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SELF-LEARNING MATERIAL

ORGANISATIONAL BEHAVIOUR

DHR 102

SELF-LEARNING MATERIAL

Course Code: DHR 102

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DHR 102: ORGANIZATION BEHAVIOUR

UNIT-1: INTRODUCTION TO ORGANIZATION BEHAVIOUR

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1.0 OBJECTIVE

After going through this unit the learners should be able to -

- Explain the basic concept of organizations.
- Describe the role and functions of managers and identify the skills they require to perform their role effectively.
- Explain the concept of 'Organization Behaviour', its importance and its evolution.

1.1 INTRODUCTION

Before proceeding to understand organization behaviour it is important to understand the concept of organizations so that human behaviour in these organizations can be better understood and managed.

1.1.1 UNDERSTANDING ORGANIZATIONS

We are surrounded by organizations. Families and communities are examples of social organizations where our membership is by birth. On the other hand, work organizations are created to accomplish work goals and a person has to fulfill certain criteria and possess certain qualities for gaining membership there. Members of a work organization join it by conscious decision and there is an element of choice on both the sides.

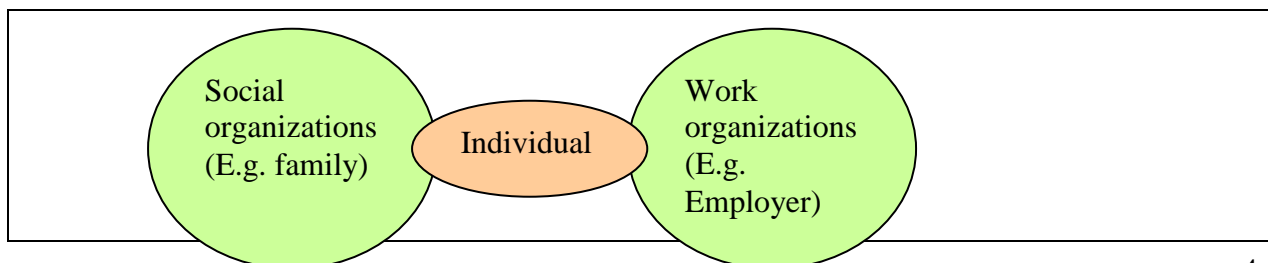


Fig1.1 showing individuals being part of more than one organization

Different persons have defined the term 'organization'. Some of these are as follows:

According to Bernard (1938), 'organization is a system of consciously coordinated activities of two or more persons'.

Weber (1947) mentioned that corporate organizations involve 'a social membership which limits or closes admission of outsiders by rules and it is run by the actions of specific individuals'.

Bakke (1959) defined organizations as 'a continuing system of differentiated and coordinated human activities utilizing, transforming and welding together a specific set of human, material, capital, ideational and natural resources into a problem solving whole, engaged in satisfying particular human needs in interaction with other systems of human activities and resources in the environment'.

Etzioni (1964) defined organizations as, 'social units deliberately constructed and reconstructed to seek specific goals.'

Thus we can say that organization is an entity composed of specific individuals whose efforts are focused on achieving specific goals. While doing so, they utilize various resources made available to them and interact with both the internal (inside the organization) and external environment (outside the organization) including interaction with other people and systems.

Thus, some features of the organization are:

- An organization is a powerful tool created by Human beings for accomplishment of a task, or for problem-solving or for some specific purpose all of which are related to satisfying some human need. The activities may be aimed at achieving profit or may be non-profit- oriented, serving the society.
- Organizations pass through a life cycle with different phases like launch/birth, growth, maturity and decline/pause. Each stage has challenges that managers need to manage. If the challenges are managed well, the organization grows and develops. If not, the organization dies out.
- Organizations are complex systems and the degree of their complexity depends upon the factors such as the size, availability of manpower, technology and magnitude of activities. Various managerial systems and processes have to be designed in order to effectively perform managerial functions.
- Organizations are systems designed for stability. Formal arrangements, rules, policies, etc. are generally created for governing the managerial functions, processes and organizational systems.

Each position is entrusted with specific assignments, duties, responsibilities and authority. This helps in controlling the system.

Student Task 1

Visit an organization and observe its features. Interact with a few members at different levels. Analyze what information you gathered.

1.1.2 WHAT DO MANAGERS DO?

Managers are supposed to get things done through other people. They make decisions, allocate resources, and direct the activities of others to attain goals. Managers do their work in the organization, which is a consciously coordinated social unit, composed of two or more people, which functions on a relatively continuous basis to achieve a common goal or set of goals. But over a period of time the concept of managing has tremendously changed. Today managers are expected to become team leaders and do some real work. Empowerment of the employees is a key word in this knowledge world, creating learning culture in the organizations. Participative decision making, action planning, shared leadership and bottom up communication are important features. A lot of efforts are made to select the right kind of human resources and develop them so that they become assets for the organization. At the same time strategies are also made to gain employee commitment.

1.1.3 MANAGEMENT SKILLS

Every manager should possess certain skills to carry out smoothly his or her day to day function smoothly. They are as follows:

Technical skills: The ability to apply specialized knowledge or expertise at work.

Human skills: The ability to work with, understand, motivate other people, both individually and in groups.

Many people are technically proficient but interpersonally incompetent. They might be poor listeners, unable to understand the needs of others, or have difficulty in managing conflicts. Because managers get things done through others, they must have good human skills to communicate, motivate, and delegate.

Conceptual Skills: Every manager must possess the mental ability to analyze and diagnose complex situations that arise in work. They are responsible for a variety of tasks, which require conceptual skills. For example, decision making requires managers to identify problems, develop alternative solutions to correct those problems, evaluate those alternatives, and select the best one.

Recognition of the importance of developing managers' interpersonal skills is closely related to the need for organizations to get and keep high performing employees. Regardless of labour market conditions, outstanding employees are always in short supply. Wages and fringe benefits are not the main factors that make people like their jobs or make them stay with an employer. More important are the quality of the employee's job and the supportiveness of the work environment. So having managers with good interpersonal skills is likely to make the workplace more pleasant, which, in turn, makes it easier to hire and keep qualified people.

Technical skills though necessary, are not enough to succeed in management. In today's increasingly competitive and demanding workplace, managers can not succeed on their technical skills alone. These skills can help the individuals in doing a piece of work, use machines and technology but in organizations they are a part of a group/team and they are dependent on their group members and individuals outside their group to carry out their work smoothly. As managers they also have to have good human skills to motivate people to work and give better performance. It relates to dealing with the human side of the organization.

1.1.4 MANAGEMENT FUNCTIONS

Every manager has five basic managerial functions, which are as follows

- Planning
- Organizing
- Staffing
- Leading
- Controlling

The **planning** function encompasses defining an organization's goals, establishing an overall strategy for achieving those goals, and developing plans to integrate and coordinate activities.

Managers are also responsible for designing an organization's structure. This function is called **organizing**. It includes determining what tasks are to be done, who is to do them, how the tasks are to be grouped, who reports to whom, and where decisions are to be made.

Staffing involves filling and keeping filled, the positions in the organization structure. This is done by determining the work-force requirements; checking the inventory of people available; recruiting, selecting, placing, promoting, planning their careers, appraising their performance/ conducting performance appraisals and also potential appraisals, compensating them equitably, and training and developing the employees for the current as well as future responsibilities.

Every organization contains people, and it is the management's job to direct and coordinate those people. This is the leading function. When managers motivate employees, direct the activities of others, select the most effective communication channels, or resolve conflicts among members, they are engaged in **leading**.

The final function managers perform is controlling. To ensure that things are going on as they should be, management must monitor the organization's performance. Actual performance is compared with the previously set goals. If there are significant deviations, it is the management's job to get the organization back to track. This monitoring, comparing and potential correcting is the **controlling** function.

1.2 CONCEPT OF ORGANIZATION BEHAVIOUR

1.2.1 DEFINING OB

OB is concerned with the study of human behaviour at work. Different behavioural scientists have defined OB differently.

According to **Luthans** 'OB is directly concerned with the understanding, prediction, and control of human behaviour in organizations'.

Understanding why a person has acted or reacted in a particular way in a certain situation helps in predicting the person's behaviour in such situation again. This knowledge could help in getting the desired behaviour from the employees.

According to **Robbins**, OB is a field of study that investigates the impact that individuals, groups, and structure have on behaviour within the organization for the purpose of applying such knowledge towards improving an organization's effectiveness.

In organizations individuals are part of groups, and different individuals and groups are interconnected by the organization structure. Their behaviour has an impact on the organizational effectiveness. A positive behaviour can have a positive impact on organizational effectiveness. Hence, the challenge lies in realizing such behaviour.

According to **Udai Pareek**, OB can be defined as an interdisciplinary behavioural science that studies phenomena related to organizations and the dynamics (process) of organizations and their various human units (individuals, roles, dyads, teams, interteams, organizations, and the organization- environment interface).

This implies that the knowledge of OB is derived from different disciplines (discussed in subsequent paragraphs). This knowledge is related to the organization and its dynamics, the different human units and the system interaction with the environment.

1.2.2 KEY ELEMENTS

OB is based on **four key elements** – people, structure, technology and the environment.

People: An organization may have the best of machines or technologies but nevertheless human beings are necessary to operate them. Organizations cannot be run by machines, rather they are run by people. People are entrusted work as individuals. They have got individual positions/designations in organizations, yet most of the time they belong to some groups/departments. Hence they exist as individuals and groups. No two persons are alike in every respect. They differ from each other for example in intelligence, personality traits etc. The Manager has to treat employees by considering these individual differences. An individual joins the organization with his/her mindset that influences his or her behaviour in the organization.

Structure: Organizations are social systems- Formal and Informal. The formal relationship of people in organizations is called structure. OB is based on mutuality of interest of the organizations and the people working in it. Hence, people and organizations go side by side.

Technology: It has costs as well as benefits. It provides the resources with which people work and also affects the tasks that they perform. It allows people to do more and better work, but at the same time restricts people from doing things in various ways.

Environment: All organizations operate within a given internal and external environment. Organizations are influenced by the external environment

1.2.3 VARIABLES OF OB

The study of OB is focused on variables that influence individual behaviour, group behaviour and organization behaviour. Each level is built upon the previous level. The individual behaviour also influences the group behaviour and it in turn influences the behaviour of the organization. OB could help organizations to focus on some specific outcomes. Significant amongst them are gaining higher productivity, reducing absenteeism and turnover (attrition), attaining employee Job satisfaction and work commitment. These are depicted in figure 1.1

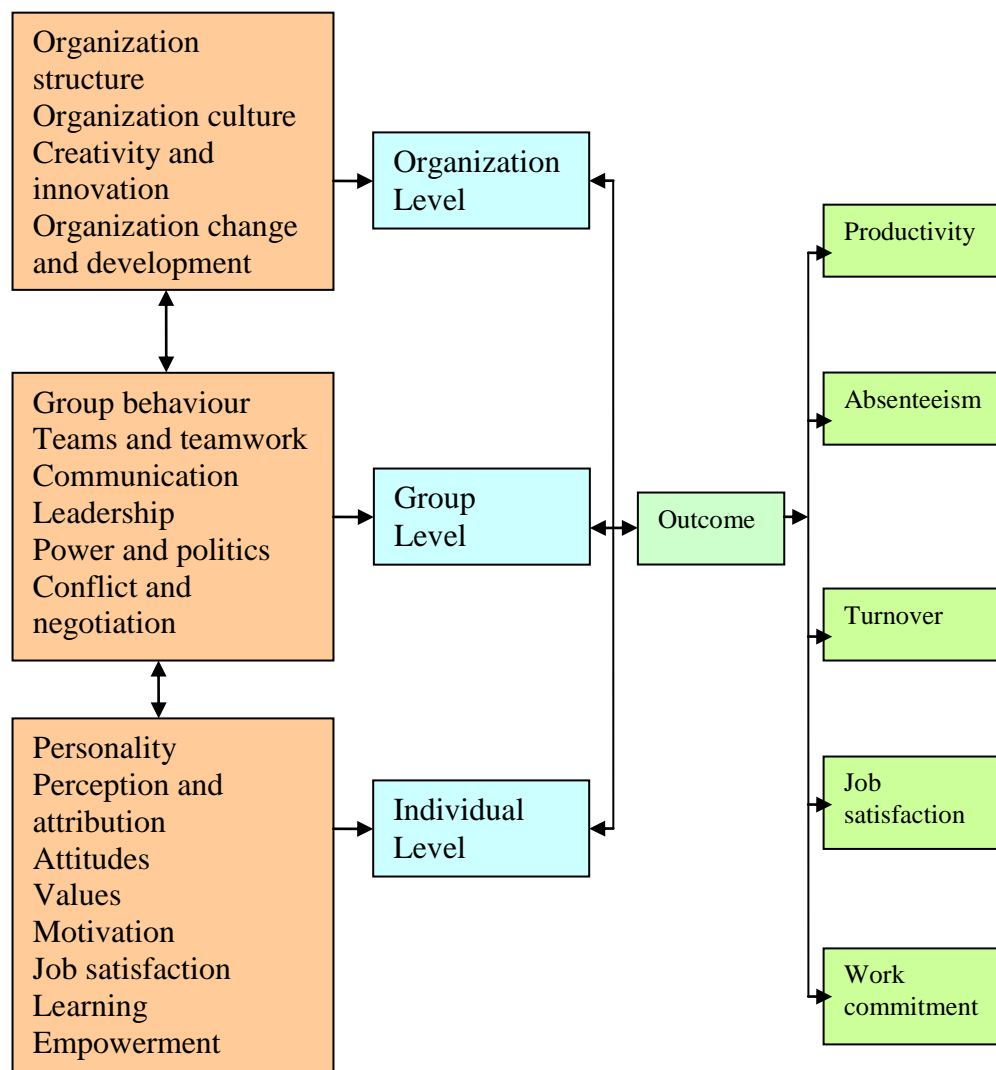


Fig1.2: Basic Variables of OB

1.3 SIGNIFICANCE OF ORGANIZATION BEHAVIOUR

- i. OB takes a humanistic approach in solving the problems in the organization. It takes into account the sentiments and feelings of people.
- ii. OB can help managers in understanding different kinds of 'Personality'. This knowledge would, in turn, help them in understanding their subordinates and delegating to them appropriate work. This will lead to better job fitness and realization of better performance.
- iii. Knowledge of OB can help managers to better understand and predict the behaviours of their team members or the subordinates and get prepared to handle them effectively. Action and reactions of each member may be different; hence they need to be treated differently.
- iv. People are the vital elements in any organization. Organizations are run by them. They have to be motivated enough towards higher productivity and better results. Managers must try to know what can motivate their subordinates and how they would derive job satisfaction. OB can play a great role in determining this.
- v. OB can help in building up good interpersonal relationships amongst the employees within a group and inter-group so that they can effectively work together for realization of group and organizational goals. The knowledge of group dynamics can help managers to effectively guide their group and also build effective teams.
- vi. OB can help in creating a congenial work environment in an organization where people are happy to work. This can help them to get involved in their work and develop work commitment.
- vii. The study of OB can help to better deal with the Challenges Faced by Management today. Some of these are as follows:
 - **Work force diversity and changing demographics:** Organizations are becoming a more heterogeneous mix of people in terms of age, gender, race, ethnicity, and education, for example, increasing number of working women, and people with professional degrees. They join the organization with their own cultural background- values, lifestyles and preferences. Organizations today have increasing number of working couples (husband and wife). Young, skilled and knowledgeable employees are occupying positions of importance. Managers need to address a broad magnitude of employee needs. If diversity is managed properly, it can increase creativity and innovations. On the other hand, if not, it can result in higher turnover, high interpersonal conflict and ineffective communication.

Diverse workforce (adapted from *Organization Behaviour* by Rao,VSP)

Companies with a reputation for offering excellent opportunities for diverse employees such as Avon, Prudential, Mc Donald's, FedEx, Eastman Kodak, Toys "R" Us will definitely have an edge in the labour market and will be sought out by the most qualified applicants from premier institutions. When employees believe that their divergent views and perspectives are not merely tolerated but valued and even encouraged at every stage, they tend to become more loyal, productive and committed. A diverse workforce can offer a company with vast knowledge about the preferences and consuming habits of a diversified marketplace. Such

- **Changing Employee Expectations:** Employees expectations and aspirations have changed from traditional needs such as job security, good and attractive remunerations, housing facility to empowerment, equality and quality of work life.
- **Expanding Globalization:** National borders are no longer a limit for organizations. Working in a new country and people from different countries, cultures and also working with people with a new mindset
- has become the order of the day.

The changing face of corporate India: The global workforce (adapted from *Organization Behaviour* by Rao, VSP)

Indian companies are hiring global managers and workers by hundreds. They realize it is a vital ingredient for success. Have a look at the following:

Tata Motors: Global employees 950 out of a total strength of 22,000; reportedly trying to hire over 1000 people for a development centre in the UK from all over the globe

Asian Paints: Global employees 1400 out of a total employee strength of 4600, reportedly trying to repatriate 50 Indian managers on global assignments in the near future.

Bharat Forge: Global employees 1800 out of a total employee strength of 5300; almost all country managers are international managers.

Ranbaxy Laboratories: Global employees 1600 out of a total employee strength of 9000; one fourth of its managerial talent is either of international origin or is based across 45 countries.

means of reducing costs and at the same time, improving the productivity and quality of their products and services so that they can have an edge over their competitors. For this organizations are implementing programmes like Total Quality Management (TQM), that is driven by constant attainment of customer satisfaction through continuous improvement of organizational processes.

- **Embracing innovation and change:** Without innovation and change organizations have very less chances of becoming successful. Even they have the probability of dying out. Organizations have to constantly learn to understand the forces of change and manage them effectively through useful information, flexibility, improving quality, people's participation and effective leadership etc.
- **Work-life conflicts:** Today more and more employees are spending extended time in their office or for official work finding, it difficult to fulfill their commitments to their family, creating

personal and interpersonal conflicts and stress. Stress may be understood as a state of tension experienced by individuals facing extraordinary demands, constraints or opportunities. Perceptions of events, whether positive or negative, activate stress. To an extent it can be useful but if it is severe and persists for long periods of time, it can be harmful. It can then lead to poor performance and major diseases. Constructive stress implies a situation where stress is within tolerable limits i.e. moderate stress that can increase effort, stimulate creativity and encourage diligence in one's work. But destructive stress is outside the tolerance limits and can lead to breakdown of a person's physical and mental systems.

Hence, some knowledge of OB can help managers understand the optimum level of stress levels of the individuals.

- **Defining ethical behaviour:** Employees are faced with increased competitions. They are supposed to deliver in accordance to others' expectations and have chances of losing their jobs if they cannot produce the results. In these situations they find themselves facing ethical dilemmas when they try to define what is the right and wrong conduct.

1.4 EVOLUTION OF OB

1.4.1 FORMATION OF MULTIDISCIPLINARY NATURE

OB is built on contributions from a wide variety of disciplines, such as psychology, sociology, anthropology, political science, economics etc. The following chart presents the relevant OB topics that have come from respective disciplines.

Discipline	Relevant OB topics
Psychology	Perception and learning, personality, emotion and stress, attitudes, motivation, decision-making and creativity.
Sociology	Group dynamics, socialization, communication, intergroup behaviour, power, conflict.
Anthropology	Organization culture, leadership, organizational empowerment.
Political science	Conflict, power and politics
Economics	Decision-making, productivity and profitability, organizational power

1.4.2 DEVELOPMENT OF BEHAVIOURAL THOUGHT

The development of behavioural thought can be presented under various stages for sake of convenience of analysis:

- Industrial revolution (1776):** The industrial revolution brought about a major change at workplace. Prior to this the conditions of workers were pathetic. They had to work for long hours and were highly exploited. They were paid a very meager amount for the great amount of work they did and many a

time in inhuman condition. Nobody tried to understand their needs. The industrial revolution led to increase in production that eventually gave workers increased wages followed by increased job satisfaction and decreasing working hours. But along with that it also brought monotony to work. Eventually there arose a concern for people at workplace. Some of the persons who expressed such concern are mentioned below:

Robert Owen, a young Welsh factory Owner (1800) is better known as the ‘Father of Personnel Administration’. He was the first to emphasize the human needs of his employees. He refused to employ young children and educated adult workers on appropriate behaviour.

Andrew Ure (1835) was a pioneering behavioural scientist. Besides, the mechanical and commercial parts of manufacturing he recognized a third factor i.e. the human factor. He recommended for the workers hot tea, medical treatment, a fan apparatus for ventilation, and sickness payment.

Around the same time in India, J.N.Tata took special interest in the welfare of his workers. His experiments with welfare schemes in the Express Mill by installing humidifiers, pension fund, and accident compensation yielded good results.

ii. Scientific management: Behavioural aspects of management was recognized in this era. **Frederick Taylor** who is referred to as *the father of Scientific Management* aroused the interest in people’s behaviour at work in the U.S. in the early 1900s. He advocated the selection of the right worker for the right job, improving them adequately and remunerating them handsomely. He emphasized that there are best ways for workers to do their work. His primary concern was to increase productivity through greater efficiency in production and increased pay for workers through application of the scientific method. He suggested ‘piece-rate incentive system’ to reward the workers who produce the maximum output. According to him the existence of such a system could motivate the workers to produce more. He emphasized using science, creating group harmony and cooperation, achieving maximum output, and developing workers.

Around the same time Henry L.Gantt stressed on scientific selection of workers and “harmonious cooperation” between labour and management. He emphasized the need for training of workers. His contributions to the scientific management school of thought are the introduction of the task and bonus system and a chart commonly known as Gantt Chart, which is used for planning, scheduling and control of production. He advocated that workers should receive their daily wages even when they could not perform their jobs completely, but they get bonus when they complete the work earlier than the normal standard time. Gantt and Taylor also recommended payment of bonus to foremen, based on the incremental improvements in the performance of workers under them.

Frank and Lilian Gilberth also carried out studies for improving productivity of the workers. Both of them explored the ways of reducing fatigue. Frank is known for his time and motion studies, whereas

Lilian focused on the human aspects of work and the understanding of worker's personalities and needs. She attempted to apply early psychological concepts to the practice of Scientific Management.

iii.. The emergence of Industrial Psychology

Acknowledged as the “father of industrial psychology”, Hugo Munsterberg was a trained psychologist. In 1892, at the age of 29 he went to Harvard at their invitation to take charge of the psychological laboratory and act as a professor of experimental psychology. In 1910 his interest turned on to applying the concepts of psychology to industry. In 1912 he came out with his book titled *Psychology and Industrial Efficiency*. He tried to explore the following:

- How to find out people whose mental qualities best fit them for the work they are to do.
- Under what psychological conditions the greatest and the most satisfactory output can be obtained from the work of every person.
- How business can influence workers in such a way as to obtain the best possible results from them.

Like Taylor, he also emphasized the mutuality of interests between managers and workers.

iv. Human relations movement: Scientific Management failed to give the desired results. This led to the emergence of Human relations movement. It emphasized workers' cooperation and morale. Workers were distinguished from non- human factors such as capital, machine, building etc. Feelings, sentiments, rationality and ambitions of workers were recognized. It propagated participative management, empowerment and delegation of work and power. Though human relations were recognized in business, production still continued to claim dominating place in business. Human needs like decent hours of work, fair wages, and good working conditions were next to production. This gave a push to the emergence of workers' associations which put forward their rights before the management and fought against their exploitation. Subsequently employee relations gained significance in the organizations.

v. Hawthorne Experiments/studies: Elton Mayo, F.J. Roethlisberger, and others undertook the famous experiments at the Hawthorne plant of Western Electric Company between 1927 and 1932. Prior to that from 1924 to 1927 the National Research Council made a study in collaboration with Western electric to determine the effect of illumination and other conditions on workers and productivity. They found that productivity improved even when illumination was either increased or decreased for the test group. But as they could not find definite relationships between these they were about to declare the whole experiment a failure, and at that point of time Mayo and Roethlisberger saw something that was unusual and continued their research. Changing illumination for the test group, modifying rest periods, shortening workdays and varying incentive pay system did not seem to explain changes in the productivity. Then in 1928, the researchers began directly interviewing the workers. Around 20,000 workers were interviewed over a period of two years. This led to the discovery of rich knowledge of phenomena that was responsible for improvement of worker's performance. They found that in general the improvement in productivity was due to such social factors as morale, satisfactory interrelationships between members of a work group

(belongingness) and an effective management- a kind of management that would understand human behaviour, especially group behaviour, and serve it through such interpersonal skills as motivating, counseling, leading and communicating. This phenomenon, arising basically from people being noticed is known as the **Hawthorne Effect**. Hawthorne studies stimulated an interest in the human factor in the organizations. It laid a concrete foundation of understanding people's social and psychological behaviour at the workplace. It came to highlight that people are social entity and business operations are not merely a matter of machines and methods. It is about integrating these with the social system to develop a complete socio- technical system.

Around the same time (1868-1933) Mary Parker Follet attributed greater significance to the functioning of groups in workplaces. She emphasized both involvement of superiors and subordinates to work together as a team and also power sharing. According to her organizations need to become more democratic and recognize that individuals have desires that motivate them.

Subsequently it aroused the interests of several behavioral scientists in the human side of the organizations. They tried to explore what could motivate people at work, study organization culture, leadership, group work and their relationship in work performance etc, the important ones being Abraham Maslow, Douglas Mc Gregor and Chris Argyris. Maslow related human motivation to hierarchy of needs namely, physiological needs, safety and security needs, social needs, esteem needs and self- actualization needs. Mc Gregor emphasized human characteristics- theory X and theory Y and the corresponding style of leadership. Argyris emphasized human and organizational development, where there is an integration of individual and organizational goals and where the organization structure is less rigid. The Contemporary School of Management thought provides a framework of management practices based on more recent trends, such as globalization, theory Z concepts, McKinsey's &- S approach, excellence models, productivity and quality issues, etc.

1.5 STOP AND READ

Bharat Heavy electricals Limited (BHEL) is India's most progressive public sector organization and perhaps the first company in India to come out with a corporate plan. The first priority in their corporate plan is the development of people in order to achieve excellence. In BHEL, organization behaviour is managed by promoting transparency. This principle is known by the acronym MECOM, which stands for manager employee communication system and entitles all cross – sections of employees to directly communicate with the senior management of the organization. MECOM welcomes free criticism, appreciation, complaints, and feedback from one and all.

At the outset, senior managers brief the groups about the market positions, the new challenges, and customer expectations. Thereafter, the groups are informed about what the organization intends to achieve in terms of productivity, efficiency, and quality, which are considered by BHEL as the most important and critical factors that must be taken care of to meet the changing expectations of the customers. This initial briefing session is followed by discussions on the roles of individual divisions and groups, where the group or division – heads brief the groups about the need for improving productivity, efficiency, and quality at all levels of activities to enable them to meet the higher expectations of their customers. Later on, an open discussion, on the ways and means to meet the challenges, is held with the employees.

BHEL believes in competitive business, updating employees on a continuous basis, and

ensuring a better mutual understanding between the management and the employees. Such unrestricted flow of information not only nurtures harmonious relations between the management and the employees but also facilitates organizational growth, as employees start

1.6 SUMMING UP

Amongst all the resources in an organization Human Resource is the most vital. In order to achieve its efficiency it needs to be managed well. The knowledge of OB can help managers to understand them better and control their behaviour appropriately. OB is a vast area focused on individual, group and organizational dynamics, the knowledge being derived from several other disciplines. The area is also expanding with time. OB can also help in dealing with several challenges faced by modern day organizations. Today we are operating in a global economy. Hence, understanding management with a global perspective is important. Organizations no longer comprise of people from a single place with the same background and culture. This requires knowledge and skills of cross culture management. In this context the role of OB can be quite significant.

1.7 SUGGESTED READINGS

1. Luthans, Fred *Organization Behaviour*, TataMc Graw Hill, New Delhi, Latest edition
- 2..Robbins, Judge, Sanghi. *Organization Behaviour*, Pearson Education, India, Latest edition.
3. Robbins,S.P. *Organization Behaviour*, Prentice Hall India pvt. Ltd., New Delhi, latest edition.

1.8 PROBABLE QUESTIONS

1. What do you mean by organizations? What are their features?
2. What are the functions of managers and what skills do they require for performing their functions effectively?
3. What is Organization Behaviour? What are its key elements?
4. How can OB be significant for managers in an organization?
5. How has OB evolved into its present form?

