PART 1

Intrapersonal Skills: Behavior, Human Relations, and Performance Begin with You

1 Understanding Behavior, Human Relations, and Performance
2 Personality, Stress, Learning, and Perception
3 Attitudes, Self-Concept, Values, and Ethics
4 Time and Career Management
CHAPTER 1

Understanding Behavior, Human Relations, and Performance

LEARNING OUTCOMES

After completing this chapter, you should be able to:

1. Explain why human relations skills are important.
2. Discuss the goal of human relations.
3. Describe the relationship between individual and group behavior and organizational performance.
4. Describe the relationship between behavior, human relations, and organizational performance.
5. Briefly describe the history of the study of human relations.
6. State some of the trends and challenges in the field of human relations.
7. Explain nine guidelines for effective human relations.
8. Identify your personal low and high human relations ability and skill levels.
9. Identify five personal human relations goals for the course.
10. Define the following 17 key terms (in order of appearance in the chapter):

- human relations
- goal of human relations
- win–win situation
- total person approach
- behavior
- levels of behavior
- group behavior
- organization
- organizational behavior
- performance
- systems effect
- Elton Mayo
- Hawthorne effect
- Theory Z
- intrapersonal skills
- interpersonal skill
- leadership skill

CHAPTER OUTLINE

Why Human Relations Skills Are So Important

What's in It for Me?
Myths and Reality about Human Relations
Goal of Human Relations
The Total Person Approach

Behavior, Human Relations, and Organizational Performance

Levels of Behavior
The Relationship between Individual and Group Behavior and Organizational Performance
International Business Machines (IBM) is a world-leading information technologies company, headquartered in Armonk, New York. At year-end 2007, IBM had $120.4 billion in assets, revenue of more than $98.8 billion, and a net income of $10.4 billion. IBM had 386,558 employees who require lots of effective human relations. The company’s mission statement is: “At IBM, we strive to lead in the invention, development and manufacture of the industry’s most advanced information technologies, including computer systems, software, storage systems and microelectronics. We translate these advanced technologies into value for our customers through our professional solutions, services and consulting businesses worldwide.” For more information on IBM, visit its Web site at www.ibm.com.

When Olin Ready graduated from college, he accepted his first full-time job with IBM. As he drove to work on his first day, he thought: How will I fit in? Will my peers and new boss Nancy Westwood like me? Will I be challenged by my job? Will I be able to get raises and promotions? At about the same time, Nancy was also driving to work thinking about Olin: Will Olin fit in with his peers? Will he be open to my suggestions and leadership? Will Olin work hard and be a high performer?

What would you do to ensure success if you were Olin? What would you do to ensure Olin’s success if you were Nancy? Meeting employees’ needs while achieving the organization’s objectives is the goal of positive human relations in any organization.

**WHY HUMAN RELATIONS SKILLS ARE SO IMPORTANT**

We begin by discussing what’s in this book for you, followed by a look at some of the major myths about human relations and the realities of why human relations skills are so important. We then discuss the goal of human relations and the total person approach to human relations.

**What’s in It for Me?**

It’s natural to be thinking, What can I get from this book, or What’s in it for me? This is a common question in all human relations, although it is seldom directly asked and answered. Here is the short, bottom-line answer: The better you can work with people—and that is
what the course is all about—the more successful you will be in your personal and professional lives. It’s about relationships. This may be one of the few courses you take in which you can actually use what you learn during the course in your personal life. You don’t need to wait until you graduate to apply what you learn, and you can develop your human relations skills. Now let’s expand on what’s in it for you by exploring some of the myths and realities surrounding human relations.

Myths and Reality about Human Relations

Four myths about human relations are: (1) Technical skills are more important than human relations skills; (2) it’s just common sense; (3) global diversity is overemphasized; and (4) leaders are born, not made.

Myth 1: Technical Skills Are More Important Than Human Relations Skills

Some students believe that a human relations or organizational behavior (OB) course is less important than more technical courses, such as computer science and accounting. However, the reality is that in a survey of college graduates, human relations is rated among the most valuable courses taken. Many students state that their human relations course is their most interesting course because it is about them. In fact, human relations is about you and how you get along with your family, friends, coworkers, and everyone else you interact with. Students also state that they like the course because they can use it in their day-to-day human relations immediately, in both their personal and professional lives. Do you like to get your own way or to get what you want? Human relations skills will help you ethically achieve your personal and professional goals, as well as organizational goals. By studying human relations, you will learn skills that will help you in situations like Nancy’s and Olin’s in the opening case.

People working together are the source of technological innovation. Top-level managers spend about 95 percent of their time dealing with people issues and only 5 percent with technical issues. Recruiters at major corporations say technical skills are not an issue; they seek job candidates with strong human relations skills. The technology-oriented IBM gives the average employee 40 hours of training per year, with about 32 of those hours related to human relations.

Myth 2: Human Relations Is Just Common Sense

Some students believe that human relations is simple and just common sense. Do all the people in organizations get along and work well together? If human relations is just common sense, then why do most experienced managers cite people problems as their most troubling and problematic issue? Human relations skills represent the single biggest reason for career success or failure. Personal qualities account for 85 percent of the factors contributing to job success, according to the Carnegie Foundation. Of the people fired from their jobs, 66 percent were fired because they failed to get along with people, according to the Harvard Bureau of Vocational Guidance. During the hiring process, managers want to know if you will get along and work well with their employees and customers. This course explains the important topic of human behavior and helps you better understand why and how people behave in particular ways in their workplaces.

Myth 3: Global Diversity Is Overemphasized

Some students believe that diversity is not important, but it is. With continued global expansion, worldwide suppliers and customers, and changes in communication technology, many people are in contact with people from various cultures on a daily basis. This multicultural contact increases the need for employees with good human relations skills, who can work with people with diverse backgrounds. Years ago, organizations moved to a team-based approach to management, and the trend continues on a global basis. Even in American organizations that do business only in the United States, the workforce continues to become more diverse, and it will
continue to do so as the number of immigrants continues to surge. It has been estimated that by the year 2030, fewer than 50 percent of the U.S. population will be white. Clearly, diversity is not overemphasized. Good human relations skills will be vital to our success in such a diverse global economy.

**Myth 4: Leaders Are Born Not Made** Some students believe they can’t develop their leadership skill, but they can if they work at it. Effective leaders have good human relations skills; leadership training includes human relations skills. The question “Are leaders born or made?” has been researched over the years. Leadership experts agree that leadership skills can be developed. Virtually all the large, major corporations spend millions of dollars each year on leadership training. Why would they spend all that money if human relations skills could not be developed? Regardless of your natural ability to get along and work well with people, using the material in this book, you can develop your human relations skills.

**WORK APPLICATIONS**

1. In your own words, explain why human relations skills are important to you. How will they help you in your career?

Throughout this book we use many important, or key, terms. To ensure that you have a clear understanding of these terms, when a key term first appears, we present it in bold letters with its definition italicized.

**Goal of Human Relations**

The term human relations means interactions among people. When Olin Ready arrives at IBM on his first day of work, he will interact with his new boss, Nancy. Next, a variety of people will help orient and train Olin. Later, as he performs his daily tasks, Olin will interact with Nancy and his coworkers, as well as with people from other departments and with customers. Olin’s success at IBM will be based on human relations, and his job satisfaction will affect his personal life.

The goal of human relations is to create a win–win situation by satisfying employee needs while achieving organizational objectives. A win–win situation occurs when the organization and the employees get what they want. When an employee asks, What’s in it for me?, that employee is expressing his or her needs. When a manager expects high levels of performance from employees, that manager is identifying organizational objectives. When employees and organizational goals align, performance tends to follow.

Creating a win–win situation applies to human relations at all levels, not just management–employee relations. For example, members of a department often must share the work. If Olin does not do his share of the work at IBM, he creates problems within the department. (This would be an I-win–coworkers-lose situation.) Coworker Mary may decide it is not fair that she has to do more work than Olin. Consequently, Mary may argue with Olin, slow down her performance, or complain to their boss, Nancy. Or if Olin and coworker Ray do not like each other, their dislike may affect their behavior, the human relations in the department, and the department and organization’s performance. Nancy’s job is to make sure the human relations within her department have a positive effect on her department’s performance. Conflicts usually arise because of a lack of a win–win situation. In Chapter 7, you will learn how to create win–win situations when facing conflicts.
WORK APPLICATIONS

2. Give an example, personal if possible, of a situation in which the goal of human relations was met. Explain how the individual’s needs were met and how the organizational objectives were achieved.

