



SATHYABAMA

INSTITUTE OF SCIENCE AND TECHNOLOGY
(DEEMED TO BE UNIVERSITY)

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SCHOOL OF MANAGEMENT STUDIES

UNIT – I- Dynamics of Organizational Behaviour – SBAA5102

UNIT 1 - CONCEPT OF ORGANIZATIONAL BEHAVIOUR

ORGANISATION:

An organization is a group of people working together in a formally organized way to achieve a common objective. The main objective is profit maximization.

Features of an organization :-

- Group of people
- Formally organized people/structure
- Co-ordination among people
- Rationality
- Purposefully created to achieve a common goal

BEHAVIOUR:

It is how a person behaves. It is an observable and measurable activity of human being.

ORGANISATIONAL BEHAVIOUR

Definition: - Stephen P Robbins

It is a field of study that investigates the impact that individuals, groups, structures have on behaviour within the organization, for the purpose of applying such knowledge towards improving organizational effectiveness.

Hence based on the definition we can say that

- OB is a field of study
- It studies individuals, groups and structures
- It applies the knowledge to improve organizational effectiveness.

Therefore Organization Behaviour is concerned with two aspects:-

- How people behave in an organization?
- How their behaviour does affect their performance?

Definition–Keith Davis

–Organizational Behaviour is the study and application of knowledge about how people act with in the organization.

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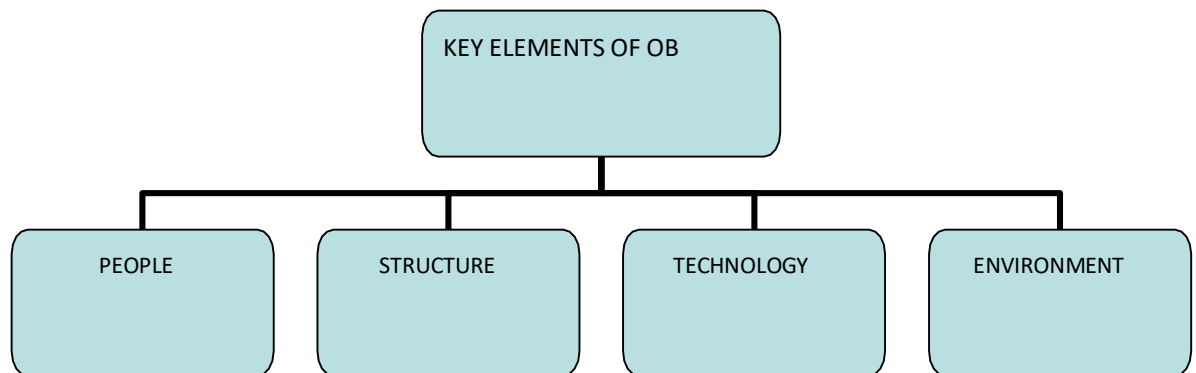
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KEY ELEMENTS OF ORGANISATIONAL BEHAVIOUR



- People
- Structure
- Technology
- environment

OB studies the following aspects

- People: Individuals & Groups
- Structure: Official Relationship
- Technology: Physical, Economic resources
- Environment: Political, Legal and Natural

NATURE OF OB

1. It is just a field of study and not a discipline:

OB is accepted science with theoretical foundation and it serves as a base of research. It is a recent field of study which has its origin from management. It is broad based and inter disciplinary in nature. Hence it is not a discipline but a field of study.

2. It is interdisciplinary in nature:

It is broad based and inter disciplinary in nature because it has its origin from subjects like psychology, sociology, anthropology, medical sciences, political science etc.,

3. It is normative science and value centered :(cause and effect application):

A positive science analyses only the cause and effect relationship but a normative science analyses the cause and effect and also its application to achieve organizational results.

It is also value centered as it analyses what is acceptable to employees based on the values they have.

4. It is applied science: The principles of OB are proven and can be applied to solve organizational problems.

5. It has humanistic approach: OB considers human feelings , their values and attitudes and considers that human beings are not machines and they too be cared for.

6. It has optimistic approach: It has positive approach and views that the employees well contribute positively to achieve the objectives of the organization.**It is directed towards achievement of organizational objectives:** Organizational objectives are given more importance then individual objectives.

7. It has rational approach: It believes that there is a reason being every behaviour of

man and works on the same formula.

8. It is developmental in nature: It aims at the development of the its employees and help them to attain their goals.

9. It is part of management science: OB is a study that has emerged form the discipline of management .Hence is a part of management science.

10. It is both science and art: OB is both science and art .

It is science because, like science OB is also a systematic body of knowledge, its analyses is also consistent in nature, it can be systematically explained and critically evaluated, the analyses are based on the findings of management theorists.

It s art because it is related to bringing desired result, it is application of skills like leadership skills, managerial skills, training skills etc.,

11. It has total systems approach: It takes all variables in consideration. It studies individuals and groups in formal and informal relations in organizations.

FOUNDATIONS OF OB / BASIC CONCEPT OF OB

1. Individual differences exists: Every individual has a unique personality, which is stable in nature. Hence each person is different from the other based on his physiological, psychological and social characteristics. Three aspects should taken care while studying human behaviour:

2. Behaviour is caused:

Behaviour is what a person does and it is cause and effect relationship. It means that there is a reason behind every single behaviour on any individual. Hence the cause should be evaluated by the manager in an organization.

3. Behaviour is complex: Though OB believe that behaviour is caused , yet it is very difficult to understand human behaviour.

4. Value of a person: Human value is given importance. It means one should be treated with respect and dignity. Values and attitudes should be considered. Men at workplace should be considered

5. Whole person concept

The concept states that a individual employed by the organization is cannot be separated

form his personal life aspects .Though an organization employs a person's skill & brain in his organization, yet it is a fact that an individual cannot be separated from his home life and work life.

6. Role of a person

A role is a pattern of actions expected of a person in activities involving others. Each individual plays different roles in his life time.(Parent, son , Friend , Spouse, team member, supervisor, follower, advisor, consumer, investor etc.,).Hence it becomes necessary for him to understand the role clearly and act accordingly.

7. Difference between individual behaviour and group behaviour:

Individual behaviour may be good but group behaviour may be bad .Group behaviour may be good but Individual behaviour may be bad. As Individual behaviour may vary form group behavior, human behaviour should be studied in both the aspects.

SCOPE OF OB

OB can be studied in three different levels: -

1. Individual-

- Intra Individual- Understanding human behaviour i.e. how and why an individual behaves and to understand the factors affecting human behaviour
- Inter Individual- To understand the working relationships, role analysis and transaction analysis of individual with others.

2. Group

- Intra Group – understand the group pressure on individuals , influence of group norms on individuals , communication process in organization.
- Inter Group – Relationship between groups, achievement of group objectives and group objectives.,

3.Organization:

- Intra- Organization- use of human power in organizations , leadership qualities, communication in organization.
- Inter –Organization- organization change, external relationships, Development

standards and concepts for future, Scientific and rational approach to Human Behaviour.

Disciplines contributing to Organisational Behaviour

1. **Sociology:** It is the study of people in relation to their fellow human beings, The field of sociology has made valuable contributions in the study of group of individuals, group dynamics, formation of groups, communication, formal and informal organizations etc.,
2. **Anthropology :** It is the study of societies to learn about human beings and their activities. It helps us to understand values,attitudes and behaviour between people in different regions and organizations.
3. **Economics:** It is the science that deals with the production, distribution, and consumption of goods and services, or the material welfare of humankind.
4. **History:** It is the study of the origin and evolution of man kind. It help us to understand the behaviour of people and their origins
5. **Political science:** It helps us to study the current political and legal scenario and the role of the study of human behaviour under the current situations

ORGANISATIONAL BEHAVIOURAL MODELS

In management, the focus is on the study of the five organizational behavior models:

- Autocratic Model
- Custodial Model
- Supportive Model
- Collegial Model
- System Model

1.Autocratic model

This model has its roots in the historical past, and definitely became a most prominent model of the industrial revolution of 1800 and 1900s. It gives the owners and manager's power to dictate and form decisions while making employees obey their orders. The model asserts that employees need to be instructed and motivated to perform while managers do all the thinking. The whole process is formalized with the managers and

authority power has the right to give command to the people, -You do this or else...ll, is a general dictatorship command. As Newstrom suggests, -the psychological result of the employees is dependence on their boss, whose power to -hire, fire and perspirell is almost absolute. Employers receive less wages as they are less skilled and their performance is also minimum, which they do it rather reluctantly as they have to satisfy the needs of their families and themselves. But there are some exceptions as many employees do give higher performance because either they would like to achieve or have a close association with their boss, or either they have been promised a good reward, but overall their performance is minimum.

The theory of X assumption of McGregor states employers do not take responsibility and managers have to supervise over their work to obtain desired results. This model can also be compared to the Likert system in which use of punishment, force, fear or threats sometimes are used as means to get the results from the employees.

Custodial Model

Now the time came when managers began to think the security of the employees is imperative- it could be either social as well economic security. Now managers have begun to study about their employees needs, they found out that though in the autocratic setup employees does not talk back yet they have many things to say but incapability to speak result in frustrations, insecurity, and aggressive behavior towards their boss. Since they are not able to display their feelings, they would vent these feelings on their family and neighbors. This causes suffering to the entire community and relationships and this often results in bad performance. Newstrom gave the example of a wood processing plant where the employees were treated very cruelly even to the extent of physical abuse. Since workers were not able to strike back directly they show their aggression by destroying the good sheets of veneer destroying the supervisor's credibility.

Employers now had begun to think of the ways to develop better relations with the employees and to keep them satisfied and motivated. In 1890 and 1900 many companies started the welfare programs for the employees which began later to be known as paternalism. In the 1930s, these welfare programs evolved in many fringe benefits to provide security to the employees which resulted in the development of the

Custodial model of organizational behavior.

A successful custodial approach depends on providing economic security which many companies are now offering as high pay scale, remunerations in the form of health benefits, corporate cars, financial packaging and many other forms of incentives. These incentives increase the employees' satisfaction level and help them to achieve competitive advantage. To avoid layoffs employers also tries to -retain employees, reduce overtime, freeze hiring, encourage both the job transfers and relocations, provide early retirement incentives, and reduce subcontracting to adjust to slowdowns especially in the information technologyl. (Newstrom, p.32)

The custodial approach induces employees now to show their dependency and loyalty towards the company and not to the boss or managers or supervisors. The employees in this environment are more psychologically contended and preoccupied with their rewards but it is not necessary they would be strongly motivated to give the performance. The studies show that though it has been the best way to make them happy employee but not productive employee, so the question still remains what should be the better way? But overall this step had been a stepping stone for the creation and development of the next step.

Supportive Model

Unlike the two previous approaches, the supportive model emphasis on motivated and aspiring leader. There is no space for any control or authoritative power in this model or on the incentives or reward schemes but it is simply based on motivating staff through the establishment of the manager and employee relationship and the treatment that is given to employees on daily basis.

Quite contrarily to the autocratic mode, it states that employees are self-motivated and can generate value that goes beyond their day to day role or activity. But how the employees get self -motivated? That's through creating a positive workplace where they are encouraged to give their ideas and there is some kind of -buy -inll in the organizational behavior setup and the direction that it takes.

One of the key aspects of the supportive model has been studies conducted at the Hawthorne Plant of Electric in the 1920s and 1930s. The study was led by Elton Mayo and F.J Roethlisberger to implore on the human behavior at work by implementing and

placing keen insight on the sociological, psychological perspective in the industrial setup. They came up to a conclusion that a single organization is a social system and a worker is an important component in the system. They found that worker is not a tool that can be used in any way but has its own behavior and personality and needs to be understood. They suggested that understanding of group dynamism including the application of supportive supervision is imperative to make workers contribute and be supportive.

Through the leadership organizations give the space and climate for the employees to develop, form their own thinking and take an initiative. They would take responsibility and improve themselves. Managers are oriented towards supporting the employees to give performances and not just support them through employee benefits as done in custodial approach.

The supportive model is being widely accepted chiefly in the developed nations where the needs of the employees are different as it fulfills many of the employees emerging needs. This approach is less successful in the developing nations where the social and economic need of the working class is different. In short, in the supportive model money is not which retain the satisfaction of the employees but it is a part of the organization's life that has been put to the use and makes other people feel wanted.

The Collegial Model

In this scheme, the structure of an organization is developed in a way that there is no boss nor subordinates, but all are colleagues who have to work as a team. Each one of the employees has to participate and work in coordination with each other to achieve the target rate. No one is worried about his status or a job title. Manager's role is here like a coach whose function is to guide the team to perform and generate positive and motivating work environment, instead of focusing on his own personal growth. The team requires adopting new approaches, research and development and new technologies to better their performance.

We can also say Collegial model is an extension of the supportive model. The success of the collegial model depends on the management's ability to foster the feeling of partnership between the employees. This makes the employees feel important and needed. They also feel that managers are not just mere supervisors but are also giving

their equal contribution to the team.

To make the collegial model success many organizations have abolished the use of bosses and subordinates during working, as these terms create the distance between the managers and subordinates. While some of the organizations have abolished the system of allotting reserved space for executives. Now any employee can park their vehicle in the common parking space, which increases their convenience and makes them more comfortable.

The manager is oriented towards the team performance while each employee is responsible for his task and towards each other. They are more disciplined and work as per the standards set by the team. In this setup employees feel fulfilled as their contribution is accepted and well received.

The System Model

The most emerging model of the today's corporate era is the system model. This model emerged from the rigorous research to attain the higher level of meaning at work. Today's employees need more than salary and security from their job, they need the hours they are putting towards the organization is giving them some value and meaning. To add to it, they need the work that is ethical, respectful, integrated with trust and integrity and gives a space to develop a community feeling among the co-workers.

In the system model, the expectations of the managers are much more than getting the work done by the employees. The managers have to show their emotional side, be more compassionate and caring towards their team and they must be sensitive towards the needs of the diverse workforce. They have to devote their attention to creating the feeling of optimism, hope, trustworthiness, courage, self-determination, and through this, they try to develop the positive work culture where the employees feel more at ease and work as if they are working for their family. This ultimately results in the long time commitment and loyalty of the employees and the success of the company.

Managers also try to foster two main concepts; authenticity and transparency and social intelligence. Managers always try to make the employees feel the part of the project and the organization and give them all the support so that they can increase their efficiency and output. In turn, the employees feel more emotionally and

psychologically part of the organization and become more responsible for their actions. Employees feel more inspired, motivated, important and feel that what they are doing and what they think would be good for the organization which goes beyond their personal achievements.

The models have been originated perceiving the changing employee needs with each model have been the stepping stone for the more productive and useful model. To assume that any one of the models has been the best model is wrong as no model is hundred percent perfect but have been evolving all through the years with the changes in our perception, study and social conditions that have been affecting the human behavior. Any of the above models can be modified, applied and extended in many different ways. As there has been advancement in the collective understanding of the human behavior, the new social condition emerged and with it there has been an evolution of the new model.

THEORETICAL FRAMEWORKS OF ORGANIZATIONAL BEHAVIOR

OB is the study of behavior which are not visible. Hence some theories and concepts are developed related to thinking and using the concepts to explain human behavior and to give a framework to understand predict and manage the behavior of people at organization.

There are three conceptual framework :

1. Cognitive Framework
2. Behavioristic Framework
3. Social Cognitive Framework

Cognitive Framework

Cognitive approach emphasizes the positive and freewill aspects of human behavior and uses concepts such as expectancy, demand, and intention. Cognition can be simply defined as the act of knowing an item of information. **In cognitive framework, cognitions precede behavior and constitute input into the person's thinking, perception, problem solving, and information processing.** The work of Edward Tolman can be used to represent the cognitive theoretical approach. According to Tolman, learning consists of the expectancy that a particular event will lead to a

particular consequence. This cognitive concept of expectancy implies that organism is thinking about, or is conscious or aware of the goal and result of a behavior exhibited by it. **It means that a person desires a goal and also knows the behavior that will lead to achievement of the goals.**

In the subject of organizational behavior, cognitive approach dominates the units of analysis such as perception, personality and attitudes, motivation, behavioral decision making and goal setting.

Behavioristic Framework

Pioneer behaviorists Ivan Pavlov and Jon B. Watson stressed the importance of studying observable behaviors instead of the elusive mind. They advocated that behavior could be best understood in terms of stimulus and response (S-R). They examined the impact of stimulus and felt that learning occurred when the S-R connection was made. Modern behaviorism, that marks its beginning with B.F. Skinner, advocates that behavior in response to a stimulus is contingent on environmental consequences. Thus, it is important to note that behavioristic approach is based on observable behavior and environmental variables (which are also observable).

Social Cognitive Framework

Social learning theory takes the position that behavior can best be explained in terms of a continuous reciprocal interaction among cognitive, behavioral, and environmental determinants. The person and the environmental situation do not function as independent units but, in conjunction with behavior itself, reciprocally interact to determine behavior. It means that cognitive variables and environmental variables are relevant, but the experiences generated by previous behavior also partly determine what a person becomes and can do, which, in turn, affects subsequently behavior. **A persons cognition or understanding changes according to the experience of consequences of past behavior.**

Bandura developed social learning theory into the more comprehensive social cognitive theory (SCT). Stajkovic and Luthans have translated this SCT into the theoretical framework for organizational behavior. Social cognitive theory recognizes the

importance of behaviorism's contingent environmental consequences, but also includes cognitive processes of self regulation. The social part acknowledges the social origins of much of human thought and action (what individual learns from society), whereas the cognitive portion recognizes the influential contribution of thought processes to human motivation, attitudes, and action. In social cognitive theoretical framework, organizational participants are at the same time both products and producers of their personality, respective environments, and behaviors. The participants as a group of produce the environment, every individual is a product of the environment and through his behavior changes the environment for others as well as for himself, every individual is a product of his personality, but also influences his personality as consequence of results of his behavior.



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UNIT 2 - INDIVIDUAL BEHAVIOUR

PERCEPTION

Perception means perceiving, i.e., giving meaning to the environment around us. It can be defined as a process which involves seeing, receiving, selecting, organizing, interpreting and giving meaning to the environment

Perception is the process by which an individual selects, organizes, and interprets information to create a meaningful picture.

Definition by Stephen P Robbins

Perception can be defined as –the process by which individuals organize and interpret their sensory impressions in order to give meaning to their environments.¶

Importance of perception

Perception is very important in understanding human behavior because every person perceives the world and approaches life problems differently. Whatever we see or feel is not necessarily the same as it really is. When we buy something, it is not because it is the best, but because we take it to be the best.

1. If people behave on the basis of their perception, we can predict their behaviour in the changed circumstances by understanding their present perception of the environment. One person may be viewing the facts in one way which may be different from the facts as seen by another viewer.
2. With the help of perception, the needs of various people can be determined, because people's perception is influenced by their needs.
3. Perception is very important for the manager who wants to avoid making errors when dealing with people and events in the work setting. This problem is made more complicated by the fact that different people perceive the same situation differently. In

order to deal with the subordinates effectively, the managers must understand their perceptions properly.

4. Perception can be important because it offers more than objective output; it ingests an observation and manufactures an altered reality enriched with previous experiences.
5. Perception builds character (not necessarily good or bad character) that defines different roles individuals fall into the clown, the hypocrite, the self-righteous, the victim, etc..
6. It is vitally important if we want to get along with Others to try to see things from their perspective or walk in their shoes for a while. If we walk in their shoes we will gain a new perspective about things and in that understand the other and also can love and help the other more appropriately.

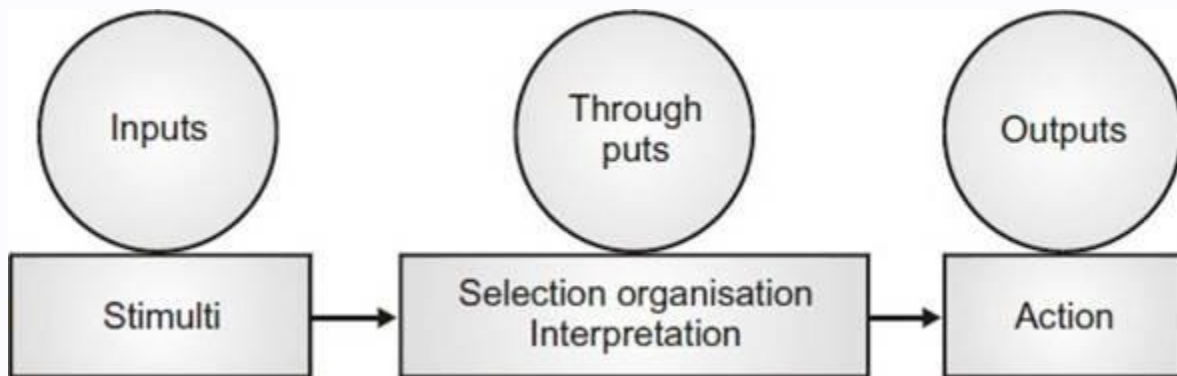
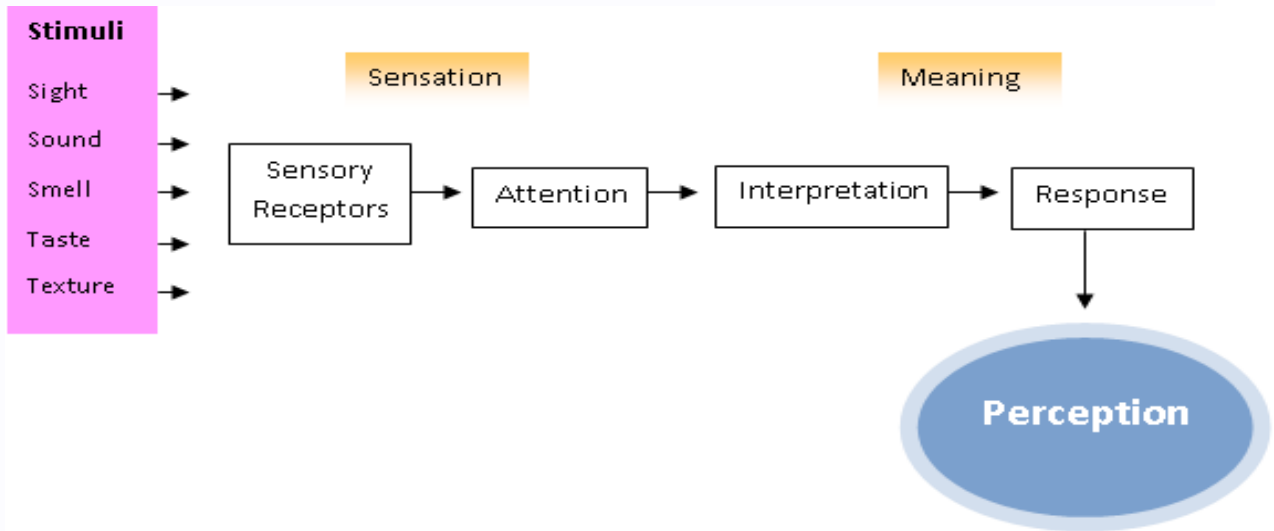
Nature of perception

- (1) Perception is the intellectual process.
- (2) Perception is the basic cognitive or psychological process.
- (3) Perception becomes a subjective process and different people may perceive the same event differently.

Perception and Sensation

- There is a distinction between sensation and perception. Sensation is the response of a physical sensory organ. The physical senses are vision, hearing, touch, smell and taste.
- These senses are bombarded by stimuli and reactions in particular sense organ take place because of these, e.g., of sensation may be reaction of eye to colour, ear to sound and so on. Sensation precedes perception.
- Perception is much more than sensation. Perception depends upon the sensory raw data. The perceptual process adds to or/and subtracts from the sensory world. Perception is determined by both physiological and psychological characteristics, of the organism.
- Sensation only activates the organs of the body and is not affected by such psychological factors as learning and motives. Activation of eyes to see an object is sensation and the inference what is being seen is perception.

PERCEPTUAL PROCESS



PERCEPTUAL PROCESS

Perceptual Process.

