVES 309

What Is Organizational Culture? 310

A Definition of Organizational Culture 310
Culture Is a Descriptive Term 310
Do Organizations Have Uniform Cultures? 310
Strong Versus Weak Cultures 311
Culture Versus Formalization 311

What Do Cultures Do? 311

The Functions of Culture 312
Culture Creates Climate 312
Culture as a Liability 313

Creating and Sustaining Culture 314

How a Culture Begins 314
Keeping a Culture Alive 314
Summary: How Cultures Form 317

How Employees Learn Culture 318

Stories 318
Rituals 318
Symbols 318
Language 319

Creating an Ethical Organizational Culture 319

Creating a Positive Organizational Culture 320

Building on Employee Strengths 320
Rewarding More Than Punishing, and the Value of the
“Small” Stuff 321
Emphasizing Vitality and Growth 321
Limits of Positive Culture 322

Global Implications 322

Summary 323
Implications for Managers 324

Breakout Question for Group Discussion 324
Personal Inventory Assessment 324
Self-Reflection Activity 324
Mini Case Developing and Maintaining a Safety
Culture 325
Mini Case Culture Change at the RCMP 325

17 Organizational Change and Stress Management 327

LEARNING OBJECTIVES 327

Forces for Change 327

Resistance to Change 329

Overcoming Resistance to Change 329

Approaches to Managing Organizational Change 332

Lewin’s Three-Step Model 332
Kotter’s Eight-Step Plan for Implementing Change 333
Organizational Development 334

Creating a Culture for Change 335

Stimulating a Culture of Innovation 336

Work Stress and Its Management 337

What Is Stress? 337
Consequences of Stress 338
Managing Stress 339

Summary 341
Implications for Managers 341
Breakout Question for Group Discussion 342
Personal Inventory Assessment 342
Self-Reflection Activity 342
Mini Case Stressed in Software 342
Mini Case Make Way For Innovation 344

Epilogue 345

Endnotes 347

Glossary 393

Index 401

Preface

This book was created as an alternative to the usual 600-or-700-page comprehensive textbook in organizational behaviour (OB). It attempts to provide balanced coverage of all the key elements making up the discipline of OB in a style that readers will find both informative and interesting. We're pleased to say that this text has achieved a wide following in short courses and executive programs and in traditional courses as a companion volume with experiential, skill development, case, and readings books. It is currently used at more than 500 colleges and universities in the United States, Canada, Latin America, Europe, Australia, and Asia. It has also been translated into Spanish, Portuguese, Japanese, Chinese, Dutch, Polish, Turkish, Danish, and Bahasa Indonesian.

What do people like about this book? Surveys of users have found general agreement about the following features. Needless to say, they've all been retained in this edition.

- *Balanced topic coverage.* Although short in length, this book continues to provide balanced coverage of all the key concepts in OB. This includes not only traditional topics, such as personality, motivation, and leadership, but also cutting-edge issues such as emotions, diversity, negotiation, and teamwork.
- *Writing style.* This book is frequently singled out for its fluid writing style and extensive use of examples. Users regularly tell us that they find this book “conversational,” “interesting,” “student friendly,” and “very clear and understandable.”
- *Practicality.* This book has never been solely about theory. It's about using theory to better explain and predict the behavior of people in organizations. In each edition of this book, we have focused on making sure that readers see the link between OB theories, research, and implications for practice.
- *Integration of globalization, diversity, and ethics.* The topics of globalization and cross-cultural differences, diversity, and ethics are discussed throughout this book. Rather than being presented only in separate chapters, these topics have been woven into the context of relevant issues. Users tell us they find that this integrative approach makes these topics more fully part of OB and reinforces their importance.
- *Comprehensive supplements.* This book may be short, but not on supplements. It comes with a complete, high-tech support package that includes a comprehensive Instructor's Manual and Test Bank and PowerPoint Slides. See below for access information.

KEY FEATURES OF THE CANADIAN EDITION

- Includes extensive Canadian demographic information about workforce participation rates, labour market outcomes, work attitudes, and other organizational trends.
- Examples throughout the textbook reflect balanced coverage of contemporary Canadian issues such as the implementation of multicultural ideals, the Temporary Foreign Worker Program, harassment and culture change within the RCMP, rights of transsexual workers, emerging standards for psychologically safe workplaces, changing regulations regarding marijuana possession and usage, and insights gained from recent human rights tribunal decisions.
- First Nations, Métis, and Inuit perspectives and examples are included throughout, particularly in the chapters discussing diversity, work attitudes, leadership, organizational culture, and motivation.

