

***Organizational Theory, Design, and Change, 7e (Jones)***  
**Chapter 10 Types and Forms of Organizational Change**

1) Even thriving and high-performing organizations need to continuously change the way they operate over time.

Answer: TRUE

Page Ref: 273

Difficulty: Easy

LO: 10-1

2) Human resources are an organization's most important asset.

Answer: TRUE

Page Ref: 274

Difficulty: Easy

LO: 10-1

3) Competition is a force that resists change.

Answer: FALSE

Page Ref: 275

Difficulty: Easy

LO: 10-1

4) The term "organizational inertia" refers to the tendency of an organization to increase the level of production in order to take advantage of economies of scale.

Answer: FALSE

Page Ref: 278

Difficulty: Easy

LO: 10-3

5) Resistance to change lowers an organization's effectiveness and reduces its chances of survival.

Answer: TRUE

Page Ref: 278

Difficulty: Easy

LO: 10-3

6) Change usually benefits some people, functions, or divisions at the expense of others.

Answer: TRUE

Page Ref: 278

Difficulty: Moderate

LO: 10-3

7) Differences in functional orientation is a major internal force that encourages organizational change.

Answer: FALSE

Page Ref: 278

Difficulty: Easy

LO: 10-3

8) Mechanistic structure is characterized by a flat hierarchy, decentralized decision-making.

Answer: FALSE

Page Ref: 278

Difficulty: Easy

LO: 10-3

9) A typical characteristic of an organic structure is standardization of behavior through rules and procedures.

Answer: FALSE

Page Ref: 278

Difficulty: Easy

LO: 10-3

10) As compared to organic structures, mechanistic structures are less resistant to change.

Answer: FALSE

Page Ref: 278

Difficulty: Easy

LO: 10-3

11) The term "framing effect" refers to a pattern of faulty decision-making that occurs when members of a group discount negative information in order to arrive at a unanimous agreement.

Answer: FALSE

Page Ref: 279

Difficulty: Easy

LO: 10-3

12) The force-field theory states that organizations have a tendency to overestimate their degree of influence over other external events.

Answer: FALSE

Page Ref: 280

Difficulty: Easy

LO: 10-3

13) Revolutionary change is gradual and incremental.

Answer: FALSE

Page Ref: 281

Difficulty: Easy

LO: 10-2

14) Evolutionary change has a much broader focus than revolutionary change.

Answer: FALSE

Page Ref: 281

Difficulty: Easy

LO: 10-2

15) Sociotechnical systems theory, total quality management, and the creation of empowered, flexible work groups are three instruments of revolutionary change.

Answer: FALSE

Page Ref: 281

Difficulty: Easy

LO: 10-2

16) Evolutionary change involves not a drastic or sudden altering of the basic nature of an organization's strategy and structure but a constant attempt to improve, adapt, and adjust strategy and structure incrementally to accommodate to changes taking place in the environment.

Answer: TRUE

Page Ref: 281

Difficulty: Moderate

LO: 10-2

17) Reengineering, restructuring, and innovation are three important instruments of evolutionary change.

Answer: FALSE

Page Ref: 281

Difficulty: Easy

LO: 10-2

18) Total quality management (TQM) is an ongoing and constant effort by all of an organization's functions to find new ways to improve the quality of the organization's goods and services.

Answer: TRUE

Page Ref: 282

Difficulty: Easy

LO: 10-2

19) For effective implementation of TQM, managers must assume the role of supervisor rather than facilitator.

Answer: FALSE

Page Ref: 283

Difficulty: Easy

LO: 10-2

20) TQM is a quick fix that can turn an organization around overnight.

Answer: FALSE

Page Ref: 285

Difficulty: Moderate

LO: 10-2

21) A flexible work team is self-managed.

Answer: TRUE

Page Ref: 285

Difficulty: Easy

LO: 10-2

22) Instead of focusing on an organization's business processes, the managers of a reengineered organization focus on the organization's functions.

Answer: FALSE

Page Ref: 286

Difficulty: Moderate

LO: 10-2

23) The process of reengineering is started with the product and not the customer.

Answer: FALSE

Page Ref: 286, 287

Difficulty: Easy

LO: 10-2

24) For successfully performing reengineering, it should be organized around outcomes, not tasks.