This book discusses the goal of human relations as it applies to various topics. One goal of this book is to develop your ability to create win–win situations in a variety of settings, including your professional and personal lives.

The Total Person Approach

The total person approach realizes that an organization employs the whole person, not just his or her job skills. People play many roles throughout their lives, indeed, throughout each day. Olin, therefore, is more than just an employee; he is also a father, a member of the PTA, a scout leader, a jogger, a student, and a fisherman. At work, Olin will not completely discard all other roles to be a worker only. His off-the-job life will affect his job performance at IBM. Thus, if Olin has a bad day at work, it may not be related to his job, but to another of his life’s roles. Also, a bad day at work can affect personal life satisfaction.25

Analog Services, 3M, Marriott, Hewlett-Packard, IBM, and numerous other organizations view employees as total people. Such organizations are trying to give employees a better quality of work life.26 Consider Federal Express Corporation. FedEx pays good wages, offers a profit-sharing program, and maintains excellent communications with employees. Fred Smith, founder and chairman of Federal Express, states that management is interested in making FedEx a good place to work, where people are dealt with as human beings rather than as numbers.

WORK APPLICATIONS

3. Give a specific example, personal if possible, that supports the total person approach. Explain how an individual’s job performance was affected by off-the-job problems.

BEHAVIOR, HUMAN RELATIONS, AND ORGANIZATIONAL PERFORMANCE

Levels of Behavior

The study of human relations looks closely at the way people behave.27 Behavior is what people do and say. Human relations fuel behavior. The three levels of behavior are individual, group, and organizational. Human relations take place at the group and organizational levels.

Individual- and Group-Level Behavior As Olin types a letter on the computer or fills out requisition forms, he is engaged in individual behavior. Group behavior consists of the things two or more people do and say as they interact. Individual behavior influences group behavior.28 For example, as Olin and Mary work on a project together or attend department meetings, their actions are considered group behavior. Studying the chapters in this book, particularly Chapters 1 through 4, should help you understand and predict your own behavior, and that of others, in an organizational setting. In addition, Chapters 12 and 13 will help you gain a better understanding of how your behavior affects others, and how their behavior affects you in teams.
Organizational-Level Behavior  
An organization is a group of people working to achieve one or more objectives. This book focuses on human relations in both profit and nonprofit organizations in which people work to make a living. Organizations are created to produce goods and services for the larger society. If you have ever worked, you have been a part of an organization. You also come into contact with organizations on a regular basis, such as when you go into a store, school, church, post office, or health club.

As individuals and groups interact, their collective behavior constitutes the organization’s behavior. Thus organizational behavior is the collective behavior of an organization’s individuals and groups. IBM is an organization, and its collective behavior is based on Olin’s behavior, the behavior of Nancy’s department, and the behavior of all other departments combined.

This book explores all three levels of behavior. Chapters 2 through 4 focus primarily on individual behavior, Chapters 5 through 11 examine the skills influencing all three levels of behavior, and Chapters 12 through 15 focus on group and organizational behavior.

Exhibit 1.1 illustrates the three levels of behavior. The focus of level three is on the organization as a whole. At this level, the responsibility of the board of directors and the
president is to focus on the entire organization. The focus of level two is on the behavior
and human relations within and between groups such as the marketing, production, and
finance departments. The focus of level one is on the behavior of any one person in the
organization.30

Exhibit 1.1 is a formal organization structure showing authority and reporting relation-
ships. However, it does not show the multiple possible human relations that exist outside
the formal structure. For example, the president could interact with any employee, an em-
ployee could interact with a manager, and a supervisor could interact with a vice president’s
administrative assistant.

**WORK APPLICATIONS**

4. Give two specific examples of your involvement in human relations—one posi-
tive and one negative. Also identify the level of behavior for each example.

**The Relationship between Individual and Group Behavior
and Organizational Performance**

Human relations has an effect on performance.31 Throughout this course you will
learn how human relations affects individual and group behavior, and the resulting
effects on organizational performance. **Performance is the extent to which expecta-
tions or objectives have been met.** For example, if the objective of a production
worker is to produce 100 widgets per day and the employee produces 100 widgets,
performance is at the expected level. However, some workers may produce less than
100 widgets, while others may produce more than 100 widgets. Performance is usu-
ally measured on a continuum contrasted by high and low levels of performance, or
ranked on a scale of 1 through 10. The same concept holds true for the entire organi-
zation. Performance is a relative term. Performance levels are more meaningful when
compared to past performance or the performance of others within and/or outside the
organization.32

**APPLICATION SITUATIONS**

**Understanding Important Terms**

A. Behavior  C. Human relations  E. Performance
B. Goal of human relations  D. Organization  F. Total person approach

1. Bill and Sara are discussing how to complete a project they are working on
together.

2. Julio just delivered his report to the outgoing mailbox.

3. It’s 4:50 P.M. and Cindy typed the last bill to be sent out today with the
5:00 P.M. mail.

4. All the people listed above are members of an ________.

5. “Because I’ve been doing a good job, I got a raise; now I can buy that new
car I want so badly.”
The Systems Effect  A system is a set of two or more interactive elements. The systems approach, developed by Russell Ackoff, focuses on the whole system with an emphasis on the relationships between its parts. The whole cannot be decomposed into independent subsets. For our purposes, under the systems effect all people in the organization are affected by at least one other person, and each person affects the whole group or organization. The organization’s performance is based on the combined performance of each individual and group. To have high levels of performance, the organization must have high-performing individuals and groups. Groups are the building blocks of the organization. As a result of the systems effect, the destructive behavior of one individual hurts that group and other departments as well. In addition, the destructive behavior of one department affects other departments and the organization’s performance. Systems thinking is needed to understand performance.

The challenge to management is to develop high-performing individuals and groups. In a sense, individuals and groups are the foundation of an organization. If either is ineffective, the organization cannot stand. See Exhibit 1.2 for a graphic illustration.

The Relationship between Behavior, Human Relations, and Organizational Performance

The focus of this book is behavior, human relations, and performance from a systems effect perspective. People, not simply technology, are the key to increased levels of performance.

5. Give two specific examples of how human relations affected your performance—one positive and the other negative. Be specific in explaining the effects of human relations in both cases.
Part One  Intrapersonal Skills: Behavior, Human Relations, and Performance Begin with You

Just as people are the foundation of the organization, behavior and human relations are the foundation supporting performance. If either is ineffective, performance will suffer. Exhibit 1.3 gives a graphic illustration.

### Application Situations

#### Focus of Study

**AS 1–2**

Identify the focus of study in each statement below by selecting two answers. First select the level of behavior:

- A. Individual
- B. Group
- C. Organizational

Then select the scope of study:

- A. Behavior
- B. Human relations
- C. Performance

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<tr>
<td>6.</td>
<td>Bill and Sara are discussing how to complete a project they are working on together.</td>
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<tr>
<td>7.</td>
<td>The management hierarchy is from the president down to the employee level.</td>
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<td>8.</td>
<td>Carl is writing a letter to a supplier to correct an error in billing.</td>
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<tr>
<td>9.</td>
<td>The marketing department has just exceeded its sales quota for the quarter.</td>
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<tr>
<td>10.</td>
<td>IBM has just completed its income statement for the quarter.</td>
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Just as people are the foundation of the organization, behavior and human relations are the foundation supporting performance. If either is ineffective, performance will suffer. Exhibit 1.3 gives a graphic illustration.
HUMAN RELATIONS: PAST, PRESENT, AND FUTURE

HUMAN RELATIONS IS A MULTIDISCIPLINED SCIENCE

Popularly called organizational behavior and rooted in the behavioral sciences, the science of human relations was developed in the late 1940s. It is based primarily on psychology (which attempts to determine why individuals behave the way they do) and sociology (which attempts to determine how group dynamics affect organizational performance); social psychology, economics, and political science have also contributed to organizational behavior.