- The experiences and varied perspectives of immigrant workers are reflected in pervasive examples, particularly in chapters discussing diversity, work attitudes, organizational culture, and motivation.
- Two short mini cases and a group discussion activity are included in each chapter to encourage reflection and applied learning.
- Coverage of electronic communication has been increased, with specific tips for maximizing the effectiveness of communication strategies.
- Personal Inventory Assessments (PIAs) and the associated self-reflection activities allow students to assess their own skills and abilities and reflect upon the impact of their scores, and provide tips for further development. In the self-reflection activities, students are asked to carefully consider the scores they received in their PIA assessments and the effect those traits and characteristics might have on their working lives. The likely impact on workplace behaviours, performance, and effectiveness are explored by either using hypothetical scenarios or asking students to reflect on past events in their lives. This practice personalizes the content and helps students transition from memorization of theory to applied learning.
- A new “Implications for Managers” section was created to bring chapter topics together with practical advice for managers.

RESOURCES FOR STUDENTS

MyManagementLab™

We have created an outstanding supplements package for *Essentials of Organizational Behaviour*, Canadian Edition. In particular, we have provided access to MyManagementLab, which provides students with an assortment of tools to help enrich and expedite learning. MyManagementLab is an online study tool for students and an online homework and assessment tool for faculty. It lets students assess their understanding through auto-graded tests and assignments, develop a personalized study plan to address areas of weakness, and practise a variety of learning tools to master management principles. New and updated MyManagementLab resources include the following:

- *Personalized study plan.* As students work through MyManagementLab’s new Study Plan, they can clearly see which topics they have mastered—and, more importantly, which they need to work on. Each question has been carefully written to match the concepts, language, and focus of the text, so students can get an accurate sense of how well they’ve understood the chapter content.
- *Personal Inventory Assessment (PIA).* Students learn better when they can connect what they are learning to their personal experience. PIA is a collection of online exercises designed to promote self-reflection and engagement in students, enhancing their ability to connect with concepts taught in principles of management, organizational behaviour, and human resources management classes. Assessments can be assigned by instructors, who can then track students’ completions. Student results include a written explanation along with a graphic display that shows how their results compare to the class as a whole. Instructors will also have access to this graphic representation of results to promote classroom discussion.
- *Assignable mini-cases.* Instructors have access to a variety of case-based assessment material that can be assigned to students, with multiple-choice assessment.
- *Learning Catalytics.* Learning Catalytics is a “bring your own device” student engagement, assessment, and classroom intelligence system. It allows instructors to engage students in class with a variety of question types designed to gauge student understanding.
- *Dynamic Study Modules (DSMs).* Through adaptive learning, students get personalized guidance where and when they need it most, creating greater engagement, improving

knowledge retention, and supporting subject-matter mastery. Also available on mobile devices.

- *MediaShare for Business*. MediaShare for Business helps students understand why they are learning key concepts and how they will apply those in their careers. Consisting of a curated collection of business videos tagged to learning outcomes, instructors can assign customizable, auto-scored assignments. Instructors can also upload their favourite YouTube clips or original content and employ MediaShare's powerful repository of tools to maximize student accountability and interactive learning, and provide contextualized feedback for students and teams who upload presentations, media, or business plans.
- *Decision-making Simulations*. Simulations help students analyze and make decisions in common business situations; they assess student choices and include reinforcement quizzes, outlines, and glossaries.
- *Writing Space*. Better writers make great learners—who perform better in their courses. The Writing Space, providing a single location to develop and assess concept mastery and critical thinking, offers assisted-graded and create-your-own writing assignments, allowing you to exchange personalized feedback with students quickly and easily. Students can use Writing Space to complete the Self-Reflection Activities from the text.
- *Pearson eText*. The Pearson eText gives students access to their textbook anytime, anywhere. In addition to note taking, highlighting, and bookmarking, the Pearson eText offers interactive and sharing features. Instructors can share their comments or highlights, and students can add their own, creating a tight community of learners within the class.

INSTRUCTOR RESOURCES

Most of the instructor supplements listed here are available for download from a password-protected section of Pearson Canada's online catalogue (<http://www.pearsoncanada.ca/highered>). Navigate to your book's catalogue page to view a list of the supplements available. See your local Pearson Canada sales representative for details and access. The following supplements are available with this text:

- *Instructor's Resource Manual*. This extensive manual, written to ensure close coordination with the book, includes a chapter overview, chapter objectives, a suggested lecture outline, answers to all of the text cases, additional discussion questions, exercises, and suggested assignments.
- *Computerized Test Bank*. Pearson's computerized test banks allow instructors to filter and select questions to create quizzes, tests, or homework. Instructors can revise questions or add their own, and may be able to choose print or online options. These questions are also available in Microsoft Word format.
- *PowerPoint® Presentations*. Ready-to-use PowerPoint slideshows are designed for classroom presentation. Use them as is, or edit content to fit your classroom needs.
- *Image Library*. This package provides instructors with images to enhance their teaching.
- *Learning Solutions Managers*. Pearson's Learning Solutions Managers work with faculty and campus course designers to ensure that Pearson technology products, assessment tools, and online course materials are tailored to meet your specific needs. This highly qualified team is dedicated to helping schools take full advantage of a wide range of educational resources, by assisting in the integration of a variety of instructional materials and media formats. Your local Pearson Canada sales representative can provide you with more details on this service program.