Answer: TRUE

Page Ref: 288

Difficulty: Moderate

LO: 10-2

25) For the process of reengineering to be successful, it is important to centralize decision-making.

Answer: FALSE

Page Ref: 289

Difficulty: Moderate

LO: 10-2

26) Downsizing is a type of organizational restructuring.

Answer: TRUE

Page Ref: 290

Difficulty: Easy

LO: 10-2

27) E-engineering refers to companies' attempts to use all kinds of information systems to improve their performance.

Answer: TRUE

Page Ref: 290

Difficulty: Easy

LO: 10-2

28) In general, top-down change is easier to implement than bottom-up change because it provokes less resistance.

Answer: FALSE

Page Ref: 293

Difficulty: Easy

LO: 10-4

29) A bottom-up change is a revolutionary change.

Answer: FALSE

Page Ref: 294

Difficulty: Easy

LO: 10-4

30) Team building does not focus on what the group is trying to achieve.

Answer: TRUE

Page Ref: 298

Difficulty: Easy

LO: 10-2

31) Process consultation is an organizational development technique in which a facilitator first observes the interactions of group members and then helps them become aware of ways to improve their work interactions.

Answer: FALSE

Page Ref: 298

Difficulty: Easy

LO: 10-4

32) Intergroup training is an OD technique that uses team building to improve the work interactions of different functions or divisions.

Answer: TRUE

Page Ref: 298

Difficulty: Easy

LO: 10-4

33) Which of the following statements is true regarding organizational change?

- A) Planned organizational change is normally targeted at increasing environmental dynamism.
- B) Organizational change should take place only when the company is operating in loss.
- C) Organizational change is aimed at increasing the effectiveness of the organization.
- D) Organizational change typically involves changing the technical capabilities of the company without changing its human and functional resources.

Answer: C

Page Ref: 273

Difficulty: Easy

LO: 10-1

34) Organizational change is the process by which organizations move from their current or present state to some desired future state to \_\_\_\_\_.

- A) increase the bargaining power of their customers
- B) increase environmental dynamism
- C) increase their effectiveness
- D) improve the performance of the related and supporting industries

Answer: C

Page Ref: 273

Difficulty: Moderate

LO: 10-1

35) Planned organizational change is normally targeted at improving effectiveness at one or more of four different levels: human resources, \_\_\_\_\_, technological capabilities, and organizational capabilities.

- A) profitability of suppliers
- B) environmental richness
- C) bargaining power of customers
- D) functional resources

Answer: D

Page Ref: 274

Difficulty: Easy

LO: 10-1

36) Which of the following is an organization's most important asset?

- A) environmental richness
- B) organizational structure
- C) environmental dynamism
- D) human resources

Answer: D

Page Ref: 274

Difficulty: Easy

LO: 10-1

37) Organizations are constantly striving to \_\_\_\_\_.

- A) increase environmental dynamism
- B) achieve a competitive advantage
- C) decrease environmental richness
- D) increase bargaining power of suppliers

Answer: B

Page Ref: 275

Difficulty: Moderate

LO: 10-1

38) Which of the following is most likely to be an effect of adopting a new technology?

- A) task relationships among workers change
- B) selective perception of the organizational members increases
- C) the production level of the organization decreases
- D) the culture of the organization changes

Answer: A

Page Ref: 275

Difficulty: Moderate

LO: 10-1

39) The European Union is a \_\_\_\_\_ force for change.

- A) competitive
- B) political
- C) social
- D) demographic

Answer: B

Page Ref: 276

Difficulty: Easy

LO: 10-1

40) Which of the following is an impediment to change?

- A) economic and political union among countries
- B) competition
- C) differences in functional orientation
- D) workforce diversity

Answer: C

Page Ref: 278

Difficulty: Easy

LO: 10-3

41) Which of the following is the main reason behind companies losing their effectiveness?

- A) depletion of resources
- B) decreased bargaining power of suppliers
- C) inability to change
- D) decreased environmental dynamism

Answer: C

Page Ref: 278

Difficulty: Moderate

LO: 10-3

42) Organizational inertia refers to the tendency of an organization to \_\_\_\_\_.