DHR 102: ORGANIZATION BEHAVIOUR

UNIT-2: LEARNING

UNIT STRUCTURE

- 2.1.1 OBJECTIVE
- 2.1.2 CONCEPT OF LEARNING
- 2.1.3 DETERMINANTS OF LEARNING
- 2.1.4 LEARNING THEORIES
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2.2 PERCEPTION

- 2.2.1 CONCEPT OF PERCEPTION
- 2.2.2 PERCEPTION DIFFERS FROM SENSATION
- 2.2.3 FACTORS INFLUENCING PERCEPTION
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- 2.2.7. STOP AND READ
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- 2.2.9 PERCEPTION AND INDIVIDUAL DECISION MAKING
- 2.2.10 CONCLUSION
- 2.2.7. STOP AND READ
- 2.2.8 SPECIFIC APPLICATION IN ORGANIZATIONS
- 2.2.9 PERCEPTION AND INDIVIDUAL DECISION MAKING
- 2.2.10 CONCLUSION
- 2.2.11 PROBABLE QUESTIONS

2.1.1 OBJECTIVE

After going through this unit the learners should be able to:

- explain the concept of learning;
- identify and describe different factors that have an effect on learning process;
- discuss different theories of learning,
- explain the relationship between learning and behaviour.

- define perception; distinguish between perception and sensation; determine the factors influencing perception; understand the attribution theory;
- identify the barriers to perceptual accuracy, and relate perception to individual decision making.

2.1.2 CONCEPT OF LEARNING

Learning is an important element in the study of organization behaviour. Each one of us is continuously learning in life. Learning takes place in our socialization process since we were born. People can learn both favourable and unfavourable behaviours. In organizations learning is vital because the employees need to get themselves updated with the latest knowledge and skills which can enable them not only to handle their present roles and responsibilities adequately but also make them suitable for the future assignments.

Different behavioral scientists have defined learning differently.

According to Robbins, learning is any relatively permanent change in behaviour that occurs as a result of experience.

We can say that learning has taken place if an individual behaves, reacts, and responds as a result of experience in a manner different from the way he formerly behaved. It involves change. This experience should result in a relatively permanent change in behaviour.

Luthans defined learning as a relatively permanent change in behaviour or performance resulting from experience or practice. It involves a change, though not necessarily improvement in behaviour. It may be good or bad from organization point of view. For example, bad habits like coming to office late, cheating and telling lies etc can be learned. The change brought about by learning should be long lasting. Temporary changes in behaviour that may be visible, for example, before the visit of a superior or an inspection team cannot termed as learning. The change in behaviour occurs as a result of experience, practice, education or training. Any change that occurs in an individual's thought process or attitudes without a change in behaviour should not be interpreted as learning. Learning is a life long process.

2.1.3 DETERMINANTS OF LEARNING

Certain factors are responsible for inducing learning in individuals or have an effect on the learning process. These are motive, stimuli, response, reinforcement, and retention. These are discussed below.

Motive

Motives are drives that prompt people to action. Motive is the core variable in the motivational process of individuals to long for something. Motives provide activating thrust towards reaching a goal. They determine the direction of an individual's behaviour. Hence for learning individuals must have some motive. Without having it no body will be willing to learn. People must think that by learning they will be benefited.

Stimuli

Human beings are continuously subjected to different kinds of stimuli from the environment and these stimuli make people think and act in a particular way (specific response from individuals). Stimuli play an important role whether a person will be inclined to learn or not.

Response

The stimulus results in response. The kind of response manifested by people will depend upon their attitude and perception. If they perceive the stimulus positively, chances are there that the response too will be positive to a greater extent.

Reinforcement

It may be defined as anything that increases the strength of response and tends to induce repetitions of the behaviour (positive behaviour) that preceded the reinforcement. Paying incentives for a good performance to a worker is an example of positive reinforcement. People will be eager to learn if they believe that reinforcement is significant.

Retention

Retention may help in continuing of the learned behaviour over a period. It is the ability of a person to remember. At times organizational efforts are required to accelerate retention of a learnt behaviour.

2.1.4 LEARNING THEORIES

Learning theories by the psychologists and behavioural scientists make an attempt to explain how learning occurs. The most widely recognized of these are- classical conditioning, operant conditioning, cognitive and social learning theories.

Classical conditioning

Ivan Pavlov, a Russian psychologist came up with this theory. It was based on his experiments to teach a dog to salivate in response to the ringing of a bell (conditioned response to conditioned stimulus). Let us see the difference in results before conditioning and after conditioning.

Before conditioning:

When Pavlov offered the meat (unconditioned stimulus) to the dog, he noticed a great amount of salivation (unconditioned response). The food (meat) automatically led to salivation. When Pavlov withheld the meat and simply rang a bell the dog did not salivate.

After conditioning:

Pavlov proceeded to pair the meat (unconditioned stimulus) with the ringing of the bell (conditioned stimulus). After repeatedly hearing the bell ringing before getting the meat, the dog eventually learned to salivate in response to the ringing of the bell even when there was no meat (conditioned stimulus leading to conditioned response). Although the bell was initially neutral, when it was paired with an unconditioned stimulus it could lead to a conditioned response.

In organizations too the employees learn to respond to different kinds of unconditioned and conditioned stimulus. Managers can take advantage by identifying them. But, in actual practice, managers are more interested in how employees behave voluntarily and freely in an organizational setting. For example, when employees arrive at work on time, extend help to their peers, seek help of superior when they face problems, choose to work late at the office, remain absent without information or gossip around when the manager is not saying anything. The learning of these behaviours can be better understood by looking at 'operant conditioning'.

Operant conditioning

Operant behaviour means voluntary or learned behaviour in contrast to reflexive or unlearned behaviour. According to psychologist Skinner, people learn to behave to obtain something they want or avoid something they do not want. Thus it can be said that behaviour is a function of its consequences, and not a function of inner thoughts, feelings, emotions or perceptions as suggested by classical conditioning. The tendency to repeat such behaviour is influenced by the reinforcement or lack of reinforcement brought about by the consequences of the behaviour. Reinforcement strengthens a behaviour and increases the likelihood that it will be repeated. Behaviours that are rewarded (reinforced) get repeated and behaviours that are punished (not reinforced) are avoided. For example, if an employee receives a written disciplinary warning for coming late to the office, he/she is more likely to come on time next day onwards. If a manager wants more of that behaviour from his subordinate, he must make the consequences for the individual positive.

Applications of operant conditioning

A) In the classroom

Skinner thought that our education system was ineffective. He suggested that one teacher in a classroom could not teach many students adequately when each child learns at a different rate. He proposed using teaching machines (what we now call computers) that would allow each student to move at their own pace. The teaching machine would provide self-paced learning that gave immediate feedback, immediate reinforcement, identification of problem areas, etc that a teacher could not possibly provide.

B) In the workplace

Another example can be cited of the study carried out by Pedalino & Gamboa (1974) to help reduce the frequency of employee tardiness. The researchers implemented a game-like system for all employees that arrived on time. When an employee arrived on time, they were allowed to draw a card. Over the course of a 5-day workweek, the employee would have a full hand for poker. At the end of the week, the best hand won \$20. This simple method reduced employee tardiness significantly and demonstrated the effectiveness of operant conditioning on humans.

Cognitive theory

Some psychologists felt that many situations cannot be explained with the above mentioned two theories. Thus they came up with cognitive theory that attempted to explain such situations. Cognition refers to an individual's ideas, thoughts, knowledge, interpretations, understanding etc. about oneself and his/her environment. According to cognitive theory proposed by Tolman and Kohler, learning is considered to be an outcome of deliberate thinking about a problem or a situation both intuitively and based on known facts and responding in an objective and goal oriented way. The person tries to form his/her cognitive structure

in memory, and preserves and organizes all information relating to the events that may occur in a learning situation.

Tolman experimented with rats in the laboratory and explained how they learned through a complicated maze to reach their goal of food. It was seen that the rats developed expectations at every choice point in the maze. They learned to expect that certain cues related to the choice point could ultimately lead to food. When the rat actually got food, the association between the cue and the expectancy was strengthened, and learning took place. Thus organizations can try to strengthen the relationship between cognitive cues like supervisory, organizational and job procedures with worker's expectations in terms of incentive payments for good performance.

A similar experiment was carried out with by Kohler with a chimpanzee who was put inside a cage. Some fruits were kept outside the cage that could not be reached. Sticks were kept in view. It was seen that the chimpanzee joined two sticks to make a longer stick and used it to fetch the fruits. Thus learning took place inside the chimpanzee's mind. He organized that knowledge to solve the problem by reflecting certain behaviour (fetching the fruits).

Social learning

People learn through observation and direct experience. People observe behaviours of others, many a time people whom they admire like their parents, teachers, peers, superiors, film stars, celebrities etc., note their consequences and alter their own behaviour as a result. When a person sees disciplinary action being taken against a peer for coming to office late, he will himself try to be punctual. On the other hand, if he finds that his superior is being promoted for his good performance, he too would try to perform better.

This learning is influenced by four processes. They are as follows

- a. Attention process: the learner must pay careful attention to the model. Models that are attractive, repeatedly available and are significant to the learners tend to influence them most.
- b. Retention process: the learner should have a good retention of the model's behaviour. The behaviour observed and imitated should be simple enough to remember the model's action even though he/she is not available.
- c. Motor reproduction process: here the observation of the model's action (new behaviour being observed) is converted to doing by the person. For this the learner must have the physical ability to imitate the behaviour observed.
- d. Reinforcement process: individuals will have motivation to display a learned behaviour when they find that incentives/rewards are provided to them. Behaviours that are positively reinforced are given more attention.

2.1.5 STOP AND READ

Using social learning theory to improve behaviour at workplace

- Identify the behaviours that will lead to improved performance

2.1.6 LEARNING AND BEHAVIOUR

It is believed that learning and behaviour are related. Learning helps in understanding as well as changing behaviour of employees in an organization. Organizations try to bring about a change in attitudes and behaviour of persons by exposing them to some learning concepts in a planned manner termed as training or through positive and negative reinforcement.

Some changes in behaviour that managers would like to bring about in an organization are: reducing absenteeism, improving employee discipline, improving performance at work etc. Positive reinforcement by way of rewards and incentives to those employees who have a good attendance and those who are good performers can motivate them as well as others to be regular and good performers.

Normally employee discipline relates to undesirable behaviour of employees in organizations, such as coming late to the office, gossiping during office hours, being dishonest, drinking at workplace etc. Usually negative reinforcement is used to control these behaviours, but with only short term results. Learning in this context can be useful if managers focus on achieving long term results instead. They need to understand the reasons behind these behaviours by allowing the employees to explain their points and take action for bringing about changes in the employee's behaviour by seeking an agreement.

The social learning theory helps the manager to develop effective training programmes for the employees. They need to keep in mind the attention, retention, motor reproduction and reinforcement process. Thus they have to choose the right kind of trainer who has the ability to become a model for the trainees, has a good personality, can motivate the learners and deliver training in a simpler way. The trainees must be given opportunity to practice their new behaviour and suitably rewarded for their positive behaviour learned and practiced.

ASSESS YOUR PROGRESS

1. What is learning?
2. What are the various determinants of learning?
3. Examine the different learning theories.

4. How is social learning theory useful?
5. How and why can learning be applied in the organizations?

2.2 PERCEPTION

2.2.1 CONCEPT OF PERCEPTION

Perception is a process which involves receiving, selecting, organizing, interpreting and giving meaning to stimulus of the environment.

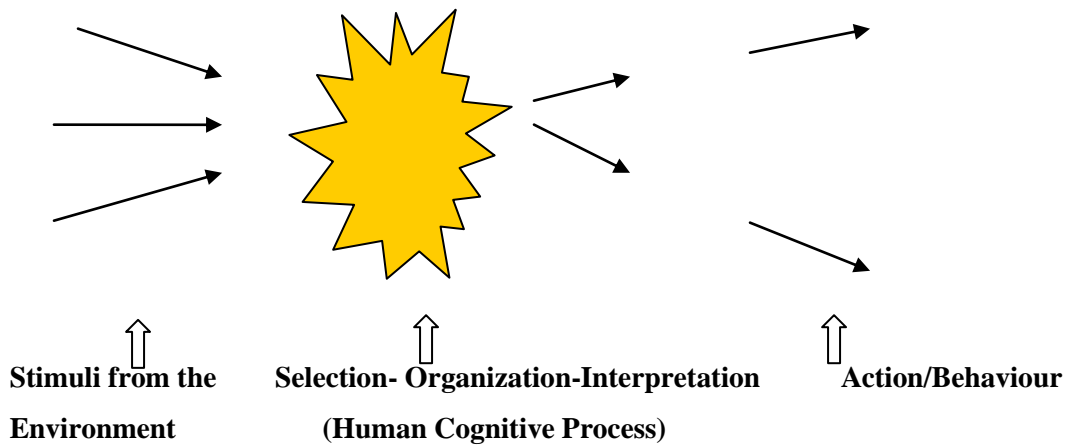
It has the following features:

- Sensory experience: perception is our sensory experience of the world around us and involves both the recognition of environmental stimuli and actions in response to these stimuli.
- Subjective: perception is a subjective process, because the same thing will be perceived and interpreted differently by different people.
- Filter: it serves like a filter through which information passes before creating an impression about oneself, others, objects, events and experiences, etc. The quality or accuracy of a person's perception thus is very important.
- Unique interpretation: perception is a unique interpretation of a situation. It is a complex cognitive process that yields a unique picture of the world that may be quite different from reality (Luthans).
- Seeing things differently: because of individual differences different people perceive things/phenomena differently, based on their experiences, expectations and reality, which may actually differ from the truth.
- Basis of human behaviour: there can be no behaviour without perception and perception lies at the base of every individual behaviour.

2.2.2 PERCEPTION DIFFERS FROM SENSATION

- Physical senses include vision, hearing, touch, smell and taste
- Sensation is the response of a physical sensory organ to a stimulus from the environment, for example, eyes to seeing, ears to sounds, nose to an odour, tongue to something we eat or drink and skin for touch.
- Sensation precedes perception. In fact it is the first part of the perceptual process. It is receiving the stimuli. Later the stimuli undergo a cognitive process.
- Perception differs from person to person. The same stimulus may be interpreted differently by different persons.

FIG 2.2.1 THE PERCEPTUAL PROCESS



Individuals are continuously bombarded with stimuli from various sources in the environment. We receive these stimuli through our various sense organs. They then undergo a cognitive process in which our brain selects the stimuli, organizes them and interprets them separately, based on which we manifest a behaviour that becomes visible.

2.2.3 FACTORS INFLUENCING PERCEPTION

Factors influencing perception are the perceiver, object or target being perceived and the situation in which perception is made. These are discussed below.

Perceiver

An individual's interpretation of a target is heavily influenced by his/her personal characteristics. These are:

- Attitudes
- Motives
- Interests
- Past experience
- Expectation

Two perceivers may have divergent attitudes e.g. two students in a history class may view the class differently. For the one who has great interest in knowing the past may view the class and the teacher as interesting. Another perceiver who does not have any interest in knowing the past and has more interest in the latest technology may view the class and the faculty as boring.

Unsatisfied needs or motives may lead to an inclination towards fulfilling those needs or motives. For example, when an experiment was carried out with people who were hungry for varying number of hours, it was seen that those who remained hungry for more hours related everything to food as compared to the other group who were hungry for less number of hours or were not hungry.

People select only those stimuli that interest them and keep aside those that do not interest them. For example a plastic surgeon is more likely to notice an imperfect nose than others.

Past experience influences perception. If a person had a good experience previously with a person or a situation, he is more likely to have a positive perception about the same.

We see what we expect to see. Thus if we think politicians are corrupt and police officers are authoritative, we see them like that.

The target

Perception is also influenced by the characteristics in the target that is being observed, for example, according to psychologists, loud people, attractive or unattractive people are more likely to steal attention. Motion, sounds, size and other attributes of the target shape perception.

Relationship of a target to its background, like the tendency to group close things and similar things together occurs. For example, if some persons resign their jobs in a department at the same time, there is a tendency to believe that they have resigned because of the same reason, whereas it may not be true. Again if an organization sees high sales soon after the joining of a new sales manager, the top management may attribute the joining of the new sales manager as the reason behind this, whereas it may not be true. Similar targets are grouped together for example, women, people from particular race or community are perceived as alike, etc.

Situation

Elements in the surrounding environment influence our perception. The same perceiver may perceive the same object differently in two different situations. For example, a teacher may not notice his/ her student in a party and wearing of a party dress is perceived alright. But if the same student comes to the class with that dress the student will be noticed and may not be perceived in the same way by the teacher.

2.2.4 ATTRIBUTION THEORY

Our perception of people differs from our perception of inanimate objects like furniture, building, machines, etc. When we observe people we attempt to develop explanation of why they behave in certain ways. Our perception and judgment of a person's action will be significantly influenced by the assumptions we make about the person's internal state. Attribution theory suggests that when we observe people's behaviour, we attempt to determine whether it was internally or externally caused.

Internally caused behaviour are those that are believed to be under the personal control of the individual, for example, one's habits. Externally caused behaviour is seen as resulting from an outside cause (situation) that is beyond one's control.

Internal and external attributions depend on three factors:

- i. Distinctiveness
- ii. Consensus
- iii. Consistency

Distinctiveness refers to whether an individual displays different behaviour in different situations, for example whether coming late to the office is usual or not. If it is not usual then the behaviour is caused by an external attribution. But when coming late to the office is usual for a person then the behaviour is

caused by an internal attribution. It implies that no external reason is responsible for this behaviour of the person. The reason lies within him and has formed a habit which can be controlled by him/her.

Consensus refers to the same kind of behaviour that is shown by different persons. When everyone facing a similar situation responds in the same way the behaviour shows consensus, for example, were all the employees who took the same route late for the office? If consensus is high, then the behaviour is caused by external attribution

Consistency means whether the person responds the same way every time? For example, does the person come late to the office frequently? If yes, then the behaviour is internally caused.

2.2.5 ERRORS OR BIASNESS THAT DISTORT ATTRIBUTION

The two errors that distort attribution are fundamental attribution and self-serving bias.

Fundamental attribution

While making judgments about the behaviour of other people we have a tendency to underestimate the influence of external factors and overestimate the influence of internal or personal factors. For example, a sales manager may attribute internal factors as the reason for poor performance of the sales agents, whereas this may not be true. The sales might have been down because the stock did not arrive on time or may be the retailers were looking for more incentives from the company which was given by the competitors.

Self-serving bias

It is a tendency of the individuals to attribute their own success to internal factors (ability/effort) and blame on external factors like luck or superiors or peers for their failure. In reality they may succeed because of the good performance of their team and the manager and might have failed because he did not make adequate effort.

2.2.6 FREQUENTLY USED SHORT CUTS TO JUDGE OTHERS: BARRIERS TO PERCEPTUAL ACCURACY

Many a time people use certain short cuts to judge others. In fact these factors limit the accuracy of perception and attribution. These are discussed below.

Selective perception

People selectively interpret what they see. Such interpretation is based on their interests, background, experience, and attitudes. It is a tendency to single out those aspects of a person or situation that conform to our beliefs, needs and values. This might lead to the risk of drawing inaccurate pictures. For example, when a senior manager from the head office visits a branch during a period of poor sales, the employees of that branch may believe that the person's visit is related to poor sales. Again the production manager might fail to perceive the needs of the sales department for more sales personnel and focus on his requirement of more manpower during a period of budgetary constraint.

Halo effect

It implies forming a general impression about an individual on the basis of a single characteristic, such as intelligence, sociability or appearance. This error is more likely to occur when the perceiver does not have

sufficient behavioural evidence and has limited experience with the concerned traits. Halo effect denotes the proneness to perceive all attributes of a person in the same manner without any discrimination. For instance, if an employee is intelligent, she may also be perceived as good, able, kind and in other positive ways. On the other hand, some people can be perceived to possess all negative characteristics if they have just one negative characteristic.

Stereotyping

Judging someone on the basis of one's perception about the group to which that person belongs. The perceiver uses a pre-existing generalization about a group of people and automatically assigns all of the group attributes to the person simply because that person belongs to that group. He or she perceives that since the target belongs to that group, and the group has a certain attribute, the target also shares the same attribute.

Examples can be those relating to stereotyping on the basis of gender, community, geographical region, age, religion etc.

Projection

Attributing one's own characteristics to other people by the perceiver is projection. It is the perceiver's tendency to assume that others also think and feel the same way as the perceiver does in a given situation. It hinders the observation of individual differences.

People who engage in projection tend to perceive others according to what they themselves are rather than what the person being observed is really like.

Contrast effect

Evaluation of a person's characteristics that are affected by comparisons with other people recently encountered who rank higher or lower on the same characteristics. Here a person is evaluated by seeing the presence or absence of certain characteristics that another person whom the perceiver had met recently had.

Expectancy effect

It is about anticipating how people, events or things will be and act accordingly. It implies that people try to attune their behaviour to the anticipated behaviour of others and to the situation/events they encounter. If they think that the manager is very demanding the subordinates will also try to be active and are less likely to waste their time. The terms self-fulfilling prophecy and Pygmalion effect have evolved to characterize the fact that an individual's behaviour is determined by other people's expectations.

2.2.7. STOP AND READ

PYGMALION IN THE CLASSROOM

The school teachers participating in the research were told that students in one of the two groups were very bright. Actually the two groups were created out of random assignment of students. However, when teachers believed the information about the exceptional brightness of students in one of the two groups, performance expectations were created in the minds of the teachers. Later on, the 'very bright students'

indeed performed better than the other group. An explanation of this outcome could be that the teachers had created higher performance goals from the 'bright' students, therefore making more eye contact, asking more questions and listening to them, in general being more attentive. The 'bright' students sensed this and the higher performance expectation increased their efforts, which were further facilitated by the teacher eventually performing better.

Source: *Organizational Behaviour* by Parikh and Gupta, Mc Graw Hill.

2.2.8 SPECIFIC APPLICATION IN ORGANIZATIONS

The above mentioned short cuts to judge others might lead to inaccuracy. The following situations explain this.

Employee interview

- Interviewers make perceptual judgments which might be inaccurate. They might be engaged in stereotyping, halo effect, contrast effect or projection. Thus important characteristics of the individuals may be missed.
- Different interviewers see different things in the same candidate and thus arrive at different conclusions about the applicant. Some would be pleased with the presence of certain characteristics in the candidate whereas some may be displeased by finding the absence of certain characteristics.
- Interviewers draw early conclusions about the applicant looking for the presence or absence of certain characteristics. In the process they develop a tendency not to explore the total potential of the candidate and thus miss a good potential employee.

Performance evaluation

An employee's future in the organization like his promotion, pay hike etc. is very closely related to the appraisal of his performance. Depending on the kind of job both objective and subjective measures are employed to evaluate his /her performance. Normally objective measures are used where the job is measurable but where it is not, an employee is assessed by subjective measures and here some distortions might occur due to the several perceptual errors that were discussed in the previous sections.

Performance expectations

It is seen that a person's behaviour is determined by other people's expectations. If a superior expects high quality results from the subordinates within a stipulated time, they are less likely to let her or him down. Similarly, if another superior does not have any expectations from his/her subordinates they will deliver minimal results.

Employee effort

Assessment of an individual's effort is subjective judgment susceptible to perceptual distortions and bias. It is indeed very difficult to assess an individual's effort unless and until it is continuously observed or monitored.

Employee loyalty

On several occasions employees looking for other job opportunities are labeled as disloyal whereas it may not be so. An employee might be doing so in order to upgrade himself as that opportunity is lacking in his present organization. He may not be paid adequately and the present organization may not offer any opportunity for career uplift. Assessment of an employee's loyalty or commitment is highly judgmental.

An employee who questions a top management decision may be seen as disloyal by some, yet caring and concerned by others.

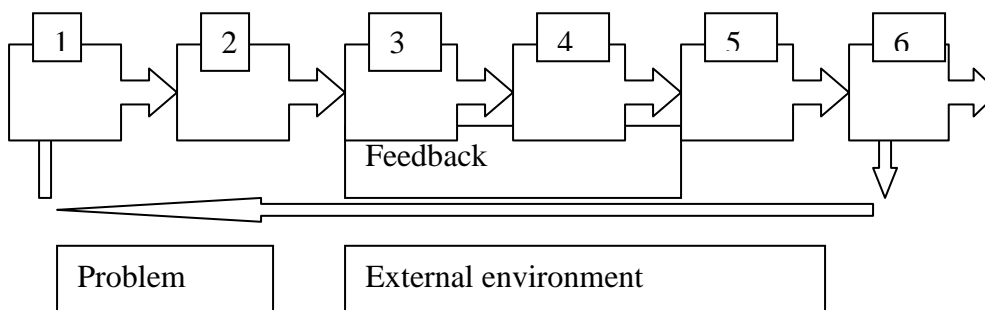
2.2.9 PERCEPTION AND INDIVIDUAL DECISION MAKING

Decision making is a very important part of a manager's role. A good decision can help him to get over or avoid a crisis and become successful whereas a bad decision can be catastrophic. The decisions relate to planning, organizing, staffing, directing and control. Decisions may be both routine and non-routine in nature and objective. Managers are at a risk of making errors in taking decisions due to incorrect perception. In recent times non- managerial employees are also empowered to take decisions. Decision making includes the following characteristics.

- It is goal oriented, that is, decision is taken to achieve certain goals.
- A manager has to choose the best decision amongst the alternatives available.
- It is not static but a dynamic process
- It is a pervasive function, that is, managers at all levels are involved in decision making.
- It is a continuous activity of a manager.
- Decisions require commitment of time, effort and money
- Human and social implications of decisions need to be considered
- Decision making is an integral part of the planning function

Every decision requires interpretation and evaluation of information received from multiple sources that need to be screened, processed, and interpreted. Alternatives are needed to be developed and each of them is to be evaluated to assess its effectiveness in solving a problem or achieving an objective. Different people may view the same problem differently. Individuals' perception will also affect the evaluation of the alternatives and selection of the alternative. They will try to use their own judgment. Individual's perceptual process has a great bearing on the final outcome.

Figure 2.2.2: Basic steps of decision making



- 1: Awareness of problem
- 2: Diagnose and state the problem
- 3: Develop alternatives
- 4: Evaluate the alternatives
- 5: Select the best alternative
- 6: Implement and verify the decision

2.2.10 CONCLUSION

Perception is a process which involves receiving, selecting, organizing, interpreting and giving meaning to stimulus of the environment. Perception differs from sensation. Perception is affected by the characteristics of the perceiver, the target being perceived and the particular situation in which perception takes place. When we observe people we attempt to develop explanation of why they behave in certain ways. Attribution theory suggests that when we observe people's behaviour, we attempt to determine whether it was internally or externally caused. Several errors can distort perception. There are certain barriers to perceptual accuracy. Our perception may affect our understanding of a person or a situation. It may also hamper the decision making process of a manager.

2.2.11 PROBABLE QUESTIONS

1. What do you mean by perception? Explain the perceptual process in organizations.
2. How is perception different from sensation?
3. What factors might influence perception?
4. How does attribution affect human behaviour?
5. What are the barriers to perceptual accuracy?
6. How can perceptual inaccuracy have an impact on the organization?
7. How are perception and individual decision making linked?

DHR 102: ORGANIZATION BEHAVIOUR

UNIT-3: PERSONALITY

UNIT STRUCTURE

- 3.1.1 OBJECTIVE
- 3.1.2 CONCEPT
- 3.1.3 DETERMINANTS OF PERSONALITY
- 3.1.4 PERSONALITY TRAITS
- 3.1.5 THE BIG FIVE PERSONALITY DIMENSIONS
- 3.1.6 MYERS- BRIGGS TYPE INDICATOR (MBTI)
- 3.1.7 OTHER PERSONALITY TRAITS INFLUENCING ORGANIZATION BEHAVIOUR
- 3.1.8 MAIN TYPES OF PERSONALITIES
- 3.1.9 PERSONALITY AND JOB
- 3.1.10 CONCLUSION
- 3.1.11 ACTIVITIES
- 3.1.12 PROBABLE QUESTIONS
- 3.1.13 CASE STUDY: DIVYA RATHORE - V.GANESH

3.2: ATTITUDES

- 3.2.1 CONCEPT OF ATTITUDE
- 3.2.2 SOURCES OF ATTITUDE
- 3.2.3 SIGNIFICANCE OF ATTITUDE IN ORGANIZATIONS
- 3.2.4 HOW CONSISTENT ARE ATTITUDES?
- 3.2.5 ACTIVITIES
- 3.2.6 CHANGING ATTITUDE
- 3.2.5 TYPES OF ATTITUDE (JOB RELATED)

3.1.1 OBJECTIVE

After going through this unit the students should be able to

- Explain the concept of personality and its significance from organization behaviour perspective,
- Identify and describe various determinants that shape the personality of a person,
- Discuss different traits and attributes that influence personality,
- Explain different types of personality and person-job fit.

3.1.2 CONCEPT

Personality is an important area in the study of organization behaviour. A work place is constituted of several people with different personalities. Each of these personalities has got different characteristics leading to different kinds of human behaviour. Hence if a manager has to deal with people and make them work they need to understand them. In order to understand them he or she has to understand the kind of personality he or she has.

According to Allport, “Personality is a dynamic organization within the individual of those psychological systems that determine his unique adjustment to the environment”.