Perception is a process of receiving, selecting, organising, interpreting, checking and reacting to stimuli. This is like an input-through put-output process in which the stimuli can be considered as 'inputs' transformation of 'input' through selection, organization and interpretation as 'through puts' and the ultimate behaviour/action as 'output'. The whole perceptual process can be presented as follows : These are explained one by one

- 1. Receiving Stimuli :** The first process in the perception is the presence of stimuli. The stimuli are received from the various sources. Through the five organs. It is a physiological

aspect of perception process. Stimuli may be external to us (such as sound waves) and inside us (such as energy generation by muscles).

2 Selection of Stimuli : After receiving the stimuli or data, some are selected. Others are screened out. Two types of factors affect selection of stimuli for processing : external and internal factors. External factors relate to stimuli such as intensity of stimuli, its size, movement, repetition, etc. Internal factors, relate to the perceiver such as his/her age, learning, interest, etc. Normally, he will select the objects which interest him and will avoid that for which he is indifferent. This is also called 'selective perception'.

3 Organization of Stimuli : Organising the bits of information into a meaningful whole is called "organization". There are three ways by which the selected data, i.e., inputs are organised. These are :

(i) Grouping, (ii) Closure and (iii) Simplification.

(i) **Grouping :** In grouping, the perceiver groups the various stimuli on the basis of their similarity or proximity. For example, all the workers coming from the same place may be perceived as similar on the basis of proximity

(ii) **Closure :** When faced with incomplete information, people fill up the gaps themselves to make the information meaningful. This may be done on the basis of past experience, past data, or hunches. For example, in many advertisement, alphabets are written by putting electric bulbs indicating the shape of the concerned alphabets but broken lines. In such cases, people tend to fill up the gap among different bulbs to get meaning out of these.

(iii) **Simplification :** People identify main stimulus features and assesses how they are organized. He interprets a stimulus situation, the perceiver simplifies the information.

Selection of stimuli:

The world around us is filled with an infinite number of stimuli that we might attend, but our brains do not have the resources to pay attention to everything. There are various types of stimuli around in our environment—whether it is a smell, a feeling, a sound, or something

else entirely—it becomes the attended stimulus. Selecting is the first part of the perception process, in which we focus our attention on certain incoming sensory information. In selection, we choose stimuli that attract our attention. We focus on the ones that stand out to our senses (sight, sound, smell, taste, and touch). We take information through all five of our senses, but our perceptual field includes so many stimuli that it is impossible for our brains to process and make sense of it all. So, as information comes in through our senses, various factors influence what actually continues on through the perception process.

Organization of Stimuli

Once we have chosen to attend to a stimulus in the environment, the choice sets off a series of reactions in our brain. This neural process starts with the activation of our sensory receptors (touch, taste, smell, sight, and hearing). Organizing is the second part of the perception process, in which we sort and categorize information that we perceive based on innate and learned cognitive patterns.

Interpretation

After we have attended to a stimulus, and our brains have received and organized the information, we interpret it in a way that makes sense using our existing information about the world. Interpretation simply means that we take the information that we have sensed and organized and turn it into something that we can categorize. By putting different stimuli into categories, we can better understand and react to the world around us.

Action :

The perceptual process ends with the resultant behaviour caused after interpreting the data received through sensory organs.

Perception Distortion

Perceptual distortions are incorrect understanding or abnormal interpretation of a perceptual experience. A perceptual distortion occurs when a person's responses to stimuli varies from how it is commonly perceived. Perceptual distortion can relate to either sensory or

psychological disorders, medication or drugs, or physical damage to the brain or sensory organ.

Perceptual Distortion

1. **Personality** : Personality of the perceiver greatly influence the perception of other persons. Personality influence perception because of 2 reason .First, the perceiver tries to project his personality attributes in others, known as projection.Second, the perceiver tries to fit his attitude, beliefs, expectation to reality known as process of self-fulfilling.
2. **Mental Set** : Mental set is the tendency on has to react in a certain way to a given situation.In organization setting, people have tendency to perceive about others on the basis of this mental set which cause misperception. For ex. Suppose you are a contestant in a track meet and are positioning yourself in your starting blocks as you hear the preparatory command, get ready, get set when you hear the command, Go you take off at once since you are already set and ready to this command.
3. **Attribution** :Attribution is the process by which we make sense of our environment through our perception of our causality. Attribution is simply the process of attaching or attributing causes or reason to the actions and events we see. Causality is usually described in terms of internal causality and external causality.For ex. We may explain a particular individuals success or promotion with reference to his/her superior skills and knowledge (internal causality) or with reference to luck, 'friends in high places' and coincidence (external causality).
4. **HALO Effect** :The term halo effect was used by the psychologist Edward Thorndike in 1920. A HALO Effect is a judgment based on a single striking characteristics such as an aspects of dress, speech, posture, or nationality. HALO Effect can be negative as well as positive. • For ex. It is a natural human response on a meeting a stranger, to make judgment about the kind of person they are and whether we will like them or not.
5. **Stereotyping** :Stereotyping occurs when the perceiver judges or perceives a person on the basis of characteristics of the group to which he belongs. The person is not perceived as an individual with specific set of his characteristics but on the basis of his group characteristics. • For ex. There are some stereotyping at the international level like;

Japanese are industrious, Italian are quick tempered American are materialistic and ambitious.

6. **First Impression** : It is very common that people evaluate others on the basis of first impression. • The evaluation based on first impression may be correct if it is based on adequate and significant evidence. However, since first impression evaluation is not based on adequate information, it may not be true reflection of peoples being perceived. • This can be corrected by more frequent interaction, though erasing of first impression evaluation is not that easy.

Factors Influencing Perceptual process

External Factors

1. **Size** : Bigger size attracts the attention of the perceiver
2. **Intensity** : A loud sound, strong odor or bright light is noticed more as compared to a soft sound, weak odour or dimlight.
3. **Repetition** : A repeated external stimulus is more attention getting than a single one. Advertisers use this principle.
4. **Novelty and Familiarity** : A novel or a familiar external situation can serve as attention getter.
5. **Contrast** : It is a kind of uniqueness which can be used for attention getting. Letters of bold types, persons dressed differently than others, etc., get more attention.
6. **Motion** : A moving object draws more attention as compared to a stationary object. Advertisers use this principle.

Internal Factors

1. **Self-concept** : The way a person views the world depends a great deal on the concept or image he has about himself. The concept plays an internal role in perceptual selectivity.
2. **Beliefs** : A person's beliefs have profound influence on his perception. Thus, a fact is conceived not on what it is but what a person believes it to be.
3. **Expectations** : These affect what a person perceives. A technical manager may expect ignorance about the technical features of a product from non-technical people.

4. **Inner Needs :** The need is a feeling of tension or discomfort, when one thinks he is missing something. People with different needs experience different stimuli. According to Freud, wishful thinking is the means by which the Id attempts to achieve tension reduction.
5. **Response Disposition :** It refers to a person's tendency to perceive familiar stimuli rather than unfamiliar ones.
6. **Response Saliency :** It is the set of disposition which are determined not by the familiarity of the stimulus situations, but by the person's own cognitive predispositions. Thus, a particular problem may be viewed as a marketing problem by marketing personnel, a control problem by accounting people and human relations problem by personnel people.
7. **Perceptual Defence :** It refers to the screening of those elements which create conflict and threatening situation in people. Denying the existence or importance of conflicting information.

Attitude:

An attitude is a positive; negative or mixed evaluation of an object that is expressed at some level of intensity.

It is an expression of a favorable or unfavorable evaluation of a person, place, thing or event.

Attitudes involve a complex organization of evaluative beliefs, feelings, and tendencies toward certain actions.

How much we like or dislike something determines our behavior towards that thing. **According to Stephen P. Robbins – “Attitude is manner, disposition, feeling and position with regard to a person or thing, tendency or orientation especially in the mind.”**

Frank Freeman said, “An attitude is a dispositional readiness to respond to certain institutions, persons or objects in a consistent manner which has been learned and has become one’s typical mode of response.”

Characteristics of Attitude are;

- Attitudes are the complex combination of things we tend to call personality, beliefs, values, behaviors, and motivations.
- It can fall anywhere along a continuum from very favorable to very unfavorable.

- All people, irrespective of their status or intelligence, hold attitudes.
- An attitude exists in every person's mind. It helps to define our identity, guide our actions, and influence how we judge people.
- Although the feeling and belief components of attitude are internal to a person, we can view a person's attitude from his or her resulting behavior.
- Attitude helps us define how we see situations, as well as define how we behave toward the situation or object.
- It provides us with internal cognitions or beliefs and thoughts about people and objects.
- It can also be explicit and implicit. Explicit attitude is those that we are consciously aware of an implicit attitude is unconscious, but still, have an effect on our behaviors.
- Attitudes cause us to behave in a particular way toward an object or person.
- An attitude is a point of view, substantiated or otherwise, true or false which one holds towards an idea, object or person.
- It has aspects such as direction, intensity, generality or specificity.
- It refers to one's readiness for doing Work.

“Attitudes is a mental and neural state of readiness organized through experience, exerting a directing or dynamic influences upon the individuals response to all objects and situations with which is related”

---ALL PORT

“Attitude is the persistent tendency to feel and behave in a favorable or unfavorable way towards some object, person, or ideas” REITZ

“Attitude is a predisposition to respond in a positive or negative way to someone or something is one's environment” SCHERMERHOSM ET AL

FEATURES OF ATTITUDE:-

- Attitude affects the behavior :An individuals behaviour is affected by putting him ready responds favorably or unfavorably to things in the environment.

- Attitudes are acquired through learning over the period of time: the process of

learning starts right from childhood and continues throughout the life of an individual.

- Attitudes are invisible: They constitute a psychological phenomenon which can not be observed directly. They can be observed only by observing the behavior of an individual.
- Attitudes are pervasive: Attitudes are pervasive and every individual has some kind of attitude towards the object situation or person around them.

FORMATION OF ATTITUDES

Attitudes are not inherited. They are acquired and learned by the people from the environment in which an individual interacts. The information of attitude is broadly classified into two sources:

1. Direct experience
2. Social learning

1. Direct Experience:-One's direct experience with an object or person serves as a powerful source of his/her attitude formation ,i.e. attitudes are formed on one's past experiences.

E.g.:- Some of you may like HR, some other may like finance and few may like marketing. This is an attitude which is formed by studying the subject and getting a fair knowledge from the same. Attitudes derived from direct experience are powerful, stronger, durable and difficult to change.

2. Social learning: The process of deriving attitude from family, peer , groups, religious, organization and culture is called social learning. In social learning an individual acquires attitudes from his environment in an indirect manner. Attitudes are derived from peers also. Social learning starts from early age when children derive attitudes from their parents, friends, teachers, educational institutions etc. Individuals acquire much of their attitudes by merely observing their models that they admire and respect. They observe over hears. Their models expressing their opinion or watches them displaying their behavior and

that reflects their to align with their models.

An individual's association with others also shapes his Attitude. Culture of a country / state also plays a vital role in shaping one's attitude.

Learning attitudes involves 4 processes:

1. Attention : Attention must be focused on model.
2. Retention :What was observed from the model must be retained.
3. Reproduction: Behavior must be practiced again and again
4. Motivation :The learner must be motivated to form the model.

Type of Attitudes:-

Though an individual can have numerous attitudes, but OB focuses on job related attitudes. Job related attitudes are of 3 types:

1. Job satisfaction
2. Job involvement
3. Organizational

commitment Job satisfaction:-

Job satisfaction refers to an individual pleasurable or positive emotional state towards his/her job. Job satisfaction is related with five specific dimensions of job pay, work itself, promotion, opportunities, supervision and co-workers, positive attitude towards lead to job satisfaction.

Job Involvement:-

It is the degree to which employee immerse themselves into their jobs invest time energy

Organizational commitment:-

It is attitude of the employees towards their organization. It is the measure of the employees willingness to remain with a firm in the future,

MEASUREMENT OF ATTITUDE:

Measurement in its broadest sense is the assignment of numerals, to objects or events. The methods are classified in to four types:-

1. Self report

2. Indirect tests
3. Direct observation technique
4. Psychological Reaction Techniques.

Self Report:

This technique usually elicits response from employee through questionnaires dealing with their feelings about their work and related matters. This report is carried out through the use of attitude surveys. Attitude surveys contain a set of statement or question to be answered by the employee. A definite assigns to each answer. Scaling terms assigned are tailored to obtain the information what managers actually want.

E.g.:-Attitude scaling might be dislike statement. My job makes the best use of my abilities.

Strongly Agree	5
Agree	4
Undecided	3
Disagree	2
Strongly disagree -	1.

Indirect tests:-

These tests may not be brought directly to the employees notice. But the test will be fixed and employees' performance would be evaluated with out his conscience. Indirect test may be also conducted where the employee will answer to questions which may seem to be very simple in answering but these answers when evaluated will help the employee to know his attitude.

Direct observation technique:-

It is very simple where the employee will be directly observed on his work and his attitude will be known.

Psychological Reaction Techniques:-

Employees psychological reaction towards work and work environment will be judged and their attitudes will be observed to understand his/her attitude towards job aspects.

How to change attitude:-

Fill in the information gap: Unfavorable attitudes can be changed by filling the information which may change his attitudes.

Use of fear: Low and high degree fear arousal may lead to problems only median level fear would help the employee to change his attitude.

Resolving discrepancies: -People have different kind of attitude and behavior and so by proper solving of discrepancies one's negative attitude could be changed.

Difference between Attitudes and Values.

Attitudes	Values
1. Attitude exhibit predisposition to response.	1. Values represent judgmental
2. They refer to several beliefs relating to a specific object or situation	2. ideas about what is right
3. These are one's personal experiences	3. They represent single belief for used on objects or situations
	4. These are derived from social cultural
	5. mores.

- Similarities between attitudes and values
- Attitudes and values are learned or acquired from the same source experience with people, object and event
- Attitudes and values affect cognitive process and behaviour of people.
- Attitudes and values are enduring and difficult to change.
- Attitudes and values influence each other and, more often than not, are used interchangeably.

PERSONALITY

The term personality has been derived from the Latin term person which means to 'speak through'. It refers to the mask worn by actors in ancient Greece or Rome in plays which signifies the role which the actor displays to the public. Personality of an individual is unique personal and a major determinant of his behaviour.

Meaning:

Personality is the sum total of ways in which an individual reacts and interacts with others.

Definitions:

Carl Rogers views personality in terms of self, an organized, permanent, subjectively perceived entity.

Gordon Allport defines -Personality is the dynamic organization within the individual of those psychological systems that determine his unique adjustment to his environment.

It refers to what an individual really is, as an internal 'something' that guides and directs all human activities.

-It is better to consider individual aspects of personality as bricks and total personality as a house made of bricks. James

Factors Influencing Individual Behaviour

Implications of Individual Differences:

Every individual has his/her own character

Personality of each individual is unique hence it should be properly diagnosed by a manager.

Manager should understand the differences and manage employees accordingly. He should act differently to different people .

He should assign job, motivate and lead every employee accordingly.

Foundations of Individual

Behaviour Physiological Variables

1. Age
2. Gender
3. Physiological Characters
4. Heredity

Psychological Variables

1. Intelligence

2. Learning
3. Personality
4. Attitude
5. Motivation

Social Cultural Variables

1. Value systems
2. Cultural Background
6. Traditions

Organizational Variables

1. Type of Organization
2. Type of supervision
3. Type of subordinates
4. Type of Co- employees
5. Type of incentives
6. Training
7. Social environment at work place

Physical and Job variables

1. Method of work
2. Type of work
3. Physical job variables
4. Condition of working equipments

DETERMINANTS OF PERSONALITY

Enormously the following **five factors of personality** are contributing to the formation and development of human personality.

1. Biological Factors
2. Social Factors

3. Cultural Factors
4. Physical Environment
5. Situational Factors

1. Biological Factors of Personality

Biological factors of personality are very important for the formation of human personality. Children are born in a family; inherit many traits and features from their parents. Children get physical and psychological characteristics from their parents which becomes a part of their personalities. Some of the inherited traits are courage, coward, intelligence, weakness etc.

2. Social Factors of Personality

When an individual interact with other persons in his/her group give and take relationship takes place and it affects the personality of an individual social factors of personality are responsible for the formation of personality, when an individual has group experience and contact with others personality of an individual is influenced by others may be bad or good but depends on the association in which he/she keeps. In a society every person plays a specific role and status

3. Cultural Factors of Personality

Both material as well as non-material culture affects personality of an individual. An individual living in his/her culture adopts the traits consciously or unconsciously and acts accordingly. Culture of any society determines the behaviors and personality of an individual and he/she is expected to act according to the culture. A person follows all the social norms of a culture which results in the formation of good personality while non-conformity to the cultural rules develops abnormal or bad personality. So, the culture in which an individual seeks satisfaction adjusts himself/herself and develops personality.

4. Physical Environment

Physical environment also determines the personality of an individual. Environmental factors include land, river, mountains, hills, forests, plain area, atmosphere etc which affect the personality to be good or bad, healthy or weak. All the feelings, emotions, ideas, attitudes, habits and behavior as well as body structure is the result of physical environment of to which an individual belongs. For example, body structure, physique, color and health of the rural

people are different from urban people. These people have different environment due to which they develop variety of personalities. The people living in cities have facilities and modern ways of life which creates to develop delicate bodies and minds as compare to the rural people who are deprived of these facilities.

5. Situational Factors of Personality

Situational factors of personality also have a complete share in the formation of personality of an individual. situational factors of personality are changing according to the social situations. Every person face may situations in his life which enables him/her to change his/her behavior. For example, a teacher may be rigid and strict with students but may not with his/her family. An officer may behave with the subordinates differently as compare to his/her friends. Personality is not the result of only one factor but every factor is responsible to give complete

share in its formation. A person behave and his/her personality exists when interacts with environment, culture, society, parents, friends and to those who come in contact by chance.

THEORIES OF PERSONALITY

PSYCHOANALYTICAL

THEORY

Sigmund Freud and other associates formed this theory. Clinical techniques were used to develop this

theory. Patient's behaviour was studied to derive this theory. According to this theory Man is motivated by unforeseen forces than he is controlled by conscious and rational thought.

Freud says that personality of a person is determined by a constant interplay of the three parts: The Id, The Ego, The Super Ego.

Personality is made up of 3 parts:

The Id:

It is the unconscious emotional part . It is a sea of biological urges and drives where different instincts exist. E.g. Hunger, thrust, sex(libido).

It works on the principles of pleasure and pain. Any person seeks to satisfy his raw, animalistic needs and urges, obeys no laws and rules, wants to seek immediate gratification of biological or instinctual needs. It would proceed unchecked to satisfy motives. As an individual matures he learns to control id.

Ego:-

It is the logical and conscious part or the rational practical and factual side . It evaluates on the principle of what is possible and not possible. It works on the principle of right and wrong . It keeps id in check through realities of the environment by intellect and reason.

Super Ego:

It is the ethical moral side. The individual not only cares about right and wrong but also care about the societal norms. Hence it controls the above two parts and directs them constantly.

SOCIO-PSYCHOLOGICAL THEORY:

Human personality depends on his inter-relationship in society. This model suggests that human behaviour results from three predominant- interpersonal orientations.

Based on which Individual can be categorized as:

Aggressive people:

Motivated by the need for power. They want good positions more power. They go for challenging jobs and want to raise high in positions. They are not attached with the society and hence go against the society

Detached people:

These are self sufficient people who are not more attached with the society. They are happy in their solitude. They do not depend on others. They are away from the society.

Complaint people:

These people are more depended on society. They live to be with friends and families. They seldom quit organization. They do not have any lust for position, power and money. They move towards the society.

TRAIT THEORY

Some psychologists have tried to understand personality on the basis of individual's traits. This theory attempts to understand how a set of set of personality variables exerts on one's behaviour. This theory defines that individual personality is composed of definite predisposition attributes called traits. Traits in an individual define his personality. Traits are stable, traits are common but may vary is absolute quantities in individuals and also traits can be inferred form the measurement of behavioural indicators. The author Catell has developed

a set of traits through construction of tests on various individuals. These traits can be classified as surface traits and source traits. The source traits define the basic trait in individual and the surface traits define the qualities in an individual based on his source trait.

Source traits (Deep inner traits in an individual)

Affectionthymia Vs Sizothymia

(Meaning: Good nature and trust full ness VS critical and Conspicuous)

Ego Strength Vs Emotionality

(Meaning: Maturity and realism Vs Immaturity and Evasiveness)

Dominance Vs Submissiveness

Cheerfulness and Depression

Surface traits (visible traits in an individual)

Wise foolish

Affectionate –

Cold Sociable-

Seclusive Honest-

Dishonest **SELF**

THEORY

Carl Rogers has developed this theory. This theory is also described as phenomenological which studies individuals subjective experience, feelings and his concepts of world and self.

In this theory the following four factors are included:-

Self image: what you think you are? Ideal

self: What you want to be?

Looking glass self-What you think other think of you? Real Self-

What you really are?

Self image :

It is the way one sees oneself. Every person has certain beliefs about who he is and these beliefs form his self image.

Ideal self:

It denotes the way one would like to be. Any individual admires personalities (family

members or outsiders)in his environment and tries to imitate them. This forms the basis for his ideal image.

Looking glass self:

It is a perception about how others are perceiving oneself. It is formed on the basis of the interactions and conversations of others.

Real Self:

There are three stages in which an individual perceives about himself. The self image, ideal self and looking glass self. All the three help the individual to know about himself based on which he gets tips to develop his personality, evaluates himself and adjusts his self image with other three.

It is a comprehensive inner behavioural process.

TYPES OF PERSONALITY

Introvert and Extrovert

Based On Characteristics, There Are Two types of personality, i.e. introvert and extrovert.

When a person is reserved and does not open up easily, he or she is said to be an **introvert**.

- An introvert is a person who remains isolated, or enjoys the company of few closed ones.
- Self-contained
- They think before speaking.
- Recharges with solitude
- Spends more time with themselves
- Inward focused
- Have few friends
- Do not accept change easily.
- Openly communicate about themselves with people they know and trust.
- Deeply concentrate for long period.

An extrovert is an outgoing and outspoken person who enjoys being around and talking to

people.

Extrovert is a social, talkative person and makes friends quickly. An extrovert is an outgoing and outspoken person who enjoys being around and talking to people.

- Gregarious
- They reason things out by speaking them.
- Recharges with social interactions
- Spends more time with family and friends
- They reason things out by speaking them.
- Recharges with social interactions
- Spends more time with family and friends
- Outward focused
- Have many friends
- Accept change easily.
- Openly communicate about themselves with anyone.
- Get distracted easily.

Type A and Type B personality

Type A Personality

Type A personality implies a temperament which is stress prone, concerned with time management. They are ambitious, rigidly organised, hard-working, anxious, highly status conscious, hostile and aggressive. Individuals who possess Type A personality have the following behavioural patterns:

- They move, walk and eat fast.
- Great at multitasking.
- Self-driven feels guilty when relaxing.
- Feels impatient with the pace of things, dislikes waiting.
- They have a busy schedule and does not have time to enjoy life.
- Uses nervous gestures, like clenched fist or banging hand on the table.
- They are high-achievers, perform beyond par.

- They do not easily accept failure.

Type B Personality

Type B personality is one that is less prone to stress, easy going, work steadily, enjoy achievement, modest ambition, and live in the moment. They are social, creative, thoughtful, procrastinating. Individuals who possess Type B personality are associated with the following behavioural traits:

- They are not concerned about time.
- They compete for fun, not to win.
- Mild-mannered.
- Never in a hurry and has no pressing deadlines.
- Does not brag.
- Focus on quality rather than quantity.
- Laid back and live stress-less life.

Judging and Perceptive

Judging (J) and Perceiving (P) are how you interact with the world outside yourself, either in a structured or flexible manner. Judging and Perceiving are opposite preferences. A person's natural tendency toward one will be stronger than the other.