- A) increasing the number of products produced so as to take advantage of economies of scope
- B) increase the diversity of its workforce
- C) decrease cost of production by using economies of scale
- D) resist change and maintain the status quo

Answer: D

Page Ref: 278

Difficulty: Moderate

LO: 10-3

43) Which of the following characteristics of organizational structure is most likely to increase the responsiveness of the organization to environmental changes?

- A) standardization of behavior through rules and procedures
- B) tall hierarchy of authority
- C) extensive use of mutual adjustment
- D) centralized decision-making

Answer: C

Page Ref: 278

Difficulty: Easy

LO: 10-3

44) Which of the following characteristics of organizational structure is most likely to resist organizational change?

- A) decentralized decision-making
- B) standardization of behavior through rules and procedures
- C) flat hierarchy of authority
- D) extensive use of mutual adjustment

Answer: B

Page Ref: 278

Difficulty: Easy

LO: 10-3



45) Which of the following statements is true regarding organizational change?

- A) Competition is a force that resists organizational change.
- B) As compared to mechanistic structure, organic structure is more resistant to change.
- C) Change usually benefits some people, functions, or divisions at the expense of others.
- D) Resistance to change increases an organization's effectiveness and its chances of survival in a changing environment.

Answer: C

Page Ref: 278

Difficulty: Moderate

LO: 10-3

46) A team in an organization resists attempts by management to change its functions or its members. This resistance to change results from \_\_\_\_\_.

- A) differences in functional orientation
- B) omission bias
- C) group cohesiveness
- D) groupthink

Answer: C

Page Ref: 279

Difficulty: Easy

LO: 10-3

47) Which of the following terms refers to a pattern of faulty decision-making that occurs in a team when members discount negative information in order to arrive at a unanimous agreement?

- A) selective perception
- B) groupthink
- C) omission bias
- D) congruence bias

Answer: B

Page Ref: 279

Difficulty: Easy

LO: 10-2

48) According to the force-field theory, when the two sets of opposing forces, force for change and resistance to change, are evenly balanced in an organization, the organization \_\_\_\_\_.

- A) attempts to grow by diversifying its business in unrelated areas
- B) is operating at the optimum production level that maximizes economies of scale
- C) is in a state of inertia
- D) attempts to grow by engaging in vertical integration

Answer: C

Page Ref: 280

Difficulty: Moderate

LO: 10-3

49) The force-field theory of organizational change is developed by \_\_\_\_\_.

- A) Frederick Herzberg
- B) Kurt Lewin
- C) Abraham Maslow
- D) Douglas McGregor

Answer: B

Page Ref: 280

Difficulty: Easy

LO: 10-3

50) The \_\_\_\_\_ theory argues that two sets of opposing forces within an organization determine how change will take place.

- A) hierarchy of needs
- B) force-field
- C) two-factor
- D) acquired needs

Answer: B

Page Ref: 280

Difficulty: Easy

LO: 10-3

51) According to the force-field theory, to get an organization to change, managers must find a way to \_\_\_\_\_.

- A) increase efficiency of the organization
- B) reduce resistance to change
- C) reduce environmental dynamism
- D) increase economies of scope

Answer: B

Page Ref: 280

Difficulty: Easy

LO: 10-3

52) Which of the following theories proposed the importance of changing roles and tasks to increase organizational effectiveness?

- A) sociotechnical systems theory
- B) force-field theory
- C) value engineering theory
- D) hierarchy of needs theory

Answer: A

Page Ref: 281

Difficulty: Easy

LO: 10-2

53) Which of the following statements is true regarding evolutionary change?

- A) Evolutionary change is broadly focused.
- B) Evolutionary change involves a bold attempt to quickly find new ways to be effective.
- C) Evolutionary change is gradual and incremental.
- D) One of the methods used for accomplishing evolutionary change is restructuring.

Answer: C

Page Ref: 281

Difficulty: Moderate

LO: 10-2

54) Which of the following methods is used for accomplishing evolutionary change?

- A) reengineering
- B) total quality management
- C) innovation
- D) restructuring

Answer: B

Page Ref: 281

Difficulty: Easy

LO: 10-2

55) Which of the following statements is true regarding revolutionary change?

