MODULE – I

Introduction to organization Behavior

Organization – It is the form of every human association for the attachment of common purpose.

In modern system organization is an economic & social entity where a variety of tasks are performed by a number of persons to attain a common goal.

Organization is   i) Social entity
            ii) Goal directed
            iii) Relatively permanent
            iv) Structure
            v) Openness

Study of organization means study of its nature of organization, organizational change & its development.

Either, the stone is too big for the man or the man was too small for the stone.

Organization supports individuals provides social satisfaction. It satisfied the needs for interaction companionship, belonging and contribution to common purpose.

Materialistic Approaches of an Organization:-

i)   To enlarge abilities
ii)   To compress the time required to accomplish an objective.
iii)   To take advantage of accumulated knowledge of previous generation.

Models of Organization: -

i)   The autocratic model
ii)   The custodial model (Aggression with
iii)   The supportive modes (leadership)
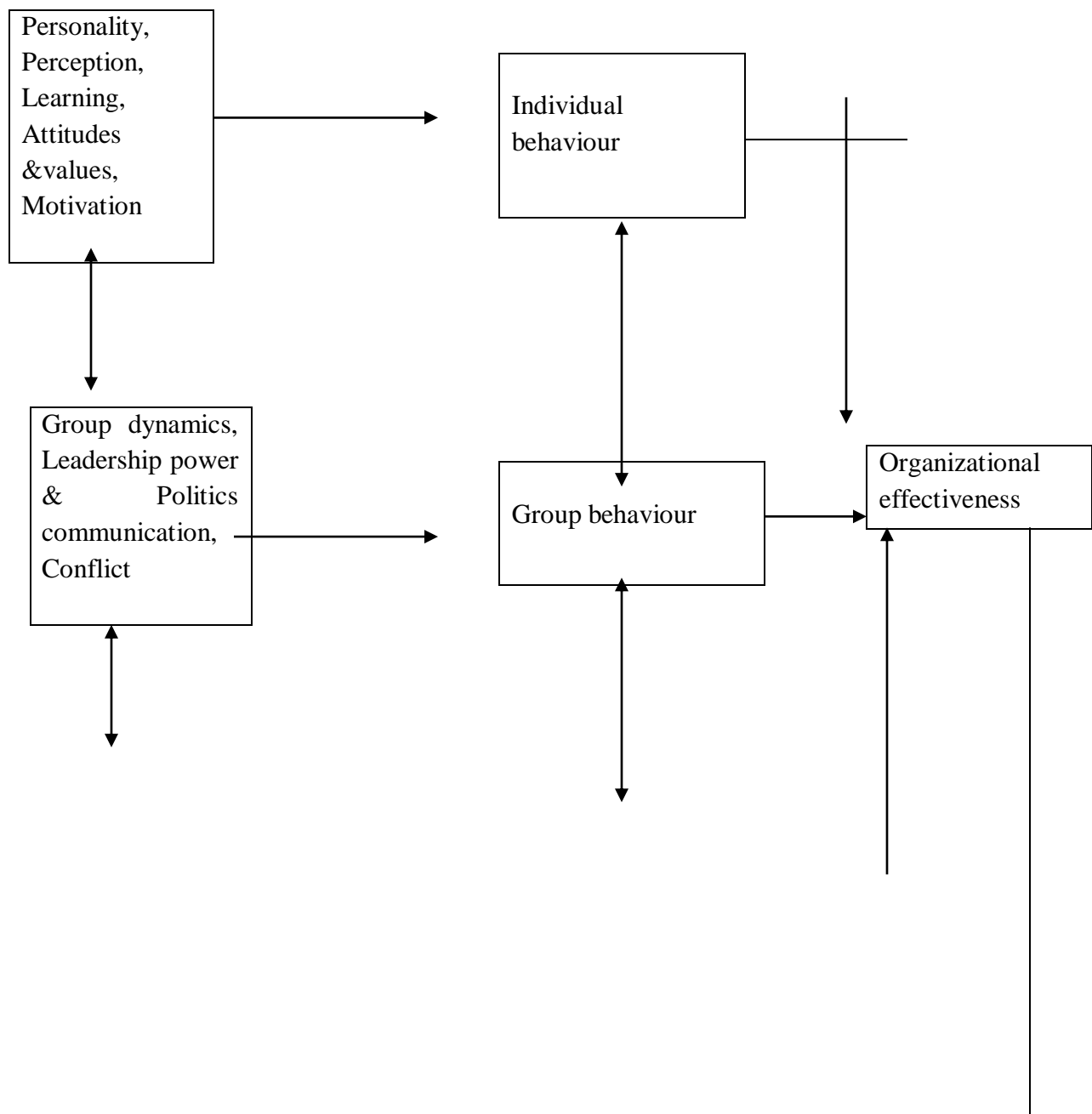iv)   The collegial model (extension of supportive model i.e. in a group)

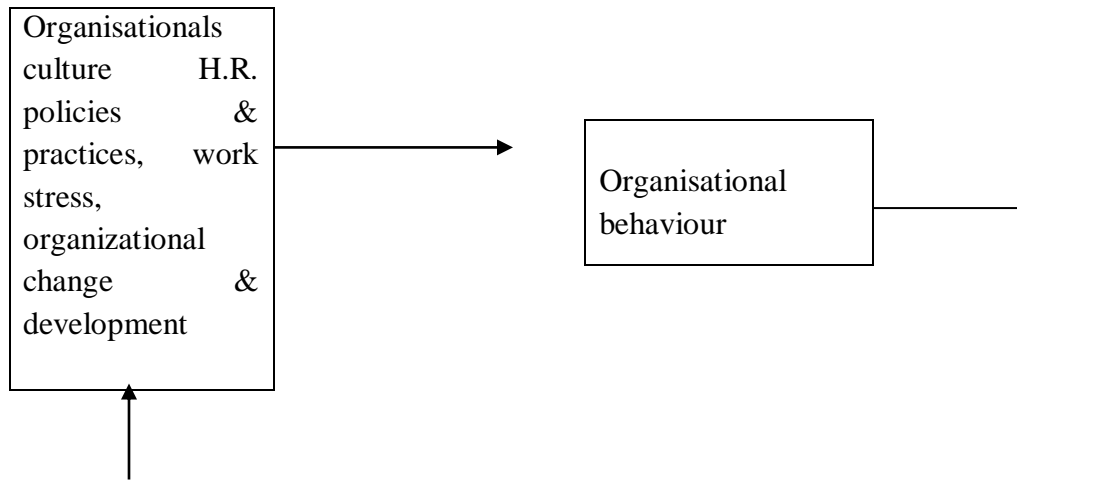Power came from position expertise, group support, seniority etc.

"Note for Discussion"-

Wearing identical clothes has not changed the attitude of the boss towards his subordinates.

When organization stagnate decline or under a threat of closure there will be conflict & stress

Diagram –

Personality, Perception, Learning, Attitudes &values, Motivation

→ Individual behaviour

Group dynamics, Leadership power & Politics communication, Conflict

→ Group behaviour → Organizational effectiveness

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┌─────────────────┐
│ Organisationals │
│ culture    H.R. │
│ policies      & │                    ┌──────────────────┐
│ practices, work │──────────────────▶ │ Organisational   │
│ stress,         │                    │ behaviour        │─────────────
│ organizational  │                    └──────────────────┘
│ change        & │
│ development     │
│          ▲      │
└──────────┼──────┘
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CLASS-2.

Importance, Scope and existence of OB

Fundamental Concept of OB:-
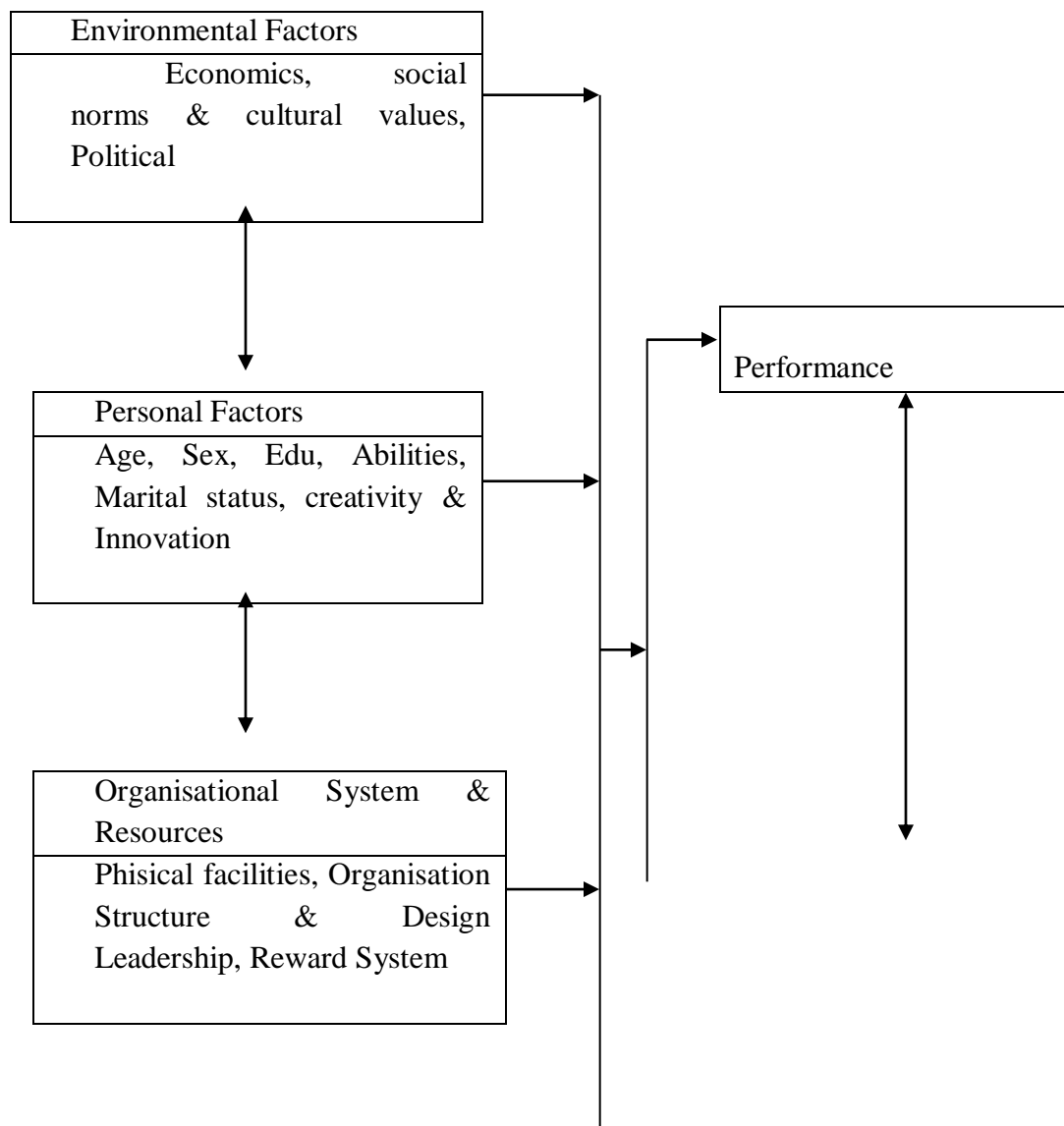The basic assumptions distinct to OB discipline are-
   1. There are differences between individuals
   2. A whole person
   3. Behaviour of an individual
   4. An individual has dignity
   5. Organisation are social systems
   6. Modality of interest among organizational members.
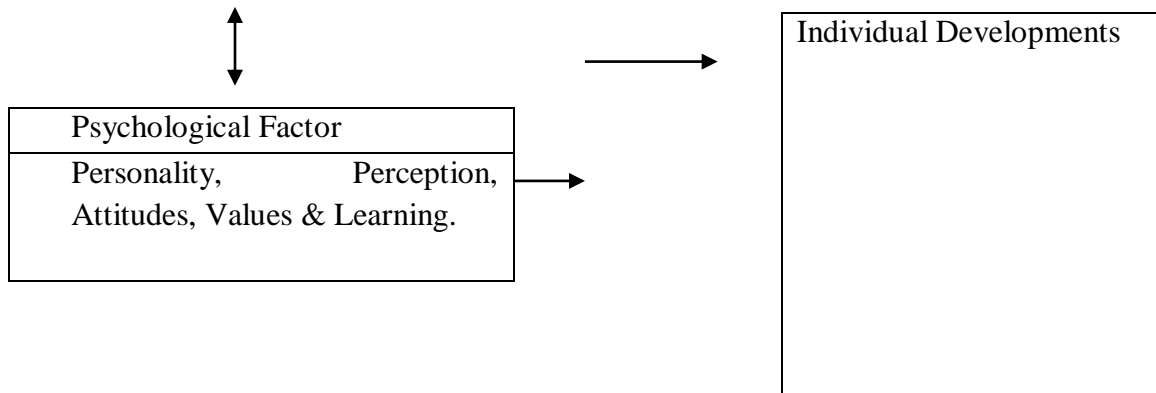   7. Holistic organizational behaviour.

1- Individual differ in intelligence, physique, personality, decision in any such trait.
2- When a person is hired his skill his social background, like & dislike, pride & prejudices are also hired.
3- To find out the root cause of a behaviour posed.
4- Human being wants to be treated with respect and dignity.
5- Organisations are governed by social laws as well as psychological laws.
   a) One is formal system
   b) Another is informal system

1) Function of Managers

2) Management Skills
3) Definition & meaning of OB
4) Fundamental Concept-
   a) There are difference between individuals
   b) A whole person
   c) Behaviour of an individual is caused
   d) An individual has dignity
   e) Organisations are social systems
   f) Mutuality of interest among organizational members
   g) Holistic organizational behaviour.

5) Emerging challenges & opportunities for OB in the next millennium:-

   a) Work force diversity
   b) Changing demographic of work forces.
   c) Changed employee expectation
   d) Globalisation
   e) Corporate reorganizations
   f) Improving quality & productivity (TQM, Reengineering)
   g) Stimulating innovation & Change
   h) Improving ethical behaviour.

6) Historical Evaluation of OB:-
   a) Industrial revolution
   b) Scientific management
   c) The human relations movement
   d) Hawthorne studies
   e) Organisational behaviour

7) Research Termilogy:-
   a) Variable
   b) Hypothe
   c) Dependable variable
   d) Independent variable
   e) Moderating variable
   f) Theory.

<u>Diagram</u>

Environmental Factors
Economics, social norms & cultural values, Political

Personal Factors
Age, Sex, Edu, Abilities, Marital status, creativity & Innovation

Organisational System & Resources
Phisical facilities, Organisation Structure & Design Leadership, Reward System

Performance

_____

Psychological Factor

Personality,   Perception, Attitudes, Values & Learning.

Individual Developments

8) <u>Individual Behaviour Models:-</u>
   a) Rotation & emotional model
   b) Behaviouristic & humanistic models
   c) Economic & self actualizing models
   d) Theory X & theory Y models

Mutuality of interest is "Organisations need people & people also need organization"

When all the above assumptions emerges it create a holistic approach.

<u>Scope of OB:-</u>

Intrapersonal behaviour covers personality, attitude, perception, learning, opinion, motivation & job satisfaction.

About Organisation covers about their formation structures effectiveness & formal and informal organizations.

Inter-personal Behaviour:-
      Covers group dynamics inter group conflict, leadership, communication etc.