During the 1950s, research in human behavior was conducted in large organizations. By the late 1970s, organizational behavior was recognized as a discipline in its own right, with teachers, researchers, and practitioners being trained in organizational behavior itself. Organizational behavior is a social science that has built its knowledge base on a sound foundation of scientific theory and research. Human relations takes a practical, applied approach. It attempts to anticipate and prevent problems before they occur and to solve existing problems of interpersonal relations in organizations.

The Early Years: Frederick Taylor and Robert Owen

In early America, most people worked on farms or were self-employed tailors, carpenters, shoemakers, or blacksmiths. Then, during the Industrial Revolution people left the farms to work in factories that were all privately owned. The corporation form of business did not become prominent until much later. These early family-run businesses were concerned with profits, not employees, and managers viewed people only as a source of production. They did not realize how workers’ needs affected production. Since the labor supply was plentiful and the cost of labor low, they could easily replace employees who had complaints. In this situation, most of the early owner-managers gave little thought to the working conditions, health, or safety of their employees. Working conditions were very poor—people worked from dawn until dusk under intolerable conditions of disease, filth, danger, and scarcity of resources. They had to work this way just to survive; there was no welfare system—you worked or you starved.

Frederick Taylor
Frederick Taylor, an engineer known as the “father of scientific management,” focused on analyzing and redesigning jobs more efficiently in the late 1800s and early 1900s, which led to the idea of mass production. Scientific managers focused on production, not people. They were not in touch with human behavior, assuming that workers always acted rationally and were motivated simply by money; later these were found to be false assumptions. Also, Taylor failed to recognize the social needs of employees and placed them in isolated jobs.

Robert Owen
Robert Owen, a young Welsh industrialist and social theorist, in 1800 was considered the first manager-entrepreneur to understand the need to improve the work environment and the employee’s overall situation. In 1920, Owen was called “the real father” of personnel administration. He believed that profit would be increased if employees worked shorter hours, were paid adequately, and were provided with sufficient food and housing. He refused to employ children under the age of 11. In the early 1800s, children went to work full-time at the age of 9.) Owen taught his employees cleanliness and temperance and improved their working conditions. Other entrepreneurs of this time period did not follow his ideas. Compared with today’s conditions, Owen’s were primitive—but they were a beginning.

Elton Mayo and the Hawthorne Studies
From the mid-1920s to the early 1930s, Elton Mayo and his associates from Harvard University conducted research at the Western Electric Hawthorne Plant near Chicago. The research conducted through the Hawthorne Studies has become a landmark in the human relations field. In fact, Elton Mayo is called the “father of human relations.” As a
consequence of these studies, several unexpected discoveries were made in regard to the human relations in organizations:56

1. The **Hawthorne effect** refers to an increase in performance caused by the special attention given to employees, rather than tangible changes in the work. During the research, Mayo changed the lighting and ventilation. To his surprise, performance went up regardless of the working conditions. Through interviews, Mayo realized that the control group during the research felt important because of all the attention it got; therefore performance increased because of the special attention given to employees. It wasn’t until Mayo discovered the Hawthorne effect that he extended his study. What was to last only a few months lasted six years. With the knowledge of the results of the Hawthorne Studies, some managers used human relations as a means of manipulating employees, while others took the attitude that a happy worker is a productive worker. Studies have shown that happy workers are usually, but not always, more productive than unhappy workers. In this context, both approaches were unsuccessful at improving performance.

### WORK APPLICATIONS

6. Give a specific example, personal if possible, of the Hawthorne effect. It could be when a teacher, coach, or boss gave you special attention that resulted in your increased performance.

2. Employees have many needs beyond those satisfied by money.
3. Informal work groups have a powerful influence within the organization. For example, work group members can band together and decide the level of production, regardless of management’s standards, and influence the group to produce at that level. The group pressures members who produce more or less than the group’s established production rate to conform.
4. Supervisor–employee human relations affect the quality and quantity of employee output. Employees who have positive relations with their boss are more productive than employees who do not like their boss. Having good human relations does not mean that a manager has to be popular. No relationship exists between popularity and the speed at which people are promoted.
5. Many employee needs are satisfied off the job. Managers do not always control the factors that motivate employees.
6. Employee relations affect employee performance. Employees meet social needs through their interactions with fellow employees.

### The 1930s to the 1970s

During the depression of the 1930s, unions gained strength and in many cases literally forced management to look more closely at the human side of the organization and meet employees’ needs for better working conditions, higher pay, and shorter hours.

During the 1940s and 1950s, other major research projects were conducted in a number of organizations. Some of the research was conducted by the University of Michigan, which conducted studies in leadership and motivation; Ohio State University, which also studied leadership and motivation; the Tavistock Institute of Human Relations in London, which studied various subjects; and the National Training Laboratories in Bethel, Maine, which studied group dynamics. Peter Drucker’s management by objectives was popular in the 1950s.

During the 1960s, Douglas McGregor published Theory X and Theory Y.57 A discussion of his theories, which contrast the way managers view employees, appears in Chapter 3. In the same time period, Eric Berne introduced transactional analysis (TA). (See Chapter 7 for a detailed discussion of TA.) Sensitivity training was popular in the 1960s.
During the 1970s, interest in human relations probably peaked. Quality circles were popular. By the late 1970s, the term *human relations* was primarily replaced with the more commonly used term *organizational behavior*.

**The 1980s to the 1990s**

In the 1980s, the U.S. rate of productivity was much lower than that of Japan. William Ouchi, who conducted research to determine why Japan was more productive than the United States, discovered that Japanese organizations were managed differently than U.S. organizations. While studying several U.S. organizations, Ouchi discovered that a few particularly successful firms did not follow the typical U.S. model. After years of research and investigation, Ouchi developed Theory Z.48 *Theory Z integrates common business practices in the United States and Japan into one middle-ground framework appropriate for use in the United States.*

In search of excellence, Thomas Peters and Robert Waterman conducted research to determine the characteristics of successful organizations.49 During the 1980s, their work was criticized as companies identified as excellent began to have problems. Total quality management was popular in the 1980s.

In the 1990s, the trend toward increased participation of employees as a means of improving human relations and organizational performance continued. Edward Lawler suggested the use of high-involvement management, which includes greater levels of participation at the lowest level of the organization. As a result, employees have more input into management decisions and how they perform their jobs. The use of groups and teams was popular in the 1990s.

**APPLICATION SITUATIONS**

**Human Relations History**

Identify the following people with their contribution to human relations:

A. Eric Berne  
B. Elton Mayo  
C. William Ouchi  
D. Robert Owen  
E. Tom Peters  
F. Frederick Taylor

12. Theory Z.  
13. Transactional analysis.  
14. The father of personnel administration.  
15. The Hawthorne Studies.

**Current and Future Challenges in the 21st Century**

We’ve discussed the history of human relations; now let’s briefly discuss its current and future trends and challenges. In Chapters 2 through 15, we will discuss these topics in detail.

- **Globalization, change, innovation, and speed.** CEOs rate globalization as a challenge to business leadership in the 21st century. The trend toward globalization has clearly changed the speed and the way we do business today.50
- **Technology.** Technology has enabled the innovation and speed we have now in the global economy; the rate of technology change will not slow down. Because technology is created by people, they have to use it effectively to compete.51
- **Diversity.** Due to globalization, diversity becomes more important. You need to understand how to work with people around the world.52
• **Learning and knowledge.** The key to success today is using knowledge effectively to continually innovate in order to compete in the new global economy.\(^{53}\)

• **Ethics.** Media coverage of Enron, WorldCom, and other business scandals has heightened awareness of the need for ethical business practices, as well as new corporate governance requirements.\(^{54}\)

• **Crisis.** In the wake of September 11, 2001, organizations have developed plans to prevent and/or deal with crises that may occur. Safety and security issues have led to new human relations behaviors.

As stated, we will talk more about all of these challenges in later chapters.