Borgotta and Lambert have traced the origin of the term 'Personality' to the Latin term 'Persona' which refers to the mask worn in theatre, and which would provide a hint to the audience about what to expect in the behaviour and attitudes of the character being played by the actor.

McCrae and Costa defined personality as an enduring emotional, interpersonal, experiential, attitudinal, and motivational style that explains behaviour in different situations.

Funder defines personality as 'an individual's characteristic pattern of thought, emotion, and behaviour, together with the psychological mechanisms hidden or not behind those patterns.'

According to Hilgard et al, 'Personality may be understood as the characteristic patterns of behaviour and modes of thinking that determine a person's adjustment to the environment.'

Personality includes both internal and external aspects of a person. Here, external aspects relate to one's height, weight, facial features, colour and other physical aspects and traits. One's attitudes, values, learning etc. are examples of internal aspects of personality.

Personality can be defined as the sum total of ways in which an individual reacts and interacts with others and environment. Hence, personality is an organized behaviour of an individual to react to a given stimulus in a set manner.

3.1.3 DETERMINANTS OF PERSONALITY

The various determinants of personality are broadly classified into three groups:

Heredity: It refers to the biological factors. It is the transmission of the qualities from the parents to the children through the biological mechanism (genes). Physical stature, facial attractiveness, temperament, energy level, muscle composition, biological rhythms etc are examples of heredity characteristics transmitted from parents. Example can be cited of siblings who may have similar kind of personality and also similarities of personality between a parent and the children. However, personality characteristics completely do not originate from heredity.

Environment: One's early conditioning, the family norms, friends and social groups exert pressure on one's personality formation. Culture establishes the norms, attitudes and values that are passed along from generation to generation. The cultural environment in which people are raised plays a major role in shaping personality. For example, in India even now households many have joint families and also people have an association with their extended families. Hence, children learn from an early age the values of hard work, respect for elders and family closeness etc. Environment generated around a child exerts important influence in shaping his/her personality. Research studies have shown that parents have more effect on the personality development of their children. Elders serve as models for younger ones.

The continuous impact of different social groups, called the *Socialization Process*, on an individual also affects his/her personality. It starts with the initial contact between the mother and the infant, and then with both the parents and other members at home. Gradually social groups outside the family/home such as acquaintances, school friends, peers etc. come into picture in the socialization process and play an

influential role in shaping the personality of a person. Socialization process takes place throughout one's life.

On several occasions a child or an individual likes to copy another person who influences him or her and thus this desire influences the personality of the individual (like the model). The model can be his parents, one of his relatives, teachers, acquaintances or a virtual model (seen on television, films, story books etc.).

Situation: Depending on the situation an individual's personality undergoes changes. He may act differently in different situations depending on the need at that time. Situation exerts an important pressure on the individual. The demands of different situations call forth different personalities. Hence, personality needs should be looked at in the situational context and not in isolation.

Thus, we see that personality is the outcome of several factors and not only one. Biological, environmental, social and situational factors all play prominent role in shaping our personality.

3.1.4 PERSONALITY TRAITS

A trait is any distinguishable way in which one individual differs from another. Personalities differ in traits. Personality traits create a foundation for people's behaviour and offer a framework for understanding their behaviour. These traits can provide useful guidelines while taking decisions related to recruitment and selection, placement, training, promotions, giving responsibility and also getting out effective job performance from them. There are 16 traits which were found to be most helpful in predicting behavioural patterns (Shown in Table 3.1).

Table 3.1. 16 primary traits of personality

1. Reserved	Vs	Outgoing
2. Less intelligent	Vs	More intelligent
3. Affected by feeling	Vs	Emotionally stable
4. Submissive	Vs	Dominant
5. Serious	Vs	Happy go lucky
6. Expedient	Vs	Conscientious
7. Timid	Vs	Venturesome
8. Tough minded	Vs	Sensitive
9. Trusting	Vs	Suspicious
10. Practical	Vs	Imaginative
11. Forthright	Vs	Shrewd
12. Self-assured	Vs	Apprehensive
13. Conservative	Vs	Experimenting
14. Group-dependent	Vs	Self – sufficient
15. Uncontrolled	Vs	Controlled
16. Relaxed	Vs	Tensed

3.1.5 THE BIG FIVE PERSONALITY DIMENSIONS

O.P.John developed the **Big 5 Model** which advocates the following five basic personality variables:

- Extroversion*: The degree to which a person is sociable, talkative and assertive.
- Agreeableness*: The extent to which a person is good natured, co-operative and trusting.
- Conscientiousness*: The extent to which a person is hard working, responsible, dependable, persistent, organized, and achievement oriented.
- Emotional stability*: The degree to which a person is characterized by calmness, nervousness, enthusiasm, depression, confidence and insecurity.
- Openness to experience*: The extent to which a person is imaginative, creative, artistically sensitive, curious and intellectual.

The above factors are measured in a five point scale from strongly disagree (1 point), disagree (2 points), neither agree nor disagree (3 points), agree (4 points), strongly agree (5 points). If a person reflects high degree in one of the dimensions say agreeableness, he will reflect a higher degree of characteristics related to that dimension like being cooperative and warm etc.

Table 3.2 The Big Five Personality Dimensions

High ↓	Average ↓	Low ↓
1. Extroversion		
Extroverted, outgoing, active very assertive and high spirited. Prefer	Moderate in activity and enthusiasm. Enjoy company	Introverted, reserved, and serious. Prefer to be alone

to be in company of people.	of others but also value privacy.	or with a few close friends.
2. Agreeableness		
Compassionate, good-natured, and eager to cooperate and avoid conflict.	Generally warm, trusting, and agreeable, but can be sometimes stubborn and competitive.	Hard-headed, skeptical, proud, and competitive. Tend to express anger directly.
3. Conscientiousness		
Conscientious and well organized. Have high standards and always strive to achieve goals. Very dependable.	Dependable and moderately well organized. Generally have clear goals but also able to set work aside.	Easy-going, not very well organized, and sometimes careless. Prefer not to make plans. Not dependable.
4. Emotional stability		
Sensitive, emotional, and prone to experience feelings that are upsetting.	Generally calm and able to deal with stress, but sometimes experience feelings of guilt, anger, or sadness.	Secure, hard, and generally relaxed even under stressful conditions.
5. Openness to experience		
Open to new experiences. Have broad interests and are very imaginative.	Practical but willing to consider new ways of doing things. Seek a balance between the old and the new.	Practical, traditional and set in own ways to a great extent.

Research over last few decades have shown that testing potential employees on the above five dimensions can pay dividends to the employers. For example, for choosing someone for a sales manager's job, a person high on extroversion could be good. Similarly, it is observed that people who score high in conscientiousness, emotional stability and extroversion are likely to be more motivated. People scoring high in openness to experience can be suitable for creative departments, research and development, advertising sections.

3.1.6 MYERS- BRIGGS TYPE INDICATOR (MBTI)

This indicator measures how people prefer to focus their attention, collect information, process and evaluate information and orient themselves to the outer world. It comprises of a 100- questions personality test that asks people how they normally feel or act in particular situations. Based on the answers given, the individuals are classified as:

- a) Extroverted or Introverted (sources of energy)

- b) Sensing and intuitive (collecting information)
- c) Thinking and feeling (decision making)
- d) Judging and perceiving(understanding the world)

Extroversion (E) relate to a person being outgoing and getting along with the outer world of people and things easily than to the inner world of ideas. Here a person speaks first then thinks.

Introversion (I) relate to a person who is reflective; thinks first before speaking. Such a person is more inclined to the inner world of ideas than with the outer world of people.

Sensing (S) types are practical and base their decisions on facts and details. The intuitives (I) rely on subjective evidence as well as their intuition. They are capable of synthesizing large quantities of data to arrive at conclusions quickly and would look for possibilities and relationships than work with known facts.

Thinking (T) types use logic and scientific methods to arrive at decisions. They are analytical (use of head). They weigh the collected data objectively and unemotionally. They do not take into account what others will feel about their statements and the decisions taken. Feeling (F) types will take care of their personal values and emotions while taking decisions. They may think several times regarding the impact their decisions will have on others and what others may feel about their statements or decisions. They are subjective (use of heart).

Judging (J) types are structured and organized. They like a planned and orderly way of life rather than a flexible, spontaneous way.

Perceiving (P) types like a flexible and spontaneous way of life rather than one that is planned and orderly. Combining these four aspects, we get the following sixteen types of personality.

ISTJ	ESTJ	INTJ	ENTJ
ISTP	ESTP	INTP	ENTP
ISFJ	ESFJ	INFJ	ENFJ
ISFP	ESFP	INFP	ENFP

MBTI can help in training and development. It can help employees to better understand themselves and also other members in a team. It can be utilized in opening up communication in work groups and reduce conflicts.

3.1.7 OTHER PERSONALITY TRAITS INFLUENCING ORGANIZATION BEHAVIOUR

The following are some important personality attributes that determine how a person will behave:

Locus of control: It refers to an individual's belief that what will happen is either within one's control or beyond control. The former is called internals and the latter is called externals. People with internal locus of control believe that whatever they achieve is the result of what they do and how they have done. In other words, they think that they are the masters of their own fate. It can be said that the internals are hard

workers. Whereas, those with external locus of control, see themselves ruled by fate and factors beyond their control. They believe that however much they work they would not achieve success unless they are destined to achieve that and what happens to them in their lives is due to luck or chance. Internals are usually not found to be hard workers. Research comparing the internals and the externals has proved that the latter are less satisfied with their jobs and have higher absenteeism rates than the internals. It was also seen that dissatisfied internals were more likely to quit a dissatisfying job.

Authoritarianism: Individuals high in authoritarianism tend to be more attracted to power and toughness. They develop more respect to superiors having more authority. Because of their preference to hierarchical order, they turn out to be good followers, work reasonably better and deliver better results under the directive of a superior with authority.

Machiavellianism: It refers to an individual's tendency to manipulate people for fulfilling his/her interest. An individual high in Machiavellianism tends to be cool, logical, assesses the system around, pragmatic, maintains emotional distance, and tries to control people, events and situations by manipulating the system to his advantage. Through their qualities such individuals are able to manipulate more, win more, are persuaded less and persuade others more. People high in Machiavellianism are not team players. They are concerned only about themselves and their own well being. They are prepared to do anything to achieve success.

This characteristic can be considered good in jobs that need bargaining skills or offer substantial rewards for managing things. A person high in this attribute can be utilized in handling a union (of workers), fixing up a deal for the company or starting up a project.

Self- esteem: It is related to those aspects that make the individuals think they are capable of undertaking in order to achieve success. Individuals with high self-esteem tend to take on more challenging assignments and are of unconventional nature. On the contrary, people with low esteem are approval seekers and get influenced by others. People with high esteem are found more satisfied with their jobs.

Table 3.3 Characteristics associated with high and low levels of Self- esteem

High Self- esteem	Low Self- esteem
Seeks responsibility	Lacks initiative
Outgoing	Introvert
Optimistic	Pessimistic
Open minded	Close minded
Inspires others to have confidence in him	Does not inspire others to have confidence in him

Self- Monitoring: It is the individual's ability to adjust his/her behaviour to external factors/situations. They behave differently in different situations. Individuals high in self- monitoring are likely to be more successful managers, especially on jobs that require position holders to play multiple and even contradictory roles.

Risk taking: Research shows that managers with high risk taking can take more rapid decisions and use less information in making choices than do the less risk taking managers. Different jobs require different risk taking ability.

3.1.8 MAIN TYPES OF PERSONALITIES

Based on above one can talk of the following types of personalities:

- i. Introvert and extrovert Personalities
- ii. Type A and type B Personalities
- iii. Judging and perceptive Personalities

Introvert Personalities: Such people look inward, and experience and process their thoughts and ideas within themselves. They avoid social contacts and initiating interaction with other group mates and are withdrawn, quiet and enjoy solitude. People with introvert personality are found inclined to excel at tasks that require thought and analytical skills.

Extrovert Personalities: Extroverts are contrary to introverts. They are friendly, sociable, lively, aggressive, express their ideas and feelings openly. They are more suitable and successful for positions that require considerable interaction with others. Activities like sales, advertising/marketing, personal relations unit, etc are examples of activities suitable for them.

Type A Personality: Such personalities are characterized by hard working. They are highly achievement oriented, impatient, have sense of time urgency, aggressive, with competitive drive, etc. They tend to be very productive and work very hard. They want to achieve more in less time. Working fast, emphasizing quantity over quality, working for long hours, making quick decisions etc. are some behavioural examples of these people. Great sales people are Type A but senior executives are Type B.

Type B Personality: Such personalities are easy going, sociable, free from urgency of time, laid-back and non-competitive. They excel in jobs involving judgments and accuracy rather than speed and team work.

Judging Personalities: They like to follow a plan, make decisions and need only what is essential for their work. They like to get things settled and decide things quickly. The danger is that they may not notice new things that need to be done.

Perceptive Personalities: These are the people who adapt well to change, want to know all about a job and at times may get overcommitted. They keep their minds open for alterations but find difficulty in making decisions. They take too much load and are unable to finish in time. They are curious and are ready to welcome to new information and ideas.

3.1.9 PERSONALITY AND JOB

An important aspect of a manager's job in an organization is to match the characteristics of a person (personality) with the characteristics of a job in order to determine an individual's suitability for a job or obtaining a better person- job fit. It is observed that when employees have person-job fit they are more involved in their jobs, more motivated and satisfied thus leading to better organizational performance. Moreover, such employees also tend to remain in their organizations reducing the turnover rates in organizations. Thus managers should have an understanding about what they expect employees to do and

the kind of people who could succeed at work that needs to be executed. Nowadays organizations also make an effort to achieve person- organization fit which implies selecting people who fit better with organizational culture and get along with its members easily.

Holland advocated a ‘personality- job fit’ theory of personality. He suggested six personality types and prepared a Vocational Preference Inventory questionnaire containing 160 occupational titles. Based on respondents’ preferences, their personality profiles are prepared. Table 3.3 gives the six groups of occupations and the related personality types.

Table 3.4: Holland’s Personality types for occupational groups

Personality Type	Personality Characteristics	Occupational Groups
<i>Realistic:</i> Prefers physical activities that require skill, strength and coordination.	Shy, genuine, persistent, stable, conforming, practical.	Mechanic, operators, assembly- line workers, farmer.
<i>Investigative:</i> Prefers activities that involve thinking, organizing, and understanding.	Analytical, original, curious, independent.	Biologist, economist, mathematician, news reporter
<i>Social:</i> Prefers activities that involve helping and developing others.	Sociable, friendly, cooperative, understanding	Social worker, teacher, counselor, clinical psychologist
<i>Conventional:</i> Prefers rule regulated, orderly, and unambiguous activities.	Conforming, efficient, practical, unimaginative, inflexible	Accountant, corporate manager, bank teller, file clerk
<i>Enterprising:</i> Prefers verbal activities in which there are opportunities to influence others and attain power.	Self-confident, ambitious, energetic, domineering	Lawyer, real estate agent, public relations specialist, small business manager
<i>Artistic:</i> Prefers ambiguous and unsystematic activities that allow creative expression.	Imaginative, disorderly, idealistic, emotional, impractical.	Painter, musician, writer, interior decorator.

3.1.10 CONCLUSION

Personality refers to a wide range of individual attributes that distinguish one person from another. Understanding personality is useful to the individual as well as to the organization. It can help managers in taking decisions related to hiring and selection, placement, team selection, assigning of responsibility, promotions etc. It helps in predicting performance of the employees. Individuals can also benefit by understanding their personality. By knowing these they can better take care of their strengths and weaknesses. It can also guide them in choosing their careers. Some people will be more satisfied working in a particular work environment and doing things they like.

3.1.11 ACTIVITIES

1. Interview two persons to find out their personality types.

3.1.12 PROBABLE QUESTIONS

1. How do you define personality? What are its major determinants?
2. What is the significance of personality in the study of organization behaviour?
3. What are personality traits? Name the sixteen traits that were found to be most helpful in predicting behavioural patterns?
4. Discuss the Big Five Model of personality. How it can be useful?
5. What is Myers- Briggs Type Indicator (MBTI)? How can it be useful?
6. Discuss different personality attributes that can influence organization behaviour.
7. What are the different types of personality?
8. Why is there a necessity to examine person-job fit in an organization?
9. Why might two individuals whose personalities are very similar behave differently in a given situation?

3.1.13 CASE STUDY: DIVYA RATHORE - V.GANESH

Divya Rathore grew up in a small town named Jhansi. Though neither of her parents had a high level of formal education they strove to provide her support to pursue good education. They encouraged her to do well in her studies. She was brought up under the affectionate care of her parents and grand parents. She also came out with flying colours in her school and college examinations. In order to further support herself she took up different jobs during her summer vacation. She easily got into the MBA programme of a reputed university. Her creative abilities were noticed by an advertising firm in Delhi where she had carried out her summer internship, which offered her a job of an advertising executive. Divya has been working in this firm for last 12 years.

One of Divya's co-workers is V. Ganesh. He grew up in Mangalore. Both of his parents are highly educated. His family is financially sound. Though he could not do well in his school and college he proved himself to be good in organizing events in his school and college and also excelled in extra-curricular activities. After finishing his degree course he obtained a Diploma in Mass Communication and Journalism from a prestigious institute in Bangalore. He is with the company for the last 6 years and has a good work record to his credit. He maintains good relations with all the employees in his section. He is young, dynamic and aggressive. He decides things quickly and his success rate is quite high in the company. His competitive spirit has earned him praise from the top management could also brought him enemies both from within and outside the organization. Though he is liked by his workers for his social behaviour, but he is disliked by his colleagues and competitors in the organization. A job of the Chief Copy editor had fallen vacant in the organization for which both Divya and Ganesh were contenders. The General Manager of the company had declared that this job demands a good personality and the ability to

maintain good relations with all the people in the organization. Further, he or she should be able to get along with customers, coordinate organizational work and meet the deadlines.

ASSESS YOUR PROGRESS

1. Based on the above information, explain the personalities of Divya and Ganesh.
2. In your opinion, who deserves the job?

3.2: ATTITUDES

3.2.1 CONCEPT OF ATTITUDE

Attitude is a learned predisposition, an evaluative statement either favourable or unfavourable- concerning objects, people, or events. It contains a judgemental element as it carries an individual's idea about what is right, good or desirable. Attitudes reflect our feelings, thoughts and behavioural tendencies towards a specific object or situation.

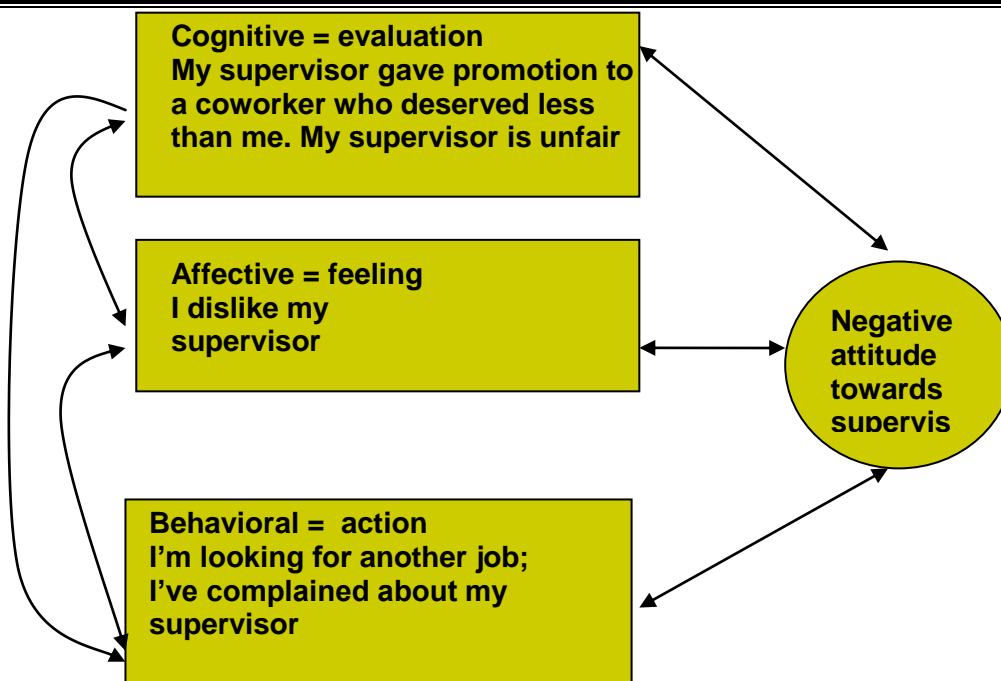
Attitudes are the result of three components namely,

- Cognitive Component
- Affective Component
- Behavioural Component

The Cognitive Component of attitude comprises the opinion or belief segment of an attitude, for e.g. Discrimination is wrong

The Affective Component comprises the emotional or feeling segment of an attitude, for example, "I do not like my superior because he discriminates the employees on the basis of the community that he/she belongs".

The Behavioural Component of attitude relates to the intention to behave in a certain way towards someone or something for example, "I am going to write about this to the top management".



COMPONENTS OF ATTITUDE

Thus, attitude is manifested through human behaviour and the cognitive and affective components have an impact on its formation. A person's attitude is also influenced by his direct and indirect experience.

3.2.2 SOURCES OF ATTITUDE

The sources of attitude are

- Direct Experience
- Indirect Experience

A person might develop his attitude by directly observing something that he/she is experiencing. If his experience is good then he is likely to develop a positive feeling and in case his experience is bad he is likely to develop a negative feeling. A person's attitude also develops by the social learning process. A newborn child is first brought to his family. As he grows he starts observing his parents and other family members. He starts learning from them. The family has a great role in shaping his attitude. Gradually as the child grows he is taken to a school and there his teachers and peers have an impact on forming his attitude. From school he goes to college and university and then joins a job in an organization. Throughout this process his attitude goes through some changes. The elements in the external environment for example, advertising messages attempt to alter our attitudes towards certain product.

3.2.3 SIGNIFICANCE OF ATTITUDE IN ORGANIZATIONS

In organizations attitude is important because it affects job behaviour. As already mentioned above, attitude can be both favourable and unfavourable that may lead to positive or negative attitude respectively. Organizations will be benefited by people having positive attitudes as these people will have

optimistic feeling about their work, peers, team members, the workplace or the environment. They can easily adjust to the demands of the environment and strive to get the desired results. These people are also self-motivated and hence there are greater chances of their being more satisfied in their jobs. On the other hand, organizations and the managers have to handle people who have negative attitude. Unless these people change their attitude greater chances are there that they become demoralized. They will not try hard to achieve their goals and thus may not receive any rewards. This will lead to dissatisfaction and frustration. In this way the organization too suffers. Organizations should try to change the attitudes of people through training. A periodic post training evaluation of attitudinal change is necessary so as to observe an adequate change.

3.2.4 HOW CONSISTENT ARE ATTITUDES?

Usually people seek consistency among their attitudes and between their attitudes and their behaviour. It is difficult for people to have divergent attitudes towards the same object, people, event, situation etc. As you have come to know from above, behaviour of a person is the outcome of his attitude or in other words, attitude influences the behaviour of a person.

When there is inconsistency, forces are initiated to return the individual to a state of equilibrium state of which attitudes and behaviour are consistent.

Let us take an example of a newly passed out MBA who has been placed (final placement) in a tobacco company. He is given the job of a business development manager with an emphasis on sales management. The company manufactures and promotes other product lines also apart from tobacco products. During his interview he had mentioned that he was reluctant to sell or promote tobacco products as his values did not permit him to do so. The organization offered him a very good salary package. Though initially he was asked to work with other product lines during his probation period, later he was directed by his superiors to promote tobacco products stating that it was essential for him to understand sales and marketing of all products of the company. This created an inconsistency between his attitude (negative feeling against tobacco products) and his behaviour (working for a tobacco company/ promote tobacco products). In this kind of situation every person is sure to face difficulty. Here in order to realize a state of equilibrium his attitude and behaviour has to be made consistent. That implies either he has to change his attitude (negative feeling against tobacco products) or resign the job.

3.2.5 TYPES OF ATTITUDE (JOB RELATED)

The different attitudes of people related to job are Job satisfaction, Job-Involvement and Organizational Commitment.

Job satisfaction

It relates to an individual's general attitude towards his or her job. It is an emotional state generated by an evaluation or appraisal of one's job experiences. It is found to be related to five specific components of job- pay, the work itself, promotion opportunities, supervision, and co-workers. A person who is more

satisfied with his job is likely to derive more pleasure or happiness from doing his job. He is also more likely to stay in the organization and remain less absent. Effect of Job Satisfaction on absenteeism will depend on the degree to which people attach importance to their job, that, is how he or she is involved with the job. Effect of Job Satisfaction on turnover will be influenced by commitment to the organization

Job-involvement

It implies the degree to which a person identifies with his or her job, actively participates in it, and considers his or her performance important to self-worth. More involved a person is with the job more likely it is that he or she will be devoting more time to the job and the organization.

Organizational commitment

It relates to an individual's orientation toward the organization in terms of loyalty, identification, and involvement. It is a process through which employees identify with the organization and want to maintain membership in the organization. In other words, it indicates an individual's feelings related to continuing his or her association with the organization, acceptance of the values and goals of the organization, and their willingness to help organization to achieve them.

Organizational Commitment has three dimensions attached to it. These are affective commitment, continuance commitment and normative commitment.

Affective commitment describes an employee's emotional attachment to the organization. The person identifies himself or herself with it, aligns his or her goals with that of the organization, for example, a person working in a voluntary organization

Continuance commitment is the result of perception of an individual regarding the benefits that will be derived by him if he continues his service in the same organization. Here the employee considers the costs associated with leaving the organization. When these are too high, the employee stays back. Normative commitment denotes an employee's reason of staying back in an organization for moral or ethical reasons, for example an executive who is spearheading a new initiative in the organization.

3.2.6 CHANGING ATTITUDE

As already discussed in previous section change of attitude is necessary when the employees have negative attitude. Hence an organizational effort is required in this regard. Whereas the reason behind developing a negative attitude can be varied, a change could be brought about by the following:

- Filling in the Information Gap
- Resolving discrepancies between attitude and behaviour
- Persuasion by peers of high credibility
- The co-opting approach: getting people involved in improving things

3.2.7 ACTIVITIES

Visit an organization of your choice. Talk to two persons from the same department as well as another two persons from another department regarding their feeling towards their work and the organization. Now try to find out what kind of attitudes they have.

ASSESS YOUR PROGRESS

1. Discuss the concept of attitude.
2. What are the three components of attitude?
3. What are the sources of attitude?
4. How attitude can be formed?
5. What is the significance of attitude?
6. Why is there a need to achieve a consistency in the attitudes of a person
7. What are the different types of attitudes?
8. How can attitudes be changed?
9. Write short notes:

Job satisfaction

Organizational commitment

Job Involvement

DHR 102: ORGANIZATION BEHAVIOUR

UNIT 4: MOTIVATION

UNIT STRUCTURE

4.0 OBJECTIVES

4.1 CONCEPT OF MOTIVATION

4.1.1 MOTIVATION CYCLE

4.2 NATURE OF MOTIVATION

4.3 NEED FOR MOTIVATION

4.4 THEORIES OF MOTIVATION

4.4.1 THEORIES BASED ON HUMAN NEEDS

4.4.2 THEORIES BASED ON HUMAN NATURE

4.4.3 EXPECTANCY THEORIES

4.5 APPLICATION OF MOTIVATION

4.5.1 MOTIVATIONAL TOOLS

4.6 CONCLUSION

4.7 PROBABLE QUESTIONS

4.0 OBJECTIVES

At the end a learner should be able to--

- Explain the concept of motivation
- Discuss different motivational theories
- Explain the significance of /need for motivation
- Describe the financial and non- financial motivators i.e. the motivational tools

4.1 CONCEPT OF MOTIVATION

Motivation is an inner state of mind that activates and directs our behaviour, internal to us and is externalized via behaviour. Motivation is one's willingness to exert efforts towards accomplishment of his/her goal.

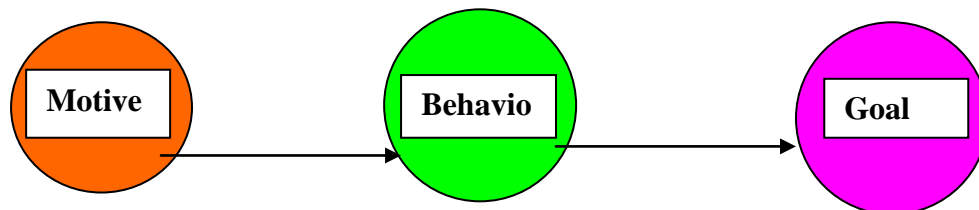
According to Stephen P. Robins, "Motivation is the willingness to exert high levels of effort toward organizational goals, conditioned by the efforts ability to satisfy some individual need."