Judging

Judging people think sequentially. They value order and organization. Their lives are scheduled and structured. Judging people seek closure and enjoy completing tasks. They take deadlines seriously. They work then they play. The Judging preference does not mean judgmental. Judging refers to how a person deals with day-to-day activities.

- Judging Characteristics
- Decisive
- Controlled
- Good at finishing
- Organized
- Structured

- Scheduled
- Quick at tasks
- Responsible
- Likes closure
- Makes plans

Perceiving (P)

Perceivers are adaptable and flexible. They are random thinkers who prefer to keep their options open. Perceivers thrive with the unexpected and are open to change. They are spontaneous and often juggle several projects at once. They enjoy starting a task better than finishing it. Deadlines are often merely suggestions. Perceivers play as they work.

- Perceiving Characteristics
- Adaptable
- Relaxed
- Disorganized
- Care-free
- Spontaneous
- Changes tracks midway
- Keeps options open
- Procrastinates
- Dislikes routine
- Flexible

PERSONALITY INFLUENCE ON ORGANISATIONAL BEHAVIOUR

24

1. Self Esteem:

Self Esteem refers to the feeling of like or dislike for oneself. || -Self Esteem is the degree

of respect a person has for himself. This trait varies from person to person as people differ in the degree to which they like or dislike each other.

2. Self Monitoring:

-Self monitoring is a personality trait that measures an individual's ability to adjust his or her behaviour to external situational factors.

Locus of control : Locus of control refers to an individual's belief that events are either within one's control or are determined by forces beyond one's control.

People with internal locus of control believe that they are the masters of their own fate. Whereas people with external locus of control take life as it comes. They see themselves as pawns of fate, believing that whatever happens to them in their lives is due to their luck or fate.

3. Machiavellianism:

Machiavellianism is the ability to influence others for one's benefit. High Machiavellianism refers to a personality trait which sees a person so focused on their own interests they will manipulate, deceive, and exploit others to achieve their goals.

4. Risk taking :

The propensity of people to assume risks or avoid risks varies from person to person depending upon the willingness of the people to take chances. This human trait will affect the decision making capability of a manager. This individual personality trait will determine how long will it take a person to take a decision or how much information will be needed before he takes a decision

5. Introvert and extrovert

These two terms are generally associated with the interpersonal behaviour of an individual and his sociability. Extroverts are gregarious and sociable individuals while introverts are shy, quiet and retiring. It has been observed that introverts and extroverts people have different career orientations and require different organisational environment to maximize performance. Extroverts are more suitable for positions that require considerable interaction with others that is why managerial positions are dominated by extroverts.

6. Type A and Type B

People who are impatient, aggressive and highly competitive are termed as 'Type A' personality. But those who are easy going, laid back and non-competitive are termed as

Type B' personality. Type 'A' people tend to be very productive as they work very hard. Their negative side is that they are very impatient, good team players, more irritable and have poor judgment. Type 'B' people do better on complex tasks involving judgment and accuracy rather than speed and hard work

7. Self monitoring :

As self monitoring refers to the individual's ability to adjust his or her behaviour to external factors, individuals with high self monitoring can show considerable adaptability in adjusting their behaviour to external, situational factors than low self monitoring

Learning

- Learning can be defined as the permanent change in behavior due to direct and indirect experience.
- It means change in behavior, attitude due to education and training, practice and experience.
- It is completed by acquisition of knowledge and skills, which are relatively permanent.

Nature of Learning

- Nature of learning means the characteristic features of learning. Learning involves change; it may or may not guarantee improvement.
- It should be permanent in nature, that is learning is for lifelong.
- The change in behavior is the result of experience, practice and training. Learning is reflected through behavior.

Factors Affecting Learning

Learning is based upon some key factors that decide what changes will be caused by this experience. The key elements or the major factors that affect learning are motivation, practice, environment, and mental group.

- Motivation** – The encouragement, the support one gets to complete a task, to achieve a goal is known as motivation. It is a very important aspect of learning as it acts gives us a positive energy to complete a task. **Example** – The coach motivated the players to

win the match.

□ **Practice** – We all know that 'Practice makes us perfect'. In order to be a perfectionist or at least complete the task, it is very important to practice what we have learnt.

Example – We can be a programmer only when we execute the codes we have written.

□ **Environment** – We learn from our surroundings, we learn from the people around us. They are of two types of environment – internal and external. **Example** – A child when at home learns from the family which is an internal environment, but when sent to school it is an external environment.

□ **Mental group** – It describes our thinking by the group of people we chose to hang out with. In simple words, we make a group of those people with whom we connect. It can be for a social cause where people with the same mentality work in the same direction.

Example– A group of readers, travelers, etc.

THEORIES OF LEARNING

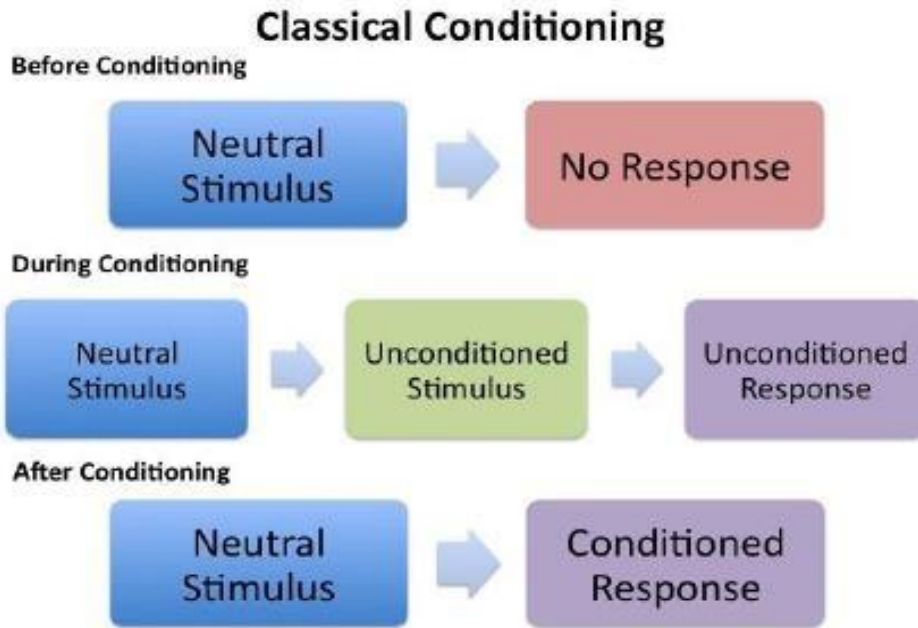
Learning can be understood clearly with the help of some theories that will explain our behavior. Some of the remarkable theories are –

- Classical Conditioning Theory
- Operant Conditioning Theory
- Social Learning Theory
- Cognitive Learning Theory

Classical Conditioning Theory

The classical conditioning occurs when a conditioned stimulus is coupled with an unconditioned stimulus. Usually, the conditioned stimulus (CS) is an impartial stimulus like the sound of a tuning fork, the unconditioned stimulus (US) is biologically effective like the taste of food and the unconditioned response (UR) to the unconditioned stimulus is an unlearned reflex response like salivation or sweating.

After this coupling process is repeated (for example, some learning may already occur after a single coupling), an individual shows a conditioned response (CR) to the conditioned stimulus, when the conditioned stimulus is presented alone. The conditioned response is mostly similar to the unconditioned response, but unlike the unconditioned response, it must be acquired through experience and is nearly impermanent. 27



Operant Conditioning Theory

Operant conditioning theory is also known as instrumental conditioning. This theory is a learning process in which behavior is sensitive to, or controlled by its outcomes.

Let's take an example of a child. A child may learn to open a box to get the candy inside, or learn to avoid touching a hot stove. In comparison, the classical conditioning develops a relationship between a stimulus and a behavior. The example can be further elaborated as the child may learn to salivate at the sight of candy, or to tremble at the sight of an angry parent.

In the 20th century, the study of animal learning was commanded by the analysis of these two sorts of learning, and they are still at the core of behavior analysis.

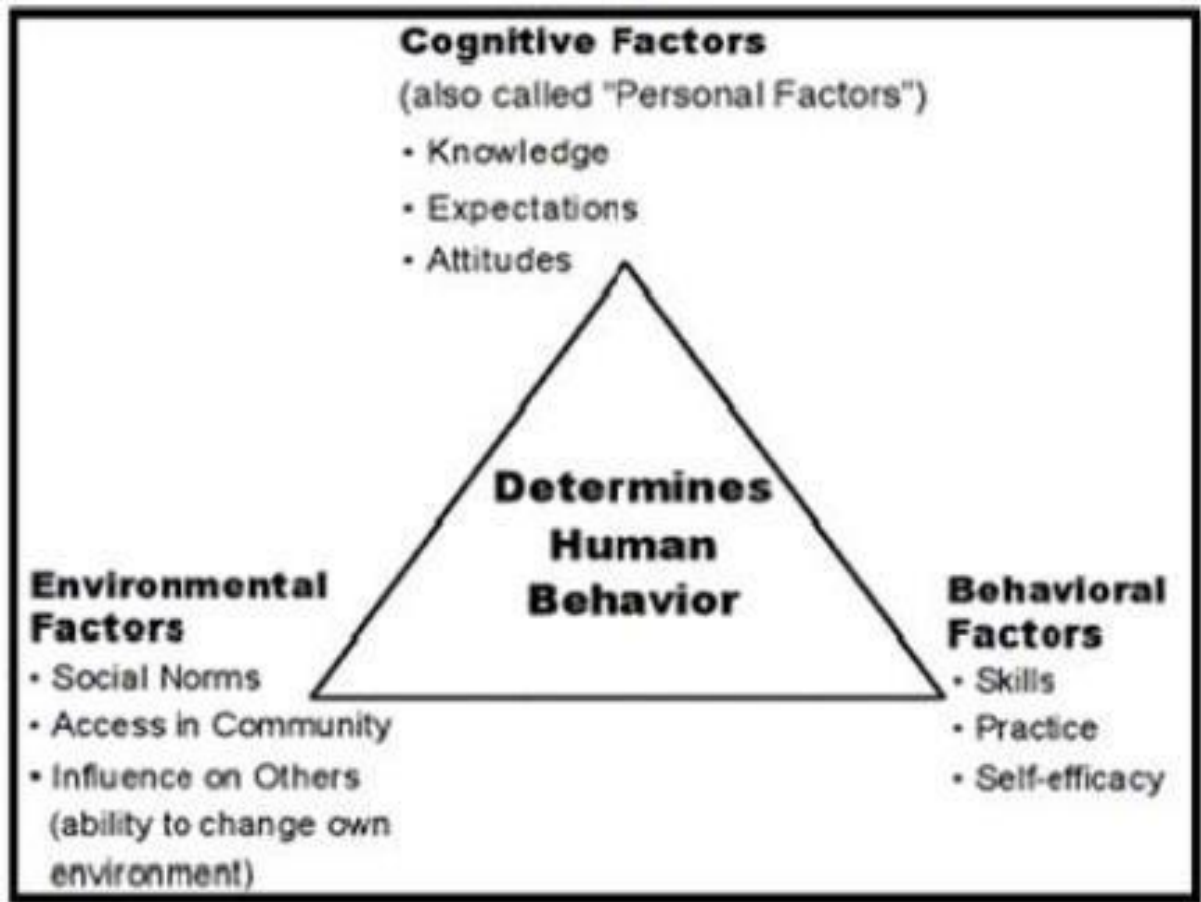
Operant Conditioning

	Reinforcement Increase Behavior	Punishment Decrease Behavior
Positive Stimulus (something added)	Positive Reinforcement Add something to increase behavior	Positive Punishment Add something to decrease behavior
Negative Stimulus (something removed)	Negative Reinforcement Remove something to increase behavior	Negative Punishment Remove something to decrease behavior

Social Learning Theory

The key assumptions of social learning theory are as follows –

- Learning is not exactly behavioral, instead it is a cognitive process that takes place in a social context.
- Learning can occur by observing a behavior and by observing the outcomes of the behavior (known as vicarious reinforcement).
- Learning includes observation, extraction of information from those observations, and making decisions regarding the performance of the behavior (known as observational learning or modeling). Thus, learning can occur beyond an observable change in behavior.
- Reinforcement plays an important role in learning but is not completely responsible for learning.
- The learner is not a passive receiver of information. Understanding, environment, and behavior all mutually influence each other.



Cognitive Learning Theory

Cognition defines a person's ideas, thoughts, knowledge, interpretation, understanding about himself and environment.

This theory considers learning as the outcome of deliberate thinking on a problem or situation based upon known facts and responding in an objective and more oriented manner. It perceives that a person learns the meaning of various objects and events and also learns the response depending upon the meaning assigned to the stimuli.

This theory debates that the learner forms a cognitive structure in memory which stores organized information about the various events that occurs.

Learning & Organizational Behavior

An individual's behavior in an organization is directly or indirectly affected by learning.

Example – Employee skill, manager's attitude are all learned.

Behavior can be improved by following the listed tips –

- Reducing absenteeism by rewarding employees for their fair attendance.

- Improving employee discipline by dealing with employee's undesirable behavior, drinking at workplace, stealing, coming late, etc. by taking appropriate actions like oral reprimands, written warnings and suspension.

- Developing training programs more often so as to grab the trainees' attention, provide required motivational properties etc.



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SCHOOL OF MANAGEMENT STUDIES

UNIT – III - Dynamics of Organizational Behaviour – SBAA5102

UNIT 3 GROUP BEHAVIOUR

MOTIVATION

Motivation is the willingness to exert high level of the effort towards organizational goals , conditioned by the efforts ability to satisfy same individual needs. Stephen p Robbins.

Need satisfaction process

Unsatisfied Need----tension---drive ---search behaviour--- satisfied need--- reduction in tension

- An unsatisfied need created tension that stimulates drives with in an individual.
- These drives generate an search behaviour to find particular goals and attain them.
- If the goal is attained, the need is satisfied and the tension is reduced.
- Since the organizational goals are important , the individuals must be compatible to the org. goals. Motivation is anything that induces a person to act in a desired manner.
- Motivation is what makes a person to work and satisfaction is the resultant happiness. It follows a cause and effect relationship.

THEORIES OF MOTIVATION

Content theories

MASLOW'S NEED HIERARCHY THEORY

OF MOTIVATION HERZBERG'S TWO

FACTOR THEORY OF MOTIVATION

MCGREGOR'S THEORY 'X' AND THEORY 'MCLLELAND 'S NEED THEORY

Contemporary theories of process

theories VROOMS VALENCE

EXPECTANCY THEORY PORTER AND

LAWLER'S MODEL OF SATISFACTION

PROCESS FOR MOTIVATION

The process of motivation is illustrated in the figure given below:

Figure below shows an employee has a need or urge for promotion to a higher position. If this need is strong, the employee will fix his goal and find alternatives to reach the goal. The might have two alternatives, namely, (i) hard work and (ii) enhancement of qualification (e.g., getting MBA) and hard work.



Fig. 15.1 The Process of Motivation

He might choose the second alternative and succeed in getting promotion (goal achievement) thus, his need for promotion would be satisfied and he would start again for the satisfaction of a new need.

MASLOW'S NEED HIERARCHY THEORY OF MOTIVATION:

According to this theory man is motivated based his needs. Any individual has five categories of needs. The need emerges in a hierarchal order i.e. from lower order needs to higher order needs.

The five levels of needs are

Physiological needs

Security needs

Social needs

Self esteem needs

Self actualization needs

Physiological needs:

This needs is considered to be the starting point of motivation. These are needed for the survival and

maintenance of human life. Eg: Food, Clothing, Shelter, Air Water and also other necessities of life.

Security needs:

After an individual's physiological need is satisfied, his next level of need for security emerges, i.e. he wants the assurance of maintaining an economic level, in terms of job security of income source, provision for old age, insurance against risk etc.

Social needs:

Man is social being. He is interested in conversation, sociability, exchange of feelings, grievances and ideas . He wants companionship, recognition and belongingness. Simply he needs the comfort of people/society to fulfill this need.

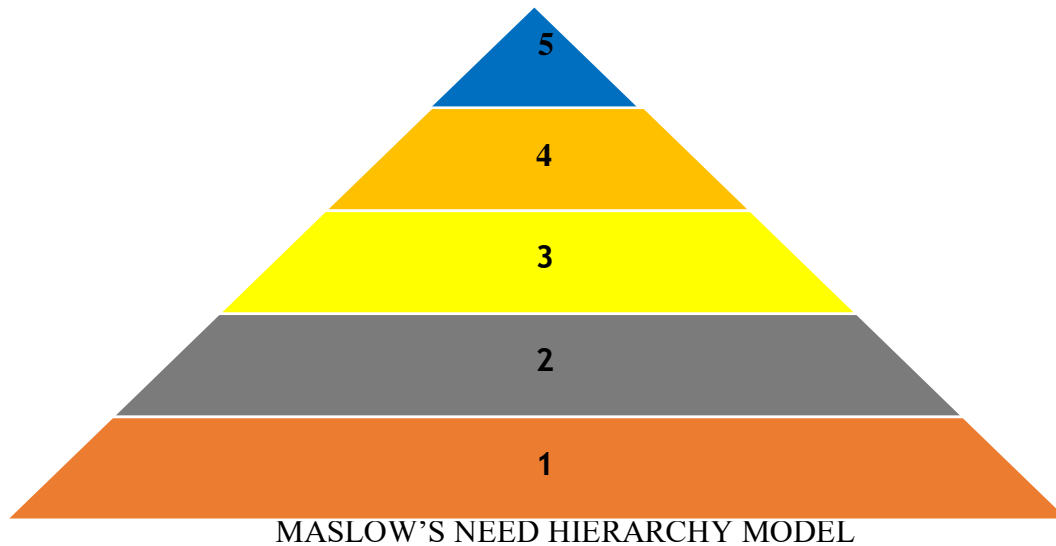
Self-esteem need (status):

Egoistic needs take inward or outward orientations. Inward directed ego needs embrace factors like self confidence, independence, achievement, competency, knowledge, success. These needs have to be earned by an individual; through his intelligence and hard work.They want recognition in the society where they live. On the other hand outwardly directed ego needs are concerned with prestige, status respect and it could be gained in the form of position and control over economic, social and political power form the society or organization.

Self Actualization needs (self fulfillment needs):

The final or the priority model is the need for self -fulfillment or the need is the need to fulfill what a person considers to be his mission in life. After a man's other needs are fulfilled, his desire for personal achievement increases. He wants to do something, which is challenging and gives his full energy to work and win. This need gives him psychological satisfaction if achieved.

Maslow felt that these needs have definite sequence of domination. second level needs does not dominate until first level need is satisfied and this would continue till the last hierarchy. Hence based on this 5 levels of need Maslow establishes that man is a social animal, he always wants something the other. As there is no end to Human beings needs, they can be motivated throughout (condition is know what his need is at that particular point of time) He can be motivated accordingly.



- 1 - Physiological Need
- 2 - Safety Needs
- 3 - Social Needs
- 4 - Esteem Needs
- 5 - Self-actualization

HERZBERG'S TWO FACTOR THEORY OF MOTIVATION

Herzberg and his fellow men conducted a research on zoo engineers and accountants who worked in 11 different firms in Pittsburg area. These men were asked to recall specific incidents in their experience which made them feel good or bad about their jobs. These findings set as a model to derive this theory.

According to this theory Herzberg has defined two distinct factors of motivation

Herzberg's motivation theory is based on two types of factors.

These factors

Satisfiers (motivation factors)

Dissatisfiers (maintenance or hygiene factors).

Hygiene factors include the factors of company policy and administration, salary, supervision, working conditions, interpersonal relations, status, job security, and personal life.

The motivators or satisfiers are therefore related to job content. They include the factors like achievement, recognition, challenging work, advancement, responsibility and growth in the job. Their existence yields

feelings of satisfaction.



If provided you	if not provided	if not given	if provided you will
Will not know	you will be	you will not	be highly motivated
its importance	highly demotivated	know its importance	

Hygiene factors: It was found that hygiene factors were the factors, which if provided will not motivate the employees, but if not provided will definitely de-motivate the employees

Motivators : They are factors which when not provided the employee will not be aware of it, but if provided the employee gets highly motivated and works effectively.

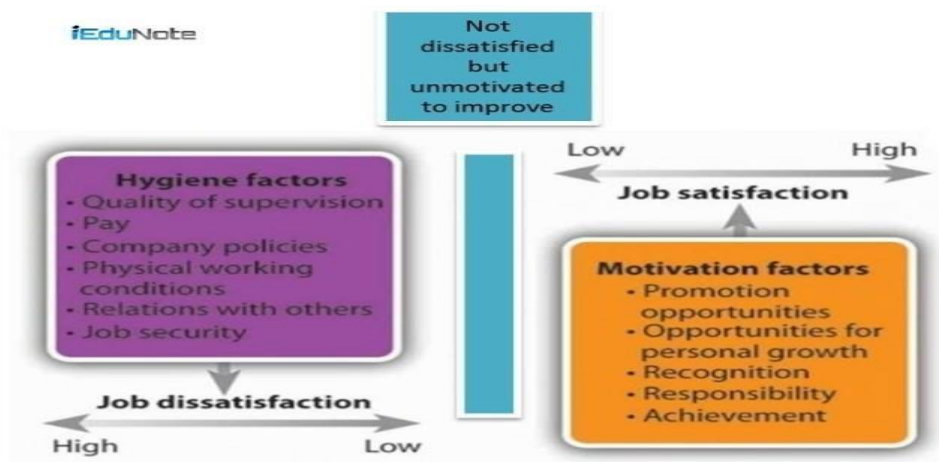
Herzberg's theory

- It is pure a psychological theory.
- It can be applicable to modern organization.
- It is practical and easy to understand.
- Identification of hygiene factor is a valuable

Disadvantages of Herzberg's theory:

The theory emphasizes on job satisfaction rather than motivation.

The methodology adopted is limited by the fact that, when things go smooth they take internal credit, but when things go wrong they blame external factors. The theory has over simplified the complex working condition



Difference between Maslow’s theory and Herzberg’s theory

Maslow’s theory	Herzberg’s theory
<ol style="list-style-type: none"> 1. He has divided the structure into five layers. 2. Emphasis is on needs 3. Hierarchy is followed 4. Pay is a motivation 5. It is a descriptive theory 6. Relevant to people of all cadre 7. A satisfied needs is not a motivator 	<ol style="list-style-type: none"> 1. He has divided the theory into two 2 factors 2. Emphasis is on satisfaction 3. All need arise at the same time 4. Pay comes under the hygiene factor 5. It is a prescriptive theory 6. Relevant to study managerial cadre 7. Satisfied need also continue to motivate people.

MCGREGOR’S THEORY ‘X’ AND THEORY ‘Y’

he theory is based on assumptions about employees by the manager or employer

- One basically negative- Theory’X’
- One basically positive-Theory‘Y’

McGregor has generated two different theories based in Employer’s /Boss’s assumption on employees. But it is also to be noted that employees tend to become what the boss thing about them. McGregor prefers theory ‘X’ to theory ‘Y’. It is also concluded that participative decision mak

ing, challenging jobs and decentralized form of environment and supportive style of leadership would motivate employees.

According to this theory a Boss holds either positive or negative assumptions about their employees.

THEORY ‘X’	THEORY ‘Y’
<ol style="list-style-type: none"> 1. Subordinates dislike work 2. Employees avoid responsibility 3. Employees are incapable and hence have to be guided 4. Employees have to be forced or controlled to make them work. 5. Employees are self centered and they are indifferent to the organization 6. Boss follows a centralized system of work 7. Boss are suspicious 8. Boss follows authoritative style. 9. Boss is task oriented. 	<ol style="list-style-type: none"> 1. Employees always have a natural liking for work. 2. Employees will seek for responsibility and accept them 3. Employees have considerable skills 4. Employees have natural inclination to work and they have self control 5. Employees are not self centered and are concerned about organizational goals. 6. Boss tends to keep the system in decentralized manner. 7. Boss trust employees 8. Boss supports employees 9. Boss are task oriented.