- A) One of the methods used for accomplishing revolutionary change is creation of empowered flexible work groups.
- B) Revolutionary change is gradual and incremental.
- C) Revolutionary change involves a constant attempt to improve, adapt, and adjust strategy and structure incrementally to accommodate to changes taking place in the environment.
- D) Revolutionary change is broadly focused.

Answer: D

Page Ref: 281

Difficulty: Moderate

LO: 10-2

56) Which of the following is used for accomplishing revolutionary change?

- A) implementing sociotechnical systems
- B) reengineering
- C) creating empowered and flexible work groups
- D) implementing total quality management

Answer: B

Page Ref: 281

Difficulty: Moderate

LO: 10-2

57) The technique of total quality management (TQM) was developed by \_\_\_\_\_.

- A) Kenneth Arrow
- B) William Easterly
- C) W. Edwards Deming
- D) Kaoru Ishikawa

Answer: C

Page Ref: 282, 283

Difficulty: Easy

LO: 10-2

58) Which of the following is the overall goal of total quality management (TQM)?

- A) achieving radical innovation
- B) increasing environmental richness
- C) decreasing bargaining power of suppliers
- D) achieving continuous improvement

Answer: D

Page Ref: 282, 283

Difficulty: Moderate

LO: 10-2

59) Which of the following is most likely to be a characteristic of an organization that implements TQM?

- A) The organization uses centralized decision-making.
- B) The managers in the organization assume the role of supervisor rather than facilitator.
- C) The employees in the organization are empowered.
- D) The organization has tall hierarchy of authority.

Answer: C

Page Ref: 283

Difficulty: Moderate

LO: 10-2

60) A \_\_\_\_\_ is a group of workers who assume responsibility for performing all the operations necessary for completing a specified stage in the manufacturing process.

- A) quality circle
- B) control group
- C) flexible work team
- D) kaizen group

Answer: C

Page Ref: 285

Difficulty: Easy

LO: 10-2

- 61) Which of the following statements is true regarding flexible work teams?
- A) Flexible work teams typically consist of members of the top-management team.
  - B) A department head assigns a task to a flexible work team.
  - C) Flexible work teams are typically used as a quick fix that can turn an organization around overnight with the help of a radical innovation.
  - D) Flexible work teams are self-managed.

Answer: D

Page Ref: 285

Difficulty: Moderate

LO: 10-2

- 62) Which of the following statements is true regarding total quality management (TQM)?
- A) The technique of TQM was developed by Kaoru Ishikawa.
  - B) The technique of total quality management is used for achieving radical innovation.
  - C) Changes associated with TQM are changes in task, role, and group relationships.
  - D) TQM is a quick fix that can turn an organization around overnight.

Answer: C

Page Ref: 285

Difficulty: Moderate

LO: 10-2

- 63) Which of the following terms, popularized by Michael Hammer and J. Champy, refers to fundamental rethinking and radical redesigning of business processes to achieve dramatic improvements in critical, contemporary measures of performance such as cost, quality, service, and speed?

- A) restructuring
- B) e-engineering
- C) reengineering
- D) TQM

Answer: C

Page Ref: 285, 286

Difficulty: Easy

LO: 10-2

- 64) The goal of "reengineering" is to \_\_\_\_\_.
- A) achieve continuous, incremental improvements in organizational functions
  - B) obtain resources from the external environment at the lowest possible costs
  - C) improve businesses processes
  - D) decrease the bargaining power of the customers

Answer: C

Page Ref: 286

Difficulty: Easy

LO: 10-2

65) Which of the following statements is true regarding reengineering?

- A) The process of reengineering is used to achieve evolutionary change.
- B) Reengineering involves decentralizing decision-making to the point where the decision is made.
- C) Reengineering involves improving an organization's functions by focusing on the functions in isolation from one another.
- D) The reengineering process is started with the product and not the customer.

Answer: B

Page Ref: 288, 289

Difficulty: Hard

LO: 10-2

66) Which of the following methods of achieving organizational change is highly interrelated and complementary to TQM?

- A) flexible work teams
- B) reengineering
- C) innovation
- D) restructuring

Answer: B

Page Ref: 289

Difficulty: Easy

LO: 10-2

67) \_\_\_\_\_ refers to the process by which managers change task and authority relationships and redesign organizational structure and culture to improve organizational effectiveness.