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Stephen P. Robbins is professor emeritus of management at San Diego State University and the world's best-selling textbook author in the areas of both management and organizational behaviour. His books are used at more than a thousand U.S. colleges and universities, have been translated into 19 languages, and have appeared in adapted editions for Canada, Australia, South Africa, and India. Dr. Robbins is also the author of the best-selling books *The Truth About Managing People*, 2nd ed. (Financial Times/Prentice Hall, 2008) and *Decide & Conquer* (Financial Times/Prentice Hall, 2004).

In his “other life,” Dr. Robbins actively participates in masters’ track competitions. Since turning 50 in 1993, he’s won 18 national championships and 12 world titles, and set numerous U.S. and world age-group records at 60, 100, 200, and 400 metres. In 2005, Dr. Robbins was elected into the USA Masters’ Track & Field Hall of Fame.

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Katherine E. Breward worked for over 14 years in the Kitchener-Waterloo high-tech sector before returning to academe, complementing her extensive academic understanding of workplace dynamics with applied professional experience. Dr. Breward is currently at the University of Winnipeg, where her primary research interests include non-conscious prejudice, workplace discrimination, disability accommodation, and best practices in diversity management. Dr. Breward’s work has appeared in the *Canadian Journal of Disability Studies*; the *Journal of Immigrant and Minority Health*; the *British Journal of Management*; *Equality, Diversity, and Inclusion: An International Journal*; and the *Case Research Journal*. Her award-winning teaching cases are known for helping students make strong connections between abstract theory and real-world workplaces.

Dr. Breward lives on a working farm and orchard outside Winnipeg with her husband, daughter, three cats, an overgrown Alaskan Malamute, and an ever-expanding library of science fiction and fantasy novels. When not working on her latest research project, she enjoys planting new tree hybrids, photographing wildlife, and hunting for fossils.

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Chapter 1

What Is Organizational Behaviour?



LEARNING OBJECTIVES

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After studying this chapter, you should be able to:

1. Discuss the importance of interpersonal skills in the workplace.
2. Define *organizational behaviour* (OB).
3. Assess the importance of using a scientific approach to OB.
4. Identify the major behavioural science disciplines that contribute to OB.
5. Explain why few absolutes apply to OB.
6. Describe the challenges and opportunities managers face when applying OB concepts in their workplaces.
7. Compare the three levels of analysis in this text's OB model.

You've probably made many observations about people's behaviour in your life. In a way, you are already proficient at seeing some of the major themes in organizational behaviour (OB). At the same time, you probably have not had the

tools to make these observations in a systematic, scientific manner. This is where OB comes into play. And, as we'll learn, OB is much more than common sense, intuition, and soothsaying.

THE IMPORTANCE OF INTERPERSONAL SKILLS

Until the late 1980s, business school curricula emphasized the technical aspects of management, focusing on economics, accounting, finance, and quantitative techniques. Course work in human behaviour and people skills received relatively less attention. Since then, however, business schools have realized the significant role understanding human behaviour

plays in determining a manager's effectiveness. As Sylvie Albert, Dean of the Department of Business and Economics at the University of Winnipeg, stated, "business programs these days are striving to provide a combination of technical and soft skills at the request of employers. Although a multidisciplinary understanding is beneficial for advancement in most careers, workplaces are looking for employees with demonstrated emotional intelligence, leadership and critical thinking skills. The expectation is that the development of these skills will be incorporated in coursework."¹