MCCLELLAND’S NEEDS THEORY

McClelland’s Needs Theory was proposed by a psychologist David McClelland, who believed that the specific needs of the individual are acquired over a period of time and gets molded with one’s experience of the life. McClelland’s Needs Theory is sometimes referred to as Three Need theory or Learned Needs Theory.

McClelland has identified three basic motivating needs, Viz. Need for Power, Need for Affiliation and Need for Achievement and, along with his associates performed a considerable research work on these basic needs.

- 1. Need for Power (n-pow)** Power is the ability to induce or influence the behavior of others. The people with high power needs seek high-level positions in the organization, so as to exercise influence and control over others. Generally, they are outspoken, forceful, demanding, practical/realistic-not sentimental, and like to get involved in the conversations.
- 2. Need for Affiliation (n-affil):** People with high need for affiliation derives pleasure from being loved by all and tend to avoid the pain of being rejected. Since, the human beings are social animals, they like to interact and be with others where they feel, people accept them. Thus, people with these needs like to maintain the pleasant social relationships, enjoy the sense of intimacy and like to help and console others at the time of trouble.
- 3. Need for Achievement (n-ach):** McClelland found that some people have an intense desire to achieve. He has identified the following characteristics of high achievers. High achievers take the moderate risks, i.e. a calculated risk while performing the activities in the management context. This is opposite to the belief that high achievers take high risk. High achievers seek to obtain the immediate feedback for the work done by them, so as to know their progress towards the goal. Once the goal is set, the high achiever puts himself completely into the job, until it gets completed successfully. He will not be satisfied until he has given his 100% in the task assigned to him. A person with a high need for achievement accomplishes the task that is intrinsically satisfying and is not necessarily accompanied by the material rewards. Though he wants to earn money, but satisfaction in the accomplishment of work itself gives him more pleasure than merely the cash reward.

Hence, McClelland's Needs Theory posits that the person's level of effectiveness and motivation is greatly influenced by these three basic needs.

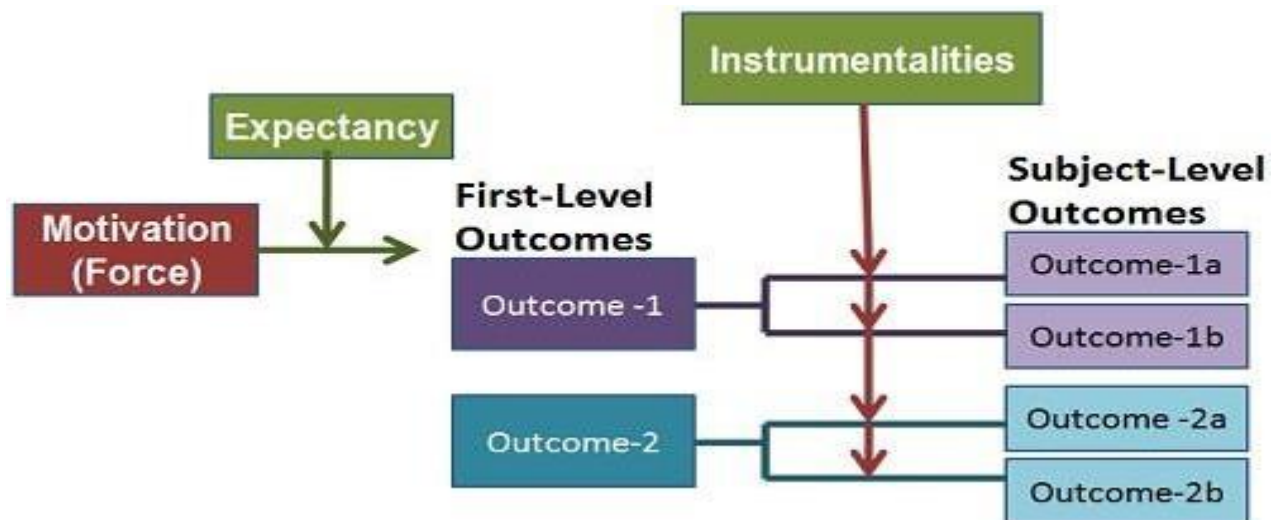
PROCESS THEORIES VROOMS VALENCE EXPECTANCY THEORY

This theory was propounded by Vrooms, and this theory states about the importance of factors which lead to motivation.

The theory of based on the formula:

$$\text{Motivation}(F) = \Sigma \text{Valence} \times \text{Expectancy}$$

Key words Valence Expectancy, 1st level outcome , 2nd level outcome, Instrumentality



Valence: It is the strength of individuals preference for a particular outcome. It ranges from -1.....0..... +1.

where when

V is positive(+1) = Individual prefers to attain the outcome.

V is neutral (0)= Individual is indifferent towards the outcome.

V is negative (-1) = Individual does not prefer to attain the outcome.

Expectancy:

It is the probability that a particular outcome will lead to the desired first level outcome.

The probability will range from (0-----1). If the probability is high , the score is high and it is low when the probability is low. Expectancy relates to the effort to the first level outcome.

1st level outcome :

It is the efforts put based on the expectations of getting the same, which means performance will be based on the persons expectancy towards perceived reward. i.e. promotion.

2nd level outcome:

It is the result acquired out of the expectations and effort. e.g. getting promotion

Instrumentality:

It is the belief that the performance is related to rewards. Probability attached by the individual to each possible performance. It refers to the degree to which the first level outcome leads to second level outcome.

1. Motivated to get a promotion
2. Promotion expectancy = high/moderate/ low
3. Effort - high/moderate/ low or No effort
4. Out come 1- Guaranteed promotion
5. Out come 2- May / May not get a promotion
6. Out come 3- No chances of getting a promotion

Hence the theory states that it is the motivational force in an individual which makes him

Believe that he can attain a particular out come, based on this expectancy he performs and he gets the rewards.

PORTER AND LAWLER'S MODEL OF SATISFACTION

Lyman Porter and Edward Lawler came up with a comprehensive theory of motivation, combining the various aspects. Porter and Lawler's model is a more complete model of motivation. This model has been practically applied also in their study of managers. This is a multivariate model which explains the relationship that exists between job attitudes and job performance. This model is based on four basic assumptions about human behaviour :

(i) As mentioned above, it is a multivariate model. According to this model, individual behaviour is determined by a combination of factors in the individual and in the environment.

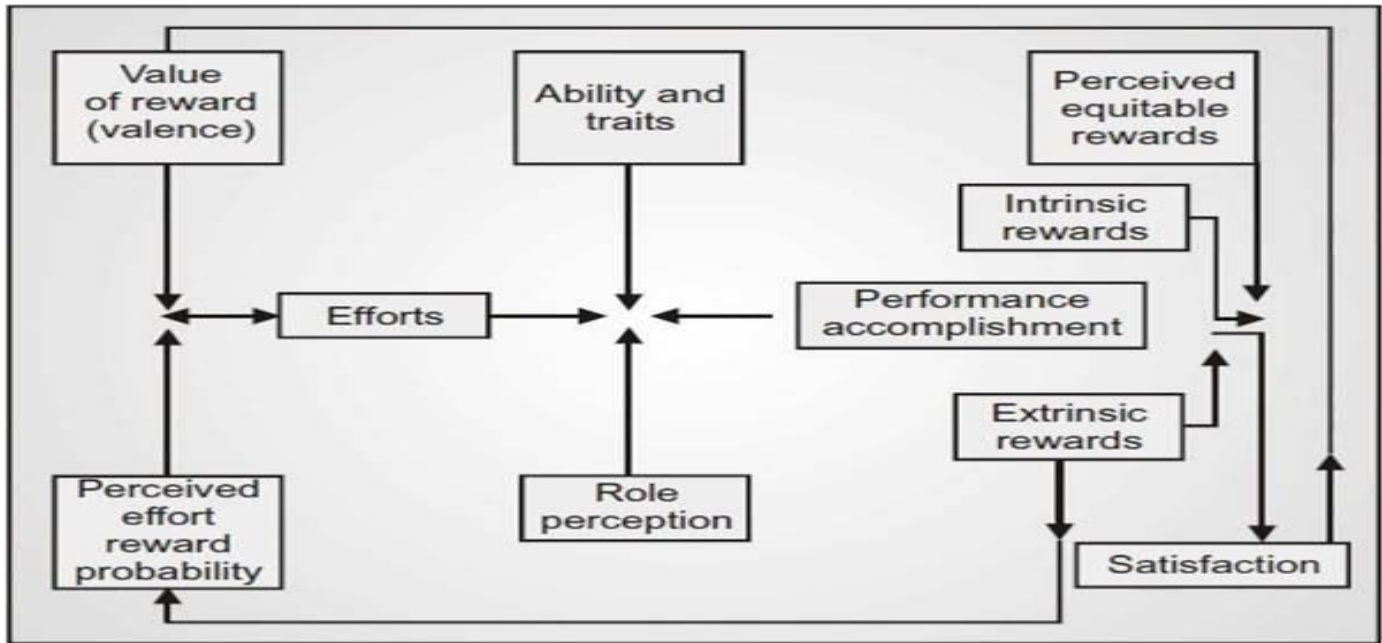
(ii) Individuals are assumed to be rational human beings who make conscious decisions about their behaviour in the organizations.

(iii) Individuals have different needs, desires and goals.

(iv) On the basis of their expectations, individuals decide between alternative behaviours and such decided behaviour will read to a desired outcome.

The Various Elements of Porter and Lawler Model

1. Effort 2. Performance and 3. Satisfaction.



Let us briefly discuss the main elements of the model :

1. Effort: Effort refers to the amount of energy an employee exerts on a given task. How much effort an employee will put in a task is determined by two factors: (i) value of reward and (ii) perception of effort-reward probability.

2. Performance : One's effort leads to his/her performance. Both may be equal or may not be. However, the amount of performance is determined by the amount of labour and the ability and role perception of the employee. Thus, if an employee possesses less ability and/or makes wrong role perception, his/her performance may be low in spite of his great efforts.

3. Satisfaction: Performance leads to satisfaction. The level of satisfaction depends upon the amount of rewards achieved. If the amount of actual rewards meet or exceed perceived equitable rewards, the employee will feel satisfied. On the contrary, if actual rewards fall short of perceived ones, he/she will be dissatisfied.

Rewards may be of two kinds - intrinsic and extrinsic rewards.

Examples of intrinsic rewards are such as a sense of accomplishment and self-actualization.

Extrinsic rewards may include working conditions and status. A fair degree of research supports that the intrinsic rewards are much more likely to produce attitudes about satisfaction that are related to

performance

It is a complete model of motivation. The research covered the applicability to managers. They brought about the relationship between job attitude, job performance and job satisfaction. The whole model is

designed on the traditional assumption that there is a positive relationship between satisfaction and performance. It is a multivariate model to which helps to explain the relationship between satisfaction and performance. Porter and Lawler have attempted to measure variables such as the values of possible rewards, the perception of effort-rewards probabilities and role perceptions in deriving satisfaction. They recommended that the managers should carefully reassess their reward system and structure. The effort-performance-reward-satisfaction should be made integral to the entire system of managing men in organizations. In this model of motivation, effort does not directly lead to performance but factors like one's personal traits, role perceptions, the value he has given for a particular reward and his perception towards his abilities to achieve the reward work together to achieve the reward. Once he has achieved what he has expected to achieve, he is satisfied or else the process continues.

CHRIS ARGYRIS'S THEORY

Chris Argyris (born July 16, 1923, an US Business theorist) has developed his motivations theory based on proposition how management practices affect the individual behaviour and growth. In his view, the seven changes taking place in an individual's personality make him/her a mature one. In other words, personality of an individual develops from immaturity to maturity as follows :

Argyris maturity and immaturity theory

Maturity theory	Immaturity theory
Passivity	Activity
Dependence	Independence
Few ways of behaving	Diverse behaviour
Shallow interest	Deep interests
Short time perspective	Long time perspective
Subordinate position	Super ordinate position
Lack of self awareness	Self-Awareness and control

Argyris views that immaturity exists in individuals mainly because of organizational setting and

management practices such as task specialization, chain of command, unity of direction and span of management. In order to make individuals grow mature, he proposes gradual shift from the existing pyramidal organization structure to humanistic system; from existing management system to the more flexible and participative management. He states that such situation will satisfy not only their physiological and safety needs, but also will motivate them to make ready to make more use of their potential in accomplishing organizational goals

ERG MOTIVATION THEORY ALDERFER

Clayton P. Alderfer's **ERG theory** from 1969 condenses Maslow's five human needs into three categories: **Existence**, **Relatedness** and **Growth**.

ExistenceNeeds

Include all material and physiological desires (e.g., food, water, air, clothing, safety, physical love and affection). Maslow's first two levels.

RelatednessNeeds

Encompass social and external esteem; relationships with significant others like family, friends, co-workers and employers . This also means to be recognized and feel secure as part of a group or family. Maslow's third and fourth levels.

GrowthNeeds

Internal esteem and self actualization; these impel a person to make creative or productive effects on himself and the environment (e.g., to progress toward one's ideal self). Maslow's fourth and fifth levels. This includes desires to be creative and productive, and to complete meaningful tasks.

Even though the priority of these needs differ from person to person, Alberger's ERG theory prioritises in terms of the categories' concreteness. **Existence needs** are the most concrete, and easiest to verify. **Relatedness needs** are less concrete than existence needs, which depend on a relationship between two or more people. Finally, **growth needs** are the least concrete in that their specific objectives depend on the uniqueness of each person.

Financial/Incentives Techniques of Motivation:

Financial techniques refer to monetary rewards. Incentives are nothing but the inducements provided to employees in order to motivate them. There should be direct relationship between efforts and rewards, financial reward should be substantial in value and must be in parity with others.

Under -paying staff sends the message that your firm doesn't value their work. Money is not a prime motivator but this should not be regarded as a signal to reward employees poorly or unfairly.

The financial incentives include:

1. **Pay and Allowances:** It includes basic pay, grade pay, and dearness allowance; travelling allowance, pay increments, etc. Good pay and allowances help the organization to retain and attract capable persons. However, good pay and allowances need not motivate all the people, especially who are enjoying security of job in government organizations and those for whom corruption is a way of life. Some of the other issues are associated with bad attitudes, grievances, absenteeism, turnover, poor organizational citizenship, and adverse effect on employees' mental and physical health.
2. **Incentive Pay:** Incentive pay plans are meant to increase output, which can be measured quantitatively. For incentive plan targets, the employees must have confidence that they can achieve the targets.
3. **Gain Sharing:** It is a reward system in which team members earn bonus for increasing productivity or reduce wastages. To illustrate, if the wastage is reduced from 5% to less the benefits may be shared equally with the team.
4. **Profit Sharing:** It means sharing of profits with the employees by way of distribution of bonus. Profit sharing plan has its shortcomings – one, that it has become a regular feature in government departments irrespective of performance and two, it may have no relation with individual efforts.
5. **Stock Options :** Many companies use employee stock options plans to compensate, retain, and attract employees. These plans are contracts between a company and its employees that give employees the right to buy a specific number of the company's shares at a fixed price within a certain period of time.
6. Employees who are granted stock options hope to profit by exercising their options at a higher price than when they were granted. In India, stock options have primarily been used as a retention tool for a more selective group of employees.
7. **Retirement Benefits :** It includes the accumulated provident fund, gratuity, leave encashment and pension. The provision of terminal benefits provides assurance to employees during the service for their future

Non-financial Incentives/Techniques:

Non-financial incentives do not involve money payments. These are also important in motivating employees as they bring in psychological and emotional satisfaction to them.

These include so many techniques. People do work for money-but they work even more for meaning in

their lives. In fact, they work to have fun.

Some of the important non-financial incentives include:

1. **Job security:** Nothing can motivate a worker, appointed temporarily, better than provision of job security. Even if a temporary worker puts in greater efforts, lack of job security will always pose a threat. If such a worker is given job security, he will be more committed to the organization.
2. **Challenging work:** Workers, who are dynamic in nature, do not show preference for routine jobs. They are always ready to accept challenging assignments, challenge can be brought through mentoring, job redesigning – job enlargement and job enrichment. Understand the capabilities of every individual in the organization and accordingly assign him work.
3. **Recognition:** It is important that the employer recognizes hard work. Even a word of appreciation from him would motivate the employees to maintain the same level of performance or do even better. Employees ranked a personal ‘thank you’ as the most sought after form of recognition, followed by a handwritten note of appreciation from the boss.
4. **Better job Titles:** Job titles do matter. Employees do show preference for certain designations. A salesman, for example, would like to be designated as a sales executive and a sweeper to be Sanitary Inspector.
5. **Opportunities for Advancement:** There should never be a stagnation point for any employee during the prime time of his career. The employer must always provide opportunities for his employees to perform well and move up in the hierarchy.
6. **Empowerment:** To stimulate an employee is his involvement in certain crucial decisions. For example, if the management decides to buy a new machinery for the factory, the workers’ viewpoints may be secured before making the final decision. The management should avoid unilateral decisions on such matters.
7. **Competition:** The management can encourage healthy competition among the employees. This would, certainly, motivate them to prove their capabilities. The management can also rank the employees according to performance. Such of those employees who have performed very well may be given merit certificates.
8. **Job Rotation:** By job rotation we mean that the employees will be exposed to different kinds of job. This certainly would break the monotony of employees. For example, in a bank an employee may work in the Savings Bank Section for sometime after which he may be posted to the cash section. Such a change not only motivates the employees to perform well but also prepares him to be

versatile

9. **Lead by Example** — be passionate and energetic :Leaders should demonstrate the attitudes, values, actions, and mindsets that they want among their staff. Leaders are always considered as role models.
10. **Encourage the use of humour and creativity:** Incorporating humour into the workplace can alleviate stress and create a more positive environment for everyone. Strategies to enhance humour include having a daily cartoon or joke sent to all staff via e-mail, encouraging laughter, finding fun in events that did not turn out as planned or expected etc.
11. **Treat your people as human beings – neither inferior, nor superior:**Show trust and respect, motivate them for creativity, create a ‘safe-to-risk environment’, keep them informed of relevant developments inside the organisation, mistakes be treated as learning tools instead of blaming them, act as an advocate for their employees and be a visible champion for them, provide resources and support required by staff to complete their jobs, promote and provide two-way feedback, address stress and burnout, and implement work/life balance initiatives.

LEADERSHIP

Leadership can be defined as an art or process of influencing people so that they will strive willingly and enthusiastically toward the achievement of group goals.

Leadership means to develop willingness to work enthusiastically with zeal and confidence.

Difference between a Leadership and a Management

FACTORS	LEADER	MANAGER
Source of power	Has Personal abilities	Is authority delegated
Focus	Has vision and purpose	Operating results
Approach	Transformational	Transactional
Process	Inspiration	Control
Emphasis	Collectivity	Individualism
Futurity	Proactive	Reactive
Type	Formal and informal	Formal

Importance of leadership

Motivates employees

1. Creates confidence in employees
 2. Builds morale among employees
 3. Leadership skills
 4. Ability to use power effectively and in a responsible manner
 5. Ability to comprehend that human beings have different motivation forces at different times and in different situations
-
6. Ability to inspire
 7. Ability to act in a manner that will develop a climate conducive to responding to an arousing motivation.

Leadership ingredients

- Leadership is power
- Fundamental understanding of people
- Ability to inspire followers to apply their fullest capacities to a project.
- Developing a particular style of leadership

Leadership styles (3 styles of leadership)

1. Autocratic style

It is also known as authoritarian directive or monothetic style. In this style a manager centralizes decision-making power in himself. He structures the complete situation for his employed and they do what they are told. Here the leadership may be negative because followers are uniformed, insecure, and afraid on the leader's authority. There are three categories of autocratic leaders.

- **Strict autocrat:** He is very strict, his style or method of influencing his subordinates is through negative motivation i.e. by criticizing his subordinates, imposing penalty etc.,
- **Benevolent Autocrat:** He centralizes decision making power in him, but his motivation style is positive. He can be effective in getting efficiency in many situations. Some people to work under strong authority structure and they derive satisfaction by this leadership.
- **Incompetent Autocrat:** Sometimes superior adopt autocratic leadership style just to hide their

incompetence. Because they feel in other styles they may be exposed before their subordinates. However, this style cannot be used for a long time.

Advantages of autocratic style of leadership

- Employees who like to work under strong authority structure and they derive satisfaction by this leadership
- Provides strong motivation and reward to a manager exercising this style.
- Help in quick decision making.
- Less competent employees also have scope to work based on the instruction given to them by their leaders.

Disadvantages of autocratic style of leadership

- People dislike strict style of leadership and they get demotivated.
- Frustration, low morale and conflict develops in the organization, jeopardizing organizational efficiency
- Employees lose their individuality and creativity because of continuously listening and following the instruction given by the leaders.

Democratic or Participative Style :

The style is democratic, consultative or ideographic. It involves a mental and emotional involvement of an employee in a group situation which encourages him to contribute to group goals and share responsibility in them. The manager in this style emphasizes on consultation and participation of his subordinates. Hence a participative manager decentralizes on consultation and participation of his subordinates. Subordinates are also broadly informed about the conditions affecting them and their jobs. He also encourages, accepts and appreciates the ideas and suggestions given by them.

Advantages

- Employees' feelings recognized
- It is a highly motivating technique for employees,
- Raises the morale and attitude of employees.
- Productivity increases.

Disadvantages

- Employees may not have understood the organizational process and may intervene and give suggestions
- Employees who are not ready to interact and participate may create problems.

4. Free rein Style

It means giving complete freedom to the subordinates. In this style manager once determines the policies, programs and limitations for action and the entire process is left to the subordinates. Group members perform everything and the manager usually maintains contacts with outside persons to bring the information and materials which the group needs. This type of leadership is suitable in certain situations, where the manager can leave a choice to the group. This helps the managers to develop independent personality. However contribution of the manager is almost nil. Hence this style is rarely used in organization.

LEADERSHIP THEORIES

1.CHARISMATIC LEADERSHIP THEORY

They are called great man theory and can be traced back to ancient times. Plato's Republic and Confucius' Analects dealt with leadership. They provided some insights on leadership. Subsequent studies based on these insights have suggested that 'a leader is born and is not made'. A leader has some charisma which acts as influencer. Charismatic is a Greek word which means gift. Thus charisma is a god gifted attribute in a person which makes him a leader irrespective of situations in which he works,

Charismatic leaders are those who inspire and have a major impact on their organizations through their personal vision and energy. Occasionally, a leader emerges whose high visibility and personal charisma catch the public consciousness. Charismatic leader have extremely high level of self confidence, dominance, and a strong conviction. They are always oriented towards high level of goals or vision, which captures the energy of followers. The theory believes that only a transformation leader inspires his followers through vision and energy which a normal leader cannot do. The best examples are the Great leaders like Mahatma Gandhi and Lenin and the great industrialists like JRD Tata, GD Birla, Dhirbai Ambani who created industrial empires because of their own vision, energy and entrepreneurship.

The basic assumption of charismatic theory are:

1. Leader has exceptional inborn leadership qualities which bestowed upon them by the divine power.

2. These inborn qualities are sufficient for a leader to be successful.
3. Since these qualities are inborn, these cannot be enhanced through education and training. Further, these qualities are of a very personal nature, these cannot be shared by others.
4. These leadership qualities make a leader very effective and situational factors do not have any influence.

Limitation of the theory

- If we assume that leaders are born, it means that we cannot develop leaders in the organizations.
- A charismatic leader may fail in certain situations.

TRAIT THEORY

The behavioural psychological researchers accepted the fact that leadership traits are not completely inborn but they can also be acquired through learning and experience. Trait is defined as an enduring quality of an individual. The trait approach seeks to determine what makes a successful leader from the leader's own personal characteristics. Trait approach leadership studies were quite familiar between 1930 to 1950. The method was to select leaders of eminence and their characteristics were studied. It was the hypothesis that leaders with certain traits could become more successful leaders.

