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Brief Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>List of Figures</td>
<td>xi</td>
</tr>
<tr>
<td>List of Tables</td>
<td>xi</td>
</tr>
<tr>
<td>About the Authors</td>
<td>xiii</td>
</tr>
<tr>
<td>Acknowledgements</td>
<td>xv</td>
</tr>
<tr>
<td>Guided Tour</td>
<td>xvii</td>
</tr>
<tr>
<td>Companion Website</td>
<td>xx</td>
</tr>
<tr>
<td>Praise for the Third Edition</td>
<td>xxii</td>
</tr>
<tr>
<td>Introduction</td>
<td>1</td>
</tr>
</tbody>
</table>
| **Part One**  
  MANAGING PEOPLE IN ORGANIZATIONS            | 5    |
| 1  Managing and Organizations in Changing Contexts | 7    |
| 2  Managing Sensemaking                       | 17   |
| 3  Managing Individuals                       | 51   |
| 4  Managing Teams and Groups                  | 91   |
| 5  Managing Leading, Coaching, and Motivating | 121  |
| 6  Managing Human Resources                   | 161  |
| **Part Two**  
  MANAGING ORGANIZATIONAL PRACTICES           | 201  |
| 7  Managing Cultures                          | 203  |
| 8  Managing Conflict                          | 237  |
| 9  Managing Power, Politics, and Decision-making in Organizations | 259  |
| 10 Managing Communications                    | 301  |
| 11 Managing Knowledge and Learning           | 333  |
| 12 Managing Innovation and Change            | 361  |
| 13 Managing Social Responsibility Ethically   | 395  |
| **Part Three**  
  MANAGING ORGANIZATIONAL STRUCTURES AND PROCESSES | 435  |
| 14 Managing Bureaucracy                       | 437  |
| 15 Managing Beyond Bureaucracy                | 481  |
| 16 Managing Organizational Design             | 517  |
| 17 Managing Globalization                     | 557  |
| Glossary                                     | 605  |
| Bibliography                                 | 617  |
| Index                                        | 677  |
Contents

LIST OF FIGURES ....................................................... xi
LIST OF TABLES ........................................................ xi
ABOUT THE AUTHORS ........................................... xiii
ACKNOWLEDGEMENTS ............................................. xv
GUIDED TOUR ........................................................... xvii
COMPANION WEBSITE ............................................. xx
PRAISE FOR THE THIRD EDITION ................................ xxii

INTRODUCTION .......................................................... 1
The idea ........................................................................ 1
The guide ...................................................................... 1
How to use the book .................................................... 2

Part One
MANAGING PEOPLE IN ORGANIZATIONS

1
MANAGING AND ORGANIZATIONS IN CHANGING CONTEXTS
Opening, Thinking, Contextualizing

Introduction ............................................................... 7
Changing paradigms .................................................... 8
Using Managing and Organizations ............................. 14
Summary .................................................................... 15
Exercises .................................................................... 15
Additional resources ................................................... 16

2
MANAGING SENSEMAKING
Managing, Organizations, Sensemaking

Introduction ............................................................... 17
Managing ..................................................................... 21
Organizations ........................................................... 22
Sensemaking ............................................................. 33
Common metaphors framing rationality ....................... 42
Why are managerialist assumptions of rationality influential? .................................................. 45
Summary .................................................................... 46
Exercises .................................................................... 47
Additional resources ................................................... 50

3
MANAGING INDIVIDUALS
Seeing, Being, Feeling

Introduction ............................................................... 51
Psychology at work .................................................... 52
Perception at work ..................................................... 55
Values: managing me, myself, and I ............................ 66
Personality ................................................................. 71
Positive psychology: emotions and happiness .......... 77
Summary .................................................................... 84
Exercises .................................................................... 85
Additional resources ................................................... 89

4
MANAGING TEAMS AND GROUPS
Cohabitation, Collaboration, Consternation

Introduction ............................................................... 91
Team and group dynamics ......................................... 93
Group properties and processes ................................ 97
Developing teams ....................................................... 104
Team conflict and the darker side of teams ................ 110
Toxic handling in teams ............................................. 112
## CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Summary</td>
<td>116</td>
</tr>
<tr>
<td>Exercises</td>
<td>116</td>
</tr>
<tr>
<td>Additional resources</td>
<td>119</td>
</tr>
</tbody>
</table>
| 5
| MANAGING LEADING, COACHING, AND MOTIVATING                             |      |
| Transformation, Instruction, Inspiration                               |      |
| Introduction                                                           | 122  |
| What is leadership?                                                    | 123  |
| New perspectives on leadership                                         | 135  |
| Is leadership culturally variable? The GLOBE Project                   | 155  |
| Summary                                                                | 156  |
| Exercises                                                              | 157  |
| Additional Resources                                                   | 160  |
| 6
| MANAGING HUMAN RESOURCES                                               |      |
| Diversity, Selection, Retention                                        |      |
| Introduction                                                           | 161  |
| HRM origins                                                            | 163  |
| HRM in practice: the core functions                                   | 166  |
| HRM in context                                                        | 176  |
| Institutional shaping of HRM                                           | 184  |
| The industrial relations climate                                       | 191  |
| Summary                                                                | 194  |
| Exercises                                                              | 195  |
| Additional resources                                                   | 198  |
| 7
| MANAGING CULTURES                                                      |      |
| Values, Practice, Being                                               |      |
| Introduction                                                           | 203  |
| The concepts of culture                                               | 204  |
| Stories of strong cultures                                            | 210  |
| Different perspectives on culture                                      | 220  |
| 8
| MANAGING CONFLICT                                                      |      |
| Conflict, Clashes, Conciliations                                      |      |
| Introduction                                                           | 237  |
| Conflict in and among organizations                                   | 238  |
| From dysfunctional to constructive conflict                            | 239  |
| Normative approaches to conflict                                       | 244  |
| Five styles of personal conflict management                            | 246  |
| Silencing conflict                                                    | 250  |
| Shifting views of conflict?                                            | 251  |
| Summary                                                                | 253  |
| Exercises                                                              | 254  |
| Additional resources                                                   | 257  |
| 9
| MANAGING POWER, POLITICS, AND DECISION-MAKING IN ORGANIZATIONS         |      |
| Resistance, Empowerment, Decisions                                     |      |
| Introduction                                                           | 260  |
| Sources of power                                                       | 261  |
| Politics                                                               | 268  |
| Domination, authority, empowerment, emancipation                       | 274  |
| Hegemony and total institutions                                       | 279  |
| Experiments with authority                                            | 283  |
| Power, politics, and decision-making                                   | 286  |
| The ethics of decision-making rationality                             | 292  |
| Managing with positive power                                           | 294  |
| Summary                                                                | 295  |
| Exercises                                                              | 296  |
| Additional resources                                                   | 298  |
| 10
| MANAGING COMMUNICATIONS                                                |      |
| Meaning, Sensemaking, Polyphony                                        |      |
| Introduction                                                           | 301  |
| Theories of communication                                              | 304  |
| Communication at work                                                  | 325  |
Contents

