

Human beings are, by nature, gregarious and community or group life is one of the earliest and most enduring features of human existence on this planet. This natural inclination for living and working together with others underlies the prevalence of a variety of social groupings, such as, family, clan, community, friendship group, organisation, etc. These social groups are not merely a number of individuals collected at random but they are composed of individuals who are interrelated. The individuals are bound together in a network of relatively stable social relationships. Thus, our society is organisational with large and complex organisations dominating every sphere of human activity in almost all countries of the world, irrespective of ideological and other differences. Organisations, as such, have become the crucial factors affecting the quality of human life in the contemporary society. The study of organisations, thus, is an important fact of human life.

Organisations may be studied from two perspectives—micro and macro. Micro perspective of organisational study focusses on human beings in the organisations. It studies human beings as individuals—an individual's psychological make-up, his interaction with other individuals and groups, variables determining his behaviour in the organisation, and the strategies that may be adopted to govern his behaviour in a desirable way in the organisation. This micro aspect of organisational study is generally the subject-matter of *Organisational Behaviour*. The macro perspective considers organisation as a unit for analysis. It emphasises on the study of human behaviour as a collectivity of people and deals with how organisation is structured, how technology affects people in the organisation, and how organisation interacts with its environment. This macro aspect of organisational study is the subject matter of *Organisation Theory*.

Before going through the study of organisational behaviour, it is desirable to go through the concept of organisation, its significance in the contemporary society, what managers do in managing an organisation, and what skills managers should possess so that behavioural issues involved in managing are understood in right perspective:

Concept of Organisation

The study of an object or discipline should begin with its working definition delineating precisely its contents and characteristics, defining its scope and boundary, and prescribing the objectives for which it stands. From this point of view, we can proceed further only when we define the term organisation. However, it is very difficult to define the term organisation precisely bringing all the characteristics of a good definition. The basic reason for this is the non-standardised use of the term organisation. In management literature, the term organisation is used in two ways: organisation as a process and organisation as a unit. Naturally, a single definition cannot cover both. The reason for this phenomenon is quite simple. Since the second decade of 20th century, a number of disciplines have claimed to contribute to human knowledge of managing. These disciplines have been immature to be a science. The consequence has been almost unfathomable confusion over the terms, a confusion in which ambivalence in using the word organisation has played a conspicuous part.

As a subject-matter of organisational analysis, the term organisation is used in the sense of organised unit. In this context too, however, the organisation has been defined in various ways by different theorists. This is so because different theorists have emphasised different characteristics of organisation. For example, Weber has defined organisation as corporate group. Accordingly,

"A corporate group is a social relation which is either closed, or limits the admission of outsiders by rules... its order is enforced by the actions of specific individuals whose regular function this is."¹

¹ Max Weber, *The Theory of Social and Economic Organisation*, New York: Free Press, 1947, pp. 145-46.

Weber's definition has served as the basis for many other definitions of the organisation. His focus is basically on legitimate interaction patterns among organisational members as they pursue goals and engage in activities. A major component of this definition is the idea of order which differentiates organisation from other social entities, such as, family, community, etc. Interaction patterns do not simply arise; there is a structuring of interaction imposed by the organisation itself. This interaction is associative rather than communal. This again differentiates organisation and other social units.

Scott has defined organisation more elaborately. He defines organisation as follows:

"Organisations are defined as collectivities . . . that have been established for the pursuit of relatively specific objectives on a more or less continuous basis."²

Scott has emphasised the characteristics of organisations as relatively fixed boundaries, a normative order, authority rank, a communication system, and an incentive system which enables various types of participants to work together in the pursuit of goals.

For the purpose of organisational behaviour, an organisation may be defined as identifiable aggregation of human beings, deliberately and consciously created for the attainment of certain goals with rational coordination of closely relevant activities.

Features of Organisation

When the organisation is defined as above, it has the following distinguished features:

1. Identifiable Aggregation of Human Beings. Organisation is an identifiable aggregation of human beings. The identification is possible because human group is not merely a number of persons collected at random, but it is a group of persons who are interrelated. Identifiable aggregation does not mean that all the individuals know each other personally because, in large organisations, this is not possible. The identifiable group of human beings determines the boundary of the organisation. Such boundary separates the elements belonging to the organisation from other elements in its environment. However, the separation is rarely absolute, that is, some of the elements in the organisation will interact with its environment. The amount of interaction can be thought of in terms of permeability of the organisation's boundary. This refers to the flow of both people and information across the boundary.

2. Deliberate and Conscious Creation. Organisation is a deliberately and consciously created human group. It implies that relationship between organisation and its members is contractual. They enter in the organisation through the contract and can be replaced also, that is, unsatisfactory persons can be removed and others assigned their tasks. The organisation can also recombine its personnel through promotion, demotion, and transfer. As such, organisation can continue for much longer period than its members. Such deliberate and conscious creation of human groups differentiates between casual or focused gathering having transitory relationships like a mob and social units. Some minimal amount of such construction and reconstruction is found in all social units, but it is much higher in the case of organisations. Such distinction is only relative but it is an important one. Other social units, like family, community have some conscious planning (family budget, etc.), power centre (community chief), and replaceable membership (through divorce), but the extent to which these social units are consciously planned and deliberately structured with replaceable membership are much less as compared to organisations. Thus, companies, armies, hospitals, etc. are included in the category of organisation, while tribes, families, friendship groups, etc. are excluded.

² W.R. Scott, "Theory of Organisations", in Robert E.R. Farris (ed.) *Handbook of Modern Sociology*, Chicago: Rand McNally, 1964, p. 488.

3. Purposive Creation. The organisation is a purposive creation, that is, all the organisations have some objectives or set of objectives. The objectives are mutually agreed upon by the members of the group. An organisational objective is a desired state of affairs which the organisation attempts to realise. Organisations are contrived social instruments through which society, or portion of it, obtains things that either could not be obtained at all or could not be had as easily or cheaply. Organisations are, thus, intervening elements between needs and their satisfaction. The success or failure of an organisation is measured in terms of achievement of its objectives.

4. Coordination of Activities. In the organisation, there is a coordination of closely relevant activities of the members. The coordination is necessary because all the members contribute to commonly agreed goals. The object of coordination is activities, not individuals, as only some of the activities of individuals are relevant to the achievement of a particular objective. This is so because the same person can belong to many different organisations at the same time and in each one, only some of his activities are relevant. From this point of view, the organisation must spell out the activities or roles which must be fulfilled in order to achieve the goal. Which particular person performs this role may be irrelevant to the concept of organisation, though it will be relevant how well the organisation actually operates.

5. Structure. The coordination of human activities requires a structure wherein various individuals are fitted. The structure provides for power centres which coordinate and control concerted efforts of the organisation and direct them towards its goals. It is obvious that coordination among many diverse individuals is not possible without some means of controlling, guiding, and timing the various individuals or groups. The very idea of coordination implies that each individual or unit submits to some kind of authority for the sake of achievement of common objective. Since the individuals are structured in the hierarchy, there is also hierarchy of authority, and depending upon the size and nature of a particular organisation, there may be many centres of authority in the organisation. This does not mean that authority is always external; coordination can be achieved by self-disciplining activities, but some kind of authority is essential for coordination in organisation. This may vary between complete self-discipline and complete autocracy.

6. Rationality. There is a rationality in coordination of activities or behaviour. Every organisation has some specified norms and standards of behaviour—such norms of behaviour are set up collectively by the individuals and every member of the organisation is expected to behave according to these norms or standards. The behaviour is governed by reward and punishment system of the organisation which acts as a binding force on its members. The desirable behaviour is rewarded and undesirable one is punished. To enforce rationality in behaviour, organisation also provides for substitution of its members.

These characteristics differentiate an organisation from other social units, such as, community, family, clan, friendship group, etc. However, modern organisations, though not all, tend to be large and complex. Such characteristics are important from the point of view of their management. In a large organisation, the members are arranged in a number of hierarchies which present some specific problems besides the usual ones associated with every organisation, large or small. Such problems may be in the form of increased distance between decision centres and actual operative levels. This feature makes the coordination more difficult. Besides, the complexity of society also adds to the complexity of large organisations. Today, the society has become very complex in the sense that a change in its particular part generates changes in other parts. This has become possible because of general and steady change process towards betterment. The kinds of structure that have developed today, in response to the complex forces at work in the society, are obviously a far cry from

This process may start from any point, not necessarily from planning, and end at any point. Moreover, several functions may be performed at the same time. For example, while giving direction through communication to a subordinate, a superior manager also appraises (staffing function) his subordinate as how carefully he is grasping the ideas.

4. Since there are many managerial functions, often a question arises: which management function is more important so that managers devote more time to that. This question is quite vital but it cannot be pointed out categorically that a particular management function is more important than others. In fact, no function is more important but the mix of the functions varies from task to task and from level to level of management. Therefore, the relative importance of management functions can be identified in the context of management levels. This analysis will bring the clue for training and developing the managers at various levels for the performance of specific managerial functions.

MANAGEMENT ROLES

As against the management functions, Mintzberg has defined the roles of managers to identify what managers do in the organisations. *Role* is the pattern of behaviour which is defined for different positions. It refers to the expected behaviour of the occupant of a position—not all their behaviours, but to what he does as occupant of that position. Mintzberg has pointed out that there are three broad categories of roles that a manager performs in an organisation. These are interpersonal roles, informational roles, and decisional roles.⁴ Within each category of roles, there are different roles as shown in Figure 1.2.

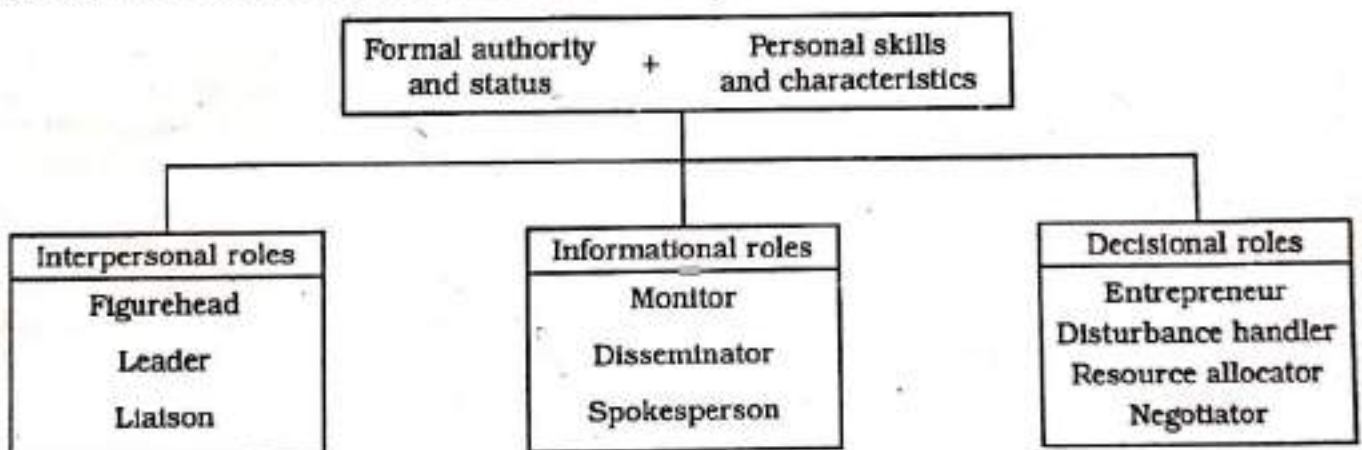


FIGURE 1.2: Management roles

Management roles depend on the formal authority which is delegated to the manager in an organisation. The degree of authority determines his status and different roles. In performing a particular role, the manager uses his skills and other characteristics. The three major roles of a manager are interpersonal, informational, and decisional.

Interpersonal Roles

Interpersonal roles of a manager are concerned with his interacting with other persons, both the organisational members and outsiders. There are three types of interpersonal roles: figurehead role, leader role, and liaison role. In *figurehead* role, the manager performs activities which are of ceremonial and symbolic nature. These include greeting the visitors, attending

⁴Henry Mintzberg, *The Nature of Management Work*, New York: Harper & Row, 1973.

Organisational behaviour.

Concept of Organisational Behaviour

Organisational behaviour is not a discipline in the usual sense of the term, but is rather an eclectic field of study involving the integration of the behavioural sciences (*e.g.*, psychology, sociology, anthropology, etc.) into the study of people's behaviour within organisations. While those who conduct research in organisational behaviour often come from business schools,

they may have their roots in diverse areas such as political science, sociology, psychology, or anthropology. It is the integration of relevant knowledge of these areas that has given us a new field of study—organisational behaviour (frequently abbreviated as OB). Aldag and Brief have defined OB as follows:

"Organisational behaviour is a branch of the social sciences that seeks to build theories that can be applied to predicting, understanding, and controlling behaviour in work organisations."⁷

Callahan *et al.* have defined OB as a subset of management activities when they state that,

"Organisational behaviour is a subset of management activities concerned with understanding, predicting, and influencing individual behaviour in organisational settings."⁸

According to both these definitions, the basic ingredients of OB are the same, that is, understanding, predicting, and controlling human behaviour though both treat OB as a field of study in different forms—a branch of the social science or a subset of management activities. We can define OB as follows:

Organisational behaviour is the study and application of knowledge about human behaviour related to other elements of the organisation such as structure, technology and social system.

Thus, OB is primarily concerned with that aspect of human behaviour which is relevant for organisational performance. It studies human behaviour at individual level, group level, and organisational level. It applies the knowledge gained about individuals, groups, and the effect of organisation structure on behaviour towards the end of making organisations work more effectively.

NATURE OF ORGANISATIONAL BEHAVIOUR

Organisational behaviour is emerging as a separate field of study. Therefore, its nature is likely to change over the period of time. However, its present nature can be identified as follows:

1. A Field of Study and not a Discipline. Organisational behaviour can be treated as a distinct field of study and not a discipline or even emerging discipline. A discipline is an accepted science with a theoretical foundation that serves as the basis for research and analysis. Organisational behaviour, because of its broad base, recent emergence, and interdisciplinary orientation, is not accepted as science. We have just begun to synthesise principles, concepts, and processes in this field of enquiry. Therefore, it is reasonable to call it a field of study rather than a discipline.

2. Interdisciplinary Approach. OB is basically an interdisciplinary approach. An interdisciplinary approach integrates the relevant knowledge drawn from different disciplines for some specific purpose. As discussed later, OB draws heavily from psychology, sociology and anthropology. Besides, it also takes relevant things from economics, political science, law, and history. These disciplines exist separately, but OB integrates the relevant contents of these disciplines to make them applicable for organisational analysis. Thus, OB is nothing apart from the integration of knowledge from different disciplines.

3. An Applied Science. The basic objective of OB is to make application of various researches to solve the organisational problems particularly related to human behaviour aspect. Unlike

⁷ Ramon J. Aldag and Arthur P. Brief, *Managing Organisational Behaviour*, St. Paul: West Publishing, 1999, p. 11.

⁸ Robert E. Callahan, C. Patrick Fleenor, and Harry R. Kudson, *Understanding Organisational Behaviour*, Columbus: Charles E. Merrill Publishing, 1986, p. 5.

the pure science which concentrates on fundamental researches, OB concentrates on applied researches. Though many of the researches may be carried on in laboratory situations and controlled conditions, they are meant for general application in organisational analysis. Thus, organisational behaviour is both science as well as art.

4. Normative and Value Centred. OB is a normative science. A normative science, unlike the positive science which suggests only cause-effect relationships, prescribes how the various findings of the researches can be applied to get organisational results which are acceptable to the society. Thus, what is acceptable by the society or individuals engaged in an organisation is a matter of value to the people concerned. This aspect cannot be explained by positive science. The normative nature of OB is underscored by the proliferation of theories about management styles, ranging from 'how-to' prescriptions to polemics about change in basic practices.

5. Humanistic and Optimistic. OB focuses the attention on people from humanistic point of view. It is based on the belief that needs and motivation of people are of high concern. There is an acceptance of the value of the individual as a thinking, feeling organism, and without these considerations, the organisation may not be fully operational as a social entity. Further, there is optimism about the innate potential of man to be independent, creative, productive, and capable of contributing positively to the objectives of the organisation. The man will actualise this potential if proper conditions and environments are given to him.

6. Oriented towards Organisational Objective. OB, being an applied science and emphasising human aspect of the organisation, is oriented towards organisational objectives. Though an organisation may have several objectives and sometimes conflicting with individual objectives, it should not be understood that OB only emphasises the achievement of individual objectives at the cost of organisational objectives. In fact, OB tries to integrate both types of objectives so that these are achieved simultaneously. For this purpose, it suggests various behavioural approaches.

7. A Total Systems Approach. OB is a total systems approach wherein the living system of an organisation is viewed as an enlargement of a man. The systems approach is an integrative approach which takes into account all the variables affecting organisational functioning. In fact, the systems thinking in organisational analysis has been developed by behavioural scientists. Behavioural science, while analysing organisational behaviour, does not take human being in isolation but as the product of socio-psychological factors. Thus, his behaviour can be analysed keeping in view his psychological framework, interpersonal orientation, group influence, and social and cultural factors. Thus, man's nature is quite complex, and OB by applying systems approach tries to find solution of this complexity.

OB AND OTHER SIMILAR FIELDS OF STUDY

As discussed above, the emerging field of study of human behaviour in organisation is referred to by different names—organisational behaviour, behavioural science, human relations, or organisation theory. Though each of them tries to study human behaviour in organisation and they are used interchangeably in many cases, they differ in their approaches. In the following paragraphs, a comparison between OB and other similar fields of study such as behavioural science and human relations is presented.

OB and Behavioural Science

A comparison of OB and behavioural science shows that both have similar focus on organisational study. Behavioural science can be defined as the study of human behaviour to

establish generalisations that are supported by empirical evidence collected in an impersonal and objective way. This evidence must be capable of verification by other interested scholars, and procedures must be completely open to review and replication. Thus, behavioural science is interested in studying human behaviour in a scientific way. Therefore, behavioural science avoids speculation about 'what is' and normative discourse about 'what ought to be.' This characteristic differentiates between OB and behavioural science though OB also uses scientific methods in collecting facts about human behaviour, it goes one step further by providing the answer of the question 'what ought to be in a given situation' rather than merely giving the answer of the question 'what it is in the given situation.' This normative aspect of human behaviour in organisation goes a long way in improving human behaviour in the organisation to realise its objectives.

OB and Human Relations

A comparison of OB and human relations shows that sometimes both are used synonymously, while at other times, a distinction is made between the two. Human relations broadly applies to the interaction and cooperation of people in groups. This can happen to any aspect of human activity—organisational or non-organisational. Thus, human relations can be applied in a wider context, either in organisational context or non-organisational context. When human relations is used in the organisational context, particularly in business and industrial organisations, the term has quite a different connotation for persons in managerial positions. In this context, it means the integration of people into a work situation which motivates them to work together effectively. The basic implication of motivating human beings in the organisation is that managers are no longer pushing or driving forces but their role is to help release and guide the inner drives of human beings who alone are capable of producing the things.

Besides the context in which human relations and organisational behaviour are used, there are other dimensions on which both differ. *First*, human relations assumes that people primarily respond to their social environment and motivation depends more on social needs. OB assumes that people are quite complex and respond to a variety of factors and, therefore, satisfaction of their social needs does not necessarily motivate them. *Second*, human relations assumes that a satisfied worker is more productive. OB assumes that there is no direct cause-effect relationship between satisfaction and productivity. Therefore, it is not necessary that a satisfied worker is more productive. Even satisfaction emerges from better productivity.⁹

DISCIPLINES CONTRIBUTING TO OB

As discussed earlier, OB is not a discipline in itself but it uses knowledge developed in the relevant disciplines. OB basically draws concepts and principles from behavioural sciences and the core disciplines of behavioural sciences are psychology, sociology, and anthropology. Since these disciplines themselves are part of social sciences, it can be said that OB draws something from social sciences like economics, history, and political science. Relationship between different academic disciplines has been presented in Exhibit 1.1.

OB draws knowledge from all these disciplines but it does not draw the whole knowledge of these disciplines but only the relevant knowledge which helps in predicting and directing human behaviour in the organisation. The contributions of core disciplines of behavioural sciences to organisational behaviour are as follows:

⁹L.W. Porter, and E.E. Lawler, *Management, Attitudes and Performance*, Homewood, Ill.: Richard D. Irwin, 1968.

EXHIBIT 1.1: Relationship between different academic disciplines

Arts and Sciences
 Humanities
 Physical sciences
 Biological sciences
 Social sciences
 Economics
 History
 Political science
 Behavioural sciences
 Psychology
 Sociology
 Anthropology

Psychology

The term psychology comes from the Greek word '*psyche*' meaning soul or spirit. Modern psychology is almost universally defined as the science of behaviour which is nearly identical with behavioural science, in general. Though there are two other disciplines which make behavioural science, psychology is more closely identified with overall behavioural science. Psychology is a science of behaviour, the term behaviour being interpreted literally, for it comprehends not only objective and subjective form of human behaviour but also the behaviour of the animals. Psychology studies behaviour in various conditions—normal, abnormal, social, industrial, legal; childhood, adolescence, old age, etc. It also studies processes of human behaviour, such as learning, thinking, memory, sensation, perception, emotion, feeling, and personality. Its contributions to behavioural science, as applied to managerial practices, are in the field of learning, perception, motivation, individual and group decision making, pattern of influence, and change in organisations, group process, vocational choice and satisfaction, communication, and personnel selection and training. In fact, there is a separate branch of industrial psychology which deals with the application of psychological facts and principles to the problems concerning human relations in organisations. Human relations is the integration of human factor into work situation which motivates it to work together effectively providing it social, psychological, and economic satisfaction. From this point of view, the contribution of psychology is quite significant.

Sociology

Sociology can be described as an academic discipline that utilises the scientific method in accumulating knowledge about man's social behaviour. It studies the patterned, shared human behaviour; the way in which people act toward one another. It specifically studies social groups, social behaviour, society, customs, institutions, social class, status, social mobility, and prestige. It has also developed sub-fields of political sociology, industrial sociology, sociology of law, family sociology, educational sociology, and sociology of religion. To the managerial practice, its contribution is mainly in the field of bureaucracy, role structures, social system theory, group dynamics, effect of industrialisation on the social behaviour, etc.

Anthropology

The term anthropology combines the Greek stem '*anthropo*' meaning man and the noun ending '*logy*' meaning science. Thus, anthropology can be defined as the science of man. It particularly studies civilisation, forms of cultures and their impact on individuals and groups, biological features of man and evolutionary pattern, speech and relationship among languages.

Anthropology contributes in understanding the cultural effects on organisational behaviour, effects of value systems, norms, sentiments, cohesion, and interaction.

Besides these three basic behavioural disciplines, economics contributes in understanding the decision process, methods of allocating scarce resources in the organisations, and the impact of economic policy on organisations. Political science provides clue to conflicts in organisations, power and authority structure, and overall administrative process. From historical approach, case studies have emerged which have helped in clarifying the roles of decision makers.

Challenges in Organisational Behaviour

Before we proceed to discuss how OB knowledge can be applied in practices, let us go through the behavioural challenges that are likely to be faced by managers. The contemporary Indian business is characterised by two major features—liberalisation of economy and globalisation of economy. Liberalisation of economy has paved the way for free economy in which one can do what one wants. This has resulted into fierce business competition and business organisations have been forced to change their working styles to face this competition. This change is creating lot of behavioural problems which managers have to solve. Another aspect of the contemporary business is globalisation. This has not only affected Indian business organisations but organisations throughout the world have been affected. In the Indian context, many multinationals have come to India and many Indian organisations have gone abroad. This process is still in progress. Globalisation has raised two types of behavioural problems. First, when a manager of Indian origin goes abroad, he has to manage a workforce which is quite different from the workforce that he was managing. Such differences may not be only in terms of languages and living habits but there may be differences in terms of aspirations, needs, attitudes, way of working, etc. It implies that earlier strategy of tackling behavioural issues may not be effective; this has to be changed according to the new situation. Second, when a manager joins a multinational company operating in India, he finds himself in totally different work culture. In this situation, the manager has to change himself to fit with the new situation. In the light of this economic liberalisation and globalisation, we can identify the behavioural challenges that managers have to face in managing organisations. These challenges are as follows:

1. Cross-cultural dynamics,
2. Workforce diversity,
3. Increasing workforce aspirations,
4. Increasing quality consciousness,
5. Newer organisational designs, and
6. Mergers and acquisitions.

Cross-cultural Dynamics

Cross-cultural dynamics implies that people of different cultures have different behavioural patterns. On the basis of various researches, it has been concluded that management practices are culture bound and no single management practice is suitable to all cultures. Culture is a set of beliefs, attitudes, and values that are shared commonly by the members of the society. Since different countries may have different cultures, people of different countries may have different behavioural patterns. Hofstede, a Dutch management scholar, studied behavioural patterns of workers and managers in forty countries and found that behaviours differed significantly due to the values and beliefs in various countries.¹⁰ According to Hofstede, there

¹⁰Geert Hofstede, *Culture's Consequences: International Differences in Work-Related Values*. Beverly Hills: Sage Publications, 1990.

are two dimensions that explain the differences in behaviours due to culture: individualism-collectivism continuum and power distance. *Individual-collectivism* continuum suggests that people's behaviours depend on whether they have belief in individualism or collectivism. Individualism exists to the extent that people in a culture define themselves by referring to themselves as singular persons rather than as part of one or more groups or organisations. At work, people from individualistic cultures tend to be more concerned about themselves rather than their work group and individual tasks are more important than relationships. Collectivism is characterised by tight social frameworks in which people tend to base their identity on the group or organisation to which they belong. At work, it implies that employer-employee links are more like family relationships. Thus, relationships are more important than individuals or tasks. *Power distance* is the extent to which less powerful people accept the unequal distribution of power. People coming from high power distance cultures prefer to be in a situation where authority is clearly understood and lines of authority are never bypassed. They observe the organisational rules strictly. On the other hand, people coming from less power distance countries have low respect for authority and are quite comfortable circumventing lines of authority to accomplish jobs. They prefer flexible organisational rules. In the age of rapid globalisation, a single organisation may have people from diverse cultures. This phenomenon will pose serious challenge before managers to design management practices that are suitable for people coming from different cultures.