- A) Restructuring
- B) Innovation
- C) Total quality management
- D) Reengineering

Answer: A

Page Ref: 290

Difficulty: Easy

LO: 10-2

68) The term \_\_\_\_\_ refers to companies' attempts to use all kinds of information systems to improve their performance.

- A) reengineering
- B) restructuring
- C) reorganizing
- D) e-engineering

Answer: D

Page Ref: 290

Difficulty: Easy

LO: 10-2

69) The move from a functional structure to some form of divisional structure, and the move from one divisional structure to another, represents one of the most common kinds of \_\_\_\_\_ effort.

- A) restructuring
- B) innovation
- C) TQM
- D) reengineering

Answer: A

Page Ref: 290

Difficulty: Easy

LO: 10-2

70) \_\_\_\_\_ is the process of developing new goods and services.

- A) Reengineering
- B) Innovation
- C) Restructuring
- D) Functional reorganization

Answer: B

Page Ref: 291

Difficulty: Easy

LO: 10-2

71) Which of the following terms refers to a strategy for generating and acquiring knowledge that managers can use to define an organization's future state?

- A) restructuring
- B) organizational Development
- C) action research
- D) benchmarking

Answer: C

Page Ref: 292

Difficulty: Easy

LO: 10-4

72) A finance manager observes that the return-on-investment (ROI) for his organization is only 10 percent compared to the industry average of 20 percent. The manager informs top managers about her observation. According to this information, this organization is in which stage of the action research process?

- A) diagnosing the organization
- B) determining the desired future action
- C) eliminating obstacles to change
- D) selecting a strategy for change

Answer: A

Page Ref: 292

Difficulty: Easy

LO: 10-4

73) Which of the following statements is true regarding top-down change?

- A) Generally, top-down change is more difficult to implement than bottom-up change.
- B) Top-down change is implemented by employees at low levels in the organization and gradually rises until it is felt throughout the organization.
- C) A top-down change is an evolutionary change.
- D) Typically, organizations that engage in top-down change are well-run, are used to change, and change often.

Answer: A

Page Ref: 293

Difficulty: Moderate

LO: 10-4

74) Which of the following is a technique that organizations can use to help individuals to understand the nature of their own and other people's personalities and to use that knowledge to improve their interactions with others?

- A) restructuring
- B) organizational cultivating
- C) reengineering
- D) sensitivity training

Answer: D

Page Ref: 297

Difficulty: Easy

LO: 10-4

75) Which of the following is one of the organizational development (OD) techniques to promote change?

- A) reengineering
- B) restructuring
- C) process consultation
- D) flexible work teams

Answer: C

Page Ref: 298

Difficulty: Easy

LO: 10-4

76) Which of the following is an OD technique that involves a facilitator working closely with a manager on the job to help the manager improve his or her interactions with other group members?

- A) mentoring
- B) process consultation
- C) sensitivity training
- D) team building

Answer: B

Page Ref: 298

Difficulty: Easy

LO: 10-4



77) Which of the following is an OD technique in which a facilitator first observes the interactions of group members and then helps them become aware of ways to improve their work interactions?

- A) action research
- B) team-building
- C) process consultation
- D) reengineering

Answer: B

Page Ref: 298

Difficulty: Easy

LO: 10-4

78) \_\_\_\_\_ is an OD technique that takes team building one step further and uses it to improve the ways different functions or divisions work together.

- A) Intergroup training
- B) Action research
- C) Reengineering
- D) Process consultation

Answer: A

Page Ref: 298

Difficulty: Easy

LO: 10-4

79) \_\_\_\_\_ is an OD technique in which a facilitator helps two interdependent groups explore their perceptions and relations in order to improve their work interactions.

- A) Restructuring
- B) Action research
- C) Reengineering
- D) Organizational mirroring

Answer: D

Page Ref: 299

Difficulty: Easy

LO: 10-4

80) Which of the following organizational development techniques brings together all of the managers of an organization at a meeting to discuss the issue of whether the organization is meeting its goals effectively?