Various studies show various traits, hence these traits can be broadly classified into innate qualities and acquirable traits

- Innate traits are those traits which are inborn in an individual; they are related to one's physical features and intelligence.
- Acquirable traits are those traits which are acquired and increased through various processes like self-learning, training, experience etc. They are traits like emotional stability, human relations, empathy, objectivity, motivation skills, technical skills, communication skills, social skills etc.,

The studies have given that intelligence, attitudes, personality and biological factors are ingredients for effective leaders.

A review of various research studies has been presented by Stogdill. He has suggested these traits in a successful leader

1. Physical and constitutional factors (height, weight, physique, energy, health, appearance)
2. Intelligence
3. Self-confidence

4. Sociability
5. Will (initiative, persistence ambition)
6. Dominance
7. Surgency (talkative, cheerfulness, geniality, enthusiasm, expressiveness, alertness and alertness and originality)

Limitations of the theory

- There cannot be generalization of traits for successful leaders.
- No evidence can be given about the degree of traits because have various traits in various degrees.
- No definite conclusion can be drawn for the measurement of the traits.

BEHAVIOURAL THEORY

Behaviour theory of leadership emphasizes that strong leadership is a result of effective role behaviour. Leadership is shown by a persons act rather by his traits. Researchers exploring leadership role have come to the conclusion that to operate effectively, groups need some one to perform two major functions; task related function and group maintenance function. Task related function relate to providing solutions to the problems faced by the groups, in performing jobs and activities. Group maintenance function or social functions are related to actions of mediating disputes and ensuring that individuals feel valued by the group. An individual who is able to perform both roles successfully would be an effective leader. These two roles requires two different sets of behaviour from the leader, known as leadership styles. Leaders behavior may be viewed in two ways, functional and dysfunctional.

Functional leader influences followers positively by giving clear goals, motivating employees for achieving goals, raising the level of morale, building team spirit, effective two way communication, etc., Dysfunctional leader on the other hand is unfavourable towards employees and denotes ineffective leadership. Such a behaviour may an inability to accept employees ideas, display of emotional immaturity , poor human relations.

Limitations of the theory

1. A behaviour which has been functional at a point of time may be dysfunctional at another point of time.
2. Effectiveness of the leadership behaviour is depended on two external variables
 - Nature of followers

- Situation in which the leader operates etc.

4. SITUATIONAL THEORY

The approach was applied for the first time in 1920 in the armed forces of Germany with the objective to get good generals under different situations. The studies when conducted in organizations in 1950's gave prime attention in situational theory of leadership (also known as contingency theory) is given to the situation in which the leadership is exercised. There for the theory states that the effectiveness of leadership will be affected by the factors associated with the leader and factors associated with the situation.

The dimensions of leadership have been presented below :

The various factors affecting leadership effectiveness may be broadly by classified in two major categories, Leader's behaviour and situational factors. The combination of both these factors determines leadership effectiveness.

Leader behaviour is affected by two variables:

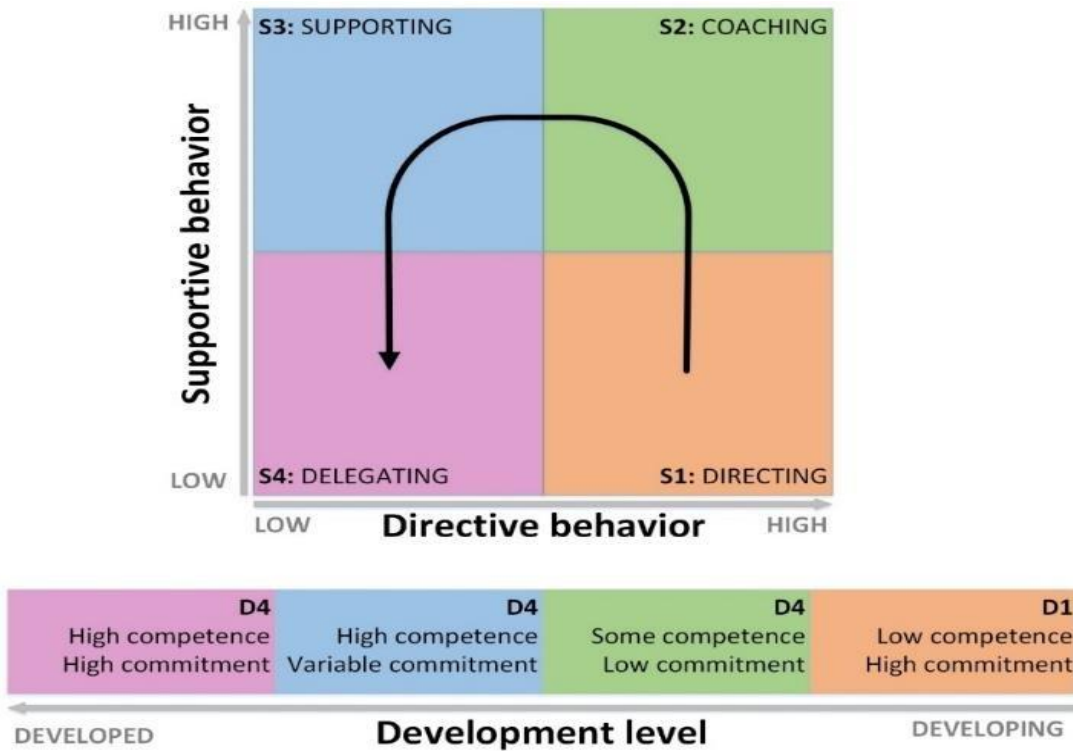
- a. Leader's characteristics
- b. Leader's Hierarchical position

Situational factors

- Subordinates characteristics
- Leader's situation
- Group factors

- Organizational factors

Diagram of the dimensions of leadership:



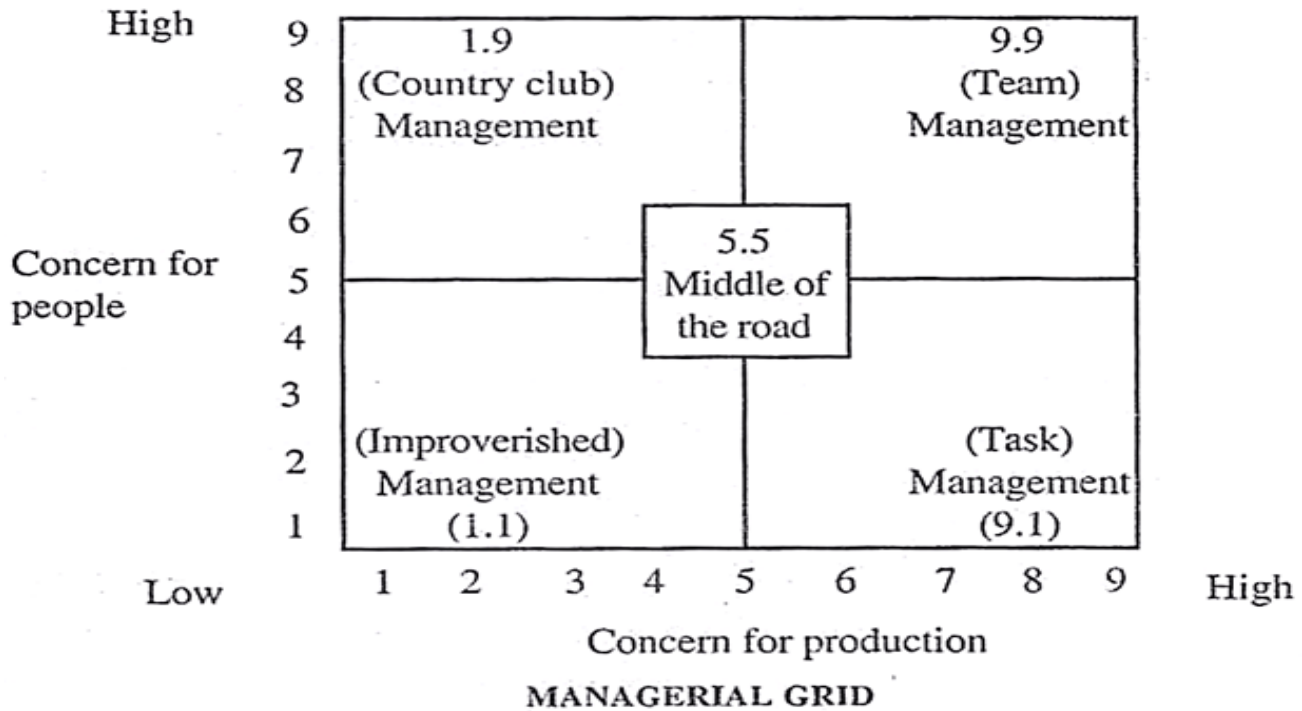
MANAGERIAL GRID DEVELOPED BY BLAKE AND MOUTON

One of the most widely known approaches of leadership styles in the managerial grid developed by Blake and Mouton. They emphasize the leadership consists of factors of both task oriented and relation-oriented behaviour in varying degrees. Two variable have been taken for the study , they are:-

- Concern for production
- Concern for people

The concern for phrase has been used to convey how managers are concerned for people or production. Concern for production means the attitudes of superiors towards a variety of things, such as, quality of policy decisions, procedures and processes creativeness of research, quality of staff services, work efficiency and volume of output. Concern for people includes degree of personal commitment toward goal achievement, maintaining the self esteem of workers, responsibility based on trust, and satisfying inter personal relations. The managerial grid identifies five leadership styles based upon these two

factors(Concern for production & Concern for people) found in organizations.



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Blake and Mouton have described five styles of leadership based on the above model They are

1. Impoverished (1,1),
 2. Country Club (1,9),
 3. Task (9,1) ,
 4. Middle Road (5,5)
 5. Team (9,9) styles of leadership
1. Impoverished (1,1): exertion of minimum effort is required to get work done and sustain organization morale.
 2. Country club (1,9): Thoughtful attention to needs of people leads to friendly and comfortable organization atmosphere and work tempo,
 3. Task (9,1) : efficiency results from arranging work requirements in such a way that human elements have little effect.

4. Middle road (5,5) : adequate performance through balance of work requirements and maintaining satisfactory morale.
5. Team (9,9) : work accomplished is from committed people with interdependence through a common stake in organization purpose and with trust and respect.
6. Managerial grid is useful device to a manager for identifying and classifying managerial styles, it helps him to understand why he gets the reaction that he does from his subordinates. It is a means of managerial training and of identifying various combinations of leadership styles.

FIEDLER'S CONTINGENCY MODEL OF LEADERSHIP

The Fiedler Contingency Model was created in the mid-1960s by Fred Fiedler, a scientist who studied the personality and characteristics of leaders. The model states that there is no one best style of leadership. Instead, a leader's effectiveness is based on the situation.

This theory has taken its base form the situational approach of leadership ,states that any single style cannot be considered suitable for all situations and for all kind of subordinates.

Fiedler developed contingency model of leadership assuming that the effectiveness of the leadership is based on the ability to act in terms of situational requirements

Fiedler's Contingency Theory of Leadership holds that people become leaders not only because of their qualities but also because of various situational factors and the interactions between group members and the leader.

This model also explains a relationship between leadership style and the favorableness of situation.

Fiedler described situational favorableness in terms of three dimensions—

- The leader and member relationship
 - The degree of task structure an
 - The leader's position power.
2. If the three dimensions are high, the situation can be said to be favorable. If the three dimensions are low, the situation in combination with leadership style determines effectiveness.
 3. This theory is criticized for its deficiencies like narrow focus on a single leader trait (task or

relations orientations), ambiguity in measurement of terms of the model, and lack of explanatory process.

4. Fiedler proposed a new theory based on empirical research, which is called the cognitive resource theory.
5. He identified the situations under which the leader's cognitive resources namely intelligence, experience and technical expertise contribute to group performance.

The leadership style of the leader, thus, fixed and measured by what he calls the least preferred co-worker (LPC) scale, an instrument for measuring an individual's leadership orientation. The LPC scale asks a leader to think of all the people with whom they have ever worked and then describe the person with whom they have worked least well, using a series of bipolar scales of 1 to 8, such as the following:

Unfriendly	1	2	3	4	5	6	7	8	Friendly
Uncooperative	1	2	3	4	5	6	7	8	Cooperative
Hostile	1	2	3	4	5	6	7	8	Supportive
....	1	2	3	4	5	6	7	8
Guarded	1	2	3	4	5	6	7	8	Open

A high LPC score suggests that the leader has a "human relations orientation", while a low LPC score indicates a "task orientation". Fiedler assumes that everybody's least preferred coworker in fact is on average about equally unpleasant. But people who are indeed relationship motivated, tend to describe their least preferred coworkers in a more positive manner, e.g., more pleasant and more efficient. Therefore, they receive higher LPC scores. People who are task motivated, on the other hand, tend to rate their least preferred coworkers in a more negative manner. Therefore, they receive lower LPC scores. So, the Least Preferred Coworker (LPC) scale is actually not about the least preferred worker at all, instead, it is about the person who takes the test; it is about that person's motivation type. This is so, because, individuals who rate their least preferred coworker in relatively favorable light on these scales derive satisfaction out of interpersonal relationship, and those who rate the coworker in a relatively unfavorable light get satisfaction out of successful task performance. This method reveals an individual's emotional

reaction to people they cannot work with. Critics point out that this is not always an accurate measurement of leadership effectiveness. Situational favorableness

According to Fiedler, the ability to control the group situation (the second component of the contingency model) is

Fiedler postulated two major style of leadership

1. **Human relations style**
2. **Task directed style**

Human relations style was oriented primarily towards achieving good interpersonal relations and towards achieving a position of personal dominance. Human relations-oriented manager/leader is effective in the intermediate range of favorableness. In the very favorable and very unfavorable situation task-oriented leadership is effective.

Task oriented style is concerned towards task performed. Fiedlers felt that ‘ the group performance will be contingent upon the appropriate matching of leadership style and the degree to which the situation provides the leader that is the degree to which the situation provides the leader with influence over his group members.

Favourableness of situation has been defined as the degree to which a given situation enables a leader to exert influence over a group.

He has identified three dimensions of favourableness of situation.

- The leader member relationships: the leader should be accepted by the followers
- The degree of the task structure: Task is properly structured
- The leader position or power obtained through formal authority. Great deal of authority and is formally attributed to leader’s position

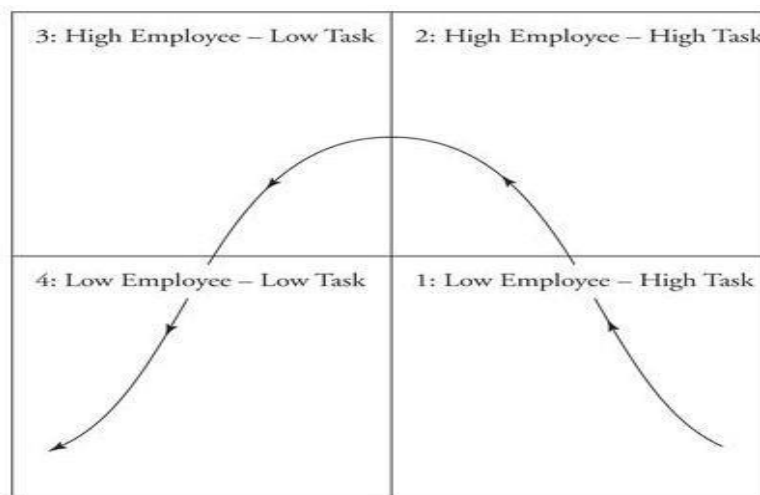


Figure 1 Hersey-Blanchard's Model of Situational Leadership.

The figure shows task oriented leader tend to perform best in groups situations that are either favourable or unfavorable.

Human relations oriented leaders perform best in situations that are intermediate in favourableness. The model indicates that leadership effectiveness depends upon the various elements in the group environment,. Thus the effectiveness of the group performance can be affected by changing the leadership style for the situation in accordance with the described relationships. This also helps in designing the selection and training programmes for managers to be suitable for given situations.

GROUPS IN ORGANISATION

In any organization, the work of an individual is influenced by that of another. The employees, therefore, have to work together in a co-ordinate manner to complete any task. In other words, it is teamwork that makes goal attainment possible.

There is a no. of groups that one can find in a work place. These groups contribute either directly or indirectly to the success of the organization. The behavior of an individual is significantly influenced by the group to which he belongs. It is, therefore, more appropriate to discuss group behavior in the context of organizational behavior.

GROUP

A group is a cluster of persons who have come together to pursue activities of common interest. A group may consist of any no. of persons. But the group members must have continued interaction with and must be psychologically aware of one another.

Definition:

According to Edgar Schein, “a group is an aggregation of people who interact with each other, are aware of one another, have a common objective, and perceive themselves to be a group”

Characteristics of a group:

- A group is always a conglomeration of persons
- The members know and interact with one another
- The members come together to pursue certain activities of common interest.
- Each member perceives that he is a part of the group

Need for group formation

- 1. Nearness and interaction:** In the workplace, the employees work close to each other. During their course of work, they may have to interact with one another. Such an environment may induce them to form groups.
- 2. Capacity to influence:** The capacity of each individual in the organization to influence another by reason of work- or work-related issues is another factor that results in the formation of groups.
- 3. Need for security:** One of the main reasons for the formation of groups in the organization is the need for security. If the employer creates an environment in which the employees feel insecure, they have to come together as a group, namely, the union to safeguard their interests.
- 4. Common interest:** People with common interest, likes and dislikes often come together. This happens in an organization too. The subject matter of interest may be something connected with their work or it can be anything like politics, sports, hobbies, etc.
- 5. Recognition:** The recognition that is not normally available to a person, when he is alone becomes a member of certain group. A person who feels it all his endeavors must be recognized and appreciated will identify himself with some group in the organization.
- 6. Power** Employee derive much greater power collectively, i.e., as members of union, than as individuals. In an organization where trade unions are absent or not powerful, belonging to a small informal group gives an individual a feeling that the group will not let him down when he faces a crisis. Further, a person who has no formal authority in the organization may be in the position to influence the members of an informal group by becoming its leader.
- 7. To get rid of delay:** Formal organization promotes delay in view of hierarchy and longer channels of communication. To get rid of the delay in the completion of certain specific tasks, executives, sometimes, may have to meet and interact with employees casually and informally.
An informal group of subordinates and superiors, thus, exists within a formal organization.

TYPES OF GROUPS IN AN ORGANISATION:

Formal and informal group

Formal Group

A formal group is created within an organisation to complete a specific role or task. This may be a one off objective such as the launch of a particular product or service or a permanent/ongoing objective such

as the provision of Information Technology (IT).

Informal Group

Informal groups are established by individuals who decide they want to interact with each other. Informal groups usually do not have a specific purpose; often the group forms because the group members

regularly happen to be in the same location or because they enjoy each other's company. For example people may form a group because they sit close together in an office or live together in a house.

Primary group and Secondary group

Primary Group

A Primary group is made up of a small group of people who interact regularly. A small team with a leader is an example of a primary group. A family can also be called a primary group. Within the primary group, values, beliefs and culture are all very important.

Secondary Group

When a large number of people get together (who do not normally get together) it is called a secondary group. Secondary group members do not get the opportunity to get to know each other as well as primary group members because the interaction with each other is less than in a primary group. When a secondary group is formed, individuals usually have their own agenda and goals. The relationship they form is not long term and social interaction within a secondary group is likely to be low.

Command group and task group

Command Groups: The command group is the most frequent type of formal group. It is relatively permanent and is specified by the organisation chart. It comprises of managers or supervisors and subordinates, who meet regularly to discuss general and specific ideas to improve product or service. In business organisations, most employees work in such command groups. Thus, a manager and his supervisors reporting to him form one command group. The supervisor and the subordinates reporting to him from other command groups.

Task group : Task groups are also organizationally determined. But it is a temporary group representing the employees who are working together to complete a job task or particular project. However, a task group's boundaries are not limited to its immediate hierarchical superior. For example, if a problem involving many departments arises, a task force made up of representatives from each of the affected

departments, might be formed to examine the problem and suggest solutions.

Ingroup and Out group

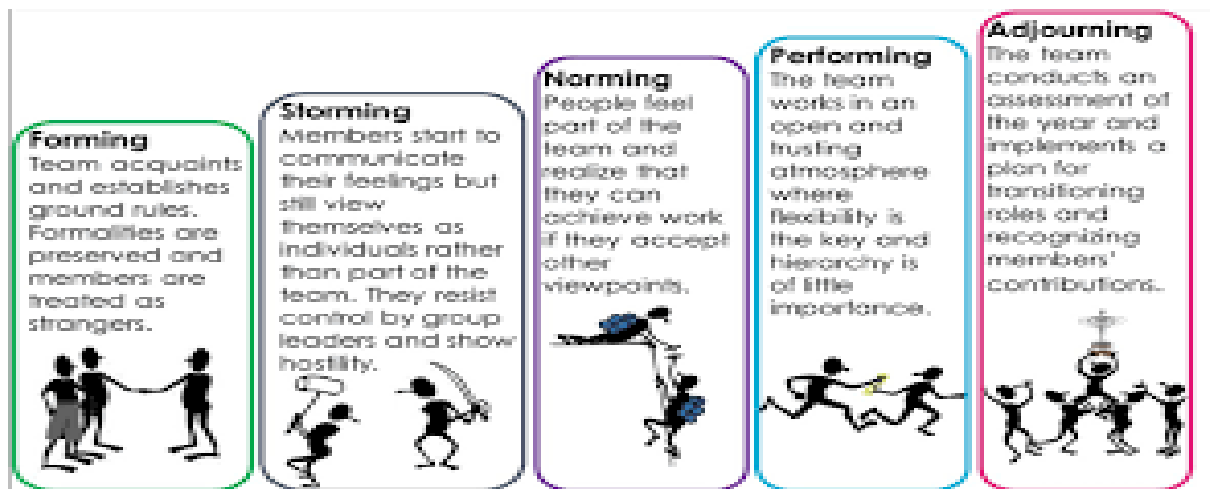
In-Group: An in-group is one which we belong. The members of an in-group have certain values, beliefs, ideals, and norms that act as a binding force.

Out-Group: The out-group is one to which we do not belong. It consists of members who hold the values, beliefs, ideals and norms that are quiet opposed to those of the members of the in- group.

Open Groups:

An open group is the one that is in a constant state of change. Its membership keeps fluctuating, i.e., existing embers may leave and new members may join. The group accepts the idea of the new members and may slowly give p certain old practices. In view of such a trend, the open group may have plans and proposals only for a shorter period of time. .Due to its peculiar characteristics, the open group faces conditions of imbalance and instability.

DIFFERENT STAGES OF GROUP DEVELOPMENT:



one person emerges as a powerful leader. Such a development paves a way for what is called group cohesion. A strong sense of group identity and comradeship also develops.

1. Performing Stage: Forming Stage:

The forming stage is marked by great deal of uncertainty over the purpose, structure and leadership of the group. At the end of this stage, inter-personal relationships are established and members begin to identify themselves with the group.

2. Storming Stage:

This stage is characterized by conflicts and confrontations among the group members. Such conflicts may arise due to differences in perception. A condition like this may sometimes lead to group split.

- 3. Norming Stage:** At this stage this stage is characterized by teamwork, role clarity and task accomplishment. It exhibits the highest level of group maturity. Conflicts among the members are resolved through group discussion

4. Adjourning Stage:

This stage is relevant for work teams, task forces and such similar groups that have only a limited task to perform. As soon as the task is completed, the activities of the group are wrapped up.

Difference Between Formal and Informal Groups

The following are the differences between formal and informal groups:

1. The groups formed by the management of the organisation for accomplishing a specific task are known as Formal Groups. The groups that are formed by the employees themselves as per their likes and prejudices is known as Informal Groups.
2. The formal groups are deliberately created by the organisation, whereas the informal groups are established voluntarily.
3. The formal groups are big in size as compared to an informal group. Moreover, there can be sub-groups in a single formal group.
4. The structure of a formal group is designed in a hierarchical manner while the informal group lacks structure or say it has no structure.
5. In a formal group, the position of a member defines its importance in the group, but in an informal group, every member is as important as any other member.
6. In a formal group, the relationship between the members is professional, they gather just to accomplish the task allotted to them. On the other hand, in an informal group, there is a personal relationship between members, they share their opinions, experiences, problems, information with

each other.