<u>Contributing Disciplines:-</u>

1)   Psychology – Individual (intra personal)

2)   Sociology – Group (interpersonal) organization

3)   Social-Psychology – (Group) both from Psychology sociology

4)   Anthropology – (Group & Organisation) Study of human culture

5)   Political Science - Organisation

Why study O.B?

1. To understand own & others in a better way.
2. It increases interpersonal relation.
3. To understand somebody's style & talking.
4. To motivate others for getting things done.
5. To maintain cordial industrial relation(union relation with Mgt
6. It helps in understanding the cause for the problem.
7. To predict its course of action.
8. To control its consequences.
9. It is a human tool for human benefit.
10. It is the base for modern HRD.
11. It helps in marketing specifically.
12. It helps to understand the consumer choice behaviour.
13. It teaches the nature of influence to consumer.
14. It finds channels involvement in market.
15. It creates innovation creativity in job.

Emerging Challenges & Opportunities for O.B in the next millennium: -

1. Work force diversity.
2. Changing demographics of work force.
3. Changed employee ------------------
4. Globalisation
5. Corporate re-organisations
6. Improving quality & productivity (TQM)
7. Stimulating innovation & change .
8. Improving ethical behaviour.

Ethics at Thomas Cook (I) Ltd.

1. Working with customers & suppliers
2. Govt. business.
3. Fair competition.
4. Working in the TCIL community

5. Personal integrity.

Deciplines of OB

<u>Psychology</u>:- Motivation, Personality, Perception, Attitude, Opinion, Learning etc.

<u>Sociology:-</u> Interpersonal dynamics

Leadership group dynamics.

Communication, Formation of groups formal & informal organizations ,etc.

<u>Social Psychology:-</u> Measuring, Understanding, Changing attitude, Communication, Pattern, Group decision making etc.

<u>Anthropology:-</u> Culture, Environment, Style,

<u>Political Science:-</u> Conflict resolution, Group allocation of power, Manipulation of power, etc.

Creativity- Three elements are responsible to create creativity.

1) Background Experience
2) Personal Traits
3) Cognitive abilities (Individual power to think intelligently)

Management – It is the social & technical process that utilizes resources, influences human action changes in order to accomplish an organizations goal.

(First we should understand the concepts of management, manager & organizations)

Function of Managers-

Forecasting, Planning, Organizing, Commanding, Coordinating, Controlling, Decision making.

Social, Economic & technological developments & changing business environment so fast.

Skills of Managers-

1) Technical skill
2) Human skill
3) Conceptual skill

Short Coming-

1) Sometimes a very good behaviorist may be a big failure on the domestic front.
2) It doesn't contribute to improve individual relation.
    Training, Seminar doesn't stop strike or lockouts.
3) OB has almost become a fad with managers in most organizations. Common uniforms, open offices, shaved, canteens are possible to improve inter-personal relations. But

meaning identical clothes has not changed the attitude of the boss towards his subordinates.
4) OB is selfish & exploitative
5) Quick fix behaviour
6) OB will not abolish conflict
7) SOB- Indian society of Organization Behaviour.

Approaches to Study of OB-
1) Human resources approach.
2) Contingency approach. (Situational approach)
3) Productivity approach. (Ratio of Economic input & output)
4) System approach. (Looking organization as whole)

Historical Evaluation-

1) Emphasis on build up SSI units
2) Emphasis on Building PSU
3) Emphasis on private sections
4) Incorporate regulation for employer-employee relations
5) Regulations like a) minimum wage act b) incentive wage plan.
6) After that
   a) Individual relations all act like
   - Industrial dispute act
   - Employment exchange act
   - Standing order act
   b) Labour
   - Social security
   - Canteen
   - Crechs
   - Bonus act
   - Fire & safety act
   - Compensation act

Revolution-
1) Industrial Revolution- Revolution brought about,
   - Materialism
   - Discipline
   - Monotony
   - Boredom
   - Job displacement
   - Impersonality
   - Work interdependence

2) Role

Basic Research Methods-
   1) Case studies
   2) Laboratory Experiment
   3) Field Experiment
   4) Survey Research
   5) Simulations

Best method is the combine of all basing on certain situation.

ATTITUDE
Attitudes refer to feelings and beliefs of individuals or groups of individuals towards an object, idea and people. For example "He has a poor attitude", "I like her attitude."
Nature of attitude
1. Attitudes refer to the feelings and beliefs of "individuals or groups of individuals
2. The feelings and beliefs are directed towards other people, objects or ideas. When a person says, "I like my Job". It shows that he has a positive attitude towards his job.
3. Attitudes often result in and affect the behaviour or action of the people to an object.

4. Attitudes constitute a psychological phenomenon which cannot be directly observed. However, an attitude can be observed indirectly by observing its consequences. For example, if a person is very regular in his job, we may infer that he likes his job very much.

5. Attitudes are the process of learning. attitude starts right from childhood and continues throughout the life of a person. In the beginning the family members may have a greater impact on the attitude of a child.

6. Attitudes are evaluative statements, either favourable or unfavourable. When a person says he likes or dislikes something or somebody, an attitude is being expressed.

7. All people, irrespective of their status and intelligence hold attitudes.

Components of Attitudes:

Attitudes comprise of three basic components: emotional, informational and behavioural.

1. Informational or Cognitive Component:

The informational component consists of beliefs, values, ideas and other information a person has about the object. It makes no difference whether or not this information is empirically correct or real. For example, a person seeking a job may learn from his own sources and other employees working in the company that in a particular company the promotion chances are very favourable. In reality, it may or may not be correct. Yet the information that person is using is the key to his attitude about that job and about that company.
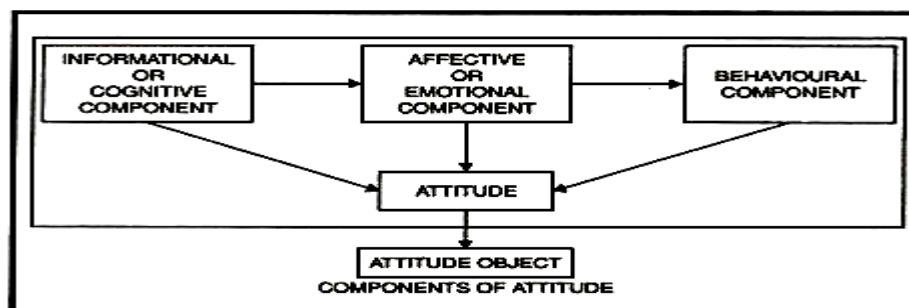
2. Emotional or Affective Component:

The informational component sets the stage for the more critical part of an attitude, its affective component. The emotional components involve the person's feeling or affect-positive, neutral or negative-about an object. This component can be explained by this statement." I like this job because the future prospects in this company are very good".

3. Behavioural Component:

The behavioural component consists of the tendency of a person to behave in a particular manner towards an object. For example, the concerned individual in the above case may decide to take up the job because of good future prospects. Out of the three components of attitudes, only the behavioural component can be directly observed.

The components are illustrated in the following table:

ABC Model of Attitude:

All the three components of attitude explained above constitute, what is OF called the ABC model. Here, in the ABC model, the alphabet A stands for Affective component, B for Behavioural and C for the cognitive component. The importance of this model is that to have a

proper and thorough understanding of the concept of attitude, all the three components mentioned above must be properly assessed. It is only the behavioural component which can be directly observed, the other two components: affective and cognitive can however only be inferred.
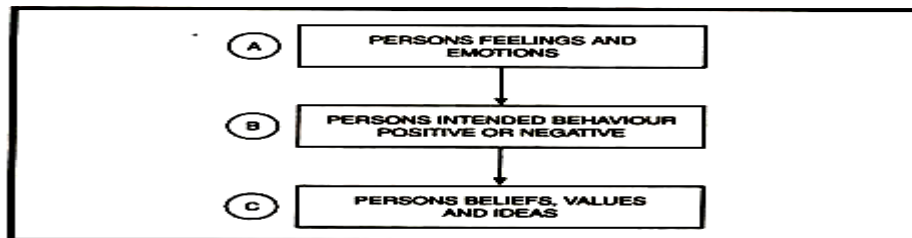
Formation/Sources of Attitudes:

1. Direct Personal Experience:

A person's direct experience with the object determines his attitude towards it. The personal experience of an individual, whether it is favourable or unfavourable, will affect his attitude deeply. These attitudes which are based on personal experience are difficult to change.

For example, an individual joins a new job, which is recommended to him by his friend. But when he joins the job, he find his work repetitive, supervisors does not respond his way of work and co-workers not so co-operative, he would develop a negative attitude towards his job, because the quality of his direct experience with the job is negative.

2. Association:

Sometimes an individual comes across a new attitude object which may be associated with an old attitude object. In such a case, the attitude towards the old attitude object may be transferred towards the new attitude object. For example, if a new worker remains most of the time in the company of a worker, who is in the good books of the supervisor, and towards whom the supervisor has a positive attitude, the supervisor is likely to develop a favourable attitude towards the new worker also. Hence the positive attitude for the old worker has been transferred towards the new worker because of the association between the old and the new worker.

3. Family and Peer Groups:

Attitudes like values are acquired from parents, teachers and peer group members. In our early years, we begin modeling our attitudes after those we admire, respect or may be even fear. We observe the way our family and friends behave and we shape our attitudes and behaviour to align with theirs. We do so even without being told to do so and even without having direct experience. Similarly, attitudes are acquired from peer groups in colleges and organisations. For example, if the right thing is to visit "Hot Millions", or the "Domino's", you are likely to hold that attitude. If your parents support one political party, without being told to do so, you automatically start favouring that party.

4. Neighbourhood:

The neighbourhood in which we live has certain cultural facilities, religious groupings and ethnic differences. Further, it has people, who are neighbours. These people may be Northerners, Southerners etc. The people belonging to different cultures have different

attitudes and behaviours. Some of these we accept and some of these we deny and possibly rebel. The conformity or rebellion in some respects is the evidence of the attitudes we hold.

5. Economic Status and Occupations:

The economic status and occupational position of the individual also affect his attitude formation. Our socio-economic background influences our present and future attitudes. Research findings have shown that unemployment disturbs former religious and economic values. Children of professional class tend to be conservatives. Respect for the laws of the country is associated with increased years of higher education.

6. Mass Communications:

Attitudes are generally less stable as compared to values. Advertising messages for example, attempt to alter the attitude of the people toward a certain product or service. For example, if the people at Hyundai Santro can get you to hold a favourable feeling toward their cars, that attitude may lead to a desirable behaviour (for them)-your purchase of a Santro car.

All these sources can be illustrated with the help of the following figure:
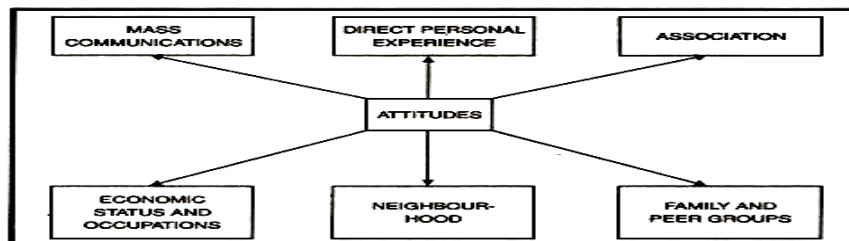
The relationship between attitude and behavior has a strong impact on the relationship between perception,job satisfaction and organizational commitment. The relationship between attitude and behavior has been studied vastly and has been determined that the two exist on a continuum.

Intention- Attitude and behavior also have moderators such as intention to change one's attitude, which in turn changes one's behavior. Attitude precedes behavioral action.

The first factor has to do with comparison levels. For example, I may be working at an organization and feel fairly committed to the organization as a whole, but not feel satisfied with the amount of pay that I receive for the work that I put into the job. Therefore, the balance between my behavior (organizational commitment) and my attitude (job satisfaction) are not in line with one another.

A second factor that influences the relationship between organizational commitment and job satisfaction has to do with the alternative options. This asks the question, "Is this organization

the best for me? Or, can I do better?" In this example, the individual's attitude toward his or her job may be satisfaction, but the individual may not feel committed to the organization. If the individual is not committed to the organization through behavior, the individual may begin to participate in counterproductive work behaviors because of the lack of commitment.

A third factor that influences the relationship between organizational commitment and job satisfaction has to do with the investment that one has placed in his or her job. An individual may feel that they have invested many years into working at an organization, but may not be happy at the organization. In this case, the individual may weigh whether or not it is a wise decision to leave the organization and risk possible consequences (losing retirement funds, promotions, seniority) or to stay at a job that one is not satisfied with.

All three of these factors have a significant role in whether or not our attitudes and behaviors will be in line with one another. If there is a discrepancy, cognitive dissonance is likely to occur. For example, the individual that is committed to their organization but not satisfied with his or her job may feel that the only way to elevate the experienced feeling of cognitive dissonance would be to leave the organization.

MODULE - II

Personality Meaning and Definition of Personality -

The term 'personality' is derived from the Latin word 'persona' which means a mask.

K. Young, "Personality is a patterned body of habits, traits, attitudes and ideas of an individual, as these are organised externally into roles and statuses, and as they relate internally to motivation, goals, and various aspects of selfhood."

G. W. Allport defined it as "a person's pattern of habits, attitudes, and traits which determine his adjustment to his environment."

Cad Rogers definition of personality in terms of self an organized, permanent, subjectively perceived entity which is at the very learnt of all our experiences.

Anderson and Parker, "Personality is the totality of habits, attitudes, and traits that result from socialization and characterizes us in our relationships with others."

In a narrow sense personality implies one's charm, popularity, dress & other physical attractiveness. It does not help much in understanding an individual's behaviour in an organization.

Theories On Personality -

1) Type Theories
2) Trait Theories
3) Psychoanalytic
4) Social Learning
5) Humanistic

1) Type Theories –

In the 1940's, William Herbert Sheldon associated body types with human temperament types. He claimed that a body type could be linked with the personality of that person. And form personality types into three categories .

Endomorphic

An Endomorphic is usually includes being relaxed, tolerant, comfortable, and sociable. Psychologically, they are also fun-loving, good humored, even-tempered, and they love food and affection. The Endomorph is physically "round". Called fat person.

Ectomorphic

   An ectomorph is the complete opposite of the Endomorph. Physically, they have narrow shoulders, thin legs and arms, little fat on the body, a narrow face and a narrow chest. They may eat just as much as the endomorph .They always stay skinny. Personality wise, they tend to be self-conscious, socially anxious, artistic, thoughful, quiet, and private. They always keep to themselves and are afraid to branch out.

Mesomorphic

 . They have an attractive and desirable body. Physically, they tend to have a large head and broad shoulders with a narrow waist. They have a strong muscular body and strong arms and legs and little fat on the body. Psychologically, the mesomorph is adventurous and courageous. They are not afraid to break out and do new things with new people. They are assertive and competative and have a desire to have power and be dominant. They love taking risks and chances in life.

1) Endomonph – Short & Plumb Person

   Characters – Sociable, relaxed & tempered.
2) Ectomonph – Tall & Thin Person

   Characters – Restrained, self conscious & fond of solitude.
3) Meromonph – A heavy set muscular Person.