Incorporating OB principles into the workplace can yield many important organizational outcomes. For one, companies known as good places to work have been found (<http://www.canadastop100.com>) to generate superior performance from their employees.² Canadian Tire, Great West Life, 3M Canada, the Aboriginal People's Television Network, Labatt Breweries, SaskTel, and RBC have all won "Best Employer in Canada" awards for having worker-friendly programs such as formal mentoring, flexible work hours, telecommuting programs, and tuition reimbursement. Some of them, including Canadian Tire headquarters and select RBC facilities, even have free onsite health and fitness activities. These companies excel at what they do and part of their success can be attributed to their supportive environments. Second, developing managers' interpersonal skills helps organizations attract and keep high-performing employees, which is important because outstanding employees are always in short supply and costly to replace. These skills are especially relevant in highly diverse workplaces because interpersonal skills are needed to work effectively with people who may be quite different from oneself. Canada is one of the most diverse nations on Earth, making these skills particularly important. New managers in Canada and elsewhere are far more likely to fail due to a lack of people skills as opposed to a lack of technical or strategic thinking skills. Even workers without management responsibilities have smoother workplace interactions when aware of key aspects of human behaviour. Third, there are strong associations between the quality of workplace relationships and employee job satisfaction, stress, and turnover. One large survey of hundreds of workplaces and more than 200,000 respondents showed that social relationships among coworkers and supervisors were strongly related to overall job satisfaction. Positive social relationships were also associated with lower stress at work and lower intentions to quit.³ Further research indicates that employees who relate to their managers with supportive dialogue and proactivity find that their ideas are endorsed more often, which improves workplace satisfaction.⁴ Finally, increasing the OB element in organizations can foster social responsibility awareness. Accordingly, universities and colleges have begun to incorporate social entrepreneurship education into their curriculum in order to train future leaders to use interpersonal skills to address social issues within their organizations.⁵ This curriculum reflects a growing awareness of the need for understanding the means and outcomes of corporate social responsibility.⁶

We know that in today's competitive and demanding workplace, managers can't succeed on their technical skills alone. They also have to exhibit good people skills and be comfortable dealing with ambiguity. There are few absolute truths in human behaviour in general and organizational behaviour in particular, but OB knowledge combined with situation-specific critical assessment and judgment can help both managers and potential managers to better understand their workers. This in turn helps develop meaningful people skills that are informed by validated scientific knowledge about human behaviour.

ENTER ORGANIZATIONAL BEHAVIOUR

We've made the case for the importance of "people skills." But the discipline on which this text is based does not use that term, but rather *organizational behaviour*.

Organizational behaviour (OB) is a field of study that investigates the impact individuals, groups, and structure have on behaviour within organizations, for the purpose of applying such knowledge toward improving an organization's effectiveness. That's a mouthful, so let's break it down.

OB's goal is to understand and predict human behaviour in organizations. The complexities of human behaviour are not easy to predict, but neither are they random—certain fundamental consistencies underlie the behaviour of all individuals.

Organizational behaviour is a field of study, meaning that it is a distinct area of expertise with a common body of knowledge. It studies three determinants of behaviour in organizations: individuals, groups, and structure. In addition, OB applies the knowledge gained about individuals, groups, and the effect of structure on behaviour in order to make organizations work more effectively.

To sum up our definition, OB is the study of what people do in an organization and how their behaviour affects the organization's performance. And because OB is concerned specifically with employment-related situations, it emphasizes behaviour as related to concerns such as jobs, work, absenteeism, employment turnover, productivity, human performance, and management. Although debate exists about the relative importance of each, OB includes these core topics:

- Motivation
- Leader behaviour and power
- Interpersonal communication
- Group structure and processes
- Attitude development and perception
- Change processes
- Conflict and negotiation
- Work design⁷

COMPLEMENTING INTUITION WITH SYSTEMATIC STUDY

Each of us is a student of behaviour. Whether or not you've explicitly thought about it before, you've been "reading" people almost all your life, watching their actions and trying to interpret what you see or to predict what people might do under different conditions. Unfortunately, the casual or commonsense approach to reading others can often lead to erroneous predictions. However, you can improve your predictive ability by supplementing intuition with a more scientific approach.

The systematic, scientific approach in this text will uncover important facts and provide a base from which to make more accurate predictions of behaviour. Underlying this approach is the belief that behaviour is not random. Rather, we can identify fundamental consistencies underlying the behaviour of all individuals and modify them to reflect individual differences. It is important to note that most of the studies that form the basis for OB have been conducted in North America. From a scientific perspective that means we are less certain that the findings apply across other cultures; members of those cultures may have different values and behavioural expectations. (In this book, you will find comments in each chapter highlighting behaviour that may be heavily influenced by culture.) However, this important limitation is being actively corrected with expanded and more diverse research. And even now, OB is able to provide insight into some fundamental consistencies; they just have to be viewed with caution when operating in non-North American contexts.

These fundamental consistencies are very important. Why? Because they allow predictability. Behaviour is generally predictable, and the *scientific study* of behaviour is a means to making reasonably accurate predictions. When we use the term **scientific study**, we mean looking at relationships, attempting to attribute causes and effects, and basing our conclusions on scientific evidence—that is, on data gathered under controlled conditions, and rigorously measured and interpreted.