Summary.............................................................................329
Exercises.............................................................................329
Additional resources.........................................................331

11
MANAGING KNOWLEDGE AND LEARNING
Communities. Collaboration. Boundaries

Introduction.............................................................................333
Knowledge management.......................................................334
Driving forces behind knowledge and learning.........................346
Organizational learning as paradox? ......................................352
Summary.............................................................................357
Exercises.............................................................................357
Additional resources.........................................................359

12
MANAGING INNOVATION AND CHANGE
Creativity. Imagination. Foolishness

Introduction.............................................................................361
Central approaches and main theories.......................................362
Managing change and innovation.............................................380
Summary.............................................................................391
Exercises.............................................................................391
Additional resources.........................................................394

13
MANAGING SOCIAL RESPONSIBILITY ETHICALLY
Stakeholders. Responsibility. Sustainability

Introduction.............................................................................395
Stakeholder management.......................................................397
Corporate greening...............................................................399
Critical management.............................................................404
Doing CSR...........................................................................406
Approaches to business ethics.................................................419
Summary.............................................................................430
Exercises.............................................................................431
Additional resources.........................................................433

Part Three
MANAGING ORGANIZATIONAL STRUCTURES AND PROCESSES

14
MANAGING BUREAUCRACY
Thinkers. Principles. Models

Introduction.............................................................................437
Origins..................................................................................438
Management theory: foundations.............................................439
Exporting modern management ideas.......................................465
Contemporary management models........................................467
Resisting management: labour process theory............................470
Summary.............................................................................475
Exercises.............................................................................476
Additional resources.........................................................479

15
MANAGING BEYOND BUREAUCRACY
Dysfunctions. Institutions. Isomorphism

Introduction.............................................................................481
Rethinking bureaucracies.........................................................482
Summary.............................................................................510
Exercises.............................................................................510
Additional resources.........................................................515

16
MANAGING ORGANIZATIONAL DESIGN
Design. Environment. Fit

Introduction.............................................................................517
Contingency theory...............................................................518
New organizational forms......................................................534
Summary.............................................................................551
Exercises.............................................................................551
Additional resources.........................................................554
List of Figures

3.1 A basic information processing model of perception 56
3.2 Four qualities of life 81
4.1 Solomon Asch’s experiment demonstrating conformity 100
5.1 The managerial grid 127
5.2 Situational leadership model 131
5.3 Maslow’s hierarchy of needs 146
6.1 Stuffing the head full of different knowledge 181
7.1 The levels of culture, according to Schein 210
8.1 Managing organizational conflict: a practical approach 245
9.1 An organization conceived as made up of subunits 265
9.2 A zero-sum conception of power 266
10.1 Levels of communication 309
10.2 Vicious circles at work 311
11.1 Nonaka’s tacit and explicit knowledge dimensions 338
12.1 The capstan steering change model 378
13.1 Perspectives on sustainability 396
15.1 Merton’s model of bureaucracy 486
15.2 Gouldner’s model of bureaucracy 488
15.3 Selznick’s model of bureaucratic organization 489
16.1 The multi-divisional form (MDF) structure 540
16.2 The shamrock organization 544
17.1 Global flows, systems, and effects 565

List of Tables

3.1 A summary of Daniel Kahneman’s (2011) System 1 and System 2 thinking 62
3.2 Schwartz’s values by type and their associated meanings 68
3.3 The Big Five personality factors 72
4.1 Types of teams in organizations 96
4.2 Stages of group development 106
4.3 Examples of team roles 109
4.4 The seven deadly INs of toxic emotions 113
5.1 Path–goal leadership styles and descriptions 129
5.2 The transactional, charismatic, and transformational approaches to leadership 134
5.3 The full-range leadership model 134
5.4 Premodern, modern, and postmodern leadership 140
5.5 Core competencies of coaches and mentors 142
5.6 Theory X and Theory Y motivation 144
5.7 Examples of intrinsic and extrinsic motivation 147
6.1 Hard and soft HRM practices and philosophies 164
6.2 Common performance appraisals, their use and their limitations 174
6.3 Managing the different generations from an HRM perspective 180
6.4 The key diversity categories: their descriptors and HR implications 185
6.5 Gender pay gap difference in percentage by industry, November 2013–2014 187
6.6 Government organizations that deal with IR 191
6.7 Types of negotiated contract; their strengths and weaknesses 194
8.1 Types of conflict 239
8.2 Typology of organizational conflict 241
9.1 Political games in organizations 270
9.2 Barker’s self-managing teams 277
9.3 Different types of total institution 281
9.4 The Bradford studies of decision-making 290
15.1 Etzioni and Goffman integrated 485
15.2 Mao and Peters’ conceptions of Cultural Revolution compared 491
16.1 Burns and Stalker’s structures 519
16.2 Concepts of new organizational form structure 536
16.3 Advantages and disadvantages of matrix organizations 543
Stewart R. Clegg  Stewart is Professor of Management and Research Director of the Centre for Organization and Management Studies at the University of Technology, Sydney Business School. For over forty years he has been extremely active in teaching and researching organizations and management from a sociological perspective, in both Europe and Australia.