**WORK APPLICATIONS**

7. Explain how one of the above trends or challenges could personally affect your human relations.

**APPLICATION SITUATIONS**

<table>
<thead>
<tr>
<th>Trends and Challenges of Human Relations</th>
<th>A. External forces</th>
<th>B. Changing workforce</th>
<th>C. Technology</th>
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<td><strong>AS 1–4</strong></td>
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<td>16. “First we had to contend with the Japanese; now the Koreans and Chinese are serious competitors as well.”</td>
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<td>17. “The number of immigrants employed is increasing because they are the only ones applying for the jobs.”</td>
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<td>18. “Every time I look in the business section of the paper, it seems as though someone is coming out with a new or improved computer. How do I know which one to choose?”</td>
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<td>19. “We had better do some training to help prevent getting charged with sexual harassment.”</td>
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<td>20. “These kids today don’t have the dedication to come to work, and on time, like we did when we were their age.”</td>
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**DEVELOPING HUMAN RELATIONS SKILLS**

Through gaining a better understanding of your behavior and that of others in organizations, you will be more skilled at interacting with people and better prepared to anticipate and eliminate human relations problems before they occur.\(^{55}\) As you develop your human relations skills, you will be better prepared to deal effectively with specific human relations problems.\(^{56}\) These skills are not gimmicks to empower you to manipulate people, and they will not offer simple solutions to the human relations problems you will face in organizations. People are complex and different, and the approach you use to solve a human relations problem with one person may not work with a different person.

This book gives you suggestions, guidelines, and models to follow. Although these guidelines do not guarantee success, they will increase your probability of successful human relations in organizations.
Wal-Mart: People or Profit?

Wal-Mart Chief Executive Lee Scott seems to have a real problem. His firm has been accused by many in the press of numerous unethical business practices dealing specifically with employees. These include hiring illegal immigrants, busting unions, locking employees in the building when taking inventory, denying meal breaks, paying subsistence level wages while providing no benefits, and following hiring practices that discriminate against employees based upon their general health.

CEO Scott has taken steps to bolster Wal-Mart’s public image and address the treatment of its employees. For example, Wal-Mart’s Web site states that the typical Super Center raises or gives $30,000 to $50,000 a year to local charities ranging from youth programs to literacy councils, while saving working families over $2,300 per household. Wal-Mart also claims to have competitive wages, a flexible schedule, and good benefits including family care and college tuition reimbursement.

So with all of this good news, what could be the problem? Investors looking at the firm’s stock price are less than happy. Over a five-year period, Wal-Mart’s stock hit a high and dropped close to its five-year low. Analysts are now claiming that CEO Scott has been paying too much attention to the company’s lackluster public image and human relations, and not enough to its lackluster bottom line.

Questions
1. How is Wal-Mart trying to implement the total person approach to management?
2. How have these actions attempted to address the current and future challenges in the 21st century?
3. If you were CEO Scott, how would you address those critics who think that Wal-Mart is focusing too much on people and not enough on profits?
4. If you attended an annual Wal-Mart stockholders meeting, what would you tell CEO Scott to do?


As the poet Johann Wolfgang von Goethe said, “Knowing is not enough; we must apply what we learn.” Human relations is one of the few courses you can use immediately. Most of the material you will learn can and should be used in your daily personal life with your family, friends, and other people with whom you interact. If you presently work, use this material on the job to develop your human relations skills.

WORK APPLICATIONS

8. Do you believe that you can and will develop your human relations abilities and skills through this course? Explain your answer.

Learning Outcome
7. Explain nine guidelines for effective human relations.

Human Relations Guidelines
Are you the kind of person others enjoy being around? Find out by completing Self-Assessment Exercise 1–1. Then read on.

Likability
Select the number from 1 to 5 that best describes your use of the following behavior, and write it on the line before each statement.
(5) Usually  (4) Frequently  (3) Occasionally  (2) Seldom  (1) Rarely

1. I’m an optimist. I look for the good in people and situations, rather than the negative.
2. I avoid complaining about people, things, and situations.
3. I show a genuine interest in other people. I compliment them on their success.
4. I smile.
5. I have a sense of humor. I can laugh at myself.
If you want to get ahead in an organization, it is important to do a good job. But it is also important that people like you. If people like you, they will forgive just about anything you do wrong. If they don’t like you, you can do everything right and it will not matter. Many hardworking, talented people have been bypassed for promotion and fired simply because their bosses or some other high-level managers didn’t like them.

No one can tell you exactly how to be likable. People who try too hard are usually not well liked. However, in this section you will learn guidelines for being likable through successful human relations. The guidelines are based on the behavior of successful, likable people who possess human relations skills. Although general in nature, these guidelines apply to most situations.

The nine human relations guidelines are (1) be optimistic, (2) be positive, (3) be genuinely interested in other people, (4) smile and develop a sense of humor, (5) call people by name, (6) listen to people, (7) help others, (8) think before you act, and (9) create win–win situations.

**Be Optimistic**  Football coach Lou Holtz has said that you choose to be optimistic (happy) or pessimistic (sad). Happiness is nothing more than a poor memory for the bad things that happen to you. We usually find what we’re looking for. If you look for, and emphasize, the positive, you will find it. Most successful people are optimistic. Winston Churchill said that success is the ability to go from failure to failure without losing your enthusiasm. Again, having a poor memory for failure leads to happiness. If you catch yourself thinking or behaving like a pessimist, stop, and change to an optimistic thought or action. With time you will need to catch yourself and change behavior less frequently.

**Be Positive**  Praise and encourage people. People generally don’t like to listen to others complain. Have you ever noticed that people ask each other, “How is it going?” but if one person starts complaining about something, the other finds an excuse for not listening. People often avoid complainers, and you should too. Associating with complainers will only depress you. Don’t go around criticizing (putting people down), condemning, or spreading rumors. Do you like people to criticize you?

**Be Genuinely Interested in Other People**  Think about the bosses you have had. Who was your favorite? Why? There is a good chance that this boss was genuinely interested in you as a person, not simply as a means of getting the job done. Think about your friends. One of the reasons you like them is that they show a genuine interest in you. One of the five main reasons managers fail is the “me only” syndrome. Managers who are preoccupied with themselves and too concerned with how much credit they get are insensitive to others. People who feel as though you don’t care about them will not come through for you. Do you like self-centered people?
Smile and Develop a Sense of Humor  A smile shows interest and caring. It takes fewer muscles to smile than it does to frown. The adage “Smile and the world smiles with you; weep and you weep alone” has a lot of truth to it. You have probably noticed that frowners are usually unhappy and pessimistic.

Develop a sense of humor. Relax, laugh, and enjoy yourself. Be willing to laugh at yourself. Likable people do not take their jobs or themselves too seriously. Do you like people who always frown and never laugh?

Call People by Name  A person’s name is the most important sound in any language. Calling people by the name they prefer shows an interest in them and makes them feel important. If you’re not good at remembering names, work at it. Like any skill, it takes a conscious effort and some practice to develop. One simple technique you can use to help you remember people’s names when you are introduced is to call them by name two or three times while talking to them. Then call them by name the next time you greet them. If you forget a person’s name, whenever possible, ask someone else what it is before contacting the person. Remember that in some cultures, however, it is not polite to call a person by his or her first name. In such a culture, use last names, titles, or positions, as expected.

Listen to People  We learn more by listening than we do by talking. To truly listen we must honestly try to see things from the other person’s point of view. Show respect for the other person’s opinions. Don’t say, “You’re wrong,” even when the other person is wrong. Such statements only make people defensive and cause arguments, which you should avoid. Saying you disagree has less of an emotional connotation to it. However, when you are wrong, admit it quickly and emphatically. Admitting you’re wrong is not a sign of weakness and is often interpreted as a strength. However, not admitting you are wrong is often interpreted as a weakness.

Encourage others to talk about themselves. Ask them questions about themselves, rather than telling them about yourself. This gives you the opportunity to listen and learn while making people feel important. Listening also shows your interest in people. Do you like people who don’t listen to you?

Help Others  If you want to help yourself, you can do so only by helping others. It’s a basic law of success. People who use people may be somewhat successful in the short run, but those being used usually catch on. Often people who use other people are not successful in the long run. Open and honest relationships in which people help each other meet their needs are usually the best ones. Help others, but don’t pry when help is not welcomed. Do you like people who don’t help you when you need help?

Think Before You Act  Feel your emotions, but control your behavior. Try not to do and say things you will regret later. Watch your language; don’t offend people. It is not always what you say but how you say it that can have a negative impact on human relations. Before you say and do things, think about the possible consequences. Being right is not good enough if it hurts human relations. Conduct your human relations in a positive way.