Evidence-based management (EBM) complements systematic study by basing managerial decisions on the best available scientific data. For example, we want doctors to make decisions

about patient care on the basis of the latest available knowledge, and EBM argues that managers should do the same, becoming more scientific in how they think about management problems. A manager might pose a managerial question, search for the best available evidence, and apply the relevant information to the question or case at hand. You might think it difficult to argue against this (what manager would say decisions shouldn't be based on evidence?), but the vast majority of management decisions are made "on the fly," with little systematic study of available evidence.⁸ It is also worth noting that managers aren't the only ones who benefit from a more scientific interpretation of behaviour. Average workers can also use these insights to better manage their workplace relationships, resolve conflicts, and seek influence.

Scientific study and EBM add to **intuition**, or those gut feelings about what makes others (and ourselves) tick. Of course, the things you have come to believe in an unsystematic way are not necessarily incorrect. Jack Welch (former CEO of GE) has noted: "The trick, of course, is to know when to go with your gut." But if we make *all* decisions with intuition or gut instinct, we're working with incomplete information—it's like making an investment decision with only half the data about the potential for risk and reward.

Big Data

It is good news for the future of business that researchers, the media, and company leaders have identified the potential of data-driven management and decision making. While "big data"—the extensive use of statistical compilation and analysis—has been applied to many areas of business, increasingly it is applied to making effective decisions and managing human resources. This has been enabled because companies increasingly keep information on human resources management matters such as absenteeism and productivity in large databases, allowing the comparison of hundreds or thousands of records across time from multiple companies. This process results in the recognition of broad trends and patterns that would otherwise be difficult to detect. For example, Xerox used big data to reduce employee turnover at their call centre. Analysis of employment data demonstrated that certain personality traits were more strongly associated with staying on the job than prior call centre experience. As a result, human resource managers changed their hiring criteria, deemphasizing experience and testing personality instead. In six months turnover was reduced by one-fifth.

The use of big data for managerial practices, though relatively new, holds much promise. A manager who uses data to define objectives, develop theories of causality, and test those theories can determine which employee activities are relevant to the objectives.⁹ However, we're not advising you to throw your intuition, or all the business press, out the window. In dealing with people, leaders often rely on hunches, and sometimes the outcomes are excellent. Other times, hunches are informed by biases that get in the way. Research findings indicate we are likely to be biased toward information that we've heard most recently, that has been frequently repeated, or that is of personal relevance. While research findings should be viewed with the same discernment as data output, the prudent use of big data, along with an understanding of human behavioural tendencies, can contribute to sound decision making and ease natural biases. What we are advising is to use evidence as much as possible to inform your intuition and experience. That is the promise of OB.

DISCIPLINES THAT CONTRIBUTE TO THE OB FIELD

Organizational behaviour is an applied behavioural science built on contributions from a number of behavioural disciplines, mainly psychology and social psychology, sociology, anthropology, and, increasingly, political science and neuroscience. Psychology's contributions have been principally at the individual or micro level of analysis, while the other disciplines have contributed to our

Several social science disciplines contribute to OB, but none are more important than psychology.

understanding of macro concepts such as group processes and organization. Neuroscience has contributed to our understanding at the individual and group level of analysis. Exhibit 1-1 gives an overview of the major contributions to the study of organizational behaviour.

Psychology

Psychology seeks to measure, explain, and sometimes change the behaviour of humans and other animals. Contributors who add to the knowledge of OB are learning theorists, personality theorists, counselling psychologists, and, most importantly, industrial and organizational psychologists.

Early industrial/organizational psychologists studied the problems of fatigue, boredom, and other working conditions that might impede efficient work performance. More recently, their contributions have expanded to include learning, perception, personality, emotions, training, leadership effectiveness, needs and motivational forces, job satisfaction, decision-making