Gray and Starke defined motivation as the result of processes, internal or external to the individual that arouse enthusiasm and persistence to pursue a certain course of action."

Jones states that motivation has to do with the reason behind a behaviour getting started, energized, sustained, directed, stopped and the kind of subjective reaction that is present in the person when all these are going on.

According to Rainey, work motivation refers to how much a person tries to work hard and work well. It is related to the arousal, direction and persistence of effort in a work setting.

4.1.1 MOTIVATION CYCLE



Motives: Motives provide an activating thrust toward reaching a goal. The examples are the needs for food and water are translated into the hunger and thirst drives or motives.

Goals: Motives are directed towards goals. Motives generally create a state of physiological or psychological imbalance. Attaining goal restores balance. Hunger and thirst drives or motives would push someone towards getting food.

Behaviour: A series of activities to be undertaken in order to achieve a goal. A person will try to take up some job so that he can earn in order to have food.

4.2 NATURE OF MOTIVATION

- i. Motivation is internal to man. It cannot be observed directly. It is externalized only through behaviour.
- ii. A single motive can cause different behaviours. A person will try to take up some job so that he can earn in order to have food. He may not try to work hard and instead he can steal food. A person who wants to become famous may also show different behaviours. He may start doing social work or may become an activist fighting for a cause; he may strive for earning lots of money so that he can buy a good house or a high end model of car; he may join some political party or stand in elections etc.
- iii. Different motives may result in a single behaviour. The above example can be twisted in a different way to fit in here. If a person wants to gain respect and fame in the society, do some

social work, become powerful and also earn some money, he may think of joining a reputed political party for standing up in elections.

- iv. Motives come and go. With time and age people develop different goals. Hence motives keep on changing along with the goals.
- v. Motives interact with the environment. It is through association with different elements in the environment that motives lead to certain behaviour for achieving the desired goals.
- vi. Motivation can be intrinsic or extrinsic. Intrinsic motivation makes someone to do something because they find it satisfying, enjoyable, fulfilling etc. The source of this motivation is the activity and not the end result. In case of extrinsic motivation satisfaction comes from the outcome or the end result and not the activity itself. For an extrinsically motivated person will be motivated by money, rewards, facilities etc.

4.3 NEED FOR MOTIVATION

- i. Motivated employees are more productive and quality conscious. Hence, for realizing organizational effectiveness an organization requires motivated employees.
- ii. It enables managers to understand why people behave in a particular way. In our day to day life we see that different people behave differently for the same kind of work stimulus.
- iii. Organizations need to have employees with required capability and willingness to use the advanced and complex technology to achieve the organizational goals. Some employees may be very eager to do so, whereas there may be some who want to be suitably compensated or rewarded for doing so.
- iv. Develop employees as future resources. Human resources are the most valuable resources of organizations. They bring in and sustain life of an organization. Motivated employees are assets of an organization.

4.4 THEORIES OF MOTIVATION

The theories put forward by different people are categorized into three sets based on their characteristics. These are:

- i. Theories based on human needs (Maslow, Herzberg, Mc Clelland)
- ii. Theories based on human nature (Mc Gregor, Urwick, Argyris)
- iii. Theories based on expectancy of human beings (Vroom, Porter and Lawler)

4.4.1 THEORIES BASED ON HUMAN NEEDS

It includes theories put forward by Maslow, Herzberg, Mc Clelland

A. Maslow's Need Hierarchy Theory



Fig 4.1: Maslow's Need Hierarchy Theory

According to Maslow, human needs come in the form of a hierarchy giving it a pyramidal shape. At the bottom of this hierarchy is the physiological needs, then safety needs, social needs, esteem needs and finally self-actualization at the top.

A person starts at the bottom of the hierarchy (pyramid) and will initially seek to satisfy basic needs (e.g. food, shelter). Once these physiological needs have been satisfied, they are no longer a motivator. The individual moves up to the next level. Safety needs at work essentially means physical safety (e.g. protective clothing, safe place to live in) as well as protection against unemployment, loss of income through sickness etc). Once these needs are satisfied a person moves up the ladder and develops the next level of needs i.e. the social needs. Social needs recognize that most people want to belong to a group. These would include the need for love and belongingness (e.g. working with colleague who supports you at work, teamwork, communication). Going with friends for watching a movie or joining a club or association are also examples of this kind. Once these needs are satisfied a person moves up to the next level of needs i.e. the esteem needs. Esteem needs are about being given recognition for a job well done. They reflect the fact that many people seek the esteem and respect of others. A promotion at work might achieve this. Again assigning some important responsibility can be an example. After this need is satisfied a person reaches the top of the hierarchy and develops self-actualization need. Self-actualization is about how people think about themselves - this is often measured by the extent of success and/or challenge at work. At this point of time he may not be motivated by the tangible things, rather he will think what he is capable of doing and what he is doing and had done.

Maslow's model has great potential appeal in the business world. The message is clear - if management can find out which level each employee has reached, then they can decide on suitable motivators/rewards.

Problems with the Maslow Model

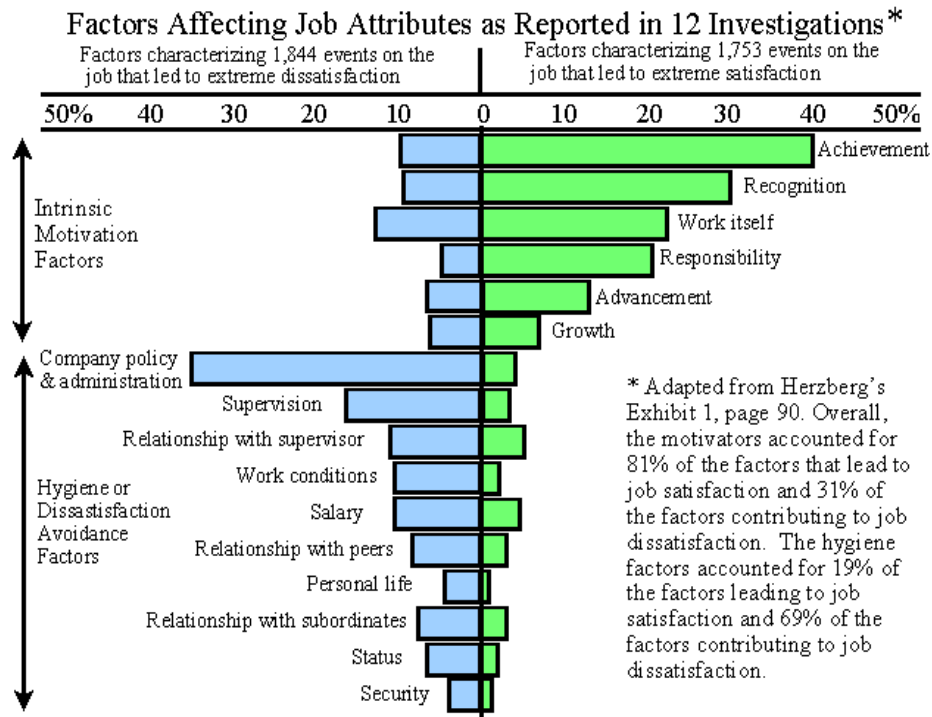
Though Maslow's theory had given valuable insight to the concept of motivation, people had also pointed to several problems associated with it when real-life working practice is considered. Some of these are as follows:

- Individual behaviour seems to respond to several needs at a time - not just one. For example, people at the same time need money, a safe place to live in, need friends, respect and want challenging work.
- The same need (e.g. the need to interact socially at work) may cause quite different behaviour in different individuals.
- There is a problem in deciding when a level has actually been "satisfied". Hence also on deciding the appropriate motivator.
- The model ignores the often-observed behaviour of individuals who tolerate low-pay for the promise of future benefits.

B. Herzberg's Motivation Hygiene (Two- Factor) Theory

In order to deal with the deficiencies of Maslow's theory, Herzberg came out with his Two- Factor Theory. He carried out a study on 200 accountants and engineers asking them when they feel particularly good about their job, and when they feel exceptionally bad about their job. Interestingly the replies for the above were significantly different. The reported good feelings were associated with job satisfaction and bad feelings associated with job dissatisfaction. Thus he termed the Job satisfiers as Motivators and Job Dissatisfiers-Hygiene or Maintenance factors. Another important finding from his study was that the opposite of satisfaction is not dissatisfaction

Fig.4.2 Herzberg's Two Factor Theory



C. Mc Clelland Need Theory

David McClelland put forward three categories of needs which added new perspective to the knowledge of motivation. These are discussed below.

Need for Achievement (nAch): It includes the drive to excel, to achieve in relation to a set standard and strive to succeed. It is identified with the following characteristics:

- Have strong desire to assume personal responsibility for performing a task or finding a solution to a problem
- Set moderately difficult goal and take calculated risks
- Have a strong desire for performance feedback

People having this kind of need will always strive to excel in whatever they do. A manager only needs to give him the needed support.

Need for Power (nPow): It includes the desire to influence others, to make a difference in life, like to be in control of people and event, inclination to maintain leader-follower relationships.

In order to motivate people with these needs they can be given certain positions/responsibility which can give them some power and authority.

Need for Affiliation (nAch): It creates a desire to maintain friendly and warm relationships with others. Characteristics associated with people having these needs are,

- They have a strong desire for acceptance and approval from others
- They tend to conform to the wishes of those people whose friendship and companionship they value

iii. They value feelings of others.

4.4.2 THEORIES BASED ON HUMAN NATURE

This set comprises the theories put forward by Mc Gregor and that of Urwick and Ouchi. These are discussed below.

A. Mc Gregor's Theory X and Theory Y

In his 1960 book, *The Human Side of Enterprise*, Douglas McGregor proposed two theories to view employee motivation. He avoided descriptive labels and simply called the theories Theory X and Theory Y.

Theory X

Theory X assumes that the average person

- dislikes work and attempts to avoid it;
- has no ambition, wants no responsibility, and would rather follow than lead;
- is self-centered and therefore does not care about organizational goals;
- resists change;
- is gullible and not particularly intelligent.

Essentially, Theory X assumes that people work only for money and security. He is not interested in his work and works only that much which is essential and has to be pushed towards doing this. An average person does not care about what an organization gains from his work, rather he focuses on his own gain. He does not attempt to bring any creativity or newness to his job.

Theory Y

Mc Gregor later came out with this theory. The higher-level needs of esteem and self-actualization are continuing needs in that they are never completely satisfied. As such, it is these higher-level needs through which employees can best be motivated.

Theory Y makes the following general assumptions:

- Work can be as natural as play and rest.
- People will be self-directed to meet their work objectives if they are committed to them.
- People will be committed to their objectives if rewards are in place that addresses higher needs such as self-fulfillment.
- Under these conditions, people will seek responsibility.
- Most people can handle responsibility because creativity and ingenuity are common in the population.

Under these assumptions, there is an opportunity to align personal goals with organizational goals by using the employee's own quest for fulfillment as the motivator. Those people who would like to have a

good career in the organization knows that he can achieve that provided he works well and attains good performance. Further they also know that their growth lies in the growth of the organization. But these people should also go about enhancing their skills, competencies and knowledge. Rather the organization must keep track of its Human Resource Development efforts to support these people. McGregor recognized that some people may not have reached the level of maturity assumed by Theory Y and therefore may need tighter controls that can be relaxed as the employee develops.

Theory Y Management Implications

If Theory Y holds, the firm can do many things to harness the motivational energy of its employees:

- Decentralization and Delegation – If firms decentralize control and reduce the number of levels of management, each manager will have more subordinates and consequently will be forced to delegate some responsibility and decision making to them.
- Job Enlargement – Broadening the scope of an employee's job adds variety and opportunities to satisfy ego needs.
- Participative Management – Consulting employees in the decision making process taps their creative capacity and provides them with some control over their work environment.
- Performance Appraisals – Having the employee set objectives and participate in the process of evaluating how well they were met.

If properly implemented, such an environment would result in a high level of motivation as employees work to satisfy their higher level personal needs through their jobs.

B. Urwick's and Ouchi's Theory Z

This theory is people centric. It speaks about bringing alignment between the individual' and organization goals creating a bond between them developing, involving and empowering them. This theory advocates that

- Each individual should know the organizational goals precisely and amount of contribution through his efforts towards these goals. Only then he would be able to achieve them.
- Each individual also should know that realization of these organizational goals is going to satisfy the needs. As mentioned in previous sections people's effort are focused on the end results that can satisfy his or her needs. If they are able to achieve certain goals which in turn satisfy their needs, definitely people will be motivated to work again with the same enthusiasm.
- Strong bond between organization and employees can make them motivated to develop commitment to the organization and its goals.
- Employee's participation and involvement in decision making, action planning etc. will keep them motivated.

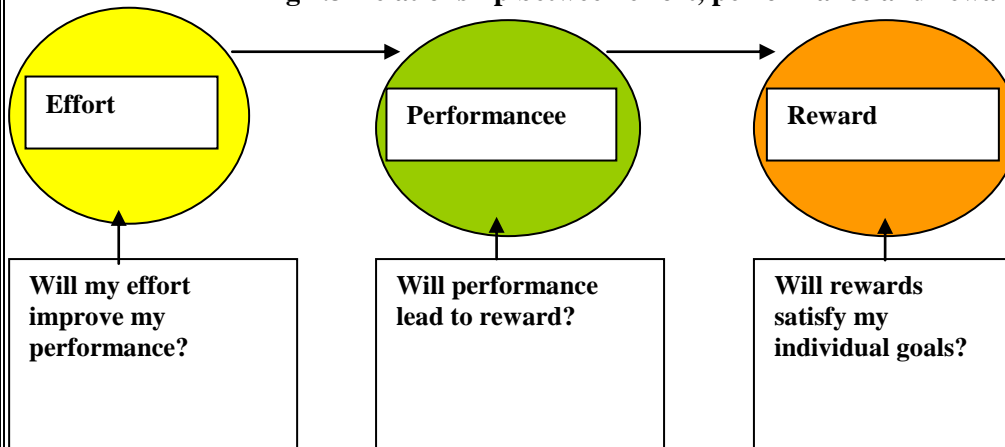
- Human Resource Development will enhance their competencies which in turn will help them to take up higher responsibilities and conduct them smoothly and successfully which will keep them motivated.

4.4.3 EXPECTANCY THEORIES

Vroom's Expectancy Theory is one of the most significant theories related to expectancy.

It is a cognitive theory of motivation. According to this theory people will be motivated to exert a high level of effort when they believe that there are relationships between the effort they put forth, the performance they achieve, and the outcomes/rewards they receive.

Fig 4.3 Relationship between effort, performance and reward



Key constructs in the Vroom's Expectancy Theory are:

1. Valence: Value or strength one places on a particular outcome/reward.
2. Expectancy: Efforts to Performance
3. Instrumentality: belief that performance is related to rewards.

Thus,

$$\text{Motivation} = \text{Valence} \times \text{Expectancy} \times \text{Instrumentality}$$

4.5 APPLICATION OF MOTIVATION

Organizations endeavour to find out what could motivate their employees so that they can be satisfied with their jobs and develop commitment towards their job and the organization. This in turn could lead to a reduced absenteeism, reduced turnover rate and a better performance. Motivated people can be asset to the organization. But at the same time by now you know that different people have different needs, and only when these needs are satisfied, they are motivated. Hence, organizations can choose from a variety of tools, both financial and non- financial to satisfy individual needs.

4.5.1 MOTIVATIONAL TOOLS

Motivational tools should be effective enough to satisfy human needs. When needs are not satisfied people become frustrated. As already mentioned, motivational tools can be both monetary and non-monetary

A. Monetary/ Financial Incentives: It includes all kinds of benefits that are given by an organization to its employees in the form of money. This include an employee's salary or compensation, various

kinds of rewards in the form of cash, reimbursements for different purposes, different kinds of allowances, pension benefits etc. Money plays a significant role in satisfying physiological, psychological and security/social needs. Unless these needs are satisfied individuals cannot concentrate on their jobs, rather they will think of means and ways to satisfy their basic needs. As you have seen earlier in Maslow's need hierarchy theory, the lowest level need is physiological need and money plays the main role in satisfying this need. Money is also recognized as a basis of status, respect and power. Thus, it can play a significant role in satisfying an individual's social and esteem needs also. Moreover, from the previous sections we have come to understand that some people are more inclined towards extrinsic needs and here financial incentives can play a dominant role in satisfying people and thus can be a part of retention policy initiatives of organizations. We see in our day to day life that there are people who apply for jobs in other organizations for the same kind of jobs because they can earn more if selected. They feel that getting a job with higher monetary benefits would enable them to satisfy their needs better.

B. Non- Financial incentives: These incentives can also play a vital role in satisfying certain people at work, especially those who are more inclined to intrinsic needs. As compared to the financial incentives which are tangible, these incentives are intangible. According to some experts these incentives are able to satisfy the higher level needs of the individuals working in organizations, when people are no longer bothered about meeting their basic needs, safety and security needs or even to an extent their social needs. Some of the non-financial incentives are as follows:

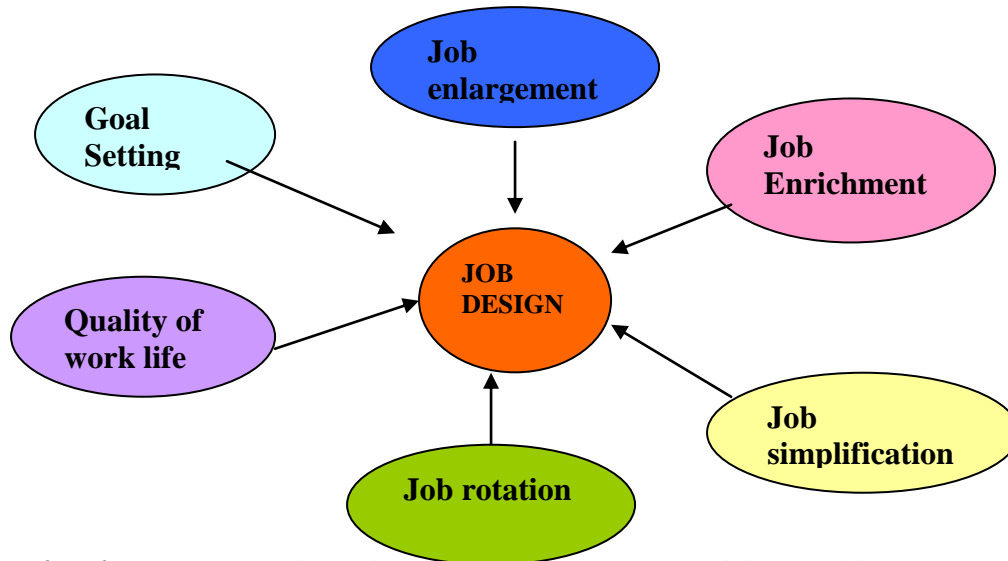
1. *Appreciation of work done:* It satisfies ego needs of individuals. They are happy that their effort is recognized and acknowledged. That encourages them to act in the same manner in future that is positive reinforcement (behaviour).
2. *Competition:* It encourages the individuals to exert more effort in order to become winners. On several occasions organizations willingly bring about competitive behaviour in people so that they try to give their best. The high achievers or those with 'Need to Achieve' will enjoy working when competition exists.
3. *Group Incentive:* Reward to the team and not to a single individual will help in retaining team spirit. This will encourage employees to work in team and achieve the desired results.
4. *Knowledge of the results:* This will help people to remain focused and to calculate the amount of effort that will be required to realize those results.
5. *Worker's participation in Management:* This will lead to Psychological satisfaction and help to develop belongingness to the work and the organization.
6. *Opportunity for growth:* The presence of the same is likely to develop commitment to organizational goals. If people are satisfied with these opportunities provided by the organization they are more likely to develop long term commitment for the organization.
7. *Suggestion System:* Many people are happy when they are heard, when their suggestions are acted upon. This is a form of bottom –up communication and can motivate employees a lot.

8. *Job Enrichment*: It includes adding contents to a job leading to increased responsibility, scope and challenge. People derive satisfaction by performing more and more challenging jobs.

C. Job Design

It is an effort on the part of the organization to design the jobs in such a way that the employees derive satisfaction and remain motivated to perform. It tries to provide satisfaction to the employees by creating and sustaining their interest in a job. Job Design is a deliberate attempt made to structure the tasks and social relationships of a job to create optimal levels of variety, responsibility, autonomy and interaction. The basic objective of job design is to maintain a fit between a job and its performer. Job Design includes the following strategies as illustrated in figure 4.4.

Fig. 4.4 Job Design elements



Job enlargement: Making a job larger in scope by combining additional task activities into each job through expansion (horizontal loading). That leads to increasing tasks and responsibilities. This enables people to have more challenges. It can motivate good performers who can show their capability. Certain advantages and disadvantages associated with this are as follows.

Advantages

- Avoids monotony
- Improves workers satisfaction
- Increases worker's efficiency

Disadvantages

- Need additional training
- Danger of fall in productivity due to introduction of a new system
- Demand for increased pay

Job enrichment: It characterizes vertical enlargement of a job by adding more responsibilities and opportunity for personal growth. It includes a greater variety of work content, requires a higher level of knowledge and skill, gives workers more autonomy and responsibility, thus leading to variety and

reducing monotony at work. Job enrichment is also associated with certain advantages and disadvantages associated which are as follows.

Advantages

- Makes job interesting
- discourages absenteeism and turnover of workers
- Motivates employees through opportunities advancement and growth
- Workers derive higher satisfaction
- Improvement in quality and quantity of output

Disadvantages

- Costly proposition
- Lack of capability on the part of the worker

Job Simplification: Here the job is broken down, to the extent possible into smaller parts. It is likely to increase workers' productivity as they have to do the same kind of task but at the same time the repetitive task may produce boredom and monotony.

Job Rotation: Worker moves from one job to another at the same level that has similar skill requirement. It is likely to bring about variety in the job and reduce monotony.

Quality of Work life: Refers to the favourableness or unfavourableness of a total job environment for people. The elements of quality of work life are- open communication, equitable reward system, employees' job security and satisfaction, participative management, development of employee skill.

Goal Setting: It is one of the vital elements of Job Design and the way the goals are set and the kind of goals that are set have a lot to do with motivating employees in an organization. This can give good result if the following features exist.

- Goal acceptance: goals are accepted more if they are anticipatively set
- Specific goals: specific, clear and measurable goals are more likely to be realized.
- Challenging goals make some people more inclined to achieve them
- Monitoring and feedback mechanism related to achievement of goals can give good dividend as this can reduce certain discrepancies related to setting and achieving the goals, and also providing the necessary support.

4.6 CONCLUSION

Properly motivated employees can produce excellent results by making good use of the facilities. Motivating people is not an easy task since human behaviour is unpredictable and is result of multiple causes. People also have different kinds of needs at different periods. Different theories are put forward by various behavioural scientists that help us in understanding these needs. Organizations can use different motivational tools to motivate their employees.

Case Study: Money is not all

Sadhu is a regional sales manager for Global Electric Appliances Pvt. Ltd, a medium size manufacturer of electric appliances. His division covers four states namely, Punjab, Haryana, Himachal Pradesh, Uttar Pradesh and Delhi. Job assignments of sales Executives reporting to him fall into two categories: Regular areas and Expansion areas. The former includes work assignments in metros where traveling is minimum and where many old customers exist, who are more likely to give repeat orders. The latter includes work assignments in areas other than metros where the organization does not have many customers and wants to expand aggressively. Thus the company is looking to attract sales executives to work in expansion areas. For this the company announced special financial incentives to the sales executives to work in these areas.

Sadhu assumed that these job postings will be highly lucrative and sought after. Thus when a vacancy arose in Allahabad, he presumed that he would be able to find a person easily. Thus he thought of choosing a person from within the company who carries an adequate experience of working in the organization and is also a consistent (good) performer. He offered the job of Sales Executive in Allahabad to Manish, currently posted in Delhi and apparently likely to fit into what he desired. He told Manish about the attractive financial package that is attached to the job, but was astonished when Manish though appreciated the offer did not show any interest in opting for it. He mentioned that his children were their going to good schools in Delhi and his wife was working at a local school. Further, he had certain property nearby that needed to be looked after. Thus he did not want to disturb the present status quo of the family, and also he really did not know how he could see the extra money that he might earn. He said, "I am pretty satisfied right where I am".

Questions

1. What kinds of needs do you think Sadhu assumed Manish had?
2. By reading the case what needs do you think Manish seemed to have?
3. Do you think this difference in opinions related to needs explains what had happened?
4. Do you think Manish would have reacted the same way 12 years back? Why?
5. How would you go about trying to get Manish to accept the job offer?

Activities

Visit an organization and talk to people at different levels regarding what motivates them to work in the organization, and what aspects of work satisfies them. Try to see what category of needs they are and how the organization has tried to fulfill them.

4.7 PROBABLE QUESTIONS

1. What do you mean by motivation?
2. What is motivation cycle?
3. Discuss the nature of motivation.
4. Why is there a need to motivate employees in organizations?

5. How are the theories of motivation categorized? Discuss.
6. Distinguish between Herzberg's, Maslow's and Mc Clelland's theory of motivation.
7. Discuss Mc Gregor's theory X and Y.
8. What features do Urwick's and Ouchi's Theory Z have?
9. Discuss Vroom's expectancy theory.
10. Examine the different motivational tools that organization can utilize.
11. What are financial and non- financial motivational tools?
12. What are intrinsic and extrinsic needs?
13. What is Job Design and what are the different elements/strategies that are considered under it?

DHR 102: ORGANIZATION BEHAVIOUR

UNIT 5: GROUP DYNAMICS I

UNIT STRUCTURE

5.0 OBJECTIVE

5.1 CONCEPT

5.2 GROUP

5.2.1 CONCEPT OF GROUP

5.2.2 WHY DO PEOPLE FORM AND JOIN GROUPS?

5.2.3 TYPES OF GROUPS

5.2.4 STAGES OF GROUP DEVELOPMENT

5.2.5 GROUP BEHAVIOUR

5.2.6 INTER GROUP BEHAVIOUR

5.2.7 DIFFERENCE BETWEEN A GROUP AND A TEAM

5.3 LEADERSHIP

5.3.1 LEADERSHIP DIFFERS FROM MANAGEMENT

5.3.2 FUNCTIONS OF LEADERSHIP

5.3.3 LEADERSHIP STYLES

5.4 PROBABLE QUESTIONS

5.0 OBJECTIVES

On completion of this unit the learners will:

- Spell out how groups are formed and for what purposes.
- Discuss various stages of group development
- Understand and spell out functions and qualities of leadership

5.1 CONCEPT

In organizations individuals have to work in groups. They belong to different groups and sub-groups- whether a department, a division, a plant or a unit etc. Thus each individual has a collective identity based on his or her affiliation to the group. Though each individual may have his or her specific roles and performance goals etc. , ultimately they contribute to their group's performance. A group's performance in turn depends on the purpose behind the formation of the group, the way the members work, their interpersonal relationship, the role of leadership, the commitment towards the common goals along with the clarity of the goals. So, we can say that only when few people get together in an organization, they can start producing the desired results. They have to be organized into certain groups based on their abilities.

5.2 GROUP

5.2.1 CONCEPT OF GROUP

A group is a collection of two or more individuals, interacting and interdependent, who have come together to achieve particular objectives. They must have regular interaction over a sustained period of time and must perceive themselves to be a group. A collection of individuals that constantly undergoes change, for example people waiting in a bank or in a telephone office to pay the bills cannot be termed as a group. Keeping this in mind the characteristics of a 'Group' can be as follows-

- § It must comprise at least two or more persons
- § The members of the group have a collective identity. For example, members of the finance department or the first semester of MBA of Tezpur University.
- § Interaction: Each member needs to interact with the other on a regular basis either face to face or over telephone or internet.
- § Common purpose: Common purpose that groups are a common purpose.
- § Stability: There must be some stable relationships that keeps group members together and functioning as a unit.

5.2.2 WHY DO PEOPLE FORM AND JOIN GROUPS?

Since the origin of ancient civilizations human beings were found to stay and work in groups. Because of a variety of reasons they would like to belong to a group. Some of the reasons are stated below:

- § Safety and security: People are always safe when they are in groups or belong to a particular group because their interests are protected by the group members from outside pressures. Thus outsiders cannot harm the members easily. The group members also voice for their peers. An example in this context can be given of a Trade Union which tries to protect the interests of the workers (its members) and sees that they are not exploited.
- § Relatedness and belongingness needs: Man is termed as to be a social being, thus belonging to or relating to groups satisfies a number of their social needs like sports and games, music, sharing emotions, getting feedback from peer, going out for a movie, organizing get together etc. This helps to increase the bonding and thwart loneliness and isolation. Studies have shown that this behaviour can be positively related to an employees attachment to the workplace.
- § Esteem needs/ need for recognition: Joining a group fulfills the esteem needs of the individuals. The group members praise him for the good work done. When a person joins a high status group he acquires esteem in the eyes of persons outside the group.
- § Power: individuals gain power by joining groups. For example workers in a manufacturing organization gain more power by joining the union. This gives them the bargaining strength that perhaps may not be possible as individuals.
- § Identity: An individual gets an identity by joining a group.

