

## Chapter Summary

1. Organizational behavior is individual behavior and group dynamics in organizations.
2. Change is an opportunity when one has a positive attitude, asks questions, listens, and is committed to succeed.
3. Organizations are open systems composed of people, structure, and technology committed to a task.
4. Organizations have formal and informal elements within them.
5. Manufacturing organizations, service organizations, privately owned companies, and nonprofit organizations all contribute to our national well-being.
6. The changes and challenges facing managers are driven by international competition and customer demands.
7. Learning about organizational behavior requires a mastery of objective knowledge, specific skill development, and thoughtful application.

## Key Terms

anthropology (p. 7)  
challenge (p. 4)  
change (p. 4)  
engineering (p. 6)  
formal organization (p. 10)  
informal organization (p. 10)  
management (p. 7)

medicine (p. 7)  
objective knowledge (p. 20)  
opportunities (p. 4)  
organizational behavior (p. 4)  
people (p. 10)  
Psychology (p. 5)  
Six Sigma (p. 17)

skill development (p. 20)  
sociology (p. 6)  
structure (p. 10)  
task (p. 9)  
technology (p. 10)

## Review Questions

1. Define *organizational behavior*. What is its focus?
2. Identify the four action steps for responding positively to change.
3. What is an organization? What are its four system components? Give an example of each.
4. Briefly describe the elements of the formal and the informal organization. Give examples of each.
5. Discuss the six focus organizations used in the book.
6. Describe how competition and total quality are affecting organizational behavior. Why is managing organizational behavior in changing times challenging?



who are among their competitors. The studios  
2010, film downloads were at the top of Warner  
origin sales for the studio. Netflix terrifies War-  
ne mail to their rapidly growing customer base  
regular film deliveries, Netflix allows their sub-  
scribes to rent movies for a monthly fee with no  
extra charge. For Warner Bros., that is scary.  
Netflix has a big head start over the competition  
market sector. How can the company stay