His major research interests have always centred on power relations in organizations and in theory. He is the author of many books, including Strategy: Theory and Practice (2011), a further collaboration with Martin Kornberger, among others, as well as being the editor of a great many volumes, including the award-winning Handbook of Organization Studies (2006). He has published many articles in leading journals such as the Academy of Management Review, Organization Science, Organization Studies, Administrative Sciences Quarterly, Journal of Political Power, Human Relations, Organization and the Journal of Management Studies.

Stewart seeks to be the embodiment of the potential of the sociological imagination to illuminate social reality. To this end he has tried, with his co-authors, to make understanding management and organizations relevant, accessible, and stripped of pretension.

Martin Kornberger  Martin received his PhD in Philosophy from the University of Vienna in 2002. After a decade in Sydney he currently lives in Vienna and works at Copenhagen Business School. He is also a visiting professor at the University of Edinburgh Business School and the WU Vienna University of Economics and Business. With an eclectic bookshelf behind him, his eyes are firmly focused on organizations: How do we manage them? How do we strategize their futures? How do organizational cultures shape insiders? How do brands engage with outsiders? What makes some organizations more innovative than others? And what ways are there to make organizations behave more ethically?

Martin has written several other books including The Brand Society (2010), which explores how brands transform practices of production and consumption, and Strategy: Theory and Practice (2011) with Stewart Clegg, Chris Carter, and Jochen Schweitzer.


In a previous life, together with two friends, Martin started his own business, a brand consultancy called PLAY (http://playcomms.com) which was sold to a global advertising network in 2012.
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Tyrone is consistently ranked in the top 1 per cent of teachers. He also works with several major organizations to help them align their people and strategy for innovation. He was inducted as a Fellow of the Royal Society of the Arts (FRSA) in 2013. He lives in Newcastle upon Tyne and travels extensively in Europe, Australia and North America. Tyrone originally began his working life as a chef, starting off as a kitchen hand and working his way up to an Executive Chef in award-winning restaurants and hotels. He now cooks as little as possible. Aside from his family, Tyrone could not imagine life without music.
Acknowledgements

All book authors need good friends, patient colleagues, and great loves. Starting with the last first, many people have helped us in many ways over the various editions of the book; we would like especially to acknowledge our families, our colleagues, and the team at Sage – Sarah and Kirsty especially. We would also like to acknowledge the various universities that have supported our endeavours: the University of Technology, Sydney, where it all began; Universidade Nova School of Economics and Business, Lisbon; Newcastle University Business School, EM-Lyon; Copenhagen Business School; University of Edinburgh Business School; WU Vienna University of Economics and Business; University of Leeds; and University of Sydney.

Stewart, Martin, and Tyrone

Publisher’s Acknowledgements

The publishers would like to extend their warmest thanks to the following individuals for their invaluable feedback on the Third Edition and comments on draft material for the Fourth Edition.

Christopher Sykes, University of Wollongong
Deborah Knowles, University of Westminster
Elina Meliou, University of Winchester
Faiza Ali, Liverpool John Moores University
Jose Bento da Silva, University of Warwick
Leah Tomkins, Middlesex University London
Teresa Oultram, Keele University
MANAGING AND ORGANIZATIONS: An Introduction to Theory and Practice offers a range of learning resources in the text and online designed to help you understand key management concepts and how to apply these in practice to help you go further in your studies.
Go further links to videos and online articles are scattered throughout the chapters, directly linking you to an array of websites, videos, news articles and journal articles to help broaden your understanding of each topic.

IN PRACTICE

Zara

In practice, Zara operates a vertically integrated demand and supply chain – a just-in-time production schedule to meet the shifting preferences of customers. It takes the lead in the fashion market. Zara studies its customers’ demand in the stores and tries instantly to modify and have them on the racks in three to five weeks. In this way, the company can ‘interpret’ the latest catwalk fashions from Paris, London, New York, or Milan and market them in Spain. The company works closely with suppliers and designers in Spain. Shop managers use PDAs to check on the latest clothes designs and place their orders in accordance with the demand they observe in the stores. What management and organization aspects of Zara’s success? Use the web to research the company and its management systems as they try and practise organizational learning (Chapter 11).

Chapter summaries review the main concepts and issues covered in the chapter so you can make sure that you are clear on what was covered, and why.

WHAT WOULD YOU DO?

Think back to the last organization that you could be a work organization, a religious organization, or a club. Any organization will do for the purposes of this question. Now think about the rules that the organization sets. Which rules are preferential and which are constitutive? What position do you have to mandate the rules? Which one do you agree with?

What would you do? features help you to develop your understanding of key concepts within each chapter. You are given mini cases and scenarios and asked ‘What would you do?’ in this situation. In the eBook, Stewart and Tyrone also provide an example of what they would do via accompanying videos.

SUMMARY

In this chapter we have staked out the territory that the book covers. We have dealt with the main concepts and issues covered in the chapter so you can make sure that you are clear on what was covered, and why.
offer a selection of glossary terms available via the interactive eBook as well as the SAGE edge site.

End of chapter exercises provide group and individual based exercises designed to deliver practical and reflective learning on key issues, concepts, and phenomena covered in each chapter.

TEST YOURSELF

Review what you have learned by visiting:
https://edge.sagepub.com/managing

○ Test yourself with multiple-choice questions

Multiple-choice questions

Interactive flashcards

EXERCISES

1. Having read this chapter you should know what each of the following key terms mean
   ○ Managing
   ○ Identity
   ○ Rationality
   ○ Values

2. Why do organizations seek to forge common sensemaking?

CASE STUDY

Innovative case studies at the end of each chapter include questions designed for reflective learning and the reinforcement of key concepts.

ADDITIONAL RESOURCES

Additional resources offer a selection of handpicked resources such as novels, texts, movies, music, and other forms of media that explain and expand upon chapter contents.

If you want to find out more about resource is Weick’s (1999) book, it is not an introductory book, though, and is not new to this subject. A new source is the (2000) The Sage International Encyclopedia.

These are The Irrational Organization (1985), The Rationality Hypothesis (1990), and Mechanisms of Crime (2006). Together they form a remarkable trio of organization analysis as they are for the introductory student.