Workforce Diversity

While cross-cultural dynamics focuses on differences between people from different countries, workforce diversity takes into account differences between people within a given country. Workforce diversity is the extent of differences and similarities in such characteristics as age, gender, ethnic groups, physical abilities/disabilities, race, and sexual orientation among the employees of organisations. Now-a-days, more and more organisations are becoming heterogeneous in terms of employee composition based on age, gender, ethnic groups, physical abilities/disabilities, etc. For example, more and more women are joining business organisations as managers and other specialists. Similarly, special recruitment programmes are being conducted by some types of organisations to recruit members belonging to scheduled castes/tribes, physically handicapped, ex-servicemen, retired employees, and so on. The number of knowledge workers is increasing day-by-day. Because of this workforce diversity, behavioural pattern of employees shows great variation.

Workforce diversity has important implications for management practices. Managers have to shift their philosophy from treating everyone alike to recognising differences and responding those differences in ways that ensure employees' greater productivity while, at the same time, not discriminating. This shift may include giving special attention to certain category of employees in training and development, career planning, etc. It may be noted that while managing workforce diversity effectively may be a challenge but, if managed properly, it results into increased creativity in the organisation because of diversity of ideas due to workforce diversity.

Increasing Workforce Aspirations

With the passage of time, there is a tendency of increasing workforce aspirations. International demonstration effect and easy access to media, both print and electronics, have led to this increased aspirations. Today, employees not only want decent monetary package but highly conducive workplace. The buzz words in today's workplace are openness, teamwork, quality of work life, empowerment, flexible work schedules, telecommuting, and so on. These features of workplace are quite different from what used to be in the past. For meeting these aspirations

of workforce, managers have to create a new type of work environment to stimulate employees to put their best as well as to attract talents for future requirements.

Increasing Quality Consciousness

Because of increased competition, both from indigenous as well as from foreign organisations, there is increased emphasis on quality of products and services, that too at competitive cost. Today, the buzz words in quality are total quality management, *kaizen* (improvement upon improvement), six sigma standard, and quality certification. Because of increased emphasis on quality, organisations have to change not only their technology but way of their working. Such a change results into behavioural problems in employees as they perceive that such a change would affect them adversely. Therefore, the managers have to adopt suitable practices to ensure that employees accept change willingly and become part of the mission of spreading quality consciousness throughout the organisation.

Newer Organisational Designs

Organisational designs, today, are not based on the classical approach of division of labour, rigid departmentation, authority-responsibility parity, and numerous hierarchical levels. These have moved from bureaucratic to adaptive structure, from mechanistic to organic structure, and from tall to flat structure. Information technology has led to the development of networked organisations in the form of temporary alliances of suppliers, customers, and even erstwhile competitors. Working pattern of newer organisational designs is quite different from classical organisational designs. Therefore, employees have to unlearn their old way of working and learn new way of working. This transition from old way to new way is quite painful. It is the responsibility of managers to create a kind of work environment which enthralls the employees to adapt new way of working.

Mergers and Acquisitions

Because of economic liberalisation, the way of doing business has been changed. Earlier, most of the business houses used to have a diversified business portfolio in which many unrelated businesses used to exist. This was true to individual organisations too. Now-a-days, businesses are being organised around core competency, the unique ability of an organisation to do a particular business or related businesses. Because of this reason, many organisations have divested their unrelated businesses which have been acquired by other organisations. This process has paved the way for mergers and acquisitions. While mergers and acquisitions have business sense, they create challenge of integrating acquired and acquiring companies, and more particularly the integration of people of acquired company. This problem gets aggravated if people-related management practices of two companies are quite different. In general, people of acquired company have behavioural problems in the form of initial anxiety and stress, fear of loss of jobs, transfer to new locations, job changes including new roles and assignments, change in remuneration and benefits, change in career paths, change in power and status, and problems of adjustment with new organisational and work practices. Unless these behavioural problems are solved, mergers may not be effective. Thus, the challenge before the managers is how to overcome these behavioural problems and integrate people of acquired company with the acquiring company to make the merger effective.

APPLYING OB KNOWLEDGE TO MANAGEMENT PRACTICES

Many of the behavioural problems in organisations can be solved by acquiring knowledge of OB and applying this knowledge properly. The basic objective of studying OB is to acquire

ROLE OF ORGANISATIONAL BEHAVIOUR

As discussed above, the suitable knowledge of theoretical constructs in any discipline helps greatly in solving the problems involving that area. This is also true with organisational behaviour. OB offers several ideas to management as to how human factor should be properly emphasised to achieve organisational objectives. Human factor is not merely an instrument in the organisation but the very core of organisational existence. Theorists have observed that an organisation is a conscious interaction of two or more persons. This suggests that since organisation is the interaction of persons, they should be given adequate importance in managing the organisation. This becomes more important specially because of the changing dimensions of human behaviour, changing from money motivated behaviour to multimotivated behaviour. McGregor suggests that people are moving from Theory X assumptions to Theory Y assumptions.¹¹ The changing behavioural pattern suggests that organisational structure and process should be based on these characteristics. From this point of view, managers must understand the behavioural pattern of the people and shape this pattern to achieve organisational objectives. Organisational behaviour helps the managers in the following areas:

1. Understanding human behaviour,
2. Controlling and directing human behaviour,
3. Organisational adaptation.

Understanding Human Behaviour

OB provides a way for understanding human behaviour in the organisation. For shaping human behaviour in definite direction for achieving certain predetermined objectives, managers must know how the people in the organisation behave. OB provides way for understanding human behaviour in all the directions in which human beings interact. Thus, behaviour can be understood at the individual level, interpersonal level, group level, and intergroup level.

1. Individual Level. The behaviour of human beings as a social man is the first issue in behavioural science. It provides for analysing why and how an individual behaves in a particular way. As will be seen later, human behaviour is a complex phenomenon and is affected by a large number of factors—psychological, social, cultural, and others. OB integrates these factors to provide simplicity in understanding human behaviour.

2. Interpersonal Level. Human behaviour can be understood at the level of interpersonal interaction. Such interpersonal interaction is normally in paired relationship which represents man's most natural attempt at socialisation. When one focuses on the influence of one's peer and its effect in working relationship, or examines the superior-subordinate relationship, it is obvious that the two-person relationship is inevitable in the organisation. OB provides means for understanding this interpersonal relationship in the organisation. Analysis of reciprocal relationship, role analysis, and transactional analysis are some of the common methods which provide such understanding.

3. Group Level. Though people interpret anything at their individual level, they are often modified by group pressure which, thus, becomes a force in shaping human behaviour. Thus, individuals should be studied in group also. Research in group dynamics has contributed vitally to OB and shows how a group behaves in terms of its norms, cohesion, goals, procedures, communication pattern, leadership, and membership. These research results are furthering managerial knowledge of understanding group behaviour which is very important for organisational morale and productivity.

¹¹Douglas M. McGregor, *The Human Side of Enterprise*, New York: McGraw-Hill, 1976.

4. Intergroup Level. The organisation is made up of many groups that develop a complex of relationships to build its process and substance. Understanding of the effect of group relationships is important for managers in today's organisation. Intergroup relationships may be in the form of cooperation or competition. The cooperative relationships help the organisation in achieving its objectives. OB provides means to understand and achieve cooperative group relationships through interaction, rotation of members among groups, avoidance of win-lose situation, and focus on total group objectives.

Controlling and Directing Human Behaviour

After understanding the mechanism of human behaviour, managers are required to control and direct the behaviour so that it conforms to standards required for achieving organisational objectives. Thus, managers are required to control and direct the behaviour at all levels of individual interaction. For this purpose, OB helps managers in many areas: use of power and sanction, leadership, communication, and building organisation climate conducive for better interaction.

1. Use of Power and Sanction. Organisational behaviour can be controlled and directed by the use of power and sanction which are formally prescribed by the organisation. Power is referred to as capacity of an individual to take certain action and may be utilised in many ways. The use of power is related with sanction in the organisation. However, mere use of power and sanction in the organisation is not enough for directing human behaviour. Moreover, these can be used in several ways and not all ways are equally effective. OB explains how various means of power and sanction can be utilised so that both organisational and individual objectives are achieved simultaneously.

2. Leadership. Another method of bringing human behaviour in tune with organisational requirement is leadership. Today, the difference between a successful and failing organisation lies in the quality of leadership of its managerial personnel. OB brings new insights and understanding to the theory and practice of leadership. It identifies various leadership styles available to a manager and analyses which style is more appropriate in a given situation. Thus, managers can adopt styles keeping in view the various dimensions of organisations, individuals, and situations.

3. Communication. Communication is the building block of an organisation. It is communication through which people come in contact with others. People in the organisation, particularly, at higher level spend considerable time in communicating. To achieve organisational effectiveness, the communication must be effective. The communication process and how it works in interpersonal dynamics has been evaluated by organisational behaviour. The factors that affect communication have been analysed so as to make it more effective.

4. Organisational Climate. Organisational climate refers to the total organisational situations affecting human behaviour. Organisational climate takes a systems perspective and affects human behaviour. Organisational behaviour suggests the approach to create organisational climate in totality rather than merely improving the physiological conditions or increasing employee satisfaction by changing isolated work process. Satisfactory working conditions, adequate compensation, and the necessary equipments for the job are viewed as only small part of the requirements for sound motivational climate. Of greater importance are the creation of an atmosphere of effective supervision, the opportunity for the realisation of personal goals, congenial relations with others at the workplace, and a sense of accomplishment. Thus, OB has discovered a new approach of managing people in the organisation.

Organisational Adaptation

Organisations as dynamic entities are characterised by pervasive change. In this age of environmental variability, the real job of a manager is to provide continuity in organisations because the organisations have to adapt themselves to the environmental changes by making suitable internal arrangements. However, such organisational arrangements are mostly resisted by the internal people. Thus, managers have to face dual problems: identifying need for change and then implementing the change without adversely affecting the need for satisfaction of organisational people. It is also the essence of managing change. Management of change is seen as a self-perpetrating ever-evolving phenomenon.

ORGANISATIONAL BEHAVIOUR MODELS

A model is an abstraction of reality, a simplified representation of some real-world phenomenon. Models are developed in different fields to guide activities in those fields. In the field of organisational behaviour, models are developed to provide framework about 'how people will be treated in an organisation'.

Every organisation develops a particular model in which behaviour of the people takes place. This model is developed on the basis of management's assumptions about people and the vision of the management. Since these assumptions vary to a great extent, these result into the development of different organisational behaviour models (OB models). From the very beginning of the civilised human society, two alternative approaches have been adopted for placing trust on people. One says "trust everyone unless there is a contrary evidence"; another says "do not trust anyone unless there is a contrary evidence". Naturally, interpersonal interactions take place differently under these two approaches. Following description of the organisations is worthwhile to note here:

"Most of our organisations tend to be arranged on the assumption that people cannot be trusted or relied on, even in tiny matters."¹²

However, this is only one side of the coin. In the field of OB, assumptions about people have been made on two extreme sides. For example, McGregor has given theories X and Y, and each theory makes assumptions which are quite contrary to each other¹³ (discussed in Chapter 9); Argyris has given the concept of immaturity and maturity of people which also provides two opposite views about the people¹⁴ (discussed in Chapter 4). Thus, OB models developed on the basis of these assumptions would show great variations. However, OB models that are in practice show some kind of continuum between these two opposite poles, though they tend to lean towards a particular pole. Davis has described four OB models which are as follows:¹⁵

1. autocratic
2. custodial
3. supportive
4. collegial.

Autocratic Model

In the autocratic model, managerial orientation is towards power. Managers see authority as the only means to get the things done, and employees are expected to follow orders. The result

¹²Charles Handy, "Trust and the Virtual Organisation," *Harvard Business Review*, May-June, 1995, p. 44.

¹³McGregor, op. cit.

¹⁴Chris Argyris, *Personality and Organisation*, New York: Harper & Row, 1957.

¹⁵John W. Newstrom and Keith Davis, *Organisational Behaviour: Human Behaviour at Work*, New York: McGraw-Hill, 1997, p. 33. The model was originally published in Keith Davis, *Human Relations at Work: Dynamics of Organisational Behaviour*, New York: McGraw-Hill, 1967.

TABLE 1.2: Models of organisational behaviour

| | <i>Autocratic</i> | <i>Custodial</i> | <i>Supportive</i> | <i>Collegial</i> |
|-------------------------------|--------------------|----------------------------|------------------------|-----------------------|
| Basis of model | Power | Economic resources | Leadership | Partnership |
| Managerial orientation | Authority | Money | Support | Teamwork |
| Employee orientation | Obedience | Security and benefits | Job performance | Responsible behaviour |
| Employee psychological result | Dependence on boss | Dependence on organisation | Participation | Self-discipline |
| Employee needs met | Subsistence | Security | Status and recognition | Self-actualisation |
| Performance result | Minimum | Passive cooperation | Awakened drives | Moderate enthusiasm |

is high dependence on boss. This dependence is possible because employees live on the subsistence level. The organisational process is mostly formalised; the authority is delegated by right of command over people to whom it applies. The management decides what is the best action for the employees. The model is largely based on the Theory X assumptions of McGregor where the human beings are taken inherently distasteful to work and try to avoid responsibility. A very strict and close supervision is required to obtain desirable performance from them. Likert's management system can be compared with the model of organisational behaviour. His system 1 (exploitative, authoritative) in which motivation depends on physical security and some use of desire for status and better performance is ensured through fear, threats, punishment, and occasional rewards; communication is mostly one-way, that is, downward; there is little interaction between managers and employees.

The autocratic model represents traditional thinking which is based on the economic concept of the man. With the changing values and aspiration levels of people, this model is yielding place to others. However, this does not mean that this model is discarded in toto. In many cases, the autocratic model of organisational behaviour may be a quite useful way to accomplish performance, particularly where the employees can be motivated by physiological needs. This generally happens at lower strata of the organisation.

Custodial Model

In the custodial model, the managerial orientation is towards the use of money to pay for employee benefits. The model depends on the economic resources of the organisation and its ability to pay for the benefits. While the employees hope to obtain security, at the same time, they become highly dependent on the organisation. An organisational dependence reduces personal dependence on boss. The employees are able to satisfy their security needs or in the context of Herzberg's theory, only maintenance factors. These maintenance factors provide security but fail to provide strong motivation. Although employees working under custodial model feel happy, their level of performance is not very high. This resembles again to Herzberg's satisfier and dissatisfier. Since employees are getting adequate rewards and organisational security, they feel happy. However, they are not given any authority to decide what benefits or rewards they should get. This approach is quite similar to patrimonial approach where the basic assumption is that it is the prerogative of management to decide what benefits are best suited to the employees. Such an approach is still quite common in many business

organisations in India. This phenomenon is more predominant in family-managed business organisations where family characteristics have also been applied to the organisational settings. The basic ingredient of the family-managed system is that parents decide what is good or bad for their children; managers decide what is good for their employees. From this point of view, this model is not suitable for matured employees.

Supportive Model

The supportive model of organisational behaviour depends on managerial leadership rather than on the use of power or money. The aim of managers is to support employees in their achievement of results. The focus is primarily on participation and involvement of employees in managerial decision-making process. The model is based on 'principles of supportive relationships' of Likert, which is the basic ingredient of his system 4 (participative). Likert states that the leadership and other processes of the organisation must be such as to ensure a maximum probability that in all interactions and all relationships with the organisation, each member will, in the light of his background, values, and expectations, view the experience as supportive and one which builds and maintains his sense of personal worth and importance.¹⁶ It is quite similar to the assumptions of McGregor's Theory Y. The supportive model is based on the assumptions that human beings move to the maturity level and they expect the organisational climate which supports this expectation. Various organisational processes—communication, leadership, decision making, interaction, control, and influence—are such that these help employees to fulfil their higher order needs such as esteem and self-actualisation.

Likert has shown that supportive model is best suited in the conditions where employees are self-motivated. Thus, this emphasises not on the economic resources of the organisation but its human aspect. Manager's role is to help employees to achieve their work rather than supervising them closely. This can be applied more fruitfully for higher level managers whose lower order needs are satisfied reasonably. Organisations with sophisticated technology and employing professional people can also apply this model for getting best out of their human resources. However, this does not mean that this model can be applied in all circumstances. For example Davis observes that the supportive model tends to be specially effective in nations with affluence and complex technology, because it appeals to higher order needs and provides intrinsic motivational factors. It may not be the best model to apply in less developed nations, because their employees need structures are often at lower levels and their social conditions are different.¹⁷ Moreover, this model can be applied more fruitfully for managerial levels as compared to operative levels. As such, the tendency of modern management is to move towards supportive model, specially for their management groups.

Collegial Model

Collegial model is an extension of supportive model. The term collegial refers to a body of people having common purpose. Collegial model is based on the team concept in which each employee develops high degree of understanding towards others and shares common goals. The employee response to this situation is responsibility. Employees need little direction and control from management. Control is basically through self-discipline by the team members. The organisational climate is quite conducive to self-fulfilment and self-actualisation. Collegial model tends to be more useful with unprogrammed work requiring behavioural flexibility, an intellectual environment, and considerable job freedom.

¹⁶Rensis Likert, *The Human Organisation*, New York: McGraw-Hill, 1967.

¹⁷Davis, *op. cit.*, p. 100.

social functions involving employees, handing out merit certificates and other awards to outstanding employees. Manager's *leader* role involves leading his subordinates and motivating them for willing contributions. Willing contributions come from subordinates when they see in a manager certain exemplifying behaviours. In *liaison role*, the manager serves as a connecting link between his organisation and outsiders or between his unit and other organisational units. The major objective of this role is to maintain a link between the organisation and its external environment.

Informational Roles

Informational roles of a manager include communication—giving and receiving information—both within and outside the organisation. Information is required to make decisions effective. There are three types of informational roles of a manager: monitor, disseminator, and spokesperson. In his *monitoring* role, the manager constantly collects information about those factors which affect his activities. Such factors may be within the organisation as well as outside it. In the *disseminator* role, the manager distributes the information to his subordinates who may otherwise not be in a position to collect it. As a *spokesperson*, the manager represents his organisation or unit while interacting with outsiders. These may be customers, financiers, government, suppliers, or other agencies of the society.

Decisional Roles

Decisional roles of a manager involve choosing the most appropriate alternative out of the available ones so that the organisation achieves its objectives when the chosen alternative is put into action. In his decisional roles, the manager performs four roles: entrepreneur, disturbance handler, resource allocator, and negotiator. As an *entrepreneur*, the manager assumes certain risk which is involved in terms of the outcomes of an action because these are affected by a variety of external factors. Since these factors are dynamic and change constantly, the manager is required to bring suitable changes in the organisational processes to align these with the requirement of the environment. As *disturbance handler*, the manager is required to contain those forces and events which tend to disturb the organisational equilibrium and normal functioning. These forces and events may be strike by employees, shortage of raw materials, employee complaints and grievances, etc. As *resource allocator*, the manager allocates resources—human, physical, and financial—to various organisational units according to their needs. As *negotiator*, the manager negotiates with various interest groups in the organisation. Such interest groups are shareholders, employees, and outside agencies.

Reconciling Managerial Functions and Roles. Management functions and roles do not exist opposite to each other but these are two ways of interpreting what managers do. Most of the roles prescribed by Mintzberg can be integrated with earlier classification of management function as viewed by Wren and Volch⁵ which is presented in Figure 1.3.

The reconciliation between function and role approaches of managerial jobs shows that in planning, a manager performs informational and decisional roles as he collects various relevant information on the basis of which he makes decisions. In organising, he performs decisional role by allocating duties and resources to organisational units and makes way for the coordinating of these units. In directing, the manager performs interpersonal and informational roles by interacting with his subordinates, leading, motivating, and communicating them. In controlling, he shares informational role. The staffing function has not been included in role approach as this function tends to be included in human resource management area though

⁵Daniel A. Wren and Dan Volch, *Management*, New York: Ronald, 1988.

every manager is involved in some aspects of staffing like performance appraisal, on-the-job training, etc.

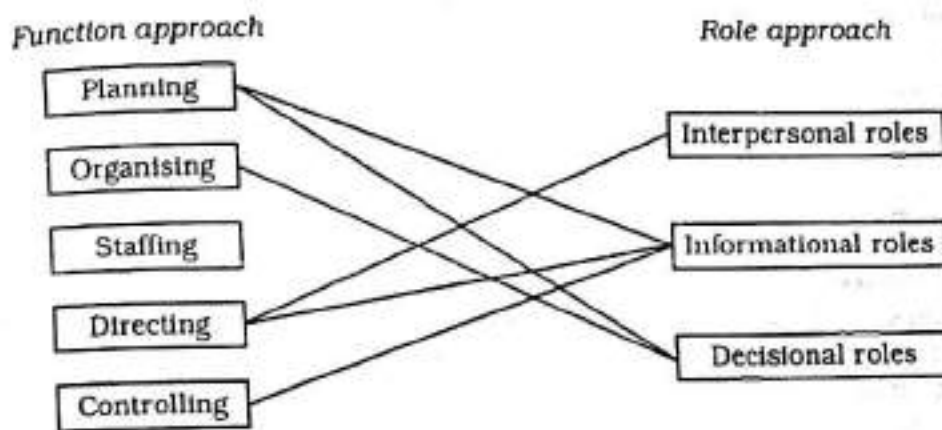


FIGURE 1.3: Reconciling function and role approaches of manager's job

MANAGEMENT SKILLS

In order to perform various management functions effectively, managers must possess certain skills. Skill refers to practical ability or expertness in an action or doing something. From the very beginning of development of management thought, both management practitioners and researchers have emphasised different skills for managers. Therefore, the list of managerial skills is very long. Robert Katz has grouped various managerial skills into three broad categories: technical skills, human skills, and conceptual skills.⁶

Technical Skills

Technical skills are concerned with what is done and primarily deal with things. These pertain to knowledge and proficiency in activities involving methods and procedures. For example, the person who is responsible for maintaining files in an organisation must have technical skill relating to 'how files are maintained'. Technical skills are learned by accountants, engineers, time and motion study personnel and are developed by the actual practice on the job.

Human Skills

Human skills, also referred to as human relations skills, are one's ability to work effectively with others on a person-to-person basis and to build-up cooperative group relations to accomplish organisational objectives. Since management is a process of getting things done with and through people, no manager can be effective without suitable human skills irrespective of his being technically and conceptually competent. Human skills are required for effective performance of the following managerial jobs:

1. Every manager interacts on one-to-one basis with others—superior, subordinate, peer, and outsider. To make this interaction effective, the manager must have good interpersonal skills so that he can understand others and make himself to be understood by others.
2. Every manager interacts with others as a member of groups. Such groups may be constituted either formally by the organisation in the form of various committees and

⁶Robert L. Katz, "Skills for an Effective Administrator," *Harvard Business Review*, January-February, 1955, pp. 33-42. Also "Retrospective Commentary," *Harvard Business Review*, September-October, 1974, pp. 101-102.

- work groups or informally constituted by the group members themselves. A manager will be effective as a group member only when he has ability to understand other members and to make himself understood by these members.
3. Every manager communicates with others frequently. These people may be from within the organisation or from outside. For making communication effective, every manager must have ability to be empathic to understand others' views in right perspective, a good listener besides being good orator.
 4. For directing his subordinates, a manager does not only use his formal authority because of its obvious limitations but relies more on his leadership ability so as to get willing and enthusiastic efforts of his followers for achieving organisational objectives. Therefore, a manager must have emotional stability, empathy, objectivity, and ability to influence others.
 5. For getting best result from people, it is essential that they are motivated properly. Motivation depends on people's needs and their perception that they will be able to satisfy their needs by working in the organisation. It is the responsibility of a manager to create such an environment in which people may have perception that they will be able to satisfy their needs. Therefore, the manager must be able to understand the needs of his people and the way these needs may be satisfied.
 6. Occasionally, conflicts arise in the organisation. Such conflicts may arise between two persons, in group, or between two groups. If such conflicts are not resolved amicably and within the given time frame, these may become dysfunctional leading to organisational inefficiency. Therefore, a manager must have ability to resolve conflicts appropriately. For this purpose, the manager must be a good compromiser, smoother, and negotiator.

All the above human skills can be learned and developed by an individual by going through appropriate literature and practising accordingly. Organisational behaviour, as a field of study, provides this literature.

Conceptual Skills

Conceptual skills, also referred to as general management skills, are concerned with why a thing is done. These skills refer to the ability to see the whole picture, to recognise significant elements in a situation, and to understand the relationship among these elements. Such skills are necessary to deal with abstractions, to set models, and to formulate plans.

All managers in an organisation need all the three skills though in varying proportion. At the lower levels of the organisation, technical skills are more relevant. Generally, as one moves up in the organisation, he requires human skills more while at the top level, conceptual skills become more important. Though all the three skills are relevant, this text deals with human skills.