Characters – Noisy, callous & fond of physical activity. This body basis personality is subjective

In his theory of personality, Carl Jung distinguishes two differentpersonality types: Introverts, are more inword directed people less sociable.withdrown and absorbed in inner life.they will be guided by their

own ideas and philosophy they are rigid and less flexible and subjective orientedbeing quite,retiring and enjoying solitude.

extroverts, are optimistic.outgoing gregarious,.and sociable.they also objectivity reality oriented and much more doer than a thinker.

Introverts are generally more withdrawn, while extroverts are generally more sociable.

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2) <u>Trait Theories –</u> Gordon Allport's Trait Theory

In 1936, psychologist Gordon Allport found that one English-language dictionary alone contained more than 4,000 words describing different personality traits. He categorized these traits into three levels:

- **Cardinal Traits:** These are traits that dominate an individual's whole life, often to the point that the person becomes known specifically for these traits. People with such personalities often become so known for these traits that their names are often synonymous with these qualities. Allport suggested that cardinal traits are rare and tend to develop later in life.

- **Central Traits:** These are the general characteristics that form the basic foundations of personality. These central traits, while not as dominating as cardinal traits, are the major characteristics you might use to describe another person. Terms such as *intelligent*, *honest*, *shy* and *anxious* are considered central traits.

- **Secondary Traits:** These are the traits that are sometimes related to attitudes or preferences and often appear only in certain situations or under specific circumstances. Some examples would be getting anxious when speaking to a group or impatient while waiting in line.

3) <u>Psychoanalytic –</u>
Freud's Tripartite Theory of Personality

Freud (1923) saw the personality structured into three parts (i.e. tripartite), the id, ego and superego (also known as the psyche), all developing at different stages in our lives.
These are systems, not parts of the brain, or in any way physical.

The **id** is the primitive and instinctive component of personality. It consists of all the inherited (i.e. biological) components of personality, including the sex (life) instinct – **Eros** (which contains the libido), and aggressive (death) instinct - **Thanatos**.

It operates on the **pleasure principle** (Freud, 1920) which is the idea that every wishful impulse should be satisfied immediately, regardless of the consequences.

The **ego** develops in order to mediate between the unrealistic id and the external real world (like a referee). It is the decision making component of personality

The ego operates according to the **reality principle**, working our realistic ways of satisfying the id's demands, often compromising or postponing satisfaction to avoid negative consequences of society. The ego considers social realities and norms, etiquette and rules in deciding how to behave.

The **superego** incorporates the values and morals of society which are learned from one's parents and others. It is similar to a conscience, which can punish the ego through causing feelings of guilt.

4)**Social Learning**

Human behaviour is either learnt or modified by learning that one acquires knowledge,language, attitude,values manual skills, fears personality traits,and self - insistant.there fore a study is the process of learning through more light on understanding human activities.

 A persons action in a given situation depands upen the spesific charctorstics of a situation,the individuals understanding of the situation and past behaviour to that similar situations.learning can be done by various ways ie

Direct-it refers to the social approval or disapproval or alleviation of aversive conditions and other tangible rewards.

Vicarious-observation of some one's response ie reward or punishment for similar behaviour.

Self administrated-is known as evaluation of ones own performance through reinforcement process.

5)**Human approach**-consists of some theories that respects,shares some common emphasis on mans potential for self direction and freedom of choice thet are concerned with the self and the individuals experience..carl roger and abraham masllow are credited with the humanistic theory of personality.

Carl Rogers theory

- Carl Rogers was an influential humanistic psychologist who developed a personality theory that emphasized the importance of the self-actualizing tendency in shaping human personalities.

- He believed that humans are constantly reacting to stimuli with their subjective reality (phenomenal field), which changes continuously. Over time, a person develops a self-concept based on the feedback from this field of reality.
- In the development of self-concept, positive regard is key. Unconditional positive regard is an environment that is free of preconceived notions of value. Conditional positive regard is full of conditions of worth that must be achieved to be considered successful.
- Human beings develop an ideal self and a real self-based on the conditional status of positive regard. How closely one's real self matches up with their ideal self is called congruity.
- Rogers believed that fully functioning people could achieve "the good life," in which they constantly aim to fulfill their potential and allow their personalities to emanate from their experiences.

Maslow's self-actualization theory- Maslow's self-actualization theory is concerned with man as an individual and each person is responsible for his own existence, he is never static he is always in the process of becoming something different and proved to be a person useful, truly authentic, and fruitful life

Central point-

1) An individual is an integrated whole
2) Animal research is irrelevant to human behaviour.
3) Human nature is essentially good
4) Man has creative potential.
5) Psychological health not human is most important.

Determinations of Personality – (Types)

Heredity – Physical stature, facial attractiveness, sex, temperament, muscular composition & reflexes, energy level & biological rhythms are characteristics that are generally considered to be imported either completely or substantially inherited from one's parents. Transmitted by genes in the chromosomes contributed by each parent.

Brain - Researcher states that better understanding of human personality and behaviour might come from the std of the brain.

Physical feature- An individuals physical appearance is proved to be having a tremendous effect on his personality the fact that a person which is short or tall, fat or skinny, handsome or ugly, black or whitish will undoubtedly influence the persons effect on others, and in turn affect the self-concept.

Environment – Environment is a broad term & include culture, culture establishes norms, attitudes & values & help in establishing them permanently or consistently.

Every culture has the own subcultures. These sub-cultures are moral values, standards of cleanliness, style of dress and definitions of success & they influences on personality.

Contribution from the family – This factor contributes a lot to influence personality at the early stage i.e. in childhood. Parents play a big role to this development i.e. in the identification process of child personality development.

Identification process is that process in which a child like to be a role model.

Socialisation Process – This process is mainly relevant for the development of personality potential of child because it is not confined to childhood only rather to relevant persons, groups and organizations exercise their due role in personality development of child.

Identification process-in this process the child began to identifyhiomself with some other persons of the familly normally the chield tries to behaveas his father or mother.he tries to emulate certain action of his parents.

Situational Considerations – Situations will influence an individuals personality. We know that certain situations are more relevant than others in influencing personality.

Ex- A picnic in a public park constraining relatively

Now it is clear that personality is a complex concept that reflects many influences both within & outside the individual.

CLASS-7.

Personality Traits : -

Traits is understood as a predisposition to respond in an equivalent manner to various kinds of stimuli. Traits are psychological entities that render many stimuli as well as many responses equivalently.

a) **The Myens-Briggs Framework –**

This is a popular question with 100 items and is widely used to understand personalities in organizations. The Myens-Briggs type indicator (MBTI) as to people how they usually feel or act in particular situations. Basing on their assures people are differtiated in terms of four general dimensions i.e. sensing, intuiting, judging & perceiving. Higher and lower positions in each of the

dimensions are used to clarify people in to sixteen different personality categories.

It is widely used in selection process. It is very useful in determining communication styles and interaction preferences.

b) The Big Five Model –

This is a model, which consists five big factors for understanding personality. Those five factors are:

Agreeableness
Conscientiousness
Emotional stability
Extroversion
Openness

<u>Agreeable</u> people & co-operative & trusting of others, their value, harmony.

<u>Conscientiousness</u> person is organized, systematic, careful thorough responsible, self disciplined & achievement oriented.

The person who is with positive <u>emotional stability</u> tends to be calm, enthusiastic & secure.

Extroverts are sociable, talkative, assertive & open to establishing new relationship.

Extremely open people are fascinated by novelty & innovation. They are willing to listen to new ideas & to change their own ideas, beliefs & attitudes in response to new information.

c) Major Traits Influencing O.B.-

a) <u>Authoritarianism</u>: It is developed by the Psychologist Adorno during world War II to measure susceptibilied to autocratic, fascistic or anti-democratic appeals. Authorities are rigid in their positions, place high moral value on their beliefs & strongly oriented towards conformity to rules & regulations. They prefer to work in structured & stable work environment which are governed by clean rules & regulations. They prefer directive leadership style.

ii) <u>Locus of Control</u>: Locus of control refers to an individual belief that events are within one's control or are determined by forces beyond one's control.

It has been proved that external are less satisfied with their jobs, have higher absenterism rates, more alienated from work setting & less involved on their jobs. Internals typically have more control ours their own behaviour are more active a seeking information to make decisions & are more active socially than externals.

iii) <u>Machiavellianism</u> : It refers to an individual propessility to manipulate people. Machiavellians would be to participate in . They are also adopt at inter personal game playing power tactics & identifying influence system in organizations. Machiavellians performs better jobs where it bargaining skills & where these are rewards for winning.

iv) <u>Introversion & Extroversion</u>: Extroverts & gregarious & sociable individuals .Introverts & shy,

v) <u>Achievement Orientation</u>: Employees with a high need to achieve strive to do things better. They want to overcome obstacles. They also want to feel that their success or failure is due to their own actions. They like tasks of moderate difficulty. High achieves will perform better where these is moderate difficulty rapid performance feedback & direct relationship between effort & reward. Therefore it implies high performance will do better in sales, sports on in management.

vi) <u>Self-esteem</u>: Self –esteem refers to feeling of like or dislike of one self. Self-esteem is directly related to desire for success. People have high self-esteem that they have abilities to undertake challenging jobs. High self-esteem people are more satisfied with their jobs.

vii) <u>Risk-taking</u>: High –risk-staking managers made more rapid decisions & used less information in making their choices. Eg. of a high-risk-taking prosperity may bead to make effective performance for a stock trades in a brokerage firm. This type of job demands rapid decision-making.

viii) Self-monitoring: It refers to an individuals ability to adjust his or her behaviour to external factors. Those who are self-monitoring show considerably adoptable in adjusting their behaviour to external, situational factors. High self-monitors are capable of presenting striking contradicts between their public, personal & their private selves. High self-motivation posses positive attitude in every situation & give attention to the behaviour of others. They will be move successful in mahegecial position where individual are required to play multiple & even contradicting roles.

ix) Type A Personality: Type A personality typifies a person who is always in a hussy, is extremely competitive and is often hostile and irritable.

Type B Personality is, who is relaxed incompetent & easy going.
But, from organization point of view type A's are highly competitive and hardworking while it is the type B's who climb up to the top of organization. This is because of the tendency of type A's to trade off quality of effort for quality. Executives positions usually go to those who are wise, tactful & creative in competitive strife.

Personality and O.B. -
a. Personality is an important determinate of employee behaviour.
b. Personality is the focal point determining motivation.
c. Personality characteristics influence selection of individuals to occupy various positions in an organization.
d. The concept of personality is not to be understood in an organizational context only.

Meaning & Definition of Perception

1) Peoples action, emotions, thoughts & feelings are trigged by perceptions of their surroundings.
2) It is an intellectual process by which a person acquires the information from the environment, organize it & obtains the meaning from it.
3) Perception is the basic cognitive or psychological process.
4) Perception can be defined as the process of receiving, selecting, organizing, interpreting, checking & reacting to sensory stimuli or data.
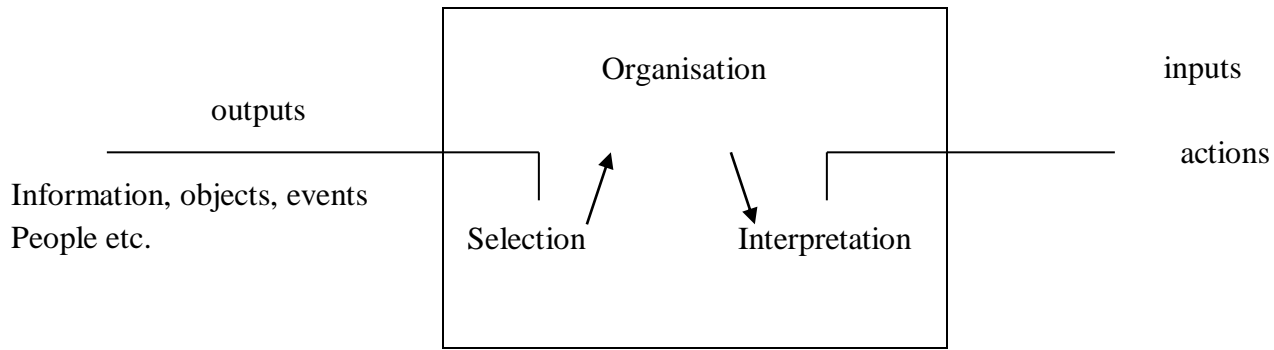
Perceptual Process: -

Perceptual Process

Fig.1. A simplified models of perceptual process.

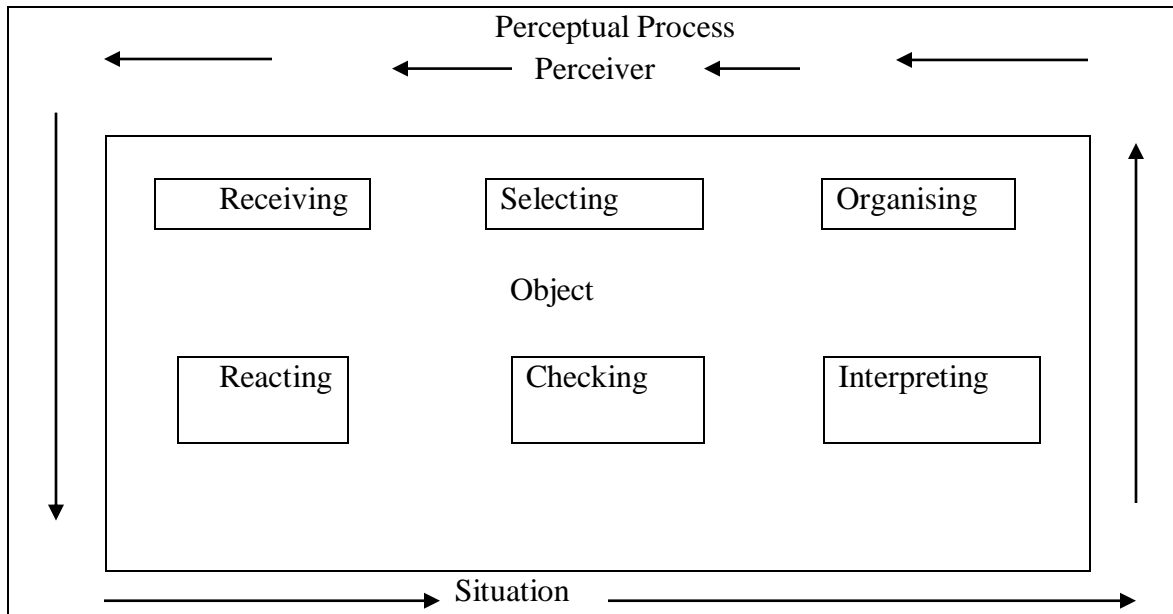

Fig. 2. Perceptual Process

1) **Process of Receiving Stimuli: -**

Human organism structured with five sensory organs. They are,

I . Vision

II. Hearing

III. Smell

IV. Touch &

V. Testing.

Apart from these 5 sense there is a 6th sense, about which nothing is known more.

Example of outside stimuli are include light , sound waves, mechanical energy or pressure & chemical energy from object that are can smell & taste. Inside stimuli are include energy generated by muscles, food passing though the digestive system & secreting behaviour influencing hormones.

2) **Process of Selecting Stimuli: -**

"External factors influencing selection" – Nature, location intensity, size, contrast, movement, repetition, novelty & familiarity.
"Internal factors influencing selection" – Learning, psychological needs, age difference, interest, ambivalence, paranoid perception.

3) **The Organising Process: -**

There are three dimensions to the perceptual organization.
   a) Figure ground
   b) Perceptual grouping
   c) Perceptual constancy.

