P R E F A C E

Welcome to a metamorphosed era of organizational behavior! Virtual and offshore teams are replacing committees. Values and self-leadership are replacing command-and-control supervision. Knowledge is replacing infrastructure. Emotional intelligence has become an essential competency along with technical skills. Globalization has become the mantra of corporate survival and e-commerce, outsourcing and telecommunting have became the new paradigm for organizational functioning. Co-workers aren't down the hall; they're at the other end of an Internet connection located somewhere else on the planet.

Organizational Behavior, is written in the context of these emerging workplace realities. This edition explains how emotions guide employee motivation, attitudes, and decisions; how values have become the new resource to shape workplace behavior; how a person's social identity relates to team dynamics, stereotyping, and organizational culture; and how appreciative inquiry has become one of the emerging strategies for organizational change and how corporate social responsibility is affecting the triple bottom line of organizations. This book also presents the new reality that organizational behavior is not just for managers; it is relevant and useful to anyone who works in and around organizations.

GLOBAL ORIENTATION

Love it or hate it, globalization is part of the emerging reality of organizations. The opening chapter of *Organizational Behavior,* Fourth Edition, reflects this situation by introducing the topic of globalization in the context of OB concepts. Global issues are also highlighted throughout this book—cross-cultural values and ethics (Chapter 2), job satisfaction and emotional responses in different societies (Chapter 4), the relevance of motivation concepts across cultures (Chapter 5), attitudes toward money in various cultures (Chapter 6), employee stress from overwork in Japan (Chapter 7), cross-cultural issues in the success of self-directed work teams and the prevalence of virtual teams (Chapter 10), problems with cross-cultural communication (Chapter 11), cultural values and expectations as a factor in the preferred influence tactics (Chapter 12), cross-cultural conflict (Chapter 13), preferred leadership styles across cultures (Chapter 14), and cross-cultural issues in organizational change (Chapter 17) are just some examples.

To further emphasize the emerging reality of globalization, every chapter has one or more *Global Connections* features that link OB concepts to organizational incidents around the world. For example, you will read how an increasing number of young people in Japan are dramatically altering the traditional employment relationship by becoming "freeters," how a German advertising and web design firm is gaining attention by adopting a no-nonsense "back to work" corporate culture, how nonverbal communication narrowly avoided a potentially deadly incident during the war in Iraq, how employees in Argentina are saving their jobs by taking over the businesses abandoned by their employers, and how people throughout Asia are trying out new forms onshore/offshore/virtual team working.

LINKING THEORY WITH REALITY

Every chapter of *Organizational Behavior,* Fourth Edition, is filled with real-life examples to make OB concepts more meaningful and reflect the relevance and excitement of this field. For example, you will read how Infosys chairman Narayanamurthy has institutionized values, how Brij Mohan Munjal has converted his dream into reality by making Hero Honda a global leader; how Wall Street brokerage firms are putting employees into teams for better customer service, how Hewlett-Packard created a more performance-oriented corporate culture by acquiring Compaq, how the president of New York's Central Park Conservancy improved her perceptions of employees by literally walking in their shoes, how high-involvement cross-functional teams assisted the dramatic turnaround of Nissan Motor Company, and how Pixar Animation Studios designed its new campus headquarters to improve employee communications.

These real-life stories appear in many forms. Every chapter of this book is filled with photo captions and in-text anecdotes about work life in this new millennium. Each chapter also includes *Connections,* a special feature that "connects" OB concepts with real organizational incidents. Case studies in each chapter and video case studies in each part also connect OB concepts to the emerging workplace realities. These stories provide representation across India, United States and around the planet. Moreover, these examples cover a wide range of industries—from software to government, and from small businesses to the Fortune 500.

ORGANIZATIONAL BEHAVIOR KNOWLEDGE FOR EVERYONE

Another distinctive feature of *Organizational Behavior* is that it is written for everyone in organizations, not just "managers." The new reality is that people throughout the organization—systems analysts, production employees, accounting professionals—are assuming more responsibilities as companies remove layers of bureaucracy and give nonmanagement staff more autonomy over their work. Consequently, the philosophy of this book is that everyone who works in and around organizations needs to understand and make use of organizational behavior knowledge.