After going through the concept of organisation, its significance, what managers do in managing an organisation, and what types of human skills they should possess for being effective, let us turn our attention to organisational behaviour.

management, group dynamics, learning, attitude, perception, personality, stress management etc. These theories help in understanding, predicting and influencing behaviour of people as individuals and groups where both, people and organisations try to fulfil each others' needs within the constraints of internal and external environmental variables.

OB is a field of study that aims to improve organisation's effectiveness by knowing the impact that individuals, groups and organisation structure have on behaviour within organisations. It is, thus -

- study of human behaviour
- in organisations
- that will help in improving effectiveness of organisations.

OB studies the following determinants of behaviour in organisations :

- Individuals
- Groups
- Structure

The knowledge about individuals, groups and structure (concised in various behavioural theories) is applied on human behaviour to make the organisations more efficient (doing the thing right) and effective (doing the right things). The purpose of studying human behaviour is to relate it to job situations such as nature of work, employee turnover and absenteeism, performance at work, productivity etc. so that ways can be identified through which people can act more effectively to achieve organisational objectives. OB, thus, studies the cause and effect of human behaviour, along with organisation structure to meet individual and organisational goals.

Definitions given by some famous behavioural scientists are as follows :

"Organisational behaviour is a subset of management activities concerned with understanding, predicting and influencing individual behaviour in organisational settings."

— Callahan

Organisational behaviour is "a branch of social science that seeks to build theories that can be applied to predicting, understanding and controlling behaviour in work organisations."

— Raman J. Aldag

"Organisational behaviour refers to the behaviour of individuals and groups within organisations and the interaction between organisational members and their external environments."

— Cook and Hunsaker

"Organisational behaviour is a field of study that investigates the impact that individuals, group and structure have on behaviour within organisations, for the purpose of applying such knowledge towards improving an organisation's effectiveness."

— Robbins and Judge

"Organisational behaviour is the systematic study and careful application of knowledge about how people - as individuals and as groups - act within organisations."

— J.W. Newstrom

These definitions highlight that organisational behaviour aims at making organisations effective by focusing on :

Motivation is one of the most important factors affecting human behaviour and performance. This is the reason why managers attach great importance to motivation in organisational setting. Likert has called motivation as the core of management.¹ Effective directing of people leads the organisation to effectiveness, both at organisational and individual levels. This requires the understanding of what individuals want from the organisation. The present chapter undertakes this phenomenon by analysing the concept of motivation and its various theories. How these theories can be applied in organisational practices, we shall see in the next chapter.

Concept of Motivation

Today, virtually all people—lay people and scholars—have their own concept of motivation and they include various terms like motives, needs, wants, drives, desires, wishes, incentives, etc. in defining motivation. Technically, the term motivation can be traced to the Latin word *movere*, which means "to move." In order to understand the concept of motivation, we have to examine three terms: motive, motivating, and motivation and their relationship.

Motive. Based on the Latin word *movere*, motive (need) has been defined as follows:

"A motive is an inner state that energises, activates, or moves (hence motivation), and that directs behaviour towards goals."²

Motive has also been described as follows:

"A motive is restlessness, a lack, a yen, a force. Once in the grip of a motive, the organism does something to reduce the restlessness, to remedy the lack, to alleviate the yen, to mitigate the force."³

Here, we can differentiate between needs and wants. While needs are more comprehensive and include desires—both physiological and psychological, wants are expressed in narrow sense and include only those desires for which a person has money and also the desire to spend the money to satisfy the wants. As we shall see later in this chapter, there are many psychological needs, like social needs, recognition needs, etc. which do not fall under the category of wants.

Motivating. Motivating is a term which implies that one person (in the organisational context, a manager) induces another, (say employee) to engage in action (work behaviour) by ensuring that a channel to satisfy the motive becomes available and accessible to the individual. In addition to channelling the strong motives in a direction that is satisfying to both the organisation and the employees, the manager can also activate the latent motives in individuals and harness them in a manner that would be functional for the organisation.

Motivation. While a motive is energiser of action, motivating is the channelisation and activation of motives, motivation is the work behaviour itself. Motivation depends on motives and motivating, therefore, it becomes a complex process. For example, Dubin has defined motivation as follows:

"Motivation is the complex forces starting and keeping a person at work in an organisation. Motivation is something that moves the person to action, and continues him in the course of action already initiated."⁴

¹Renais Likert, *New Patterns of Management*, New York: McGraw-Hill, 1961.

²Bernard Berelson and Garry A. Steiner, *Human Behaviour*, New York: Harcourt, Brace & World, 1964, p. 240.

³Fillmore H. Sanford and Larence S. Wrightsman, *Psychology*, Belmont, Calif: Books Cole, 1970, p. 189.

⁴Robert Dubin, *Human Relations in Administration*, New Delhi: Prentice-Hall of India, 1974, p. 53.

According to McFarland,

"Motivation refers to the way in which urges, drives, desires, aspirations, strivings, or needs direct, control or explain the behaviour of human beings."⁵

After defining motive, motivating, and motivation, we can now see the relationship among these. Such a relationship is presented in Figure 9.1.

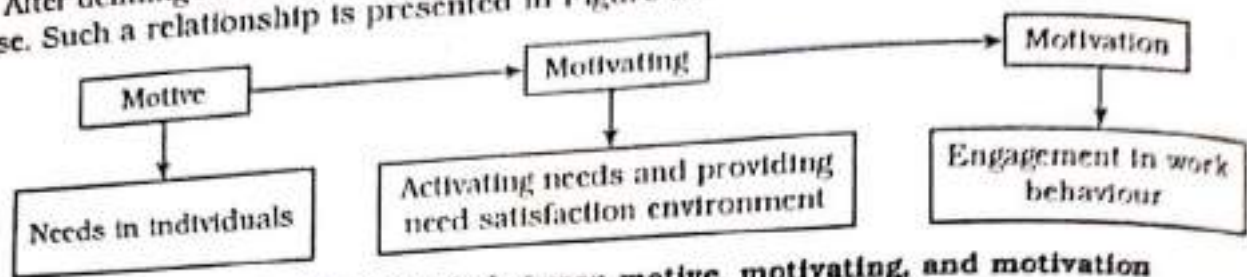


FIGURE 9.1: Relationship between motive, motivating, and motivation

Nature of Motivation

Based on the definition of motivation, we can derive its nature relevant for human behaviour in organisation. Following characteristics of motivation clarify its nature:

1. **Based on Motives.** Motivation is based on individual's motives which are internal to the individual. These motives are in the form of feelings that the individual lacks something. In order to overcome this feeling of lackness, he tries to behave in a manner which helps in overcoming this feeling.
2. **Affected by Motivating.** Motivation is affected by way the individual is motivated. The act of motivating channelises need satisfaction. Besides, it can also activate the latent needs in the individual, that is, the needs that are less strong and somewhat dormant, and harness them in a manner that would be functional for the organisation.
3. **Goal-directed Behaviour.** Motivation leads to goal-directed behaviour. A goal-directed behaviour is one which satisfies the causes for which behaviour takes place. Motivation has profound influence on human behaviour; in the organisational context, it harnesses human energy to organisational requirements.
4. **Related to Satisfaction.** Motivation is related to satisfaction. Satisfaction refers to the contentment experiences of an individual which he derives out of need fulfilment. Thus, satisfaction is a consequence of rewards and punishments associated with past experiences. It provides means to analyse outcomes already experienced by the individual.
5. **Person Motivated in Totality.** A person is motivated in totality and not in part. Each individual in the organisation is a self-contained unit and his needs are interrelated. These affect his behaviour in different ways. Moreover, feeling of needs and their satisfaction is a continuous process. As such, these create continuity in behaviour.
6. **Complex Process.** Motivation is a complex process; complexity emerges because of the nature of needs and the type of behaviour that is attempted to satisfy those needs. These generate complexity in motivation process in the following ways:
 - (i) Needs are internal feelings of individuals and sometimes, even they, themselves, may not be quite aware about their needs and the priority of these. Thus, understanding of human needs and providing means for their satisfaction becomes difficult.
 - (ii) Even if needs are identified, the problem is not over here as a particular need may result into different behaviours from different individuals because of their differences.

⁵ Dalton E. McFarland, *Management Principles and Practices*, New York: Macmillan, 1974, p. 537.

Theories of Motivation

From the very beginning, when human organisations were established, people had tried to find out the answer of 'what motivates people in the organisation most'. The starting was made by Frederic W. Taylor and his followers Frank Gilbreth, Lillian Gilbreth, and Henry Gantt, in the form of scientific management and more particularly 'differential piece rate system'. This system was concerned with using financial incentives to motivate people in the organisational context. Then came the findings of human relations which emphasised security and working conditions at the job besides financial incentives for work motivation. In early 1960s, those concerned with work motivation started to search for a new theoretical foundation and to attempt to devise new techniques for application. The earlier part of these approaches was based on the types of needs that people had and the way these needs could be satisfied so that people would be motivated. These theories are known as **content theories of motivation**. Maslow gave the theory of need hierarchy; Herzberg proposed two-factor theory; McClelland emphasised on power, affiliation, and achievement motives; and Alderfer proposed three groups of core needs: existence, relatedness, and growth (ERG model).

Because of lack of uniform findings in various researches based on the content approaches, scholars tried to find out the process involved in motivation which led to the emergence of **process theories of motivation**. These theories are more concerned with the cognitive antecedents that go into motivation or efforts and with the way they affect each other. Vroom proposed the theory of work motivation based on valence and expectancy. Porter and Lawler

made some refinements in Vroom's model and suggested their own model. Behaviourists added the concept of equity to these models and proposed the 'equity theory of work motivation'. Some scholars tried to relate the nature of human beings with the work motivation. Though these propositions are not confined to work motivation, they offer some insights in understanding work motivation. Prominent theories in this group are McGregor's theories X and Y and Ouch's theory Z.

A caution for grouping various theories into categories is that there may be overlapping in this grouping. Various theories of motivation approach the problems of motivation from different perspectives, but they all emphasise similar set of relationships. These relationships are the individual, his needs, his perception of how he will be able to satisfy his needs, and whether his need satisfaction is equitable. All these theories have their relevance only in particular context, and when the context changes, they may not work because they are not unified theories which can be applied in all situations. Therefore, contingency theory of motivation is required. However, contingency theory has not been fully developed as yet. Now let us go through various theories of motivation to find out what they propose and offer implications for motivating people in organisations.

MASLOW'S NEED HIERARCHY

The behaviour of an individual at a particular moment is usually determined by his strongest need. Psychologists claim that needs have a certain priority. As the more basic needs are satisfied, an individual seeks to satisfy the higher needs. If his basic needs are not met, efforts to satisfy the higher needs are postponed. A.H. Maslow, a famous social scientist, has given a framework that helps to explain the strength of certain needs.⁶ According to him, there seems to be a hierarchy into which human needs are arranged as shown in Figure 9.5.

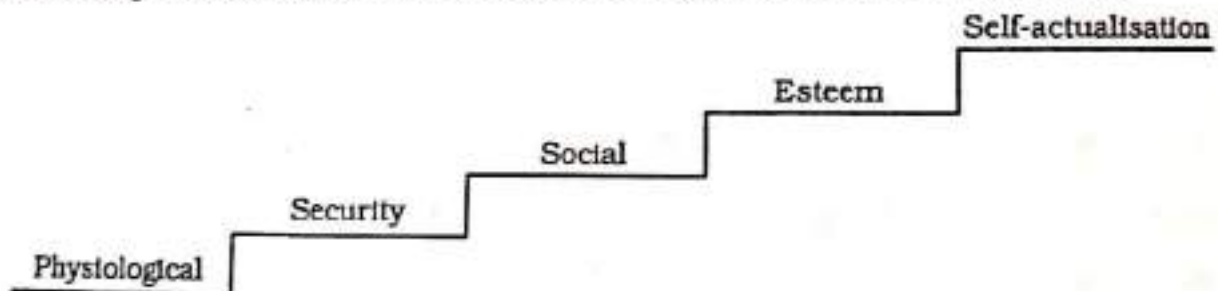


FIGURE 9.5: Maslow's need hierarchy

1. Physiological Needs. The physiological needs are at the top of the hierarchy because they tend to have the highest strength until they are reasonably satisfied. Until these needs are satisfied to the degree needed for the efficient operation of the body, the majority of a person's activities will probably be at this level, and the other levels will provide him with little motivation. A famous saying 'man can live on bread alone if there is no bread' suggests that human beings first try to acquire necessities for their survival.

2. Safety Needs. Once the physiological needs are satisfied to a reasonable level—it is not necessary that they are fully satisfied and degree of reasonableness is subjective—other levels of needs become important. In this hierarchy come the need for safety, that is, need for being free of physical danger or self-preservation. In the industrial society, safety needs may take considerable importance in the context of the dependent relationship of employees to employers. As pointed out by McGregor, the safety needs may serve as motivators in such circumstances as arbitrary management actions, behaviour which arouses uncertainty with respect to continued unemployment and unpredictable administration of policy.⁷ Peter

⁶ Abraham H. Maslow, *Motivation and Personality*, New York: Harper & Row, 1954.

⁷ Douglas M. McGregor, *The Human Side of Enterprise*, New York: M. Graw-Hill, 1967.

F. Drucker has suggested that one's attitude towards security is an important consideration in choosing a job.⁸ Organisation can influence these security needs either positively—through pension plan, insurance plan, etc.—or negatively by arousing fears of being fired or laid off, or demoted.

3. Social Needs. After the first two needs are satisfied, social needs become important in the need hierarchy. Since man is a social being, he has a need to belong and to be accepted by various groups. When social needs become dominant, a person will strive for meaningful relations with others. If the opportunity for association with other people is reduced, men often take vigorous action against the obstacles to social intercourse. In the organisation, workers form informal group environment. Such environment develops where the work is routine, tedious, or over-simplified. This situation is made worse when workers are closely supervised and controlled, but have no clear channel of communication with management. In this type of environment, workers depend on informal groups for support of unfulfilled social needs such as affiliation.

4. Esteem Needs. The esteem needs are concerned with self-respect, self-confidence, a feeling of personal worth, feeling of being unique, and recognition. Satisfaction of these needs produces feelings of self-confidence, prestige, power, and control. The satisfaction of esteem needs is not always obtained through mature or adaptive behaviour. It is sometimes generated by disruptive and irresponsible actions. Some of the social problems have their roots in the frustration of the esteem needs.

5. Self-actualisation Needs. Self-actualisation is the need to maximise one's potential, whatever it may be. This is related with the development of intrinsic capabilities which lead people to seek situations that can utilise their potential. This includes competence which implies control over environmental factors, both physical and social, and achievement. A man with high intensity of achievement needs will be restless unless he can find fulfilment in doing what he is fit to do. As Maslow has put it, "this need might be phrased as the desire to become more and more what one is, to become everything that one is capable of becoming."

Maslow suggests that the various levels are interdependent and overlapping, each higher-level need emerging before the lower-level need has been completely satisfied. Since one need does not disappear when another emerges, all needs tend to be partially satisfied in each area. When the peak of a need is passed, that need ceases to be the primary motivator. The next level need then begins to dominate. Even though a need is satisfied, it still influences behaviour because of interdependent and overlapping characteristics of needs. This relationship among different needs has been shown in Figure 9.6.

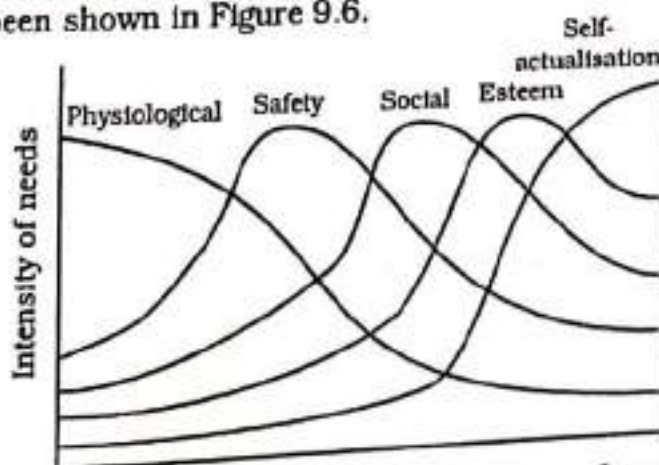


FIGURE 9.6: Relationship of new level of needs

⁸Peter F. Drucker, "How to be an Employee," *Psychology Today*, March, 1968.

are mental feeling. Sometimes, even the person concerned may not be aware about his own needs. The question is: how can a manager know the needs of others?

These are some basic problems involved in the application of Maslow's need hierarchy model. At every level of needs, it can be seen that the role of individual is very important. Since individuals differ, it may not be quite possible to prescribe one standard action for solving motivational problems of all persons, rather, a contingency approach has to be applied.

HERZBERG'S MOTIVATION-HYGIENE THEORY

Need priority, to a great extent, characterises the types of behaviour. It will be either directed towards achieving certain desirable positive goals, or conversely, towards avoiding other undesirable, negative consequences. Thus, a question may arise as to what variables are perceived to be desirable goals to achieve, and conversely, undesirable conditions to avoid. In this connection, a research study was conducted by Frederick Herzberg and associates of Case-Western Reserve University.⁹ This study consisted of an intensive analysis of the experiences and feelings of 200 engineers and accountants in nine different companies in Pittsburg area, U.S.A. During the structured interview, they were asked to describe a few previous job experiences in which they felt 'exceptionally good' or 'exceptionally bad' about jobs. They were also asked to rate the degree to which their feelings were influenced—for better or worse—by each experience which they described.

On analysing the information from the interview, Herzberg concluded that there were two categories of needs essentially independent of each other affecting behaviour in different ways. His findings are that there are some job conditions which operate primarily to dissatisfy employees when the conditions are absent, however, their presence does not motivate them in a strong way. Another set of job conditions operates primarily to build strong motivation and high job satisfaction, but their absence rarely proves strongly dissatisfying. The first set of job conditions has been referred to as maintenance or hygiene factors and second set of job conditions as motivational factors.

Hygiene Factors

According to Herzberg, there are ten maintenance or hygiene factors. These are company policy and administration, technical supervision, interpersonal relationship with supervisors, interpersonal relationship with peers, interpersonal relationship with subordinates, salary, job security, personal life, working conditions, and status. These are not intrinsic parts of a job, but they are related to conditions under which a job is performed. They produce no growth in a worker's output; they only prevent losses in worker's performance due to work restrictions. These maintenance factors are necessary to maintain at a reasonable level of satisfaction in employees. Any increase beyond this level will not provide any satisfaction to the employees; however, any cut below this level will dissatisfy them. As such, these are also called as dissatisfiers. Since any increase in these factors will not affect employee's level of satisfaction, these are of no use for motivating them.

Motivational factors

These factors are capable of having a positive effect on job satisfaction often resulting in an increase in one's total output. Herzberg includes six factors that motivate employees. These are: achievement, recognition, advancement, work itself, possibility of growth, and responsibility. Most of these factors are related with job contents. An increase in these factors

⁹ Frederick Herzberg, Bernard Mausner, and Barbara Synderman, *The Motivation to Work*, New York: John Wiley, 1959, and Frederick Herzberg, *Work and the Nature of Man*, Cleveland: World Publishing, 1966.

will satisfy the employees; however, any decrease will not affect their level of satisfaction. Since, these increase level of satisfaction in the employees, these can be used in motivating them for higher output.

Herzberg maintains that potency of various factors is not entirely a function of the factors themselves. It is also influenced by the personality characteristics of the individuals. From this point of view, individuals may be classified into two groups—motivation seekers and maintenance seekers. The motivation seekers generally are individuals who are primarily motivated by the 'satisfiers' such as advancement, achievement and other factors associated with work itself. On the other hand, the maintenance seekers tend to be more concerned with factors surrounding the job such as supervision, working conditions, pay, etc.

McCLELLAND'S NEED THEORY

Shortly after World War II, a group of psychologists led by David C. McClelland of Harvard University began to experiment with TAT (Thematic Apperception Test) to see if it were sensitive enough to detect changes in motivation that were caused by simple attempts to sway the individual's attitudes. In order to simplify their task, the group decided to select one particular motive for intensive analysis. For, it was not long before the implications of the achievement motive were recognised that it became the subject of intensive investigation in its own right.

McClelland has identified three types of basic motivating needs. He classified these as need for power (n/PWR), need for affiliation (n/AFF), and need for achievement (n/ACH).¹⁰ Considerable research work was done by McClelland and his associates in this respect, particularly, on achievement motive:

Power Motive. The ability to induce or influence behaviour is power. Power motive has been formally recognised and studied for a relatively long time. The leading advocate of the power motive was Alfred Adler. To explain the power need, the need to manipulate others or the drive for superiority over others, Adler developed the concepts of inferiority complex and compensation. Accordingly, the individual's life style is characterised by striving to compensate for the feelings of inferiority which are combined with the innate drive for power. McClelland and his associates have found that people with a high power need have a great concern for exercising influence and control. Such individuals generally seek positions of leadership; they involve in conversation; they are forceful, outspoken, hard headed, and demanding.

¹⁰David C. McClelland, *The Achievement Motive*, New York: Appleton-Century-Crofts, 1953.

Affiliation Motive. Since people are social animals, most individuals like to interact and be with others in situations where they feel they belong and are accepted. Sometimes, affiliation is equated with social motives. However, the affiliation motive is not so broad. Affiliation plays a very complex but vital role in human behaviour. The study of affiliation is complicated by the fact that some behavioural scientists believe that it is an unlearned motive. However, the fact is partly true. McClelland has suggested that people with high need for affiliation usually derive pleasure from being loved and tend to avoid the pain of being rejected. They are concerned with maintaining pleasant social relationship, enjoying a sense of intimacy and understanding, and enjoy consoling and helping others in trouble.

Achievement Motive. Over the years, behavioural scientists have observed that some people have an intense desire to achieve. McClelland's research has led him to believe that the need for achievement is a distinct human motive that can be distinguished from other needs. It can also be isolated and assessed in any group. McClelland has identified four basic characteristics of high achievers:

1. *Moderate Risks.* Taking moderate risks is probably the simple most descriptive characteristic of the person possessing high achievement need. This is against the common sense that a high achiever would take high risks.
2. *Immediate Feedback.* Person with high n/ACH desires activities which provide immediate and precise feedback information about how he is progressing towards a goal.
3. *Accomplishment.* Person with high n/ACH finds accomplishing a task intrinsically satisfying in and of itself, or he does not expect or necessarily want the accompanying material rewards. Though he likes to earn money a lot but not for the usual reason of wanting money for its own sake or for the material benefits that it can buy.
4. *Preoccupation with the Tasks.* Once a high achiever selects a goal, he tends to be totally preoccupied with the task until it is successfully completed. He will not feel satisfied unless he has put his maximum effort in completing the task. This type of dedicated commitment often reflects on his outward personality, which frequently has a negative effect on those who come in contact with him.

ALDERFER'S ERG THEORY

Alderfer has provided an extension of the Maslow's need hierarchy and Herzberg's two-factor theory of motivation, particularly the former. Like the previous theories, Alderfer believes that there is a value in categorising needs and that there is a basic distinction between lower-order needs and higher-order needs. Based on the empirical evidences, he has found that there seems to be some overlapping between physiological, security, and social needs. Also, the lines of demarcation between social, esteem, and achievement needs are not clear. Based on these observations, Alderfer has categorised the various needs into three categories: existence needs, relatedness needs, and growth needs. The first three letters of these needs are used to call it ERG theory.¹¹

Existence Needs. Existence needs include all needs related to physiological and safety aspects of an individual. Thus, existence needs group physiological and safety needs of Maslow into one category as these have similar impact on the behaviour of the individual.

Relatedness Needs. Relatedness needs include all those needs that involve relationship with other people whom the individual cares. Relatedness needs cover Maslow's social needs and that part of esteem needs which is derived from the relationship with other people.

Growth Needs. Growth needs involve the individual making creative efforts to achieve full potential in the existing environment. These include Maslow's self-actualisation need as well as that part of the esteem need which is internal to the individual like feeling of being unique, feeling of personal growth, etc.

ERG theory offers the following propositions so far as satisfaction of various needs is concerned:

¹¹Clayton P. Alderfer, *Existence, Relatedness, and Growth: Human Needs in Organisational Settings*, New York: Free Press, 1972.

1. Three need categories form a hierarchy only in the sense of decreasing concreteness. As people move from a focus on existence to relatedness and to growth needs, the ways in which they can satisfy those needs become increasingly abstract.
2. The rise in the level of satisfaction of any lower-order need may result into decrease in its importance. Its place is taken by another need. Thus, the individual is able to move to become productive and creative, and as he moves to this level, he sets a higher goal for himself.
3. People are likely to try to satisfy their most concrete needs first and then, they move on to the abstract needs. In this way, progression of need satisfaction of ERG theory is similar to Maslow's need hierarchy, that is, people first satisfy their lower needs and gradually progress to the satisfaction of higher needs in that order. However, Alderfer goes one step further. He argues that along with satisfaction-progression, people can experience frustration-regression, that is, if people cannot satisfy their needs at a given level of abstraction, they 'drop back' and again focus on more concrete needs.

The relationship between Maslow's need hierarchy theory and Alderfer's ERG theory is presented in Figure 9.8.

| Need hierarchy | ERG theory |
|-------------------------------------|-------------|
| Self-actualisation | Growth |
| Esteem – Self – Others | Relatedness |
| Social Security Physiological | Existence |

FIGURE 9.8: Relationship between need hierarchy and ERG theory

Implications of ERG Theory

Alderfer has conceived ERG needs along a continuum which avoids the implication that the higher up an individual is in the need hierarchy, better it is. According to this theory, different types of needs operate simultaneously. If the individual's particular path towards satisfaction is blocked, he may persist along that path but at the same time, he regresses towards more easily satisfiable needs. In this way, Alderfer distinguishes between chronic needs which persist over a period of time (like most of the lower-order needs) and the episode needs which are situational and can change according to the environment. From this point of view, ERG theory provides us categorisation of needs, their relationship, and the progression and regression of their satisfaction.