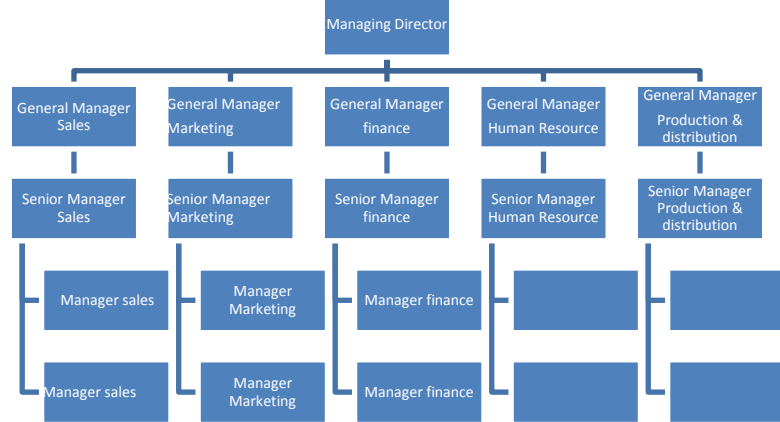
5.2.3 TYPES OF GROUPS

There are many different kinds of groups; however they can be classified into two groups- formal and informal.

Formal Groups:

These are the groups consciously established by the organization to achieve organizational goals. In fact organizations are made up of a number of formal groups. The head of each group represents the particular group and links it with the rest of the organization horizontally and vertically. Behaviours that a member should exhibit are stipulated by organization and directed towards organizational goals.

Fig 5.1 showing the formal grouping in an organization

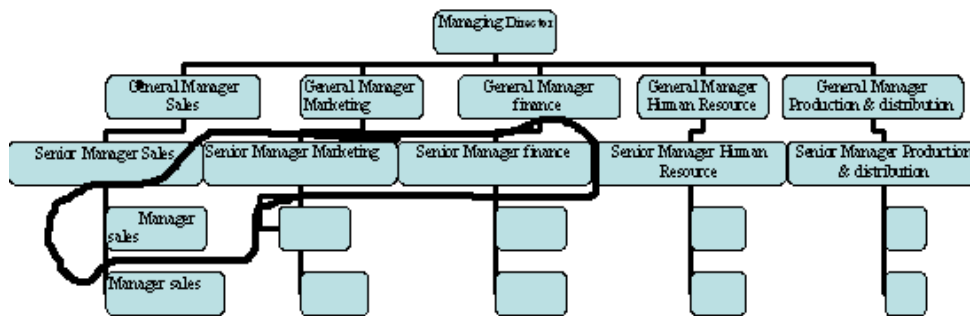


In the above figure the organization structure divides its work into five functional areas/departments, namely marketing, sales, finance, human resource, and production and distribution, thus forming five main formal groups. Thus the sales department comprising the General Manager Sales, Senior Manager Sales and the two Manager Sales belong to a single formal group with a common objective.

Informal Groups

They are neither formally created nor controlled by the organization. They are natural formations in the work environment that appear in response to the need for social contact. They evolve gradually among employees with common interests. Membership to these groups is voluntary. Thus a few people across the departments having a common interest say tennis or having coffee together can be termed as an informal group marked in figure 5.2.

Fig 5.2 showing the informal grouping in an organization



Types of groups

Formal Groups

- § Command group: this group is comprised of a supervisor/manager and his subordinates. The former has the legitimate power to give orders to the latter. They are relatively permanent formal group and part of the chain of command in the organization chart.
- § Task group: This group is formed with an intention of completing a particular task. The members belong to the different command groups and different hierarchy in the organization structure. They hold expertise in different areas. It is temporary in nature and it disbands once the assigned task is completed.

- § Project group: This group is formed in order to work on a certain project. People with the required specialization/expertise are drawn to form this group. It is temporary in nature and the life of this group gets over once the project is over.
- § Committees

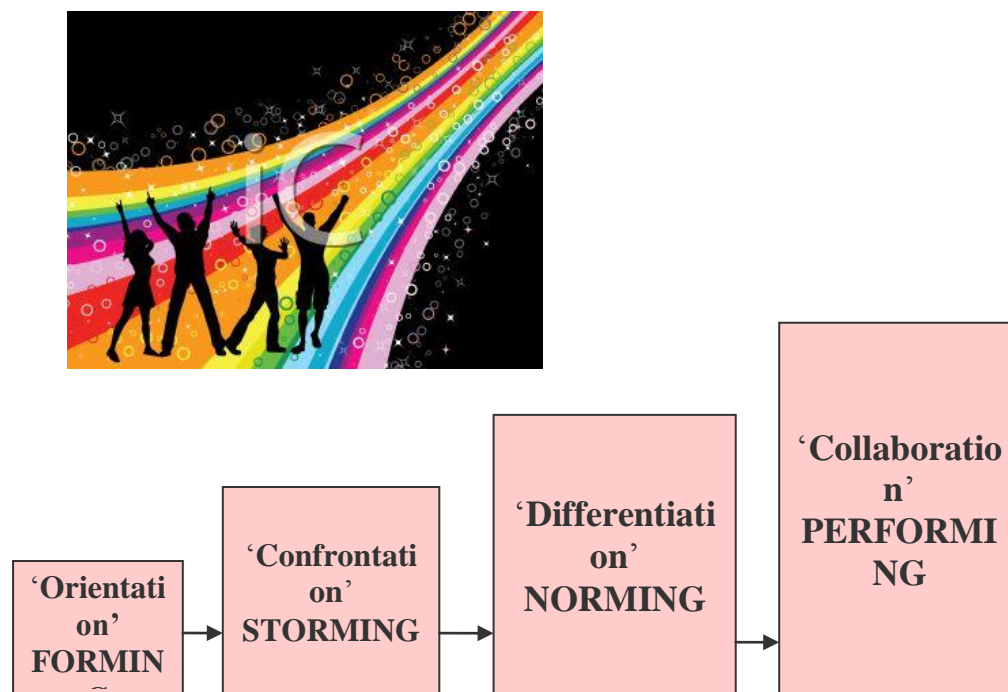
Informal Groups

- § Friendship group: These groups are associations of people who like each other and who like to be together. They are formed because members have something in common, such as social activities, political beliefs, religious values, belong to the same age group or ethnic heritage or have other bonds of attraction. Friendship group in organizations often extend their interactions to off-the job activities.
- § Interest group: Individuals who may not be the members of the same command or task group of the organization may come together to achieve some mutual objective. For example individuals belonging to different command groups come together to organize a cricket match in the weekend.
- § Reference group: It is a very special kind of informal group where the individuals attempt to evaluate themselves by comparing oneself with members of another group who inspires him/her. Reference group may be an imaginary group. For example a person who aspires to become an actor in Bollywood will try to compare himself with the actors of Bollywood. He will try to copy their actions, style etc.

5.2.4 STAGES OF GROUP DEVELOPMENT

All groups undergo certain developments through certain stages before they are stable and start performing. This is discussed below.

Fig 5.3 stages of group development



Forming stage

This stage is marked by a great deal of caution, confusion, courtesy and uncertainty about the group's purpose, structure and leadership. The "forming" stage takes place when the team first meets each other. In this first meeting, team members are introduced to each. They share information about their backgrounds, interests and experience and form first impressions of each other. They learn about the project they will be working on, discuss the project's objectives/goals and start to think about what role

they will play on the project team. They are not yet working on the project. They are, effectively, "feeling each other out" and finding their way around how they might work together.

During this initial stage of team growth, it is important for the team leader to be very clear about team goals and provide clear direction regarding the project. The team leader should ensure that all of the members are involved in determining team roles and responsibilities and should work with the team to help them establish how they will work together ("team norms".) The team is dependent on the team leader to guide them.

Leader exerts great influence in structuring the group and shaping member expectations. This stage is complete when members of the group begin to think of themselves as part of a group.

Storming stage

This stage is characterized by conflict, confrontation, concern, criticism, struggle for power and influence.

As the team begins to work together, they move into the "storming" stage. This stage is not avoidable; every team - most especially a new team who has never worked together before - goes through this part of developing as a team. In this stage, the team members compete with each other for status and for acceptance of their ideas. They have different opinions on what should be done and how it should be done - which causes conflict within the team. As they progress through this stage, with the guidance of the team leader, they learn how to solve problems together, function both independently and together as a team, and settle into roles and responsibilities on the team. For team members who do not like conflict, this is a difficult stage to go through.

The team leader needs to be adept at facilitating the team through this stage – ensuring that the team members learn to listen to each other and respect their differences and ideas. This includes not allowing any one team member to control all conversations and to facilitate contributions from all members of the team. The team leader will need to coach some team members to be more assertive and other team members on how to be more effective listeners.

This stage will come to a closure when the team becomes more accepting of each other and learns how to work together for the good of the project. At this point, the team leader should start transitioning some decision making to the team to allow them more independence, but still stay involved to resolve any conflicts as quickly as possible.

Some teams, however, do not move beyond this stage and the entire project is spent in conflict and low morale and motivation, making it difficult to get the project completed. Usually teams comprising members who are professionally immature will have a difficult time getting past this stage.

If conflicts become extremely intense and dysfunctional the group may dissolve or continue as an ineffective group.

Norming stage

In this stage close relationship among the members develop. The group also develops cohesiveness and assumes certain identity and command.

When the team moves into the "norming" stage, they are beginning to work more effectively as a team. They are no longer focused on their individual goals, but rather are focused on developing a way of working together (processes and procedures). They respect each other's opinions and value their differences. They begin to see the value in those differences on the team. Working together as a team seems more natural. In this stage, the team has agreed on their team rules for working together, how they will share information and resolve team conflict, and what tools and processes they will use to get the job

done. The team members begin to trust each other and actively seek each other out for assistance and input. Rather than compete against each other, they are now helping each other to work toward a common goal. The team members also start to make significant progress on the project as they begin working together more effectively.

In this stage, the team leader may not be as involved in decision making and problem solving since the team members are working better together and can take on more responsibility in these areas. The team has greater self-direction and is able to resolve issues and conflict as a group. On occasion, however, the team leader may step in to move things along if the team gets stuck. The team leader should always ensure that the team members are working collaboratively and may begin to function as a coach to the members of the team.

Performing stage

This is highest level of maturity, marked by teamwork, role clarity and task accomplishment. Conflict is identified and resolved through group cohesiveness.

In the "performing" stage, teams are functioning at a very high level. The focus is on reaching the goal as a group. The team members have gotten to know each other, trust each other and rely on each other.

Not every team makes it to this level of team growth; some teams stop at Stage 3, i.e. Norming. The highly performing team functions without oversight and the members have become interdependent. The team is highly motivated to get the job done. They can make decisions and problem solve quickly and effectively. When they disagree, the team members can work through it and come to consensus without interrupting the project's progress. If there needs to be a change in team processes - the team will come to agreement on changing processes on their own without reliance on the team leader.

In this stage, the team leader is not involved in decision making, problem solving or other such activities involving the day-to-day work of the team. The team members work effectively as a group and do not need the oversight that is required at the other stages. The team leader will continue to monitor the progress of the team and celebrate milestone achievements with the team to continue to build team camaraderie. The team leader will also serve as the gateway when decisions need to be reached at a higher level within the organisation.

Even in this stage, there is a possibility that the team may revert back to another stage. For example, it is possible for the team to revert back to the "storming" stage if one of the members starts working independently. Or, the team could revert back to the "forming" stage if a new member joins the team. If there are significant changes that throw a wrench into the works, it is possible for the team to revert back to an earlier stage until they are able to manage through the change.

Adjourning

In the "adjourning" stage the project is coming to an end and the team members are moving off into different directions. This stage looks at the team from the perspective of the well-being of the team rather than from the perspective of managing a team through the original four stages of team growth.

The team leader should ensure that there is time for the team to celebrate the success of the project and capture best practices for future use. (Or, if it was not a successful project - to evaluate what happened and capture lessons learned for future projects.) This also provides the team the opportunity to say good-bye to each other and wish each other luck as they pursue their next endeavour. It is likely that any group that reached Stage 4: Performing will keep in touch with each other as they have become a very close knit group and there will be sadness at separating and moving on to other projects independently.

5.2.5 GROUP BEHAVIOUR

- **Group norms:** These are the standards of behaviour for the members of the group, which the members must abide by if they want to maintain their membership to the group. They are the set of informal rules, shared beliefs and values that guide members' behaviour. Some norms may be very rigid whereas sometimes certain norms may be liberal.
- **Group Cohesion:** It is the degree of attachment with the fellow members. It can be as the strength of the 'glue' which holds the group together. It is defined as the degree to which members are attracted to one another and share the group's goals. Cohesiveness causes more harmonious behaviour in group members. They have more concern for each other and are more enthusiastic in group activities. They are happy when the group succeeds. Group cohesiveness develops through activities, interactions and sentiments of members. It is an important indicator of how much influence the group as a whole has over the individual members.

Factors Increasing Group Cohesion

Group Cohesion can be increased by-

- Inducing agreement on group goals
- Increasing membership homogeneity
- Down-sizing of the group
- Encouraging competition with other rival groups
- Allocating rewards to the groups not to the members
- Keeping the members isolated from other groups

- **Group role**

These are designated and assigned in formal groups to make division among workers and assign them responsibility. It indicates the part each member plays while striving to achieve group goals and objectives. There are different types of Group Roles are of different types which are discussed below.

i. Work roles

Task oriented activities involved in accomplishing the group tasks or group goals, for example planning, evaluating work progress etc.

ii. Maintenance role

Socio-emotional activities of group members that help maintain their involvement and commitment to group. For e.g. Encouraging, praising, rewarding etc.

Blocking role

Activities that disrupt or destroy the group, creating dysfunctional conflict, arguing or unreasonably, dominating the discussion etc are blocked.

5.2.6 INTER-GROUP BEHAVIOUR

In organizations each group is not self sufficient. It has to depend on others for smooth conduct of its work. Thus this requires regular interfaces/interactions with other groups within the organization and also outside. The various kind of interdependence can be stated as below-

- Pooled interdependence

When groups belonging to the same parent organization depend on each other, it is called pooled interdependence. Here the groups have limited interaction amongst themselves but are dependent on each other say, the common pool of resources in the organization.

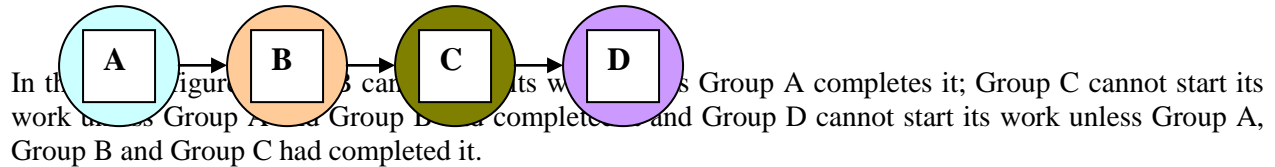
example: Manufacturing organizations producing independent products.

- Sequential Interdependence

When a group's activities precede another group's operations and act as pre-requisite for another's operations.

For example: Assembly line departments

Fig 5.4: showing Sequential Interdependence



- Reciprocal Interdependence:

When a group relies on another group to perform its own job effectively, it is called Reciprocal Interdependence.

Example: Relationship between the Union and the Management, Students and Faculty.

- Team Interdependence

The reciprocal interdependence gets multiplied with interactions among multiple groups.

For example, various departments such as Sales, advertising and market research departments.

5.2.7 DIFFERENCE BETWEEN A GROUP AND A TEAM

Before proceeding further let us discuss the concept of ‘Work Group’, which is a formal working unit, more so a command group in an organization.

A work group is a number of persons, usually reporting to a common superior and having some face to face interactions, who have some degree of interdependence in carrying out tasks for the purpose of achieving organizational goals.

From the above definition it can be seen that though the members of the work group work towards achieving organizational goals, they have limited interaction amongst themselves and also lesser dependence on each other for performing their job effectively. In contrast to this, a team is a form of group, but has some characteristics in greater degree than ordinary groups, including a higher commitment to common goals and a higher degree of interdependency and greater interaction amongst themselves. The following table tries to distinguish between a group and a team.

Group	Team
Competing objectives	Aligned objectives
Disparate purpose	Common purpose
Reductive behaviours (less than the sum of its parts)	Synergistic behaviours (more than the sum of its parts)
Independent relationships	Interdependent relationships
Internally focused for superior position	Externally focused for superior outcomes
Win/Lose outlook	Win/Win outlook
Succeed/Fail singly	Succeed/Fail collectively

Characteristics of an effective team:

- Clear purpose :defined and accepted vision, mission, goal or task, and an action plan
- Informality :informal, comfortable and relaxed
- Participation: participate in problem solving, decision making etc.
- Listening: should listen carefully to what others say than speak
- Civilized disagreement: disagreement is natural but should be expressed in a civilized way.
- Consensus decision making: takes a decision when everybody is convinced
- Open communication: no hidden agenda; everything is transparent
- Clear roles and work expectations for every group member
- Shared leadership: empowered team members
- External relations: has good relations with members and groups outside its immediate group
- Style diversity :broad spectrum of group process and task skills based on the suitability of the circumstances
- Self-assessment: evaluating performance/work efficiency from time to time.

High performance team

They have same characteristics as that of effective teams but to a greater degree. Commitment to each others' growth and success distinguishes high performance teams from effective teams.

Team building

Team building is directed towards problem solving for tasks accomplishment, examining and improving interpersonal relationship of the members, on managing the group culture and processes. It is about building the strength of the team and teamwork.

Team building takes into account data gathering, diagnostic, action planning, and action taking process conducted by intact work teams (formal work groups) for solving problems, enhancing work performance or achieving the desired results.

Team building activities are now a way of life for many organizations. Teams periodically hold team–building meetings, people are trained in group dynamics and group problem solving skills, and individuals are trained as group leaders and group facilitators. Organizations utilize autonomous work groups or self-directed teams, devote considerable time and effort to ensure that team members possess the skills to be effective in groups. The resulting effect is that teams perform at increasingly higher levels, that they achieve synergy and that teamwork becomes more satisfying for team members.

The four major purposes for which teams meet other than sharing of information (according to Richard Backhard) are

1. To set goals and / or priorities.
2. To analyze or allocate the way work is performed.
3. To examine the way a group is working and involved its processes such as norms, decision making, communication etc.
4. To examine relationships among the people doing the work.

5.3 LEADERSHIP

According to George K. Terry, 'Leadership is the activity of influencing people to strive willingly for group objectives'

Koontz defines Leadership 'as the art or process of influencing people so that they will strive willingly and enthusiastically towards the achievement of group goals'

Thus a leader influences, inspires or motivates his or her followers to work towards achieving the group goals willingly and enthusiastically.

Formal leadership

It occurs when an organization officially bestows upon a leader the power and authority to guide and direct others in the organization.

INFORMAL LEADERSHIP

When others in the organization unofficially accord a person the power and influence to guide and direct their behaviour.

5.3.1 LEADERSHIP DIFFERS FROM MANAGEMENT

Though every manager is a formal leader, he may not be accepted as a leader in the true sense by his group members. This implies that though he is bestowed with some formal authority, he may lack certain qualities as a leader. The following table differentiates between a leader/leadership and a manager/management.

Leadership	Management
<ul style="list-style-type: none">▪ Leader leads people▪ Can use informal influence▪ Create a vision and inspire others to achieve it▪ Inspires enthusiasm	<ul style="list-style-type: none">▪ Manages things▪ Hold formal positions▪ Achieve results by directing activities of others▪ Enjoys formal designated authority▪ Engenders fear

5.3.2 FUNCTIONS OF LEADERSHIP

- Developing team work: a leader is responsible for building and sustaining a team. He should know how and when the team can work best and what support do the team members require. He has to imbibe the culture of team work.
- Representing the team: the leader is the person who has to represent the team before management or any external group. It is he or she who has to speak on behalf of the team members.
- Counselling the work men: from time to time the team members may need emotional support, which if not identified and not provided at the right time, may lead to undesired results.
- Managing time: it is the leader who has to guide the team members in planning their time for different actions.
- Using proper power: a leader may be bestowed with many kinds of power, which needs to be appropriately used by the leader.
- Securing group effectiveness: a leader may attain this by-
 - designing a suitable reward system,
 - delegating authority,

- inviting participation from the team members,
- providing adequate resources to the team,
- practicing effective communication.

5.3.3 LEADERSHIP STYLES

The basic leadership styles are as follows:

- i. Autocratic or authoritative
- ii. Democratic or participative
- iii. Laissez- Faire or Free Rein

Autocratic or authoritative

- Leader centralizes power and decision-making in himself/herself. He or she does not share power with the group members.
- Leader commands complete control over the subordinates. They have to act according to the whims and order of the leader.
- Leader has little concern for the well being of the subordinates.

What can be the impact on employees under such a leadership?

From your understanding of the subject of Organization Behaviour till now, you can very well say that employees will have a tendency to avoid responsibility. They will suffer from frustration and low morale

But this kind of leadership may have to be practiced when the subordinates are incompetent. They do not have the adequate knowledge to take certain decisions. They perform well when they are told what to do and how to do.

Democratic or participative style

Leader takes decisions in consultation with the subordinates. He or she seeks ideas and views from others while taking a decision.

What can be the impact on employees under such a leadership?

The answer to this question can be stated as follows:

- This style of leadership satisfies subordinates' social and ego needs.
- Employees are likely to develop more commitment to the organization
- They are also likely to develop more job satisfaction
- Mutual faith and confidence between the subordinate and superiors are created.
- It fosters the development of potential abilities of the subordinates.

But democratic leadership has also certain weaknesses. Decision-making is time consuming

A few subordinates may dominate or rise to prominence. A few group members may influence the leader leading to a biased decision. In situations where the group members are not competent enough such acts can lead to undesired results.

This style can be suitable where the

- Subordinates are competent
- Leader prefers participative decision-making
- Reward and involvement are used for motivation and control
- Objective oriented work is considered.

Laissez- Faire or Free Rein

In this kind of leadership, the leader leaves decision-making to the subordinates. He or she gives up completely his/her leadership role. The subordinates enjoy full freedom at work. The leader does not interfere with their decisions related to work.

But this kind of leadership also has certain weaknesses. It creates chaos and mis-management in decision-making. At times consensus may not be achieved. The approach to decision making is more individualistic. Without the right kind of expertise or competence of the group members it can be really disastrous.

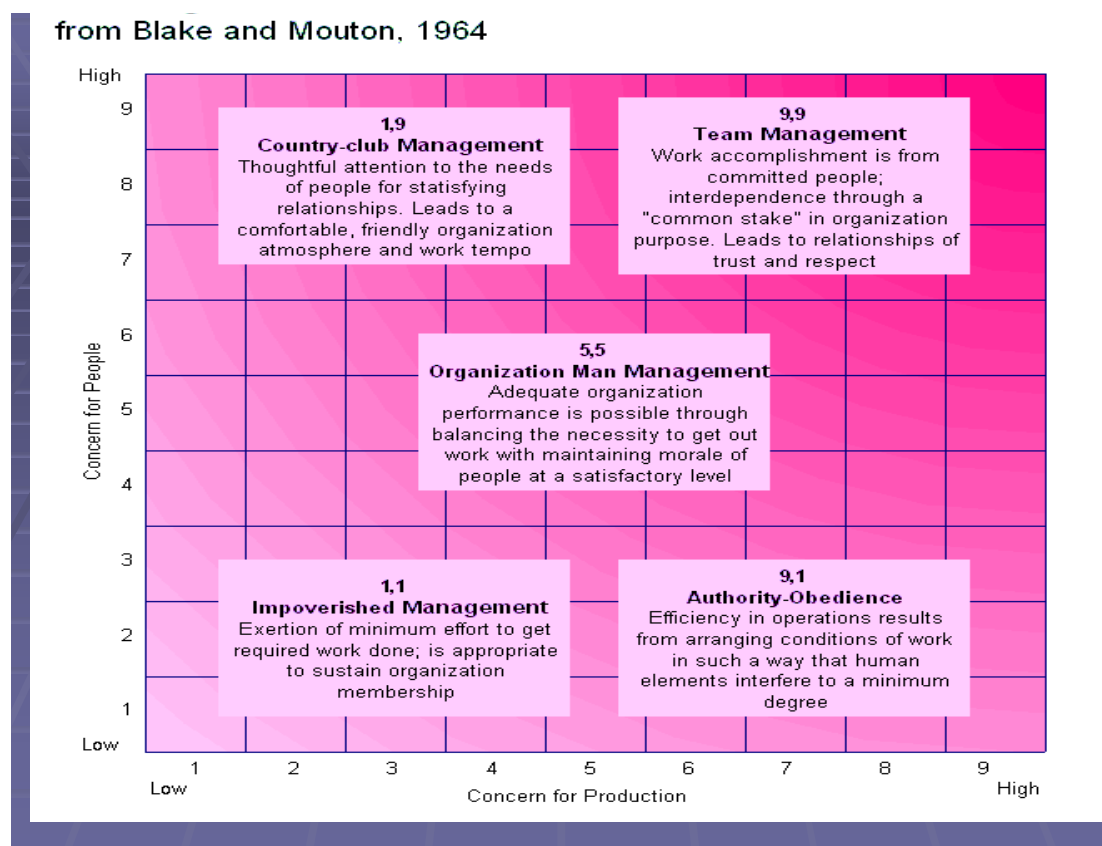
When can this style be suitable?

Definitely it can be suitable in certain situations specially when

- Subordinates are very competent
- Objective oriented work and proper communication exist
- Performance based pay and reward for the employees exists in the organization.

Managerial Grid

Blake and Mouton had advocated that the leadership style of a person (leader) can be depicted by a 9/9 Grid called Managerial Grid (figure). The X axis shows the concern for production and Y axis, concern for people. Based on this the basic five styles of leadership are Country Club Management (1,9), Team Management (9,9), Organization Man Management (5,5), Impoverished Management (1,1) and Authority-obedience Management (9,1). 1,9 style has the least concern for production and highest concern for people. 9,1 style is opposite of that having highest concern for production and least concern for people. 5, 5 has equal concern for people and production. It is also called middle of the road style. 9,9 style has highest concern for production as well as people. Infact, it is the best style if it can be practiced by a leader.



What makes leadership effective?

- Only when the leader possesses proper mental and physical health he will be efficient at work.

- ii. The leader must possess the latest and the required knowledge and intelligence. That will help him in guiding his team and taking the right kind of decisions.
- iii. He must lay down clear-cut and worthy goals
- iv. Conviction is a quality that he must possess to undertake the right action.
- v. The leader must have a sense of responsibility even when he empowers his team members
- vi. He must try to motivate his team members to achieve the desired results.
- vii. He must have initiative and drive at work.

Activities

1. Visit an organization and try to understand how many types of groups exist there. Try to talk with some of the members of the groups to understand whether they are a part of a group (also the kind of group) or a team.
2. Try talking to a group/team leader in order to understand his leadership styles and qualities.
3. Watch the Hindi movies 'Lagaan' and 'Chakde India', and analyze the roles played by 'Bhuvan' and 'Kabir Khan'.

5.4 PROBABLE QUESTIONS

1. What is a group?
2. What are the different types of groups that exist?
3. What are formal and informal groups?
4. What are the different stages related to the development of a group?
5. Examine the features that are seen in each stage of group development.
6. What are the different types of group behaviour that are seen?
7. Why people join groups?
8. What factors lead to group cohesion?
9. What are the different types of group roles?
10. What is a team?
11. How is a team different from a group?
12. What is intergroup behaviour? Discuss the various types of intergroup behaviour that are seen in an organization.
13. What are the characteristics of an effective team?
14. What is team building?
15. What is leadership?
16. What are the functions of leadership?
17. Differentiate between a leader and a manager.
18. What are the different styles of leadership? Discuss where they can be suitable.
19. Examine the strengths and weaknesses of each style of leadership.
20. When can a team be effective?
21. What is Managerial Grid? Which style of leadership in Managerial Grid is most suitable? Give reasons.