7. In a formal group, the flow of communication is restricted due to the unity of command. In contrast to an informal group, the flow of communication stretches in all directions; there is no such restrictions

GROUP NORMS

'Group norms' are the rules and regulations prescribed for the group members. In other words these are the do's and don'ts. These reflect the feelings, beliefs, values and attitudes commonly shared by the group members.

Group norms provide the standard against which the behavior of a member is evaluated. A member violating norms may have to face disciplinary action. A member of a trade union, for example, who does not respond to strike call given by the union, may be expelled.

Characteristics of group norms:

1. Norms explain the characteristics of a group
2. These relate to the behavior of the members that is considered desirable.
3. Norms provide the standard or basis against which the behavior of the group members is assessed.
4. Norms are applied to all the members of the group

GROUP COHENSIVENESS:

Group cohesiveness refers to the extent to which the members of the group are attached to each other and willing to remain in the group.

Factors Influencing Cohesion:

1. **Interaction:** The extent to which the members of the group interact with each other determines group cohesion. Differences in opinion are bound to arise in any workplace. Such differences have to be sorted out through discussions and deliberations. The greater the interaction among the group members the

better will be the cohesiveness.

2. **Threat:** The kind of threat the members face both from internal and external environments can influence group cohesion. The greater the threat the better will be the cohesiveness. This is so because, the members know very well that they have to stand united failing which they cannot survive.
3. **Leadership:** The quality of leadership can be an important determinant. If the leader is capable, he will be able to secure cohesion easily among members.
4. **Conviction:** If there is always a sense of conviction among the group members on the decisions reached, it is an indication that cohesion is absolute. If a few members try to thrust their ideas on their group, such a conviction may not exist.
5. **Values:** The extent to which the group members share their values and attitudes is another determinant. If every member starts acting as per his value system, securing group cohesiveness will become difficult.
6. **Size of the group:** The size of the group can be yet another important determining factor. When the

size of the group increases, securing cohesion among members will become difficult. This happens because there may not be consensus among members on certain issues owing to the large size of the group.

MEASURES TO INCREASE GROUP COHESIVENESS:

1. **Inducing agreements on group goals:** The work of every employee influences and is influenced by the work of others. In the work place the employees, therefore, have to work as a team. If only they work in a coordinated manner, it will be possible for them to carry out any task. There must be consensus among the members on the goal for the accomplishment of which they work together. The manager has to play a vital role in this regard.
2. **Increasing the membership of like minded persons:** Every organization has a unique culture that is reflected in the beliefs and attitudes of the personnel and also in the work methods and practices. The behavior of the employees, therefore, must reflect its culture. While recruiting new employees, it must be ensured that they are in a position to understand and appreciate the organization's culture. If some members behave in an altogether different manner without bothering about the customs and values of the organization, it is sure to affect group cohesiveness. Steps must, therefore, be taken to induct and retain only those whose thinking coincides with that

of the key persons in the organization.

- 3. Increasing interaction among the members:** Any issue has to be discussed in a forum and no attempt shall be made to thrust one's view on others. Before evolving decisions on any important matter, the manager must provide opportunities for all his subordinates to discuss the same and arrive at a consensus. Group cohesiveness depends to a greater extent on how often and how effectively the members interact before reaching an agreement on any issue.
- 4. Taking care of group size:** If the group is unwieldy, securing consensus among the members is sure to become difficult. It is, therefore, necessary to take care of the group size.
- 5. Encouraging competition among groups:** Another measure to increase group cohesiveness is to encourage healthy competition among different groups in the organization. For example, the salesmen deployed in the southern region may compete with those deployed in the northern region. This will induce the salesman in both the groups to evolve some strategy and work with better understanding.
- 6. Rewarding the group instead of the individuals:** If any group performs well, it is important to reward the group as a whole instead of rewarding a few although they have made a significant contribution when compared to others. This may help to avoid ill-feelings among the group members and may in fact bring them closer.

Isolating the group members from rival groups: When there are rival groups, e.g. Rival trade unions, it may sometimes be necessary to isolate the group members from the rival groups. For this purpose, the leader of the group may have to caution his members always so that they do not get carried away by the claims of the rivals and continue to be loyal to their group.

DECISION-MAKING AND THE GROUP:

Decision making is the process of selecting one alternative from among a no. of alternatives available. The need for decision making will arise only when there are options. If there is only one way of doing a task, there is nothing to decide.

According to Haynes and Massie, 'decision making is the process of selection from a set of alternative courses of action which is thought to fulfill the objective of the decision-problem more satisfactorily than others.'

In the words of George Terry, 'decision making is the selecting of an alternative, from two or more alternatives, to determine an opinion or a course of action.'

PROCESS OF DECISION MAKING:

Identifying and understanding the problem:

The first step in the process of decision making is to identify and understand the actual problem. If only the actual problem is identified, it will be possible to provide remedy by evolving a suitable decision. Sometimes, the symptom is misunderstood as the actual problem and an attempt is made to find a solution to it.

Making an analysis of the problem:

Once the actual problem is identified, the next step is to make a detailed analysis of the same. Analysis of the problem requires data that may be obtained from both internal and external sources.

Identifying alternative solution:

After the problem has been analyzed in detail, the next step is to develop alternative solutions. Any organizational problem has many solutions. It is, therefore, necessary that the decision maker identifies the alternative solutions.

Evaluating the alternative solution: After the alternative solutions have been identified, the next step is to make an evaluation of the same. Evaluation of alternatives is done by seeing the pros and cons of the alternatives.

Selecting the best solution: At this stage the solution considered the best and the most viable one, under the circumstances, are selected. In addition to the merits of each alternative solution, the following factors too influence the selection the best alternative:

- Resources available
- The values and beliefs of the decision maker
- Opinions of the staff
- Past experience, etc.

Implementing the decision:After the final decision has been made, the next step is to implement the same. Implementing the decision is done by communicating the same to all concerned. The responsibility of carrying out the decision must be fixed on individuals. Necessary.Procedures should be laid down for executing the decision. Suitable provision must be made to watch the progress of the decision.

Review:Periodic review of the decision, during the period of its implementation, is necessary. This is done by comparing the actual results with the expected results. Deviations, if any, must be noticed and corrective measures must be taken then and there. Certain modifications or alterations in the decision may be made if necessary.

INDIVIDUAL DECISIONS:

These are decisions made by individuals over an organizational issue. The individual, by virtue of his position or knowledge or efficiency may be enjoying such a decision making authority. For example, when there is dispute between the workers and the management, the matter may be referred to a mediator who may conduct an enquiry and announce his decision. The decision of the mediator is binding on both the workers and the management.

GROUP DECISIONS:

These are decisions made by the group of persons. In an organisation, there may exist a committee consisting of the representatives of both the worker and the management. When there is any dispute between the workers and the management. When there is a dispute between the workers and the management, the matter will be referred to the committee. The committee may conduct an enquiry and announce its decision which is binding on both the workers and the management.

MERITS OF GROUP DECISIONS:

1. Every member of the group will come out with his views on the problem considered. The problem, therefore, can be thoroughly discussed and the best solution can be found out. Such an advantage is not available in case of individual decisions.
2. The decision of the group, usually, will not be a biased one. This is because; every member of the group has his own ideals and values. No member can thrust his view on others. There is always chance for the bias element entering the individual decisions.
3. The group usually consists of members who represent different segments of the organization.

Therefore, each member will ensure that injustice is not done to the segment he represents.

4. The process of group decision making also provides scope for proper co-ordination and co-operation among the members into confidence when he discusses any issue.
5. Group decisions enjoy a greater sense of acceptability than individual decisions.

DEMERITS OF GROUP DECISIONS:

1. There may be delay in arriving at a decision.
2. There is no fixed responsibility on any member of the group for the quality of the decision made. It is, therefore, possible that a casual approach may be adopted throughout the decision-making process.
3. Group decisions are often found to be compromise decisions. This happens because the members may give divergent views on the issue and the consensus has to be reached somehow at the end. The decision is finally made so as not to hurt anybody's sentiments. Such a decision can only be a compromise decision and not the best.
4. It is also possible that a few influential members of the group may try to put pressures on others and get their consent.
5. Group decisions are always expensive compared to individual decisions in terms of time, money and efforts required.
6. Conflicts may also arise between the members of the group. As a result, a decision may not be evolved at all and the entire process may be deferred indefinitely



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SCHOOL OF MANAGEMENT STUDIES

UNIT – IV - Dynamics of Organizational Behaviour – SBAA5102

UNIT 4 – ORGANIZATIONAL DYNAMICS

POWER AND POLITICS POWER

Power is the ability to influence other people. It refers to the capacity to affect the behaviour of the subordinate with the control of resources. It is an exchange relationship that occurs in transactions between an agent and a target. The agent is the person who uses the power and target is the receipt of the attempt to use power

“Power refers to a capacity that A has to influence the behavior of B, so that B acts in accordance with A’s wishes.”

This definition implies a potential that need not be actualized to be effective and a dependency relationship. Power may exist but not be used. It is, therefore, a capacity or potential. One can have power but not impose it. Probably the most important aspect of power is that it is a function of dependency.

A capacity that **A** has to influence the behavior of **B**, so that **B** acts in accordance with **A**’s wishes.

The definition implies a potential that need not be actualized to be effective and a dependency relationship. Power may exist but not be used. It is, therefore, a capacity or potential.

Contrasting Leadership and Power:

Essentially, leaders achieve goals, and power is a means of facilitating their achievement

Leadership involves the goals of the leaders and followers - Power does not

Leadership focuses on downward influence (leader - subordinate) - Power does not

Distinction between Power, Authority and Influence

Power is the ability to influence someone else. Influence is the process of affecting the thoughts, behaviour and feelings of another person. Authority is the right to influence another person.

Authority is a legitimate right to influence others.

- (1) Authority is right to influence others but power is ability to influence people.
- (2) Authority is legitimate while power is not.
- (3) Authority confers legitimacy to power but power itself need not be legitimate.

Bases of Power Formal Power

1. **Coercive Power** : Coercive power is use of force to get an employee to follow an instruction or order, where power comes from one's ability to punish the employee for non-compliance. This power is in use, for example, when an employee carries out an order under fear of losing their job or their annual bonus

1. **Reward Power** : Reward power is the power of a manager to give some type of reward to an employee as a means to influence the employee to act. Rewards can be tangible or intangible. Promotion, bonus, incentive , increment etc.,

2. **Legitimate Power** : Legitimate power is power you derive from your formal position or office held in the organization's hierarchy of authority. For example, the president of a corporation has certain powers because of the office he holds in the corporation.

3. **Information Power:** Informational Power is the power of having information that another does not have, or, the distribution of information as a means of effecting change. This could be positive or negative propaganda, knowledge of an opponents strategy, or detailed information that is used in decision support .

Personal Power

1. **Expert Power** : Influence based on special skills or knowledge. When an individual possesses in-depth information, knowledge, or expertise in the area that they are responsible for. This type of power is often the most effective type of power. Because the person has this high level of expertise, they can often persuade others do to things for them using trust and respect. This expertise and therefore this type of power are greatly valued in leadership roles.

2. **Referent Power** :Influence based on possession by an individual or desirable resources or personal traits. Referent Power is the “cult of personality”. This is the power and ability for an individual to attract others and to build loyalty within them. Referent Power is also the power of respect. This can occur through time if a leader is successful and has a well known track-record of success

3. **Charismatic Power:** An extension of referent power stemming from an individual's personality and interpersonal style. A leader with charisma exercises something like divine powers over his or her followers. This is power based upon the ability to charm, to persuade, to hypnotise people solely with the power of personality. The charismatic leader may have no authority based upon anything except the ability to persuade and charm

Sources (Base) of Power

According to French and Raven, a manager derives power from five sources : Reward, Coercive, Legitimate, Referent and Expert power.

Reward Power

It is based on the agent's/manager's ability to control rewards the target/employee wants. The common, e.g., of it are managers control rewards of salary increases, bonuses and promotions. This power is based on old saying that 'wealth is power'.

Coercive Power

It is opposite of reward power. It is based on a manager's ability to cause an unpleasant experience for its people. In organizational situation, it may be in the form of action for or threat for dismissal, suspension, or demotion, for the people working in organization.

Legitimate Power

It is based on position and mutual agreement. Both the agent and target agree that the agent has the right to influence the employees. It is in the form of authority which is delegated to the positions of organizational members.

Referent Power

It is an elusive power that is based on interpersonal attraction. Charismatic individuals are often thought to have referent power. Here, people take somebody as ideal and behave accordingly upto a certain stage.

Expert Power

It exists when the agent has information or knowledge that the target needs. It is based on the proverb, "knowledge in power". Three conditions to be fulfilled are :

- (1) The target must trust that the information given by the agent is accurate and correct.
- (2) The information should be relevant and useful to the target.
- (3) The target must consider the agent as an expert. (See p. 477, 478)

Acquisition of Power

Some people enjoy more power than others because :

1. **Extraordinary Works** : Doing things in a non-routine or extraordinary works contribute to power. For example, negotiating a new contract, developing a new product, or formulating a new programme.

2. Visible Activities : Even extraordinary activities not known to others do not generate much power. Therefore, activities need to be visible or known to others. Activities announced and appreciated by the people of higher echelons bring more power.

3. Cultivate Right People : Individuals can also increase their personal power by developing their interpersonal relationships with their superiors, subordinates and peers.

4. Coalitions : Coalescing is yet another way to earn power. The philosophy behind joining together is gaining increased capability to influence others.

5. Co-opt : Individuals can increase their personal power by co-opting people or groups. Co-opting, seeks to eliminate threats and opposition to an individual's base of power. **Personal and Position Power**

Doing extraordinary things contribute much to personal power. It is possible for a person to affect the behaviour of others even when he does not have any formal authority. They do so because of superior qualities. The basis of such personal power lies in the competence, charisma and leader-like qualities of the person concerned.

Legitimate power is power that is based on position. Authority confers legitimacy to power. Authority is an institutionalised form of power vested in a position or office. Position power is an exercise of the authority delegated to a person.

Meaning of Organizational Politics

It means the use of power and influences in organizations. Actions not officially sanctioned or acceptable by an organization that are taken to influence others in order to meet personal goals refer to politics.

Reasons for Organizational Politics

There are many reasons that contribute to political behaviour in organizations. Some of them are:

1. Clear Goals : Organizations are human groups work for achieving certain goals. The more unclear and complex the goals are, the more politics will be.

2. Discretionary Authority : Organizations provide position with discretionary authority that is used based on individual judgement.

3. Autocratic Decisions : The leader dictates the decisions or orders and the subordinates have no right to disobey. This leads to low employee morale and doubts about what the manager-leader decides. Therefore, in order to safeguard their interests, workers involve in politics by forming coalitions and associations.

4. Power Politics : Power is also a limited in supply. Hence, there is a competition among managers/executives to acquire more and more power. They try to acquire more power and resources than their competitors. Managers' such behaviour becomes quite dysfunctional.

5. Saturation in Promotion : Some people reach maximum level of promotion. They feel dissatisfaction and resort to the organizational politics. Some people may like work performance more than positional achievement and therefore, may not resort to politics.

6. Biased Performance Appraisal : When the job performance of a personnel cannot be measured quantitatively, performance appraisal is made on the basis of the judgement of the superior. As such the performance appraisal is likely to be subjective and biased. This may force the subordinates into dysfunctional political behaviour.

Characteristics (Symbols) of Power and Powerlessness (Negative aspects)

Kanter has identified several symbols of power or characteristics of powerful people in organization. These are :

1. Ability to intercede for someone in trouble : An individual who can pull someone out of a jam has power.

2. Ability to get placement for favoured employees : Arranging and getting a key promotion for an employee is a sign of power.

3. Exceeding budget limits : A manager who can go beyond and above budget limits without being reprimanded has power.

4. Procuring above-average raises for employees : A manager who can pull incentives above average for his/her employee has power.

5. Getting items done on own terms at meetings.

6. Access to early information : Having access to information before anyone else is an indication of power.

7. Top managers seeking out opinion : Top managers may seek advice from their lower-level managers. These lower-level managers have power.

Unlike Kanter, Michael Korda has identified three symbols of power.

- (1) Office furnishing,
- (2) Time power and
- (3) Standing by.

Office Furnishing : Office furniture is a message about power one has. Size of the manager's table conveys the amount of power the manger has.

Time Power : The powerful executives value time much. A full calendar of the day is a proof of manager's power.

Standing by : People are obliged to stay close to their phones so that the executives can have access to them. The idea is that the more you can impose your schedule on your people, the more power you have.

Symbols of Powerlessness (Lack of Power)

The first-line supervisors often display three symptoms of powerlessness. These are :

- (i) Overly close supervision
- (ii) inflexible adherence to rules;
- (iii) a tendency to do the jobs themselves rather than educating and training their subordinates to do these.

When staff professionals (accountants and lawyers) feel powerless, they resist change and try to protect their turf.

The key to overcome powerlessness is to share power, i.e., empowerment and delegate tasks to subordinates.

Empowerment is the sharing of power in such a way that individuals learn to believe in their ability to do the job. Empowerment has four dimensions:

- 1. Meaning:** A fit between the work role and the employees values and beliefs.
- 2. Competence:** A belief that one has the ability to do the job well.
- 3. Self-determination:** Having control over the way one does one's work.
- 4. Impact:** The belief that one's job makes a difference within the organization.

As a manager, you can use these guidelines for empowering your employees. Express confidence in employees, set high performance expectations, create opportunities for participative decision making, remove constraints that slow autonomy and set inspirational and meaningful goals.

EFFECTIVE USAGE OF POWER

- Use power in ethical ways.
- Understand and use all the various types of power and influence.
- Seek out jobs in the organization that allow you to develop your power skills.
- Use power tempered by self-restraint and maturity.
- Accept that influencing people is an important part of a manager's job.

French and Raven's Five phases of Power

Social psychologists French and Raven, in a now-classic study (1959), developed a schema of sources of power by which to analyse how power plays work (or fail to work) in a specific relationship.

Power is the ability to influence someone According to French and Raven, power must be distinguished from influence in the following way: power is that state of affairs which holds in a given relationship, A-B, such that a given influence attempt by A over B makes A's desired change in B more likely. Conceived this way, power is fundamentally relative - it depends on the specific understandings A and B each apply to their relationship and, interestingly, requires B's recognition of a quality in A which would motivate B to change in the way A intends. A must draw on the 'base' or combination of bases of power appropriate to the relationship, to effect the desired outcome. Drawing on the wrong power base can have unintended effects, including a reduction in A's own power.

French and Raven argue that there are five significant categories of such qualities, while not excluding other minor categories. Further bases have since been adduced - in particular by Morgan (1986: Ch. 6), who identifies 14, while others have suggested a simpler model for practical purposes -for example, Handy (1976), who recommends three.

In a notable study of power conducted by social psychologists John French and Bertam Raven in 1959 power is divided into five separate and distinct forms. As we know leadership and power are closely linked. This idea shows how the different forms of power affect one's leadership and success. This idea is used often in organizational communication and throughout the workforce. "The French-Raven power forms are introduced with consideration of the level of observability and the extent to which power is dependent or independent of structural conditions. Dependency refers to the degree of internalization that occurs among person's subject to social control. Using these considerations it is possible to link personal

processes to structural conditions". (Donald Warren 1968) (Lazarfeld and Menzel 1961) French & Raven introduce five bases of power Coercive, Reward, Legitimate, Referent and Expert.

ORGANISATIONAL CONFLICT

Conflict

In simple terms conflict means **disagreement between the persons employed in the organization**. It may also mean clash of interest. It is the result of difference in the opinion of employees of the organization over any issue. Such a difference of opinion arises mainly because of the differences in the perception

If, for example, a decision has to be made on whether to revise the working hours or to continue the existing timings, the employer is sure to get different views from different persons. Before making the final decision, the employer has to make a secure consensus among the employees. Only then the proposal will get the support of everyone in the organization.

Conflicts are not the same as disputes. In the case of conflicts, the solution can be found out at the organizational level and the matter has to be referred to an impartial mediator.

Definition:

“Conflicts are any situation in which two or more parties feel themselves in opposition. It is an interpersonal process that arises from disagreements over the goals or the methods to accomplish those goals” –John W. Newstrom and Keith Davis

“Conflict is the condition of objective incompatibility between values and goals” – ralph Kilman and Kenneth Thomas.

ORGANIZATIONAL CONFLICT MEANING:

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Sources of Conflict

The sources of organizational conflict can be classified into two main categories:

- structural factors, which relate to the nature of the organization and the way in which work is organized;
- personal factors, which relate to differences between organizational members.

Structural Factors

There are eight structural aspects of an organization that are likely to cause conflicts. They are specialization, common resources, goal differences, interdependence, authority relationships, status differences, jurisdictional ambiguities, and roles and expectations. Let's examine each of these in turn.

1. Specialization :Employees tend to become either experts at a particular job task or to obtain a general knowledge of many tasks. When the majority of employees in an organization are specialists, conflicts may arise because workers have little knowledge of one another's job responsibilities. For example, a receptionist at a camera repair store may tell you that your camera can be repaired in an hour. In fact, the repair will take a week, but the receptionist has little knowledge of the technician's job and so gives an unrealistic deadline, thereby paving the way for conflict with the technician.

2. Common Resources : In many work situations, we are obliged to share resources: The scarcer the resource the greater the potential for conflict. For example, imagine that your class had an essay due tomorrow and there was only one computer available. The chances of conflict among the students would be high.

3. Goal Differences: Sometimes groups or departments in the organization have different and

incompatible goals, increasing the chances of employees experiencing conflict. For instance, a computer salesperson may want to sell as many computers as possible and deliver them quickly; the manufacturing facility, however, may be unable to assemble and inspect enough computers to meet the sales promises.

4. **Interdependence** :Sometimes one employee must depend on another to complete a task. When workers are in an interdependent situation, it is easy to blame a co-worker when something goes wrong. For example, a manager may clash with a systems analyst who provides inaccurate data.

5. **Authority Relationships** :Often, there is underlying tension between managers and employees. This is because most people do not like being told what to do. Managers who are overly strict are frequently in conflict with their employees – hence, the growing popularity of team approaches and empowerment strategies.

6. **Status Differences** :In many organizations, managers are granted privileges denied to other employees. For instance, managers may enjoy flexible hours, free personal long-distance calls, and longer breaks. In the words of one management consultant, "If you want to know who is really important in the organization, just observe the signs in the parking lot and watch for the distance between the parking and the office building; the bigger the sign and the closer to the building, the higher the status of the incumbent." Some organizations are creating a more egalitarian appearance to reduce conflicts that result from status differences.

7. **Jurisdictional Ambiguities**: Jurisdictional ambiguities occur when the lines of responsibility in an organization are uncertain. When it is unclear who does what, employees have a tendency to pass unwanted tasks onto the next person. Think of the times you have telephoned a company or government agency and been transferred to several people and departments before being served. Detailed job descriptions can help to eliminate jurisdictional ambiguities and the conflicts arising from them.

8. **Roles and Expectations**: A role refers to the behaviors and activities expected of an employee. Every employee plays one or more roles within the organization. These roles are usually defined through a combination of such elements as job title, description of duties, and agreements between the employee and the organization. Manager–subordinate conflict can result when the subordinate's role is not clearly defined and each party has a different understanding of that role.

Personal Factors

The most common personal factors associated with organizational conflict are skills and abilities, personality conflicts, perceptions, diversity, and personal problems. Let's see how each can lead to conflict.