VROOM'S EXPECTANCY THEORY

Criticising the content theories of motivation which are based on the needs of people and their priority, Vroom has presented an alternative theory which is based on motivation process. Various theories which are based on motivation process are more concerned with the cognitive antecedents that go into motivation or efforts and the way they relate to each other.

Vroom's expectancy theory has its roots in the cognitive concepts in the choice behaviour and utility concepts of classical economic theory.¹² According to Vroom, people will be motivated to do things to achieve some goals to the extent that they expect that certain actions

¹²Victor H. Vroom, *Work and Motivation*, New York: John Wiley, 1964.

on their part will help them to achieve the goal. Vroom's model is built around the concepts of value, expectancy, and force; its basic assumption is that the choice made by a person among alternative courses of action is lawfully related to psychological events occurring contemporaneously with the behaviour. Vroom's concept of force is basically equivalent to motivation and may be shown to be the algebraic sum of products of valences multiplied by expectations. Thus,

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

Vroom's expectancy theory is presented in Figure 9.9.

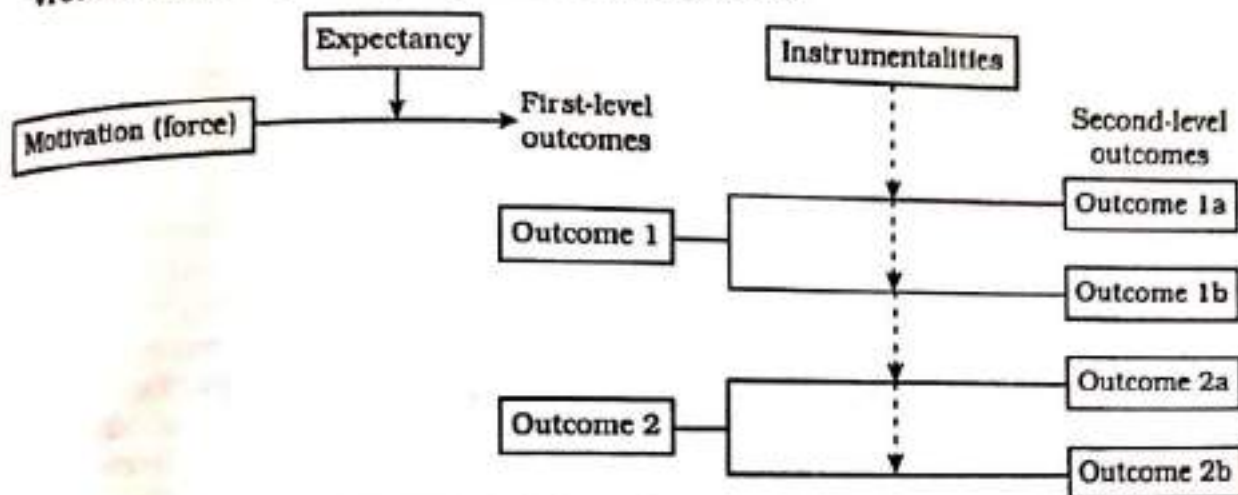


FIGURE 9.9: Vroom's expectancy theory

As shown above, the model is built around the concepts of valence, instrumentality, and expectancy and, therefore, this model is referred to as VIE theory. Various terms used in Vroom's model are explained below.

Valence. According to Vroom, valence means the strength of an individual's preference to a particular outcome. Other terms equivalent to valence used in various theories of motivation are incentive, attitude, and expected utility. In order for the valence to be positive for individual, he must prefer attaining the outcome to not attaining it; a valence of zero occurs when the individual is indifferent towards the outcome; and the valence is negative when the individual prefers not attaining the outcome to attaining it.

Instrumentality. Another major input into the valence is the instrumentality of the first-level outcome in obtaining a derived second-level outcome. Hunt and Hill have exemplified it by outcome in obtaining a derived second-level outcome. Hunt and Hill have exemplified it by promotion motive. For example, assume that an individual desires promotion and feels that superior performance is a very strong factor in achieving that goal. His first-level outcome is then superior, average, or poor performance. His second-level outcome is promotion. The first-level outcome of high performance, thus, acquires a positive valence by virtue of the expected relationship to the preferred second-level outcome of promotion.¹³ In this case, the person would be motivated for superior performance because of his desire to be promoted. The superior performance (first-level outcome) is being instrumental in obtaining promotion (second-level outcome).

Expectancy. Another factor in determining the motivation is expectancy, that is, the probability that a particular action will lead to the outcome. Expectancy is different from instrumentality input into valence. Expectancy differs from instrumentality in that it relates efforts to first-

¹³ J.G. Hunt and J.W. Hill, "The New Look in Motivation Theory for Organisational Research," *Human Organisation*, Summer, 1969, p. 104.

PORTER-LAWLER MODEL OF MOTIVATION

Built in large part on expectancy model, Porter and Lawler have derived a substantially more complete model of motivation and have applied it in their study primarily of managers.¹⁵ They propose a multivariate model to explain the complex relationship that exists between job attitudes and job performance. Their model encounters some of the simplistic traditional assumptions made about the positive relationship between satisfaction and performance. Porter and Lawler explain their choice for the expectancy approach as under:

"The emphasis in expectancy theory on rationality and expectations seems to us to describe best the kinds of cognition that influence managerial performance. We assume that managers operate on the basis of some sort of expectancies which, although based upon previous experience, are forward-oriented in a way that does not seem to be as easily handled by the concept of habit strength."¹⁶

The various elements of this model are presented in Figure 9.10.

Effort. Effort refers to the amount of energy exerted by an employee on a given task. Perceived reward probability refers to the individual's perception of the probability that differential rewards depend upon differential amounts of effort. These two factors—value of reward and perception of effort-reward probability—determine the amount of effort that the employee will put in.

Performance. Effort leads to performance but both of these may not be equal, rather, performance is determined by the amount of effort and the ability and role perception of the

¹⁴*Ibid.*, p. 105.

¹⁵L.W. Porter and E.E. Lawler, *Managerial Attitude and Performance*, Homewood, Ill: Richard D. Irwin, 1968.

¹⁶*Ibid.*, pp.12-13.

Motivation

individual. Thus, if an individual has little ability and/or inaccurate role perception, his performance may be ineffective in spite of his putting in great efforts.

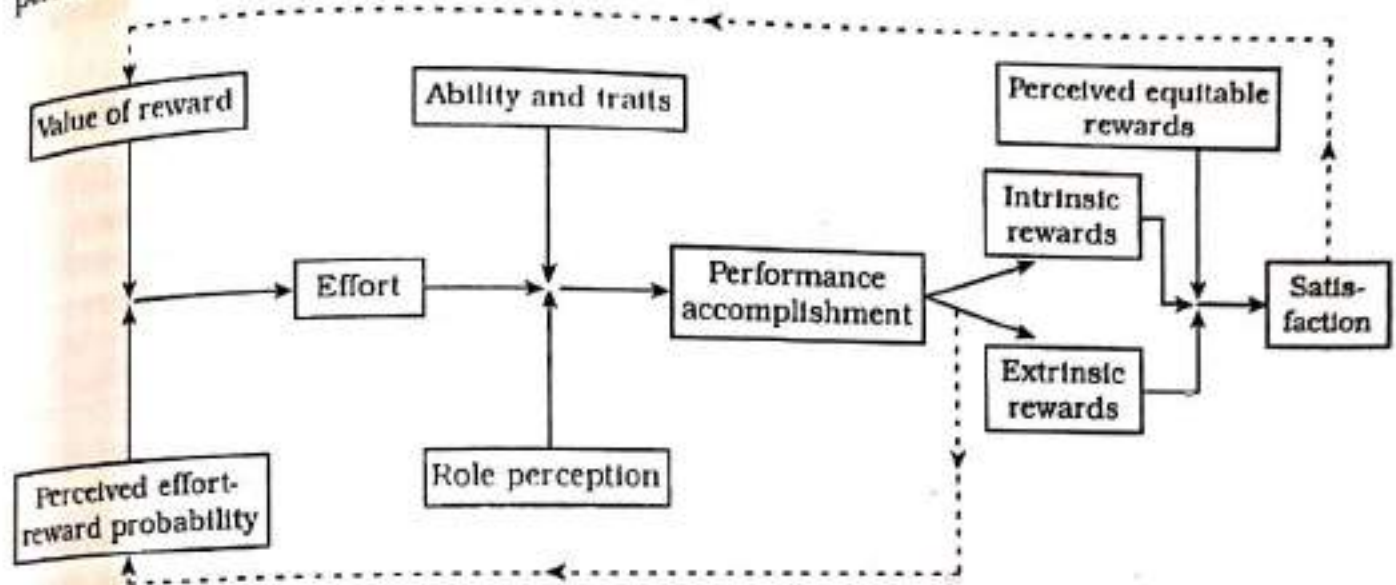


FIGURE 9.10: Porter-Lawler motivation model

Rewards. Performance is seen as leading to intrinsic rewards (such as a sense of accomplishment and actualisation) and extrinsic rewards (such as working conditions and status). However, the intrinsic rewards are much more likely to produce attitudes about satisfaction that are related to performance. In addition, the perceived equitable rewards vitally affect the performance-satisfaction relationship. They reflect the fair level of rewards that the individual feels should be given for a given level of performance.

Satisfaction. Satisfaction is derived from the extent to which actual rewards fall short, meet or exceed the individual's perceived level of equitable rewards. If actual rewards meet or exceed perceived equitable rewards, the individual will feel satisfied; if these are less than perceived equitable rewards, he will be dissatisfied. Thus, this provides two implications. *First*, satisfaction is only in part determined by actual rewards. *Second*, satisfaction is more dependent on performance than performance is on satisfaction. Only through the less-direct feedback loops, satisfaction will affect performance. This is a marked departure from the traditional analysis of the satisfaction-performance relationship.

Implications of the Theory

Based on the results of the study, Porter and Lawler point out that 'those variables presumed to affect performance turned out to show relations to performance, and those variables presumed to result from performance also typically were related to performance'. After the review of related research studies, they conclude that 'over all, the evidence on the relationship between expectancy attitudes, importance attitudes, and performance provides rather impressive support for our model'. The model, although more complex than other models of motivation, explains fully the different variables underlying in motivation. In practice too, motivation is not a simple cause-effect relationship rather it is a complex phenomenon. The model suggests that managers should carefully assess their reward structures and that through careful planning and clear definition of role requirements, the effort-performance-reward-satisfaction system should be integrated into an entire system of managing.

EQUITY THEORY

... process. This theory has

... on the motivational profile of the people in the organisation.

McGREGOR'S THEORY X AND THEORY Y

The management's action of motivating human beings in the organisation, according to McGregor, involves certain assumptions, generalisations, and hypotheses relating to human behaviour and human nature. These assumptions may be neither consciously crystallised nor overtly stated; however, these serve the purpose of predicting human behaviour. The basic assumptions about human behaviour may differ considerably because of the complexity of factors influencing this behaviour. McGregor has characterised these assumptions in two opposite points—Theory X and Theory Y.

Theory X. This is the traditional theory of human behaviour. In this theory, McGregor has certain assumptions about human behaviour. In his own words, these assumptions are as follows:¹⁸

1. Management is responsible for organising the elements of productive enterprises—money, materials, equipment, people—in the interest of economic ends.
2. With respect to people, this is a process of directing their efforts, motivating them, controlling their actions, modifying their behaviour to fit the needs of the organisation.
3. Without this active intervention by management, people would be passive—even resistant—to organisational needs. They must be persuaded, rewarded, punished, controlled, and their activities must be directed. This is management's task. We often sum it up by saying that management consists of getting things done through other people.
4. The average man is by nature indolent—he works as little as possible.
5. He lacks ambition, dislikes responsibility, prefers to be led.
6. He is inherently self-centered, indifferent to organisational needs.
7. He is, by nature, resistant to change.
8. He is gullible, not very bright, the ready dupe of charlatan and the demagogue.

Of these assumptions, last five deal with the human nature and first three with managerial actions. These assumptions about human nature are negative in their approach, however, much organisational processes have developed on these assumptions. Managers subscribing these views about human nature attempt to structure, control, and closely supervise their employees. They feel that external control is most appropriate for dealing with irresponsible and immature employees. McGregor believes that these assumptions about human nature have not changed drastically though there is a considerable change in behavioural pattern. He argues that this change is not because of changes in the human nature, but because of nature of industrial organisation, management philosophy, policy, and practice.

Theory Y. The assumptions of Theory Y are described by McGregor in the following words:¹⁹

1. The expenditure of physical and mental effort in work is natural as play or rest. The average human being does not inherently dislike work. Depending upon controllable conditions, work may be a source of satisfaction or a source of punishment.
2. External control and the threat of punishment are not the only means for bringing about effort towards organisational objectives. Man will exercise self-direction and self-control in the service of objectives to which he is committed.
3. Commitment to objectives is a function of the reward associated with their achievement. The most significant of such rewards, e.g. the satisfaction of ego and self-actualisation needs, can be a direct product of effort directed towards organisational objectives.
4. The average human being learns under proper conditions not only to accept, but to seek responsibility. Avoidance of responsibility, lack of ambition, and emphasis on security are generally consequences of experience, not inherent human characteristics.
5. The capacity to exercise a relatively high degree of imagination, ingenuity, and creativity in the solution of organisational problems is widely, not narrowly, distributed in the population.
6. Under the conditions of modern industrial life, the intellectual potentialities of the average human beings are only partially utilised.

¹⁸ McGregor, *op. cit.*, pp. 46-47.

¹⁹ *Ibid.*, pp. 47-48.

In the previous chapter, we have discussed one of the most important individual behavioural inputs—personality. This chapter deals with one of the most important cognitive processes—perception. Cognition is basically a bit of information, and cognitive processes involve the ways in which people process that information. Like central processing unit (CPU) of a computer, human beings also are information processors with one basic difference. While all the computers process a piece of information in the identical manner with identical output, human beings may differ because of their differences and uniqueness.

People often see the same phenomenon differently both within the organisational context and outside the organisation. For example, in relation to a strike, a manager may perceive the immediate cause of the strike as trivial, while the workers may see it as very serious. Similarly, when there is any accident in the factory, the supervisor may treat it as the carelessness of workers while the workers may treat it as the high-handedness of management and lack of adequate provisions of security measures.

Thus, the situations remaining the same, causes have been assigned differently by different groups of persons. In order to understand the significance of this phenomenon, and to understand why people see the same situation differently, one has to understand perception and its different aspects.

Concept of Perception

Perception is the cognitive process. In terms of S-O-B-C model, discussed in Chapter 3, perception is the cognitive process which involves the O (organism) selecting, organising, and interpreting the S (stimulus). Thus, perception is the process of selecting, organising, and interpreting or attaching meaning to the events happening in the environment. Robbins has defined perception as follows :

"Perception may be defined as a process by which individuals organise and interpret their sensory impressions in order to give meaning to their environment."¹

Based on the definition of perception, we may identify its following features:

1. Perception is the intellectual process through which a person selects the data from the environment, organises it, and obtains meaning from it. The physical process of obtaining data from environment, known as sensation, is distinct from it.
2. Perception is the basic cognitive or psychological process. The manner in which a person perceives the environment affects his behaviour. Thus, people's actions, emotions, thoughts, or feelings are triggered by the perception of their surroundings.
3. Perception, being an intellectual and psychological process, becomes a subjective process and different people may perceive the same environmental event differently based on what particular aspects of the situation they choose to absorb, how they organise this information, and the manner in which they interpret it to obtain the grasp of the situation. Thus, the subjectively perceived 'reality' in any given setting may be different for different people.

Sensation and Perception

Sometimes, confusion arises between sensation and perception as both are the cognitive processes and both are beads of the same string. Behavioural scientists generally acknowledge that all knowledge of the world depends on the senses and their stimulation, but the facts of raw sensory data are insufficient to produce or to explain the coherent picture of the world as

¹ Stephen P. Robbins, *Organisational Behaviour*, New Delhi: Prentice-Hall, 2003, p. 123.

experienced by the normal person. In this context, it is important to understand the difference between sensation and perception.

Sensation may be described as the response of a physical sensory organ. The physical senses are vision, hearing, touch, smell, and taste. These senses are bombarded by stimuli continuously, both external and internal to human body and reactions in particular sense organ take place because of these. Examples of sensation may be reaction of eye to colour, ear to sound, and so on. These examples show that sensation deals with very elementary behaviour that is, largely, determined by physiological functioning.

Perception is something more than sensation. It correlates, integrates, and comprehends diverse sensations and information from many organs of the body by means of which a person identifies things and objects, the sensation relates to. Perception classifies the stimuli based on past experience (learning), feelings, and motives. Thus, perception is determined by both physiological and psychological characteristics of the organism. However, sensation only activates the organs of the body and is not affected by such psychological factors as learning and motives. Dempey's statement further clarifies the difference between the two. 'By means of my eye, I see, but it is not my eye but I who see, and I tend to see an object in its totality, a thing or event with certain qualities, with a figure and form set against a background'.² Thus, in seeing process, both sensation and perception are involved. Activation of eyes to see an object is sensation, and the inference what is being seen is perception.

Boring has made distinction between sensation and perception. He says that "the distinction between sensation and perception is commonly made on the assumption that the sensation refers to the action by a receptor when it is stimulated and perception refers to the meaning given to the sensation."³

Based on these observations, distinction between sensation and perception may be made as follows:

1. Sensation is a simple mental process whereas perception is comparatively a complex mental process. Perception is a complex process because it is affected by a number of variables.
2. By sensation, the person just becomes cautious of the quality of stimulus; he just becomes aware of the stimulus like colour, form, shape, smell, etc. and by perception, he derives meaning of the stimulus.
3. The person is comparatively inactive in sensation whereas he becomes more active in perception because he tries to know the meaning of sensation in this process.
4. Sensation may be considered as a part of perception because the former is the first stage of the latter. The first experience of stimulation is sensation, and the process related to the distinct knowledge of stimulus is perception. Only our organs and nerves are active in sensation but all our body becomes active in perception.

PERCEPTUAL PROCESS

Perception is a process consisting of several subprocesses. We can take an input-throughput-output approach to understand the dynamics of the perceptual process. This approach emphasises that there is input which is processed and gives output. The stimuli in the environment—objects, events, or people—can be considered as the perceptual inputs. The actual transformation of these inputs through the perceptual mechanism of selection, organisation, and interpretation can be treated as the throughputs, and the resultant opinions, feelings, attitudes, etc. which ultimately influence our behaviour, can be viewed as the perceptual outputs. This simplified process of perception is presented in Figure 5.1.

²Peter J.R. Dempey, *Psychology and the Manager*, London: Pan Books, 1993, p. 4.

³E.G. Boring, *A History of Experimental Psychology*, New York: Appleton, 1990.

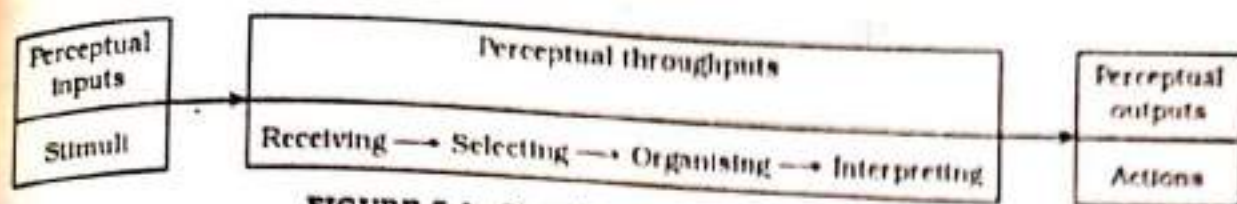


FIGURE 5.1: Simplified process of perception

Figure 5.1 is a simplified version of perceptual process. It does not present the whole factors which go in input-throughput-output process of perception. Figure 5.2 presents a comprehensive view of process of perception.

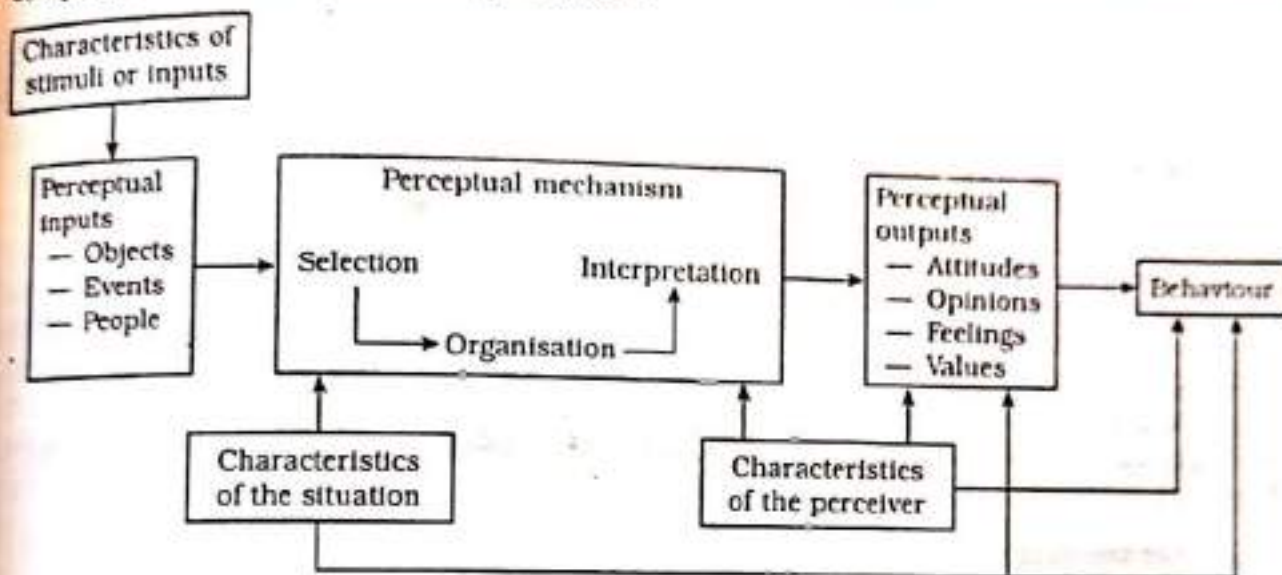


FIGURE 5.2: Complex process of perception

Figure 5.2 of perceptual process presents three basic subprocesses or elements of perception. These are existence of stimuli, perceptual mechanism, and perceptual outputs. Perceptual outputs along with other determinants of human behaviour affect and shape behaviour. Let us see how perceptual process works in terms of its three basic elements.

Perceptual Inputs

Strictly speaking, perceptual inputs in the form of stimuli are not the part of actual perceptual process though these are necessary for the occurrence of perception. Stimuli may be in the form of objects, events, or people. Thus, everything in the setting where events occur, or which contributes to the occurrence of events, can be termed as perceptual input. Further, the characteristics of stimuli are important as these affect the extent to which the perceiver is attracted to these which affects the selection of stimuli for perception along with other variables affecting selection of stimuli like perceiver's characteristics and situational variables. When the perceiver interacts with a stimulus, sensation takes place which, we have seen earlier, starts perceptual process.

Perceptual Mechanism

Perceptual mechanism involves three elements—selection of stimuli, organisation of stimuli, and interpretation of stimuli.

Selection of Stimuli. After receiving the stimuli from the environment, some are selected for further processing while others are screened out because it is not possible for a person to

select all stimuli which he sees in the environment. There are two types of factors which affect selection of stimuli. These are external and related to stimuli and internal related to the perceiver. These external and internal factors are of several types. We shall discuss these factors and their impact on the selection of stimuli in the subsequent section of this chapter dealing with perceptual selectivity.

Organisation of Stimuli. After the stimuli are received, these are organised in some form in order to make sense out of that. The various forms of organising stimuli are figure-ground, perceptual grouping, simplification, and closure. We shall discuss the impact of these factors on perception in the section that follows perceptual selectivity.

Interpretation of Stimuli. The perceptual inputs that have been organised will have to be interpreted by the perceiver so that he can sense and extract some meaning of what is going on in the situation. People interpret the meaning of what they have selectively perceived and organised in terms of their own assumptions of people, things, and situations. They also become judgemental as well and tend to interpret the things as good/bad, beautiful/ugly, and so on which are quite relative terms. In such a process, there are chances of misinterpretation. Interpretation of stimuli is affected by characteristics of stimuli, situations under which perception takes place, and characteristics of the perceiver. These factors also affect the total perceptual process. For example, as discussed earlier, the characteristics of stimuli affect their selection for perception. At the same time, these may affect the interpretation also. Similarly, the physical, social, and organisational settings in which an object is perceived, also affect the interpretation. In interpreting the stimuli, the perceiver may commit mistake in perceiving because of several reasons. This aspect will be discussed in the section that follows perceptual organisation.

Perceptual Outputs

Based on perceptual mechanism which ends with interpretation of stimuli, perceptual outputs emerge. These outputs may be in the form of covert actions like development of attitudes, opinions, beliefs, impression about the stimuli under consideration. These outputs along with other factors affecting human behaviour may result in overt behaviour. For overt behaviour to occur, perception is not the sole decider though it is important. For example, when a person sees an advertisement of a product (stimulus), he may perceive that the product is good. This perception, however, may not be enough for the person to buy the product (overt behaviour). The actual buying may depend on the availability of the product, perceiver's need for product, and his propensity and capacity to spend money for buying the product.