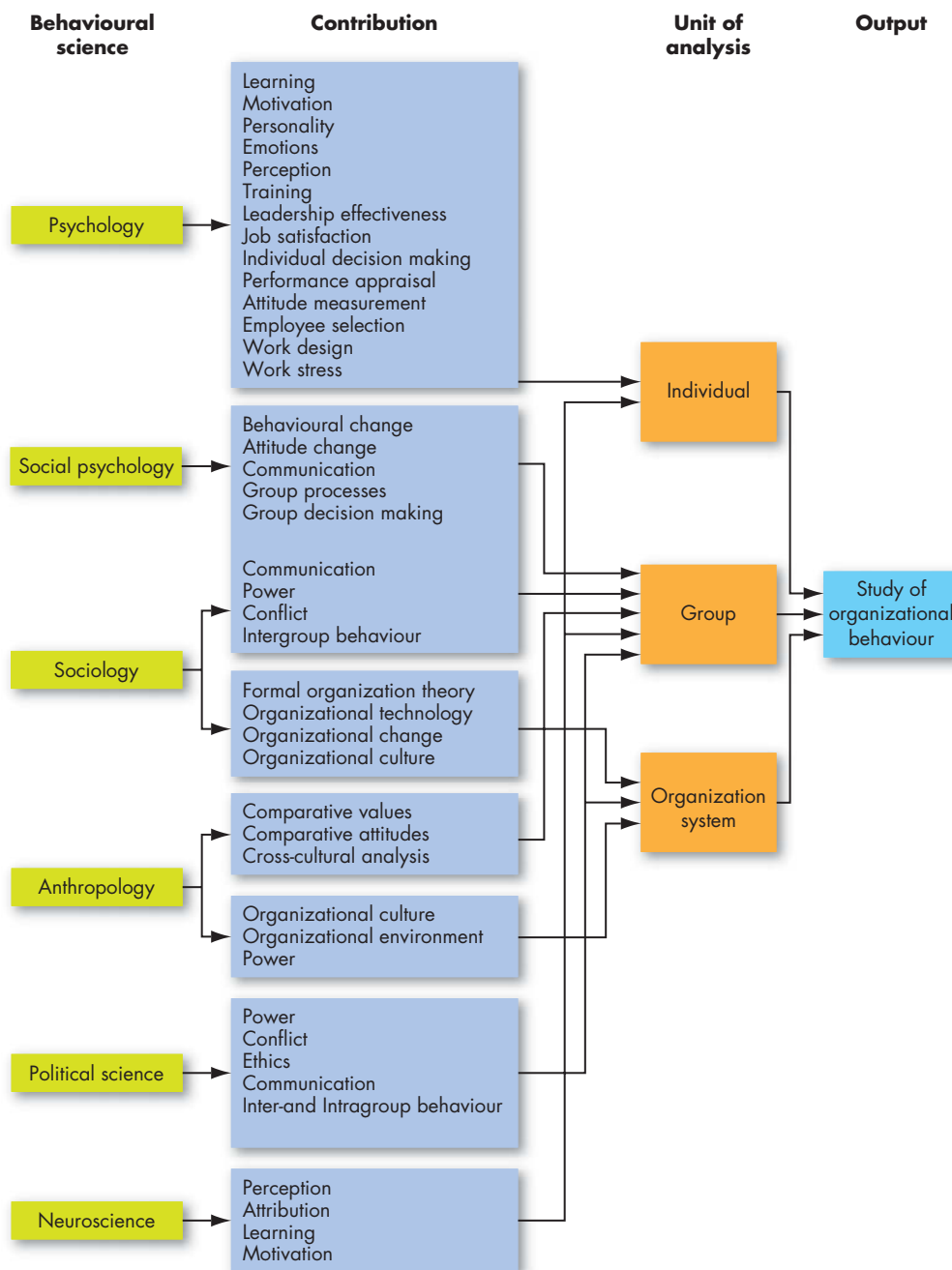


EXHIBIT 1-1 Toward an OB Discipline

processes, performance appraisals, attitude measurement, employee-selection techniques, work design, and job stress.

Social Psychology

Social psychology, generally considered a branch of psychology, blends concepts from both psychology and sociology to focus on peoples' influence on one another. One major study area is *change*—how to implement it and how to reduce barriers to its acceptance. Social psychologists also contribute to measuring, understanding, and changing attitudes; identifying communication patterns; and building trust. They have made important contributions to our study of group behaviour, power, and conflict.

Sociology

While psychology focuses on the individual, **sociology** studies people in relation to their social environment or culture. Sociologists have contributed to OB through their study of group behaviour in organizations, particularly formal and complex organizations. Perhaps most importantly, sociologists have studied organizational culture, formal organization theory and structure, organizational technology, communications, power, and conflict.

Anthropology

Anthropology is the study of societies to learn about human beings and their activities. Anthropologists' work on cultures and environments has helped us understand differences in fundamental values, attitudes, and behaviour between people in different countries and within different organizations. Much of our current understanding of organizational culture, organizational environments, and differences among national cultures is a result of the work of anthropologists or those using their methods.

Political Science

Political science is the study of systems of government but also political behaviours and activities. As such, it provides insight into the distribution of power and resources, and how those distribution decisions are influenced. Political scientists contribute to our understanding of the government regulation of industry, strategic mergers and acquisitions, group behaviour and decision making, public relations, and the use of personal-influence tactics and power plays within organizations.