CONTEMPORARY THEORY FOUNDATION

Organizational Behavior has a solid foundation of contemporary and classic scholarship. You can see this in the references. Each chapter is based on dozens of articles, books, and other sources. The most recent literature receives thorough coverage, resulting in what we believe is the most up-to-date organizational behavior textbook available. These references also reveal that we reach out to information systems, marketing, and other disciplines for new ideas. At the same time, this textbook is written for students, not the scholars whose work is cited. Consequently, you will read about the conceptual and applied implications of leading research, but not detailed descriptions of those studies. Also, the names of researchers or their affiliations are rarely mentioned in the text. The philosophy of this textbook is to present OB scholarship in ways that students will remember long after their final examination.

Organizational Behavior was the first textbook in this field to discuss workplace emotions, social identity theory, appreciative inquiry, search conferences, the employee-customer-profit chain model, 360 degree feedback and several other groundbreaking topics. This edition continues to present innovative and contemporary ideas, including the latest knowledge on individualism-collectivism, innate drives theory, Schwartz's values model, counterproductive

work behaviors, learning orientation, virtual teams, workaholism, bush executive coaching, emotions in decision making, corporate soual responsibility, leadership throgh 360 degree feedbace and several other topics.

CHANGES IN THIS EDITION

Organizational Behavior, is the result of reviews over the past three years by more than 140 organizational behavior scholars and teachers in several countries. This feedback, along with a continuous scan of relevant literature, has resulted in numerous improvements. First, you will notice significant changes to the textbook structure. Guided by extensive reviewer feedback, the chapters are more clearly organized around individual, team, and organizational levels of analysis. The early chapters focus on individual differences, with the more stable characteristics (values, personality) presented before the more fluid characteristics (emotions, attitudes). This edition also has two chapters on teams; integrates decision making, creativity, and employee involvement into one chapter; moves employment and career topics closer to related material throughout the textbook; and moves organizational change to the book's final chapter.

Along with structural improvements, this edition presents more experiential learning support than ever before. In particular, this edition nearly doubles the number of self-assessments and includes a CD where students can complete these assessments more efficiently. *Organizational Behavior* is one of the few books with comprehensive Indian cases, and this edition further supports instructor requests for more of these lengthier cases. You will also find several new cases and team exercises in each chapter of the book.

Almost every chapter has been substantially updated with new conceptual and anecdotal material. Here are some of the most significant improvements within each chapter of this edition:

- *Chapter 1: Introduction to the Field of Organizational Behavior*—The section on trends in OB now includes discussion of corporate social responsibility, as well as completely rewritten subsections on globalization and information technology outsourcing, BPO and KPO, work force diversity in India, in the context of organizational behavior. The systematic research anchor now recognizes grounded theory methodology, and the chapter adds new information on telecommuting as well as OB and the bottom line.

- *Chapter 2: Individual Behavior, Values, and Personality*—This completely rewritten chapter places the most stable individual differences (values, personality) Indian values and workplace behaviour near the beginning of the book. It also includes groundbreaking research on individualism and collectivism, Schwartz's model (which dominates current values literature), a new section on values congruence, and new information on counterproductive work behaviors. This chapter also includes updated information on ethical principles and employee competencies and institutionalization of values at Infosys.

- *Chapter 3: Perception and Learning in Organizations*—This completely rewritten chapter logically combines perceptions and learning. Minimizing stereotyping bias, practicing self-fulfilling prophecy, and empathy are revised and updated based on new literature. Social identity theory is also updated here to reflect the rapidly growing OB literature on this subject.

- *Chapter 4: Workplace Emotions and Attitudes*—This significantly revised chapter offers the most up-to-date definition and model of emotions, emotional labor, and emotional intelligence. The chapter also introduces groundbreaking ideas from neurology and evolu-

tionary psychology on the dual rational-emotional processes in attitudes and behavior. This edition also includes the exit-voice-loyalty-neglect (EVLN) model of job satisfaction, important new research on the relationship between job satisfaction and job performance, new information on effects of surface versus deep acting emotional labor on emotional dissonance, and updated information on organizational commitment.

■ *Chapter 5: Motivation in the Workplace*—Innate drives theory, one of the most important conceptual developments in employee motivation, is introduced in this chapter. This edition also has a new section on organizational justice, including full discussion on procedural justice as a source of motivation. Executive coaching and the integration of goal setting with feedback along with employee retention strategies are also new features of this chapter.

■ *Chapter 6: Applied Performance Practices*—This appropriately renamed chapter includes a new section on empowerment, updated information on self-leadership in practice, and discussion of the balanced scorecard.

■ *Chapter 7: Work-Related Stress and Stress Management*—This popular chapter includes new information on workaholism, as well as updates on the job burnout model, work hours as a stressor, and work–life balance.