1. **Skills and Abilities** : Usually the members of a department or work team have different levels of skills and abilities. Conflict can result when an experienced employee must work with a novice who has good theoretical knowledge but few practical skills.
2. **Personality Conflicts** : Personality conflicts are a reality in any group setting, including the workplace. There always seems to be at least one co-worker who is difficult to get along with. One of the most difficult personality traits is abrasiveness. An abrasive person is often hardworking and achievement-oriented, but critical and insensitive to others' feelings. Other irritating personality traits include laziness and gossiping. We will discuss how to deal with difficult people further in this chapter.
3. **Perceptions**: Much organizational conflict stems from the fact that employees and managers have different perceptions of situations. For example, a manager may feel that an employee is underperforming, whereas the employee may feel that the best job possible is being done.
4. **Diversity**: Across the world, organizational workforce is becoming increasingly heterogeneous. Differences in age, cultural background, ethics, and values can be a source of conflict among employees. For instance, a long-serving employee who feels loyal to the organization may clash with a young newcomer who sees the organization as nothing more than a stepping stone.
5. **Personal Problems** : When we bring our personal problems to work, our performance tends to suffer and we may clash with co-workers who are obliged to "pick up the slack."

USES OF CONFLICT:

1. Changes in work pattern:

When the employees are asked to adopt a different pattern of work, conflicts may arise between them on whether or not to accept such a proposal and update themselves to be able to discharge their responsibilities as per the new pattern of work.

2. Difference in perceptions:

The perception of any issue by the individuals will not be identical. One of the main reason why

conflicts arise in the workplace it that the perception of employees of any organizational matter differs. If one person favors the management proposal to revise timings another person may oppose it.

3. Differences in values:

Difference in the value system of individuals is yet another factor contributing the conflicts. Example: an employee, who has certain grievances, may want to show his protest to the management by striking work. On the other hand, another employee, who also has grievances, may show his protest by fasting in the workplace.

4. Availability of options:

Another reason why conflict arises in the work place is that often the employees have options, example: day shift or night shift, salary or commission or both.

5. Allocation of limited resources:

Resources are always scarce in relation to demand. Example: when the funds available are limited, the management may find it difficult to meet the demands of different departments.

6. Inter-dependence:

Conflicts arise due to the problem of inter-dependence between individuals and departments. Example: marketing depends on production; production depends on purchase of raw materials and availability of labor which in turn depends on the availability of finance.

Unequal work load: when there is disparity in the workload of employees operating at the same level, conflicts are bound to arise. This might have been done deliberately and inadvertently.

7. Biased assessment of subordinates:

Some superiors show favoritism while appraising the performance of their subordinates. Favoritism is based on caste, religion, sex etc.

8. Unattainable targets:

Some superior sets target for their subordinates that are unattainable. It might have been done intentionally or unintentionally. In any case it provides scope for conflicts in the workplace.

9. Lack of trust and confidence:

Lack of trust and confidence is yet another important cause of conflict. Some superiors have a feeling that their subordinates always shirk duties and are inefficient and incapable.

10. Threat to status quo: Any change taking place in the organization that disturbs the existing

pattern of the employees give rise to conflicts. Example: certain privileges enjoyed by the employees may be withdrawn. Additional responsibility may be given to them.

DIFFERENT STAGES OF CONFLICT:

1. **LATENT CONFLICT:** Conflict has not taken a definite shape. It may arise in the Subconscious mind of a person. All the cause of conflicts is lying hidden.
2. **PERCEIVED CONFLICT:** here the parties become aware of the existence of the causes of conflict.
3. **FELT CONFLICT:** Having perceived the conflict the parties, at this stage, begin to feel it. They become emotionally involved in the conflicts:
4. **MANIFEST CONFLICT:** When the stage is reached, the parties begin to show their hostile feelings out warmly.
5. **CONFLICT AFERMATH:** This is the large stage with conflict may be suppressed or resolved amicably depending upon the attitudes of the parties and the prevailing conditions.

CAUSES OF CONFLICTS:

Conflict is a natural occurrence. It arises mainly due to the difference in perceptions, values, beliefs, sentiments, likes and dislikes of the people at work. Conflicts are not always bad. Certain benefits also become available to the organization out of these. The various positive and negative aspects are explained below:

Conflict in the workplace could be the result of:

- poor management
 - unfair treatment
 - unclear job roles
 - inadequate training
 - poor communication
 - poor work environment
 - lack of equal opportunities
 - bullying and harassment
 - significant changes to products, organizational charts, appraisals or pay systems
- Major causes of workplace conflict

Other major causes of conflict in the workplace include:

- **Personality clashes** - the 'personality mix' within a team can be upset when a new member of staff joins or if two colleagues suddenly fall out. Individuals may also respond to difficult or challenging situations in an unhelpful or unproductive way.
- **Unrealistic needs and expectations** - conflict at work can often be caused when employers ignore the needs of employees or set unrealistic expectations. For example, arranging hours that make it difficult for employees to carry out childcare responsibilities.
- **Business values** - most people have very clear ideas about what they think is fair, and your organisation's procedures and policies must reflect this. For example, giving someone a fair hearing or explaining the reasoning behind a decision.
- **Unresolved workplace issues** - for example, an employee might ask to be moved to another team because of their manager's 'aggressive' leadership style. However, the employee may have other reasons - for example, they may blame their manager for a lack of training or career progression.
- **Increase in workload** - sometimes workplace conflict is caused because people feel they are being pushed too hard and resentment sets in if they feel their workload is unmanageable.

Establish the root cause of workplace conflict

It is important to **understand the root cause** of an individual's or group's unhappiness. For example, a person in a team may seem to be struggling with an unmanageable workload, but they may be resentful of another employee who appears to have less work to do. It may also be a result of organisational changes, restructuring, or promotions given to other staff.

To help you manage workplace conflict, look at the previous relationship between the employee and

LEVELS OF CONFLICT:

1. Within an individual
2. Between individuals

3. Within a group
4. Between an individual and a group and
5. Between groups

Conflicts within an individual:

Conflicts within an individual arise when a person is unable to decide precisely what he wants. Example, an employee may not be able to decide whether to accept straight salary or commission when asked to choose one. Similarly, an employee may not be to take a firm decision on whether to take part in the strike or not in response to strike call given by the trade union. Such persons normally seek the advice of their friends or relatives on the matter.

Conflicts between individuals:

Such conflicts arise between two or more persons working in an organization either in the same or different level. For example, there may be a conflict between two factory workers or two salesmen. Likewise, conflicts may also arise between a worker and a foreman, a sales representative and the sales manager and so on.

Conflicts within a group:

Conflicts may arise between the members of a particular group. Such a situation may arise, say, when the members of the employee union meet to discuss the course of action to be adopted in response to a certain anti-labor policy of the management. Some members may favor a demonstration program in the company premises, some may prefer mass casual leave and still some others may insist on a strike plan. As a result the members may not be able to arrive at a consensus at once.

Conflicts between groups:

It refers to conflicts may between, say, rival employee unions where there exists more than one union or between the employees of two departments, say, production and marketing and so on.

Conflicts between an individual and a group:

Such a conflict may arise between, say, an employee, who is not a member of the trade union, and the union members. When the union gives a strike call, its members may persuade the non- member also to extend his support.

Thomas's Model of Conflict Management Styles

In 1976, Kenneth Thomas, a specialist in organizational conflict, developed a "conflict management grid" in which he pinpointed five conflict management styles used by people in an organizational context. These conflict management styles are profiled in Table 7-3 and described below.

Conflict

Management

Styles Avoiding

Style

People who fear conflict use the avoiding style to escape from conflict situations. For these individuals, escaping conflict is more important than satisfying their own needs or the needs of others. When this style of conflict management is used, everyone loses.

Forcing or Competing Style

Those who use the forcing style of conflict management are preoccupied with achieving their own goals and have no concern for the goals of others. The forcing person believes that one side must win

and one side must lose. Sometimes employed in times of crisis, this type of conflict management is generally ineffective in achieving organizational objectives, particularly if the people involved have a long- term relationship.

Accommodating Style

People who use the accommodating style are cooperative, unassertive, and supportive of the other party's goals, usually at the expense of their own. Like the competing style, the accommodating style of conflict management will result in a win–lose situation. Accommodating behavior is appropriate when you know you are wrong or when the relationship is important to you. On the other hand, a person who relies exclusively on accommodation to manage conflicts may lose the respect of colleagues.

Compromising

This style is half-assertive and half-cooperative. It is based on give-and-take and usually involves a series of concessions. Compromises are often made in the final hours of union–management negotiations. Those who are willing to compromise generally help negotiations to run smoothly and are perceived more positively by members of the

organization. However, when this style of conflict management is used, both parties may be left unsatisfied.

Collaborating Style

This style is characterized by cooperation and assertiveness on the part of both sides. Each person or group is willing to work together to reach a mutually beneficial solution. Conflicts are analyzed and frankly debated, and the result is usually a win–win situation.

Style	Principal Issues	Dominant Strategy	Conditions
Avoiding	Avoiding unpleasant situations	Flight / retreat / "Golden silence"	Outcomes are not very important / The chances of winning are slim / High risk is involved / Others can handle the situation better
Forcing	Satisfying personal interests / Winning at any cost / Dominating	Competing / Gaining power	Urgency / Unpopular decision is necessary / Vital for the organization / Must protect interest groups
Accommodating	Maintaining relationships with others / Opting for harmony	Avoiding conflict at almost any cost	The issue is vital to the other party / The other party is significantly better equipped / Harmony is more important than victory
Compromising	There is room for compromise / Middle ground exists / Partial satisfaction is attainable	Negotiation	Objectives are moderately important / The two parties are equal in power / Solutions can be reached / Neither collaboration nor force works
Collaborating	Satisfying mutual interests	Confrontation / Problem solving	Individual interests are compatible / Synergy is possible / Interpersonal problems are solved

CONFLICTS AND PERFORMANCE:

Where in an organization the level of conflicts is found to be low, performance will also be very low in view of the following reasons:

- Indifferent attitude of the employees
- Lack of creative ideas
- Stagnation

If, on the other hand, the level of conflicts is found to be high then also performance will be low in view of such reasons as:

- Lack of teamwork and co-operation
- Low morale
- Mental stress

Thus, it becomes clear that performance tend to be low whether the level of conflicts is low or high.

Management of conflicts refers to the task of maintaining it at an optimum level.

The following conditions may indicate the existence of a low level of conflicts in the workplace:

1. Low rate of absenteeism
2. Low rate of labor turnover
3. Lack of complaints and grievances
4. Employees accept changes without much resistance
5. Conservative approach to work for a longer period of time.

The existence of the following conditions may indicate a high level of conflicts:

1. Low morale
2. Low productivity
3. Excessive complaints and grievances
4. Greater resistance to change
5. High rate of absenteeism and labour turnover

Functional and dysfunctional conflict

Functional conflict is people in an organization or group may have their performance which they can increase and advantages in issues. Functional conflict can lead to enhances awareness of issues which people willing to solving the problem and willing to listen to others opinion.

Dysfunctional conflict is people who in an organization or group may have decreases or disadvantages in result of outcome they gain which they negotiate in the process. It consists of disputes and disagreements of individuals discourage to improve company performance



Functional and Dysfunctional Conflict

- **Functional (helpful or constructive)**
 - Open
 - Honest
 - Calm
 - Focused
 - Flexible
 - Energizing
 - Creative
- **Dysfunctional (not helpful or destructive)**
 - Closed
 - Deceitful
 - Tense
 - Proliferation
 - Rigid
 - Draining
 - Stupifying

Resolution of Conflict

Conflict resolution is a way for two or more parties to find a peaceful solution to a disagreement among them. The disagreement may be personal, financial, political, or emotional. When a dispute arises, often the best course of action is negotiation to resolve the disagreement.

Importance of Conflict resolution

When conflict is resolved effectively, it leads to many benefits, such as accomplishing goals and strengthening relationships. But conflict can also be damaging. If handled ineffectively, conflict can quickly turn into personal dislike, and even lead to a breakdown of relationships.



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SCHOOL OF MANAGEMENT STUDIES

UNIT – V - Dynamics of Organizational Behaviour – SBAA5102

UNIT 5 – ORGANIZATIONAL CHANGE

ORGANISATIONAL CHANGE

“Organisational change refers to any alteration that occurs in total work environment”.

“Organisational change refers to the alteration of structural relationships and roles of people in the organization.”

Significance

- An organisation must develop adaptability to change otherwise it will either be left behind or be swept away by the forces of change.
- Organisational change is inevitable in a progressive culture.
- Modern organizations are highly dynamic, versatile and adaptive to the multiplicity of changes.
- It is largely structural in nature.
- An enterprise can be changed in several ways. Its technology can be changed, its structure, its people and other elements can be changed.
- Organisational change calls for a change in the individual behaviour of the employees.
- Organizations survive, grow or decay depending upon the changing behaviour of the employees.
- Most changes disturb the equilibrium of situation and environment in which the individuals or groups exist.
- If a change is detrimental to the interests of individuals or groups, they will resist the change.

Causes of organizational change:

External Pressures:

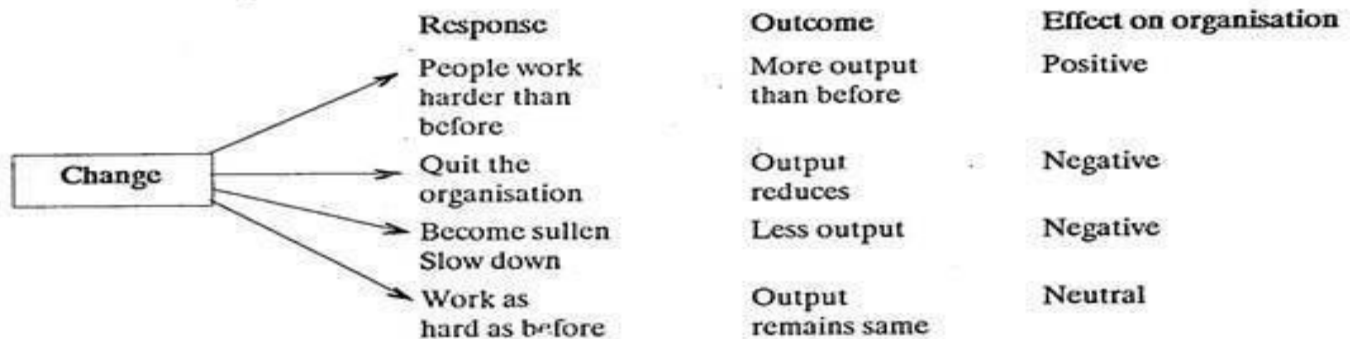
1. **Change in Technology and Equipment:** Advancements in technology is the major cause (i.e., external pressure) of change. Each technological alternative results in new forms of organization to meet and match the needs.
2. **Market Situation:** Changes in market situation include rapidly changing goals, needs and desires of consumers, suppliers, unions etc. If an organization has to survive, it has to cope with changes in market situations.
3. **Social and Political Changes:** Organizational units literally have no control over social and political changes in the country. Relations between government and business or drive for

social equality are some factors which may compel for organizational change.

Internal pressures (pressures for change from within the organisation):

1. **Changes in the Managerial Personnel:** One of the most frequent reasons for major changes in the organization is the change of executives at the top. No two managers have the same style, skills or managerial philosophies.
2. **Deficiencies in the Existing Organization:** Many deficiencies are noticed in the organizations with the passage of time. A change is necessary to remove such deficiencies as lack of uniformity in the policies, obstacles in communication, any ambiguity etc.
3. **Other Factors:** Certain other factors such as listed below also demand a change in the organization.
 - Employee’s desire to share in decision-making
 - Employee’s desire for higher wage rate
 - Improvement in working conditions, etc.
 - Response to Organizational Change:

Every change is responded by the people working in the organization. These responses may be positive or negative depending upon the fact as how they affect people.



Before introducing a change, the manager should study and understand employee’s attitudes so as to create a positive response. Three sets of factors-psychological, personal and social- govern the attitude of people.

PROCESS OF ORGANIZATIONAL CHANGE:

Unless the behavioral patterns of the employees change, the change will have a little impact on the effectiveness of the organization.

A commonly accepted model for bringing change in people was suggested by Kurt Lewin in terms of three phase process:-



(1) Unfreezing:

The essence of unfreezing phase is that the individual is made to realize that his beliefs, feelings and behaviour are no longer appropriate or relevant to the current situation in the organisation. Once convinced, people may change their behaviour. Reward for those willing to change and punishment for others may help in this matter.

(2) Changing:

Once convinced and ready to change, an individual, under this phase, learns to behave in new ways. He is first provided with the model in which he is to identify himself. Gradually he will accept that model and behave in the manner suggested by the model. In another process (known as internalisation), the individual is placed in a situation where new behaviour is demanded of him if he is to operate successfully.

(3) Refreezing:

During this phase, a person has to practice and experiment with the new method of behaviour and see that it effectively blends with his other behavioural attitudes. Reinforcement, for creating a permanent set in the individual, is provided through either continuous or intermittent schedules.

Resistance to organizational change:

Resistance to change is perhaps one of the baffling problems a manager encounters because it can take many shapes. People may resign, they may show tardiness, loss of motivation to work, increased absenteeism, request for transfer, wild-cat strikes, shoddy work, reduction in productivity etc.

Classification of resistance to change:

Individual Resistance:

Economic Reasons:

1. Obsolescence of Skills:

When a person feels that with the introduction of newer processes, his skills will just become obsolete, he will resist the change. For example, a twenty years experienced accountant is quite likely to resist the introduction of a computer for preparing the wage bills because he feels that might affect his pay and position.

2. Fear of Economic Loss:

People resist change if it opens the possibility of lowering their income directly or indirectly.

Personal Reasons:

1. Ego Defensiveness:

A sales manager may turn down the suggestions of a salesman simply because the manager perceives that his ego may be deflated by accepting the suggestion.

2. Status Quo:

Most of the people feel comfortable with status quo and strongly resist change as it may involve uncertainty and risk.

3. Fear of Unknown:

Change presents unknown and unknown poses a constant threat and sores people. For fear of unknown, a manager may refuse promotion that requires his relocating in another state.

Social Reasons:

Social Displacement:

Introduction of change (e.g., relocating) may result in breaking up of work groups and thus result in disturbance of the existing social relationships of people.

1. Peer Pressure:

Whenever change is unwilling to the peers, they force the individual subordinate employees who are bent of accepting the change, to resist it.

2. Organizational Resistance:

Resistance may also be present at organizational level. Some organizations are so designed that they resist innovations.

Some of the reasons of organizational resistance are:

1. Threats to Power and Influence:

Some people (especially sitting at the top levels) resist change because they feel that a change might affect their position, power and influence in the organization.

2. Organizational Structure: Some organization structures (e.g., bureaucratic structure) have inbuilt mechanism for resistance to change.

3. Resource Constraints: Non-availability of financial, material and human resources may also act as a resistance to change.

4. Sunk Cost: In some companies, heavy capital is blocked in the fixed or permanent assets. If such an organization wishes to introduce change, then difficulty arises because of these sunk costs.

5. Overcoming Resistance to Organizational Change: Change creates tension and emotional turmoil in the minds of employees. Change thus results in resistance quite frequently, negative reactions doom the success of the change program especially when a manager is unable to handle it properly

TECHNIQUES TO HANDLE THE CHANGE PROPERLY AND TO DEAL WITH RESISTANCE TO CHANGE ARE:

1. Education and Communication: One of the easiest techniques to overcome resistance to change is to educate the people who resist it. In many cases, people do not properly understand the change and hence become afraid of its consequences and resist change.

2. Participation and Involvement: If subordinates are allowed to participate and involve themselves in the change process (decision-making regarding the implementation of the change), their misunderstandings about the consequences of change are cleared, they generally feel satisfied and do not oppose change.

3. Support: Support may be facilitative and emotional. Managers sometimes deal with potential resistance by being supportive. This includes listening, providing emotional support, providing training in new skills etc.

4. Incentives: Offering incentive is another fruitful way to overcome resistance to change.

5. Manipulation: Managers generally indulge in manipulation when all other tactics have failed to overcome resistance to change.

6. Coercion: At times, there is no way except to deal with resistance coercively. People are forced to accept change by threatening them with loss of their jobs, promotion possibilities and so forth.

Kurt Lewin Change Theory

Lewin's theory proposes that individuals and groups of individuals are influenced by restraining forces, or obstacles that counter driving forces aimed at keeping the status quo, and driving forces, or positive forces for change that push in the direction that causes change to happen.

The 3 Stages of Change

Step 1: Unfreeze. Lewin identifies human behavior, with respect to change, as a quasi-stationary equilibrium state. ...

Step 2: Change. Once you've "unfrozen" the status quo, you may begin to implement your change. ...

Step 3: Refreeze.

Grievance

Grievance may be any genuine or imaginary feeling of dissatisfaction or injustice which an employee experiences about his job and its nature, about the management policies and procedures. It must be expressed by the employee and brought to the notice of the management and the organization.

Grievance – Features

- i. Grievance reflects dissatisfaction or discontent experienced by employees.
- ii. It is a sense of injustice to one's job meted out by the employer.
- iii. It may be expressed or implied.
- iv. It may be verbal or written.
- v. It may be real or imaginary.
- vi. It may be valid and legitimate or may not be so.
- vii. Grievance may arise out of something related to employee's service contract.
- viii. Grievance, not addressed in time, gives rise to discontent, frustration, poor morale and low productivity.

Types of Grievances

1. Visible Grievances or Hidden Grievances:

When the grievances are clearly visible to the others is called visible grievances. But it is not necessary that all times these are visible then these are called hidden one. It is called hidden grievances.

Type # 2. Real or Imaginary:

The grievances may be real or imaginary also. These may be called genuine or imaginary too. When a grievance is due to a valid reason and related to the terms of employment only. The management or concerned party responsible for redressing of grievance is called real, genuine or factual grievance. Second, imaginary grievance is that when it is there not for any valid reason. The management is not at fault. It is called imaginary only.

Type # 3. Expressed or Implied:

There may be expressed or implied grievances. When an employee felt the grievance and expressed or reports to the management in written or oral forms, is called express because it has been made clear. When it is not made clear but from the situation it can be inferred or judged that there is a grievance. That type of grievance is called implied grievance.

Type # 4. Oral or Written:

According to the way of expression, the grievances can be oral or written. When orally it is reported or expressed then it is called oral grievance. An employee makes a written complaint then it becomes written grievance. Entirely according to their expression the grievances are classified.

Type # 5. Disguised Grievances:

Sometime the grievances take place but the employees do not know the reasons of grievances. The causes of grievances are unknown. These are called disguised grievances. This type of grievances take place due to mental pressure or frustration due to other factors and not related to work.

Type # 6. Individual or Group Grievances:

The grievances may be related to individual employee or a group of employees. In group we may include team, department, etc. When an individual is affected then it is called individual grievance. When a group is affected due to the grievances and reported then it becomes a group grievance. Other factors for formation of types are not considered other than party affected.

Type # 7. Union Grievances:

The union presents the grievances to the management on behalf of member employees then it becomes union grievance. It is presented in the interest of everyone in the union and not for individual employee. When the employees felt that the terms of employment are violated then union takes the initiative in reporting of the grievances. The union presents the case for collective agreements in this case.

Type # 8. Policy Grievances:

When a grievance is related to policy of the company relating to terms of employment is called policy grievance. The terms of employment may include appointment, training, compensation, promotion and transfer, rewards and incentives, bonus, allowances, etc. When these are violated by the management and reported by employees' union then it becomes a policy grievance.

Process of Grievance Handling

Ist Step:

The first step involves a presentation of the employee's grievance to the immediate supervisor because he is the first step of the ladder. If the organisation is unionized, a representation of the union may also join him. This step offers the greatest potential for improved labour relations.

The large number of grievances are settled at this stage but grievance, which are related to the issue of policies of the organisation are beyond the limit of supervisor, then the aggrieved moves to next step.

IInd Step:

If the employee is not satisfied with decision of 1st step or fails to receive an answer within the stipulated period, he shall, either in person or accompanied by his departmental representative if required, present his grievance to the head of department designated by the management for the purpose of handling grievance. (A fixed time shall be specified during which of any working day, aggrieved employee could meet the departmental head for presentation of grievances).