Neuroscience has recently begun making important contributions to our understanding of organizational behaviour.



anekoho/Fotolia

Neuroscience

Neuroscience is the study of the structure and function of the nervous system and brain. Neuroscientists have recently begun contributing to OB by studying topics such as the impact of hormone levels on risk-taking in business contexts, the influence of pheromones on team behaviours, and the underlying cognitive structures and neural processes that contribute to inadvertent prejudice and associated skill discounting and underutilization of workers.¹⁰

A BRIEF HISTORY OF OB

Organizational behaviour as a distinct discipline started when scientific approaches to management began to indicate that behavioural considerations were important predictors of productivity. The famous Hawthorne studies were conducted between 1924 and 1932 at Hawthorne Electrical Company. The scientists involved were trying to discover the optimal temperature, lighting levels, and work pace to maximize productivity. Instead, they discovered that being observed and having people pay attention to the efforts of workers increased productivity regardless of temperature, lighting, etc. This helped launch an entire area of study devoted to motivation and teams.¹¹

In the 1950s the Carnegie School headquartered at Carnegie Mellon University was influential in directing attention to the integration of decision analysis, management science, and psychology.¹² This resulted in the development of important concepts such as bounded rationality, which states that decision making is influenced not only by rational assessment but also by cognitive limitations that can result in subconscious biases and inaccurate risk assessments. This insight helped practitioners understand why suboptimal decisions are frequently made by managers and leaders, and further research brought better understanding of some of those problems and better decision making.

The 1960s and 1970s saw many developments in organizational behaviour, with important discoveries being made in the areas of motivation, team behaviour, and leadership. Systems approaches that considered the influence of broader social structures also emerged—such as institutional theory, which focused on norms, rules, and routines, and contingency theory, which looked at the influence of the broader environment on management practice.

The 1980s and 1990s saw more focus on organizational culture and organizational change. This change was partly driven by new insights emerging from anthropology and psychology but also influenced by economic changes that led to increased globalization and widespread corporate downsizing, making understanding of culture and change more immediately relevant.

More recently, research inspired by the anthropological approach has focused on, among other things, situational models of leadership. Systems theories have offered new insights about optimizing the effectiveness of diversity management programs. Scholars in the Carnegie tradition have examined bounded rationality in the context of attitudes about mental health in the workplace and the influence of those attitudes on policy formulation. Each of these schools of thought continues to be developed today, making organizational behaviour an exciting and innovative area of ongoing research.

THERE ARE FEW ABSOLUTES IN OB

Laws in the physical sciences—chemistry, astronomy, physics—are consistent and apply in a wide range of situations. They allow scientists to generalize about the pull of gravity or to be confident about sending astronauts into space to repair satellites. Human beings are complex, and few, if any, simple and universal principles explain organizational behaviour. Because we are not all alike, our ability to make simple, accurate, and sweeping generalizations is limited. For example, not everyone is motivated by money, and people may behave differently at a religious service than they do at a party.

Because human behaviour is not perfectly predictable, tolerance for ambiguity is an important trait for anyone managing people.



Cartoonresource/Shutterstock

That doesn't mean, of course, that we can't offer reasonably accurate explanations of human behaviour or make valid predictions. It does mean that OB concepts must reflect situational, or contingency, conditions. We can say x leads to y , but only under conditions specified in z —the **contingency variables**. The science of OB was developed by applying general concepts to a particular situation, person, or group. For example, OB scholars would avoid stating that everyone likes complex and challenging work (the general concept). Why? Because not everyone wants a challenging job. Some people prefer routine over varied work, or simple over complex tasks. A job attractive to one person might not be to another; its appeal is contingent on the person who holds it.

As mentioned earlier, there are particular challenges when OB research that was conducted in one country or culture is applied in another country or culture. Cultures differ significantly from one part of the world to the next. These differences are often subtle. For example, individual accomplishment is very important in Canadian society, while people from many Asian and Latin American cultures tend to focus on group achievement.¹³ This simple difference has a profound impact on things like leadership style, organizational culture, motivational strategies, and the structure of work tasks. There are other cultural differences, such as the perceived appropriateness of maintaining a strict power hierarchy, which make it problematic to make assumptions about the applicability of research findings when working across cultures. Sites like the Hofstede Centre can help you assess these cultural differences and their impact on workplace practice (<http://geert-hofstede.com>).

Workers in this factory may have very different expectations regarding day-to-day workplace practices than workers doing the same tasks in Canada.