- A) process consultation
- B) team building
- C) organizational confrontation meeting
- D) organizational mirroring

Answer: C

Page Ref: 299

Difficulty: Easy

LO: 10-4

81) What is organizational change?

Answer: Organizational change is the process by which organizations move from their current or present state to some desired future state to increase their effectiveness. The goal of planned organizational change is to find new or improved ways of using resources and capabilities to increase an organization's ability to create value and improve returns to its stakeholders.

An organization in decline may need to undergo a change to improve its fit with a changing environment but even thriving, high-performing organizations such as Google, Apple, and Facebook also need to continuously change the way they operate over time—often from week to week—to meet ongoing challenges.

Page Ref: 273

Difficulty: Easy

LO: 10-1

82) What are the various forces that make it necessary for an organization to change?

Answer: The various forces that make it necessary for an organization to change are:

1. Competitive forces: Organizations are constantly striving to achieve a competitive advantage. Competition is a force for change because unless an organization matches or surpasses its competitors in efficiency, quality, or its capability to innovate new or improved goods or services, it will not survive.

2. Economic, political, and global forces: Economic, political, and global forces continually affect organizations and compel them to change how and where they produce goods and services. Economic and political unions among countries, such as the North American Free Trade Agreement (NAFTA), are becoming an increasingly important force for change. Other global challenges facing organizations include the need to change an organizational structure to allow expansion into foreign markets, the need to adapt to a variety of national cultures, and the need to help expatriate managers adapt to the economic, political, and cultural values of the countries in which they are located.

3. Demographic and social forces: Managing a diverse workforce is one of the biggest challenges to confront organizations in the 2000s. Changes in the composition of the workforce and the increasing diversity of employees have presented organizations with many challenges and opportunities.

4. Ethical forces: It is critical for an organization to take steps to promote ethical behavior in the face of increasing government, political, and social demands for more responsible and honest corporate behavior.

Page Ref: 275, 276

Difficulty: Moderate

LO: 10-1

83) Discuss Lewin's force-field theory of change.

Answer: A wide variety of forces make organizations resistant to change, and a wide variety of forces push organizations toward change. Researcher Kurt Lewin developed a theory about organizational change. According to his force-field theory, these two sets of forces are always in opposition in an organization. When the forces are evenly balanced, the organization is in a state of inertia and does not change. To get an organization to change, managers must find a way to increase the forces for change, reduce resistance to change, or do both simultaneously. Any of these strategies will overcome inertia and cause an organization to change.

Page Ref: 280

Difficulty: Moderate

LO: 10-3

84) Discuss the difference between evolutionary and revolutionary change.

Answer: Evolutionary change is gradual, incremental, and narrowly focused. Evolutionary change involves not a drastic or sudden altering of the basic nature of an organization's strategy and structure but a constant attempt to improve, adapt, and adjust strategy and structure incrementally to accommodate to changes taking place in the environment. Sociotechnical systems theory, total quality management, and the creation of empowered, flexible work groups are three instruments of evolutionary change that organizations use in their attempt to make incremental improvements in the way work gets done.

Revolutionary change is rapid, dramatic, and broadly focused. Revolutionary change involves a bold attempt to quickly find new ways to be effective. It is likely to result in a radical shift in ways of doing things, new goals, and a new structure. It has repercussions at all levels in the organization—corporate, divisional, functional, group, and individual. Reengineering, restructuring, and innovation are three important instruments of revolutionary change.

Page Ref: 281

Difficulty: Moderate

LO: 10-3

85) What is reengineering?

Answer: Reengineering is a technique used for accomplishing a revolutionary change. The term "reengineering" has been used to refer to the process by which managers redesign how tasks are bundled into roles and functions to improve organizational effectiveness.

Change resulting from reengineering requires managers to go back to the basics and pull apart each step in the work process to identify a better way to coordinate and integrate the activities necessary to provide customers with goods and services. Instead of focusing on an organization's functions, the managers of a reengineered organization focus on business processes. Processes, not organizations, are the object of reengineering. Organizations that take up reengineering deliberately ignore the existing arrangement of tasks, roles, and work activities. They start the reengineering process with the customer and not the product or service.