4) **The Process of Interpreting: -**

It is to assign meaning to the information.
   a) Perceptual set
   b) Attribution
   c) Stereotyping
   d) Halo effect
   e) Perceptual defense
   f) Implicit personality theory
   g) Projection.

Process Selecting Stimuli: -

Nature: By nature, the object is visual or auditory. Visual means picture & auditory means which is audible or what you can listen.

Location: Position of ads in newspapers & magazines.

Intensity: A loud noise, strong adour or bright light than soft sound, weak odour on dim light.

Size: Larger size attracts more attention than the smaller ones.

Contrast: External stimuli which are not what people are expecting. Plant safety signs which have black lettering on a yellow background.

Movement: A moving object receives more attention than an object that is standing still.

Repetition : The same advertisement of a product flashed daily on TV is based on the principle of repetition.

Novelty & Familiarity: Example is job notation.

Learning : This is a cognitive factor which considerable influence on perception.

Psychological Needs: Need hierarchy of freedom, love, community feeling, respect etc.

Age Difference: Older senior executives & young executives.

Interest: Interest of the perceiver.

Ambivalence: Mixed feeling about a situation. Ex. Of a young man's fiancés.

Paranoid Perception: Characteristic of the emotionally disturbed person. He is given to excessive repression, projection, general distortion of reality & personalized interpretation.

Organizing Process: -

Figure Ground: This principle specifies how the background influence the tangent by a figure.
Ex. i) The word fly & Tie with gray background.
   ii) Focus is on black letters but not in the white page.

Perceptual Group: Grouping of objects into similar shape, size or colour.
Ex. I) Uniform of NALCO employees like that.

Perceptual Constancy: Our ability to perceive certain characteristics of an object as remaining constant, despite of variation in the stimuli that provide us with conflict information.
Ex. We see the top of a glass bottle as "Circular" whether we view it from the side on from the top.

Interpreting Process: -

It is to assign meaning to the organized information.

Perceptual Set: It is the interpretation of the manager regarding the behavior of the workers according to his mental set.

Attribution: Status, intentions & consequences influence the attribution process.

Stereotyping: Example of stereotyping are;
1) Americans are materialistic.
2) Japanese are nationalistic.
3) Indians are fatalistic.
4) Germans are industrious.
5) Workers everywhere are anti-management.
6) Judges are wise.

Halo Effect: Halo effect is the tendency of perceiving people in terms of good or bad. Like or dislike.
Bright example is a professor awards more marks to a well liked student. It is not that professor likes that student but he wants him to do well in the Exam. The holo effect may be responsible for finding high correlations between the rating given to people on various dimensions.

Perceptual Defense: It is the defence against conflict, unacceptable or threatening stimuli. The defencs mechanism posses in four from. They are,

      i. Out night denial
     ii. Modification
   iii. Change in perception but refusal to change
   iv. Change in perception itself.

Perceptual Context: The context in which an object is placed influenced perception. Examples are a verbal order, a memo, a new policy, a suggestion, a raised eye brow or a put on the back talks on special meaning & value when placed in the context of a work organization.

Implicit Personality Theory: Example is the trait honesty is associated with hand working. All industrious people are perceived to be honest.

Projection: People project their own feelings, tendencies on motives in to their judgement of others. People who are afraid may interpret others behaviour as fearful on anxious.

The Process of Checking: After data received & interpreted the perceiver check his interpretations are right or wrong. One way of checking its for the person himself to indulge in introspection.

There is another way of checking i.e. the checking of the variety about the interpretation with others.

The Process of Reacting: It is the action phase of the perceiver in relation to his/her perception. The action depends on whether the perception. The action depends on whether the perception is favorable or unfavorable.
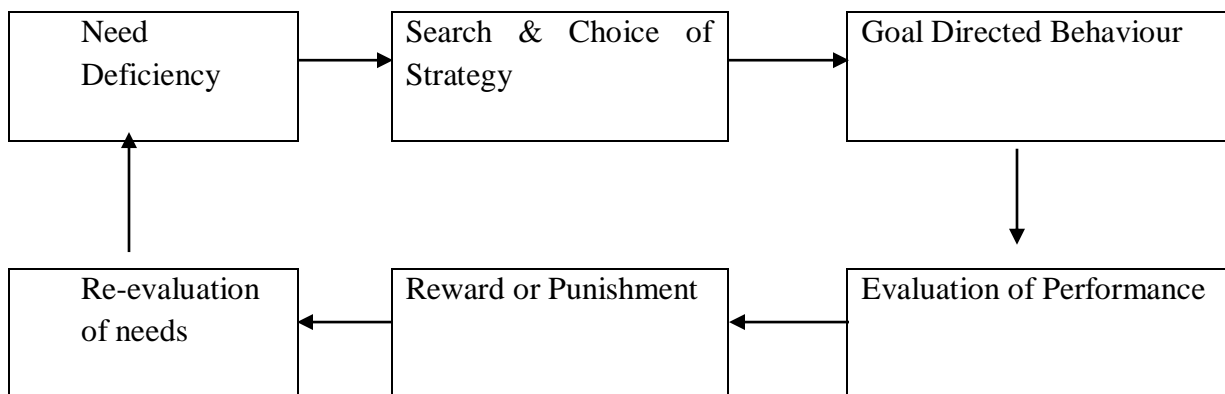
Importance of Perception: -

1) Perception influences individual needs, habits, values, personality & attitudes.
2) It drives to take an intuitive decision thus helps in decision making.
3) It gives the idea to study the physical attributes, appearances & behaviour of the perceiver.
4) It gives the idea of the social & organizational settings of the perceiver.
5) Negative perception tends to illusions.
6) Perception plays a fig role in selecting employees & in their performance appraisals.

_____XXX_____

MOTIVATION

Motivation Model –

Need Deficiency	→	Search & Choice of Strategy	→	Goal Directed Behaviour

Re-evaluation of needs	←	Reward or Punishment	←	Evaluation of Performance

Motivation is a physiological or psychological deficiency is needing this need actives certain behavior to achieve that need or aim on goal. Those behavior are the motivational factors.

Importance of Motivation –

1) Motivation drives employees to do things deficiency such that the works completed with new innovation & in effective manner.
2) It helps employees to add value in the work or to make the work qualitative.
3) Highly motivated workers are more productive than apathetic works.
4) Motivation is not only required to attract people to join in the organization but to hold them also.
5) It makes people self-dependent to perform task.
6) It adds creativeness & new innovation to job.
7) It is a comprehensive understanding method, which contributes to accrue a good leader's style, job realization & perfect sale system All these relates to better performance satisfaction.
8) Motivation contributes & helps employee to active knowledge in new & advanced technology.
9) Motivation leads the employee as future resources for an organization which helps in designing training programme, job design, job satisfaction, job rotation & other HR oriented programmes.
10) Motivation is paid attention by our managers to speak about its importance in management of human resources.

Types of Question -:

Notes – Q1 . Write a content theory which specifies about a health man.

Maslow's Need Hierarchy Theory -:

Developed by Abraham Harold Maslows.
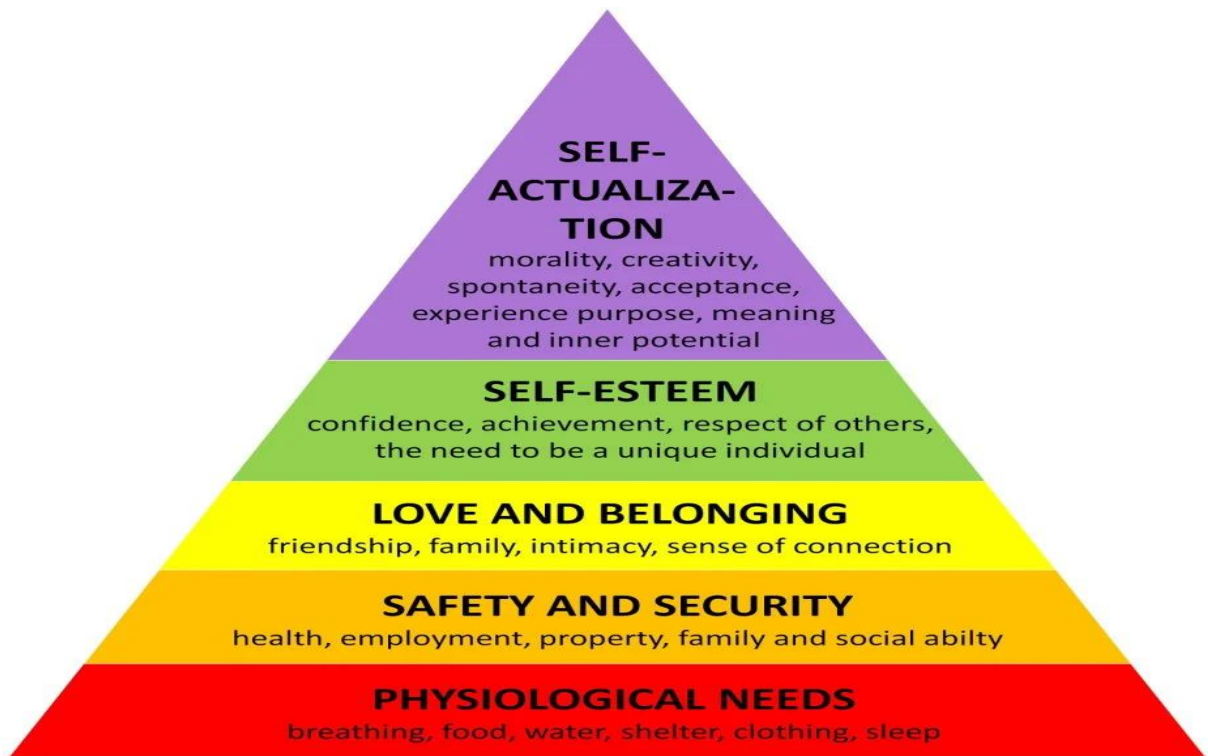
Physiological Needs -:

Satisfies the biological maintenance of the organism.
Examples are food, drink, oxygen, sleep, sex, protection from extreme temperature & sensory stimulation.

Phisical Example-: A person who is hungury continuously for a period cann't be motivated to compose music or build a brave new world.

This type of need is very much crucial to understand human behaviour.

Another bright example can be given here as the air crash of the peruriah airline. Where the person was a survivors one catholic priest stand eating the victims of the crash when a food supply couldn't provided in that crash (jungle) area. This example specifies low deeply the social & moral value, and implied the biological needs under stressful condition. In an organization the basic physiological needs are concerned for salary & basic working conditions.

Safety Needs -:

Emample of safety need is preference for secured income, acquisition of insurance & owning one's own house. Safety from real emergencies like war, crime, tsunami, floods, earthquakes, land slide, riots, social disorganizations & etc. is highly needs by human being for positive motivation social securities of employees like pension scheme, group insurance, provident fund, gratuity & ESI are highly needed for employee motivation.

Social or Belonging & Love, Needs -:

Social needs represent the need for a compactable work group, peer, acceptance, professional friendships & friendly supervision.

An individual feels lonely, social ostracism, friendlessness in the absence of a group.

Self Esteem Needs -: (Esteem or Egoistic needs)

It is bifurcated into two subsidiary sets.
They are a) Self respect
   b) Esteem from others.

   a) Self Respect - Competence, confidence, personal strength, adequacy, achievements, independence & freedom.
   b) Esteem from others – Prestige, recognition, acceptance, attention, status, reputation & appreciation.

Once this method is satisfied, it generates feeling & attitudes it self confidence, worth, strength & of being useful & necessary in the world.

When it is not fulfilled it leads to feelings & attitudes of inferiority, weakness & helplessness.

Maslow emphasized that the most healthy self esteem is based on earned respect from others rather than on fame, status or adulation managerial practices to fulfill these needs includes challenging work assignments performance feed back, performance recognition, personal income & involving employees in good getting & decision making.

Self-Actualisation needs :-

It is the desire to become everything that one is capable of becoming to fulfill this need a person in his/her highest level the full use & exploitation of his talents, capabilities & potentialities. In other words it is that need of an individual to become the total kind of person that one wants to become to reach the peak of ones potential.

Motivation – Hygiene Theory or Two Factor Theory or Extrinsic & Intrinsic Theory or Herzberg Theory : -

This motivation theory is proposed by psychologist Frederick Herzberg. The first part of the model represents a formally stated theory of work behaviour. Where as in second aspect Herzberg focused upon the behavioral consequences of job enrichment & job satisfaction programmes. Herzberg made his research by taking a sample of 200 accountant & engineers with his associates Mausner, Peterson & Capwell.

He asked two questions to all samples. The questions are :
1) When did you feel particularly good about your job?

2) When did you feel exceptionally bad about your job?

The obtained responses from this critical incident method were interesting. They are completely related to job satisfaction & job dissatisfaction.

Job satisfaction factors or satisfiers or job content factors or intrinsic factors are such as achievement recognition, the work itself, responsibility, advancement & growth.

Job dissatisfaction factors or dissatisfaction or hygiene factors or maintenance factors or job content factors or extrinsic factors are such as company policy & administration, supervision, work conditions, salary status, security & interpersonal relation.

Herzberg classified that satisfaction & dissatisfaction are not opposite poles of one dimension rather they are two separate dimensions.

Satisfaction is affected by motivators & dissatisfaction by hygiene factors.

Study the evaluation of need theories. (From Book) :-

The theory is inconsistent with previous research. The motivation hygiene theory ignore situational variables.

ERG Theory :-

Alclerfer ERG Model :-

E – Existence
R – Relatedness
G – Growth
Existence needs corresponds to the necessary for basic human existence & is equal to the physiological & safety needs of Maslow.

Relatedness needs corresponds to the desire for maintaining interpersonal relations & similar to the social & extreme needs of Maslow.

Growth needs corresponds to the intrinsic desire for personal development i.e. analogous to self esteem & self actualization needs of Maslow. However ERG theory differs at three stages relating to Maslow need hierarchy theory.

1) It ERG theory hypothesis is only three stages.
2) ERG theory postulates that more than one need may be operative at the same time where as need hierarchy theory postulates a rigid step like progression.
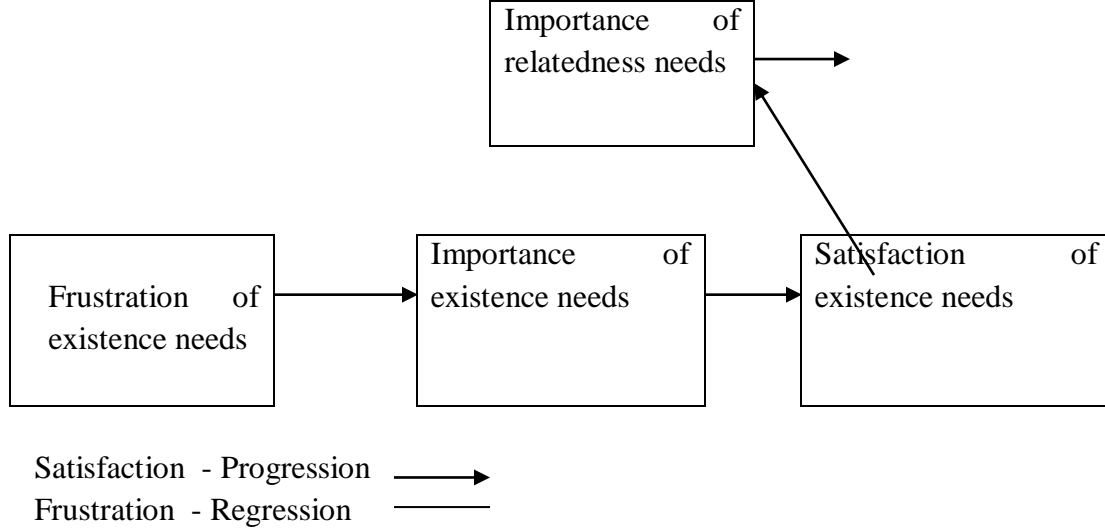3) Lastly ERG theory counters by nothing that when a higher level need is frustrated the individuals desire to increase a lower level need takes place. But Maslaw argues that a person will stay at a certain level until that need is satisfied. This deviation implies inability to establish a need for social interaction, for instance, might incrase the desire for more money or for better working conditions. Thus the ERG theory contains a frustration regression dimension.