DHR 102: ORGANIZATION BEHAVIOUR

UNIT-6: GROUP DYNAMICS II

UNIT STRUCTURE

6.0 OBJECTIVE

6.1 INTRODUCTION

6.2 CONFLICT

6.2.1 SOURCES OF CONFLICT

6.2.2 TYPES OF CONFLICT

6.2.3 CONFLICT PROCESS

6.2.4 MANAGING CONFLICT

6.2.5 CONCLUSION

6.3 POWER AND POLITICS

6.3.1 CONCEPT OF POWER

6.3.2 POWER VS AUTHORITY

6.3.3 SOURCES OF POWER

6.4 ORGANIZATIONAL POLITICS

6.5 MANAGING ORGANIZATIONAL POLITICS

6.6 CONCLUSION

6.7 PROBABLE QUESTIONS

6.0 OBJECTIVE

At the end of this unit a learner should be able to

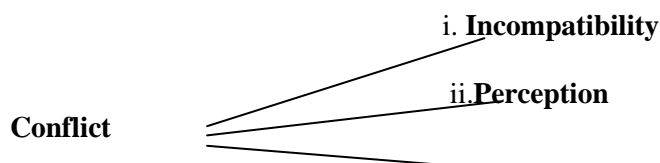
- explain the concept of conflict,
- describe different types of conflict that exist and explain the reasons behind such conflicts.
- apply the knowledge and skill of managing conflicts.
- explain the concept of power and politics, spell out the differences between the two, explain their sources and learn how they need to be managed.

6.1 INTRODUCTION

After going through Group dynamics I (unit 5) you have a fair understanding about how people work in an organization. Conflict, power and politics are very important components of Group Dynamics. They have a great impact on organizational behaviour and can affect the organization both positively as well as negatively. Hence for deriving the positive benefits they have to be managed well. But for doing this they need to be properly understood first.

6.2 CONFLICT

Conflict is a disagreement, the presence of tension or some difficulty within or between two or more parties. It reflects struggle between incompatible or opposing needs, wishes, ideas, interests, goals, or people. Conflict reflects the following features:



iii. **Blockage**

iv. **Scarcity**

i. **Incompatibility:** It is based on the assumption that there are two or more parties whose interest or goals appear to be incompatible. The conflict occurs when these parties pursue mutually exclusive goals, values and events.

ii. **Perception:** Here conflict arises due to difference in perception between two or more parties. Each perceives its/his/her goals to be incompatible with those of the other.

iii. **Blockage:** Here an individual or a group manifests blocking behaviour. One side deliberately tries to block or prevent the other from attaining their goal/s. This leads to conflict.

iv. **Scarcity:** Here the groups compete for the resources available in the organization that they require in order to fulfill their goals. Conflict is more when the resources are limited or scarce, for example, the work space, money, equipment, manpower, incentives, furniture, stationery etc.

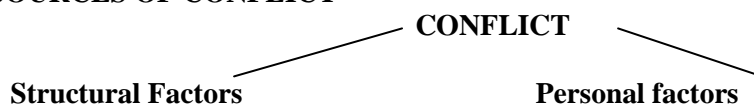
By now you must have understood the basic concept of conflict, but the views regarding conflict has changed over the years, may be because of more study on the subject. The difference between the traditional and current views relating to conflict is presented in Table 6.1 below.

Table 6.1: showing the traditional and current view regarding conflict

Traditional view	Current view
Conflict is unavoidable. Conflict is caused by management errors and trouble makers. Conflicts disrupt the organization and prevent optimal performance. The task of management is to eliminate conflict. Optimal organizational performance requires the removal of conflict.	<ul style="list-style-type: none">• Conflict is inevitable.• Conflict arises from many causes like the structural and personal factors.• Conflict contributes to as well as diminishes organizational performance in varying degrees.• The task of management is to manage the level of conflict for optimal organizational performance.• Optimal organizational performance requires a moderate level of conflict.

From the above, you will understand that conflict is accepted as something which is not unwanted in an organization. It may lead to some positive effects including an increased organizational performance if managed well. Now it is well understood that conflict may arise from different kinds of reasons and need not be because of management errors. The factors leading to conflict are mentioned in the following section.

6.2.1 SOURCES OF CONFLICT



- Specialization
- Interdependence
- Common resources
- Goal differences
- Authority relationships
- Status inconsistencies
- Jurisdiction ambiguities

- Skills and abilities
- Personalities
- Perceptions
- Values and ethics
- Emotions
- Communication barrier
- Cultural differences

Fig 6.1: Sources of conflict in organization

As seen above both structural and personal factors are responsible for emergence of conflict in an organization. The former is related more to the organization and the latter being person specific. Let us discuss the structural factors first.

Specialization: In today's competitive world organizations need specialists, people who are experts in their areas of specialization. But because of this they are so engrossed in their own area of work that they fail to understand another/ another person's area of work, thus having conflicts. For example during production and launch of a new product, different departments say research and development, marketing, production, finance, sales etc. may have separate views regarding that product. According to research and development department it may be first of its kind and they need to take full advantage of creating and fulfilling the demand for the product, but the production department may feel that within a short span of time it may not be able to produce the needed quantity due to the lack of adequate technology and trained manpower. The materials department may face difficulty in procuring the raw materials. Though marketing department might have designed a very innovative marketing plan, sales department may feel that customer demand is inadequate regarding the product. Finance department may have difficulty in releasing money for product launch as the same was not added to the budget earlier, so on and so forth.

Interdependence: The above example can also be cited here. You have already seen what kind of chaos can occur in an organization that can delay the production and launch of a new product. In this case sales department is dependent on production for the availability of the product and also on marketing for creating the market demand. Production in turn is dependent on purchase and materials department for procurement of the raw materials. Purchase and materials departments require money from the finance department for procurement of the raw materials. This interdependency creates conflict.

Common resources: Conflicts occur most of the time when people or groups in an organization compete to have greater and greater share of common resources for themselves, for example monetary resources or manpower resources.

Goal differences: People or groups in an organization work towards achieving different goals. For example, in the above example, the sales department had set a certain target for themselves to sell the new product. They were happy that the sales growth was positive and showing towards higher side, but

suddenly they found that the product was not available in the market. The orders placed by the dealers were also not fulfilled by the company. Later it was revealed that the company did not have any stock. The production department informed that they had completed their production target and could not produce afresh. Thus the goal of the sales department remained unfulfilled.

Authority relationships: People in an organization may not be aware of the fact as to who is reporting to whom and what kind of authority they have leading to conflict. This is closely related to status inconsistencies. People connect their job/position to having certain status in an organization. Two people may have conflict when they relate their relationship to their status. A person perceiving himself to having a higher status in an organization may not be positively open to the idea from a person whose perceived status is lower to him.

Jurisdiction ambiguities: It refers to unclear lines of responsibility within an organization. People are not aware of power the person has and on what aspects.

Many a time conflicts in an organization arise due to personal factors. These are discussed below.

Skills and abilities: People in an organization have different levels of skills and abilities. Some work requires team effort, but it fails as only the burden of work is on a few people who are skilled in that particular work. This leads to conflict. The existing employees of an organization who lack new skills might find it difficult to take orders from a new young boss who had just obtained his professional degree.

Personalities: Organizations are composed of people with diverse personalities who at times are unable to agree to each other's point, thus leading to conflict.

Perceptions: The same thing can be perceived differently by two people based on their background, values, ethics, experience and concern leading to conflict.

Emotions: Emotions have a vital role in leading to and also in the expression of conflict. Some people are emotional and may feel conflict easily. Some may also spill over their emotional problems of home at the workplace.

Communication barrier: Communication barriers distort the original message. It is observed that by the time the message filters through several levels of receivers it loses its original meaning and can give a different meaning, causing conflict.

Cultural differences: People in an organization may belong to different cultural backgrounds having different sets of values, likes and dislikes, language, customs etc. What might be good for some may not be for others. This causes conflict.

6.2.2 TYPES OF CONFLICT

Primarily conflict is of following types

- Intrapersonal Conflict

- Interpersonal conflict
- Intergroup conflict
- Inter-organizational Conflict

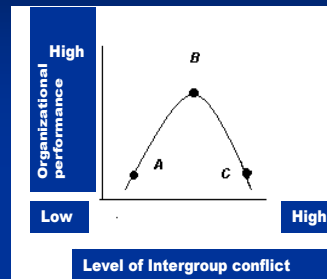
The conflict that an individual feels within himself is called Intrapersonal Conflict. It occurs when a person is in dilemma and does not know what to do or what not to do or when a person experiences a conflicting role in the organization or at home. On the other hand, the conflict that happens between two or more persons is called Interpersonal Conflict. This is due to the personal or structural factors that are discussed in the previous section. The conflict between two groups is called Intergroup conflict. This may be due to competition amongst themselves for power, common resources etc. or because of their interdependence. Conflict amongst two or more organization is also a common phenomenon today. This is called Inter-organizational Conflict. This may be due to competition for getting a more market share, growth etc.

As said previously, conflict may not be always unwanted in an organization. Some amount of conflict may actually be necessary to move the organization in the right track. If there is no difference in opinion of different individuals working in an organization, there are greater chances that the organization is not achieving the best. Even if everybody does not feel the same way they do not oppose because the other person or group may not like it. A common situation is that the subordinates choose not to disagree with the boss and thus offend him/her because that might be reflected in his appraisal or confidential reports. He or she is scared that the superior might take revenge in future. But if he or she had expressed his or her apprehension regarding a decision, idea etc., that could have saved the organization from committing a mistake. Thus conflicts can be both functional and dysfunctional.

Figure 6.2 showing functional and dysfunctional conflict

DYSFUNCTIONAL CONFLICT

The destructive form of conflict that hinders group performance. Such conflicts destroy the achievement of organizational and group goals.



From figure 6.2 it can be seen that when the level of conflict is low, the organizational performance is also low, but when the level of conflict rises moderately organizational performance greatly increases but it again decreases with a further increase in conflict. Thus functional conflict supports the goals of the group and improves its performance. Some positive or functional aspects of conflict are as follows:

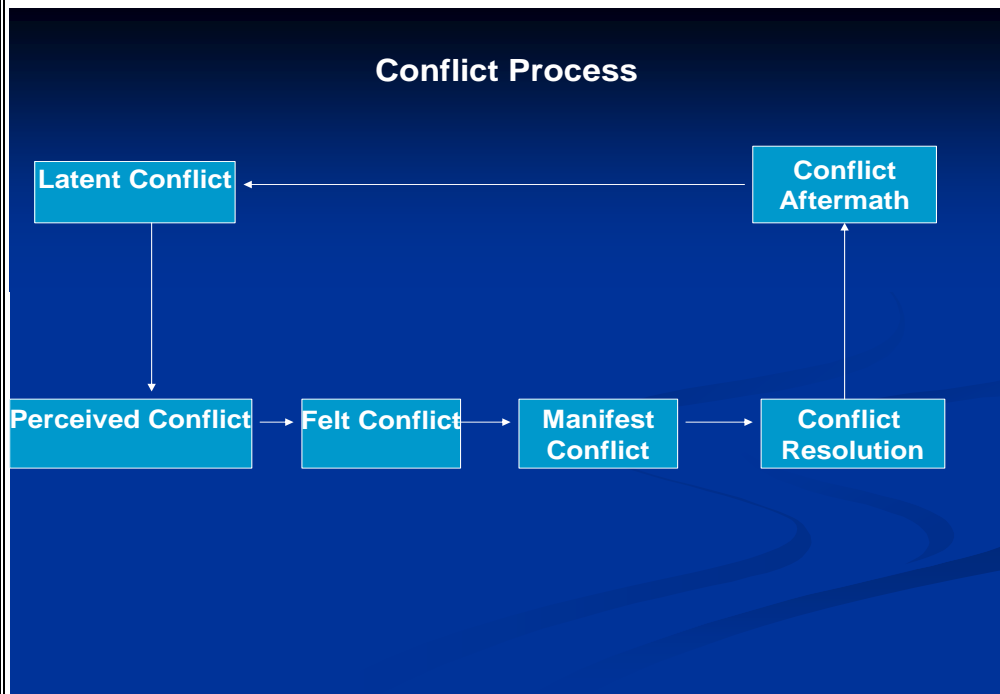
- Conflicts motivate group members to have concern for the organization
- Conflicts bring cohesiveness in groups
- Conflict breed creativity among the members
- Conflicts lead to innovation
- Conflicts promote change
- Conflicts lead to high quality decisions

Dysfunctional conflict is the destructive form of conflict that hinders group performance. Such conflicts destroy the achievement of organizational and group goals.

6.2.3 CONFLICT PROCESS

Conflict just does not happen and get manifested in a single day. It goes through certain phases or a certain process, called the conflict process. This is depicted in the figure 6.3.

Fig 6.3 Showing the Conflict Process



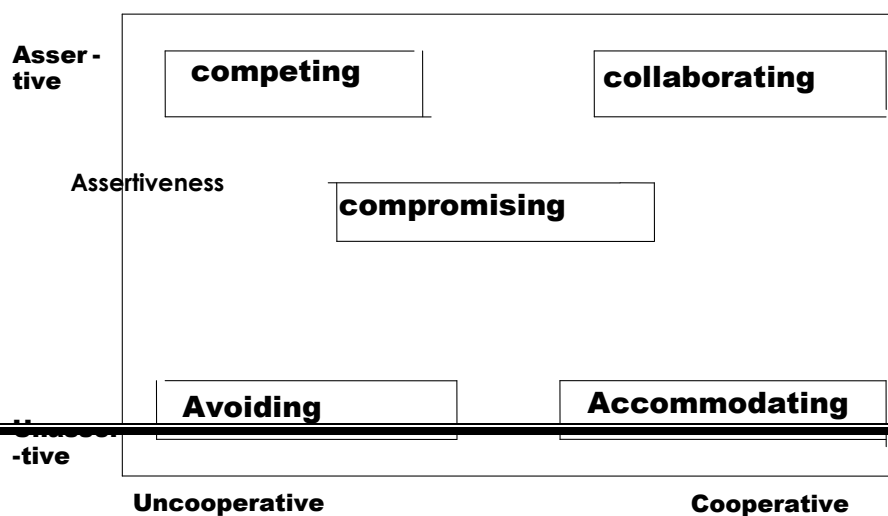
In the **latent conflict** phase

conflict has not began yet, but the conditions for a potential conflict exist in the surroundings, that is, the possible sources or factors of conflict are present, for example, competition for resources, divergent goals etc. If these are not managed well could these may lead to conflict. Each episode of conflict begins with this stage. **Perceived conflict** occurs when the sources of latent conflict are not present. Here conflict may occur due to misunderstandings between people or groups. For example, when a marketing department of the organization submits its requirement for additional amount of money or more manpower, the sales department may think that they are competing for the resources as this request from marketing department may reduce their share of money and people. In **felt conflict** stage, the parties can feel the conflict. Here people in conflict can feel that all is not well and anticipate manifestation of conflict. Conflict becomes personalized. A common terminology which is used by people is called 'cold war' can be said to be this kind. In **manifest conflict** stage conflicting behaviour is openly expressed like aggression, sabotage, disobedience, argument etc. At this stage conflict must be managed well. The gravity of the situation needs to be understood. Depending upon how conflict is managed the **aftermath of conflict** is positive or negative. If the conflict is resolved well, and if it is functional, it may lead to cooperative and lasting relationship amongst the individuals in the organization. On the other hand, if it is not managed well it can take serious forms and sow the seeds of latent conflict.

6.2.4 MANAGING CONFLICT

From the earlier sections you have seen how important it is to manage conflict. But how can one manage it? Conflict management strategies should be chosen carefully to achieve the desired results. There are five basic conflict management strategies as shown in the figure 6.4.

Fig 6.4 CONFLICT MANAGEMENT STRATEGIES



As you see in the above figure, cooperativeness is taken on the 'X axis' and assertiveness on the 'Y axis'. Based on to what extent a person (s) are cooperative and assertive in their intentions related to conflict the following five conflict management strategies can be possible.

i.Avoiding

Here, cooperativeness as well as assertiveness is low. Avoiding is a deliberate decision to sidestep a conflicting issue, postpone addressing it till later or withdraw from a conflicting situation. The outcome is "lose/lose", this implies that none can gain by this strategy. In true sense the conflict remains unsolved for the moment.

ii.Competing

Here the conflicting parties are low in cooperativeness and high in assertiveness. This implies that both the parties are adamant with their feelings related to the conflicting issue. Each one of them wants his or her intention to be fulfilled. One tries to meet one's goals at the other party's expenses. The outcome is "win/lose". Like in competition here too one party wins and the other loses.

iii.Accommodating

This strategy means high in cooperativeness and low in assertiveness. The parties would like to come together to resolve the conflicting issue and do not hold on to their ideas, needs and intentions regarding the conflicting issue. One party is willing to sacrifice in the interest of the other party. The outcome is "lose/win"

iv.Collaborating

Here, cooperativeness as well as assertiveness is high. It involves attempts to satisfy the needs of both the parties. The outcome is "Win-win".

v. Compromising

Here the level of cooperativeness as well as assertiveness is moderate. Each party tries to give up something to reach a solution to the conflict- "Give and take". The outcome is "win some/lose some".

The above conflict management strategies can be used suitably after looking at the situation, issues, urgency etc. related to the conflict. The following section presents the same.

► Use of avoiding strategy

- When an issue is trivial and there is no actual need for pondering over the issue.
- When there is no chance of satisfying one's concern.
- When potential disruption outweighs the benefits of resolution.
- To let people cool down that may make them forget the issue.

► Use of competing strategies

- When quick decision is vital.
- On important issues where unpopular actions need to be implemented.
- On issues vital to the company welfare.
- Against people who take advantage of the non- competitive behaviour.
- When the basic rights are at stake.
- To set a precedent.

► Use of compromising strategy

- To achieve temporary settlements of complex issues.
- To arrive at expedient solutions under time pressure.
- When collaboration and competition are unsuccessful.

► Use of collaborating strategy

- To find an integrative solution when both sets of concern are too important to be compromised.
- When the objective is to learn.
- To merge insights from people from different perspectives.
- To gain commitment.

► Use of accommodating strategy

- When the issues are more important to others and it is important to satisfy others and gain cooperation.
- To minimize loss, when you are already losing.
- When harmony and stability are important.
- To allow employees to learn by mistakes.

6.2.5 CONCLUSION

Conflict is caused by incompatible behaviour of the individuals. It features incompatibility, perception, scarcity and blockage. Traditional view regarding conflict stressed on removal of conflict for achieving organizational performance, whereas the current view emphasizes the presence of moderate level of conflict for organizational performance. It is observed that organizational performance suffers with both extremely high and extremely low level of conflict. Conflict can be both functional and dysfunctional. Conflict arises due to both structural and personal factors. The different types of conflict are intrapersonal, interpersonal, intergroup and interorganizational. Conflict passes through a process called 'Conflict Process'. Conflict has to be resolved at the right time. The different conflict management strategies are- avoiding, accommodating, compromising, competing and collaborating. Based on the demand of the situation, appropriate conflict management strategy can be used.

CASE

Mr. Subrata Phukan is a middle level executive in a state Public Sector Unit (SPU). He had been working in this organization for the last twenty years. He had joined the organization as a trainee straight after completing his B.Tech at the age of 22 years and became Manager Technical seven years back. Mr. Phukan has a good track record in his organization and is a popular figure there, liked by both

management and the workers' union. Over the years he had gained a commendable reputation in the organization. Though he is an engineer by profession, he is entrusted with the task of looking into numerous other matters not related to his profession, like dealing with the union, managing the guest house, the public relations, wage and salary handling etc. apart from other duties assigned by the Managing Director. However, his supervisor, Mr. Ayub Khan, the Senior Manager, Technical is particularly not happy with him and often cites Mr. Phukan's negligence to his departmental duties. This got reflected in the Annual Confidential Report (ACR) of Mr. Phukan. Though he receives appreciation from the Managing Director as a trouble shooter the situation is not the same at his department. He had never been recommended for an award or training by his departmental head for his work. Mr. N. Zaman had joined the organization as Manager Technical five years back. Phukan had in fact cultivated friendship with him since his first day of joining the company. Zaman was sincere and an expert in his job. He was sent to Germany a year back for undergoing training on operations management. This year he has been sent to Sweden again to undergo an advanced training. The organization had planned for an expansion and had set up a new plant. It needed a person to head its operations, and went for an internal search of candidates. Phukan and Zaman too applied for the post. Phukan was sure that in view of his experience, popularity and liking by the top management he would be chosen for the post. But to his dismay, Zaman was chosen for the same. Phukan sought an appointment with the MD and expressed his sadness for being not chosen, adding that how sincere he was in the duties that were assigned to him from time to time. The MD replied that though he was good at many things and acknowledged his sincerity and commitment, the reports from his parent department did not reflect the same in contrast to Mr. Zaman's excellent reports apart from training track record which was none for him. Mr. Phukan was greatly hurt and he was left wondering whether not sending him for training or being used for all other works in his organization was his fault. He decided to resign.

Going through the above case, try to answer the following:

- i. Do you see some kind of conflict concerning Phukan? What kind is it?
- ii. According to you, who should have been given the new job?
- iii. Do you think Phukan's decision of resigning from the job is the most appropriate strategy of conflict management?
- iv. What can be the effects of this conflict?
- v. How could this conflict have been better managed?

THINGS TO DO

- i. Think about yourself. Did you experience any kind of conflict? What was the reason? What were the affects of the conflict? Did you try to resolve it? If yes, then how? Do you think that you could have resolved the conflict in a better way?
- ii. Talk to one of your acquaintances who work in an organization. Ask him the same set of questions as above .

QUESTIONS

1. What is conflict?
2. Why does conflict occur?
3. What is the difference between traditional and current view regarding conflict?
4. What are the factors behind conflict?
5. Is conflict undesired in an organization? Give your views.
6. What is functional conflict? What are its benefits?
7. What is dysfunctional conflict? What is its effect on the organization?
8. What are the different types on conflict? Examine them.
9. What is conflict process? What are the different stages in the conflict process? What are the key features in each stage?
10. What are the different conflict management strategies? When can they be suitably used?

6.3 POWER AND POLITICS

Power and politics are closely related in an organization. Politics occurs in an organization to gain power by certain individuals. We will discuss both of this one by one to have a better understanding of the subject. Let us start with power.

6.3.1 CONCEPT OF POWER

Power can be understood both in terms of its sources and the consequences. Let us look into some of the definitions related to power.

- It is a capacity to influence another person or a group to accept one's ideas or plans. It is the ability to make things happen the way you want.
- Power is the capacity to influence another person or a group to accept one's ideas or plans.
- Power is the capacity of some persons to produce intended or unforeseen effects on others. It implies some external sanctions by way of rewards and punishments, if the required change is or is not brought about by the other party.
- Power is an exchange relationship that occurs in transaction between an agent and a target. Agent is the person who uses the power and target is the recipient of the attempt to use power

Managers use power to achieve influence over the people in work setting. People are 'influenced' when they act in ways consistent with the desires of someone else. According to Robbins, 'Power is the capacity that A has to influence the behaviour of B, so B does something he would not otherwise do'. This implies five things:

- i. *Potential*: One can have power without using it. For example, a supervisor can have the power to punish but usually does not do so.
- ii. *Dependency*: The greater B is dependent on A, the greater is A's power over B. For example, when an employee is dependent on his supervisor for rewards, the latter will have more power over the former.

- iii. *Discretion*: It implies that a person has some discretion over his own behaviour. For example, a contractual employee is dependent on his supervisor or a manager of a particular department for his continued employment, but refuses to do unethical work.
- iv. *Specific*: It can be exercised only by specific people and during specific times. But differs from person to person.
- v. According to some power is *reciprocal* in nature. A person tries to influence others and in the process gets influenced.

6.3.2 POWER VS AUTHORITY

Perhaps you may be confused with the terms power and authority. So let us see the difference. Authority is the formal power that a person holds because of his position in an organization. He or she enjoys the right to exercise authority over the subordinates. Table 6.2 presents certain important differences between the two.

Power	Authority
<ul style="list-style-type: none"> • Power is the ability of an individual to affect and influence others. • Power is associated with leadership. • Power is a broader concept and includes authority also. • Power can be used both positively and negatively. • Power is also a personal quality 	<ul style="list-style-type: none"> • Authority is the right to command over the employees. • Authority is vested with a formal position in an organization. • . Authority is a narrow concept. A manager may have authority but no power.

6.3.3 SOURCES OF POWER

Now you might be thinking as to how power emerges? Definitely it has certain sources not just one. Till now we were discussing about power from formal position i.e legitimate power. Nevertheless the sources of power are as follows-

- **Reward power**: it is associated with a person's ability to reward someone in a work setting. For example when the manager recommends a subordinate for a promotion or certain incentive.
- **Coercive power**: it is associated with a person's ability to punish someone in a work setting. For example the power of a person to demote somebody, firing a person or making pay cut.
- **Legitimate power**: a person gets this power by the formal position that he or she holds in the organization.
- **Referent power**: It is related to the charisma of a person. Hence also called as Charismatic power. The agent has referent power over the target because the target identifies himself with the agent or would like to be him. The agent becomes a role model for the target as he has the ability to influence others through his personal magnetism, enthusiasm and strong conviction. This

acceptance helps referent leaders to exercise influence over their followers' behaviour. Such power may also take place outside the organizational context. For example bollywood star Amitabh Bacchan has a great deal of referent power. Advertisers use celebrities like Bacchan, Sachin Tendulkar, Priyanka Chhokra, Sania Mirza etc to promote products.

- **Expert power:** It refers to the agent having information or knowledge that is sought after by the target. It is related to the expertise that a person possesses over an area of knowledge. A person having expert power need not be a boss. He may be a colleague or even a subordinate whom you approach to get information or sort out problems or seek help at work.

Thus after understanding the concept of power and sources of power, and the difference between power and authority, it is very important that power needs to be properly utilized. For using reward power one need to verify the compliance; make only ethical, proper and reasonable requests; offer creditable rewards that are desired by the individuals and not to cheat them; not to misuse the power. Before exercising coercive power one should inform the subordinates clearly the rules and penalties; warn the person before punishing; not to be unbiased while punishing, maintain credibility and again not to misuse this power. While exercising legitimate power know what you can and what you cannot and how much authority you have. Be sensitive to subordinate's concerns; do not threaten subordinate's self- esteem; be cordial, polite and confident; explain reasons for request; follow proper channels of communication; delegate clearly with timely follow- up; enforce compliance with reasonable force. For using referent power treat subordinates fairly; defend their interest; be sensitive to their feelings; do not give them any wrong information and be honest. While exercising expert power, be confident; keep yourself updated and informed; maintain credibility and recognize employee concerns.

6.4 ORGANIZATIONAL POLITICS

Once you have understood the concept of power, it will become easier to understand politics. By politics here we would not talk about the common discussed politics concerning different political parties but about organizational politics. Politics relates to the ways people gain and use power. Organizational politics refers to those activities that are not required as part of one's formal role in the organization, but that influence or attempt to influence the distribution of advantages and disadvantages within the organization. Thus politics involves -

- Acquiring, developing, and using power to achieve one's objectives.
- Politics is very frequently used in organizations where change is perceived to threaten the power bases.
- Political players have their own agenda and work towards achieving their self- interest.

At this juncture you may like to know the reasons behind emergence of politics in organization. They are as follows.

- *Unclear goals*: more the goals lack clarity more will be politics in the organization, the reason being lack of appropriate information. This might prompt people to set their own goals or confuse others on their goals. When roles are not clear people may do overlapping work and may not know what exactly to do. Few take advantage of the situation, exploiting others.
- *Autocratic decision*: autocratic leaders dictate decisions or orders on others giving them no scope to participate in decision making. The subordinates feel let down at times and weak. This leads to formation of coalitions and associations that ultimately gets involved in politics of tackling this kind of superiors or leadership.
- *Discretionary authority*: people occupying different positions are vested with some formal authority. The higher the position more power and authority they are supposed to have. Thus it leads to politics in getting more share of resources and advantages for a person or group of people.
- *Power politics*: All managers would like power to exercise over other people as they get satisfaction by doing so, but as previously said every manager may not have sufficient power as power in organization is limited. Hence, there is a competition in organizations to gain more and more power for himself. This is done through politics.
- *Biased performance appraisal*: performance appraisal is a vital tool in organizations for deciding on promotions and other kinds of rewards, recommending for training or for that matter continuance of service in some cases. But wherever this appraisal is qualitative and where only superior is responsible for appraising, politics come into existence. The subordinate tries to get closer to the superior and keep him happy. It can happen the other way round also. The superior may use this system as a tool to control the subordinate.
- *Saturation in promotion*: when people see that there is very limited scope to get promoted, they feel dissatisfied and resort to politics either to gain a share of benefits for themselves or create trouble for others. This kind of politics can also happen when there are limited opportunities.
- *Individual factors*: some people are highly ambitious and have a high need for power. They would resort to politics to gain the same.

6.5 MANAGING ORGANIZATIONAL POLITICS

Politics whatever way may arise, needs to be managed at the right time. Otherwise it may lead to disruption of organizational performance. By now perhaps you have realized that politics may not be that useful for the organization. But at times top management requires some amount of it to better manage the organization and stop dysfunctional conflicts. Politics can be managed in the following way.

- *Jobs need to be clearly defined* so that people know what they are expected to do and what they are achieving at the end.
- *Discouraging dysfunctional behaviour*: appropriate steps should be taken to handle dysfunctional behaviour strictly so that others are not encouraged to adopt such behaviour in future.