Create Win–Win Situations  Human relations is about how we behave and treat others. The goal of human relations is to create win–win situations. The best way to get what you want is to help other people get what they want and vice versa. Throughout the book you will be given specific examples of how to create win–win situations.

If Olin follows these nine human relations guidelines at IBM, he will increase his chances of success. If you follow these general guidelines, you too will increase your chances of success in all walks of life. These nine guidelines are just the starting point of what you will learn in this course. For a review of the nine guidelines to effective human relations, see Exhibit 1.4.
WORK APPLICATIONS

9. Which two of the nine human relations guidelines need the most effort on your part? Which two need the least? Explain your answers.

Handling Human Relations Problems

Even though you follow the human relations guidelines, in any organization there are bound to be times when you disagree with other employees.

Human relations problems often occur when the psychological contract is not met. The psychological contract is the shared expectations between people. At work you have expectations of the things your boss and coworkers should and should not do, and they in turn have expectations of you. As long as expectations are met, things go well. However, if expectations are not met, human relations problems occur.71 Thus, when people share information and negotiate expectations, have clear roles, and are committed to meeting others’ expectations, things go well. We’ll focus on sharing information and negotiating expectations throughout this book.

When you encounter a human relations problem, you have to decide whether to avoid the problem or to solve it. In most cases, it is advisable to solve human relations problems rather than ignore them. Problems usually get worse rather than solve themselves. When you decide to resolve a human relations problem, you have at least three alternatives:

1. Change the Other Person  Whenever there is a human relations problem, it is easy to blame the other party and expect her or him to make the necessary changes in behavior to meet your expectations. In reality, few human relations problems can be blamed entirely on one party. Both parties usually contribute to the human relations problem. Blaming the other party without taking some responsibility usually results in resentment and defensive
behavior. The more you force people to change to meet your expectations, the more difficult it is to maintain effective human relations.

2. Change the Situation  If you have a problem getting along with the person or people you work with, you can try to change the situation by working with another person or other people. You may tell your boss you cannot work with so-and-so because of a personality conflict, and ask for a change in jobs. There are cases where this is the only solution; however, when you complain to the boss, the boss often figures that you, not the other party, are the problem. Blaming the other party and trying to change the situation enables you to ignore your own behavior, which may be the actual cause of the problem.

3. Change Yourself  Throughout this book, particularly in Part 1, you will be examining your own behavior. Knowing yourself is important to good human relations. In many situations, your own behavior is the only thing you can control. In most human relations problems, the best alternative is to examine others’ behavior and try to understand why they are doing and saying the things they are; then examine your own behavior to determine why you are behaving the way you are. In most cases, the logical choice is to change your own behavior. That does not mean doing whatever other people request. In fact, you should be assertive. You are not being forced to change; rather, you are changing your behavior because you elect to do so. When you change your behavior, others may also change.

In each chapter, there are two or more self-assessment instruments to help you better understand your behavior and that of others. It is helpful to examine behavior and to change it, when appropriate, not only throughout this course but throughout life.

WORK APPLICATIONS

10. Give a specific example of a human relations problem in which you elected to change yourself rather than the other person or situation. Be sure to identify your changed behavior.

OBJECTIVES AND ORGANIZATION OF THE BOOK

Let’s discuss what we are trying to do throughout this book (objectives) and how we are going to do it (organization).

Objectives of the Book

Management gurus say that professors should be teaching students how to apply the principles learned. This is the overarching objective of the book. Unlike most other courses that teach you concepts, this course takes you to the next level, as you apply the concepts and develop your human relations skills.

As indicated in the title of the book, it has a three-pronged approach to the objectives:

• To teach you the concepts and theories of human relations.
• To develop your ability to apply the human relations concepts through critical thinking.
• To develop your human relations skills in your personal and professional lives.

This book offers some unique features related to each of the three objectives; these features are listed in Exhibit 1.5. You may be tested regarding each objective. To get the most from this book, turn back to the Preface and read the descriptions of these features.

Flexibility  There are so many features that your professor will most likely not use every feature with every chapter. Students have different learning style preferences. There is no one right way of doing things. You have the flexibility to use your own approach. You may also use features that your professor does not include in the course requirements.
Part One  Intrapersonal Skills: Behavior, Human Relations, and Performance Begin with You

It is important to develop human relations competencies. So how do you know what specific leadership competencies will be important to your career success? For the answer, we have turned to the AACSB (Association for the Advancement of Collegiate Business Schools), which gives accreditation to business schools. AACSB accreditation is highly sought after, and even the business schools that don’t achieve accreditation tend to strive to meet AACSB standards. Below is a list of competencies that are based on AACSB learning standards related to this course.

- **Reflective thinking and self-management.** Students develop reflective thinking through identifying personal strengths and developmental needs as a first step in leading others. Self-assessment is the first step. Each chapter has self-assessment exercises to help you better understand yourself and how to improve your competencies.

- **Analytic skills.** Students learn to set goals, adjust, and resolve problems and make decisions as they respond to internal and external stakeholder needs by applying knowledge in new and unfamiliar circumstances. You will learn how to write objectives in Chapter 9 and how to use participation in decision making in Chapter 13. Essentially all of the application and skill material in every chapter will help you develop your analytical skills.

- **Communication abilities.** Students learn to effectively listen, share ideas, negotiate, and facilitate the flow of information to improve performance. You will develop communication competency in Chapters 5 and 6 and negotiation skills in Chapter 11.

- **Global, multicultural, diversity, and ethical perspectives.** Students are challenged to recognize the impact of global trends on an organization, to value diversity, and to conduct business in an ethical manner. You will develop these competencies in Chapters 2 and 15. In addition, each chapter includes an Ethical Dilemma to help you develop your competency in being ethical based on a given situation.

- **Teamwork.** Students enhance group and individual dynamics in organizations to create a healthy team environment by combining talents and resources for collaboration and information sharing. You will develop team competencies in Chapters 12 and 13, as well as through the exercises in most chapters.

- **Leadership.** Students develop the capacity to lead in organizational situations. This is the focus of last two parts of the book, Chapters 8–15.

- **Strategic management.** Students learn how to develop creative strategies to guide organizations, achieve goals, minimize risks, and gain a competitive advantage. This is the ability to adapt and innovate to solve problems, to cope with unforeseen
events, and to manage in unpredictable environments. Chapters 12–15 focus on these concepts, but you will develop these competencies throughout all of the chapters.

Each of the skill-building exercises indicates the AACSB learning standard skill(s) to which the exercise relates.

Organization of the Book

The book is organized in two ways. The first is by the levels of behavior. The parts, as well as the chapters within each part, progress from the individual, to the group, to the organizational levels of behavior.

Second, the parts of the book are based on the domain model of managerial education. In this model the concept of skills has evolved into the concept of competencies. Competencies are performance capabilities that distinguish effective from ineffective behavior, human relations, and performance: they are the underlying characteristics of a person that lead to or cause effective and outstanding performance. Every current competency model can be organized in terms of four competency domains: intrapersonal skills, interpersonal skills, leadership skills, and business skills. The first three are human relations skills, and the last is a technical skill.

The three human relations domains, which are discussed below, as well as the levels of behavior, are reflected in the table of contents and the profile form on pages 24 to 25. This form lists the parts and the chapters within each part.

Part 1. Intrapersonal Skills: Behavior, Human Relations, and Performance

Intra means “within”; thus, intrapersonal skills are within the individual and include characteristics such as personality, attitudes, self-concept, and integrity. Intrapersonal skills have also been called self-management abilities. Do you need close supervision, or can you manage yourself? Intrapersonal skills are the foundation on which management careers are built. You will learn about, apply, and develop intrapersonal skills in Chapters 2 to 4. We end the book by coming back to intrapersonal skills in Appendix A, by developing a plan for applying human relations skills.