Rational choice theory is dissected extensively in two books.

A good overview of approaches to understanding and sensemaking in organizations is provided by Sandberg and Targama (2007), in

The Organization of Knowledge (1985), The Irrational Organization (1985), and The Rationality Hypothesis (1990). Together they form a remarkable trio of organization analysis as they are not for the introductory student.

One of the best books on problems with the rationality hypothesis is The Irrational Organization (1985), The Rationality Hypothesis (1990), and Mechanisms of Crime (2006). Together they form a remarkable trio of organization analysis as they are not for the introductory student.

As the old adage has it, ‘practical and reflective learning on key issues, concepts, and phenomena covered in each chapter.’
HOW TO USE THE INTERACTIVE EBOOK

To further support your learning journey this book comes with 12 months free access to an interactive eBook so you can study how, where and when you want. To access the eBook a unique access code for VitalSource Bookshelf® has been provided on the inside front cover of this book. This allows you to access the book from your computer, tablet or smartphone. You can also make notes and highlights that will automatically sync across all your devices.

Interactive icons appear throughout the book to let you know when extra online resources are available. To access these just login to your interactive eBook and click on the icon, or visit https://edge.sagepub.com/managingandorganizations4e to access these resources via SAGE edge.

- **What would you do? videos** of Stewart and Tyrone debating what they would do in the scenarios outlined in the text and providing useful pointers for your own decision making

- **Links to journal articles** provide useful readings to help you delve deeper and support your assignments

- **Links to key organizations’ websites and online articles** help you to go further and expand your understanding

- **Watch online videos** to get a better understanding of key concepts and provoke in-class discussion

- **Interactive quizzes** at the end of every chapter help you to test your knowledge and prepare for your exams
LECTURER SUPPORT

The interactive eBook is also a great resource for lecturers. The eBook is compatible with select Learning Management Systems and allows you to integrate content from the eBook and companion website into your university learning environment. To find out more contact your local SAGE sales representative.

This book also offers a range of instructor-only resources on SAGE edge, including:

- **Tutor’s guide**: provides insights into how to use the book in your own teaching, as well as how you might use the exercise and case studies found in the book;
- **PowerPoint slides**: for each chapter that you can use in class. These can be adapted and edited to suit your own teaching styles and needs;
- **Testbank**: offers a wide range of multiple-choice, short- and long-answer assessment questions, complete with model answers;
- **Additional case studies**: aid the quality of the learning experience for students.
Praise for the Third Edition

‘This is an exciting book. It covers the most important concepts in good currency. The coverage is based on the best and most relevant research. It connects with practical problems. It is written in language that is clear and accessible. It contains innovative exercises to help the readers expand their knowledge beyond simply reading this book.’

Chris Argyris, James B. Conant Professor Emeritus, Harvard University and Monitor Group

‘This is truly the most exhaustive textbook on organization and management that ever existed. It conveys complex messages avoiding complicated style; it moves gracefully between the summaries of theories and examples from practice, between models to imitate and errors to be avoided, between micro and macro lenses applied to organizational phenomena. While obviously meant as a travel guide – a thorough and detailed manual for the beginners, it offers many unexpected insights and pearls of wisdom even for the most seasoned travelers interested in knowledge of and about management.’

Barbara Czarniawska, M.A., E.D., Professor of Management Studies, Göteborg University

‘Managing and Organizations succeeds at being practical and honest in its treatment of working in and with organizations. It challenges students to build their competencies and insights step by step while deepening their awareness of opportunities for genuine achievement while working through workplace conflicts and politics.’

Denise M. Rousseau, H. J. Heinz II Professor of Organizational Behavior and Public Policy, Director, Project on Evidence-based Organizational Practices, Carnegie Mellon University

‘A textbook on managing thinking and practice that takes the reader into “real life”, within and outside organizations. It is conceived as a travel guide that allows to connect and make connections between what is already known and what may be discovered and enjoyed during the voyage. It is friendly and challenging, simple and complex at the same time. And, most important, it is faithful: it delivers what is promised in the first lines of its introduction.’

Silvia Gherardi, University of Trento, Italy

‘Here it is, the second edition of one of the best and most intriguing introductions to the complex processes of managing in organizations to be written in the past decade ... It offers a perfect mix of practical information and well-thought-out and challenging theoretical insights, which will help the reader to reflect critically on the complex processes of managing and organizing.’

Hans Doorewaard, University of Nijmegen, The Netherlands

‘The book is up-to-date yet historically grounded. It is easy to read yet richly textured. It maps the territory of organizational studies in clear and useful ways."
Its lively format, excellent examples, and topical coverage make it a unique and highly relevant text for becoming a thoughtful practitioner of organizations.’

Jane Dutton, Robert L. Kahn, Distinguished University Professor of Business Administration and Psychology, University of Michigan

"The book is a true pleasure to read! It is an excellent "travel guide to the world of management", not only because of its wealth of detailed information and insight, but also because it makes you want to travel! Don't leave home without it! And if you don't go, read it at home!"

Kristian Kreiner, Professor, Copenhagen Business School, Department of Organization, and Director, Center for Management Studies of the Building Process, Realdania Research

‘Managing and Organizations is a real adventure … it is a novel, innovative and unconventional textbook, which will not only inform but will also entertain … a real must in understanding the process of management and organizational behavior.’

Professor Sir Cary L. Cooper, CBE, Professor of Organizational Psychology and Health at Lancaster University Management School, and Editor in Chief of the Blackwell Encyclopedia of Management

‘Critical and practical, scholarly and aesthetically enjoyable … Students on Master courses and reflective practitioners will find insight, inspiration and encouragement to think differently about what has been seen as a pretty dry area. What more could be expected of a learning and teaching resource?’

Richard Weiskopf, Department of Organization and Learning, School of Management, Innsbruck University

‘Most textbooks discuss in vitro organizations: bloodless, lifeless, distorted and inanimate, hence ready for study and dissection. This volume is different. Written as a “realist’s guide to management”, it pictures organizations as they are in the “real world”: alive, paradoxical, emotional, insecure, self-confident, responsible, irresponsible. This book, in other words, contains life, the life of organizations. To read this book is to live that life.’