■ *Chapter 8: Decision Making and Creativity*—Based on the preferences of reviewers, this completely rewritten chapter integrates decision making, creativity, and employee involvement, and precedes our discussion of team dynamics. It presents a case on Sabeer Bhatia, the co-founder of Hotmail and an icon of creativity. The chapter includes new information on the dual rational-emotional processes in decision making, in both identifying problems and making choices. It also presents a new model of employee involvement in decision making, new information on implicit favorite and information processing distortion in decision making, and more explicit identification and critique of the "rational" and "bounded rationality" decision-making processes.

■ *Chapter 9: Foundations of Team Dynamics*—The topic of teams is now split into two chapters with new material, as requested by several reviewers. This chapter includes new details about the potential benefits of teams as well as Belbin's team roles. It also updates coverage of types of teams, team composition, and task interdependence.

■ *Chapter 10: Developing High-Performance Teams*—This new chapter integrates the topics of self-directed work teams, virtual teams, team trust, team decision making, and team building. It provides the latest knowledge on virtual teams, including why they exist and how to design them more effectively. The chapter also updates information on constructive conflict in team decision making as well as challenges to self-directed work teams.

■ *Chapter 11: Communicating in Teams and Organizations*—This chapter is reorganized for a more logical flow of topics from interpersonal to organizational-level concepts. It also updates the sections on direct communication with top management, the effect of information technologies on the organizational grapevine, and communication issues in work space design.

■ *Chapter 12: Power and Influence in the Workplace*—This chapter offers an entirely new presentation and orientation on the types of influence in the workplace. It also adds a new section on contingencies of influence tactics, and it improves the connection between influence and organizational politics. The chapter also describes how *guanxi* in Asia and *blat* in Russia serve as influence tactics through the exchange process.

■ *Chapter 13: Conflict and Negotiation in the Workplace*—This chapter introduces new information on constructive versus socioemotional conflict. The chapter also offers new infor-

mation on conflict management styles, time deadlines in negotiation, and third-party conflict resolution.

- *Chapter 14: Leadership in Organizational Settings*—This chapter introduces new research on cross-cultural issues in leadership, including findings from the GLOBE leadership project. It updates information on integrity, emotional intelligence, and other leadership competencies. It also updates writing about implicit leadership theory, the debate on transformational versus charismatic leadership, women leadership in India and how women and men are evaluated as leaders.
- *Chapter 15: Organizational Structure and Design*—This chapter offers new information on divisional structures, including the general decline of geographic divisional structures. It also includes updated information on network structures as well as centralization-decentralization and cross cultural researches on India.
- *Chapter 16: Organizational Culture*—Along with numerous updated references and examples, this chapter revises information on ethics and corporate culture. It also incorporates information on organizational socialization and cross cultural researches on India.
- *Chapter 17: Organizational Change*—This chapter features several structural changes to streamline the information and improve the flow of topics. In particular, it has a new section on three approaches to organizational change (action research, appreciative inquiry, parallel learning structures). The chapter updates information on creating an urgency to change, search conferences as a change process, types of change agents, the action research approach to organizational change, and the appreciative inquiry approach to organizational change. This chapter also completes the book with an overview of strategies for personal development in organizational settings.

SUPPORTING THE LEARNING PROCESS

The changes described above refer only to the text material. *Organizational Behavior,* also has improved technology supplements, cases, videos, team exercises, and self-assessments. The detailed Walkthrough on the following pages highlights the many learning features available to you and your students with *Organizational Behavior.*

ACKNOWLEDGMENTS

Organizational Behavior, symbolizes the power of teamwork. More correctly, it symbolizes the power of a *virtual team* with Mary Ann Von Glinow in Miami, Steve McShane in Perth, Australia, and in Singapore, and members of the editorial crew from Chicago, New York City, and Michigan.

Superb virtual teams require equally superb team members, and we were fortunate to have this in our favor. Executive editor John Weimeister led the way with enthusiasm and foresight, while clearing the way of any challenges. Christine Scheid (Senior Developmental Editor) demonstrated amazingly cool coordination skills as the authors pushed the deadline limits so students have the latest OB knowledge. The keen copyediting skills of Carole Schwager made *Organizational Behavior,* incredibly error-free. Kari Geltemeyer, our Senior Project Manager, met the challenge of a tight production schedule. Pam Verros delivered an elegant design with a textbook cover that captures the global and future-focus themes of this textbook. Amy Bethea triumphed to deliver the many photos that the authors had selected for this edition. Thanks to you all. This has been an exceptional team effort!