Need Frustration	Desired Strength	Need
Frustration of growth needs	Importance of growth needs	Satisfaction of growth needs
Frustration of relatedness needs		Satisfaction of relatedness needs

```
┌─────────────────────┐
│ Importance      of  │─────────────►
│ relatedness needs   │
└─────────────────────┘
                        ▲
                        │
┌──────────────┐   ┌──────────────┐   ┌──────────────┐
│ Frustration of│──►│ Importance of│──►│ Satisfaction of│
│ existence needs│   │ existence needs│   │ existence needs│
└──────────────┘   └──────────────┘   └──────────────┘
```

Satisfaction - Progression ─────────►

Frustration - Regression ─────────

Note : - Evaluation (To find out Merites & demerits) of all need theories are imp.

GROUP

Group is a collection of individuals who have regular contact and frequent interaction, mutual influence, common feeling of camaraderie, and who work together to achieve a common set of goals.

TYPES OF GROUP

1. Formal group:

This group is defined by the organizational structure. After planning, organizations group the activities and put those under a formal structure, deciding their goals and objectives and strategies to achieve the same. Formal group members report to their superiors and interact with each other to achieve the common goals.

Usually, a formal group comprises those whose nature of job is more or less homogeneous. In a shop floor a gang engaged in doing the same job, represents a formal group. Similarly, in a call- centre, all out-bound callers handling the same customer account represent a formal group. Thus, formal group is formed based on job specialization and similarity of skill-sets to reap the advantages of division of labour.

2. Command group:

This group is also known as task group. A task is defined as cross-functional activities, carried out by group members to accomplish a common goal. A team represents the nature of a command group. A command group can be formed by drawing members from various formal groups. For example, to achieve success in new product launches, organizations may form a command group. Once the task is achieved, group members may be sent back to their specific formal groups.

3. Committees:

To achieve results, organizations often form permanent or temporary committees, drawing members from various formal groups. Committees also represent the presence of cross-functional members. While for a command group, goals may be specific, for committees, it is varied.

For example, to ensure better transparency and accuracy in purchase decisions, various members drawn from the user sections such as, finance, marketing, HR and s, may represent a Tender Purchase Committee (TPC), in an organization.

Such committees may be permanent in nature. Again, there may be the presence of temporary committees in organizations, who may be entrusted to achieve temporary goals such as a committee to probe into a case of fund embezzlement against a particular member.

4. Informal groups:

Informal groups are formed within a formal organizational structure. Informal group members primarily meet the social or affiliation needs sharing their commons interests. Thus informal groups are not organizationally determined; the members themselves from such groups to fulfil their needs for social interaction.

In a particular organization, functional proximity primarily determines the formation of informal groups. These apart, like-minded people, that is, those who have the same personality and attitude constructs or those who belong to similar status (in terms of hierarchy or economic status) also form informal groups. The constructive use of informal groups may benefit an organization. However, inefficient management may render informal groups counter-productive.

An informal group may be a friendship group, interest group, reference group, or membership group. Friendship groups are formed by like-minded people; those who have common interests form interest groups; reference groups are formed based on the compatibility of decisions and opinions; while membership groups are formed for the affiliation related needs.

Why do people join group?

1.Security--reduce the insecurity of "standing alone"; feel stronger, fewer self doubts, and more resistant to threats

2. Status--inclusion in a group viewed by outsiders as important; provides recognition and status

3. Self-esteem--provides feelings of self-worth to group members, in addition to conveying status to outsiders

4. Affiliation--fulfills social needs, enjoys regular interaction; can be primary source for fulfilling need for affiliation

5. Power--what cannot be achieved individually often becomes possible; power in numbers

6. Goal achievement--some tasks require more than one person; need to pool talents knowledge or power to complete the job. in such instances management may rely on the use of a formal group

Group Dynamics: Types, Formation of Groups and Group Cohesiveness!

A group may be defined as set of people who have the same interests or objectives and who organize themselves to work together and strive towards a common goal.

According to Shaw, "Group is defined as two or more persons who are interacting with each other in such a manner that each person influences and is influenced by each other."

A group is characterized by the following features:

i. a common motive or goal and shared attitudes

ii. a hierarchical group structure i.e., clearly defined role for each member

iii. standard norms of behavior

iv. Influence of interaction with each other.

Groups exist in every organization and it is believed that "an organization will function best when its personnel function not as individuals but as members of highly effective work groups with high performance goals."

As groups are essential for organizational functioning, they are either created by the organization itself in order to facilitate division of labor for achieving its sub-goals and ultimately its ultimate goal or groups are created automatically, as a result of the socio-psychological factors at the workplace. The study of group dynamics provides understanding of groups.

The term 'group dynamics' is formed by the combination of the two words 'group' and 'dynamics.' While 'group' refers to two or more individuals sharing an explicit socio-psychological relationship, 'dynamics' refers to the forces within the group that shape the patterns of interaction between group members i.e., the power or capacity of a group member to change or influence change in other members according to changed circumstances.

There are 3 views about group dynamics:

1. First view describes how a group should be organized and conducted, stressing more on democratic leadership and members' participation.

2. Second view describes the techniques used in group dynamics, for instance, role playing, leaderless groups, brainstorming, group therapy, transactional analysis etc.

3. Third view describes group dynamics from the perspective of internal nature of groups; the structure, processes, reasons and methods of their formation, their influence within the group, with other groups and with the organization.

The three views can be summarized by describing group dynamics as a study of the nature and development of groups.

Types of Groups:

There are two types of groups in every organization:

Formal groups and Informal groups

1. Formal Groups:

An organization creates and maintains formal groups to fulfill needs or tasks that are included in its mission or organizational goals. In order to achieve its ultimate goal, an organization creates sub-goals which it assigns to different units or departments. These formal groups created by the organization itself are regulated by the organizational rules and regulations.

Life of the formal groups may be permanent or temporary depending upon the specific objectives to be fulfilled. Examples of permanent formal groups are board of directors, managing committees etc. and temporary formal groups are exemplified by task force or temporary committees created to fulfill certain specified objectives.

2. Informal Groups:

Informal groups are created voluntarily and spontaneously due to the socio- psychological forces operating in the workplace. Individuals working together often develop liking for each other and socialize with each other to overcome the psychological fatigue, boredom and monotony associated with their work.

Informal groups are formed as they satisfy the social needs of individuals while at work. As they are not created by the organization, the working of informal groups is not regulated by organizational rules and regulations.

As informal groups are smaller in size as compared to formal groups group-cohesiveness is easy to maintain. In-spite of this, informal groups are not very stable. The instability is primarily due to the personality differences between the members of the informal group.

An individual having the capacity to fulfill maximum needs of group members emerges as the informal leader and remains till the members think him capable of it. They are neither formed nor abolished by the management, rather if the management ever tries to abolish informal groups, then it may lead to alienation of employees as a protest against the management's actions.

Jeff Lane was at his wits end. As a newly appointed production manager, he had tried virtually everything to get his workers to achieve the production targets. The equipment was operating properly, and the group had the training and experience to meet expectations, yet it was not performing well. What was wrong? And what could he do to correct the situation?

Managers and supervisors frequently face such a dilemma. What Jeff Lane and other managers/supervisors sometimes fail to realize is that within every organization there are often informal group pressures that influence and regulate individual behavior.

Informal groups formulate an unspoken set of standards establishing acceptable behaviour In Jeff's department, the informal group may have established a norm below that set by the organization. They were working to reach the target set by their group as they had decided that the targets set by their managers was not acceptable to their group members.

Dynamics of informal Groups:

Informal groups almost always arise if opportunities exist. If management prescribes production norms that the group considers unfair, the group's recourse is to adopt less demanding norms and to use its ingenuity to discover ways in which it can sabotage management's imposed standards. Thus they counteract the tendency of the organization to get more output from the workers.

Informal groups have a powerful influence on the effectiveness of an organization. But the informal group's role is not limited to resistance. The impact of the informal group upon the larger formal group depends on the norms that the informal group sets. So the informal group can make the formal organization more effective, too.

A norm is an implied agreement among the group's membership regarding how members in the group should behave. From the perspective of the formal group, norms generally fall into three categories-positive, negative, and neutral,' In other words, norms either support, obstruct, or have no effect on the aims of the larger organization.

For example, if the informal group in Jeff's shop set a norm supporting high; output, that norm would have been more powerful than any attempt by Jeff to force compliance with the standard. The reason is simple, yet profound.

The norm is of the group members own choice, and is not one imposed upon them, There is a big motivational difference between being told what to do and being anxious to do it.

If Jeff had been aware of group dynamics, he might have realized that informal groups can be either his best friend or his worst enemy. He should' have been sensitive to the informal groups within his area and he should have cultivated their goodwill and cooperation and made use of the informal group leadership.

That is, he should have wooed the leadership of the informal group and enlisted the support of its membership to achieve the formal organization's aims.

For harnessing the power of informal groups, one should have:

1. An understanding of group dynamics and,

2. An ability to bring about changes in informal group norms that positively reinforce the formal organization's goals.

Formation of Informal Work Groups:

Individuals are employed by an organization to perform specific functions. The organization is only concerned with the job done by an individual-the output. Because people have needs that extend beyond the work itself, informal groups develop to fill certain emotional, social, and psychological needs. The degree to which a group satisfies its members' needs, determines the limits within which individual members of the group will allow their behavior to be controlled by the group.

Sense of Belonging:

Several major functions are served by informal groups. For example, the group serves as a means of satisfying the affiliation needs of its members for friendship and support. People need to belong, to be liked, to feel a part of something. Because the informal group can withhold this attractive reward, it earns the power to exploit group members to comply with its norms.

Identity and self-esteem:

Groups also provide a means of developing, enhancing, and confirming a person's sense of identity and self-esteem. Although many organizations attempt to recognize these higher needs, the nature of some jobs-their technology and environment-precludes this from happening. The long assembly line or endless rows of desks reinforce a feeling of depersonalization.

Stress Reduction:

By developing a consensus about their feelings, group members are able to reduce the anxiety associated with their jobs. For instance, several individuals may share the feeling that their supervisor is a slave driver or that their working conditions are inadequate.

All for One, One for All:

Joining forces in a small group makes the members feel stronger, less anxious, and less insecure in the face of a perceived threat. As long as needs exist that are not served by the formal organization, informal groups will form to fill the gap. Since the group fills many important needs for its members, it influences member behavior.

Leadership of Informal Work Groups:

Informal groups possess certain characteristics that can be used to advantage. While many of these characteristics are similar to those of formal organizations, others are unique. One attribute of informal groups is rotational leadership.

The informal leader emerges as the individual possessing qualities that the other members perceive as critical to the satisfaction of their specific needs at the moment; as the needs change so does the leader. Only rarely does a single individual possess all of the leadership characteristics needed to fill the various needs of the group.

Unlike the formally appointed leader who has a defined position from which to influence others, the informal leader does not possess formal power. If the informal leader fails to meet the group's expectations, he or she is deposed and replaced by another.

The supervisor can use several strategies to affect the leadership and harness the power of informal groups. One quick and sure method of changing a group is to cause the leader to change one or more of his or her characteristics. Another is to replace the leader with another person.

One common ploy is to systematically rotate out of the group its leaders and its key members. Considering the rotational nature of leadership, a leader may emerge who has aims similar to the formal goals of the organization.

The supervisor can attempt to 'co-opt' informal leaders by absorbing them into the leadership or the decision-making structure of the formal group and thereby make the formal organizations more stable. However, a leader may lose favor with the group because of this association with management, and group members will most likely select another leader.

Process/Stages of Group Development/Evolution:

Group Development is a dynamic process. How do groups evolve? There is a process of five stages through which groups pass through. The process includes the five stages: forming, storming, forming, performing, and adjourning.

Forming:

The first stage in the life of a group is concerned with forming a group. This stage is characterized by members seeking either a work assignment (in a formal group) or other benefit, like status, affiliation, power, etc. (in an informal group). Members at this stage either engage in busy type of activity or show apathy.

Storming:

The next stage in this group is marked by the formation of dyads and triads. Members seek out familiar or similar individuals and begin a deeper sharing of self. Continued attention to the subgroup creates a differentiation in the group and tensions across the dyads / triads may appear. Pairing is a common phenomenon. There will be conflict about controlling the group.

Norming:

The third stage of group development is marked by a more serious concern about task performance. The dyads/triads begin to open up and seek out other members in the group. Efforts are made to establish various norms for task performance.

Members begin to take greater responsibility for their own group and relationship while the authority figure becomes relaxed. Once this stage is complete, a clear picture will emerge about hierarchy of leadership. The norming stage is over with the solidification of the group structure and a sense of group identity and camaraderie.

Performing:

This is a stage of a fully functional group where members see themselves as a group and get involved in the task. Each person makes a contribution and the authority figure is also seen as a part of the group. Group norms are followed and collective pressure is exerted to ensure the Process of Group effectiveness of the group.
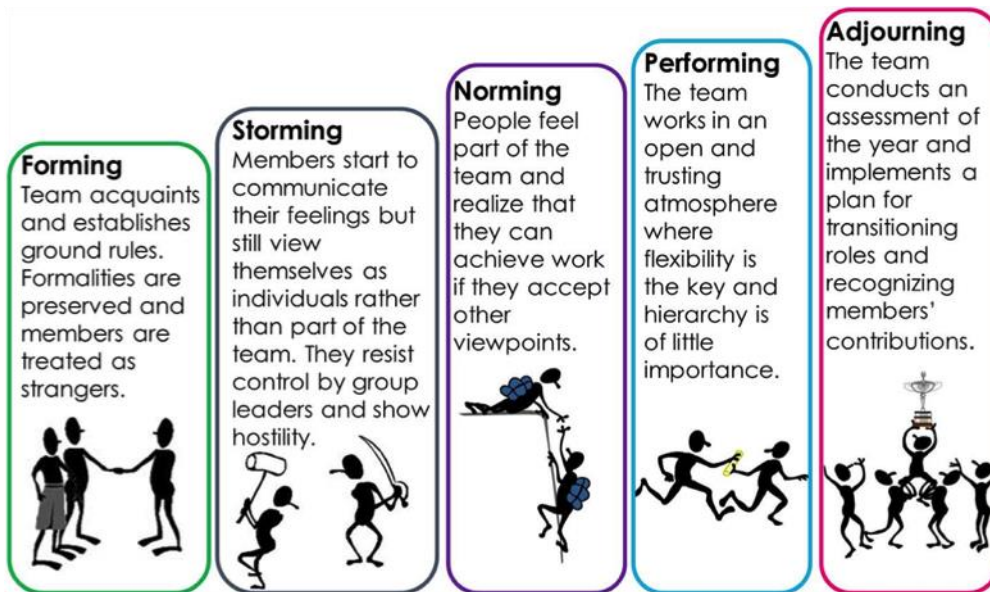
The group may redefine its goals Development in the light of information from the outside environment and show an autonomous will to pursue those goals. The long-term viability of the group is established and nurtured.

