

# CONTENTS

**FOREWORD, by Herbert A. Simon**      **xix**

**PREFACE**      **xxi**

## **1**

**STRATEGY AND STRUCTURE:  
A FRAMEWORK FOR ANALYSIS**      **1**

**ORGANIZATIONAL GOALS, 2**

*Multiple Goals, 4*

**THE SYSTEMS APPROACH, 5**

*Characteristics of Systems, 5*

**STRATEGY AND STRUCTURE, 8**

*Strategy Defined, 8*

*Strategy and Structure: Research Findings, 9*

**THE PLAN OF THIS BOOK, 10**

*A Framework for Analyzing Organizations, 10*

*Two Different Forms of Organization, 11*

**THE EVOLUTION OF MANAGEMENT THEORY  
AND VALUES 17**

**MANAGEMENT THEORY AND VALUES BACKGROUND, 18**

- Egypt, Greece, and Rome, 18
- The Medieval Period, 19
- The Capitalistic Ethic and Economic Individualism, 20
- The Legacy, 23
- The Industrial Revolution, 23

**SCIENTIFIC MANAGEMENT, 25**

- Frederick Winslow Taylor, 26

**ADMINISTRATIVE THEORISTS, 28**

- Henri Fayol, 28
- Urwick and Gulick; Mooney and Reilly, 29
- Max Weber and Bureaucratic-Organization Theory, 30
- Comparison of Administrative and Bureaucratic  
Organizational Theory, 32
- Criticism of Administrative and Bureaucratic  
Organizational Theories, 33

**HUMAN-RELATIONS MANAGEMENT, 34**

- Hawthorne, 35

**THE BEHAVIORAL SYSTEMS SCHOOL, 37**

- The Environment, 37
- Behavioral-Systems Writers, 39
- Homans, 40
- Likert, 42
- McGregor and Argyris, 42

**BRIDGING THE ERAS: FOLLETT, BARNARD, MARCH,  
AND SIMON, 43**

**TOWARD A SITUATIONAL APPROACH, 46**

# 3

## **ENVIRONMENT, TECHNOLOGY, AND ORGANIZATION 53**

ORGANIZATIONAL ENVIRONMENTS, 54  
The Emery and Trist Studies, 54

ENVIRONMENT AND ORGANIZATION, 56  
The Burns and Stalker Studies, 56  
The Lawrence and Lorsch Studies, 60  
The Hall Study, 62

TECHNOLOGY AND ORGANIZATION, 63  
The Woodward Studies, 63  
The Harvey Study, 69

SUMMARY AND INTERPRETATION, 71

# 4

## **DIVISION OF WORK 75**

BACKGROUND: THE DIVISION OF WORK, 77

SPECIALIZATION AND EMPLOYEE SATISFACTION, 79  
Research Findings: Job Enlargement and Enrichment, 79  
Research Findings: Are Specialized Jobs Always  
*Unsatisfying?* 82

DEPARTMENTALIZATION, 84  
Purpose Versus Process Departmentalization, 84

*Contents*

*Specific Bases of Departmentalization—Their Advantages  
and Disadvantages, 85*  
Research Findings: Purpose Versus Process  
Departmentalization, 89

**LINE-STAFF STRUCTURE, 94**

Types of Staff, 95  
Factors Influencing the Use of Staff, 95

# 5

## **DELEGATION AND DECENTRALIZATION 105**

**DELEGATION AND DECENTRALIZATION, 106**

Definitions, 106  
Situational Factors in Decentralization, 108  
Problems, Costs, and Morale Factors  
in Decentralization, 112

**THE NUMBER OF HIERARCHICAL LEVELS AND THE SPAN  
OF CONTROL, 115**

Flat Versus Tall Organizations, 116  
Span of Control, 118

**DIFFERENCES ASSOCIATED WITH ORGANIZATIONAL  
LEVEL, 123**

Satisfaction and Needs, 123  
Organizational Level and Decision-Making, 126

# 6

## **ORGANIZATIONAL CONFLICT AND COORDINATION 133**

**THE NATURE OF CONFLICT, 136**

*Functions and Dysfunctions of Conflict, 136*

**CONFLICT AND ORGANIZATIONAL STRUCTURE, 137**

*Conditions for Conflict, 137*

*Interlevel and Interdepartmental Conflict, 139*

*Line-Staff Conflict, 139*

*Role Conflict, 141*

**ACHIEVING COORDINATION, 142**

*Coordination and Task Routineness, 142*

*Hierarchic Coordination, 143*

*Structural Integration, 143*

**7**

**LEADERSHIP AND SUPERVISION 153**

**TRAIT THEORY: CHARACTERISTICS OF SUCCESSFUL LEADERS, 154**

*The Ghiselli Research, 156*

*Discussion, 157*

**BEHAVIORAL THEORIES: "STYLES" OF LEADERSHIP, 158**

*Structuring/Considerate, 159*

*Production-Centered/Employee-Centered, 161*

*Close/General, 161*

*Authoritarian/Democratic, 162*

*Common Elements of Leadership Styles, 166*

*Summary, 168*

**SITUATIONAL LEADERSHIP THEORIES, 169**

*Fiedler's Contingency Theory, 169*

*House Path-Goal Situational Theory, 172*

*The Tri-Dimensional Leadership Theory, 173*

*Summary, 176*

# 8

## ORGANIZATIONAL CLIMATE 183

### WHAT IS ORGANIZATIONAL CLIMATE? 185

- Structural Approaches, 185
- Subjective Approaches to Climate, 186
- Climate: A Synthesis, 186