Part 2. Interpersonal Skills: The Foundation of Human Relations

Inter means “between”; thus, interpersonal skills are between people, as are human relations. Interpersonal skill is the ability to work well with a diversity of people. Interpersonal skills have also been called relationship management. How well do you work with others? People with interpersonal, or human relations, skills have the ability to initiate, build, and maintain relationships; to see things from the other person’s point of view; and to understand and meet others’ expectations. They also have good communication and conflict resolution skills. Interpersonal skills are a hot topic of research because they are critical to team success. Clearly, interpersonal skills are based on, and overlap to some extent, intrapersonal skills. You will learn about, apply, and develop interpersonal skills in Chapters 5 through 7.

Part 3. Leadership Skills: Influencing Others

Leadership skill is the ability to influence others and work well in teams. You can be a leader without being a manager. Leadership is perhaps the most extensively studied management topic, and courses and programs directed toward training future leaders and improving leadership skills are increasing. Leadership skill includes persistency and the ability to motivate others. You will learn about, apply, and develop leadership skills in Chapters 8 through 15. Leadership skills are based on intrapersonal and interpersonal skills. Thus, the sequence of parts in the book, as well as the chapters within each part, constitutes a logical set of building blocks for your competency and skill development.

It’s time to assess your intrapersonal skills, interpersonal skills, and leadership skills. Together, these skills are called human relations skills. The following section focuses on
self-assessment, an important intrapersonal skill. People with good intrapersonal skills use self-assessment as the basis for improving their human relations skills, which we will be doing throughout the book.

**ASSESSING YOUR HUMAN RELATIONS ABILITIES AND SKILLS**

For each of the 43 statements below, record in the blank the number from 1 to 7 that best describes your level of ability or skill. You are not expected to have all high numbers. This assessment will give you an overview of what you will learn in this course. Appendix A contains the same assessment to enable you to compare your skills at the beginning and end of the course.

<table>
<thead>
<tr>
<th>Low ability/skill</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>High ability/skill</th>
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<tbody>
<tr>
<td>1.</td>
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<td></td>
<td>I understand how personality and perception affect people’s behavior, human relations, and performance.</td>
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<td>I can describe several ways to handle stress effectively.</td>
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<td>I know my preferred learning style (accommodator, diverger, converger, assimilator) and how it affects my behavior, human relations, and performance.</td>
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<td>4.</td>
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<td>I understand how people acquire attitudes and how attitudes affect behavior, human relations, and performance.</td>
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<td>5.</td>
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<td>I can describe self-concept and self-efficacy and how they affect behavior, human relations, and performance.</td>
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<td>6.</td>
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<td>I can list several areas of personal values and state how values affect behavior, human relations, and performance.</td>
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<td>7.</td>
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<td>I understand how to use a time management system.</td>
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<td>8.</td>
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<td>I understand how to use time management techniques to get more done in less time with better results.</td>
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<td>9.</td>
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<td>I know how to develop a career plan and manage my career successfully.</td>
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<td>10.</td>
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<td>I can describe the communication process.</td>
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<td>11.</td>
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<td>I can list several transmission media and when to use each.</td>
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<td>12.</td>
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<td>I can identify and use various message response styles.</td>
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<td>13.</td>
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<td>I understand organizational communications and networks.</td>
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<td>14.</td>
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<td>I can list barriers to communications and how to overcome them.</td>
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<td>15.</td>
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<td>I know my preferred communication style and how to use other communication styles to meet the needs of the situation.</td>
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<td>16.</td>
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<td>I can describe transactional analysis.</td>
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<td>17.</td>
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<td>I can identify the differences between aggressive, passive, and assertive behavior. I am assertive.</td>
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<td>18.</td>
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<td>I can identify different conflict resolution styles. I understand how to resolve conflicts in a way that does not hurt relationships.</td>
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<td>19.</td>
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<td>I can identify behavioral leadership theories.</td>
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<td>20.</td>
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<td>I can identify contingency leadership theories.</td>
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<td></td>
<td>I know my preferred leadership style and how to change it to meet the needs of the situation.</td>
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<td>22.</td>
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<td>I understand the process people go through to meet their needs.</td>
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<td>23.</td>
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<td>I know several content and process motivation theories and can use them to motivate people.</td>
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</table>
24. I can list and use motivation techniques.
25. I can identify bases and sources of power.
26. I know how to gain power in an organization.
27. I can list political techniques to increase success.
28. I have 100 people I can call on for career help.
29. I know how to open a conversation to get people to give me career assistance.
30. I know two critical things to do during a negotiation to get what I want.
31. I understand how to plan and conduct effective meetings.
32. I can identify components of group dynamics and how they affect behavior, human relations, and performance.
33. I know the stages groups go through as they develop.
34. I understand the roles and various types of groups in organizations.
35. I can help groups make better decisions through consensus.
36. I know when, and when not, to use employee participation in decision making.
37. I understand why people resist change and know how to overcome that resistance.
38. I can identify and use organizational development techniques.
39. I understand how to develop a positive organizational culture and climate.
40. I understand equal employment opportunity (EEO) and the rights of legally protected groups such as minorities, people with disabilities, alcohol and drug addicts, and people with AIDS.
41. I can define sexism and sexual harassment in organizations.
42. I can handle a complaint using the complaint model.
43. I understand how to plan for improved human relations.

To use the profile form below, place an X in the box whose number corresponds to the score you gave each statement above.

Review your profile form. Your lower score numbers indicate areas where behavior changes are most warranted. Select the top five areas, abilities or skills, you want to develop through this course. Write them out below. In Chapter 8, we will discuss how to set objectives. At that time you may want to return to write what you wish to learn as objectives.

1.
2.
3.
4.
5.

As the course progresses, be sure to review your course goals and work toward attaining them.

Learning Outcome
8. Identify your personal low and high human relations ability and skill levels.

Learning Outcome
9. Identify five personal human relations goals for the course.
### Profile Form

<table>
<thead>
<tr>
<th>Your Score</th>
<th>Parts and Chapters in Which the Information Will Be Covered in the Book</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Part 1. Intrapersonal Skills: Behavior, Human Relations, and Performance Begin with You</td>
</tr>
<tr>
<td>2</td>
<td>2. Personality, Stress, Learning, and Perception</td>
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<tr>
<td>3</td>
<td>3. Attitudes, Self-Concept, Values, and Ethics</td>
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<tr>
<td>4</td>
<td>4. Time and Career Management</td>
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<tr>
<td>5</td>
<td>Part 2. Interpersonal Skills: The Foundation of Human Relations</td>
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<td>6</td>
<td>5. Interpersonal Communication</td>
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<td>7</td>
<td>6. Organizational Structure and Communication</td>
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<td>8</td>
<td>7. Dealing with Conflict</td>
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<td>9</td>
<td>Part 3. Leadership Skills: Influencing Others</td>
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<tr>
<td>10</td>
<td>8. Leading and Trust</td>
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<td>11</td>
<td>9. Motivating Performance</td>
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<tr>
<td>12</td>
<td>10. Ethical Power and Politics</td>
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<td>13</td>
<td>11. Networking and Negotiating</td>
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<td>30</td>
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</table>
Don’t be too concerned if your scores were not as high as you would like them to be. If you work at it, you will develop your human relations skills through this book. This brings Chapter 1 to a close. Next is a chapter review with a glossary and more application and skill-building material to develop your human relations skills based on Chapter 1 concepts.

Online Learning Center Resources
Go to the Internet (http://mhhe.com/lussier8e) where you will find a broad array of resources to help maximize your learning.

• Review the vocabulary.
• Try a quiz.

REVIEW

The chapter review is organized to help you master the 10 learning outcomes for Chapter 1. First provide your own response to each learning outcome, and then check the summary provided to see how well you understand the material. Next, identify the final statement in each section as either true or false (T/F). Correct each false statement. Answers are given at the end of the chapter.

1. Explain why human relations skills are important.
People are an organization’s most valuable resource. It is the people who cause the success or failure of an organization. Faulty human relations skill is the most common cause of management failure.
The myths of human relations (HR) are: (1) Technical skills are more important than HR skills; (2) HR is just common sense; (3) global diversity is overemphasized; and (4) leaders are born, not made. T F

2. **Discuss the goal of human relations.**
Organizations that can create a win–win situation for all have a greater chance of succeeding. If the organization offers everyone what they need, all benefit. Satisfying needs is not easy; rather, it is a goal to strive for, which may never be met.