PERCEPTUAL SELECTIVITY

While discussing the perceptual process, we have mentioned that perception is a selective process and as the people can sense only limited amount of information in the environment, they are characteristically selective. By selection, certain aspects of stimuli are screened out and others are admitted. Those which are admitted remain in the awareness of the people and those which are screened out fall below the threshold. For example, when people read a newspaper, they do not read the entire newspaper but only those news which interest them. Similar things happen in other cases too. This is known as perceptual selectivity. This is caused by a variety of factors which may be grouped into two categories: external and internal.

External Factors in Perceptual Selectivity

The external factors consist of environmental influences and are in the form of the characteristics of perceptual inputs or stimuli. These characteristics may distinguish a

particular stimulus from other stimulus of the same group. Such characteristics may be in the form of size, intensity, repetition, novelty and familiarity, contrast, and motion. Their impact on the perceptual selectivity is as follows:

1. **Size.** Size is a characteristic which may affect the perceptual selectivity by affecting the attraction of the perceiver. Generally, bigger is the size of perceived stimulus, higher is the probability that it attracts the attention of the perceiver and he may select it for perception. Usually, letter of higher sizes in newspapers or books are first selected for reading.
2. **Intensity.** The intensity principle of attention states that the more intense the external stimulus is, the more likely it is to be perceived. A loud sound, strong odour, or bright light is noticed more as compared to a soft sound, weak odour, or dim light. For example, based on the intensity principle, commercials on televisions are slightly louder than the regular programmes.
3. **Repetition.** The repetition principle states that a repeated external stimulus is more attention-getting than a single one. Repetition increases people's sensitivity or alertness to the stimulus. Advertisers use this principle by repeated advertisement of the same product to attract people's attention. In the organisational context, repeated instruction, even for the routine work, is based on this principle.
4. **Novelty and Familiarity.** Novelty and familiarity principle states that either a novel or a familiar external situation can serve as attention-getter. New objects or events in a familiar setting, or familiar objects or events in new setting draw better attention. For example, in job rotation, when workers' jobs are changed from time to time, they become more attentive to their new jobs as compared to the previous ones. Similarly, communication in familiar jargons attracts more attention.
5. **Contrast.** The contrast principle states that external stimuli which stand against the background, or which are not what people are expecting, receive more attention. Letters of bold types, persons dressed differently than others, buildings of different colours in the same locality, etc. get more attention. Contrast is a kind of uniqueness which can be used for attention getting.
6. **Motion.** Motion principle states that a moving object draws more attention as compared to a stationary object. For example, workers may pay more attention to the materials being moved by them on a conveyor belt as compared to the maintenance needs of a machine lying next to them. Advertisers use this principle in their advertising by designing signs which incorporate moving parts, for example, commercials on televisions (moving ones) get more attention than print media.

All these factors are related to stimuli. While these factors affect perceptual selectivity, their uses should be made properly, otherwise, negative consequences may emerge. For example, the principle that the louder sound attracts more attention may make a supervisor in a factory to believe that if he speaks loudly to his workers, they will pay more attention. However, by speaking loudly, the supervisor may actually be turning the workers off instead of getting their attention. This phenomenon may be true in the case of other factors too.

Internal Factors in Perceptual Selectivity

While external factors are related to environmental stimuli, internal factors are related to the individual's complex psychological makeup. People generally select those stimuli and situations from the environment that appeal to, or are compatible to, their personality, motivation, and other personal factors. There are a number of such factors—self-concept, beliefs, expectations,

inner needs, response disposition, response salience, and perceptual defence—which filter the stimuli which do not suit the people. A brief description of their impact on perceptual selectivity is given below.

1. Self-Concept. The way a person views the world depends a great deal on the concept or image he has about himself. This concept plays an internal role in perceptual selectivity. It can be thought of as an internal form of attention-getting and is largely based on the individual's complex psychological makeup. Knowing oneself makes it easier to see others accurately. People's own characteristics affect the characteristics which they are likely to see in others. They select only that aspects which they find match with their characteristics.

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. The individual normally censors stimulus inputs to avoid disturbance of his existing beliefs. This is referred to as 'maintenance of cognitive consistency'. Katz argues that (i) an individual self censors his intake of communications so as to shield his beliefs and practices from attack; (ii) an individual seeks out communications which support his beliefs and practices; and (iii) the latter is particularly true when the beliefs and practices in question have undergone attack or the individual has otherwise been made of them.⁴

3. Expectations. Expectations affect what a person perceives. Expectations are related with the state of anticipation of a particular behaviour from a person. Even in the organisational setting, expectations affect people's perception. Thus, a technical manager may expect ignorance about the technical features of a product from non-technical people, or union officials use rough language. Such expectations may affect the perception. Though such expectations may change because of direct contact, and expectations may fall near actual but a mental set about beliefs, expectations, and values filters perception and may be lasting and difficult to change.

4. Inner Needs. People's perception is determined by their inner needs. The need is a feeling of tension or discomfort when one thinks he is missing something or when he feels he has not quite closed a gap in his knowledge. People with different needs usually experience different stimuli. Similarly, people with different needs select different items to remember or respond to. When people are not able to satisfy their needs, they are engaged in wishful thinking which is a way to satisfy the needs not in real world but in imaginary world, the day dreaming. According to Freud, wishful thinking is the means by which the Id, a part of personality, attempts to achieve tension reduction. In such cases, people will perceive only those items which are consistent with their wishful thinking.

5. Response Disposition. Response disposition refers to a person's tendency to perceive familiar stimuli rather than unfamiliar ones. Thus, a person will perceive the things with which he is familiar. For example, persons having a particular value take lesser time in recognising the words having implications in the area of that value, but take longer time in recognising the words not associated with value. In an experiment, persons having dominant religious value took lesser time in recognising such related words as 'priest', or 'minister' whereas they took longer time in recognising words related with economic value such as 'cost' or 'price'.

6. Response Salience. Response salience is the set of dispositions which are determined not by the familiarity of the stimulus situations, but by the person's own cognitive predispositions. Thus, a particular problem in an organisation may be viewed as a marketing

⁴Daniel E. Katz, "On Reopening the Question of Selectivity in Exposure to Mass Communication," in R.P. Abelson et al. (eds.), *Theories of Cognitive Consistency: A Source Book*, Chicago: Rand McNally, 1968, p. 775.

problem by marketing personnel, a control problem by accounting people, and human relations problem by personnel people. It indicates that type of response salience which people have affects their perception. The reason for this phenomenon lies in the background of the people for which they are trained. They are trained to look at the situation from one point of view only, not from other points of view.

7. Perceptual Defence. Perception defence refers to the screening of those elements which create conflict and threatening situation in people. They may even perceive other factors to be present that are not a part of the stimulus situation. Perceptual defence is performed by

1. denying the existence or importance of conflicting information,
2. distorting the new information to match the old one, or
3. acknowledging the new information but treating it as a non-representative exception.

There are empirical evidences that suggest the existence of perceptual defence mechanism. On the basis of these empirical evidences, Lawless has derived following conclusions:

1. Emotionally disturbing information has a higher threshold for recognition than neutral or non-disturbing information.
2. Disturbing information is likely to bring about substitute perceptions which are distorted to prevent recognition of disturbing elements.
3. Emotionally arousing information actually does arouse emotion even though the emotion is distorted and directed elsewhere.⁵

PERCEPTUAL ORGANISATION

While perceptual selectivity deals with the factors affecting the stimuli for further processing, perceptual organisation deals with the manner in which selected stimuli are organised in order to make sense out of them. People seldom perceive a stimulus in patches. Instead, they perceive organised patterns of stimuli and identifiable whole objects. In other words, the person's perceptual process organises the incoming information into a meaningful whole. People organise the various stimuli on the principles of figure-ground, grouping, simplification, and closure.

Figure-Ground

People tend to organise information on what is known as the figure-ground principle. This involves that in perceiving stimuli or phenomena, the tendency is to keep certain phenomena in focus and other phenomena in background. More attention is paid to phenomena which have been kept as figure and less attention to phenomena kept in background. For example, while reading a book, the letters printed are treated as figure while the page on which the letters have been printed is taken as ground. The perception may change if certain stimuli are changed from figure to ground. For example, in certain organisations, good performance (a figure for promotion in normal case) may be taken as background and maintaining good relations with boss for promotion (ground in general case) may be taken as figure.

Grouping

The grouping principle of perceptual organisation states that there is a tendency to group several stimuli into recognisable pattern. There are certain underlying uniformities in grouping. People generally group various stimuli on the basis of proximity or similarity.

Proximity. The proximity or nearness principle of grouping states that a group of stimuli that are close together will be perceived as a whole of parts or pattern of parts belonging together.

⁵ David Lawless, *Effective Management*, Englewood Cliffs, N.J.: Prentice-Hall, 1992, pp. 56-58.

Similarly, there are certain characteristics of the perceived which influence the person's perception. These are as follows :

1. The status of the person perceived will greatly influence others' perception.
2. The person being perceived is usually placed into categories to simplify the viewer's perceptual activities. Two common categories are status and role.
3. The visible traits of the person perceived will greatly influence others' perception of the person.

These characteristics of the perceiver and perceived suggest extreme complexity in person perception. There are chances that the perception may be distorted and the perceiver may not perceive the person correctly. **Distortion in person perception** may occur because of the following factors:

1. factors in perceiver,
2. factors in perceived,
3. situational factors.

Factors in Perceiver

There may be several factors in the perceiver which may influence the perceptual mechanism—selectivity, organisation, and interpretation—in the context of the person being perceived. The more important factors are perceiver's personality, his mental set, attribution, first impression, halo effect, and stereotyping.

Personality. Personality of the perceiver greatly influences the perception of other persons. Personality influences perception because of two reasons. *First*, the perceiver tries to project his personality attributes in others, known as *projection*. *Second*, the perceiver tries to fit his attitudes, beliefs, expectations to reality, known as the process of *self-fulfilling prophecies*. Based on the review of several studies on relationship between personality and perception, Hamcheck has arrived at the following conclusions.

1. Secure people perceive others as warm individuals, rather as cold and indifferent people.
2. Thoughtful individuals do not perceive situation in terms of 'black and white' but understand that there can be different shades of gray. Hence, they do not make judgements based on single piece of evidence.
3. Self-accepting people perceive others as liking and accepting them. Those who are not self-accepting tend to distrust others.
4. People tend to perceive others more accurately when they are more like the ones that they are perceiving than if they are different from those who are being perceived.

These imply that insecure, thoughtless, or non-self-accepting persons are less likely to perceive themselves and those around them accurately. They will, in all likelihood, distrust, misrepresent, or in other ways defensively perceive situations. This will influence the resultant behaviour of the person concerned.

Mental Set. Mental set is the tendency one has to react in a certain way to a given situation. This has been illustrated by Massie and Douglas as such: 'Suppose you are a contestant in a track meet and are positioning yourself in your starting blocks as you hear the preparatory commands, '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.'⁷ It is a very simple example of mental set. In

⁷ Joseph L. Massie and John Douglas, *Managing: A Contemporary Introduction*, New Delhi: Prentice-Hall of India, 1975, p. 69.

organisational setting, people have tendency to perceive about others on the basis of this mental set which causes misperception.

The perceiver has an inherent tendency to respond either favourably or unfavourable (hard or soft) in appraising others. Depending on his assumptions about human nature, the perceiver's response set determines whether he looks for socially desirable or undesirable traits in other people and whether his judgements are lenient or harsh.

Attribution. Attribution is the process by which individuals interpret events as being caused by particular aspects in the setting around them. Individuals perceive the information around them and learn to behave accordingly and think of their behaviour and that of others as caused by some factors in the environment. It has been observed that different persons have different views about why they behave in a particular way. Some persons assign the reasons for an event lying internally in them, known as internal locus of control while others may assign the reasons lying outside, known as external locus of control. Findings of research studies suggest that the internals :

1. are more curious about the situations and events in which they find themselves;
2. use more information for decision making and are more aware (perceptive) of information; and
3. adopt a more alert, calculative attitude with respect to their situation.⁸

As against internals, externals:

1. are less curious about their situation;
2. use less information in decision making and are less aware (perceptive) of information; and
3. adopt passive, less calculating attitudes with respect to their situation.

Attribution of causes for events influences perception. For example, if the failure of subordinate is perceived to be caused by external factors on which the subordinate does not have any control, the manager may treat him as capable and trustworthy as against the reason of failure is attributed to the subordinate. In the latter case, the subordinate may be treated as ineffective and irresponsible. Similarly, persons may attribute the reasons of their failure to external factors to defend their ego. For example, if a person is bypassed in promotion, he may attribute the reason of his bypassing in terms that others have been promoted not because of their ability but because of their being close with high-ups.

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 people being perceived. Even in such cases, people continue to evaluate on the basis of first impression, though incorrect. This can be corrected by more frequent interaction, though erasing of first impression evaluation is not that easy.

Halo Effect. The term halo effect was first used in 1920 to describe a process in which a general impression which is favourable or unfavourable is used by judges to evaluate several specific traits. The halo in such a case serves as a screen, keeping the perceiver away from actually seeing the trait he is judging. The halo error is very similar to stereotyping except that in stereotyping the person is perceived according to a single category, whereas under the halo effect, the person is perceived on the basis of one trait or event. Halo effect is more reflected in performance appraisal where the distortion exists because the rater is influenced by ratee's

⁸E.J. Phares, *Locus of Control: A Personality Determinant of Behaviour*, New York: General Learning, 1973.

one or two outstandingly good (or bad) performances and he evaluates the entire performance accordingly. Bruner and Tagiuri note three conditions where the halo effect is more marked:

1. when the traits to be perceived are unclear in behavioural expressions;
2. when the traits are not frequently used by the perceiver; and
3. when the traits have moral implications.⁹

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. We have seen earlier that the perceiver groups the stimuli on the basis of similarity and proximity to draw inferences. These similar stimuli are, then, perceived as having some common characteristics though many of them might have different characteristics. Similarity of stimuli helps in perception but it also leads to distortion in perception. For example, there are certain stereotyping at the international level like "the Italians are quick-tempered, Chinese are inscrutable, Japanese are industrious, Americans are materialistic and ambitious, blacks are musical and athelets, fat men are jolly, etc." However, all individuals of a particular group may not necessarily possess those characteristics for which they are stereotyped. Based on the prejudices, the perceiver may attach positive and negative attributes in greater degree. For example, Secord and Backman observe that "stereotyping is not simply the assignment of favourable or unfavourable traits to a class of persons as a function of whether the observer has a positive or negative attitude towards the person's category. Most stereotypes have both favourable and unfavourable traits, and more prejudiced individual assigns both in greater degree."¹⁰

Stereotyping greatly influences perception in organisational context. In an organisational setting, there may be different classes like managers, supervisors, workers, union leaders, and so on. Individuals belonging to a particular class are likely to be perceived on the basis of the characteristics of the class to which they belong. The fundamental problem with stereotyping is that it may not contain a spread of truths and give rise to distortion because sometimes perception, derived on the basis of a false premise about a particular group, may be inaccurate.

Factors in Person Perceived

Besides the factors associated with the perceiver, there are certain factors associated with the person perceived which also cause distortion in perception. Two such factors are more common: status of the person and visibility of his traits.

Status. Status is a relative ranking of a person vis-à-vis others. The ranking may be based on one or more of these characteristics: social or organisational position, intelligence and knowledge, amount of wealth, and so on. The target person may be perceived on the basis of his status and not on the basis of his actual characteristics. Thus, a person having high status may be perceived to have many desirable qualities as compared to a person having low status. However, this may not be true.

Visibility of Traits. Visibility of traits also influences perception of the perceiver. There are many traits which are not visible on surface, such as, honesty, loyalty, etc. In such cases, evaluation is to be made on the basis of one's own experience which may not be correct. The closeness among people provides opportunities to perceive the traits correctly which, however, are not always available.

⁹ Jerome S. Bruner and R. Tagiuri, "The Perception of People," in Gardner Lindzey (ed.), *Handbook of Social Psychology*, Cambridge, Mass, Addison-Wesley, 1984, p. 641.

¹⁰ Paul F. Secord and Curl W. Backman, *Social Psychology*, New York: McGraw-Hill, 1994.

Learning is another important psychological process determining human behaviour. The human species, unlike other animals, possess an extremely high proportion of unused mental capacity at birth. Human beings have very few instincts or innate response tendencies relative to lower animals. While this may be detrimental to man in the sense that he is helpless for a long period in his early years, it is favourable in the sense that he has greater capacity for adaptation in response to changed survival conditions. This is because of his learning capacity. As such, learning becomes an important concept in the study of human behaviour.

Concept of Learning

Learning is a term frequently used by people in a wide variety of contexts. Yet, despite its diverse use, at the academic level, its concept has been recognised in only one way, or at the most two, in which behaviour can be acquired or changed. Early behaviourists like Watson and Skinner have used learning as a relation or association between two types of incidents. Based on this concept, the principle of conditioning has been developed which we shall see later in this chapter. However, many psychologists do not agree with this view and they have viewed learning as a relatively enduring change in behaviour. This view is more acceptable. According to the *Dictionary of Psychology*, learning means "the process of acquiring the ability to respond adequately to a situation which may or may not have been previously encountered; the favourable modification of response tendencies consequent upon previous experience; particularly the building of a new series of complex coordinated motor response; the fixation of items in memory so that they can be recalled or organised; the process of acquiring insight into a situation."¹

Sanford has defined learning as a relatively enduring change in behaviour brought about as a consequence of experience.² In the context of organisational behaviour too, learning is defined in this way. Mitchell has defined learning as follows:

"Learning is the process by which new behaviours are acquired. It is generally agreed that learning involves changes in behaviours, practising new behaviours, and establishing permanency in the change."³

In this text, we take learning as a relatively enduring change in behaviour due to experience.

Nature of Learning

Based on the definition of learning, we may identify the following nature of learning.

1. Learning involves a change in behaviour, though this change is not necessarily an improvement over previous behaviour. Learning generally has the connotation of improved behaviour, but bad habits, prejudices, stereotypes, and work restrictions are also learned.
2. The behavioural change must be relatively permanent. Any temporary change in behaviour due to fatigue or any reason is not a part of learning.
3. The behavioural change must be based on some form of practice or experience. Thus, any behavioural change because of physical maturation is not learning. For instance, the ability to work which is based on physical maturation would not be considered learning.

¹ Howard C. Warren (ed.), *Dictionary of Psychology*, New York: Houghton Mifflin, 1934, p. 151.

² F.H. Sanford, *Psychology: The Scientific Study of Man*, Belmont, California: Wadsworth Publishing, 1986, p. 78.

³ T.R. Mitchell, *People in Organisations: Understanding Their Behaviour*, New York: McGraw-Hill, 1994, p. 113.

4. The practice or experience must be reinforced in order for learning to occur. If reinforcement does not accompany the practice or experience, the behaviour will disappear.

Learning and Maturation

As pointed out earlier, any behavioural change because of physical maturation is not learning but this is natural outcome because of change in physical features. According to Boring, "maturity is a primary development which should exist before the learned action or behaviour. The development of physical abilities is called maturation."⁴ Changes in a person's behaviour may be due to physical and mental maturation. These changes are natural with age. However, these changes are different from the changes due to learning. Nature of changes in behaviour due to maturation and learning is presented below.

1. Behavioural changes due to maturation are natural, while for learning, a person has to make efforts.
2. Changes in behaviour due to maturation are racial, but in the case of learning, these changes are only in the person who learns.
3. Practice of behavioural change is necessary in learning but it is not necessary in the case of maturation.
4. Generally, maturation takes place upto the age of 25 years but a person can go on learning throughout the life.
5. Maturation takes place irrespective of the conditions, favourable or unfavourable, but learning is possible only in the favourable conditions.
6. Since maturity is a natural process, it does not require motivation to change behaviour but learning is cognitive process which is affected by motivation in some form.

COMPONENTS OF LEARNING PROCESS

A person receives a variety of stimulus inputs. When specific stimuli become associated with specific responses in a sufficiently permanent manner that the occurrence of the stimuli elicits or tends to elicit a particular response, learning has occurred. To understand this process, it is important to understand the role of various components of learning. These components are: drive, cue stimuli, responses, reinforcement, and retention.

Drive

Learning frequently occurs in the presence of drive—any strong stimulus that impels action. Without drive, learning does not take place or, at least, is not discernible because drive arouses an individual and keeps him ready to respond; thus, it is the basis of motivation. A motive differs from drive mainly in that it is purposeful, or directed towards the specific goal, whereas drive refers to an increased probability of activity without specifying the nature of the activity. Drives are basically of two types—primary or physiological drives and secondary or psychological drives. These two categories of drives often interact. Individuals operate under many drives at the same time. To predict behaviour, it is necessary to establish which drives are stimulating the most.

Cue Stimuli

Cue stimuli are any objects existing in the environment as perceived by the individual. It is common to speak of cue stimuli simply as stimuli or to use the term cues and stimuli

⁴E.G. Boring, *Psychology*, New York: Appleton, 1990.

interchangeably. The idea here is to discover the conditions under which a stimulus will increase the probability of eliciting a specific response. There may be two types of stimuli so far as their results in terms of response are concerned: generalisation and discrimination.

Generalisation. Generalisation occurs when a response is elicited by a similar but new stimulus. If two stimuli are exactly alike, they will have the same probability of evoking a specified response, but the more dissimilar the stimuli become, the lower will be the probability of evoking the same response. The principle of generalisation has important implications for human learning. It makes possible stability in man's actions across the time. Because of generalisation, a person does not have to completely relearn each of the new tasks or objects which constantly confront him. It allows the organisational members to adapt to overall changing conditions and specific new or modified job assignment. The individual can borrow from past learning experiences to adjust more smoothly to new learning situations. However, there are certain negative implications of generalisation for learning. A person may make false conclusion because of generalisation. For example, stereotyping or halo effect in perception occurs because of generalisation.

Discrimination. Discrimination is opposite of generalisation. This is a process whereby an organism learns to emit a response to a stimulus but avoids making the same response to a similar but somewhat different stimulus. For example, a rat may learn to respond to the white colour but not to the black.

Discrimination has wide application in organisational behaviour. For example, a supervisor can discriminate between two equally high producing workers, one with low quality and other with high quality. The supervisor discriminates between the two workers and positively responds only to the quality conscious worker. As there is no positive response (reinforcement) the low quality producing worker may extinct his learning.

Responses

The stimulus results into responses. Responses may be in the physical form or may be in terms of attitudes, familiarity, perception, or other complex phenomena. Usually, however learning psychologists attempt measurement of learning in behavioural terms, that is responses must be operationally defined and preferable physically observable.

Reinforcement

Reinforcement is a fundamental condition of learning. Without reinforcement, no measurable modification of behaviour takes place. The term reinforcement is very closely related to the psychological process of motivation. However, motivation is a basic psychological process and therefore is broader and more complex than is implied by the learning principle of reinforcement. Reinforcement may be defined as environmental events affecting the probability of occurrence of responses with which they are associated. The role of reinforcement in learning is very important. Of several responses made to the same situation, those which are accompanied or closely followed by satisfaction (reinforcement) will be more likely to recur those which are accompanied or closely followed by discomfort (negative reinforcement or punishment) will be less likely to occur. The reinforcement principles have been discussed in this chapter a little later.

Retention

The stability of learned behaviour over time is defined as retention and the converse is forgetting. Some of the learning is retained over a period of time, while other may be forgotten. Extinction is a specific form of forgetting.

Extinction. Extinction may be defined as a loss of memory. Extinction of a well learned response is usually difficult to achieve because once something is learned, it is never truly unlearned. Extinction merely means that the response in question has been repressed or it may be replaced by learning of incompatible response. Thus, under repeated conditions of non-reinforcement, there is a tendency for the conditioned response to decrease or disappear.

Spontaneous Recovery. The return of response strength after extinction, without intervening reinforcement, is called spontaneous recovery. Spontaneous recovery is not unusual among people when they are confused under stress or in other unusual states. In such situations, they sometimes will recover response tendencies that have been extinguished for many years. The original response strength of an extinguished behaviour can also be recovered when a previously extinguished response is rewarded in an isolated instance.

FACTORS AFFECTING LEARNING

Since learning is an acquired process, it is quite natural that several factors may affect the process. Understanding of these factors is important for management because it can organise its learning programmes through training or otherwise for improving the behaviour of employees at the workplace. The major factors affecting learning are motivation of the learner, his mental set, nature of learning materials, practice, and environment.

Motivation

Learner's motivation is one of the major conditions for learning. As we shall see later in this text, motivation is something that moves a person to action and continues him in the course of action already initiated. This course of action includes learning too. A positive behaviour developed through learning results into reward while a negative behaviour results into punishment. Thus, the degree of the learner's motivation is positively associated with his learning. There are overwhelming evidences that support the generalisation that motivated responses tend to be repeated whereas non-motivated responses tend to be discontinued.

Mental Set

Mental set refers to the preparation for an action, in this context learning. If a person is prepared to act, he can do the things quickly and in no time. Without mental set, learning cannot go smoothly and easily. It happens so because the person's mental set activates him to do the act, and due to his level of activation, he gets inclined to perform the act. Various research studies also support this view.

Nature of Learning Materials

Nature of learning materials affects learning by providing the clue for understanding. There are a number of features of the learning materials which affect learning. First, if the learning material is of easy nature, it is learned quickly whereas difficult material takes time to understand. Second, familiarity with learning materials affects learning. If the learner is familiar with these, he can learn more quickly as compared to when he is unfamiliar with these. Third, serial position, shape, and meaningfulness of learning materials also affect learning. If these features are positive, learning takes place at faster rate.