Adjourning:

In the case of temporary groups, like project team, task force, or any other such group, which have a limited task at hand, also have a fifth stage, This is known as adjourning.

The group decides to disband. Some members may feel happy over the performance, and some may be unhappy over the stoppage of meeting with group members. Adjourning may also be referred to as mourning, i.e. mourning the adjournment of the group.

The readers must note that the four stages of group development mentioned above for permanent groups are merely suggestive. In reality, several stages may go on simultaneously

Forming
Team acquaints and establishes ground rules. Formalities are preserved and members are treated as strangers.

Storming
Members start to communicate their feelings but still view themselves as individuals rather than part of the team. They resist control by group leaders and show hostility.

Norming
People feel part of the team and realize that they can achieve work if they accept other viewpoints.

Performing
The team works in an open and trusting atmosphere where flexibility is the key and hierarchy is of little importance.

Adjourning
The team conducts an assessment of the year and implements a plan for transitioning roles and recognizing members' contributions.

MODULE – III

LEADERSHIP: -

Layman definition says "Leadership" is the capacity to translate vision into

Leadership is the progress of encouraging & helping others to work enthusiastically towards objectives. Leadership is "interpersonal influence, exercised in a situation & divided through the communication process towards the attainment of a specified goal on goals." Leadership is the relationship in which one person influences others to work together willingly on related tasks to action goals desired by the leader and/on group.

What is the essence of Leadership: -

From the definition of leadership it is clearly that the essence of leadership are:
1) Refers to the ability of one individual to influence others.
2) The influence is exercised to change the behaviour of others.
3) Behaviour is change through non
4) Change of behaviour is caused with an objective of achieving a shared goal.
5) The person influenceing others (Leader) possesses a set of qualities or characteristics which he used to influence others.

6) Leadership is a group phenomenon. It includes interaction between two or more people.

Leadership & Management: -

Management is a process of forecasting planning, organizing, co-ordinating, directing & controlling the activities of others.
Management ship is the authority to caring out these functions.
Leadership is the process of influencing for the purpose of achieving shared goals.

Q- What is the difference between Leader and Manager?

Leader	Manager
1) Leaders have followers	Subordinates follow managerial authority not manager

2) Leaders have emotional appeal. He has a great

Leader	Manager
2) Leaders fulfill followers need. They emphasis on satisfying their followers need.	Managers are emphasis on fulfilling organizational need.
3) Leaders are doing right thing	Managers have to do things right.

Leader possess certain power to influence his followers. Those powers are:
    a) Reward Power
    b) Power
    c) Legitimate Power
    d) Expert Power
    e) Referent Power

Followers Influence on Leader: -
    a) Responses or performance of subordinates.
    b) Characteristics of subordinates namely, male or female, young or old, personal background and the like.

c) The nature of the task.
d) Organizational policy and climate.
e) Peers and their influence on the leader and positive influence of suspensions on the leader.

Style of Leadership: -
   a) Authoritarian Style
   b) Participative Style
            Consatative
            Consensual
            Demo
   c) Free rein style or Laissez faive Style

CLASS 18.

Theories of Leadership: -

The behaviour of the leader has greater impact than the personality of him. When the leader delegates task to subordinates and communicate with his followers, the followers emphasis on the behavioural pattern of him. But now a days it is completely depending on the situation in which the leader operates. Therefore it is found a complete leadership has three important dimensions. These are;
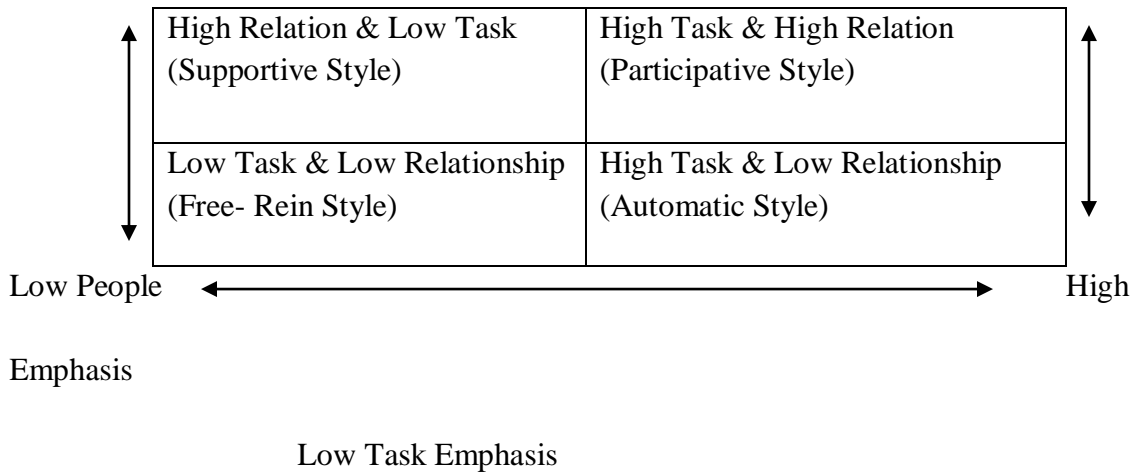
1) The leader & his psychological attributes.
2) The followers with his problem, attitudes & needs.
3) The group situation in which followers & leaders relate with one another.

Basing on the above factors these are certain theories developed. These theories are,
   1) Trait Theory
   2) Leader behaviour Theory
   3) Contingency Theory
   4) The managerial Grid
   5) The VDL Theory.

Note: 1, 2, 3 are in syllabus.

Four key Leader behaviour

High Relation & Low Task (Supportive Style)	High Task & High Relation (Participative Style)
Low Task & Low Relationship (Free- Rein Style)	High Task & Low Relationship (Automatic Style)

Low People ⟷ High

Emphasis

Low Task Emphasis

1) **Trait Theory –**

This theory says a leader posses a set of traits which make him distinct from followers. So emphasis was given to find out those theories basing on some survey.

Ralph stogdiu a theorist studies almost all 5000 leaders & put some successful traits. These are,

a) A strong desire for accomplishment.
b) Persistent pursuit of goal.
c) Creativity & intelligence used to solve problems.
d) Initiative applied to social situation.
e) Self assumed personality.
f) Willingness to accept behavioural consequences.
g) Low susceptibility of interpersonal stress.
h) High tolerance of ambiguity.
i) Ability to influence other people.
j) Ability to structure social interactions.

Unsuccessful & in effective leaders and associated certain traits like poor temperament self centeredness, inability to get health problems such as aggression, depression, disorganization, paranoia (tear of prosecution), neurosis (mild mental disorder) and procrastination (delay)

Evaluation of The Trait Theory -

Limitations of the theory are,

1) Successful leaders have a very long list of personality traits. But no consistent pattern has emerged for it.
2) A successful leader should possess certain traits but up to which extend the trait supposed to be uncertain, there was no specification. Mainly the psychological traits can't be quantified.
3) The theory assumed that a leader is born and not trained, this assumption is not acceptable to the contemporary thinkers on the subject.
4) The effectiveness of leader not only depend on its personality but also on the situation, the task the organization & the characteristic of followers.
5) It is seen some traits of successful leader are also equally seen with some people who fail as leaders & who never achieve position of leadership.
6) There is little consensus on the meaning of words used to label traits.

Merits of Traits Theory –

1) Focusing on personality traits it was studied that leaders tend to be consistently better adjusted, more dominant, more extroverted, more conservative & have greater interpersonal sensitive.
2) A leader's effectiveness mainly influenced others if he is fundamentally acts as a person.
3) The personality of man is his inner life including such inner elements as back ground life history, beliefs, life experiences, attitude, prejudices, self-imagine, tears, love, hates, hopes & philosophy of life.
4) Good managers do not possess resistance reactions.
5) Individuals who is a good leader naturally more aggressive, more decisive & more than other people.
6) The theory has certain practical implication also.

2) **Behavioral Theory –**
   This theory emphasis on two aspects.
   ❖ Behaviour of a leader
   ❖ Follower's performance & satisfaction.

Ohio State University Studies -
The main objective of the study was,

a) To identify the major dimensions of leadership.
b) To investigate the effect of leader behaviour on employee performance & satisfactions.

From the study two leadership dimensions were identified basing on a list of leader behaviour & a variety of situations. These are given below:-

1) <u>The initiating structure</u> – This refers to the leader behaviour that detives & organizes, a) the group task b) assigns the tasks to employees c) super
2) <u>Consideration Behaviour</u> – This refers to behaviour to friendliness, respect, supportiveness, openness,frust & concern for the task of the employees.

The specified continu & types of leader from the findings of Ohio State University Studies given below.

Human Relation	Remo
Laisser	
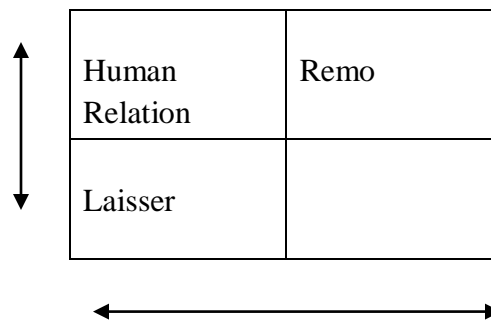
<u>Out Comes of The Study</u> –

1) Consideration behavior was positively relating to how absenteeism but it was negatively on neutrally related to performance.
2) Initiating structure was positively related to employee performance but associated with such negative consequences as absenteeism.
3) When both are high, performance & satisfaction tended to be high. But in some cases, high productivity was accompanied by absenteeism.

<u>The University of Michigan Studies: -</u>

It is all most similar to Ohio state study. Here also two dimensions of leadership are considered. They are-

1. Production – Centered – Here leader set rigid work standards organized tasks down to the last detail, prescribed the work methods to be followed & closely supervised subordinates performance.

2. Employee-centered – Here leaders encouraged employee participation in goal setting & in other work-related decisions & helped ensure high performance by inspiring respect & trust.

The continuum for Michigan Study was given.

Production   _____   Employee
Centered Leadership   Centered Leadership

Evaluation of Behavior Theory -

The main focus of this theory was on the behavior of leader like what leaders did, how they delegated the tasks, how they communicated with & tried to motivate their subordinates, how carried out their tasks & so on. The theory specifies the behavior can be learnt & an individual trained in the appropriate leadership behavior would be able to lead more efficiently. This was the main contribution of the theory. However, a consistent relationship between leadership behavior & group performance could not be established. The considerations of the situational factors were missing which influence success or failure.

Contingency Theory of Leadership-

These theories of leadership are derived from the basic proposition that the most effective behaviour for leaders to engage in contingency upon characteristics of the situation in which the leader find themselves.

This theory will suggest under which condition employee-oriented leadership will make effective then a production oriented one.
There are most popular contingency theories of leadership. They are given below,

1. Fiedler's Theory –
   This model postulates that effectiveness of a leader depends upon his motivational style & the favorableness of the situation. At 1st case it is evident that leaders are motivated by either

interpersonal relations or task-goal accomplishment. At 2nd case it is indicate that up to which extend the leader has control over the situation.

2. Leader's motivational Traits – (The path goal theory)
Leader differs in their style. But mainly either they are relation oriented on task oriented. However, the motivational style of a leader is measured through the least preferred co-workers i.e. L.P.C. concept.

With reference to the L.P.C the leaders are asked to describe a person on a

Pleasant   -------------------- Unpleasant
                87654321

Rejecting ------------------- Accepting
                12345678

Helpful   ------------------- Frustrating
                87654321

Open   ---------------------- Granded
            87654321

It the score will be totaled & averaged then depending on the L.P.C. score is a suggestion.

That is if a high L.P.C. is scored, it implies that the leader has relation-oriented. If a low L.P.C. is scored, it implies the leader has task-oriented.

Fiedler's logic is that individuals who rate their least preferred co-worker in a relatively favorable height on these scales derived satisfaction out of interpersonal relations & who rate the co-worker in a relatively unfavorable light get satisfaction out of successful fast performance.

Situational Factors are per Fiedler

Fiedler said the situation is favorable to the leader when he has influence & control over his sub-ordinates' performance. He also suggested their hypothesis to determine situational favorability. Those are,
    1. Leader-member relations
    2. Task structure
    3. Position power

The leader influence & control are high if he relies on the loyalty of his sub-ordinates & relationship with them is good. A high degree of task structure contributes to a favorable situation for the leader & helps him to influence & control the behavior of his sub-ordinates. Position power comprises formal authority & reward power. The greater the power, the greater the leader's control over his sub-ordinates & the more favorable the situation for him. When these three situations are combined a high favorable situation occurs. Therefore, it can be concluded by saying a high control situation occurs where the leader has good leader member relations, high structured task & strong position power.

A Good Leadership Match –

In high two control situations a task-oriented leader will perform better than a relation oriented. In moderate control situation a relation-oriented leader will perform well.

Evaluation of Contingency Theory-

First of the merits of this theory are,
   1. It gives explicit attention to the leader, the situation & the sub-ordinates.
   2. It represents an improvement over all earlier theories. It makes the   identification work of leader very simple & provides a useful theoretical framework for future research.
   3. is a programmed learning technique that trains leaders to modify situation to fit their personality. So it helps in designing training program for leader.

Demerits: -

1. In the model some variables meaning is not clear, like it is difficult to classify task as structured or unstructured in an absolute sense. Since there are relative concept.
2. it lacks a theoretical orientation. It has a predictive power but lacks an explanatory power.
3. Also, it is not clear regarding what LPL scale measures. It is a question that," why a leader considered relation motivated when he describes LPC scale in positive terms & why a task motivated in measuring LPC scale in a negative term".
4. LPC does not reveal the leader behavior but suggests only his feeling towards his least preferred co-worker.
5. It ignores attention to the actual technical components of the leader and the sub-ordinates.

What are the good characters of a leader? -

1. A leader should understand that leadership is a two-way influencing process.

2. The leader should be a competent & confident person.
3. The leader should be an intellectual person having very innovative & creative thought process.
4. He must have very good knowledge about the political economic, social & cultural operating beyond his company gate.
5. He must have a clear vision & mission.
6. Communication skill is an essential faction for a leader.
7. A leader should not ignore to show courage to take quick decision particularly at the time of crisis.
8. He must be a person of good temperament & must not be selfish.
9. He should possess all sort
10. Sincerity & character & good moral are nothing but his ornaments.
11. He should be a good learner, know the trick of delegating duties to their subordinates, good communication & motivates in influencing his followers.
12. Contingency theory suggested the leader to examine the situation (environment) i.e. the people, task & the organization.
13. It also emphasis on the flexibility of implementing various skill within an overall style.
14. Thus, a successful leader does not have the best way of doing things. He needs to follow different styles suiting different situations. Making a particular style to a specific situation is the essence of effective leadership.
15. A transformational leadership style characterized by distinct skills. They are;
    a) Anticipatory Skills
    b) Visionary Skills
    c) Value or Congruence Skills
    d) Employment Skills
    e) Self-understanding Skills

ORGANISATION CULTURE: MEANING AND FEATURES

According to Vijay Sathe, "Culture is the set of important understandings that members of a community share in common." It consists of patterned ways of thinking, feeling, and reacting that are acquired by language and symbols that create a distinctiveness among human groups. A system of shared values is the building block of
culture.