Organizations expect that employees will not let their personal lives affect their work. T F

3. **Describe the relationship between individual and group behavior and organizational performance.**
Through the systems effect, we learn that individuals affect each other’s performance and that of the group and organization. The organization is made up of individuals and groups. Its performance is based on individual and group performance.

Human relations only takes place at the group and organizational levels. T F

4. **Describe the relationship between behavior, human relations, and organizational performance.**
As people perform their jobs they interact. Their behavior and human relations impact their level of performance. Ineffective behavior and poor human relations have a negative effect on performance.

One employee’s behavior and human relations have little effect on the group and organization. T F

5. **Briefly describe the history of the study of human relations.**
In the 1800s Frederick Taylor developed scientific management, which focused on redesigning jobs. Also in the 1800s Robert Owen was the first manager/owner to understand the need to improve the work environment and the employee’s overall situation. Elton Mayo is called the father of human relations. In the mid-1920s to the early 1930s he conducted the Hawthorne Studies and thereby identified the Hawthorne effect, an increase in performance due to the special attention given to employees, rather than tangible changes in the work. Through the 1930s to the 1980s much attention has been paid to the human side of the organization. Teamwork and increased employee participation became popular during the 1990s.

Thomas Peters and Robert Waterman developed Theory Z. T F

6. **State some of the trends and challenges in the field of human relations.**
Trends and challenges in the field of human relations include: (1) globalization, change, innovation, and speed; (2) technology; (3) diversity; (4) learning and knowledge; (5) ethics; and (6) crisis.

The rate of change and technology is slowing down. T F

7. **Explain nine guidelines for effective human relations.**
Guidelines for effective human relations include: (1) be optimistic; (2) be positive; (3) be genuinely interested in other people; (4) smile and develop a sense of humor; (5) call people by name; (6) listen to people; (7) help others; (8) think before you act; and (9) create win–win situations.

The goal of human relations is within guideline (7): help others. T F

8. **Identify your personal low and high human relations ability and skill levels.**
Answers will vary from student to student.

Most people will have the same score on most abilities and skills. T F

9. **Identify five personal human relations goals for the course.**
Answers will vary from student to student.

The goals you select for this course are neither right nor wrong. T F

10. **Define the following 17 key terms.**
Select one or more methods: (1) fill in the missing key terms from memory; (2) match the key terms from the end of the review with their definitions below; and/or (3) copy the key terms in order from the key terms at the beginning of the chapter.
are interactions among people, while the is to create a win–win situation by satisfying employee needs while achieving organizational objectives.

A(n) occurs when the organization and employees get what they want.

The realizes that an organization employs the whole person, not just his or her job skills.

is what people do and say.

The are individual, group, and organizational.

is the things two or more people do and say as they interact (human relations).

A(n) is a group of people working to achieve one or more objectives.

is the collective behavior of its individuals and groups.

is the extent to which expectations or objectives have been met.

Under the, all people in the organization are affected by at least one other person, and each person affects the whole group or organization.

is called the “father of human relations” and conducted the Hawthorne Studies in the mid-1920s to the early 1930s, considered the first true human relations research.

The refers to an increase in performance due to the special attention given to employees, rather than tangible changes in the work.

integrates common business practices in the United States and Japan into one middle-ground framework.

are within the individual and include characteristics such as personality, attitudes, self-concept, and integrity.

is the ability to work well with a diversity of people.

is the ability to influence others and work well in teams.

**KEY TERMS**

| behavior 6 | interpersonal skill 21 | performance 8 |
| goal of human relations 5 | intrapersonal skills 21 | systems effect 9 |
| group behavior 6 | leadership skill 21 | Theory Z 13 |
| Hawthorne effect 12 | levels of behavior 6 | total person approach 6 |
| human relations 5 | organization 7 | win–win situation 5 |
COMMUNICATION SKILLS

The following critical thinking questions can be used for class discussion and/or as written assignments to develop communication skills. Be sure to give complete explanations for all questions.

1. In your opinion, which myth about human relations holds back the development of human relations skills more than any of the others?
2. Which person’s contribution to the history of human relations do you find to be the most impressive?
3. Which one of the trends or challenges do you believe is the most relevant to the field of human relations?
4. Which one of the nine guidelines for effective human relations do you think is the most important?
5. Of the three ways to handle human relations problems, which ones are the easiest and hardest for you?
6. Of the intrapersonal, interpersonal, and leadership skills, which one is your strongest? Your weakest?

CASE

A Changing of the Guard at Alcatel-Lucent

Alcatel-Lucent (ALU) became the leading global supplier of high-tech equipment for telecommunications networks when France’s Alcatel acquired U.S. rival and technically savvy Lucent Technologies for $11.6 billion in late 2006. The company provides network switching and transmission systems for wireline and wireless networks. Serving telecom carriers and other business and government customers, the new Alcatel-Lucent organization is made up of five business units: wireline, wireless, convergence, enterprise, and services. Alcatel-Lucent’s key customers include Verizon, AT&T (formerly SBC Communications), BellSouth, and China Telecom.

Former Alcatel chairman and CEO Serge Tchuruk (pronounced “cha-RUK”) became chairman of the combined company; Lucent chief Patricia Russo was named CEO. Tchuruk honed a once lumbering Alcatel with broad industrial interests into a focused telecom heavyweight. He oversaw an extensive restructuring that included the sale of noncore businesses such as electrical power, engineering, nuclear power, and defense electronics. Russo, who oversaw similar streamlining measures at Lucent, was charged with turning around what has so far been a difficult integration in a slumping market. Yet the company said on July 29, 2008, that these same two architects of the merger would step down, following widespread dissatisfaction with their performance. Alcatel-Lucent has cut 16,500 jobs and lost roughly $7 billion since the merger. When asked by the board of directors, Russo and Tchuruk both stated that they could not work with each other. Because they could not get along, both had to leave the company.

It was noted that Russo struggled to bring together the vastly different cultures of the two companies amid a tough business climate. Her difficulties were compounded by the fact that as the first woman to run a company listed on the CAC 40, she had to make her way in the clubby, male-dominated world where French business and politics overlap. (Alcatel-Lucent’s headquarters is only a few blocks away from the Elysée presidential palace and is across the street from the headquarters of President Nicholas Sarkozy’s party, the UMP.)

Ben Verwaayen, the former head of BT Group plc, a British telecommunications carrier, was appointed to succeed Patricia Russo as chief executive on September 2, 2008, and acknowledged that there remained “a divided Alcatel-Lucent.” Verwaayen brings his experience of having been a customer of Alcatel-Lucent, as well as of its rivals Ericsson,
Nokia, and Huawei. He said he would spend the next few months consulting with clients as the company rethinks how it deploys its resources yet noted that they needed to move quickly to become an integrated company. Verwaayen, 56, is Dutch and speaks fluent French, in contrast to Russo, who was never entirely comfortable with the language. Alcatel-Lucent operates in 130 countries, and like many global enterprises, its language of business is English.

Thomas Langer, an analyst at WestLB in Düsseldorf, said the new team would quickly face pressure to bring results. According to Langer, “My take is that there will be another round of reorganization that will unfortunately come with more restructuring.”

Go to the Internet: For more information on Alcatel-Lucent, Patricia Russo, and Ben Verwaayen, and to update the information provided in this case, do a name search on the Internet and visit www.btplc.com.

1. How does this case highlight the current and future challenges of human relations in the 21st century?

2. What myths of human relations does this case challenge?

3. What should be the goal of human relations as it applies to this merger?

4. How does this case demonstrate the relationship between behavior, human relations, and organizational performance?

5. What levels of analysis are addressed in this case?

6. What new information on Alcatel-Lucent have you found on the Internet and how might that information impact your answer to the above questions?

OBJECTIVE CASE  Supervisor Susan’s Human Relations

Peter has been working for York Bakery for about three months now. He has been doing an acceptable job until this week. Peter’s supervisor, Susan, has called him in to discuss the drop in performance. (Note: Susan’s meeting with Peter and/or a meeting held by Tim with Susan and Peter can be role-played in class.)
SUSAN: “Peter, I called you in here to talk to you about the drop in the amount of work you completed this week. What do you have to say?”
PETER: “Well, I’ve been having a personal problem at home.”
SUSAN: “That’s no excuse. You have to keep your personal life separate from your job. Get back to work, and shape up or ship out.”
PETER: (Says nothing, just leaves.)