Practice

Practice is a very basic external condition of learning and affects all types of learning. The more a person practises, more he absorbs learning contents. Most of the motor skills (like typing, swimming, etc.) are learned based on this principle.

Environment

Environment in which learning process occurs, affects learning. Environment, here, refers to the situational set up for learning. Environmental factors can either strengthen or weaken the innate ability to achieve and learn. Environment with high pressure and high rate of change increases the likelihood of stress and has negative impact on learning. Environment with features of support, cohesion, and affiliation has positive impact on learning.

Learning Theories

Learning, as discussed above, is the acquisition of new behaviour. People acquire new behaviour frequently. However, experts do not agree on what is the process through which new behaviour is acquired, and still there is disagreement on the theory behind it. This has resulted into the development of many theories of learning. Many of these theories are well-established while others are in the process of evolution. These theories can be grouped into three categories: conditioning theory also known as connectionist or behaviouristic theory, cognitive learning theory, and social learning theory.

CONDITIONING THEORY

Conditioning is the process in which an ineffective object or situation becomes so much effective that it makes the hidden response apparent. In the absence of this stimulus, hidden response is a natural or normal response. This is based on the premise that learning is establishing association between response and stimulus. Conditioning has two main theories: classical conditioning and operant conditioning.

Classical Conditioning

Classical conditioning states that behaviour is learned by repetitive association between a stimulus and a response (S-R association). The organism learns to transfer a response from one stimulus to a previously neutral stimulus. Four elements are always present in classical conditioning. These are:

1. Unconditioned stimulus (US)—like food which invariably causes to react in a certain way, i.e., salivation.
2. Unconditioned response (UR)—takes place whenever the US is presented, that is, whenever the organism (dog in the original experiment) is given food (US), it salivates.
3. Conditioned stimulus (CS)—the object that does not initially bring about the desired response like the sound of the bell.
4. Conditioned response (CR)—a particular behaviour that the organism learns to produce to the CS, that is, salivation.

The work of the famous Russian physiologist and Nobel Prize winner, Ivan Pavlov demonstrated the classical conditioning process.⁵ A simple surgical procedure permitted Pavlov to measure accurately the amount of saliva secreted by a dog. In the experiments, when Pavlov presented a piece of meat (unconditioned stimulus) to the dog, he noticed a great deal of salivation (unconditioned response). On the other hand, when he merely rang a bell (neutral stimulus), the dog had no salivation. Thus, it was established that ringing of bell was having no effect on the salivation of dog. In the next step, Pavlov accompanied meat with ringing of the bell. On this, dog salivated. This experiment was repeated several times. After that, Pavlov rang the bell without presenting the meat. This time, the dog salivated to the bell alone which was originally a neutral stimulus having no effect on the behaviour (salivation). In the new

⁵ Ivan P. Pavlov, *The Work of Digestive Glands* (trans. W.H. Thompson), London: Charles Griffen, 1902.

situation, the dog had become classically conditioned to salivate (conditioned response) to the sound of the bell (conditioned stimulus). Pavlov went beyond the simple conditioning of his dogs to salivate to the sound of the bell. He next paired a black square with the bell. After a number of trials with this pairing, the dogs salivated to the black square alone. The original conditioned stimulus (bell) had become a reinforcing unconditioned stimulus for the new conditioned stimulus (black square). This was called second-order conditioning. Pavlov could go for third-order conditioning but not more. However, most behavioural scientists agree that human beings are capable of being conditioned higher than the third order. Classical conditioning, as discussed above, is presented in Figure 6.1.

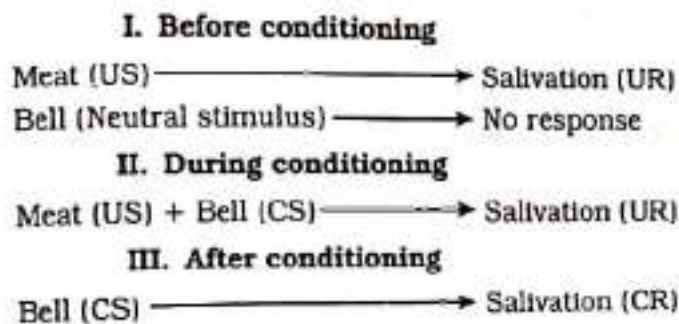


FIGURE 6.1: Classical conditioning

Implications of Classical Conditioning. Classical conditioning has some important implications for understanding human behaviour. Since higher-order conditioning for learning by human beings is important, its implications must be recognised. For example, higher-order conditioning can explain how learning can be transferred to stimuli other than those used in the original conditioning. However, the existence of higher-order conditioning shows the difficulty of tracing the exact cause of certain behaviour, as direct cause-effect relationship for a behaviour is difficult to establish. Another implication of higher-order conditioning is that reinforcement can be acquired. A conditioned stimulus becomes reinforcing under higher-order conditioning. This shows the importance of secondary rewards (higher-order conditioning) in organisations.

Classical conditioning, though offers explanation for learning, fails to explain total behaviour of human beings. Therefore, many psychologists view that classical conditioning, though offers explanation for learning, does not explain total behaviour of human beings. For example, Robbins has observed that "classical conditioning is passive. Something happens and we react in a specific or particular way. It is elicited in response to a specific, identifiable event and, as such, it explains simple and reflective behaviour. But behaviour of people in the organisations is emitted rather than elicited, and it is voluntary rather than reflective."⁶ Because of limitations of classical conditioning in explaining the learning process of human beings, many psychologists did not agree with this concept. Skinner, particularly, feels that classical conditioning explains only respondent's reflective behaviour. People's behaviour is emitted rather than elicited and it is voluntary rather than reflective. The behaviour affects, or operates on, the environment. This type of behaviour is learned through operant conditioning.⁷

Operant Conditioning

Operant is defined as behaviour that produces effects. Operant conditioning suggests that people emit responses that are rewarded and will not emit responses that are either not rewarded or punished. Operant conditioning implies that behaviour is voluntary and it is

⁶ Stephen P. Robbins, *Organisational Behaviour*, New Delhi: Prentice-Hall, 1994, p. 112.

⁷ B.F. Skinner, *Science and Human Behaviour*, New York: Macmillan, 1953.

determined, maintained and controlled by its consequences. It presupposes that human beings explore their environment and act upon it. The basic principle of learning new behaviour (operant or also called instrumental) involves the relationship between three elements:

1. stimulus situation (important events in the situation),
2. behavioural response to the situation, and
3. consequence of the response to the person.

A simple example of the operant behaviour is the application of brake by a vehicle driver to avoid accident. Here, the possibility of accident without application of brake is stimulus situation, application of brake is the behaviour, and avoidance of accident is the consequence of behaviour. Through this process, human beings learn what behaviours will be rewarding and they engage in those behaviours.

Implications of Operant Conditioning. Operant conditioning has much greater impact on human learning than classical conditioning. Most behaviours in organisations are learned, controlled, and altered by consequences. Management can use the operant conditioning process successfully to control and influence the behaviour of employees by designing the suitable reward system. Reynolds observes that operant conditioning is the basis for modern behaviourism and consists of the following :

1. A series of assumptions about behaviour and its environment.
2. A set of definitions which can be used in an objective, scientific description of behaviour and its environment.
3. A group of techniques and procedures for experimental study of behaviour in the laboratory.
4. A large body of facts and principles which have been demonstrated by experiment.⁸

These points show that operant conditioning leads to a very comprehensive approach to the study of behaviour. Two aspects of immediate relevance are reinforcement of behaviour and behaviour modification which will be discussed in this chapter later.

Difference between Classical and Operant Conditioning

Classical conditioning and operant conditioning differ in their approach to explain the causes and process of learning. The major differences between these may be summarised as follows.

1. In classical conditioning, behaviour is the result of stimulus either of first order or higher order. In operant conditioning, many possible behaviours can result in the particular stimulus situation. Thus, in the former case, there may be direct relationship between stimulus and response, while no such relationship is necessary in operant conditioning.
2. In classical conditioning, a change in the stimulus (unconditioned stimulus to conditioned stimulus) will elicit a particular response. In operant conditioning, one particular response out of many possible ones occurs in a given stimulus situation. In this case, stimulus does not elicit response but serves as a cue for a person to emit the response. The emitting of response depends upon the outcome of the response so emitted.
3. In classical conditioning, the stimulus, conditioned or unconditioned, serving as a reward, is presented every time for response to occur. In operant conditioning, the reward is presented only if the organism gives the correct response. Thus, response is instrumental in receiving the reward.

⁸ G.S. Reynolds, *A Primer of Operant Conditioning*, Glenview, Ill: Scott, Foresman, 1975, p. 1.

6. Positively reinforce reproduction of the target behaviour both in training and back on the job.
7. Once the target behaviour is reproduced, maintain and strengthen it, first with a continuous schedule of reinforcement and later with an intermittent schedule.

Integrating Various Learning Theories

The discussion of various theories of learning leads us to the conclusion that all theories try to explain the logic behind learning process though they differ in their orientations. Each theory focuses on a specific feature of learning and does not fully explain the phenomena of learning in all situations. Therefore, to understand how learning takes place, we have to take all these theories in an integrated way, that is, the relevant elements of all theories to explain how learning takes place. In fact, in the practice, this approach is more relevant.

Reinforcement

Reinforcement can be defined as anything that increases the strength of response and tends to induce repetitions of the behaviour that preceded the reinforcement. Sometimes, reinforcement is equated with motivation as reinforcement plays important role in motivation. However, both are different. As we shall see later in this text, motivation is a basic psychological process and is much broader and more complex than the reinforcement as used in learning. In addition, the basic core of motivation is needs which are cognitive in nature and are unobservable. Reinforcement is an environmental event that follows a response. In general, motivation is an internal explanation of behaviour whereas reinforcement is an external explanation of behaviour.

As discussed earlier, reinforcement is very important for learning because behavioural response is conditioned by reinforcement. Some learning theorists, however, consider that learning does not involve reinforcement. For example, Mendick comments that "all that is necessary for an association to develop between a stimulus and a response is that they occur together frequently. Reward does not seem to be necessary. When reward is used, however, conditioning proceeds far more rapidly and with greater vigour."¹⁴ This suggests that though reinforcement is not necessary for learning, its presence increases the learning. This is so because when a behaviour is reinforced, a person tends to repeat the same response, he was emitting at the time of reward. This increases the probability of that response being emitted when reward is presented again. Over a period of time, the person may learn to associate the behavioural response with the reward. Relationship between reinforcement and behaviour is presented in Figure 6.2.

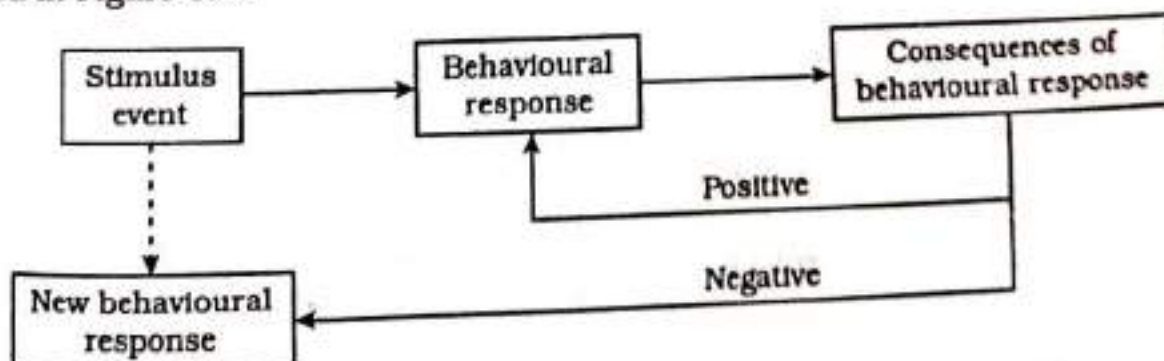


FIGURE 6.2: Effect of behavioural consequences on learning

¹⁴Sarnoff A. Mendick, *Learning*, Englewood, Cliffs, N.J.: Prentice-Hall, 1964, p. 26.

TYPES OF REINFORCEMENT

There are various types of reinforcement which may be used in learning. These may be either positive or negative, extrinsic or intrinsic, and primary or secondary.

Positive and Negative Reinforcement

Reinforcement, positive or negative, strengthens the behavioural response and increases the probability of that response. But positive and negative reinforcements accomplish this impact on behaviour in completely different ways. Positive reinforcement strengthens and increases behaviour by the presentation of a desirable consequence. For example, giving praise to a subordinate on completion of a task successfully and well in time is a positive reinforcement. Negative reinforcement strengthens and increases behaviour by the termination or withdrawal of an undesirable consequence. For example, if an employee wears casual dress at workplace which is not in accordance with official norms, he may be criticised by his supervisor. In order to avoid his criticism (a negative consequence), the employee may start wearing formal dress (desirable behaviour). Sometimes, confusion arises between negative reinforcement and punishment because both are considered to be the forms of negative control of behaviour. However, both work differently. Negative reinforcement strengthens and increases one's behaviour in order to avoid undesirable consequence while punishment weakens and decreases behaviour that is being punished. For example, if an employee breaks organisational rules frequently for which he is punished with strong warning and a day's pay-cut, in order to avoid the similar punishment in future, his behaviour of breaking organisational rules will be reduced. Thus, positive reinforcement increases the probability of desirable behaviour for getting desirable consequence, negative reinforcement increases the probability of desirable behaviour to avoid undesirable consequence.

Since negative reinforcement is used to avoid negative consequence, it is also referred to as *avoidance*. Sometimes, withdrawal of a positive reinforcement is used to weaken a particular behaviour of employees which was desirable at one point of time but is no longer desirable. This is known as *extinction*. Extinction decreases the frequency of behaviour, specially the behaviour that was previously rewarded. If reward is withdrawn for a behaviour that was previously reinforced, the behaviour will become less frequent and ultimately cease to occur. For example, in a small organisation, the chief executive may encourage his employees, whose number is small, for informal discussion with him to know the reality of the situation. When the organisation grows, he may not find time for informal discussion. Therefore, he may start focusing on formal points in discussion and avoiding informal points. Discussion of informal points, once rewarded, will extinguish in the absence of reward. Thus, in an organisation, positive reinforcement, negative reinforcement, punishment, and extinction may be used for shaping human behaviour.

Extrinsic and Intrinsic Reinforcement

Positive reinforcement is further classified into extrinsic and intrinsic reinforcement. An extrinsic reinforcer has no direct relationship with the behaviour itself. It is artificial and often arbitrary, such as, payment of money to the employees for new ideas. Intrinsic rewards, on the other hand, are natural consequences of behaviour. They create a psychologically expected relationship to the behaviour itself, such as, acquisition of new skill, work performance to the capacity, assuming more responsibility, etc. Extrinsic and intrinsic reinforcers are closely related with motivation process. They are more applicable to learning areas, such as, training and to more complex areas such as employee attitude.

Primary and Secondary Reinforcement

Positive reinforcement may also be classified as primary or unconditioned and secondary or conditioned. A primary reinforcer is innately satisfying to the person and directly reduces his primary motivational drive. Such reinforcers are independent of past experiences. As such, unconditioned stimulus is an unlearned reward for the person. Examples of primary reinforcers are food, sex, etc. which satisfy physiological needs. Such rewards are used in simple learning situations. Secondary reinforcement, on the other hand, depends on the individual and his past reinforcement history. Thus, these are primarily learned ones. Examples of such reinforcers are praise, recognition, advancement, etc. Regardless of whether the positive reinforcer is primary or secondary in nature, once it has been determined that the consequence has reward value to the employees, it can be used to increase their performance.

ADMINISTERING REINFORCEMENT

As it has been established that reinforcement is necessary for learning, a manager must administer it in such a way that it has its maximum effects. If reinforcement is administered properly, it will increase the strength of desired organisational behaviour and the probability of its being repeated. Costello and Zaldkind have summarised the nature of reinforcement as follows which is very important in its administering process.

1. Some type of reinforcement (reward or knowledge of successful performance) is necessary to produce change.
2. Some types of rewards are more effective for use in the organisation than others.
3. The speed with which learning takes place and also how lasting its effects will be is determined by the timing of reinforcement.¹⁵

Following aspects must be taken into account in administering the reinforcement.

1. Selection of Reinforcement. The first step in the successful application of reinforcement procedure is to select reinforcers that are sufficiently powerful to maintain responsiveness while complex patterns of behaviour are being established and strengthened. Reinforcers, particularly conditioned ones, depend upon individuals; what is rewarding to one person may not be rewarding to another. Thus, managers should look for a reward system which has maximum reinforcing consequences to the group they are supervising.

2. Contingent Designing of Reinforcement. Reinforcement should be designed in such a way that reinforcing events are made contingent upon the desired behaviour. Rewards must result from performance, and greater the degree of performance of employee, greater should be his reward. Unless a manager discriminates between employees based on their performance, the effectiveness of his power over the employees is nil. It is important that reward administered is equal to performance input of the employee. Homans labels this as the 'rule of distributive justice' and states that this reciprocal norm applies in both formal and informal relationships.

3. Reinforcement Scheduling. The reinforcement should be designed in such a way that a reliable procedure for eliciting or including the desired response pattern is established. If the behaviour that manager wishes to strengthen is already present, and occurs with some frequency, then reinforcement applications can, from the outset, increase and maintain the desired performance pattern at a high level. The effectiveness of reinforcement varies as a function of the schedule of its administration. Thus, understanding of reinforcement administration schedule is important for managers. For administering positive reinforcement and punishment, separate principles are followed.

¹⁵Timothy W. Costello and Sheldon S. Zaldkind, *Psychology in Administration*, Englewood, Cliffs, N.J.:

Groups exist in every organisation and they affect the behaviour of their members. They not only affect the behaviour of their members rather they have impact on other groups and the organisation as a whole. Such groups are created by the organisation as well as by organisation members for their own satisfaction. An organisation divides its ultimate task into small tasks which are assigned to various sub-units. Division of tasks and passing them down continues until a level is reached where several people take a sub-goal and divide it among themselves as individuals, but no longer create work unit. Thus, the organisation itself generates forces towards the formation of various functional task groups within itself. Besides, many groups are created automatically because of operation of socio-psychological factors at workplace. Thus, these groups are essential for organisation's functioning. If one wants to study the organisation, he will have to understand groups and their functioning. Group dynamics provides understanding of groups.

Concept of Group Dynamics

The term group dynamics contains two terms: group and dynamics. Group is basically a collectivity of two or more persons. Dynamics comes from Greek word meaning force. Theory of dynamics is used in physical sciences and engineering which explains the phenomena of universe by some immanent energy: operation of force. Thus, group dynamics refers to the interaction of forces between group members in a social situation. However, the term group dynamics is defined in different ways. One view is that group dynamics describes how a group should be organised and operated. This includes democratic leadership, participation, and cooperation. Another view takes group dynamics as a set of techniques such as role playing, brainstorming, leaderless group, group therapy, sensitivity training, etc. According to the third view, group dynamics is viewed from the internal nature of groups, their formation, structure and processes, and the way they affect individual members, other groups, and the organisation. This view is more prevalent. For example, group dynamics has been defined as follows:

"The social process by which people interact face to face in small groups is called group dynamics."¹

Thus, group dynamics encompasses the dynamics of interaction patterns within the group, the subtle and the non-subtle pressures exerted by group members, the manner in which decisions are made in the group, how work gets done, and how members' needs are satisfied. Understanding of all these will enable managers to manage groups effectively leading to organisational effectiveness.

CONCEPT OF GROUP

It is quite difficult to define a group independent of some specific purpose or reference. That is why people tend to define group differently. Shaw has summarised various definitions of groups into four categories. First, group is defined as consisting of individuals who perceive the existence of a group and their membership in it. Second, group is defined on the basis of a common motivation or goal. Third, this class of definitions looks to the structure of the group—the relationships and ties among group members which bind them together into a group. Fourth, this definition perceives the central element of a group to be interacting among its members. This approach, Shaw finds most acceptable and defines group as 'two or more persons who are interacting with one another in such a manner that each person influences and is influenced by each other'.²

¹ John W. Newstrom and Keith Davis, *Organisational Behaviour: Human Behaviour at Work*, New York: McGraw-Hill, 1997, p. 340.

² Marvin E. Shaw, *Group Dynamics: The Psychology of Small Group Behaviour*, New York: McGraw-Hill, 1971, p. 10.

Organisational Adaptation

Organisations as dynamic entities are characterised by pervasive change. In this age of environmental variability, the real job of a manager is to provide continuity in organisations because the organisations have to adapt themselves to the environmental changes by making suitable internal arrangements. However, such organisational arrangements are mostly resisted by the internal people. Thus, managers have to face dual problems: identifying need for change and then implementing the change without adversely affecting the need for satisfaction of organisational people. It is also the essence of managing change. Management of change is seen as a self-perpetrating ever-evolving phenomenon.

ORGANISATIONAL BEHAVIOUR MODELS

A model is an abstraction of reality, a simplified representation of some real-world phenomenon. Models are developed in different fields to guide activities in those fields. In the field of organisational behaviour, models are developed to provide framework about 'how people will be treated in an organisation'.

Every organisation develops a particular model in which behaviour of the people takes place. This model is developed on the basis of management's assumptions about people and the vision of the management. Since these assumptions vary to a great extent, these result into the development of different organisational behaviour models (OB models). From the very beginning of the civilised human society, two alternative approaches have been adopted for placing trust on people. One says "trust everyone unless there is a contrary evidence"; another says "do not trust anyone unless there is a contrary evidence". Naturally, interpersonal interactions take place differently under these two approaches. Following description of the organisations is worthwhile to note here:

"Most of our organisations tend to be arranged on the assumption that people cannot be trusted or relied on, even in tiny matters."¹²

However, this is only one side of the coin. In the field of OB, assumptions about people have been made on two extreme sides. For example, McGregor has given theories X and Y, and each theory makes assumptions which are quite contrary to each other¹³ (discussed in Chapter 9); Argyris has given the concept of immaturity and maturity of people which also provides two opposite views about the people¹⁴ (discussed in Chapter 4). Thus, OB models developed on the basis of these assumptions would show great variations. However, OB models that are in practice show some kind of continuum between these two opposite poles, though they tend to lean towards a particular pole. Davis has described four OB models which are as follows:¹⁵

1. autocratic
2. custodial
3. supportive
4. collegial.

Autocratic Model

In the autocratic model, managerial orientation is towards power. Managers see authority as the only means to get the things done, and employees are expected to follow orders. The result

¹²Charles Handy, "Trust and the Virtual Organisation," *Harvard Business Review*, May-June, 1995, p. 44.

¹³McGregor, *op. cit.*

¹⁴Chris Argyris, *Personality and Organisation*, New York: Harper & Row, 1957.

¹⁵John W. Newstrom and Keith Davis, *Organisational Behaviour: Human Behaviour at Work*, New York: McGraw-Hill, 1997, p. 33. The model was originally published in Keith Davis, *Human Relations at Work: Dynamics of Organisational Behaviour*, New York: McGraw-Hill, 1967.

TABLE 1.2: Models of organisational behaviour

| | Autocratic | Custodial | Supportive | Collegial |
|-------------------------------|--------------------|----------------------------|------------------------|-----------------------|
| Basis of model | Power | Economic resources | Leadership | Partnership |
| Managerial orientation | Authority | Money | Support | Teamwork |
| Employee orientation | Obedience | Security and benefits | Job performance | Responsible behaviour |
| Employee psychological result | Dependence on boss | Dependence on organisation | Participation | Self-discipline |
| Employee needs met | Subsistence | Security | Status and recognition | Self-actualisation |
| Performance result | Minimum | Passive cooperation | Awakened drives | Moderate enthusiasm |

is high dependence on boss. This dependence is possible because employees live on the subsistence level. The organisational process is mostly formalised; the authority is delegated by right of command over people to whom it applies. The management decides what is the best action for the employees. The model is largely based on the Theory X assumptions of McGregor where the human beings are taken inherently distasteful to work and try to avoid responsibility. A very strict and close supervision is required to obtain desirable performance from them. Likert's management system can be compared with the model of organisational behaviour. His system 1 (exploitative, authoritative) in which motivation depends on physical security and some use of desire for status and better performance is ensured through fear, threats, punishment, and occasional rewards; communication is mostly one-way, that is, downward; there is little interaction between managers and employees.

The autocratic model represents traditional thinking which is based on the economic concept of the man. With the changing values and aspiration levels of people, this model is yielding place to others. However, this does not mean that this model is discarded in toto. In many cases, the autocratic model of organisational behaviour may be a quite useful way to accomplish performance, particularly where the employees can be motivated by physiological needs. This generally happens at lower strata of the organisation.

Custodial Model

In the custodial model, the managerial orientation is towards the use of money to pay for employee benefits. The model depends on the economic resources of the organisation and its ability to pay for the benefits. While the employees hope to obtain security, at the same time, they become highly dependent on the organisation. An organisational dependence reduces their personal dependence on boss. The employees are able to satisfy their security needs or in the context of Herzberg's theory, only maintenance factors. These maintenance factors provide security but fail to provide strong motivation. Although employees working under custodial model feel happy, their level of performance is not very high. This resembles again to Herzberg's satisfier and dissatisfier. Since employees are getting adequate rewards and organisational security, they feel happy. However, they are not given any authority to decide what benefits or rewards they should get. This approach is quite similar to patrimonial approach where the basic assumption is that it is the prerogative of management to decide what benefits are best suited to the employees. Such an approach is still quite common in many business

organisations in India. This phenomenon is more predominant in family managed business organisations where family characteristics have also been applied to the organisational settings. The basic ingredient of the family-managed system is that parents decide what is good or bad for their children; managers decide what is good for their employees. From this point of view, this model is not suitable for matured employees.