- *Rewarding the positive behaviour*: this would encourage the people to manifest such behaviour in future and set an example for others.
- *Open communication/transparency*: maintaining transparency in distribution of benefits and taking day to day decisions/ actions keeps politics away.
- *Fairness in dealings*: when actions are taken based on compliances/rules and regulations they seldom leads to politics. Managers must see that they are fair and unbiased.
- *Awareness*: when people are told about the bad consequences of politics and how that may affect the individuals as well as the organization, politics may be thwarted in the organizations. People have to be told about the rich benefits of cooperation and ethical work behaviour .

6.6 CONCLUSION

Power is the capacity to influence another person or a group to accept one's ideas or plans. Power and authority are closely related. Authority is the formal power that a person holds because of his position in an organization. The different sources of power are reward power, coercive power, referent power, legitimate power and expert power. Power needs to be appropriately utilized in an organization. Politics in organizations emerge in order to gain more and more power for the individuals or the groups. Politics need to be managed well as otherwise there are greater chances of arousal of dysfunctional behaviour in the organizations.

► Tasks to do

- If you are working in an organization try to understand the power-politics equation that exists or you think exist. Are you aware of the reasons for the same?
If you are not working anywhere try asking some acquaintances who work in an organization the above question.
- Do you know some people who are powerful (according to you)? Why do you think they are powerful ?

6.7 PROBABLE QUESTIONS

1. What is power?
2. What are the differences between power and authority?
3. What are the different sources of power?
4. How and when should different powers be used?
5. What is organizational politics?
6. Is organizational politics necessary for the organization?
7. What are the different reasons for its emergence in an organization?
8. How can you manage organizational politics?

DHR 102: ORGANIZATION BEHAVIOUR

UNIT-7 COMMUNICATION

UNIT STRUCTURE

7.0 OBJECTIVES

7.1 COMMUNICATION

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7.1.2 DEFINITION

7.1.3 NATURE OF COMMUNICATION

7.1.4 CHANNELS OF COMMUNICATION

7.1.5 BARRIERS TO COMMUNICATION

7.1.6 OVERCOMING THE BARRIERS

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7.2 JOB STRESS

7.2.1 INTRODUCTION

7.2.2 CONCEPT OF STRESS

7.2.3 SYMPTOMS OF STRESS AT WORKPLACE OR JOB STRESS

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7.3 ORGANIZATION CLIMATE

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7.3.4 DETERMINANTS OF ORGANIZATION CLIMATE

7.3.5 CONCLUSION

7.4 PROBABLE QUESTIONS

7.0 OBJECTIVES

At the end of this unit a learner should be able to

- Explain the concept of communication, the need for an effective communication, the process of communication and barriers to an effective communication.
- Explain the concept of Job Stress, describe its symptoms, causes and consequences.
- Describe the concept of Organization Climate, understand its various dimensions and also describe the determinants of Organization Climate.

7.1 COMMUNICATION

7.1.1 INTRODUCTION

Communication is one of the most important processes in an organization and is carried out daily by all managers. Much of a manager's time is spent on communicating, whether in the form of writing, speaking, reading or listening. It is communication which maintains the life of a person in an organization. However, in the absence of an effective communication the goals of communication cannot be successfully met. There is likely to be a gap between the message that sender wants to communicate and what the receiver gets. Thus it becomes essential for every manager to develop the skills of effective communication for better functioning. Communication is important because of the following reasons:

- i. Helps in planning:

- a. It helps executives to interact and provide vital inputs to plans
 - b. By way of communication opinions and information from the subordinates can be sought based on which only sound plans can be prepared.
 - c. Plans need to be explained/shared so as to secure subordinates' participation and acceptance.
- ii. Basis of action:
- It is through communication that employees would know the objectives of the organization and associate those with theirs. The transmission of information from one level to another and also within the same level is necessary for the organization's well being. But for this receiving the correct information from the right sources is of utmost importance.
- iii. Helps in decision- making:
- Getting the right kind of information at the right time helps managers in taking the right decision.
- iv. Means of coordination:
- Communication between different units in the organization, groups, levels etc. is very much essential for working unitedly towards a common goal.
- v. Improves Relationships:
- Much of the quality of work in organizations depends on the kind of interpersonal relationships that is prevalent there. Organizations that have effective communication exhibit a good exchange of facts, opinions, feelings, sentiments, information concerning their work that enable employees to understand and help each other, thus improving interpersonal relationships in the organization which in turn help in smooth functioning of the organization.
- vi. Improves motivation and morale:
- Only through an effective communication managers can motivate their subordinates. The employees can communicate their grievances and problems to the management, which, if taken care of, can boost their morale.

7.1.2 DEFINITION

Communication means transference of message or exchange of ideas, facts, opinions or feelings by two or more persons.

It is not only sending message by one person but involves the receiver listening to it, interpreting it, and responding to it or acting according to it.

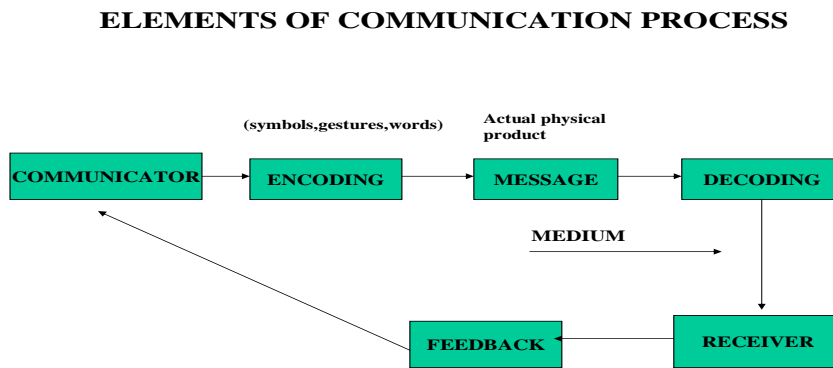
Communication is the sum of all the things a person does when he wants to create an understanding in the mind of other.

7.1.3 NATURE OF COMMUNICATION

The essential features of communication are:

- i. It involves two parties, one who transmits and one who listens.
- ii. It includes sending the message and also receiving the response back.
- iii. The message may be conveyed verbally, in writing, or by means of signs, gestures or symbols
- iv. It is a continuous process and not limited to a certain period.

Fig. 7.1 Elements of communication process



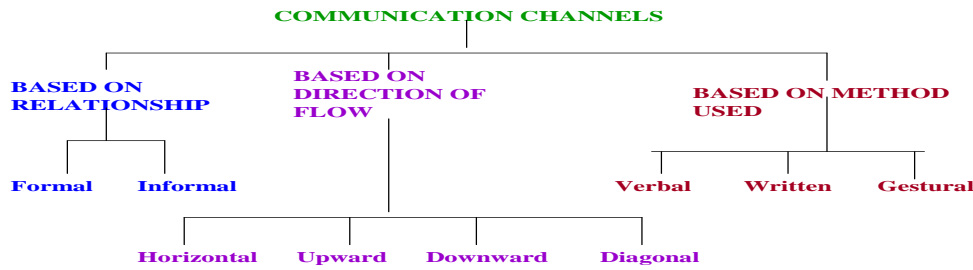
The process of communication involves the **communicator/ sender** conveying an idea, concept or information. For this the message has to be appropriately **encoded** by way of using verbal or non-verbal means like symbols, gestures, words etc. The actual physical product is the **message** that is conveyed by the sender. It is in the form of sentences that we read or hear, the symbol we see, the picture we see, fact, opinion etc. It is the heart of communication. The message is sent through a **channel/medium**, which is the communication carrier. It may be by way of face to face talk, telephone, radio, video, chatting over internet, email, posting on web, report, notice/circular, books, newspapers, magazine, notice board, hoarding, movement of body parts, pictures, posters etc.

The **receiver** is the person on whom the message is targeted. He may be a listener, a viewer or a reader. But before he receives it, the message has to be **decoded**. Decoding thus is a process by which the receiver translates the message into the terms that are meaningful to him. For the communication to be effective the decoding has to be good. Otherwise, the actual meaning of the message may be lost. It is very important to know whether the message was correctly interpreted by the receiver or not. This is confirmed by receiving a **feedback** by the sender from the receiver.

7.1.4 CHANNELS OF COMMUNICATION

From the previous section you have seen that channel is one of the important elements in the communication process. But you have a wider choice of these channels. Choosing the most appropriate one is a matter of difficulty at times because as a communicator you have to be very careful in choosing one or more of them especially if communication has to be an effective one. Choosing the wrong one can be disastrous. Figure 7.2 shows different communication channels that are available at your disposal.

Fig. 7.2 showing different communication channels



Communication channels can be categorized into three namely,

- i. Those based on relationship that can be formal communication i.e., the official communication that is passed from one person to another or from one level to another as a part of official work, and informal i.e., the unofficial communication that is not a part of official work but is passed from one person to another. This mostly relates to personal matters or seeking informal support for an official work etc.
- ii. Based on the direction of flow of communication it can be horizontal i.e. within the same level and usually takes place between peers; upward and downward i.e., from one level to another; and diagonal which is across the departments and levels. Upward communication encourages employees to participate in decision making process and submit valuable ideas and suggestions. Downward communication is used for conveying orders, policies, procedures or written matters through notices, circular, handbook, bulletins etc.
- iii. Based on the method used it can be in written that relates to writing, print; verbal that relates to sound, speaking etc. ; or gesture forms that relates to communicating through gestures or movement of body parts like hand, fingers, eyes, mouth etc.

7.1.5 BARRIERS TO COMMUNICATION

There are several barriers to communication which need to be removed if an effective communication is to be achieved. These barriers are discussed below.

- i. Filtering barrier: from the previous sections you have understood that communication passes through several levels and people which tend to distort the basic message. For example by the time it reaches the ultimate receiver the message becomes very different from what originally it was.
- ii. Language barrier: use of unknown language, words etc. and jargons may be stumble blocks for an effective communication. The receiver may not be able to relate to the message or assume a different meaning of it.

- iii. Physical separation is also an important barrier to effective communication. In the absence of the communicator the receiver may not have clarity of the message. The receiver here may not get scope to clarify his doubts and the sender too may not get the feedback from the receiver.
- iv. Status barrier is one of the major barriers of an effective communication in organizational set up. It is because of the status concerned that superiors may not wish to divulge all information to the subordinates in the name of maintaining confidentiality or the subordinates may only share the information with that superior that the latter may like.
- v. Emotional barrier relates to how a person's psychological state can influence effective communication. When a superior or the subordinate has a favourable image of each other they tend to respond positively to the message and if unfavourable they respond other way round. For example, a superior is happy with his subordinate and tries to motivate him by way of increasing his responsibility. But if the latter does not hold a favourable view of the person he/she may doubt the intention of the superior and would think that he is being victimized or troubled.

7.1.6 OVERCOMING THE BARRIERS

Now you know that the barriers can really affect an effective communication and need to be handled well. This is discussed below.

- i. **Language:** Complex language, technical terms and jargons make communication difficult to understand and frustrating to the listener. Thus these have to be very carefully used only when you are sure that the receivers are very much conversant with the same. To a larger extent they should not be used.
- ii. **Regulating the flow of communication:** Prioritize the messages, edit and condense. This removes the unnecessary part of the message and keeps the receiver focused on what is intended to be communicated.
- iii. **Repetition:** Tell them what you are going to tell them and again tell them what you had told them. This helps emphasizing the message and gets it registered on the receiver's mind.
- iv. **Feedback:** It is through feedback that the sender ensures that the receiver gets the actual meaning of the message sent. Hence every sender should take a feedback.
- v. **Restraint over emotions** as from the previous section you have known that it can be a major barrier to effective communication as emotions can deter you from decoding the actual meaning or intention of the message.
- vi. **Mutual trust and faith between the sender and the receiver** is important. Both should know that it is for their and organizational benefit that something has been communicated and so should take it with good spirit.
- vii. **Listening carefully:** No half hearted attention can be good. One needs to have patience, avoid distractions, seek clarification wherever required.

Suggestions given by American Management Association on effective communication

- i. Clarify before attempting to communicate
- ii. Examine the purpose of communication
- iii. Understand the physical and human environment
- iv. In planning communication, consult others for support
- v. Look at the content of message
- vi. Communicate something that helps or is valued by the receiver
- vii. Follow up after communicating
- viii. Communicate messages of short run and long run importance
- ix. Actions must be congruent with communication
- x. Be a good listener

Useful tips for the audience/listeners

- i. Stop talking
- ii. Put the speaker at ease
- iii. Show the speaker that you want to listen
- iv. Remove distractions
- v. Empathize with the speaker
- vi. Be patient
- vii. Hold your temper
- viii. Go easy on criticism
- ix. Ask questions
- x. Stop talking

7.1.7 CONCLUSION

Communication means transference of message or exchange of ideas, facts, opinions or feelings by two or more persons. It is not only sending message by one person but involves the receiver listening to it, interpreting it, and responding to it or acting according to it. The transmission of information from one level to another and also within the same level is necessary for the organization's well being. In the absence of an effective communication the goals of communication cannot be successfully met. It helps in planning, taking the right decisions by getting the right information at the right time. It helps in coordination, improves relationships, and enhances motivation and morale in an organization. It includes sending the message and also receiving the response back. The message may be conveyed verbally, in writing, by means of signs, gestures or symbols. There are several barriers to communication which need to be removed if an effective communication is to be achieved.

► Things to do

- a. Think in what ways you try to communicate.

b. Talk to your acquaintances working in organizations regarding the types of communication that are prevalent. Also try to discuss the advantages and disadvantages of the different methods.

► **Probable Questions**

- a. What do you mean by communication? Why is it important?
- b. What are the features of communication?
- c. Discuss the communication process.
- d. Do you think that communication ends after delivery of the message? If not then when can you say that the communication is complete?
- e. Explain the different channels of communication.
- f. What are the different barriers to effective communication? How these can be tackled?
- g. How can communication be effective?

7.2 JOB STRESS

7.2.1 INTRODUCTION

You must have heard people saying that ‘they are under stress’. Perhaps that left you wondering why they are so. You must be tempted to ask: what are the effects of this stress? Stress today has become a common word heard in an organization as well as outside including home. People admit that they are under stress. Interestingly it is not restricted to a certain age level. People across all age levels and all occupations are said to be affected by it. Though a certain amount of stress is said to generate positive effect, the consequence of a high level of stress is said to be dangerous, like manifestation of different kinds of diseases or medical complications. Job stress is related to the stress associated with an individual’s job. It is related to the word ‘burn out’, when employees overwork or are overburdened with work which they can no longer handle leading to a degrading performance of the person and other harmful effects. Thus stress needs to be managed well.

7.2.2 CONCEPT OF STRESS

The Oxford dictionary mentions the meaning of stress as *‘mental or emotional tension or strain’*.

Researchers define stress as a *physical, mental, or emotional response to events that causes bodily or mental tension*. Simply put, stress is any outside force or event that has an effect on our body or mind.

The word stress is derived from the Latin word ‘stringi’, which means, ‘to be drawn tight’. Different people have viewed stress differently according to their own perspectives. In medical terms stress is described as, *‘a physical or psychological stimulus that can produce mental tension or physiological reactions that may lead to illness.’* When a person is under stress, his adrenal gland releases corticosteroids, which are converted to cortisol in the blood stream. Cortisol has an immune suppressive effect in our body.

In common man’s language stress can be said to be the pressure that people feel in life due to their reaction to a certain situation. Stress is a feeling experienced when a person thinks that *"the demands exceed the personal and social resources the individual is able to mobilize."*

According to Hans Selye, the father of stress research, stress is the body's nonspecific response to a demand placed on it.

According to stress expert Dr. Richard Lazarus, stress is a '*particular relationship between the person and the environment that is appraised by the person as taxing or exceeding his or her resources and endangering his or her well being.*'

When stress forces people to deviate from their normal functioning it is called '*distress*'. In fact this is the negative side of stress. The positive side of stress which activates and motivates people to achieve their goals and succeed in their life is called '*Eustress*'.

The presence of stress in a person can be diagnosed with the manifestation of certain symptoms. These are mentioned in the subsequent section.

7.2.3 SYMPTOMS OF STRESS AT WORKPLACE OR JOB STRESS

The symptoms of stress can be categorized into three. But it is to be noted that the symptoms/response to stress for different individuals may vary. These are as follows.

i. Physical symptoms

Researchers have mentioned that a number of physical complaints are emotionally induced. Some of them are-

- Cardio-vascular disorders
- Allergies
- Dermatological disorders
- Migraine
- Respiratory disorders
- Sleep disorders
- Gastrointestinal disorders

ii. Psychological symptoms

This is the manifestation of emotional disorders. It gets reflected in the form of-

- Depression
- Anxiety
- Boredom
- Anger

- Frustration/Irritability
- Isolation
- Difficulties in concentrating or making decisions
- Memory lapses

iii. **Behavioural symptoms**

Job stress also leads to behavioural symptoms that are observable. Some of them are,

- Aggressiveness.
- Alcohol or drug abuse
- Eating disorders
- Conflicts
- Absenteeism
- Decreased productivity
- Decision to leave job
- Accident proneness

It is found by the researchers that job stress can lead to bad decision making, decreased creativity, ineffective leadership, higher attrition etc.

7.2.4 SOURCES OF STRESS

Conditions that cause stress are called '*stressors*'. These need to be recognized soon so that one can take steps to reduce the stress levels where possible. These can be broadly put into two categories namely, organizational and individual.

Organizational cause

- **Job Insecurity:** Organized workplaces are going through metamorphic changes under intense economic transformations and consequent pressures. Reorganizations, takeovers, mergers, downsizing and other changes have become major stressors for employees, as companies try to live up to the competition to survive. These reformations have put demand on everyone, from a CEO to a mere executive. Failure to keep employees informed about significant changes to the business, causing them uncertainty about their future.
- **High Demand for Performance:** Setting unrealistic performance targets sometimes puts unhealthy and unreasonable pressures on the employee, which can be a tremendous source of stress and suffering. Increased workload with unrealistic deadlines make people feel rushed, under pressure and overwhelmed. Extremely long working hours and intense pressure to perform at peak

levels all the time for the same pay can actually leave employees physically and emotionally drained. Excessive travel and too much time away from family also contribute to an employee's stressors. Multiple reporting lines for employees, with each manager asking for their work to be prioritised can be really stressful.

- **Technology:** The expansion of technology, for example, computers, pagers, cell phones, fax machines and the internet have resulted in heightened expectations for productivity, speed and efficiency, increasing pressure on the individual worker to constantly operate at peak performance levels. Workers working with heavy machinery are under constant stress to remain alert. In this case both the worker and their family members live under constant mental stress. There is also the constant pressure to keep up with technological breakthroughs and improvisations, forcing employees to learn new software all the times.
- **Workplace Culture:** Adjusting to the workplace culture, whether in a new company or not, can be intensely stressful. Making one adapt to the various aspects of workplace culture such as the value system, communication patterns, hierarchy, dress code if any, workspace and interpersonal relationships with the superior, subordinate and the co-workers, can be stressful. A lack of interpersonal support or poor working relationships may lead to a sense of isolation. Maladjustment to workplace cultures may lead to subtle conflicts with colleagues or even with superiors. In many cases office politics or gossips can be major stress inducers.
- **Insufficient workloads,** making people feel that their skills are being underused.
- A **lack of control** over work activities specially when their own performance is dependent on others and also they have less liberty at work can be stressful.
- **Lack expertise:** People being asked to do a job for which they have insufficient experience or training.
- **Role related:** People may be stressed when they have role conflict and role ambiguity. When people face conflicting demands in discharging their roles, it is called role conflict. People in organization may also play several roles. These may at times lead to 'inter role conflict'. Difficulty of settling into a new promotion, both in terms of meeting the new role's requirements and adapting to possible changes in relationships with colleagues may also be stressful. "Role ambiguity" occurs when the employees are not clear about different aspects of their jobs for example, the duties, performance expectations, level of authority, and other job conditions.
- **Weak or ineffective management** which leaves employees feeling that they do not have a sense of direction, or over-management, which can leave employees feeling undervalued and affect their self-esteem.
- A **poor physical working environment**, eg excessive heat, cold or noise, inadequate lighting, uncomfortable seating, malfunctioning equipment, etc.
- **Job stress for women at work:** Women may suffer from mental and physical harassment at workplaces, apart from the common job stress.

Personal reasons: Employees going through personal or family problems tend to carry their worries and anxieties to the workplace. When one is in a depressed mood, one's unfocused attention or lack of motivation affects one's ability to carry out job responsibilities. An individual's personality characterizes the extent to which people experience stress. This explains why different people experience different levels of stress for the same stressors.

According to **Global business and economic roundtable on Addiction and mental health**

(An Affiliate of the Centre for Addiction and Mental Health), Canada, The Top 10 sources of workplace stress are following.

1. The treadmill syndrome. Too much to do at once, requiring the 24-hour workday.
2. Random interruptions.
3. Doubt. Employees aren't sure what is happening, where things are headed.
4. Mistrust. Vicious office politics disrupt positive behaviour.
5. Unclear company direction and policies.
6. Career and job ambiguity. Things happen without the employee knowing why.
7. Inconsistent performance management processes. Employees get raises but are also laid off afterwards.
8. Being unappreciated.
9. Lack of two-way communication up and down.
10. Too much or too little to do. The feeling of not contributing and having a lack of control.

7.2.5 CONSEQUENCES OF JOB STRESS

By now you are aware of the concept of stress and its different types, the sources of job stress, and the symptoms. Job stress can result in adverse consequences for both the employees and the organization. The various consequences of Job Stress can be classified into three namely, physiological, psychological and behavioural manifesting the symptoms as mentioned in the previous section (7.3.3). Physiological consequences are seen when stress affects the human body, causes various kinds of health related problems and hampers normal functioning of the person. The concerned person at times does not feel fully fit to continue working under all conditions. Psychological consequences are related to the mental health of a person. The different mood swings (emotions) are a part of this. This gets reflected in the work efficiency of a person. Emotional fatigue also termed as 'burn out' is a psychological consequence. This results in emotional exhaustion where a person prefers to remain away from other members of the group, feels irritable, hypertensive, impatient and depressed. The person is no longer willing to take more responsibility. Behavioural consequence relates to the effect of stress on work related behaviour of a

person. It leads to a high rate of absenteeism, inability to take effective decisions, bad interpersonal relationships at work place, dysfunctional conflicts ultimately affecting task performance.

The Consequences of Stress for the Organization

Work-related mental health problems constitute one of the main challenges currently faced by organizations worldwide. Researchers have found that there is a direct link between stress and heart disease, dissatisfaction at work, accidents, certain forms of cancer etc. Work-related mental health problems are the main cause of the increase in absenteeism rates. Here are some research reports.

- In a corporate opinion poll, conducted in early 2000, 62% of 1506 randomly chosen people from across Canada participating in group insurance plans said that they were very stressed at work while 64% said that they were irritable or anxious.
- The results of a survey of 281 Canadian organizations (700 000 employees) show that the direct costs of absenteeism have increased since 1997 and currently represent 7.1% of the wage bill. If the indirect costs (overtime, replacements, decreased productivity, etc.) are added to the direct costs, the total cost of mental health problems comes to 17% of the wage bill.
- Between 1990 and 2001, the number of claims accepted by the *Commission de la santé et de la sécurité du travail* (CSST, workers' compensation board) as employment injuries related to stress, burn-out or other psychological factors more than doubled, from 530 to 1082, and payments increased from \$1.5 to \$6.9 million per year.
- Surveys on the health and well-being of Québeckers conducted by Santé Québec between 1987 and 1998 show that incapacity for work due to mental health problems nearly doubled, from 7% to 13%.
- Surveys on the health and well-being of Québeckers conducted by Santé Québec reveal that the average number of workdays lost per person due to mental health problems more than tripled between 1992 and 1998, increasing from 7.4 to 24.6 days per 100 persons, a 200% increase.
- In the United States, the average duration of leave due to stress is four times greater than the amount of leave resulting from occupational injuries and industrial disease.
- In Canada, nearly 500 000 workers are absent from work each week due to work-related mental health problems.
- In Canada, the social costs attributable to work-related mental health problems have increased to more than \$20 billion annually and in Quebec only, these costs have reached nearly \$4 billion annually.

This increase in incidental absences as well as short-term and long-term disabilities unquestionably leads to a decline in the morale of the troops and thus in productivity and the quality of work. Moreover, organizations incur additional costs for temporary staff and overtime.

Source: <http://www.cgsst.com/eng/the-consequences-of-stress/for-the-organization.asp>

time. A manager must detect the symptoms of stress early and try to find the cause (s) behind it. As you already know that the source of stress may be the organization or personal. If it is related to organization, a manager must try to remove the factors related to an employee's stress. Counseling can also be of great help. If the reasons for stress are personal factors, counseling can also help in unearthing the specific factors to tackle them appropriately. Once the symptoms manifest, it is good to provide/ suggest medical

support. Regular fitness programmes also help in managing stress and keep the symptoms away. Social support will always help. For example, the support provided by the peers, friends, family, relatives and acquaintances can help to reduce the stress level of these people. Organizations must realize that people are not machines and they have got certain limitations. Many organizations today have benefited by holding routine stress management programmes for their employees. Thus whatever may be the way management of stress becomes vital in an organization to get a sustained performance from its human capital.

► **Things to do**

- i. Think whether you were in stress at some point of time. Could you get away with it? If yes, how?
- ii. Discuss with some of your acquaintances working in organizations regarding their experience in getting stress, the symptoms and consequences, and if they could manage that stress.

► **Probable Questions**

- i. What is 'Stress'?
- ii. What is 'Job Stress'?
- iii. What are the sources of stress?
- iv. What are the symptoms of stress?
- v. Discuss the consequences of stress?
- vi. Why do you think that there is a necessity to manage stress?
- vii. What is the impact of stress on the organization?
- viii. How do you think that stress in a person can be detected? What steps should be taken after that?

7.3 ORGANIZATION CLIMATE

7.3.1 INTRODUCTION

Today the subject 'Organization Climate' has aroused a great interest for organizations as well as researchers in the area of Organization Behaviour. It is observed that depending on the perception of people regarding the kind of 'Organization Climate' that exists in an organization may have both positive as well as negative effect on employee behaviour and thus the organizational performance. There are certain elements that constitute 'Organization Climate'. This is dealt in the subsequent sections.

7.3.2 CONCEPT OF ORGANIZATION CLIMATE

When we talk of climate in general you may relate it with the weather prevalent at a place over a period of time. You may categorize it into hot, cold or humid based on temperature, humidity etc. Some people have preference for some types of climate. But you might be wondering how a climate in an organization takes a form. Different thinkers have put forward their views on this concept. Some of these are as follows.

Organizational climate is defined as the way in which organizational members perceive and characterize their environment in an attitudinal and value-based manner (Denison, 1996; Moran and Volkwein, 1992; Verbeke, Volgering, and Hessels, 1998). Thus by this we mean that the attitudes of the organizational

members interfere with the perception that they form about the environment in which they work. Further they look into certain values while doing so.

The organizational climate is a broad term which refers to the extent to which the staffs perceive the general environment of the workplace influenced by formal, informal relationships, people's personality and leadership. To put it simply, the organizational climate is a set of specific features within organizations distinguishing them from each other, influencing their behavior (Hoy, W.K. and Miskel, C.G. 1996).

Mehr AliZadeh and Mirsepasi (2005) define an organizational climate as "the conditions existing within an organization through which the employees perceive and experience the environment where they work in".

"Organizational climate is employee's perceptions of the company in which they work" (Desler, G., 1977).

Thus, Organizational Climate is something that is sensed. It is a set of attributes which can be perceived about a particular organization and/ its subsystems, and this may be induced from the way the organization and/ its subsystems deal with its members and the environment. Organizational climate is the collective view of people within the organization regarding the kind of environment in which they work. It consists of a set of characteristic properties that describe an organization and distinguishes one organization from the other. Organizational Climate is relatively stable over time, and influence the behaviour of people working in it.

7.3.3 DIMENSIONS OF ORGANIZATION CLIMATE

From the previous sections you have come to know that Organizational Climate varies from organization to organization. That implies that the specific characteristics or properties of Organizational Climate would also vary. These properties are referred to as the dimensions of Organizational Climate. In fact, these are the factors which induce the shaping of a particular kind of Organizational Climate. Different researchers and thinkers of Organization Behaviour have put forward different factors that determine Organizational Climate.

Likert has proposed six dimensions of organisational climate: leadership, motivation, communication, decisions, goals, and control.