Susan goes to her boss, Tim.

SUSAN: “Tim, I want you to know that I’ve warned Peter to increase his performance or he will be fired.”
TIM: “Have you tried to resolve this without resorting to firing him?”
SUSAN: “Of course I have.”
TIM: “This isn’t the first problem you have had with employees. You have fired more employees than any other supervisor at York.”
SUSAN: “It’s not my fault if Peter and others do not want to do a good job. I’m a supervisor, not a babysitter.”
TIM: “I’m not very comfortable with this situation. I’ll get back to you later this afternoon.”
SUSAN: “See you later. I’m going to lunch.”

Answer the following questions. Then in the space between questions, state why you selected that answer.

1. There ______ a human relations problem between Susan and Peter.
   a. is  b. is not

2. Susan has attempted to create a ______ situation.
   a. lose–lose  b. win–lose  c. win–win

3. Susan ______ an advocate of the total person approach.
   a. is  b. is not

4. Through the systems effect, Peter’s decrease in output affects which level of behavior?
   a. individual  c. organizational
   b. group  d. all three levels

5. The scope of study illustrated in this case covers:
   a. behavior  c. performance
   b. human relations  d. all three

6. The focus of study by Susan is:
   a. individual/behavior  c. group/human relations
   b. individual/performance  d. organizational/performance

7. The focus of study by Tim should be:
   a. individual/behavior  c. group/human relations
   b. group/behavior  d. organizational/performance

8. Later that afternoon Tim should:
   a. reprimand Peter
   b. talk to Peter and tell him not to worry about it
Objective: To share your course objectives.

AACSB: The primary AACSB learning standard skills developed through this exercise are reflective thinking and self-management, analytic skills, and communication abilities.

Experience: You will share your course objectives in small groups or with the entire class.

Preparation: You should have completed the self-assessment section of this chapter, including five written objectives.

Option A: Volunteers state one or more of their course objectives to the class. The instructor may make comments.

Option B: Break into groups of three to six members and share your course objectives.

Option C1: Same procedure as Option B with the addition of having the group select a member to share five of the group’s objectives.

Option C2: Each group’s spokesperson reports its five objectives.

Conclusion: The instructor leads a class discussion and/or makes concluding remarks.

9. The major human relations skill lacking in Susan is:
   a. be optimistic
   b. smile and develop a sense of humor
   c. think before you act
   d. be genuinely interested in other people

10. Tim _______ work with Susan to develop her human relations skills.
    a. should    b. should not

11. Will Peter’s performance increase? If you were Peter, would you increase your performance?

12. Have you ever had a supervisor with Susan’s attitude? Assume you are in Susan’s position. How would you handle Peter’s decrease in performance?

13. Assume you are in Tim’s position. How would you handle this situation?
**Part One  Intrapersonal Skills: Behavior, Human Relations, and Performance Begin with You**

*SKILL-BUILDING EXERCISE 1–2*

**Objectives:**

1. A. To get acquainted with the members of your permanent group and to name the group.
   
   B. To get acquainted with some of your classmates.

   **AACSB:** The primary AACSB learning standard skill developed through this exercise is communication ability.

2. To get to know more about your instructor.

**Experience:** You will be involved in a small group discussion, and one person from each group will ask the instructor questions.

**Procedure 1**

(2–5 minutes)

*Permanent groups only*

A. Your instructor will assign you to your permanent group.

B. Break into groups of three to six, preferably with people you do not know or do not know well.

**Procedure 2**

(8–12 minutes)

Each group member tells the others his or her name and two or three significant things about himself or herself. After all members have finished, ask each other questions to get to know each other better.

**Procedure 3**

(2–4 minutes)

Everyone writes down the names of all group members. Addresses and telephone numbers are also recommended.

**Procedure 4**

(2–3 minutes) *All groups*

Each person calls all members by name, without looking at written names. Continue until all members call the others by name.

**Procedure 5**

(5–10 minutes)

*Permanent groups only*

Members decide on a name for the group; a logo is optional.

**Procedure 6**

(5–12 minutes)

Eelect a spokesperson to record and ask your group’s questions. The members select specific questions to ask the instructor under the three categories below. The spokesperson should not identify who asked which questions.

1. Questions about course expectations. (What do you hope to learn or gain from this course?)

2. Questions about doubts or concerns about this course. (Is there anything about the course that you don’t understand?)

3. Questions about the instructor. (What would you like to know about the instructor to get to know him or her?)

**Procedure 7**

(10–20 minutes)

Each spokesperson asks the group’s question under one category at a time. When all questions from category 1 are asked and answered, proceed to category 2, then to 3. Spokespersons should not repeat questions asked by other groups.

**Questions** (2–10 minutes): For the groups or class.

1. Is it important to know and call people by name? Why or why not?

**Application (2–4 minutes):** Should I change any of my objectives? If yes, rewrite it or them below.

**Sharing:** Volunteers give their answers to the application section.
Objective: To get an overview of some of the many human relations topics through an icebreaker game of bingo.

AACSB: The primary AACSB learning standard skill developed through this exercise is communication ability.

Experience: You will play an interactive game of bingo related to human relations.

Go around the room and get signatures of peers who fit the descriptions in the squares on the OBingo card.

Tell the person your name, and sign only if the description really does fit you.

Each person can sign only one square on your card.

Say “bingo” when you get it.

If you get bingo before the time is up, keep getting as many signatures as you can until the time is up.

The number in the square identifies the chapter in which the topic will be covered.

Conclusion: The instructor may make concluding remarks.

Source: This exercise was adapted from Joan Benek-Rivera, Bloomsburg University of Pennsylvania. Dr. Rivera’s exercise was presented at the 2002 Organizational Behavior Teaching Conference (OBTC).

### HUMAN RELATIONS

<table>
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<tr>
<th>OB</th>
<th>N</th>
<th>G</th>
<th>O</th>
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<tbody>
<tr>
<td>2. Has an introverted personality</td>
<td>6. Doesn’t like structure</td>
<td>9. Is good at motivating others</td>
<td>11. Has a network of at least 50 people for career help</td>
</tr>
<tr>
<td>3. Has a satisfying job</td>
<td>7. Avoids conflict</td>
<td>Your name</td>
<td>12. Likes status symbols (name brands that show, trophy)</td>
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<tr>
<td>4. Is poor at managing time</td>
<td>8. Likes to be in charge</td>
<td>10. Does as the boss requests</td>
<td>12. Looks out for number one</td>
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<td></td>
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<td>15. Has lived in a foreign country</td>
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### Application (2–4 minutes): What have I learned through this exercise? How will I use this knowledge in the future?

Sharing: Volunteers give their answers to the application section.
Skill-Building Exercise 1–4

Experiential Exercise: Catch Participation
In-Class Exercise (Group)

**Objective:** To experience the need to participate in this course.

**AACSB:** The primary AACSB learning standard skill developed through this exercise is teamwork.

**Experience:** You will play catch with and without participation.

Break into groups of two, with one group of three, if needed. The instructor gives each group an object to catch.

The person with the object throws it to the partner, and the partner does not catch it. The same person picks the object up and throws it again, without its being caught.

The other person picks up the object and throws it back as the two play catch.

**Questions:**

1. How did you feel playing catch without participation?

2. How did you feel playing with participation?

3. How does the issue of participation relate to this course?

**Conclusion:** The instructor may make concluding remarks.

Source: Jane-Michele Cark, president of The Q Group, JMC Marketing Communications, Toronto, Ontario, Canada, explained this experiential exercise at the 2003 Organizational Behavior Teaching Conference (OBTC).

Answers to True/False Questions

1. T.
2. F. Organizations employ the total person and realize that personal lives do affect work, so they try to help employees balance their work and personal lives.
3. T.
4. F. One person can have disastrous effects on both groups and organizations.
5. F. William Ouchi developed Theory Z, Peters and Waterman wrote *In Search of Excellence*.
6. F. The rate of change and technology will continue to increase.
7. F. The goal of human relations is (9): create win–win situations.
8. F. People are different and score differently.
9. T.