Supportive Model

The supportive model of organisational behaviour depends on managerial leadership rather than on the use of power or money. The aim of managers is to support employees in their achievement of results. The focus is primarily on participation and involvement of employees in managerial decision-making process. The model is based on 'principles of supportive relationships' of Likert, which is the basic ingredient of his system 4 (participative). Likert states that the leadership and other processes of the organisation must be such as to ensure a maximum probability that in all interactions and all relationships with the organisation, each member will, in the light of his background, values, and expectations, view the experience as supportive and one which builds and maintains his sense of personal worth and importance.¹⁶ It is quite similar to the assumptions of McGregor's Theory Y. The supportive model is based on the assumptions that human beings move to the maturity level and they expect the organisational climate which supports this expectation. Various organisational processes—communication, leadership, decision making, interaction, control, and influence—are such that these help employees to fulfil their higher order needs such as esteem and self-actualisation.

Likert has shown that supportive model is best suited in the conditions where employees are self-motivated. Thus, this emphasises not on the economic resources of the organisation but its human aspect. Manager's role is to help employees to achieve their work rather than supervising them closely. This can be applied more fruitfully for higher level managers whose lower order needs are satisfied reasonably. Organisations with sophisticated technology and employing professional people can also apply this model for getting best out of their human resources. However, this does not mean that this model can be applied in all circumstances. For example Davis observes that the supportive model tends to be specially effective in nations with affluence and complex technology, because it appeals to higher order needs and provides intrinsic motivational factors. It may not be the best model to apply in less developed nations, because their employees need structures are often at lower levels and their social conditions are different.¹⁷ Moreover, this model can be applied more fruitfully for managerial levels as compared to operative levels. As such, the tendency of modern management is to move towards supportive model, specially for their management groups.

Collegial Model

Collegial model is an extension of supportive model. The term collegial refers to a body of people having common purpose. Collegial model is based on the team concept in which each employee develops high degree of understanding towards others and shares common goals. The employee response to this situation is responsibility. Employees need little direction and control from management. Control is basically through self-discipline by the team members. The organisational climate is quite conducive to self-fulfilment and self-actualisation. Collegial model tends to be more useful with unprogrammed work requiring behavioural flexibility, an intellectual environment, and considerable job freedom.

¹⁶ Rensis Likert, *The Human Organisation*, New York: McGraw-Hill, 1967.

¹⁷ Davis, op. cit., p. 100.

TABLE 2.1: Evolution of management thought

| Management thought | Period |
|--|--------------------|
| 1. Early contributions | Up to 19th century |
| 2. Scientific management | 1900-1930 |
| 3. Administrative/operational management | 1916-1940 |
| 4. Human relations approach | 1930-1950 |
| 5. Social systems approach | 1940-1950 |
| 6. Decision theory approach | 1945-1965 |
| 7. Management science approach | 1950-1960 |
| 8. Human behaviour approach | 1950-1970 |
| 9. Systems approach | 1960s onwards |
| 10. Contingency approach | 1970s onwards |

EARLY CONTRIBUTIONS

Before the systematic study of management, contributions in the field came from a variety of sources: existence of organization and administration in Egypt in 1300 B.C., Confucius's suggestions for proper public administration before Christ, Kautilya's principles of state administration in 320 B.C., Roman catholic church' concept of staff personnel, systematic administration as a source of strengths during 16th to 18th centuries of the Cameralists (a group of German and Austrian public administrators and intellectuals). These contributions provided some insights about how resources could be utilized more effectively. However, these contributions were outside the field of business and other economic organizations. In the field of business organizations, some stray contributions have come from Robert Owen, James Watt, Charles Babbage, and Henry Town. While Owen emphasized personnel aspects in management and advocated a number of benefits to employees, others concentrated on developing concepts relating to effective utilization of resources at the shop-floor level. Their contributions came bit by bit and in haphazard manner and have failed to stimulate to study of management as a distinct discipline. However, their ideas created awareness about managerial problems. By the end of 19th century, a stage was set for taking systematic study of management and the beginning was made by Taylor in the early part of 20th century which took the shape of scientific management.

Before going through discussion of development of management thought period-wise, it is worthwhile to understand how contributions of Kautilya are relevant in the present context.

KAUTILYA'S CONTRIBUTIONS TO MANAGEMENT

Kautilya (350-283 BC), also known as Chanakya, produced three famous works: *Artha Sastra*, *Chanakya Neeti*, and *Chanakya Sutra* which contain his contributions. Kautilya has identified seven pillars for effective state administration: the king, the minister, the country, the fortified city, the treasury, the army, and the ally. These can be treated as pillars of management. Let us take a closer look at each of these.

1. The King (The Leader). A great organization has great leader, like a great king. The leader is the visionary, the captain, the man who guides the organization. In today's corporate world, we call him the chief executive. Without visionary chief executive, an organization will lose direction.

2. The Minister (The Manager). The manager — the second-in-command is the person who runs the show and puts things in action. He is the person on whom one can depend in the

BBA (I-Semester) Examination, 2020-2021
SUBJECT : MANAGEMENT

| Code | Paper No. | Paper Title | Max. Marks |
|------|---------------|----------------------|------------|
| 1588 | Paper-BBA-103 | Financial Accounting | 70 |

(To be filled in by the Examinee / निम्न पूर्तियाँ परीक्षार्थी स्वयं भरें)

[Time : 60 Minutes]

Roll No. (in figures) 200820030026

अनुक्रमांक (अंकों में)

Roll No. (in words) Twenty Six

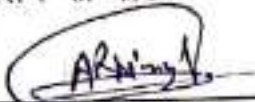
अनुक्रमांक (शब्दों में)

Name of College LPCPS

कॉलेज का नाम

College Code 082

कॉलेज का कोड


Signature of Examinee

परीक्षार्थी के हस्ताक्षर

Booklet Code

A

Question Booklet
Number

101321



Signature of Invigilator

कक्ष-निरीक्षक के हस्ताक्षर

Instructions to the Examinee :

1. Do not open the booklet unless you are asked to do so.
2. There are 70 questions in the booklet. Examinee is required to answer only 35 questions in the OMR Answer Sheet provided. Each question carries 2 marks. If more than 35 questions are attempted by student, then the first attempted 35 questions will be considered for evaluation.
3. Examine the Booklet and the OMR Answer-Sheet very carefully before you proceed. Faulty question booklet due to missing or duplicate pages/questions or having any other discrepancy should be immediately replaced.

परीक्षार्थियों के लिए निर्देश :

1. प्रश्न-पुस्तिका को तब तक न खोलें जब तक आपसे कहा न जाए।
2. प्रश्न-पुस्तिका में 70 प्रश्न हैं। परीक्षार्थी को केवल 35 प्रश्नों का उत्तर देना है। प्रत्येक प्रश्न 2 अंकों का है। यदि छात्र द्वारा 35 से अधिक प्रश्नों को हल किया जाता है तो प्रारम्भिक हल किये हुए 35 उत्तरों को ही मूल्यांकन हेतु सम्मिलित किया जाएगा।
3. प्रश्नों के उत्तर अंकित करने से पूर्व प्रश्न-पुस्तिका तथा OMR उत्तर-पत्रक को सावधानीपूर्वक देख लें। दोषपूर्ण प्रश्न-पुस्तिका जिसमें कुछ भाग छपने से छूट गए हों या प्रश्न एक से अधिक बार छप गए हों या उसमें किसी अन्य प्रकार की कमी हो, उसे तुरन्त बदल लें।

(Remaining instructions on last page)

(शेष निर्देश अन्तिम पृष्ठ पर)

motivation

motivation

- 1.) Need
- 2.) Expectancy
- 3.) Equity
- 4.) Reinforcement
- 5.) Goal setting

- H.V.
- 1.) Company Policy & Adminis
 - 2.) Tech. Supervision
 - 3.) IR with Super
 - 4.) " " Peers
 - 5.) " " Suborg.
 - 6.) Salary
 - 7.) Job Security
 - 8.) Personal Life
 - 9.) Working Condition
 - 10.) Status

- motivation -
- 1.) Achievement
 - 2.) Recognition
 - 3.) Advancement
 - 4.) Work itself
 - 5.) Possibility of Growth
 - 6.) Responsibility

which are situational and can change according to the environment. From this point of view, ERG theory provides us categorization of needs, their relationship, and the progression and regression of their satisfaction.

VROOM'S EXPECTANCY THEORY

Criticizing the content theories of motivation which are based on the needs of people and their priority, Vroom has presented an alternative theory which is based on motivation process. Various theories which are based on motivation process are more concerned with the cognitive antecedents that go into motivation or efforts and the way they relate to each other.

Vroom's expectancy theory has its roots in the cognitive concepts in the choice behaviour and utility concepts of classical economic theory.⁹ According to Vroom, people will be motivated to do things to achieve some goals to the extent that they expect that certain actions on their part will help them to achieve the goal. Vroom's model is built around the concepts of value, expectancy, and force; its basic assumption is that the choice made by a person among alternative courses of action is lawfully related to psychological events occurring contemporaneously with the behaviour. Vroom's concept of force is basically equivalent to motivation and may be shown to be the algebraic sum of products of valences multiplied by expectations. Thus,

$$\text{Motivation (force)} = \sum \text{Valence} \times \text{Expectancy}$$

Vroom's expectancy theory is presented in Figure 18.9.

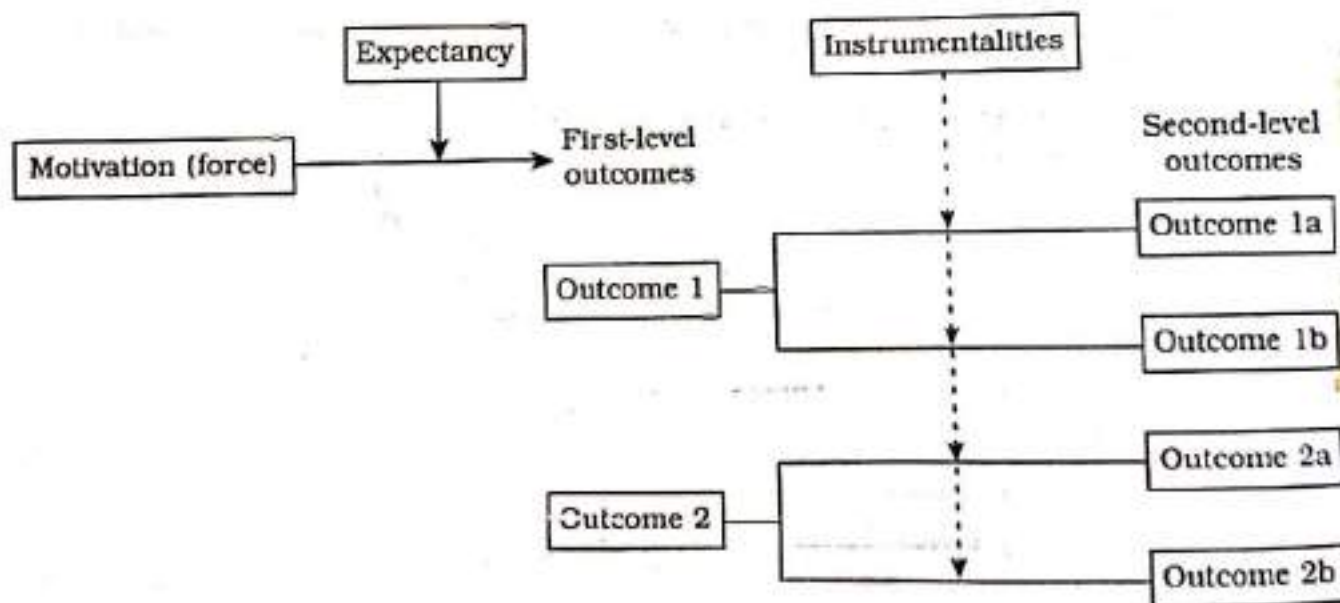


FIGURE 18.9: Vroom's expectancy theory

As shown above, the model is built around the concepts of valence, instrumentality, and expectancy and, therefore, this model is referred to as VIE theory. Various terms used in Vroom's model are explained below:

Valence. According to Vroom, valence means the strength of an individual's preference to a particular outcome. Other terms equivalent to valence used in various theories of motivation are incentive, attitude, and expected utility. In order for the valence to be positive for individual, he must prefer attaining the outcome to not attaining it; a valence of zero occurs

when the individual is indifferent towards the outcome; and the valence is negative when the individual prefers not attaining the outcome than to attaining it.

Instrumentality. Another major input in the valence is the instrumentality of the first-level outcome in obtaining a derived second-level outcome. Hunt and Hill have exemplified it by promotion motive. For example, assume that an individual desires promotion and feels that superior performance is a very strong factor in achieving that goal. His first-level outcome is then superior, average, or poor performance. His second-level outcome is promotion. The first-level outcome of high performance thus acquires a positive valence by virtue of the expected relationship to the preferred second-level outcome of promotion. In this case, the person would be motivated for superior performance because of his desire to be promoted. The superior performance (first-level outcome) is being instrumental in obtaining promotion (second-level outcome).

Expectancy. Another factor in determining the motivation is expectancy, that is, the probability that a particular action will lead to the outcome. Expectancy is different from instrumentality input into valence. Expectancy differs from instrumentality in that it relates efforts to first-level outcomes whereas instrumentality relates first-and second-level outcomes to each other. Thus, expectancy is the probability that a particular action will lead to a particular first-level outcome. The strength of motivation to perform a certain act will depend on the sum of the products of the values for the outcomes times the expectancies.

Implications of the Theory

One of the important features of this theory is that it recognizes individual differences in work motivation and suggests that motivation is a complex process as compared to Maslow's or Herzberg's simplistic models. It also clarifies the relationship between individual and organizational goals. Thus, Vroom's theory is consistent with the idea that a manager's job is to design an environment for performance, necessarily taking into account the differences in various situations. Furthermore, this theory is also quite consistent with management by objectives. However, Vroom's theory is difficult to research and apply in practice. This is evident by the fact that there have been only a few research studies designed specifically to test the Vroom theory. In fact, Vroom himself depended largely upon researches conducted prior to the formulation of his theory. Nevertheless, from a theoretical standpoint, the Vroom model seems to be a step in the right direction but does not give the manager practical help in solving his motivational problem.

PORTER-LAWLER MODEL OF MOTIVATION

Built in large part on expectancy model, Porter and Lawler have derived a substantially more complete model of motivation and have applied it in their study primarily of managers.¹⁰ They propose a multi-variate model to explain the complex relationship that exists between job attitudes and job performance. Their model encounters some of the simplistic traditional assumptions made about the positive relationship between satisfaction and performance. The various elements of this model have been presented in Figure 18.10.

Effort. Effort refers to the amount of energy exerted by an employee on a given task. Perceived reward probability refers to the individual's perception of the probability that differential rewards depend upon differential amounts of effort. These two factors—value of reward and perception of effort-reward probability—determine the amount of effort that the employee will put in.

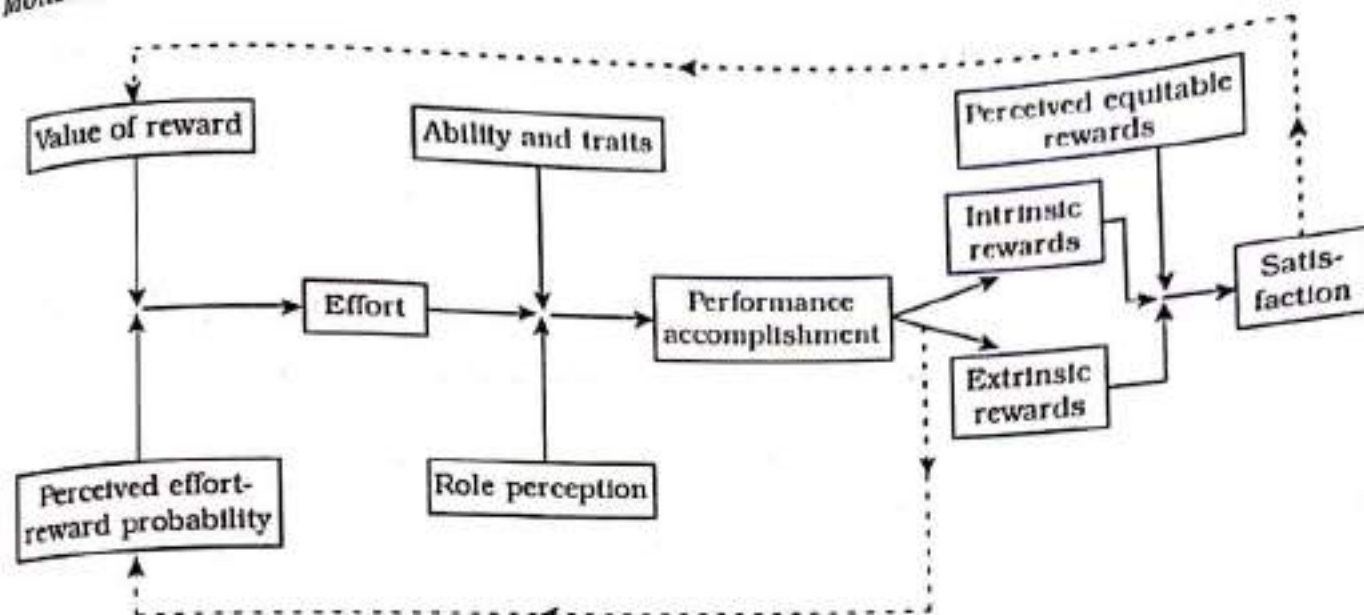


FIGURE 18.10: Porter-Lawler motivation model

Performance. Effort leads to performance but both of these may not be equal, rather, performance is determined by the amount of effort and the ability and role perception of the individual. Thus, if an individual has little ability and/or inaccurate role perception, his performance may be ineffective in spite of his putting in great efforts.

Rewards. Performance is seen as leading to intrinsic rewards (such as a sense of accomplishment and actualization) and extrinsic rewards (such as working conditions and status). However, the intrinsic rewards are much more likely to produce attitudes about satisfaction that are related to performance. In addition, the perceived equitable rewards vitally affect the performance-satisfaction relationship. They reflect the fair level of rewards that the individual feels should be given for a given level of performance.

Satisfaction. Satisfaction is derived from the extent to which actual rewards fall short, meet, or exceed the individual's perceived level of equitable rewards. If actual rewards meet or exceed perceived equitable rewards, the individual will feel satisfied; if these are less than equitable rewards, he will be dissatisfied. Thus, this provides two implications. First, satisfaction is only in part determined by actual rewards. Second, satisfaction is more dependent on performance than performance is on satisfaction. Only through the less-direct feedback loops, satisfaction will affect performance. This is a marked departure from the traditional analysis of the satisfaction-performance relationship.

Implications of the Theory

Based on the results of the study, Porter and Lawler point out that "those variables presumed to affect performance turned out to show relations to performance, and those variables presumed to result from performance also typically were related to performance." After the review of related research studies, they conclude that "over all, the evidence on the relationship between expectancy attitudes, importance attitudes, and performance provides rather impressive support for our model." The model, although more complex than other models of motivation, explains fully the different variables underlying in motivation. In practice too, motivation is not a simple cause-effect relationship rather it is a complex phenomenon. The model suggests that managers should carefully assess their reward structures and that through careful planning and clear definition of role requirements, the

a person will take to receive a reward of equity has its relevance in motivational practice.

CARROT AND STICK APPROACH OF MOTIVATION

Carrot and stick approach of motivation is based on the 'principles of reinforcement'. The carrot and stick approach of motivation comes from the old story that the best way to make a donkey move is to put a carrot in front of him or jab him with a stick from behind. The carrot is the reward for moving and the stick is the punishment for not moving. The carrot and stick approach of motivation takes the same view. In motivating people for behaviour that is desirable, some carrots, rewards, are used such as money, promotion, and other financial and non-financial factors; some sticks, punishments, are used to push the people for desired behaviour or to refrain from undesired behaviour. The punishment may be defined as presenting an aversive or noxious consequence contingent upon a behaviour.

Though in various theories of motivation, the terms carrot and stick are avoided, these still form the basis of motivation if administered properly. The organization requires certain controls and influences over its external and internal environments. The control of internal environment is largely a mechanism of influencing the behaviour of organizational members in certain direction to achieve its objectives. This can be explained in overt or implied reward and punishment system. Organizations build reward and punishment system in their formal structure, though many of the factors cannot be provided by structure alone; for example, the social prestige of a member in the informal groups. Further, many of the reward and punishment factors, particularly the latter, may not necessarily be within the control of the organization which are affected by external environment, for example, dismissal of an employee for bad performance.

The role of carrots has been adequately explained by various theories of motivation when these analyze what people want to get from their performance, that is, the positive aspect of behaviour and its rewards. Such rewards may be both financial and non-financial, as discussed later in the next chapter. The stick also pushes people to engage in positive behaviour or overcoming negative behaviour, though its role is not as forceful as the role of carrot in getting positive behaviour in most of the cases. The basic reason for this phenomenon is that stick is not controlled by the organization alone but many other forces also come in the picture. In order to make the stick work more effectively, following points should be taken into consideration while using it:

1. Punishment is effective in modifying the behaviour if it forces the person to select a desirable alternative behaviour that is then rewarded.
2. If the above does not occur, the behaviour will be only temporarily suppressed and will reappear when the punishment is removed. Furthermore, the suppressed behaviour may cause the person to be fearful and anxious.
3. Punishment is more effective if applied at the time when the undesirable behaviour is actually performed.
4. Punishment must be administered with extreme care so that it does not become reward for undesirable behaviour. A punishment, from one point of view, may become a reward for the person concerned.

The mixture of both carrot and stick should be used judiciously so that both have positive effects on the motivational profile of the people in the organization.

McGREGOR'S THEORY X AND THEORY Y

The management's action of motivating human beings in the organization, according to McGregor, involves certain assumptions, generalizations, and hypotheses relating to human behaviour and human nature. These assumptions may be neither consciously crystallized nor overtly stated; however, these serve the purpose of predicting human behaviour. The basic assumptions about human behaviour may differ considerably because of the complexity of factors influencing this behaviour. McGregor has characterized these assumptions in two opposite points—Theory X and Theory Y.

Theory X. This is the traditional theory of human behaviour. In this theory, McGregor has certain assumptions about human behaviour. In his own words, these assumptions are as follows:¹²

- ✓ 1. Management is responsible for organizing the elements of productive enterprises—money, materials, equipment, people—in the interest of economic ends.
- ✓ 2. With respect to people, this is a process of directing their efforts, motivating them, controlling their actions, modifying their behaviour to fit the needs of the organization.
- ✓ 3. Without this active intervention by management, people would be passive—even resistant—to organizational needs. They must be persuaded, rewarded, punished, controlled, and their activities must be directed. This is management's task. We often sum it up by saying that management consists of getting things done through other people.
- ✓ 4. The average man is by nature indolent—he works as little as possible.
- ✓ 5. He lacks ambition, dislikes responsibility, prefers to be led.
- ✓ 6. He is inherently self-centered, indifferent to organizational needs.
- ✓ 7. He is, by nature, resistant to change.
- ✓ 8. He is gullible, not very bright, the ready dupe of charlatan and the demagogue.

Of these assumptions, last five deal with the human nature and first three with managerial actions. These assumptions about human nature are negative in their approach, however, much organizational processes have developed on these assumptions. Managers subscribing these views about human nature attempt to structure, control, and closely supervise their employees. They feel that external control is most appropriate for dealing with irresponsible and immature employees. McGregor believes that these assumptions about human nature have not changed drastically though there is a considerable change in behavioural pattern. He argues that this change is not because of changes in the human nature, but because of nature of industrial organization, management philosophy, policy, and practice.

Theory Y. The assumptions of Theory Y are described by McGregor in the following words:¹³

- ✓ 1. The expenditure of physical and mental effort in work is as natural as play or rest. The average human being does not inherently dislike work. Depending upon controllable conditions, work may be a source of satisfaction or a source of punishment.
- ✓ 2. External control and the threat of punishment are not the only means for bringing about effort towards organizational objectives. Man will exercise self-direction and self-control in the service of objectives to which he is committed.

3. Commitment to objectives is a function of the reward associated with their achievement. The most significant of such awards, e.g., the satisfaction of ego and self-actualization needs, can be a direct product of effort directed towards organizational objectives.
4. The average human being learns under proper conditions not only to accept, but to seek responsibility. Avoidance of responsibility, lack of ambition, and emphasis on security are generally consequences of experience, not inherent human characteristics.
5. The capacity to exercise a relatively high degree of imagination, ingenuity, and creativity in the solution of organizational problems is widely, not narrowly, distributed in the population.
6. Under the conditions of modern industrial life, the intellectual potentialities of the average human beings are only partially utilized.

The assumptions of Theory Y suggest a new approach in management. It emphasizes on the cooperative endeavour of management and employees. The attempt is to get maximum output with minimum amount of control and direction. Generally, no conflict is visible between organizational goals and individual goals. Thus, the attempts of employees which are in their best interests are also in the interests of organization.