Litwin and Stringer have proposed seven dimensions of organisational climate namely, conformity, responsibility, standards, rewards, organizational clarity, warmth and support, and leadership. They have also emphasized motivational framework of organizational climate. Motivational framework of climate includes motives of Achievement: concern for excellence;

Expert Influence: concern for making impact on others;

Control: concern for power and orderliness;

Extension: concern for others, and for macro issues;

Dependency: concern for being in close touch with others in a significant way;
Affiliation: concern for building and maintaining close personal relationships.

On the basis of review of various studies and discussions with managers, Pareek has identified twelve processes of organizational climate. These are as follows.

Orientation: Priority of members may range between concern to adhere to established rules, to concern for excellence and achievement.

Interpersonal Relationships: Depending on the pattern of relationship it may lead to climate of control, or a climate of dependency etc. Those organizations that exhibit good interpersonal relationships are perceived to have a congenial organization climate.

Supervision: Depending on supervisory style, the climate may be of extension or it may be of affiliation, or alienation.

Problems: Problems may be taken as an opportunity or irritants; manager may solve problems alone or jointly with the superior and the subordinates.

Management of Mistakes: Attitudes towards mistakes may be of tolerance or of annoyance; such attitudes contribute to organizational climate.

Conflict Management: Conflict may be perceived as opportunity or as threat; such perceptions influence organizational climate.

Communication: Direction, mode and type of communication influence climate of an organization.

Decision Making: Levels at which decisions are taken, degree of participation in decision making are the issues, which influence organizational climate.

Trust: Degree of trust or its absence influences organizational climate.

Management of Rewards: Perception about what is rewarded in the organization influences the organizational climate.

Risk Taking: It is an important determinant of climate.

Innovation and Change: Styles of managing change and innovations are critical in establishing climate.

Kutenk has mentioned 20 Key Dimensions of Organizational Climate, which are stated below.

Communication: the openness and effectiveness of communications systems within and between levels;

Participation: the extent to which people are involved in making decisions that affect them;

Performance Monitoring: the extent to which job performance is monitored and fed back to employees;

Welfare: the extent to which employees feel valued and trusted;

Supervisory Support: the extent to which employees experience support and understanding from their immediate supervisor or manager;

Formalization: the degree to which rules and formal procedures govern the way things are done;

Autonomy: the degree of autonomy employees are given to do their jobs. It implies the degree of freedom an employee gets to manage his work, the power of taking own decisions and always not accountable to a superior.

Quality: the level of importance placed in producing quality products and services;

Effort: the degree of effort and enthusiasm employees put into their work;

Pressure: the extent to which there is pressure on employees to produce;

Vision: the extent to which employees understand the company vision and long-term aims;

Efficiency: the degree of importance placed on efficiency and productivity at work;

Tradition: the extent to which traditional established ways of doing things are valued;

Innovation: the level of interest in new ideas and innovative approaches;

Flexibility: the extent to which the company can adapt to change;

Skill Development: the extent to which employees are encouraged and supported in learning new job relevant skills;

Risk: the extent to which decision makers are encouraged to take risks to capitalise on an opportunity;

Interdepartmental Relations: the level of conflict or co-operation existing between different groups in the organization;

Outward Focus: the degree to which management looks outside for market opportunities and the degree of importance placed on providing a high level of service for the customer;

Reviewing Objectives: the extent to which organizational members take action in changing objectives, strategies or team processes in order to achieve successful outcomes.

7.3.4 DETERMINANTS OF ORGANIZATION CLIMATE

Now that you know the various dimensions of organizational climate, you might be eager to understand what factors determine the various characteristics or properties of Organizational Climate. Though factors both external and internal to the organization can have an impact on organizational climate, the latter has a greater role in doing so. Khanka states six internal determinants of organizational climate which are discussed below.

- i. Economic health
- ii. Organizational policies and procedures
- iii. Organizational size
- iv. Organizational structure
- v. Leadership style
- vi. Managerial values and ethos.

Economic health: various dimensions of organizational climate such as reward, control, risk-taking, progress and development etc. are influenced by the economic health of the organization. It implies monetary soundness of the organization. If it is comfortable organization tends to spend well. They are more inclined to take risk and would not have tight control over the budget.

Organizational policies and procedures are vital in shaping the organizational climate. These may be favourable or less favourable to the employees. They have the capability to motivate employees. They can have an impact on the reward, autonomy, participation, innovation, welfare, work pressure dimensions of an organization.

Organizational size: The size of an organization can also have an effect on the organizational climate dimensions. In smaller organizations people know each other well; there are more face to face interactions; relationships being informal to a greater extent; they support each other at times of need and in trouble shooting. People are more satisfied as their work goes beyond their area of specialization, thus doing multiple tasks. This avoids monotony. The work they do is participative. Employees get more attention in this kind of set up and can better understand that the organizational performance is related the kind of work do i.e. their individual performance. It is observed that familial kind of relationship exist in such organizations. The leader and the superiors know better the needs of their subordinates. In contrast to that in bigger organizations monitoring and control are more. People are more involved in their area of specialization and thus leading to a distance from each other. There are limited face to face interactions. Their relationship is more formal and professional. Leadership encourages vertical type of delegation of authority.

Organizational structure: Organizational structure is the formal system of task and reporting relationships that controls, coordinates, and motivates employees so that they cooperate to achieve an organization's goals. This includes the leadership focus, authority and responsibility, resource policies and planning deployment or implementation.

The design or structure of an organization affects the perception of its internal environment. For example, a bureaucratic structure (System 1-2) has an organizational climate much different from a System 4 organization. What is a System 4 organization? According to Rensis Likert, all organizations can be classified into four major groups, depending upon the way basic organizational processes are conducted.

These major groupings are as follows:

System 1 – Exploitative Authoritative

System 2 – Benevolent Authoritative

System 3 – Consultative

System 4 – Participative

System 4 organization is non-bureaucratic involving people in decision making, problem solving matters and in the process empowering them. Work pressure and control are observed to be higher in the bureaucratic structure.

The organizational structure in practice creates the climate of the organization. It definitely affects the people's processes and decisions, behavior and motivation, teamwork and cooperation, social relationships and rewards/merits of good performances.

Leadership style: It has a profound effect on various dimensions of organizational climate. Thus the kind of leadership has a tremendous role in shaping an organizational climate. Leader's philosophy, concern for people, autonomy given to employees, centralized or decentralized control, delegation and involvement of employees, reward system, encouragement for creativity and innovation, risk taking ability, belief on trust, quality of work, team building and working in teams, participative goal setting, extension of warmth and support etc. greatly influence the organizational climate. Normally a democratic style of leadership leads to a positive organizational climate.

Managerial values and ethos: These shape the decisions and actions of managers. Based on these managers expect the way the work is practiced/performed in an organization and the goals attained. For example, the values would guide the people in the organization to work in a certain way. These are shared within the organization's rank and file. Belief on autonomy, rewarding someone for good work, providing stable employment, work-life balance, opportunity for growth and development etc. are some of the dimensions of organization climate that are influenced by managerial values and ethos.

7.3.5 CONCLUSION

Thus we see that organization climate is the view of the people within the organization regarding the kind of environment in which they work. If they sense it to be good they would wish to maintain their membership of it and this can lead to a high commitment of the employees working in the organization. They would also be more willing to exert themselves at a higher level for better performance. They are also likely to derive more job satisfaction. We have seen that various factors affect different dimensions of organization climate. Thus organizations must strive to develop a congenial organization climate.

► Things to do

Talk to some people who work in organizations regarding their feeling about the kind of organization climate that they have.

7.4 PROBABLE QUESTIONS

1. Discuss the concept of organization climate.
2. Examine the dimensions of organization climate.
3. What are the determinants affecting the different dimensions of organization climate?
4. When do you think that a right kind of organization climate can be created in an organization and why is it necessary to do so?

DHR 102: ORGANIZATION BEHAVIOUR

UNIT-8: ORGANIZATION CULTURE

UNIT STRUCTURE

8.0 OBJECTIVES

8.1 INTRODUCTION

8.2 CONCEPT OF ORGANIZATION CULTURE

8.3 TYPES OF CULTURE

8.4 LEARNING OF CULTURE

8.5 CREATING, SUSTAINING AND CHANGING CULTURE

8.5.1 CREATING A CULTURE:

8.5.2 SUSTAINING CULTURE:

8.5.3 CHANGING CULTURE:

8.6 CONCLUSION

8.7 PROBABLE QUESTIONS

8.0 OBJECTIVES

At the end of this unit a learner should be able to

-explain the concept of organization culture and its importance

-describe different types of organization culture.

-explain the need for learning about, creating, sustaining and changing organization culture.

8.1 INTRODUCTION

By now you must be familiar with the term culture which meant dance, song, music etc. which described the tradition and ethos of people, or which are the means of entertainment. But the term culture gives a different meaning when seen in an organizational context. As individuals have their own personality, an organization too has its personality that is – it's Organization Culture. It is the identity of a company, and because of that, in some ways it becomes an identity of those who work there as well. It is deeply rooted in an organization. It is because of the unique organization culture that one organization differs from another. For example, the organizational culture of Google or Suzuki makes a difference in the identity of the company. The people end up affecting the culture as much as the culture is affecting them.

Google states their organizational culture as- *"It's really the people that make Google the kind of company it is. We hire people who are smart and determined, and we favor ability over experience. Although Googlers share common goals and visions for the company, we hail from all walks of life and speak dozens of languages, reflecting the global audience that we serve. And when not at work, Googlers pursue interests ranging from cycling to beekeeping, from frisbee to foxtrot."*

We strive to maintain the open culture often associated with startups, in which everyone is a hands-on contributor and feels comfortable sharing ideas and opinions. In our weekly all-hands ("TGIF") meetings—not to mention over email or in the cafe—Googlers ask questions directly to Larry, Sergey and other executives about any number of company issues. Our offices and cafes are designed to encourage interactions between Googlers within and across teams, and to spark conversation about work as well as play.

It is said that the company has tried to create an environment of excitement that deters monotony and boredom. The organization tries to hire the best talent and give them an environment to give the best results. The firm operates round the clock, the staffers though not bound by schedules, work really hard putting their heart and soul into the jobs. Google has a Chief Cultural Officer, whose job is to keep the employees happy and productive.

Maruti Suzuki mentions its work culture as- *"The roots of Maruti Suzuki are the discipline, integrity and honesty that it brings in its every process. We have a performance and result oriented culture which*

requires commitment from every person. Its culture breeds good employee bonding and a self starter approach”.

A simple way of looking at organizational culture is to view it as a group's general reaction to stimulus. An organizational culture is a group of people who have been trained, or who simply have learned by those around them, how to act in any given situation. In this way, corporate culture functions just as any social learning does.

It is the organizational culture that tells what things the members of the organization should pay attention to. This influences their work behaviour and attitudes at the individual level. It implies that those who accept this influence and are willing to adapt themselves to it would retain their membership. Others who disagree would leave the organization soon.

8.2 CONCEPT OF ORGANIZATION CULTURE



Fig 8.1 showing the different components of culture

While there are many definitions of organizational culture, all of them focus on the same points: collective experience, routine, beliefs, values, goals, and system. These are learned and re-learned, passed on to new employees, and continues on as part of a company's core identity.

Organization culture can be defined as a set of shared beliefs, principles, assumptions, values, feelings, and traditions, perceptions, which influence the actions and decisions taken by the organizations. It speaks about the personality a company has and the style in which it does.

Gareth Morgan has described organizational culture as: "The set of beliefs, values, and norms, together with symbols like dramatized events and personalities that represents the unique character of an organization, and provides the context for action in it and by it." Norms might be described as traditions, structure of authority, or routines.

Edgar Schein, another of the most famous and most respected theorists dealing with organizational culture says that the definition of organizational culture has to be general, or else you start to eliminate factors that actually are part of corporate culture.

Schein's definition of organizational culture is: "A pattern of shared basic assumptions that the group learned as it solved its problems that has worked well enough to be considered valid and is passed on to new members as the correct way to perceive, think, and feel in relation to those problems."

According to Joanne Martin, "As individuals come into contact with organizations, they come into contact with dress norms, stories people tell about what goes on, the organization's formal rules and procedures, its formal codes of behaviour, rituals, tasks, pay systems, jargon, and jokes only understood by insiders, and so on. These elements are manifestations of organizational culture."

Organizational culture reflects the most widely **observed characteristics**:

- i. Observed behavioural regularities: the members use common language, terminology, observe common rituals etc.
- ii. Norms: standards of behaviour those are set to guide the organizational members in doing their work. It indicates the do's and the don'ts.
3. Dominant values: The prominent values that are expected to be imbibed by the organizational members like, quality, regularity, efficiency, honesty etc.
4. Philosophy: the organization set forth certain beliefs as to how the employees and customers are to be treated
5. Rules: the prescribed guidelines that are to be followed in the organization while conducting different processes and practices.
6. Organization climate: it is an overall feeling conveyed by physical layout, behaviour of peers, superiors, subordinates, interactions with outsiders.

► Read

The HP Way - an example of corporate culture

HP always renounced the "hire and fire" mentality, which meant to employ many workers for a single big order and to dismiss them afterwards. Instead, the company offered its employees "almost perfect job security." Even in 1974, when the U.S. economy was in a profound crisis and many people were unemployed, HP avoided layoffs by a four-day workweek, which was a unique measure in corporate America.

The two founders trusted in the "individual's own motivation to work" and treated their employees as family members; hence the custom to call each other by the first name - even the two chiefs were only known as Bill and Dave. The HP workers participated in the company with stock options and were even paid additional premiums when HP was successful - today known as profit sharing. These measures served to identify the employees with their work and to encourage them. Moreover, the HP way included extensive employment benefits such as scholarships for the employee's children.

At the end of the 1950s Bill and Dave decided to write down the company's objectives, which were to serve as guidelines for "all decision-making by HP people," since the company had grown ever larger. With some changes, those objectives are still valid today. They cover as follows: "Profit, Customers, Fields of Interest, Growth, Our People, Management, and Citizenship." And these objectives are to be achieved through teamwork.

HP's strategies nowadays comprise mainly the "Management by Objectives", "Management by Wandering around" meaning informal communication within the company, and "Total Quality Control" which aims at producing highly qualified products.

The HP way is seen as model for corporate culture in many countries. The roots of many subsequent companies are located in HP, e.g. Steve Wozniak, who worked at HP and later co-founded Apple. This has led to the establishment of a new corporate culture in Silicon Valley and many firms have tried to imitate

the HP way and adopted measures such as stock options, innovative work rules, teamwork, and profit sharing.

Source: http://www.silicon-valley-story.de/sv/hp_way.html

► **Read**

By now you have understood the concept of organizational culture and gone through the examples of its practice in certain famous organizations. The kind of culture practices in organizations has a lot to do with the results that are visible. The following illustration can give a glimpse of the same. Here the culture of Microsoft is seen to be healthier as compared to that of IBM.

This example is from the late 1980s. Microsoft was a fairly good company, with revenues in the tens of millions--but a long way from what they are now. At the time, IBM had the largest market share by far with over 80% of the mainframe market. Although long forgotten history by most people, at that time IBM spent a large amount of time and money investing in a software system that was supposed to "take over everything."

It was called OS/2, and at the time many people complained that there would be no more experimentation because obviously OS/2 would be with every IBM which would put a strangle hold on the industry. Obviously that didn't happen . . . but why? With 80% of the market cornered, an international market, and their own new software, how did IBM not take over?

One of the obvious reasons is Microsoft. Microsoft has done what everyone thought IBM was going to do in the late 1980s. What ended up happening was the OS/2 was really memory heavy and not nearly as functional as it could have been. Bill Gates and Microsoft took advantage of IBM's blunders to take over the market. IBM stopped analyzing its own corporate culture and thought "everything they were doing is right," and in retrospect, the higher ups at IBM were completely concerned with internal measures, internal goals, and proving production. They were so obsessed with keeping track of how many lines of programming were getting done that many programmers did not write the best of most efficient programming--because it wasn't enough lines!

Meanwhile, Microsoft's entire organizational culture was not focused on bureaucracy, but on getting things done. The bottom line was a better product, followed by an even better product, and so on. While IBM became so entangled with bulkier and bulkier programming and bureaucracy, Microsoft took advantage by making a product aimed at the customers. Because of this, they absolutely dominated the computer market. IBM had a series of setbacks that resulted in the stock tumbling and the need to hire a complete outsider to re-invent the company.

This is an example where becoming overconfident, falling into dangers of bureaucracy, and internal numbers and goals caused a company that never should have lost its near monopoly on the market to almost bust, while an upstart company who "had no business competing with IBM" according to most sources, had an outstanding organizational culture based on customers needs and getting things done (as opposed to how they were done and measured--IBM's downfall).

Source: <http://www.organizationalculture101.com/sample-organizational-culture.html>

8.3 TYPES OF CULTURE

Now that you know the concept of organization culture and its characteristics, and have read about organization culture of several renowned organizations, you need to understand that there are several types of culture within an organization. The prominent types of the same are discussed below.

i. Dominant culture and Subculture

If you talk to some people belonging to different departments in an organization, you will realize that though they have expressed certain common characteristics related to their organization culture, at the same time both of them have also expressed some unique features concerning culture of their own department. These can be better understood by talking about the dominant culture and the subculture of an organization.

- **Dominant culture:** These are the core values that are shared by the majority of the organizational members. In fact, this is the culture which is visible to others projecting an organization's personality. For example, the core value of Infosys is 'quality' and this guides the behaviour of the members of this organization.
- **Subculture:** These are the values shared by a particular department/division within the organization. This arise due to their specific need of their function, understanding of their problems, experiences, demand of their job/ functional area that requires specific work behaviour etc.

It is important to note that the members of a particular division/department will have the core values of the dominant culture and also the specific values distinct to their own division/department. For example, the core value of Infosys is 'quality' and additionally their service department will include the value 'time', that is fixing/completing certain problem/work quickly so as to gain customers satisfaction.

ii. *Strong and Weak culture*

Based on the intensity of the organization's core value being intensely held and widely shared by the members of an organization, the organization culture can be strong or weak. The characteristics of both the types of culture can be differentiated as below-

Elements of strong culture	Elements of weak culture
<ul style="list-style-type: none"> • Values widely shared • Members know what is important • Most employees can relate stories about company history, the heroes etc. • Employees strongly identify with culture • Strong linkage between shared values and behaviour. • Use of orientation and rewards to sustain the culture. • Create a high level of motivation • Control without oppressive effects of bureaucracy. 	<ul style="list-style-type: none"> • Values shared by few, usually top management • Members not very clear about what is important. • Members do not have clear idea of core values to guide their behaviour. • People in the organization may not agree on the same basic beliefs and values as applies to the organization, and in stead they tend to have their very own ideas, beliefs and behaviours etc. • Thus, people are controlled by way of using restricted rules, procedures, supervision and bureaucracy within the organization.

One example of strong culture is that of IBM's. Its values are conservative; include a loyal workforce and emphasis on customer service. In weak culture companies, members do not get any set of enduring values to rely upon and guide their behaviour as perhaps those have never been preached and shared widely. Top management too does not advocate these values and show any commitment to a particular philosophy. The employees are neither passionate about the company nor show emotional commitment towards it. They only take their job as a way to make money. A weak culture may also develop in virtual organizations where the members have not met or in organizations where the employees are geographically dispersed and lack adequate communication/interaction amongst them.

8.4 LEARNING OF CULTURE

You must be wondering as to how culture can be learnt. People in organizations cannot be burdened with a culture all of a sudden, but it has to be built in depth and breadth of the organization, and is to be transmitted to the people in an organization through various forms. The most common ones are stories, rituals, symbols, language etc. These are discussed below.

Stories: As a child we have heard stories about some people and situations from our parents, grandparents and acquaintances that had shaped our personality. Likewise stories are told and retold from person to person in organizations. These are very powerful and effective ways of learning a culture. They tell people about the sacrifices, success stories, and heroic work of their predecessors: how they had taken the organization to new heights, the rewards they received, the success they have tasted, the way they had solved the problems etc. These become matter of inspiration for others.

Rituals: These are the activities that express and reinforce the key values of an organization. These help in transmitting culture. Whether these are ceremonies to recognize certain achievements of people, or honour some employees or those who are retiring, the celebrations of festivals in the official premises, the family get together that are organized or the annual general meeting that is organized, all are part of rituals that reinforce the culture of the organization.

Symbols: These represent the way of expressing the culture of an organization. They may take the form of a logo, architecture of the office building adopted, uniforms prescribed, awards displayed, tangible expressions like office space, office furniture, official vehicles given to the executives, size of the official quarters/ living premises, parking space, other executive perks, the interior design of the room/buildings etc. All these can be used to express certain values of an organization.

Language: Language is the means of communication. Organizations based on their uniqueness tend to develop their own language by using their own jargons, phrases, acronym, slogans etc. Though a new member feels lost for not being able to identify the meaning of this special language, he/she gradually learns it and feels comfortable in conversing with this language. The slogans stress on the 'Key value', for example 'Infosys means providing best solution by best in class people'. Here the 'Key value' is quality.

8.5 CREATING, SUSTAINING AND CHANGING CULTURE

8.5.1 CREATING A CULTURE: The organization culture cannot be created overnight but evolves over time. This is because the culture is made up of values and beliefs shared among the organization members. The culture of an organization primarily is influenced by its founders or the promoters, who have a vision or a dream that they want to fulfill. They share this vision with a few likeminded persons and form an organization. They go about searching for some other like minded persons who could help them in realizing their vision. The promoters share their vision with them and also express the key values and beliefs, which they want the members to imbibe. The founder's thought and action become a role model and inspiration for others in the organization. When the founder achieves success, his vision turns into reality giving a seal to it and others try to replicate the same with passion and devotion. This culture is passed from one generation to the other, from the experienced members to the new members by use of different ways to transmit the same.

It is not just possible for an individual to create the culture of an organization alone. But it is a combination of the personalities and experiences of all the people working in the organization. Everybody who has worked for the organization has some way or the other contributed to shaping the culture.

8.5.2 SUSTAINING CULTURE: A very good culture may be created but sustaining the same for long may not be possible as it can get influenced by several factors in the environment and culture of individuals coming from other organizations. Thus culture among the people in an organization is to be reinforced from time to time with certain practices. Some of these are selection, socialization, action of top management etc.

i. Selection is an important process that can help in sustaining a type of culture that is wanted in the organization. In fact, it is the first step in ensuring that the right types of persons enter the organization. Thus trained recruiters see that only those persons whose culture and values match with the culture of the organizations get selected. This help in sustaining the culture.

ii. Socialization is an important process in an organization where the new members are introduced to the culture of the organization. It includes the core values, norms, beliefs, expected behaviour etc. apart from introducing them to the existing members of the organization and the functional areas. By this the organization ensures that they get the first hand knowledge of the culture of the organization. It helps the new members to better deal with the reality shock. Indeed socialization is the process of adaptation. It involves three phases namely, pre-arrival, encounter and metamorphosis. These are discussed one by one.

Pre-arrival- It can be well understood that each new member joins the organization with his or her own set of values, beliefs, expectations and attitude. He or she might have been brought up/groomed with a specific culture. It includes all kind of learning that happens before a person actually joins his job. Through interacting with representatives of the company (e.g., recruiters, managers), new hires develop expectations about the company and the job prior to organizational entry.

Encounter- This stage comes after the new recruit joins the organization and assumes his new role. As said before he or she has some kind of pre-conceived image and expectations regarding the organization/work place, the co-workers, his/her role, the organization climate etc. If this becomes compatible with the reality his adjustment to the workplace is smooth, if not, it may lead to undesired implications like frustration, depression and even resignation from the job. Thus a proper induction programme can help the individuals to better adjust to their work and the environment. In this stage the new members undergo a process of mental adjustment, where they try to adopt the key values and norms of the organization.

Metamorphosis- In this stage the new members internalize the culture of the organization and totally adapt themselves to their new roles. They start feeling at home, know how to handle their jobs and get along the people of the organization. With this the socialization process ends. Successful metamorphosis will have positive effect on employee commitment and productivity.

Figure 8.2: Socialization Content

Performance proficiency	Learning and mastering the knowledge, skills and abilities to perform the required work task.
People	Establishing successful and satisfying work relationships with organizational members.
Politics	Gaining information regarding formal and informal work relationships and power structures.
Language	Understanding the profession's technical language as well as acronyms, slang and jargon unique to the organization.
Organizational goals and values	Understanding the rules or principles that maintain the integrity of the organization.
History	Learning the organization's traditions, customs, myths, personal background of other members.

Source: Chao, G. T., O'Leary-Kelly, A. M., Wolf, S., Klein, H. J., & Gardner, P. D. (1994). Organizational socialization: Its content and consequences. *Journal of Applied Psychology*, 79, 5, 730-743.

iii. Top management's action also plays a significant role in shaping and sustaining the culture of the organization. You will see that in organizations the people at the lower level try to replicate or copy the behaviour and actions of people at the higher rung in the organization. Thus the latter serve as role models for others. Their concern for people, the work, quality and commitment are observed and tend to be

adopted by people at the lower level. The reward and recognition given for good work, and also actions against undesired behaviour guide the behaviour of other members in the organization.

8.5.3 CHANGING CULTURE: Culture is stable but also not static. It evolves over a period of time in response to the demands of the environment wherein the organization lies. Thus with changing demands of the environment the culture too has to change. Change in culture may have to be brought about with the change in leadership, diversification, expansion, workforce diversity, mergers and acquisitions, technological revolution, emergence of crisis etc. Some of these are discussed in the subsequent section.

Emergence of crisis: certain crisis can lead to a severe setback to the organization forcing it to rethink whether they are sticking to the right culture. The crisis may relate to losing out to competitor, recession or financial setback, a high turnover of its skilled employees, a change trigger that has destabilized the market and way of doing things, lack of a leader etc.

Mergers and acquisitions bring profound change to an organization specially the one who has been acquired or the one that gets merged with the other especially with a bigger organization. The culture of the former is largely influenced by the latter. Many a time the change is so much that the employees resign and leave unable to handle it. The bigger organization that is the one who acquires the other expects that the latter adhere to their culture. Organizations must see that the change of culture here is slow and smooth. A drastic change immediately should be expected. Incompatible cultures lead to dysfunctional conflict.

Change in leadership very well lead to a change in culture of an organization especially in certain important areas that can effect the whole organization. A new leader joins the organization with his or her values, beliefs, attitudes etc. If he or she believes that the culture of the organization is not suitable to deal with the present day challenges faced by the organization, he or she may initiate efforts to change it in the direction thought to be desired.

Diversification is deemed to bring radical change to the organization and thus also bringing change to the culture of the organization. For example, when Wipro diversified from being a vegetable oil company to computers, they needed a different kind of culture with an emphasis on people and process that are knowledge driven and flexible, and had a focus on quality, innovation.

Workforce diversity: Present day organizations are composed of people coming from different places bringing with them their own mindset. They also differ in age, qualification, skills, experience, language, religion, community etc. More and more women are also visible. All these lead to a diversity in the workforce. They have an impact on the culture of an organization. Weak cultures are more receptive to change than the strong ones.

Technological revolution compels the organizations to change in response to the demands from the environment. It has revolutionized the way a thing is done. In fact, this can lead to structural changes in an organization paving the way for culture change. For example revolution in Information technology and specially internet had brought tremendous change in collecting and storing information, and providing the right kind of information at the right time for decision making. It has also created the demand for people with knowledge and skills to handle the technology. The other significant effect of this new breed of employees is 'empowerment'. No longer directive approach at work and autocratic, centralized leadership work good in all situations. The time is for participative and decentralized leadership.

8.6 CONCLUSION

Organization Culture is the identity of a company, and because of that, in some ways it becomes an identity of those who work there, as well. It is deeply rooted in an organization. Organization culture can be defined as a set of shared beliefs, principles, assumptions, values, feelings, and traditions, perceptions, which influence the actions and decisions taken by the organizations. The different types of culture are dominant and sub-culture, strong and weak culture that are transmitted to the people in an organization through various forms. The most common ones are stories, rituals, symbols, language etc. Culture in an

organization is created by the founders that are passed on to the other members. A lot of effort should be given to sustain the culture through different means. Culture is dynamic and may change with the demands of the environment both internal and external to the organization. In order to avoid dysfunctional conflicts all members must accept and internalize it. Culture should align to the vision, mission and objectives of the organization. It should help and guide the members to achieve the organizational motto.

8.7 PROBABLE QUESTIONS

1. What do you mean by 'Organization culture'?
2. What are the characteristics of 'Organization culture'?
3. Cite some examples of 'Organization culture' emphasizing the key characteristics of culture in those organizations.
4. What are the different types of culture that are visible in organizations?
5. Differentiate between a dominant and sub- culture.
6. Differentiate between a strong and weak culture.
7. Discuss as to how culture can be learnt.
8. How is an Organization Culture created?
9. Discuss as to how an Organization Culture can be sustained.
10. What is socialization? Explain the different phases of the socialization process.
11. Is there a need to change the culture of an organization? When can the culture of an organization change?
12. Why do you need a good culture in an organization? Discuss.