Miguel Pina e Cunha, Universidade Nova de Lisboa

‘In an age where there is saturation of textbooks on Managing and Organizing, particularly due to their limited impact on management practice, this book provides a truly refreshing perspective.’

Elena Antonacopoulou, Professor of Organizational Behaviour, University of Liverpool Management School

‘This book is both scholarly and fun. It may even give textbooks a good name! I thoroughly recommend it to all students and lecturers who want something more enjoyable, insightful and enduringly satisfying than McManagement takeaways or force-fed ivory tower correctness.’

Richard J. Badham, Professor of Management, Macquarie Graduate School of Management
Part One

MANAGING PEOPLE IN ORGANIZATIONS

1 Managing and Organizations in Changing Contexts 7
2 Managing Sensemaking 17
3 Managing Individuals 51
4 Managing Teams and Groups 91
5 Managing Leading, Coaching, and Motivating 121
6 Managing Human Resources 161
LEARNING OBJECTIVES

This chapter is designed to enable you to:

- Appreciate the current contexts in which managing and organization occur
- Identify the impact that changes in the contemporary world are having on managing
- Provide a rough guide to the themes of the book

INTRODUCTION

We all learn to make sense of the situations we are in. However, just like a fast-flowing river, these situations are often changing in imperceptible ways. Before too long we find that the ways we have been using to make sense leave us out of our depth! Managers find that what they took for granted no longer helps them survive as well as it did in the past. Well-established techniques of the past, such as management by rules and instructions, by oversight and surveillance, by command and control, on the part of hierarchical managers, are changing. When everyone can be connected to anyone everywhere, when the value basis of employees is shifting radically, and when the organization laces itself over the globe and employs many of the diverse peoples that the globe has to offer, the old certainties are harder to hold. Today, more indirect techniques, such as managing in and through vision, mission, culture, and values, leading to a lot less imperative instruction and command and a great deal more dialogue and discussion, are fashionable: the switch is from ‘hard power’ in the form of imperative commands to ‘soft power’ in the form of getting people to do what we want them to do through indirect methods, such as induction into an organizational culture, training and strategy workshops, or leadership courses.

We often refer to different paradigms when discussing systematic approaches to some practice. The term derives from its use in the history of science, where different paradigms or models for analysis have been identified at different periods (Kuhn, 1962). The term can have broader application, however, having spread to fields such as management (Clarke and Clegg, 1998). Academic paradigms are ways of theorizing about an activity such as physics; in business the idea of there being different paradigms applies to the spheres of business practice, such as management. For something to be a paradigm it must be accepted as an ideal
example and exemplar, something that shows people how to practice something. Hence, there is an element of fashion to management paradigms – they frame what is thought of as legitimate ways to conduct business at any given time.

**CHANGING PARADIGMS**

**ORGANIZATIONS AND TECHNOLOGICAL CHANGES**

The shift to a world in which digital capabilities enable elements of organizational practices to be moved offshore has led to the spectacular rise of Bangalore in India, as well as other places, as an IT and call centre ‘district’. Often when you phone the help desk of an organization that you are dealing with you will be speaking to someone from a region of the global economy in which English-language skilled graduates are available to work at rates much lower than in the country in which the organization is headquartered. Since it is much cheaper to live somewhere with a much lower standard of living, employers are able to pay far less. They outsource work to third-party organizations in cheaper labour zones.

**Outsourcing** involves contracting the provision of certain services to a third-party specialist service provider rather than seeking to deliver the service from within one’s own organization. Usually, outsourcing is entered into to save costs and to deliver efficiencies and productivity benefits. By not concentrating on services and tasks that are peripheral to the main business, an organization can better focus on those things it needs to do well while leaving the peripheral tasks to organizations that specialize in the delivery of those services. Often, areas such as HRM, catering, IT, and equipment and facilities maintenance are outsourced. Outsourcing may not necessarily entail moving some subset of operations to another country. Instead, it may be that some elements of what an organization regards as non-core business are hived off to a specialist contractor that concentrates on doing the outsourced activity efficiently, at the lowest costs, and to a contracted standard. Outsourcing is not a new phenomenon: in major production industries such as automotives, the outsourcing of initially non-core and latterly core functions and services has been progressively used since the 1930s (Macaulay, 1966).

The development of outsourcing, burrowing away at the innards of organizations, hollowing them out, and networking them into other organizations’ capabilities and competencies, has accelerated in organizations since the late twentieth century. The imperative to outsource – as distinct from the opportunity to do so – was a result of globalization and increased competition, leading to a continual need to improve efficiency and to increase service levels. Thus, vertically integrated services were no longer seen as the best organizational arrangements for gaining competitive advantage. Extending the organization’s capabilities, whether core or non-core, to a third party, became synonymous with efficient and effective management. Outsourcing became fashionable.

Many new industries have developed on the back of the digital revolution, often referred to as knowledge-intensive industries, those which we find at the forefront of contemporary global competition, such as Google, IBM, Microsoft, and Dell. In these organizations we find new organizational forms that challenge the older, more bureaucratic structures of the past, structures that we will explore in Chapter 15. Digital capabilities have transformed the world – some journalists such as Friedman (2005), of the *New York Times*, suggest that digital capabilities have made the world ‘flat’ – by which he means that advances in technology and communications now link people all over the globe. In part this explains the
rapid development of India and China, and the growth of global businesses that exploit the opportunities of the Internet to create and design goods and services on a 24/7 cycle – globally – taking advantage of different time zones to work on accounts, data, and designs seamlessly. The world has sped up to a state of immediacy: any reader of this book would know how to find its authors’ email addresses in a matter of seconds.

**MANAGING TECHNOLOGICAL CHANGES**

Shorter life cycles, virtual connectivity, and disaggregation spell many changes in ways of managing. The dominant trend is an increasing separation of routine processes from more essential work, which is often reflected in a spatial division of labour. Thus, for instance, as we will see in Chapter 16, in call centres the work is as routine and scripted as in any work process designed in an early twentieth-century bureaucracy by one of F. W. Taylor’s scientific managers (see Chapters 14 and 15). The means for storing the rules may have shifted from paper to software and the nature of the work may be less physical, but there are still essential similarities.