"Culture is to a human collectivise what personality is to an individual.... Culture could be defined as the interactive aggregate of common characteristics that influence a human group's response to its environment. Culture determines the identity of a human group in the same way as personality determines the identity of an individual. Moreover, the two interact; "culture and personality" is a classic name of psychological anthropology. Cultural traits sometimes can be measured by personality tests.

The study of organization culture is important because of the following reasons:

1. No organization can operate in isolation to its cultural environment. In other words, organizations are social systems that must inevitably operate to survive within the framework of a larger cultural system.
2. People in organization come from different cultural backgrounds. They have different beliefs, customs, understandings, preferences, etc.

Features of Organization Culture

Features of organisational culture are as follows:

(i) The degree of responsibility and freedom and opportunities of exercising initiative that individuals in the organization have.
(ii) The rules and regulations, and the amount of direct supervision that is used to oversee and control employee behavior.
(iii) The degree of assistance and warmth provided by managers to their subordinates.
(iv) The degree to which members identify with the organization as a whole rather than with their particular work-group or field of professional expertise.
(v) The degree to which reward system in the organization (i.e., salary increases, promotions) is based on employee performance criteria.
(vi) The degree of conflict presents in relationships between peers and workgroups as well as the willingness to be honest and open about differences.
(vii) The degree to which employees are encouraged to be innovative and risk taking.

IMPACT OF CULTURE ON MODERN ORGANISATIONS

According to Keith Davis, the following values affect the modern organizations:

1. Equality: This value states that all people are equal, having equal rights. However, this value gives due recognition to different mental, emotional and social differences and hence different rewards. Another associated

78 idea is equity which states that there should be justice in rewarding performance. The rewards should be based on performance which should be measured objectively.

2. Security: People seek security of job and personal life. Some sort of mental tension prevails in the mind of an employee as long as he feels unsecure.

3. Freedom: It represents a basic cultural value that affects work in modern organisations. Freedom here refers to freedom from authority and freedom to do as one feels like, of course, subject to the constraints imposed by the

society. That is to say, this freedom is within some prescribed limits. Freedom may mean different things to different people. For instance, for a employee freedom may be have a voice in the joint council meeting, for another it may mean right to work without restrictions etc.

4. Opportunity: Another value that affects people in organizations is the opportunity. People expect many opportunities to climb the ladder in organization.

SOCIALISATION: FAMILIARISATION WITH ORGANIZATION CULTURE

Socialization is a process of indoctrinating the new employees into the organization culture. The organization takes steps to get them adapt to its existing culture. It socializes the new employees and molds them to accept its standards and norms. Socialization is a process of adaptation by which employees are able to understand the basic values, norms and customs for becoming the accepted members of organization and assuming organizational roles. People who do not learn to adjust with the culture of organization is labelled as 'rebels' or 'nonconformists' and may even the turned out of the organization.

Socialization performs two functions:

      (i) it creates uniform behavior in members, increases understanding, reduces conflicts, etc., and

      (ii) it reduces role ambiguity of employees as they will come to know what is expected of them.

Maanen and Schein have conceptualized three stages in the process of socialization: pre-arrival, encounter and metamorphosis or transformation. These are briefly discussed below:

1. Prearrival Stage

It denotes the period of learning in the socialization process that occurs before a new worker joins the organization. The new worker has a set of values, beliefs, attitudes and expectations. Such factors must be taken care of at the selection stage. Those types of people should be selected who might be able to fit into the organization's culture. The candidates must be made aware of the organization's values and expectations during the selection process so that the chances of wrong selection are reduced to the minimum.

2. Encounter Stage

The employee enters this stage when he joins the organization. He comes to know what the organization is really like and may find divergence between his expectations and those of the organization. If this is so, the new employee must undergo socialization that will detach him from his previous notions and assumptions about the organization and make him learn another set the organization deems desirable. This induction process is helpful in many of the cases. But if the employee is not able to change his expectations and adapt to the requirements of the organization, he might have to leave the organization.

3. Metamorphosis or Transformation Stage

Under this stage, the real transformation in the new employee takes place. He adjusts to his work group's values and norm's and becomes comfortable with the organization and his job. His international of organizations' culture wins him acceptability among his colleagues and creates confidence in him. This makes him a contented employee and the likes the place of work and enjoys the company of his colleagues. As a result, he will feel committed to the organization and his productivity will increase. His search for job elsewhere will also come to an end. If, in any case, the employee is not able to adapt himself to the organization culture, the result will be low productivity, lack of commitment and even leaving the organization.

Organizational culture is the fundamental assumptions people share about an organization's values, beliefs, norms, symbols, language, rituals, and myths – all the expressive elements that give meaning to organizational membership and are accepted as guides to behavior. Most organizations develop patterns of cultural assumptions that answer such fundamental questions as: How does our organization relate to its environment? How do we learn and communicate? What do we expect of people and relationships? What constitutes successful results? At what do we excel?

Strong culture is achieved when most members accept the interrelated assumptions that form an internally consistent cultural system.

- *Assumptions define relationships to the environment*. Firms generally fit four natural environmental profiles: reactive, defensive, accommodative, and proactive. Most often these

assumptions refer to the industry environment, related to assumptions concerning customers, markets and competitors.

- *Assumptions promote learning and communicating*. Some organizations seek to learn empirically through experimenting and gathering feedback. Others believe truth is revealed intuitively or comes only from higher management. These issues frame assumptions about management's planning timeframe (short or long-term), concepts of space and equity (open cubicles or private offices), and beliefs about how to achieve innovation (driven by management or teams throughout the organization). Language and communication norms also define organizational reality.

- *Assumptions tell about people and relationships*. Organizations tend to develop common assumptions about human nature and how people are to be treated. The culture also reflects assumptions about who is to have power and how power is to be used, which affects relationships among people.

- *Assumptions link competencies to mission*. Common assumptions about the competencies with give them advantage in the market environment are held by employees and managers. Assumptions about what constitutes technological competencies and how to enable knowledge workers to create innovation differs across organizational cultures. Organizations that develop technology-sharing relationships or networks in collaboration with other organizations are more likely to produce a sustained competitive advantage.

Organizational Value Systems

The assumptions most critical to organizational behavior are those shared values that lie at the heart of human character and societal behavior. *Values* are the enduring beliefs and expectations that a person or group hold to be important guides to behavior

The top five organizational values are:
1. Provide excellent service to customers.
2. Operate in a highly ethical manner at all times.
3. Provide products and/or services of excellent quality.
4. Consistently make a fair and reasonable profit (not maximize profits).
5. Staff the organization with high-caliber employees from top to bottom.

An organization's values convey what behaviors and beliefs are important to its success. A set of values becomes an *organizational value system* when those core values are shared by the majority of organizational members, typically differentiated by the origin and content of those enduring values. Organizational values originate from either charismatic leadership or organizational traditions.

Charismatic-based values originate from a strong leader, usually the founder, which tend to be internalized by members as long as they look to the leader for guidance and inspiration.

Alternatively, values can emerge out of organizational traditions that are more anonymous in origin. ***Tradition-based values*** are values deeply rooted in historical practices, which provide stability as they are passed from generation to generation.

The content or interpreted meaning of values is based on either functional or elitist ideals. ***Functional values*** express a normative mode of conduct that tells members what they should pay attention to (e.g., customer service, innovation, quality). ***Elitist values*** focus more on the perceived superiority of the organization in comparison to others. Elitist values attempt to instill pride in membership, creating a "we're number one" mentality. Elitist values can create an aloofness that weakens members' abilities to confront changing realities.

Functions of Organizational Cultures

Less overt than the traditional managerial tools, organizational culture contributes as a guide to consistent behavior by reinforcing capabilities and strengthening sources of competitive advantage. Organizational epitomizes the expressive character of organizations; it is communicated less through objective realism and more through symbolism, feelings, and the meanings behind language, behaviors, and physical settings.

Culture Supports (or Resists) Strategic Choices

Culture serves as a rudder to keep the firm's strategy on course. Strategy is a rational management process that leads to actions intended to match a firm's product and service offering to a specific market or type of customer. Culture is the expressive backup that influences how well the strategy is implemented. Managers are often blindsided when they try to introduce radical strategic changes that run contrary to cultural expectations.

Culture Promotes Expected Behaviors

Culture works best when strong. Culture works best when people forget why they are doing certain things, but keep on doing them. But the strong culture that promotes consistent behavior also makes it difficult to adapt when old ways no longer fit new realities.

Subcultures Facilitate Organizational Diversity

Subcultures are localized subsystems of values and assumptions that give meaning to the common interests of smaller clusters of people within the overall organization. Subcultures have three possible impacts on the organization: They can (1) serve to enhance the dominant culture; (2) promote an independence from it, as commonly occurs among divisions of diversified firms; or (3) function as countercultures when they are at odds with it.

Countercultures reject the values and assumptions of the host organization and develop opposing beliefs, often based on elitist notions that may be promulgated by a charismatic leader.

Growth Prompts Revolutionary Shifts in Culture

Culture change is typically more revolutionary and the result of a change in leadership. Often there is a period of skepticism, resistance, and complaining about "losing our values". Cultural change thus needs to be led, guided, and nurtured, for like a large ship at sea, it takes time to turn. Many times changes are guided through teachable points of view, where the leader defines his or her values and beliefs about what it takes to succeed in the organization's chosen businesses and in business generally, and then projects those ideas as a teacher throughout the organization.

Cultural changes may be necessary whenever organizations need to:
- Break away from a rigid bureaucratic culture and become more responsive to change.
- Diminish the belief that power or policies gets things done and shift more toward satisfying customers and the marketplace.
- Create an identity and set of values for a mediocre, culturally weak organization.
- Integrate an acquisition (with its own culture) into the ways of a new parent.
- Blend two cultures into one following a merger.
- Establish a unique, autonomous culture after a division is spun off or divested.
- Permit a division or major task unit to develop a subculture supportive of its task.
- Infuse stronger cultural elements into a weak culture firm through rites and symbols.

<u>**Ethnic Diversity Sensitizes Organizational Culture**</u>

What you are learning about managing people's organizational behavior gives you an Americanized view of the world. The managerial approaches that work for us do not necessarily stand up well in other countries.

<u>**How Do National Cultures Impact Global Business?**</u>
While business people may share some commonality of values across national cultures, a country's culture and business environment can cause value elements to differ significantly across national borders.

Values, beliefs and behaviors have patterned differences. Ethnic differences give people different predispositions toward work and business practices. Cultural differences influence management styles.

The essence of country culture is ***national mental preprogramming***, which is that part of a country's collective learning that is shared with other members of that nation, region, or group, but not with members of other nations, regions or groups.

Values tend to be stable across nationally groups, where attitudes differ. ***Attitudes*** are temporal beliefs based on evaluative interpretations of current conditions.

Four patterns of enduring values provide the framework for describing national cultures:

- **Individualism versus Collectivism**. In highly ***individualistic*** societies, the individual is expected to look out for his or her own self-interest, and maybe that of the immediate family. At the other extreme, ***collectivist*** societies assume that close ties exist among people and the interests of the individual are subordinated to the group, be it extended family, tribe, village, and/or employer. Individualistic nations are loosely integrated (do your own thing), collectivist tightly integrated (honor thy group heritage).

- **Centralized versus Diffused Power**. ***Centralized*** power societies permit unequal intellectual or physical capabilities to grow into blatant inequalities in the distribution of power and wealth. ***Diffused*** power societies play down individual differences by sharing or decentralizing power.

- **Strong versus Weak Uncertainty Avoidance**. Societies ***accepting of uncertainty*** use organized creativity to reduce the risk of uncertainty. Nations with a strong need for ***uncertainty avoidance*** usually claim that absolute truth originates from a dominant religion.

- **Masculinity versus Femininity**. Some nations make sharp distinctions between roles based on sex. Nations with such clear sex role divisions are called "masculine". ***Masculine*** values permeate societies where the hero is the successful achiever, where showing off and displaying wealth is accepted. Other societies are more tolerant of a wider distribution of roles almost independent of sex and are called "feminine". ***Feminine*** values include respecting the underdog, putting relationships before wealth, and tending to the quality of life and the environment.

Change

Change is the process of moving from one condition to another. Changes in organizations are stimulated by multiple external and internal forces, often interacting to reinforce one another.

Individuals resist change due to: selective perception, lack of information, fear of the unknown, habit, and resentment toward the initiator. Organizations resist change for many of the same reasons individuals do. Additional sources of resistance are: power maintenance, structural stability, functional sub-optimization, organizational culture, and group norms.

How Do Managers Prepare for Planned Change?

Planned change is the process of preparing and taking actions to move from one condition to a more desired one. The key questions to be answered when planning change are:

1. What do we want to achieve? What are our goals?

2. Why? What are our performance gaps?

3. Who will be the change agents responsible for making the change (change agents are individuals or groups responsible for changing behavior and systems)?

4. How do we plan to make it happen? What targets do we want to change and what process will we apply to change them?

5. What organizational consequences do we anticipate from the change?

How Is the Planned Change Process Managed?

Three Phases of Planned Change

1. Unfreezing – raising awareness that current conditions are not satisfactory and reducing resistance to desired change.

2. Moving – letting go of old ways of doing things and adopting new behaviors.

3. Refreezing – reinforcing the changes made to stabilize new ways of behaving

How Do Learning Organizations Promote Change?

A **learning organization** develops tools and methods to analyze, change, and reevaluate their organizational systems so that employees respond more effectively and quicker to the same work-related stimulus than they did in the past and to novel stimuli almost as quickly. A learning organization is skilled at creating, acquiring, and transferring knowledge and at modifying its behavior to reflect new knowledge and insight.

The Characteristics of Learning Organizations

- **Systems Thinking** – Members perceive their organization as a system of interrelated processes, activities, functions, and interactions. Any action taken will have repercussions on other variables in the system. It is important to see the entire picture in the short and long run.

- **Shared Vision** – Belief and commitment toward a goal deeply desired by all. Sublimation of competing departmental and personal interests for the achievement of the shared vision.

- **Personal Mastery** – Continual learning and personal growth by all organizational members. Individuals are willing to give up old ways of thinking and behaving to try out possible better ones for themselves and the organization.

- **Mental Process Models** – Shared internal images of how individuals, the organization, and the world work. Willingness to reflect on the reasoning underlying our actions and to change these assumptions when necessary to create a more appropriate process for doing things.

- **Team Learning** – Organization members openly communicate across departmental and hierarchical boundaries to help all members solve problems and learn from each other. Decreasing the need for personal wins in order to increase the search for the truth for the good of the entire team.

Single loop learning occurs when a manager shifts responsibility from employees to himself or herself by asking the simple unidirectional questions that produce simple impersonal responses.

Double loop learning shifts accountability for actions and learning to employees by having a manager ask complex questions about the employee's motivation for solving a problem.