### THE ROLE OF CLIMATE: RESEARCH FINDINGS, 187

- Climate as an Independent Variable, 187
- Climate as an Intervening Variable, 190
- Climate as a Dependent Variable, 192

### FITTING THE CLIMATE TO THE TASK, 195

- The Morse Study, 196
- Conclusion, 199

# 9

## MOTIVATION AND SATISFACTION 203

### BASIC CONCEPTS, 204

- Needs and Incentives, 205
- Motivation, 206
- Frustration, 206
- Cognitive Dissonance, 206
- Job Involvement, 208
- Job Satisfaction, 208

### SELECTED THEORIES OF MOTIVATION, 208

- Maslow's Hierarchy of Needs, 208
- Herzberg's Two-Factor Theory, 210
- The Maslow and Herzberg Theories: A Summary, 214
- Equity Motivation Theory, 215

Achievement Motivation, 216  
Vroom's Expectancy Theory of Motivation, 216  
Summary, 217

**WORK VALUES AND SATISFACTION, 219**

Satisfaction of Managers, 219  
Individual and Cultural Aspects of Work Values, 221

**JOB SATISFACTION AND WORK-RELATED BEHAVIOR, 221**

Job Satisfaction and Job Attendance, 221  
Job Satisfaction and Job Performance, 222  
Discussion, 223

# 10

## **GROUPS AND COMMITTEES 229**

**BASIC CONCEPTS, 231**

What Is a Group? 231  
Types of Groups, 231  
Norms and Social Control, 233  
The Informal Leader, 234

**GROUP COHESIVENESS, 234**

Factors That Influence Group Cohesiveness, 234  
The Schachter Study, 236  
The Seashore Study, 237

**THE HOMANS MODEL, 237**

Homans's Basic Concepts, 239  
The Homans Model, 239

**COMMUNICATIONS AND DECISION-MAKING IN GROUPS, 240**

Communications in Groups, 240  
Decision-Making in Groups, 243

**COMMITTEES, 245**

Use of Committees, 245  
Advantages of Committees, 246  
Disadvantages of Committees, 246

# 11

## STAFFING AND PERFORMANCE APPRAISAL 251

### PERSONNEL RECRUITMENT AND SELECTION, 253

Sources of Applicants, 253

Characteristics of Managers, 254

Use of Application Blanks and Biographical Inventories in Selection, 257

Use of Interviews in Selection, 261

Use of References in Selection, 264

Use of Psychological Testing in Selection, 265

### PERFORMANCE APPRAISAL, 268

Devices for Rating Performance, 269

Who Does the Appraising? 273

# 12

## TRAINING AND DEVELOPMENT 281

### CONTINGENCY ASPECTS OF TRAINING AND DEVELOPMENT, 283

### TRAINING-AND-DEVELOPMENT METHODS FOR BOTH MECHANISTIC AND ORGANIC ORGANIZATIONS, 284

Lectures, 284

Conference Methods, 284

The Case Method, 284

Management Games, 285

Programmed Learning, 285

The Use of Participation: Changing Organizational Structure, 287

The Use of Participation: Management by Objectives, 290

### ORGANIZATIONAL DEVELOPMENT FOR ORGANIC ORGANIZATIONS, 293



What Is Organizational Development? 293  
Strategy in Organizational Development, 295  
The Confrontation Meeting, 297  
Sensitivity Training, 299  
The Managerial Grid, 302

SITUATIONAL ASPECTS OF TRAINING AND DEVELOPMENT, 304  
The Fiedler Theory, 304

EVALUATING THE DEVELOPMENT EFFORT, 305  
Basic Concepts in Evaluation, 306  
Current Evaluation Practices, 306



## **DECISION-MAKING 311**

TYPES OF DECISION-MAKERS, 313  
Economic Man, 313  
Administrative Man, 314  
Research Findings, 315

PROGRAMMED AND NONPROGRAMMED DECISIONS, 317  
Programmed Decisions, 318  
Nonprogrammed Decisions, 319

METHODS FOR PROGRAMMED DECISION-MAKING, 319  
Management Science/Operations Research, 319  
The Scientific Method, 320  
Some Operations-Research Techniques, 321

METHODS FOR NONPROGRAMMED DECISION-  
MAKING, 327  
Heuristic Problem-Solving, 327  
Creativity, 328

# 14

## MANAGERIAL PLANNING 333

### DEVELOPING PLANS, 335

The General Planning Process: The Need for  
a Contingency Approach, 335

Strategic Plans, 337

Standing Plans, 342

Single-Use Plans, 345

### FORECASTING, 346

Fitting the Technique to the Situation, 347

### EFFECTIVENESS AND IMPORTANCE OF PLANNING: RESEARCH FINDINGS, 352

# 15

## CONTROL AND AUTONOMY 359

### THE NEED FOR CONTROL, 360

The Control Process, 360

Fitting Control to the Task, 361

### BEHAVIORAL CONSEQUENCES OF CONTROL, 362

Specific Problems, 362

Minimizing Adverse Behavior Effects, 364

### SURVEY OF FINANCIAL-CONTROL TECHNIQUES, 365

Preparing Budgets, 365

Human-Assets Accounting, 368

Ratio Analysis and Return on Investment, 369

**OTHER POPULAR CONTROL TECHNIQUES, 372**

- Production Control, 372
- Network Analysis and PERT, 374
- Break-Even Analysis, 376
- The Management Audit, 377

**FITTING CONTROL AND AUTONOMY TO THE TASK:**

**SELECTED STUDIES, 378**

- Measuring Control, 379
- Control, Delegation, and the Task, 381
- Competition, Delegation, and Control, 382
- Technology, Uncertainty, and Control, 383
- Uncertainty and Delegation, 385