There are consequences for other jobs when much of the routine is extracted and repositioned elsewhere. The remaining core staff – rather than those that are peripheral – will need to be more skilled than before. They will be working in technological environments subject to rapid and radical change. New competencies and skills will be required. Managing will mean more developmental work oriented to renewing staff’s specific skills and general competencies rather than seeing that they follow the rules, issuing imperative commands, and generally exercising authority. Managing will mean negotiating the use and understanding of new technologies, contexts, and capabilities, and facilitating the understanding of those who will be operating with the new tools and environments. Changing technological paradigms mean that managers must be able to make sense of the new technology for all those who will use it. Sandberg and Targama (2007: 4) note, citing Orlikowski’s (1993) influential work on Japanese, European and US firms, that many technology implementation projects fail because of what the employees do – or do not – understand.

Traditionally, organizations were neither very responsive nor flexible because of their bureaucratic nature, as we will see in Chapter 14. They had tall hierarchical structures, relatively impermeable departmental silos, and many rules. Such organizations offered little incentive for innovation and, typically, innovation was frowned on because precedents went against the rules. Such organizations could hardly be responsive – they were not designed to be.

More responsive organizations should have employees who are capable of problem solving rather than having to refer any problem, deviation, or precedent to a higher authority. Such people need to be trained and engaged in styles of managing and being managed that reinforce empowerment, using far more positive than negative approaches to power, as we will see in Chapter 9.

New technologies attach a premium to a flexible, timely approach to customer requirements. In order that such flexibility can exist in an organization it has to be premised on ways of managing employees that allow them to be responsive to customer requirements in developing products and services. As we will see in Chapters 14 and 15, the critique of bureaucracy has been particularly acute in the areas of public sector management. Especially in the Anglo-Saxon countries, from the 1980s onwards, the extensive adoption of strategies of deregulation, privatization, and contracting out, often on the back of significant changes in technology, have led to profound changes in the nature of public sector work.
Something known as new public management (Osborne and Gaebler, 1992) has had a profound impact on the public sector, in the public (or civil) service, education, universities, and health care, especially. The clarion call has been for more entrepreneurial managers and less rule following. Whether this is a good or bad thing has been the subject of lively debate, which we discuss in Chapter 15.

**CHANGING RELATIONS OF SERVICE AND PRODUCTION**

Look at your computer; check the clothes you are wearing; what about your shoes? Where do your things come from? Bet they were made in several countries and none of them may be where you live. Bet also that China was one of the countries. Today, ‘Made in China’ is a ubiquitous label – we find it on virtually any manufactured product that we are likely to wear or use in the office or home.

Supermarkets such as Walmart represent the end of a supply chain that invariably starts somewhere in China. The concentration of much global manufacturing in China is a relatively recent phenomenon, which really gathered pace in the 1990s. Just as much of service work has been disaggregated into lower value-adding elements such as call centres that can be located anywhere, much of what was once produced by a domestic blue-collar labour force in the heartlands of Europe or the USA, is now produced globally, often in China.

One consequence of the shifting international division of labour is that employment and organizations in the developed world are increasingly based on the production of services rather than goods. Material things – such as computers, clothes, and household goods – are being produced in the developing world while the most developed parts of the world economy switch to services, such as financial services. One consequence is that the nature of work and organizations is changing rapidly in both worlds. In the developing world peasants are rapidly becoming factory workers; in the developed world there has been an explosive growth in what is referred to as knowledge work, done by knowledge workers in knowledge-intensive firms. Chief among these are IT firms (Alvesson, 1995; Starbuck, 1992), global consultancy, law, and accounting firms, as well as the universities, technical colleges, and schools that produce the new knowledge workers.

**SHIFTING LOCATIONS; SHIFTING MANAGING**

An increase in knowledge-intensive work means that organizations have to employ – and manage – different kinds of employees. Brains not brawn, mental rather than manual labour, are the order of the day. Employees need to be capable of working with sophisticated databases, software, and knowledge management systems. These have to be related to customer requirements often on a unique and tailored basis that deploys a common platform while customizing it for specific requirements. Thus, technical and relational skills will be at a premium.

Knowledge-intensive work, according to Alvesson’s (2004) research, depends on much subtle tacit knowledge as well as explicit mastery. In such a situation, working according to instruction and command will not be an effective way of managing or being managed, especially where the employee is involved in design and other forms of creative work on a team basis, often organized in projects. In such situations, increasingly common in contemporary work, ‘because of the high degree of independence and discretion to use their own judgment, knowledge workers and other professionals often require a leadership based on informal peer interaction rather than hierarchical authority’ (Sandberg and Targama, 2007: 4). As we will explore in Chapters 5 and 6, some of the old theories and approaches to leadership and project work need updating.
GOING GLOBAL

Digital technologies and a growing international division of labour between economies specialized in services and production make the world economy increasingly globalized. Competition is based less on traditional comparative advantage as a result of what economists call ‘factor endowments’, such as being close to raw materials, and more on competitive advantages that arise from innovation and enterprise. It means that enterprise and innovation can now be globally organized. No industry is more indicative of this than the financial services industry, where firms such as American Express, Citicorp, and HSBC span the globe. These multinational behemoths operate as integrated financial services providers almost everywhere. Global competition goes hand in hand with outsourcing in industries such as these, as such firms exploit technology to disaggregate ‘back-office’ routine functions and locate them in cheaper labour markets, as we discuss in Chapter 17.

The rise of India and especially China has seen a major restructuring of the global economy. As Martin Jacques said in 2010 in a TED Talk on ‘Understanding the rise of China’:

The world is changing with really remarkable speed … in 2025 … Goldman Sachs projections suggest that the Chinese economy will be almost the same size as the American economy … [By] … 2050, it’s projected that the Chinese economy will be twice the size of the American economy, and the Indian economy will be almost the same size as the American economy. And we should bear in mind here that these projections were drawn up before the Western financial crisis.