Comparison of Theories X and Y

Both these theories have certain assumptions about human nature. In fact, they are reverse sides of a coin, one representing head and the other representing tail. Thus, these assumptions seem to be mutually exclusive. The difference between two sets of assumptions can be visualized as follows:

1. Theory X assumes human beings to be inherently distasteful towards work. Theory Y assumes that for human beings, work is as natural as play.
2. Theory X emphasizes that people do not have ambitions and try to avoid responsibilities in jobs. The assumptions under Theory Y are just the reverse.
3. According to Theory X, most people have little capacity for creativity while according to Theory Y, the capacity for creativity is widely distributed in the population.
4. In Theory X, motivating factors are the lower needs. In Theory Y, higher-order needs are more important for motivation, though unsatisfied lower needs are also important.
5. In Theory X, people lack self-motivation and require to be externally controlled and closely supervised to get maximum output from them. In Theory Y, people are self-directed and creative and prefer self-control.
6. Theory X emphasizes scalar chain system and centralization of authority in the organization while Theory Y emphasizes decentralization and greater participation in the decision-making process.
7. Theory X emphasizes autocratic leadership ; Theory Y emphasizes democratic and supportive leadership.

Implications of Theories X and Y

McGregor's assumptions in terms of Theory X and Theory Y are based on Maslow's need hierarchy model. In the beginning, when the concept of 'economic man' was accepted, some writers emphasized only on the satisfaction of physiological and safety needs. These were

CASE: SWETAL FINANCE LIMITED

Swetal Finance Limited is a non-banking finance company (NBFC). It is engaged in financing hire-purchase of transport vehicles, more particularly heavy and medium trucks. It has its branches in most of the large cities of Northern India. Ramesh joined this company after doing MBA with finance major. After serving for six months at the head office of the company, he was appointed as branch manager in a city having population of about 10 lakh. After joining this branch, Ramesh found that the branch was not working with its full potential. He further realized that the staff members were not adequately motivated to get the things done. There were five staff members, four of them being office personnel while one person was working as a field employee. Ramesh was eager to motivate these four office personnel to improve the working of the branch. In order to do so, he analyzed the personality features and need patterns of these four employees. His analysis revealed the following conclusions about them:

Arvind, the senior most employee, is quite creative and may be called as genius to some extent. However, he is highly emotional and always looks for praise from others. Most of the time, he talks about himself and wants to become centre of attention. He tends to live in fantasies and day-dreaming. His work behaviour shows that as long as others praise his work, he comes up with innovative and creative ideas. For every success, he tries to grab all the credit and when there is a sign of failure, he tends to push the responsibility on his colleagues.

Mohan, the next senior most employee, appears to care more about himself and his family consisting of his wife and the only son. His thinking is that he is doing the job to support and provide happiness to his family. He believes that at least minimal job performance standard should be maintained so that the company does not have any negative perception about his work performance. He is very social and creates friendly atmosphere whenever he meets anyone including the company's customers.

Rajesh, the third employee in seniority, is quite opposite to Mohan. Rajesh is quite loyal to the company and responds well to its rules and incentive plans. However, he lacks initiative. He does not do anything independently though he does the work well which is assigned to him by the branch manager.

Sohan, the fourth employee, is quite intelligent and assertive. He works for earning more money and believes in job hopping implying that he would readily change his job if offered more money from someone else. In his present job, he works over-time to earn more money. Ramesh informally collected the information about Sohan from his previous employer. This information content is "Sohan is very adamant and has a forceful and driving personality. With us, he performed very well but his personality was so strong that we were glad to get rid of this argumentative, adamant, and arrogant fellow."

Questions

1. Analyze the need patterns of these four employees of Swetal Finance Limited in the light of content theories of motivation.
2. How will you describe the motivation of each of these employees in terms of process theories of motivation?
3. Advise Ramesh about the strategies that he should adopt for motivating his subordinates for better performance.

Personality factors are extremely important in organisational setting. While perception, learning, motivation, etc. deal with some specific aspects of human behaviour, personality takes the whole man concept because it affects the various psychological processes. James opines that it is better to consider the individual aspects of a person's make-up as bricks and personality as the whole house built of bricks, but held together with cement.¹

Concept of Personality

Though the term personality is frequently used by people, there does not seem to be any consensus about its meaning. It may mean different things to different people. To some, it means a general sum of traits or characteristics of the person; to others, it refers to a unique mode of response to life situations. Thus, there prevails a great deal of controversy over the meaning of personality. In fact, Allport has identified fifty different definitions of the term. He has categorised them into five areas as follows:

1. *Omnibus*. These definitions view personality as the sum-total, aggregate, or constellation of properties or qualities.
2. *Integrative and configurational*. Under this view of personality, the organisation of personal attributes is stressed.
3. *Hierarchical*. These definitions specify the various levels of integration or organisation of personality.
4. *Adjustment*. This view emphasises the adjustment (adaptation, survival, and evolution) of the person to the environment.
5. *Distinctiveness*. The definitions in this category stress uniqueness of each personality.²

Drawing from these approaches, he has offered the definition of personality as such.

"Personality is the dynamic organisation within the individual of those psychological systems that determine his unique adjustment to his environment."³

However, this definition does not give a complete picture of personality, and to get its complete picture, a further probe is necessary.

The term personality has been derived from Latin word 'persona' which means 'to speak through'. This Latin term denotes the masks which the actors used to wear in ancient Greece and Rome. Thus, personality is used in terms of influencing others through external appearance. However, mere external appearance, though important for personality characteristics, does not make the whole personality. According to Ruch, personality should include:

- (i) external appearance and behaviour or social stimulus value;
- (ii) inner awareness of self as a permanent organising force; and
- (iii) the particular pattern or organisation of measurable traits, both inner and outer.⁴

Taking these aspects together, personality may be defined in terms of organised behaviour as predisposition to react to a given stimulus in a particular manner; this may be in the form of consistent response to environmental stimuli. The unique way of responding to day-to-day life situations is the heart of human behaviour. Accordingly, personality embraces all the unique traits and patterns of adjustment of the individual in his relationship with others and his

¹ D.E. James, *Introduction to Psychology*, London: Constable, 1968, p. 219.

² Gordon W. Allport, *Personality*, New York: Henry Holt, pp. 43-47.

³ *Ibid.*, p. 48.

⁴ Floyd L. Ruch, *Personality and Life*, Chicago: Scott Foresman, 1963, p. 353.

environment. This implies not only the structure of personality but its dynamic qualities as well. Taking these aspects of personality, Maddi has defined personality as follows:

"Personality is a set of characteristics and tendencies that determine those commonalities and differences to the behaviour (thoughts, feelings, and actions) of people that have continuity in time and that may not be easily understood as the sole result of the social and biological pressures of the moment."⁵

In this text, we shall take personality as the traits and characteristics of an individual because of which he shows consistent pattern of response to environmental stimuli.

PERSONALITY THEORIES

Many personality theorists, not only from the field of psychology but even from other fields dealing with human behaviour also, have carried on researches to find answers to the questions: What is personality? What does personality constitute? How is behaviour governed by personality? The various theorists, however, could not give the answers on which consensus could be reached; rather these have resulted into a number of theories of personality. Just as everyone has his own definition of personality, practically, everyone has his own theory of personality. Thus, grouping the various theories and labelling the various categories becomes a difficult task. Each theorist cannot really be grouped with another, even though he may have operated from similar positions. However, the most logical grouping of personality theories seems to be into psychoanalytic, socio-psychological, trait, and self theories.

Psychoanalytic Theory

Psychoanalytic theory is based on the notion that man is motivated more by unseen forces than he is controlled by conscious and rational thought. Although Sigmund Freud is most closely related with this theory, others, such as Carl Jung, Alfred Adler, Karen Horney, and Eric Fromm, who all broke from Freud, made additional contributions. Clinical techniques were used primarily to develop psychoanalytic theory. Freud noted that his patients' behaviour could not always be consciously explained.⁶ This clinical finding led him to conclude that major motivating force in man was unconscious framework. This framework contains three aspects, though interrelated but often conflicting. These are id, ego, and super ego. They are so interrelated that they can only be artificially separated for individual study and analysis.

1. The Id. The id is the source of psychic energy and seeks immediate gratification for biological or instinctual needs. Freud believed that instinct could be classified under life-instincts and death-instincts. Life-instincts are hunger, thirst, and sex; the energy involved in their activity is the libido. The id would proceed unchecked to satisfy motives, particularly the sexual relations and pleasures, were it not for the channelling activity into acceptable ways by the ego. As an individual matures, he learns to control the id. But even then, it remains a driving force throughout life and an important source of thinking and behaving.

2. The Ego. The ego is the conscious and logical part of the human personality and is associated with the reality principle. While id represents the unconscious part, ego is conscious. Thus, ego keeps the id in check through the realities of the external environment through intellect and reason. Out of the functioning of the id and ego, many conflicting situations arise because id wants immediate pleasure, while ego dictates denial or postponement to a more appropriate time and place. In order to resolve the conflict, the ego gets support from the super ego.

⁵S.R. Maddi, *Personality Theories: A Comparative Analysis*, Homewood, Ill.: Dorsey, 1990.

⁶Sigmund Freud, *An Outline of Psychoanalysis* (translated by J. Strachey), New York: Norton, 1949.

3. The Super Ego. The super ego represents social and personal norms and serves as an ethical constraint on behaviour. It can best be described as the conscience. The super ego provides norms to ego to determine what is wrong or right. However, a person is not aware of the working of the super ego, and conscience is developed by absorption of cultural values and norms of society.

The psychoanalytic theory of Freud is based on a theoretical conception, rather than a measurable item for scientific verification. The theory does not give a total picture of behaviour emerging from the personality. That is why this theory is not very relevant from behavioural science point of view. However, this theory gives an important insight into personality structure and the idea of unconscious motivation which can be used by behavioural scientists.

Socio-psychological Theory

Socio-psychological personality theory recognises the interdependence of the individual and society. The individual strives to meet the needs of the society, while society helps the individual to attain his goal. Out of this interaction, the personality of an individual is determined. Thus, the theory is not exclusively sociological but rather a combination of two. The names associated with this theory are Adler, Horney, Fromm, and Sullivan.

Socio-psychological theory differs from psychoanalytic in two respects. First, social variables, and not the biological instincts, are the important determinants in shaping personality. Second, behavioural motivation is conscious; man knows his needs and wants, and his behaviour is directed to meet these needs.

The theorists accept that socio-psychological factors determine personality; however, there is no general agreement as to the relative importance of social variables. For example, Fromm emphasised the importance of social context, while Sullivan and Horney stressed interpersonal behaviour, and Adler employed different variables. Horney's model suggests that human behaviour results from three predominant interpersonal orientations—compliant, aggressive, and detached. Compliant people are dependent on other people and move toward others. Aggressive people are motivated by the need for power and move against others. Detached people are self-sufficient and move away from others.⁷ Socio-psychological theory offers, to a very great extent, the answer to the problems of emergence of personality, particularly in terms of the influence of social factors in shaping personality. The managers in the organisations can take clue from this theory in shaping the behaviour of their employees. However, they cannot get a total picture of human behaviour as determined by personality.

Trait Theory

Trait factor theory presents a quantitative approach to the study of personality. This theory postulates that an individual's personality is composed of definite predispositional attributes called traits. A trait may be defined as any distinguishable, relatively enduring way in which one individual differs from another. Thus, traits can be considered as individual variables. There are basically three assumptions of this theory.

1. Traits are common to many individuals and vary in absolute amounts between individuals.
2. Traits are relatively stable and exert fairly universal effects on behaviour regardless of the environmental situation. Thus, a consistent functioning of personality variables is predictive of a wide variety of behaviours.
3. Traits can be inferred from the measurement of behavioural indicators.

⁷Karen Horney, *Neurotic Personality of Our Times*, New York: Norton, 1937.

Two most widely trait theories come from the work of Allport and Cattell. Allport bases his theory on the distinction between common traits and personal dispositions. Common traits are used to compare people. He has identified six categories of values: religious, social, economic, political, aesthetic, and theoretical for comparative purpose. Besides the common traits, there are personal dispositions which are completely unique. These are cardinal (most pervasive), central (unique and limited in number) or secondary (peripheral). This uniqueness emphasises the psychology of the individual that Allport has developed.⁸

Cattell has developed a similar set of traits through the construction of tests and the determination of factors or trait families which may emerge from these psychological measures. However, he has taken a different approach from Allport. He has identified two categories of traits—surface traits and source traits. He determined thirty-five surface traits by finding cluster of traits that are correlated. For example, wise-foolish, affectionate-cold, sociable-seclusive, honest-dishonest, and so on. Such traits lie on the surface of the personality and are largely determined by the underlying source traits. He identified twelve source traits. Examples of such traits are affectothymia (good nature and trustfulness) *versus* sizothymia (critical and suspicious); ego strength (maturity and realism) *versus* emotionality and neuroticism (immaturity and evasiveness); dominance *versus* submissiveness; sergeancy (cheerfulness and energy) *versus* desurgeancy (depressed and subdued feelings).⁹

Trait theory gives recognition to the continuity of personality. This theory is based on personality research. In this research, typical study attempts to find a relationship between set of personality variables and assorted behaviour. This contributes personality tests to the behavioural science. However, this theory is very descriptive rather than analytical and is a long way from being comprehensive theory of personality.

Self Theory

The psychoanalytic, socio-psychological, and trait theories of personality represent the more traditional approaches to explaining the complex human personality. Self theory, also termed as organismic or field theory, emphasises the totality and interrelatedness of all behaviours. This approach treats the organism as a whole to a greater degree than do any of the other theoretical formulations. Though there are many contributors, notably Maslow, Herzberg, Lewin, etc., the most important contribution comes from Carl Rogers. His self theory of personality is very relevant in organisational behaviour. He defines the self concept as organised consistent, conceptual, gestalt composed of perceptions of the "I" or "me" and the perceptions of the relationships of the "I" or "me" to others and to various aspects of life, together with the values attached to these perceptions.¹⁰ There are four factors in self concept.

1. Self-image. The self-image is the way one sees oneself. Every person has certain beliefs about who or what he is; taken together, these beliefs are a person's self-image or identity. Erikson has defined identity as "a life-long development largely unconscious to the individual and his society." Its roots go back all the way to the first self-recognition: in the baby's earliest exchange of smiles, there is something of a self-realisation coupled with a mutual recognition.¹¹

2. Ideal-self. The ideal-self denotes the way one would like to be. The ideal-self differs from self-image in the fact that the self-image indicates the reality of a person as perceived by him, while ideal-self indicates the ideal position as perceived by him. Thus, there may be a gap

⁸ Allport, *op. cit.*

⁹ Raymond B. Cattell, *The Scientific Analysis of Personality*, Chicago: Aldine Publishing, 1965.

¹⁰ Carl C. Rogers, *Counselling and Psychotherapy: New Concepts in Practice*, Boston: Houghton, 1942.

¹¹ E. Erikson, "The Problem of Ego Identity," in Stein et al. (eds.), *Identity and Anxiety*, New York: Free Press, 1960, p. 47.

between these two characteristics. The ideal-self is important in stimulus selectivity because a person will select those stimuli for processing which fit in with the characteristics of his ideal-self.

3. Looking glass-self. The looking glass-self is the perception of a person about how others are perceiving his qualities and characteristics. This is the perception of others' perception, that is, the way one thinks people perceive about him and not the way people actually see him. The looking glass-self is predominantly a social product which emerges from face-to-face interaction with others from the very beginning of the life. This interaction is directed towards cues about how others see him as an individual. Thus, beliefs about self are in large measure a reflection of others' perception about the person.

4. Real-self. The real-self is what one really is. The first three aspects of self-concept are the functions of individual perception and they may be same as real-self or different from it. An individual's self-image is confirmed when other persons' responses to him indicate their beliefs about who and what he corresponds with. In the face of feedback from the environment, the person re-evaluates himself and readjusts his self-image to be more consistent with the cues he was receiving. Thus, there is a mutual recognition of his real-self, and the validity of his self-image is confirmed.

A person's self-concept gives him a sense of meaningfulness and consistency. Gellerman observes that "the average individual is not particularly well acquainted with himself, so to speak, but he remains quite faithful to his not-so-accurate image of himself and thereby acquires some consistency." In analysing organisational behaviour, the self-concept plays a very significant role. A person perceives a situation depending upon his self-concept which has a direct influence on his behaviour. This implies that person with a different self-concept needs different types of managerial practices.

PERSONALITY DEVELOPMENT

Human personality development is a continuous process. It starts since the child is in fetal stage. After birth, the child develops and learns and this process continues throughout his life. Therefore, personality development can be seen through different stages of age of an individual. At each stage, a person develops different aspects of personality. These stages have been described differently by different personality theorists. These descriptions may be classified into:

1. Freudian stages
2. Neo-Freudian stages—Erikson's psychological stages.

Freudian Stages

Although the stages of personality development may be found in the writings of ancient Greek. It was Freud who first formulated a meaningful stage theory of personality.¹² According to Freud, personality develops as a result of interaction of four main sources of stress. These are physical growth process, frustration, conflicts, and threats. These sources affect differently at each stage of the life of a person and these stages can be classified into five categories: oral stage, anal stage, phallic stage, latency stage, and genital stage. Freud believes that these stages are the main driving forces of personality development. Let us see how it happens.

1. Oral Stage. Oral stage covers the period from birth to 18 months of age. This period may be divided into two stages—oral sucking and oral biting. Oral sucking period is from birth to 8 months in which a child satisfies his sexual instinct by sucking from mouth, lips, and

¹²Freud, *op. cit.*

DETERMINANTS OF PERSONALITY

As pointed out earlier, personality represents a process of change and it relates to the

psychological growth and development of individuals. While it may be possible to detect underlying personality characteristics, these characteristics may be useful only at that point of time and only for a limited number of situations. Therefore, it becomes important to know the factors that cause a given personality to change or develop. Managers can deal more effectively, then, if they understand how an individual's personality develops. There are various determinants of personality and these have been categorised in different ways. McClelland has categorised these factors into four fundamental theories—traits (acquired propensity to respond), schema (beliefs, frame of reference, major orientations, ideas, and values), motives (inner drives), and self-schema (observation of one's own behaviour).¹⁶ Similarly, Scott and Mitchell have classified various determinants into heredity, groups, and cultural factors, both physiological and psychological which play important role in human personality.¹⁷ These factors are interrelated and interdependent. However, for the purpose of analysis, these can be classified into four broad categories.

1. biological factors,
2. family and social factors,
3. cultural factors, and
4. situational factors.

The impact of these factors on the personality may be seen from Figure 4.1.

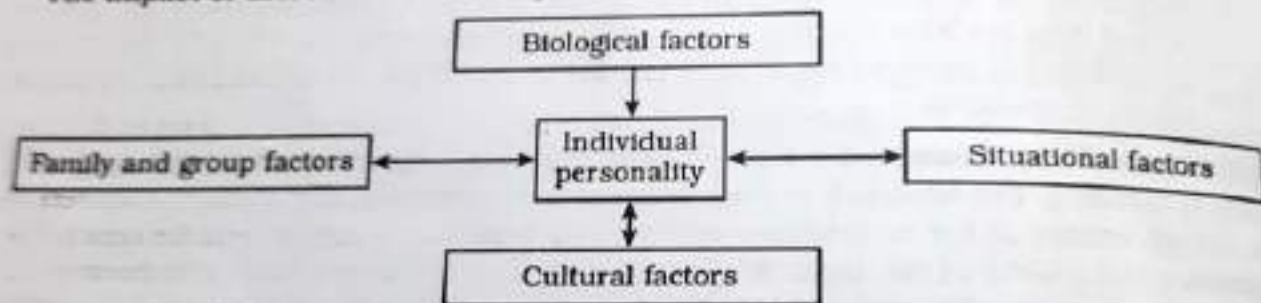


FIGURE 4.1: Determinants of personality

Out of the various factors of personality determinants, only biological factors have one-sided impact while other factors have interactive impact as the individual himself can also have some impact on these factors.

Biological Factors

The general characteristics of human biological system influence the way in which human being tends to sense external event data, interpret, and respond to them. The study of the biological contribution to personality can be divided into three major categories—heredity, brain, and physical features.

1. Heredity. Heredity is the transmission of the qualities from ancestor to descendant through a mechanism lying primarily in the chromosomes of the germ cells. Heredity predisposes to certain physical, mental, and emotional states. It has been established through research on animals that physical and psychological characteristics can be transmitted through heredity. However, such a conclusive proof is not available for human beings, though psychologists and geneticists have drawn the conclusion that heredity plays an important role in personality.

2. Brain. The second biological factor is brain which is supposed to play role in shaping personality. Though not conclusive as yet, physiologists and psychologists have studied the

David C. McClelland, *Personality*, New York: William Sloam, 1951.

V.G. Scott and T.R. Mitchell, *Organisation Theory*, Homewood Ill.: Richard D. Irwin, 1982, p. 91.

structure of human brain and have divided it into two parts—left hemisphere which lies in the right side of the body and right hemisphere which lies in the left side of the body. Depending on the structure of the brain, an individual's personality develops. For example, Trotter has provided the characteristics and dimensions attributed to the left and right hemisphere of the brain¹⁸ as shown in Table 4.3.

TABLE 4.3: Left and right hemisphere of the brain

| <i>Left hemisphere</i> | <i>Right hemisphere</i> |
|---------------------------------|---------------------------------|
| Speech/verbal | Spatial/musical |
| Logical, mathematical | Holistic |
| Linear, detailed | Artistic, symbolic |
| Sequential | Simultaneous |
| Controlled | Emotional |
| Intellectual | Intuitive, creative |
| Dominant | Minor (quiet) |
| Wordly | Spiritual |
| Active | Receptive |
| Analytic | Synthetic, gestalt-oriented |
| Reading, writing, naming | Facial recognition |
| Sequential ordering | Simultaneous comprehension |
| Perception of significant order | Perception of abstract patterns |
| Complex motor sequences | Recognition of complex figures |

3. Physical Features. The third biological factor determining personality formation is physical characteristics and rate of maturation. An individual's external appearance, which is biologically determined, is an important ingredient of personality. In a narrow sense, personality is referred to physical features of a person. However, it is not true if we take a comprehensive view of the personality. A person's physical features have some influence on his personality because he will influence others and, in turn, will affect his self-concept. Mussen observes that "a child's physical characteristics may be related to his approach to the social environment, to the expectancies of others, and to their reaction to him. These, in turn, may have impact on personality development."¹⁹ Similarly, the rate of physical maturation also affects personality because persons of varying maturity are exposed to different physical and social situations and activities differently.

Family and Social Factors

The development of the individual proceeds under the influence of many socialising forces and agencies, from nuclear family to more distant or global groupings. Family and social groups have most significant impact on personality development. These groups have their impact through socialisation and identification processes.

Socialisation is a process by which an individual infant acquires, from the enormously wide range of behavioural potentialities that are open to him at birth, those behaviour patterns that are customary and acceptable according to the standards of his family and social groups. Socialisation process starts with initial contact between mother and her new infant. Later on, other members of the family and social groups influence the socialisation process.

Identification process occurs when a person tries to identify himself with some person whom he feels ideal in the family. Generally, a child in the family tries to behave like his father

¹⁸Robert J. Trotter, "The Other Hemisphere," *Science News*, April 3, 1976, p. 219.

¹⁹Paul H. Mussen, *The Psychologic Development of Child*, Englewood Cliffs, N.J.: Prentice-Hall, 1963, pp. 60-61.

or mother. The identification process can be examined from three different perspectives. First, identification can be viewed as the similarity of behaviour (including feelings and attitudes) between child and model. Second, identification can be looked as the child's motives or desires to be like the model. Third, it can be viewed as the process through which the child actually takes on the attributes of the model.

Socialisation and identification process is influenced by home environment, family members, and social groups.

1. Home Environment. Total home environment is a critical factor in personality development. For example, children with markedly institutional upbringing or children in a cold, unstimulating home have a much greater potential to be emotionally maladjusted than children raised by parents in a warm, loving, and stimulating environment. The key variable is not the parents *per se* but rather the type of environment that is generated for the child.

2. Family Members. Parents and other family members have strong influence on the personality development of the child. Parents have more effect on the personality development as compared to other members of the family. The study by Newcomb showed the high correlation between attitudes of parents and children with a further consistency in patterns. The relationship between parents and children was higher than that between the children and their teachers.²⁰ Besides parents, siblings (brothers and sisters) also contribute to personality.

3. Social Groups. Besides a person's home environment and family members, there are other influences arising from the social placement of the family as the person is exposed to agencies outside the home, particularly the school, friendship, and other work groups. Similarly, socio-economic factors also affect personality development.

Cultural Factors

Culture is the underlying determinant of human decision making. It generally determines attitudes towards independence, aggression, competition, and cooperation. Each culture expects and trains its members to behave in the ways that are acceptable to the group. To a marked degree, the child's cultural group defines the range of experiences and situations he is likely to encounter and the values and personality characteristics that will be reinforced and hence learned. Despite the importance of cultural contribution to the personality, a linear relationship cannot be established between personality and a given culture. One problem stems from the existence of numerous subcultures within a given culture. Thus, workers are not influenced by the same culture as managers are.

Situational Factors

Apart from the biological, sociological, and cultural factors, situational factors also determine personality development. The S-O-B-C model of human behaviour considers the situations under which the behaviour is occurring. Milgram's research study suggests that very powerful role the situation may play in human personality. On the basis of his research study, he states that a situation exerts an important pressure on the individual. It exercises constraints or provide push. In certain circumstances, it is not so much the kind of person a man is, as the kind of situation in which he is placed, that determines his actions.²¹ For example, a worker whose personality history suggests that he had need for power and achievement, may become frustrated and react apathetically and aggressively if he is put in a bureaucratised work situation. Thus, he may appear lazy and trouble-maker though his personality history may

²⁰T. Newcomb, "Intrafamily Relationship in Attitude," *Sociometry*, 1, 1937, pp. 180-205.

²¹Stanley Milgram, *Obedience to Authority*, New York: Harper & Row, 1974.