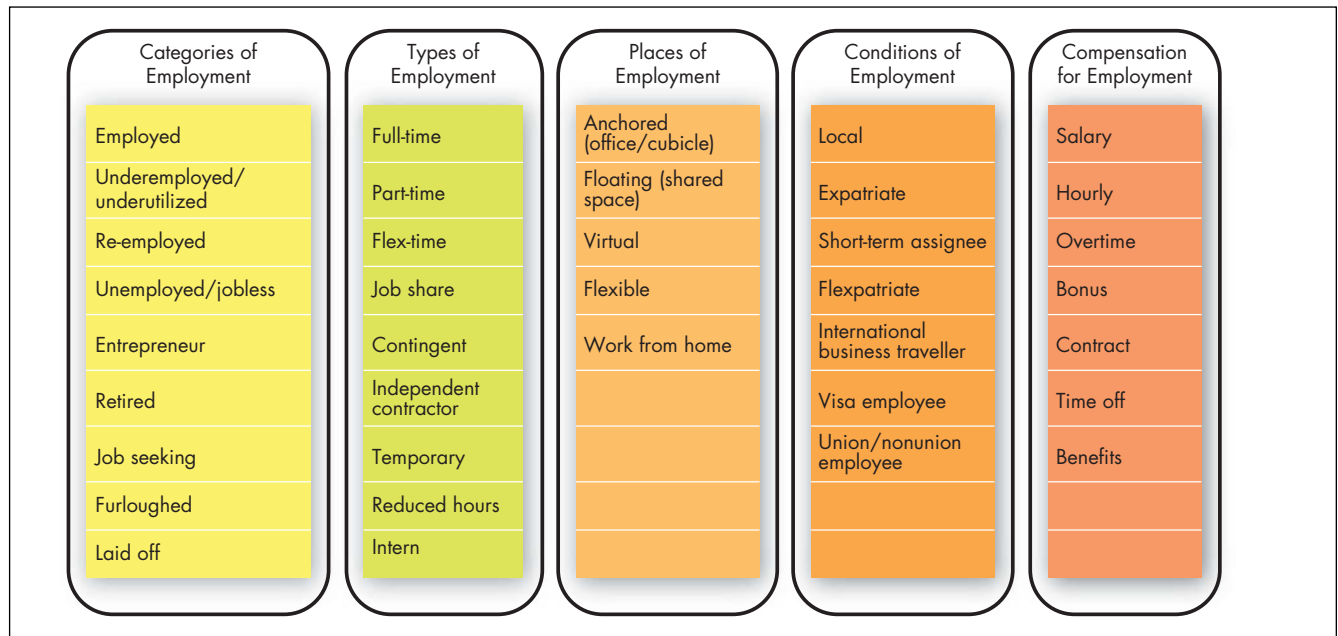


Imagine China/Newscom

CHALLENGES AND OPPORTUNITIES FOR OB

Understanding organizational behaviour has never been more important for managers. Take a quick look at the dramatic changes in organizations. The typical employee is getting older; the workforce is becoming increasingly diverse; corporate downsizing and the heavy use of temporary workers are severing the bonds of loyalty that tied many employees to their employers; and global competition requires employees to become more flexible and cope with rapid change.

As a result of these changes and others such as the rising use of technology, employment options have adapted to include new opportunities for workers. Exhibit 1-2 details some of the types of options individuals may find offered to them by organizations or for which they would like to negotiate. Under each heading in the exhibit, you will find a grouping of options from which to choose—or combine. For instance, at one point in your career you might find yourself



Employed—working for a for-profit or nonprofit company, an organization, or an individual, either for money and/or benefits, with established expectations for performance and compensation

Underemployed/underutilized—working in a position or with responsibilities that are below one’s educational or experience attainment level, or working less than full-time when one wants full-time employment

Re-employed—refers to either employees who were dismissed by a company and rehired by the same company, or to employees who left the workforce (were unemployed) and found new employment

Unemployed/jobless—currently not working; may be job-seeking, either with or without government benefits/assistance, either with or without severance pay from a previous job, either new to the workforce or terminated from previous employment, either short-term unemployed (months) or long-term/chronic unemployed (years)

Entrepreneur—one who runs his or her own business, either as a sole worker or as the founder of a company with employees

Retired—one who has ended his or her career in a profession, either voluntarily by choice or involuntarily by an employer’s mandate

Job-seeking—currently unemployed; actively looking for a job, either with or without government benefits from previous job or from disability/need, either with or without severance pay from previous job, either new to the workforce or terminated from previous employment

Furloughed—similar to a layoff; an employer-required work stoppage, temporary (weeks up to a month, usually); pay is often suspended during this time, though the person retains employment status with the company

EXHIBIT 1-2 Employment Options

Sources: J. R. Anderson Jr. et al., “Action Items: 42 Trends Affecting Benefits, Compensation, Training, Staffing and Technology,” *HR Magazine* (January 2013), p. 33; M. Dewhurst, B. Hancock, and D. Ellsworth, “Redesigning Knowledge Work,” *Harvard Business Review* (January–February 2013), pp. 58–64; E. Fraenheim, “Creating a New Contingent Culture,” *Workforce Management* (August 2012), pp. 34–39; N. Koeppen, “State Job Aid Takes Pressure off Germany,” *The Wall Street Journal* (February 1, 2013), p. A8; and M. A. Shaffer, M. L. Kraimer, Y.-P. Chen, and M. C. Bolino, “Choices, Challenges, and Career Consequences of Global Work Experiences: A Review and Future Agenda,” *Journal of Management* (July 2012), pp. 1282–1327.

(Continued)