Three guidelines for performing reengineering successfully are as follows:

1. Organize around outcomes, not tasks. Where possible, organize work so one person or one function can perform all the activities necessary to complete the process, thus avoiding the need for transfers (and integration) between functions.
2. Have those who use the output of the process perform the process. Because the people who use the output of the process know best what they want, establish a system of rules and SOPs that will allow them to take control over it.
3. Decentralize decision-making to the point where the decision is made. Allow the people on the spot to decide how best to respond to specific problems that arise.

Page Ref: 285-289

Difficulty: Moderate

LO: 10-2

86) Discuss the difference between top-down and bottom-up changes.

Answer: Top-down change is implemented by managers at a high level in the organization. The result of radical organizational restructuring and reengineering is top-down change. Managers high up in the organization decide to make a change, realizing full well that it will reverberate at all organizational levels. The managers choose to manage and solve problems as they arise at the divisional, functional, or individual levels.

Bottom-up change is implemented by employees at low levels in the organization and gradually rises until it is felt throughout the organization. By reducing the uncertainty that employees experience, bottom-up change facilitates unfreezing and increases the likelihood that employees will retain the new behaviors they learn during the change process. In general, bottom-up change is easier to implement than top-down change because it provokes less resistance. Organizations that have the time to engage in bottom-up change are generally well-run organizations that pay attention to change, are used to change, and change often. Poorly run organizations, those that rarely change or postpone change until it is too late, are forced to engage in top-down change.

Page Ref: 293, 294

Difficulty: Moderate

LO: 10-4

87) What is organizational development?

Answer: Organizational development (OD) is a series of techniques and methods that managers can use in their action research program to increase the adaptability of their organization. In the words of organizational theorist Warren Bennis, OD refers to a "complex educational strategy intended to change beliefs, attitudes, values, and structure of organizations so that they can better adapt to new technologies, markets, and challenges and the dizzying rate of change itself." The goal of OD is to improve organizational effectiveness and to help people in organizations reach their potential and realize their goals and objectives.

Page Ref: 295

Difficulty: Easy

LO: 10-4

88) Explain the OD technique of sensitivity training.

Answer: Sensitivity training is an OD technique that consists of intense counseling in which group members, aided by a facilitator, learn how others perceive them and may learn how to deal more sensitively with others. The personalities of individuals differ and these differences lead individuals to interpret and react to other people and events in a variety of ways. Even though personality cannot be changed significantly in the short run, people can be helped to understand that their own perceptions of a situation are not necessarily the correct or the only possible ones. This is achieved through sensitivity training. During sensitivity training, organizational members who are perceived as having problems in dealing with others meet in a group with a trained facilitator to learn more about how they and the other group members view the world. Group members are encouraged to be forthright about how they view themselves and other group members, and through discussion they learn the degree to which others perceive them in similar or different ways. Through examining the source of differences in perception, members of the group may reach a better understanding of the way others perceive them and may learn how to deal more sensitively with others.

Page Ref: 297,298

Difficulty: Moderate

LO: 10-4

89) What is process consultation?

Answer: Process consultation is an OD technique in which a facilitator works closely with a manager on the job to help the manager improve his or her interactions with other group members. Process consultation bears a resemblance to both counseling and sensitivity training. A process consultant acts as a sounding board so the manager can gain a better idea about what is going on in the group setting and can discover the interpersonal dynamics that are determining the quality of work relationships within the group.

Page Ref: 298

Difficulty: Easy

LO: 10-4

90) What is organizational mirroring?

Answer: A popular form of intergroup training is called organizational mirroring, an OD technique designed to improve the effectiveness of interdependent groups. Suppose that two groups are in conflict or simply need to learn more about each other and one of the groups calls in a consultant to improve intergroup cooperation. The consultant begins by interviewing members of both groups to understand how each group views the other and to uncover possible problems the groups are having with each other. The groups are then brought together in a training session, and the consultant tells them the goal of the session is to explore perceptions and relations in order to improve work relationships. Then, with the consultant leading the discussion, one group describes its perceptions of what is happening and its problems with the other group while the other group sits and listens. Then the consultant reverses the situation—hence the term organizational mirroring—and the group that was listening takes its turn discussing its perceptions of what is happening and its problems while the other group listens.

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Difficulty: Easy

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