The departmental head shall give his answer within three days of presentation of his grievance. If the action cannot be taken within that period, the reason for the delay should be recorded.

IIIrd Step:

If the decision of the departmental head is unsatisfactory the aggrieved employee may request for forwarding of his grievance to the Grievance Committee which shall make its recommendations to the manager within seven days of the employee's request. If the recommendations cannot be made within the time limit, the reason for such delay should be recorded. The unanimous

recommendations of the grievance committee, the views of the members and the relevant papers shall be placed before the manager for final decision.

In either case, the final decision of the management shall be communicated to the concerned employee by the personnel officer within three days from the receipt of the Grievance Committee recommendations.

IVth Step:

If the decision of the management is not communicated to the employee within stipulated period or if it is unsatisfactory for him, he shall have right to appeal to the management for revision., if he so desires,he shall have the right to take a union official along with him to facilitate discussion with management. Management shall communicate its decision to him within a week of the presentation of the employee's revised petition.

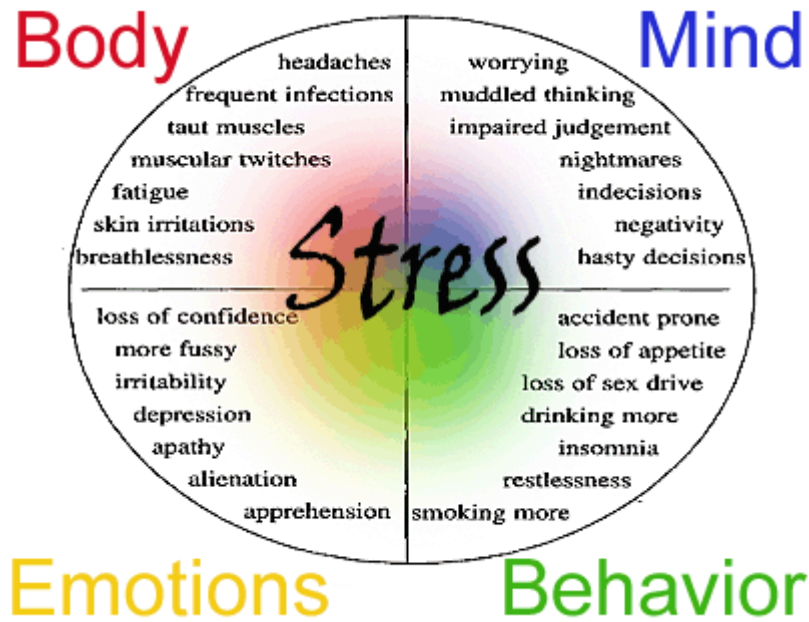
Vth Step:

If no agreement is possible, the union and the management may refer the grievance to voluntary arbitration within a week from the date of the receipt by the employee of the management's decision.

The formal conciliation machinery shall not intervene till all the steps in the model grievance procedure have been exhausted. A grievance shall be presumed to assume the form of a dispute only when the final decision of the top management in this respect is not acceptable to the employee.

STRESS

Stress is defined in terms of how it impacts physical and psychological health; it includes mental, physical, and emotional strain. Stress occurs when a demand exceeds an individual's coping ability and disrupts his or her psychological equilibrium.



Consequences of stress on individual and organization

Indeed, stress symptoms can affect the body, thoughts and feelings, and behavior. Being able to recognize common stress symptoms can help to manage them. Stress that's left unchecked can lead to many health problems, such as high blood pressure, heart disease, obesity and diabetes. Clearly, any of the individual consequences just discussed can also affect the organization. Other results of stress have even more direct consequences for organizations. These include decline in performance, withdrawal, and negative changes in attitudes.

Consequences of stress at work

High levels of work stress also lead to increased absenteeism and turnover, chronic burnout, or other negative long term health conditions, with serious costs to organizations and society, ranging between . 5% and 3% of the gross. Research has identified several sources of employee stress.

Causes of stress

- Being under lots of pressure.
- Facing big changes.
- Worrying about something.

- Not having much or any control over the outcome of a situation.
- having responsibilities that you're finding overwhelming.
- not having enough work, activities or change in your life.
- times of uncertainty.

Managing / Coping with Work related Stress

- Developing Self-Awareness. Individuals can increase awareness of how they behave on the job.
- Developing Outside Interests. In addition, individuals can develop outside interests to take their minds off work.
- Leaving the Organization.
- Finding a Personal or Unique Solution.
- Physical Exercise.
- Cognitive Perspective.

ORGANIZATIONAL CULTURE

Meaning

“Culture is the set of important understandings that members of a community share in common.” It consists of a basic set of values, ideas, perceptions, preferences, concept of morality, code of conduct etc. which create a distinctiveness among human groups.

“Culture is a combination of factors that are learned through our interaction with the environment during our developmental and growth years”.

Definitions

“The organizational culture is a system of shared beliefs and attitudes that develop within an organization and guides the behaviour of its members.”

“The corporate culture consists of the normal values and unwritten rules of conduct of an organization as well as management styles, priorities, beliefs and inters personal behaviour that prevails. Together they create a climate that influences how will people communicate, plan and make decisions.”

“ Organizational culture can be defined as the philosophies, ideologies, values, assumptions, beliefs, expectations, attitudes and norms that knit an Organization together and are shared by its

employees.” According to Edgar Schein, “ Organizational culture can be defined as a pattern of basic assumptions- invented, discovered or developed by a given group as it learns to cope with its problems of external adaptation and internal integration-that has worked well enough to be considered valuable and, therefore, to be taught to new members as the correct way to perceive, think and feel in relation to those problems.”

Objective of Organizational Culture:

1. **Cooperation:** By providing shared values and assumptions, culture may enhance goodwill and mutual trust, encouraging cooperation.
2. **Decision Making:** Shared beliefs give members a consistent set of basic assumptions. It may lead to a more efficient decision-making process due to fewer disagreements.
3. **Control:** Control is provided by three mechanisms
 - Market control mechanism: relies on price. If results fall short of goals, prices are adjusted to stimulate necessary change
 - Bureaucratic control mechanism: relies on formal authority. The control process consists of adjusting rules and regulations and issuing directives
 - Clan control mechanism: relies on shared beliefs and values. Provide a map that members can rely on to choose appropriate course of action.
4. **Communication:** Culture reduces communication problems in two ways:
 - No need to communicate in matters for which shared assumptions already exist (things go without saying)
 - Shared assumptions provide guidelines and cues to help interpret messages that are received
5. **Commitment:** Strong cultures foster strong identification which causes commitment
6. **Perception:** What an individual sees is conditioned by what others sharing the same experience say they are seeing
7. **Justification of behavior:** Culture helps organization members make sense of their behavior by providing justification for **it**.

Characteristics of Organizational Culture:

- 1. Individual Autonomy:** The degree of responsibility, freedom and opportunities of exercising initiative that individuals have in the Organization.
- 2. Structure:** The degree to which the Organization creates clear objectives and performance expectations. It also includes the degree of direct supervision that is used to control employee behaviour.
- 3. Management Support:** The degree to which, managers provide clear communication, assistance; warmth and support to their subordinates
- 4. Identity:** The degree to which, members identify with the Organization as a whole rather than with their particular work group or field of professional expertise.
- 5. Performance Reward System:** The degree to which reward system in the Organization like increase in salary, promotions etc. is based on employee performance rather than on seniority, favouritism and so on.

- 6. Conflict Tolerance:** The degree of conflict present in relationships between colleagues and work groups as well as the degree to which employees are encouraged to air conflict and criticisms openly.
- 7. Risk Tolerance:** The degree to which, employees are encouraged to be innovative, aggressive and risk taking.
- 8. Communication Patterns:** The degree to which, Organizational communications are restricted to the formal hierarchy of authority.
- 9. Outcome Orientation:** The degree to which, management focuses on results or outcomes rather than on the techniques and processes used to achieve these outcomes.
- 10. People Orientation:** The degree to which, management decisions take into consideration the impact of outcomes on people within the Organization. When we appraise the Organization on the basis of the above characteristics, we get a complete picture of the organization's culture. This picture becomes the basis of shared norms, beliefs and understanding that members have about the Organization, how things are done in it and how the members are supposed to behave.

Types of culture

Cultural Typology: Goffee and Jones have identified four distinct cultural types. They argue that these four culture types are based on two dimensions which they call sociability and solidarity. Sociability refers to high concerns for people i.e. it is people oriented and focuses on processes rather than on outcomes. The second dimension i.e. solidarity is however task oriented.

These two dimensions create four distinct cultural types:

1. Networked Culture:

Networked culture is high on sociability and low on solidarity. Which means that the Organization treats its members in a quite friendly manner and there is open sharing of information. However, this culture type may lead to poor performance as the focus is on the people rather than on tasks.

2. Mercenary Culture:

It is low on sociability and high on solidarity. The Organizations with mercenary culture are task oriented and believe in competition. The people are highly focussed and goal oriented but, this type of culture may at times lead to frustration and stress among poor performers.

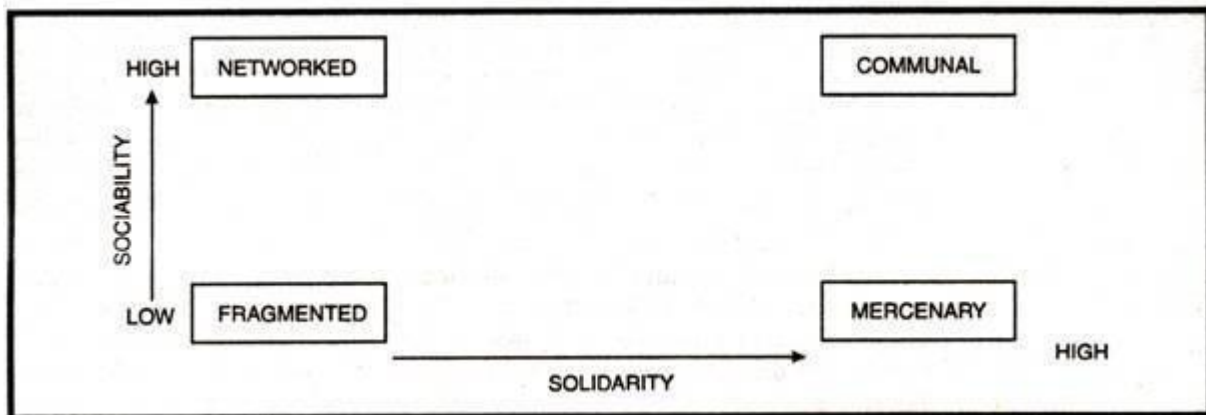
3. Fragmented Culture:

Fragmented culture is low on both sociability and solidarity. There is little or no identification with the Organization. It is the individual members' commitment, productivity and quality of work which is of utmost importance. This type of culture however suffers from lack of collegiality.

4. Communal Culture:

It is high on both sociability and solidarity. The Organizations with communal culture value both people and tasks. Work accomplishment is from committed people, and there is a relationship of trust and respect.

The following diagram explains the four cultural typology:



Changing Organizational Culture:

Sometimes an Organization determines that its culture is unfavorable to the Organizational effectiveness and it has to be changed.

For example, if there is a change in the external environment, the Organization must adapt itself to the changing conditions or it will not survive. Though it is very difficult to change the old cultures, but it is something which the management cannot do without.

The following conditions must be present only then a cultural change can take place:

- 1. Dramatic Crisis:** Any dramatic crisis in the Organization like a major financial setback, loss of a major customer, or atechnological breakthrough by a competitor may force the management to look into the relevance of the existing culture.
- 2. New Top Leadership:** If some top executives leave the Organization and new leadership takes over, they may provide an alternative set of key values or a new culture. This new leadership may be more capable of responding to the crisis.
- 3. Young and Small Organization:** When the Organization is new and its size is small, it will be easier for the management to change the culture.

4. Weak Culture: Weak cultures are more amenable to change than strong ones. The higher the agreement among the members on the Organizational values, the more difficult it will be to change. **Methods to improve organizational culture:**

(ii) The top management people should become the positive role models. They should set the examples through their own behaviour.

(iii) As employees learn the culture through stories, symbols and rituals, the old stories, rituals and symbols should be replaced by creating new ones which are currently in vogue.

(iv) Adding new members, particularly at the higher level, is a powerful strategy to change the culture, provided the new members bring in new culture.

(v) The socialization processes should be redesigned to align with the new values.

(vi) Reward system establish and reinforce specific cultural behaviours and therefore, a change in culture can be initiated and supported by change in corporate reward systems.

(vii) Unwritten norms and beliefs should be replaced with formal rules and regulations that are tightly enforceable.

(viii) Extensive use of job rotations should be made to shake current subcultures.

(ix) Change in the top management can have significant impact on others in the Organization, because he may be, in a real sense, the personification of the culture.

(x) Change in culture will be comparatively easy if peer group consensus is got through use of employee participation and creation of a climate with a high level of trust.

Job Satisfaction

Job satisfaction is the feeling and perception of a worker regarding his/her work and how he or she feels well in an organization. It indicates the extent of employees' positive or negative feelings towards their jobs and organizational behavior tried to improve it.

Components of job satisfaction are;

- Evaluative Component.
- Cognitive Component.
- Affective Component.

The Evaluative Component

An individual's overall response to the employing organization is summarized in the evaluative component. It represents dislike vs. like for the organization.

When asked for a single response to the question, how satisfied are you with your job, individuals' response to their overall evaluation.

In this case, a 5 point positive-negative scale is used where 1 indicates most negative situation and 5 indicates most positive situation to express overall favorable or unfavorable rating of their current job.

The Cognitive Component

An individual's perceptions, opinion, beliefs and expectations regarding the organization are the focus of his or her cognitions. In this case, different items are measured to assess the cognitive component of job satisfaction.

Here participants rated the adjectives from 1 (Strongly describes) to 5 (Not applicable) how well each term reflected their thoughts or beliefs associated with their current job.

The Affective Component

This component represents the feeling induced by the organization. In general, positive affect results from information, feedback, and situations that affirms or reinforces the individual's self-worth and self-concept, while negative affect is evoked by invalidating situations.

Importance of Job Satisfaction

Job satisfaction has been linked to many variables, including productivity, absenteeism, turnover, etc. It is significant because a person's attitude and beliefs may affect his or her behavior.

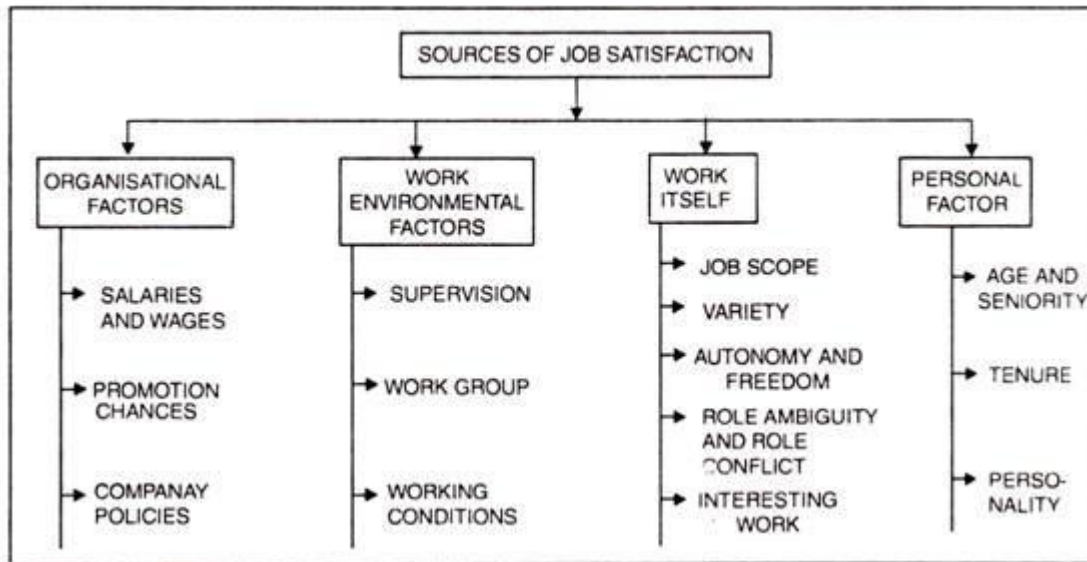
... Employee Absenteeism. Helps to Earn Higher Revenues.

Factors Influencing Job Satisfaction:

There are a number of factors that influence job satisfaction. A number of research studies have been conducted in order to establish some of the causes that result in job satisfaction. These studies have revealed consistent correlation of certain variables with the job satisfaction.

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These factors can be explained with the help of the chart:



These factors can be discussed in detail as follows:

A. Organisational Factors:

Some of the organisational factors which affect job satisfaction are:

1. Salaries and Wages:

Wages and salaries play a significant role in influencing job satisfaction. This is basically because of a few basic reasons. Firstly, money is an important instrument in fulfilling one's needs. Money also satisfies the first level needs of Maslow's model of satisfaction. Secondly, employees often see money as a reflection of the management's concern for them. Thirdly, it is considered a symbol of achievement since higher pay reflects higher degree of contribution towards organizational operations.

2. Promotion Chances:

Promotional chances considerably affect the job satisfaction because of the following reasons:

Firstly, Promotion indicates on employee's worth to the organisation which is highly morale boosing. This is particularly true in case of high level jobs. .

Secondly, Employee takes promotion as the ultimate achievement in his career and when it is realized, he feels extremely satisfied.

Thirdly, Promotion involves positive changes e.g. higher salary, less supervision, more freedom, more challenging work assignments, increased responsibilities, status and like.

3. Company Policies:

Organizational structural and policies also play an important role in affecting the job satisfaction of employees. An autocratic and highly authoritative structure causes resentment among the employees as compared to a structure which is more open and democratic in nature.

Organisational policies also govern the human behaviour in the organizations. These policies can generate positive or negative feelings towards the organization. Liberal and fair policies usually result in more job satisfactions. Strict policies will create dissatisfaction among the employees because they feel that they are not being treated fairly and may feel constrained.

Thus, a democratic organisational structure with fair and liberal policies is associated with high job satisfaction.

B. Work Environmental Factors:

The work environmental factors include the following important factors:

1. Supervision:

Supervision is a moderately important source of job satisfaction. There are two dimensions of supervisory styles which affect the job satisfaction:

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First is Employee Centeredness:

Whenever the supervisor is friendly and supportive of the workers there is job satisfaction. In this style, the supervisor takes personal interest in employee's welfare.

Second is Participation:

The superiors who allow their subordinates to participate in decisions that affect their own jobs, help in creating an environment which is highly conducive to job satisfaction. Thus, the supervisors who establish a supportive personal relationship with subordinates and take personal interest in them, contribute to the employees' satisfaction.

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2. Work Group:

The nature of the work group or team will have effect on job satisfaction in the following ways:

(i) A friendly, and co-operative group provides opportunities to the group members to interact with each other. It serves as a source of support, comfort, advice and assistance to the individual group members. If on the other hand, the people are difficult to get along with, the work group will have a negative impact on job satisfaction.

(ii) The work group will be even a stronger source of satisfaction when members have similar attitudes and values. In such a group, there will be less friction on a day-to-day basis.

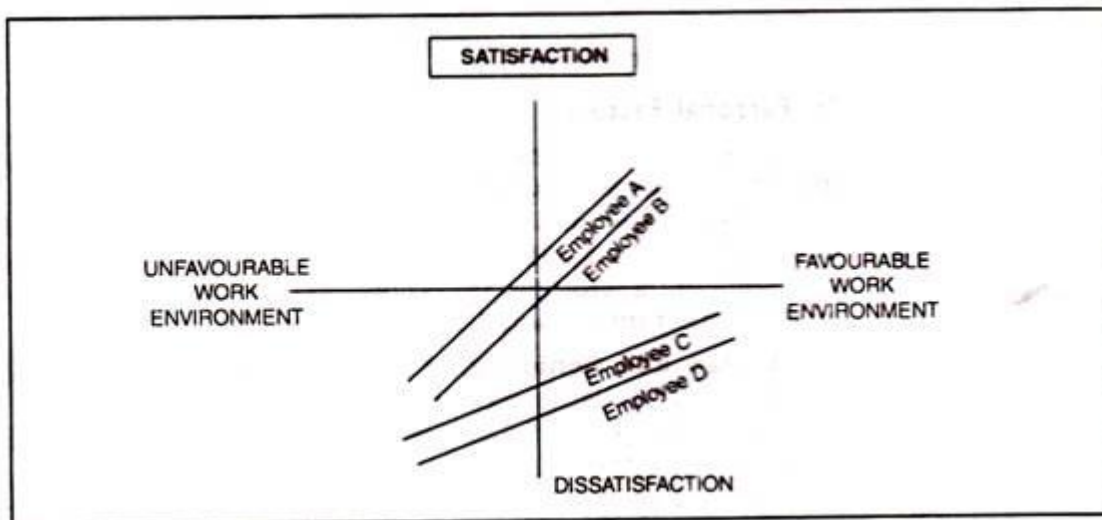
(iii) Smaller groups provide greater opportunity for building mutual trust and understanding as compared to larger groups.

Thus, the group size and quality of interpersonal relations within the group play a significant role in worker's satisfaction.

3. Working Conditions:

Good working conditions are desirable by the employees, as they lead to more physical comfort. People desire that there should be a clean and healthy working environment. Temperature, humidity, ventilation, lighting and noise, hours of work, cleanliness of the work place and adequate tools and equipment are the features which affect job satisfaction. While the desirable working conditions are taken for granted and may not contribute heavily towards job satisfaction. Poor working conditions do become a source of job dissatisfaction.

Simply because they lead to physical discomfort and physical danger. Moreover, all the employees are not satisfied or dissatisfied by favourable or unfavourable work environment as shown in the figure given below.



As shown in the figure, all the four employees are dissatisfied when the working conditions are unfavourable. However, as the working conditions start becoming favourable, the job satisfaction of employee A and B increases sharply while employees C and D have only a minor increase in satisfaction.

C. Work Itself:

The content of the work itself plays a major role in determining the level of job satisfaction.

Some of the aspects of the work which affect job satisfaction are:

(i) Job Scope:

It provides the amount of responsibility, work pace and feedback. The higher the level of these factors, higher the job scope and higher the level of satisfaction.

(ii) Variety:

A moderate amount of variety is very effective. Excessive variety produces confusion and stress and a too little variety causes monotony and fatigue which are dis-satisfiers.

(iii) Lack of Autonomy and Freedom:

Lack of autonomy and freedom over work methods and work pace can create helplessness and dissatisfaction. Employees do not like it when their every step and every action is determined by their supervisor.

(iv) Role Ambiguity and Role Conflict:

Role ambiguity and role conflict also lead to confusion and job dissatisfaction because employees do not know exactly what their task is and what is expected of them.

(v) Interesting Work:

A work which is very interesting and challenging and provides status will be providing satisfaction to the employees as compared to work which is boring and monotonous.

D. Personal Factors:

Personal attributes of the individuals also play a very important role as to whether they are satisfied at the job or not. Pessimists and people with negative attitudes will complain about everything including the job. They will always find something wrong in every job to complain about.

Some of the important personal factors are:

1. Age and Seniority:

With age, people become more mature and realistic and less idealistic so that they are willing to accept available resources and rewards and be satisfied about the situation. With the passage of time, people move into more challenging and responsible positions. People who do not move up at all with time are more likely to be dissatisfied with their jobs.

2. Tenure:

Employees with longer tenure are expected to be highly satisfied with their jobs. Tenure assures job security, which is highly satisfactory to employees. They can easily plan for their future without any fear of losing their jobs.

3. Personality:

Some of the personality traits which are directly related to job satisfaction are self assurance, self esteem, and maturity, and decisiveness, sense of autonomy, challenge and responsibility. Higher the person is on Maslow's needs hierarchy, the higher is the job satisfaction. This type of satisfaction comes from within the person and is a function of his personality. Accordingly, in addition to providing a healthy work environment, management must ensure that the employee is happy with himself and has a positive outlook on life.