Jacques makes the point that for 200 years Europe and North America dominated the global world but that now, with the awakening into capitalist development of countries such as China and India, who between them have over one third of the global population, as well as other newly emerging states such as Indonesia and Brazil, civilizations and cultures that have for the past 200 years been marginal and minor players on the world stage are now at its centre. If the future managers reading this book want to have stimulating and successful careers in the future they are as likely to be forged in these countries as in Europe or North America. The managers that you will become will have to be truly global in experience and outlook.

MANAGING GLOBALLY

Doing business internationally in real time, enabled digitally, produces ample opportunity for cultural faux pas and misunderstanding. Work groups may be working in serial or in parallel with each other on projects that are networked globally. Global organization means managing diversity: it means developing appropriate ways of managing people who may be very different from each other – from different national, ethnic, religious, age cohort, educational achievement levels, social status, and gender backgrounds (Ashkenasy et al., 2002). One consequence of globalization and diversity is that HRM must be both increasingly international and equipped to deal with diversity, as we will see in Chapter 6.

Diversity is increasingly seen as an asset for organizations: people with diverse experiences can contribute more varied insights, knowledge, and experience than can a more homogeneous workforce. (In the terms that we use in Chapter 10 we can say that it is a good thing to introduce more polyphony into organizations but it can also introduce more conflict: see Chapter 8.) An evident reason is that if a business wishes to sell globally it must understand all the specificities of the local
markets into which it seeks to trade. One good way of doing this is to ensure that the organization has employees that understand that market. Moreover, in certain markets, such as the Middle East, where etiquette and rituals are of considerable importance in everyday interactions, it is enormously beneficial to have employees who do not have to learn through making costly mistakes because they have an intuitive understanding. Moreover, as we will see in Chapter 14, organizations whose members are not representative of the populations the organizations draw on and serve risk being seen as discriminatory in their recruitment policies. There are ethical issues concerned in managing diversity as well.

CHANGING CONCEPTIONS OF TIME AND SPACE

Technological developments such as the Internet and other telecommunications seem to make the whole world something that can be present here and now – as users of Google Earth no doubt know. Email can fly around the world in seconds, as quite a few people can testify who have pressed the send button inadvertently on something they might have preferred not to share globally.

While time and space are two fundamental coordinates of the way we relate to the world, the ways in which we make this representation are not fundamental but socially constructed. The earliest concerns of modern global management were with the centrality of clock time in the time and motion studies of F. W. Taylor. Indeed, in these studies the central motif was that of time–space relations, as we will see in Chapter 14. Stopwatches measured in terms of microseconds to prescribe ways of doing tasks. Space was rigidly defined in order to maximize the speed of work. These notions of space and time as phenomena under strict organizational control are hardly relevant in the age of the Internet. With a computer, camera, and broadband connection any organization member can simulate immediacy with anyone anywhere in the world similarly equipped. In such a situation time and space are eclipsed. Organizations can be global, navigating anywhere.

MANAGING TIME AND SPACE

Immediacy through the eclipse of space presents problems. Work is much more accountable and transparent as others can be online anytime, anywhere, challenging the understandings that the other has developed. Often these understandings will be embedded in a sense made in a cultural, linguistic, religious, ethnic, and age and gendered context that is simply foreign to partners elsewhere. Great cultural sensitivity, as well as a capacity to handle circadian rhythms, is needed in the interest of global business. In such contexts there will be a great deal of doing by learning as managers seek to make sense of others whose cues are not only unfamiliar but often mediated by the limitations of Internet communication. Managing communication in these circumstances poses especial challenges, as we will see in Chapter 10.

CHANGING DEMOGRAPHICS, CHANGING VALUES

The era from the 1960s onwards has been dominated by the ‘boomer’ generation, who are now slowly moving out of the workforce, to be replaced with people drawn from Generation X and Y. Generation X, broadly defined, includes anyone born from 1961 to 1981. In the West, Generation X grew up with the Cold War as an ever-present backdrop. During their childhood they saw the dismantling of the post-war settlement and the advent of neo-liberal economics (such as Thatcherism) and the collapse of communism. They often grew up in single-parent households, without a single clear or guiding moral compass. They had to negotiate the hard
years of global industrial restructuring when they were seeking their first jobs; they experienced the economic depression of the 1980s and early 1990s; and saw the decline of traditional permanent job contracts offering clear career structures. Instead of careers they were invited to accept insecure short-term contracts, unemployment, or junk jobs in McDonaldized organizations, or get educated. Many of them ended up overeducated and underemployed, with a deep sense of insecurity. Not expecting that organizations will show them much commitment, they offer little themselves.

Generation Y includes anyone born in the late 1980s and 1990s, sometimes to professional boomer couples who left childrearing later than previous generations or, as a result of boomer males mating with much younger women, maybe procreating with a new partner for the second or third time, celebrating the attraction of old money for young flesh. Young people born in this bracket are the first digital generation for whom the computer, Internet, mobile, iPods, DVDs, and the Xbox were a part of what they took for granted growing up. While Generation X was shaped by de-industrialization in the West and the fall of communism globally, Generation Y developed into maturity during the War on Terror, grew up reading *Harry Potter*, and has enjoyed relatively prosperous economic times, in part because of the success – for the West – of globalization. If you want to know more about the generations and the differences they are inscribed in you could talk to your parents or grandparents – if they haven’t already talked to you about these things!

**MANAGING CHANGING VALUES**

The employment of Generation X members offers real challenges for managers seeking to motivate and gain commitment from employees. As we will see in Chapter 3, the issues of commitment and motivation are increasingly central to managing. The X generation will be more cynical than its predecessors and less likely to accept rhetoric from management that is not backed up by actions. For Generations X and Y, according to Sennett (1998: 25), there is a predisposition towards high uncertainty and risk-taking as defining features of the challenges they want from work because they do not expect commitment. In part this is because they do not expect anything solid or permanent: they have seen casino capitalism at close quarters as brands they grew up with moved offshore or were taken over, or radically changed by new ownership, and so tend to distrust prospects of long-term or predictable futures.

Using traditional management control and command devices to manage people who desire to explore is not appropriate. Instead, the emphasis will have to be on creativity and innovation, as we explore in Chapter 12.