The term 'organisational change' implies the creation of imbalances in the existing pattern of situation. When an organization operates and functions for a long time, an adjustment between its technical, human and structural set-up is established. It tends to approximate an equilibrium in relation to its environment. In other words, organization members evolve a tentative set of relations with the environment. They have an

adjustment with their job, working conditions, friends and colleagues etc. Change requires individuals to make new adjustments. Hence the fear of adjustment gives rise to the problem of change and resistance to change. Individual comes in to danger. On the other hand, groups resist change where their existence is in danger or a total change in overall work environment is contemplated. Management of change may be defined as a conscious and concerted initiative by those who are in-charge of the destiny of the business undertaking or firm to keep a constant and intelligent watch over the behaviour of uncontrollable forces, to assess their impact and influence of the controllable forces, and to evolve appropriate strategies and action programmes to maintain a dynamic equilibrium between the controllable and uncontrollable forces. The controllable forces are those forces about which sufficient information is available. Such forces can be managed easily. Uncontrollable forces are those about which not much is known. These forces exert a powerful influence on thebehaviour of controllable forces and limit the scope of managerial action.

FORCES FOR CHANGE

Organisations encounter many different forces for change. These forces come from external sources outside the organisation and from internal sources. Awareness of these forces can help managers determine when they should consider implementing an organisational change. The external and internal forces for change are as follows:

(a) External Forces
External forces for change originate outside the organisation. Because these forces have global effects, they may cause an organisation to question the essence of what business it is in and the process by which products and services are produced. There are four key external forces for change: demographic characteristics, technological
advances, market changes, and social and political pressures.
(i) Demographic Characteristics
Organisations need to effectively manage diversity if they are to receive maximum contribution and commitment from employees.
(ii) Technological Advancements
Both manufacturing and service organisations are increasingly using technology as a means to improve productivity and market competitiveness. Manufacturing companies, for instance, have automated their operations with robotics, computerized numerical control (CNC) which is used for metal cutting operations, and computer-aided design (CAD). CAD is a computerized process of drafting and designing engineering drawings of products. Companies have just begun to work on computer-integrated manufacturing (CIM). This highly technical process attempts to integrate product design with product planning, control, and operations. Office automation consists of a host of computerized technologies that are used to obtain, store, analyse, retrieve, and communicate information.

(iii) Market Changes

The emergence of a global economy is forcing Indian companies to change the way they do business. Companies are having to forge new partnerships with their suppliers in order to deliver higher quality products at lower prices.

(iv) Social and Political Pressures

These forces are created by social and political events. Personal values affect employees' needs, priorities, and motivation; managers thus may need to adjust their managerial style or approach to fit changing employee values. Political events can create substantial change. For example, the collapse of both the Berlin Wall and communism in

Russia created many new business opportunities. Although it is difficult for organisations to predict changes in political forces, many organisations hire lobbyists and consultants to help them detect and respond to social and political changes.

(b) Internal Forces

Internal forces for change come from inside the organisation. These forces may be subtle such as low morale, or can manifest in outward signs such as low productivity and conflict. Internal forces for change come from both human resource problems and managerial behaviour/decisions.

(i) Human Resource Problems/Prospects

These problems stem from employee perceptions about how they are treated at work and the match between individual and organisation needs and desires. Dissatisfaction is a symptom of an underlying employee problem that should be addressed. Unusual or high levels of absenteeism and turnover also represent forces for change. Organisations might respond to these problems by using the various approaches to job design by implementing realistic job previews, by reducing employees role conflict, overload, and ambiguity, and by removing the different stresses. Prospects for positive change stem from employee participation and suggestions.

(ii) Managerial Behaviour/Decisions

Excessive interpersonal conflict between managers and their subordinates is a sign that change is needed. Both the manager and the employee may need interpersonal skills training, or the two may simply need to be separated: for example, one of the parties might be transferred to a new department. Inappropriate leadership behaviours,
 such as inadequate direction or support, may result in human resource problems requiring change. Leadership training is one potential solution for this problem.

LEVELS OF CHANGE

Change can be at individual, group and organisational levels:

(a) Individual Level Change

At the individual level change is reflected in such developments as changes in a assignment, physical move to a different location, or the change in maturity of a person which occurs overtime. It is said that changes at the individual level will seldom have significant implications for the total organisation. This is not true because a significance change at the individual level will have its repercussions on the group which, in turn, might influence the wider organisation. A manager who desires to implement a major change at the individual level, transferring an employee for instance, must understand that the change will have repercussions beyond the individual.

(b) Group Level Changes
Most organisational changes have their major effects at the group level. This is because most activities in organisations are organised on group basis. The groups could be departments, or informal work groups. Changes at the group level can affect work flows, job design, social organisation, influence and status systems, and communication patterns. Managers must consider group factors when implementing change. Informal groups can pose a major barrier to change because of the inherent strengths they contain.Formal groups can resist change, as exemplified by the resistance demonstrated by unions to the changes proposed by management. Because of the powerful influence that groups can have on individuals, effective implementation of change at the group level can
frequently overcome resistance at the individual level.

(c) Organization Level Changes
Change at this level involves major programmes that affect both individuals and groups. Decisions regarding these changes are generally made by senior management and are seldom implemented by only a single manager. Frequently they occur over long periods of time and require considerable planning for implementation. Example of these changes would be reorganization of the organization structure and responsibilities, revamping of employee remuneration system, or major shifts in an organizations' objectives. Change at the organizational level is generally referred to as organization development.

 TYPES OF CHANGE

There are various areas within the organizational domain where changes can be brought about for operational enhancement of the organization as well as desirable behavior of members. The various types of changes that can have considerable impact on the organizational culture are:

a) Strategic Change
This is a change in the very mission of the organisation. A single mission may have to be changed to multiple missions. For example, when British Airways acquired a major part of U.S. Air, the culture of the entire organization had to be modified to accommodate various aspects of American organisational culture into the British organisational culture.

b) Structural Change

Decentralized operations and participative management style have seen more recent trends in the organisational structure. Since these structural changes shift the authority and responsibility to generally lower-level management, it has a major impact on an organizations' social climate and members have to be prepared to develop a team spirit as well as acquire skills to make on-the-spot decisions at points of operations.

c) Process-oriented Change

These changes relate to technological developments, information processing, automation and use of robotics in the manufacturing operations. This means replacing or personnel, heavy capital equipment investment and operational changes. This would affect the organizational culture and hence changes in the behavior patterns of
members.

d) People-oriented Change

Even though, any organisational change affects people in some form, it is important that the behaviour and attitudes of the members be predictable and in accordance with the expectations of the organization and be consistent with the mission and policies of the enterprise. These changes are directed towards performance improvement, group cohesion, dedication and loyalty to the organization as well as developing a sense of self-actualisation among the members. These can be developed by closer interaction with employees and by special behavioural training and modification sessions.

STEPS IN MANAGED CHANGE

The first step in the change process is to identify the need for change and the area of change as to whether it is strategic change, process-oriented change or employee-oriented change. This need for change can be identified either through internal factors or through external forces that may be in place. Once this need is identified, the following steps can be taken to implement such change:

1. Develop new goals and objectives

The managers must identify as to what new outcomes they wish to achieve. This may be a modification of previous goals due to changed internal and external environmental or it may be a new set of goals and objectives.

2. Select an agent for change

The management must decide as to who will initiate and oversee this change. A manager may be assigned this duty or even outside specialists and consultants can be brought in to suggest the various methods to bring in the change and monitor the change process.

3. Diagnose the problem

It is important to gather all pertinent data regarding the area or the problem where the change is needed. This data should be critically analyzed to pinpoint the key issues. Then the solutions can be focused on those key issues.

4. Select methodology

Because of natural resistance to change, it is very important to chart out a methodology for change which would be correct and acceptable to all. Member's emotions must be taken into consideration when devising such methodology.

5. Develop a plan

This step involves putting together a plan as to what is to be done. For example, if the company wants to develop implement a flextime policy, it must decide as to what type of workers will be affected by it or whether flextime should be given to all members or only to some designated workers.

6. Strategy for implementation of the plan

In this stage, the management must decide on the "when", "where" and "how" of
the plan. This includes the right timing of putting the plan to work, how the plan will be
communicated to workers in order to have the least resistance and how the
implementation will be monitored.

7. Implementation of the plan

Once the right timing and right channels of communications have been established, the plan is put into action. It may be in the form of simple announcement or it may require briefing sessions or in-house seminars so as to gain acceptance of all the members and specially those who are going to be directly affected by the change.

8. Receive and evaluate feedback

Evaluation consists of comparing actual results to the set goals. Feedback will if these goals are being met so that if there is any deviation between the goals and the actual performance outcomes, then corrective measures can be taken.

RESISTANCE TO CHANGE

Resistance to change is understood to be a natural phenomenon. But not all change is resisted. In fact, if we look at any organization closely, we would probably find that more changes are accepted than resisted. Accepting the fact that people have a natural instinct to adapt to their environment is the first step towards effective management of change. It has the advantage of placing people in a more positive light, but also suggests that resistance to change is unnatural behavior. If managers accept this principle, then they can proceed to analyse the situation to find the (unnatural) cause of resistance. Failure to understand this characteristic of resistance can cause many managers to attempt to run through changes rather than try to understand the sources of the resistance. Sources of resistance to change may be

rational or emotional. *Rational resistance* occurs when people do not have the proper knowledge or information to evaluate the change. Providing information (in the form of data, facts, or other types of concrete
information) reduces the resistance. *Emotional resistance* involves the psychological problems of fear, anxiety, suspicion, insecurity, and the like. These feelings are evoked because of people's perception of how the change will affect them.

INTERNATIONAL OB

As organizations become more international and embrace both different nationalities and cultures, the study of organizational behavior has expanded to involve global settings. All the aspects of change mentioned becomes
amplified and even more critical as organizations move toward becoming more multicultural, multinational and even having offices located in different countries or regional of the world. The study of International Organizational
Behavior requires the understanding of various regional contexts (American, Canadian, Latin-American, European, Asian and African) and their numerous local contexts with their indigenous cultures. Yet, researchers also need to understand the cross-cultural and virtual interactions especially in multinational companies (MNCs) and transnational organizations. Although all members in organizations are human beings, individuals working with
different cultures and nationalities experience diverse difficulties that cannot be assumed as similar to those individuals working in a homogenous setting. Also, as organizations become more team oriented to cope with the need to be flexible and responsive to the volatile business environment, team research (especially cross- cultural and virtual) is becoming more critical in international OB. Finally, the perception and of organizational change and the rates of change in different regions and nations are beginning to be included as part of the field of international OB. In this book we offer some concrete examples that highlight the international flavor of Organizational Behavior
across all three levels: individual, team and organizational.

Scientific Management
Modern OB was much influenced by Frederick Winslow Taylor in the late 1890s. His 1911 book *The Principles of Scientific Management* 1 would have been on the office shelves of Henry Ford's managers. Taylor was an engineer
who wanted to find a way of improving employee performance in a steel factory where he worked. He believed that he could find an ideal set of management principles that would improve the satisfaction and performance of all employees. The years Taylor spent analyzing and observing worker behavior resulted in a procedure for organizational control called scientific management . Taylor argued that each task should be simplified so that every employee would repeat the same minimum task as efficiently as possible. The best worker at a given task should be studied in terms of time taken and tools and techniques used, and this performance would be the benchmark against which other workers would be

measured. Management would make all the planning, pacing, and maintenance decisions, and would pay employees based on their individual productivity. He felt that his scientific management was the *one best way of managing all employees*; it would guarantee the optimal use of workers in virtually any working situation. Although it was later found that no single management style is highly effective in all situations, Taylor's scientific management made some important contributions to our understanding of OB. These include identifying some of the sources of *motivation* of workers, developing *goalsetting* programs, bringing in *incentive pay* systems, laying the groundwork for modern employee *selection* techniques, and providing properly designed *tools*.

Taylor was criticized as having too mechanistic an approach to management, and for assuming that employees are basically lazy and need to be watched continuously. A contemporary critic of Taylor, citing one of Taylor's success

stories, asked if it was fair for employees to increase their output by 363 percent for a mere 61 percent increase in wages. Opposition to Taylor was a major cause of the rapid growth of unionism.

The interdisciplinary nature of OB surfaced early. In 1915, the U.S. physiologist Walter Cannon discovered the stress response, which he described as a physiological response to environmental stimuli. A generation

later, organizational behaviorists would use Cannon's finding to identify the relationship between health and employee behavior.

The Hawthorne Studies

During the 1920s, a Western Electric Co. telephone assembly plant in Hawthorne, Illinois, following Taylor's theory, conducted routine scientific management research on variables such as the effect of workplace lighting on

productivity. The illumination in one assembly room was unchanged; in another room, it was varied. Astonishingly, every time the lighting in either room was measured, productivity increased, at least initially. The puzzled

management hired business school professor Elton Mayo to investigate. Again, Mayo soon concluded that no matter what changes were made, the employees' productivity rose. This finding was the start for a series of four

massive studies by Mayo over the next dozen years. One study on assemblers whose work environment was not being changed showed that they were all restricting their output to some unwritten standard. Mayo gradually switched his attention from the physical work environment to the attitudes, morale, and social relations of the employees, that is, to the human relations of the workplace. To investigate the nature of these human relations, detailed 90-minute interviews were conducted with over 20 000 employees.

These interviews disclosed the importance of the *informal social structure*: employees were forming groups that established their own norms of behavior (including productivity) and pressured members to produce neither more nor less than these norms. These findings came to be known as the Hawthorne effect . The main Hawthorne effect is the remarkably energizing effect of the simple act of showing interest or paying attention. Ever since, researchers

have been careful to consider the Hawthorne effect as a possible explanation of research participants' behavior. (The more formal name for this effect is demand characteristics , meaning that the researcher can, even without

meaning to, "demand" that the research participant behave in a certain way.) The other Hawthorne effect has to do with how the social influence of an informal group can determine employee behavior, including productivity.

Mayo's finding that working conditions, satisfaction, and relationships with other workers all influence employee behavior gave rise to the human relations approach to the management of people, which held that there is no one best way of managing employees. The first *motivation* theories were developed toward the end of the 1930s. These theories are based on the assumption that behavior is largely determined by immediate *needs* . Indeed, they show how the various physical, psychological, and social needs of a person will predict behavior. The 1950s saw the development of motivational theory based on the work of Frederick Herzberg[4], which drew attention to the

difference between needs that are satisfied by the external environment (extrinsic needs) and those that are satisfied by the inner upper-level needs (intrinsic needs).

Leadership Research

During the early 1940s, the world stage was highly dominated by a small number of political and ideological leaders such as Churchill, Hitler, Stalin, and Mussolini. Canadians looked to William Lyon Mackenzie King, who was then serving his third term as prime minister. Not surprisingly, this is a time when researchers began to look at the issue of leadership. The main early contributors were Ronald Lippitt and Ralph White[5], who examined democratic and autocratic styles of leadership. Later, J.R.P. French and B. Raven[6] studied the concepts of leadership and power. The two main names in leadership research are R.M. Stogdill[7], who analyzed leadership behavior and suggested that an individual's personality characteristics determined whether he or she was a follower or a leader, and Fred Fiedler[8], who showed that different types of leaders are needed for different situations. During the 1950s and 1960s, industrial psychologists began to examine the impact of satisfaction on the design of work and on employee behavior. Studies of group dynamics and interactions were also conducted. J.S. Adams's equity theory and Victor Vroom's expectancy theory[10] dominated the work motivation research during this period. More details are presented in Chapter Without research, we'd have to rely on guesswork for our answers. What makes OB a science is its use of scientific research procedures, which are outlined in this section. OB researchers use both quantitative and qualitative designs in their research.