If there is one value that binds these disparate generations together it is the sense that the previous generations have really made a mess of the planet; green values are very strongly held, and saving the environment through sustainability is high on the list of value preferences. Consequently, as we discuss in Chapter 13, issues of corporate social responsibility, especially those addressed to sustainability, are high on the values agenda. Such changes pose major implications for how organizations attract, select, retain, and treat employees, as we see in Chapter 6 on HRM.

**CHANGING CONCEPTIONS OF THEORY AND PRACTICE**

One of the trends that readers of the book may not be so well aware of as the people who set it as a text is the changing nature of the relation between what academics do, funding arrangements from government, and conceptions of the usefulness of academic work. Academics do research. This is what defines them
as academics. In the past, they worked in circles that were largely self-referencing: if successful, they published a book or two, some academic papers and, if they were really successful, others would read them and cite them in their research. Times are changing. Academic researchers in all fields are increasingly expected not just to produce outputs in the way of publications but also to have an impact. Impact is usually defined in terms of having a positive effect on a specific sphere of practice beyond academia, including being able to demonstrate the contribution made to society and the economy (see Nutley et al., 2007). It is generally agreed that there are three main ways of making such an impact. Academic research can have an instrumental impact, influencing changes in policy, practices, and behaviour; it can have a conceptual impact, changing people’s knowledge, understanding, and attitudes towards social issues; or it can have an impact through capacity building where involvement in research develops the skills of those involved. The debates about impact are quite generic and are found in many OECD nations in recent years, as the costs of higher education and research funding have grown, so the clamour for demonstrations of relevance and impact have grown from politicians and the public. In the following article you can find an interesting account of how this debate has been addressed in the field of management, the field in which the work considered in this book seeks to make its impact.

EXTEND YOUR KNOWLEDGE

In Jean Marie Bartunek and Sara Lynn Rynes’ (2014) ‘Academics and practitioners are alike and unlike: the paradoxes of academic–practitioner relationships’, Journal of Management, 40 (5): 1181–1201, which is available at the companion website https://edge.sagepub.com/managingandorganizations4e, rather than seeing the academic–practitioner gap as essentially dichotomous they identify and suggest ways of working with the divide that foster research and theory building. Several different tensions are associated with the gap, including differing logics, time dimensions, communication styles, rigour and relevance, as well as interests and incentives. Initiatives of national governments, ranking systems, and special issues of journals have exacerbated these gaps, which they suggest ways of bridging.

USING MANAGING AND ORGANIZATIONS

The basic themes of this text are now established. In this book, as we have foreshadowed, we will introduce you to the main lines of management and organization theory, and we will situate these in the major changes marking the present-day world. These, we will argue, make the ideal of the wholly rationalistic organization evermore difficult to believe in principle and secure in practice. However, most of what you will learn as a management student makes assumptions about the rationality of organizations and management. Organizations go to great lengths to try and ensure that stocks of knowledge are shared as widely as possible within the organization, as we will see in subsequent chapters, and do so in ways that are reflected in each of the subsequent chapters:

1. Managing the most basic organizational and managerial capability – how to achieve common sensemaking (Chapter 2).
2. Creating induction programmes that socialize individuals into an organizational frame of reference (Chapter 3).
3. Training individuals in teamwork and groupwork (Chapter 4).
4. Hosting leadership development, coaching, and training for common understanding (Chapter 5).
5. Building highly rationalistic HRM plans and seeking to implement them (Chapter 6).
6. Emphasizing strong, common cultures (Chapter 7).
7. Designing lots of rules to frame everyday behaviour in the organization and manage conflicts (Chapter 7).
8. Managing organizational conflicts, so that the goal-oriented elements of organization can come to fruition, despite countervailing tendencies, schisms, and frictions in an organization (Chapter 8).
9. Managing power, politics, and decision-making so that plans are implemented, not resisted, and so sectional and specific interests are well aligned with rational plans (Chapter 9).
10. Communicating these rational plans, their culture, and other messages to organization members (Chapter 10).
11. Capturing all of what their members know and embedding it in management systems as they try and practise organizational learning (Chapter 11).
12. Managing change, introducing and effectively using new technologies, and ensuring innovation (Chapter 12).
13. Incorporating new mandates arising from social issues and concerns articulated by new stakeholders and influential social voices, such as sustainability, ethics, and corporate social responsibility (Chapter 13).
15. Adjusting the structure of their organization to fit the contingencies it has to deal with, be they size, technology, or environment (Chapters 15).
16. Designing the organization in ways that seem best fit for purpose (Chapter 16).
17. Managing to manage globally, to manage globalization, and to deal with the added complexities that managing in a global world entails (Chapter 17).

SUMMARY
In this chapter we have staked out the territory that the book covers. We have dealt with nothing in depth – the rest of the book does that – but we have provided an indicative guide to the topics that we shall address subsequently. Managing and organizing is very dynamic – its world never stays still – so innovation, change, and tension are often characteristic of the way that events pan out.

EXERCISES
1. Having read this chapter you should be able to say in your own words what each of the following key terms means. Test yourself or ask a colleague to test you.
2. Why do organizations become globalized?
3. What do you think are the major changes that are shaping the contemporary world and what do you think their impact is on management?

TEST YOURSELF

Review what you have learned by visiting: https://edge.sagepub.com/managingandorganizations4e or your eBook

- Test yourself with multiple-choice questions
- Revise key terms with the interactive flashcards

CASE STUDY

This is a very simple case study to get you started. Think about the last organization that you were a member of for some time. It might have been a school, a church, or an employing organization. What were its main routines? How were these organized in terms of some of the factors that might frame organizations? Think about factors such as how standardized, timetabled, or ritualized the flows of time and organizational effort were in the organization in question. What were the characteristic markers of identity of the different people and groups in the organization? What were the goals of the organization?

ADDITIONAL RESOURCES

If you want to know more about the major changes shaping the contemporary world of business you could take a look at Clarke and Clegg's (1998) Changing Paradigms. It is dated now, but still has several interesting points to make about globalization, digitalization, and so on. This book is not too difficult for the introductory student.