

ORGANIZATIONAL BEHAVIOR

Unit- 1. Definition, need and importance of organisational behaviour- nature and scope- frame work – organisational behaviour models.

What Managers Do

Manager: Individuals who achieve goals through other people.

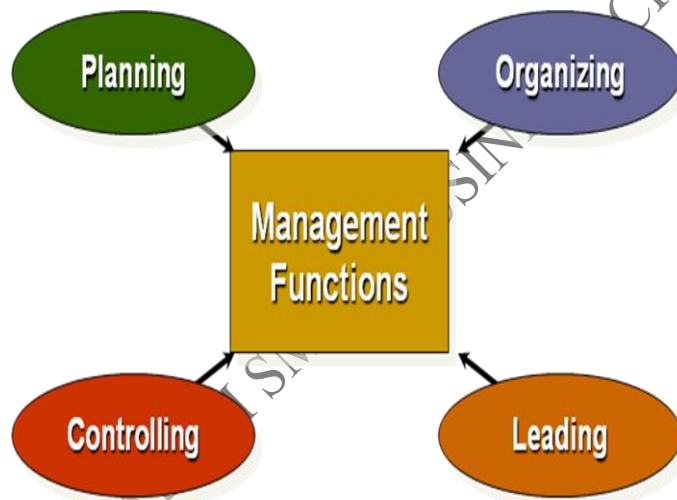
Managerial Activities

- Make decisions
- Allocate resources
- Direct activities of others to attain goals

Where Managers Work

A consciously coordinated social unit composed of two or more people that functions on a relatively continuous basis to achieve a common goal or set of goals.

Management Functions



Management Functions

Planning:

A process that includes defining goals, establishing strategy, and developing plans to coordinate activities.

Organizing: It 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.

Leading:

A function that includes motivating employees, directing others, selecting the most effective communication channels, and resolving conflicts.

Controlling

Monitoring activities to ensure they are being accomplished as planned and correcting any significant deviations.

Mintzberg's Managerial Roles

Interpersonal	
Figurehead	Symbolic head; required to perform a number of routine duties of a legal or social nature
Leader	Responsible for the motivation and direction of employees
Liaison	Maintains a network of outside contacts who provide favors and information

Informational	
Monitor	Receives wide variety of information; serves as nerve center of internal and external information of the organization
Disseminator	Transmits information received from outsiders or from other employees to members of the organization
Spokesperson	Transmits information to outsiders on organization's plans, policies, actions, and results; serves as expert on organization's industry

Decisional	
Entrepreneur	Searches organization and its environment for opportunities and initiates projects to bring about change
Disturbance handler	Responsible for corrective action when organization faces important, unexpected disturbances
Resource allocator	Makes or approves significant organizational decisions
Negotiator	Responsible for representing the organization at major negotiations

Definition - Organisational Behaviour.

- OB is a systematic study of the actions and reactions of individuals, groups and subsystems.
- O.B. is the systematic study and careful application of knowledge about how people- as individuals and as members of groups –act within organizations. It strives to identify ways in which people can act more effectively.
- O.B. is a field of study that investigates the impact that individuals, groups and structures have on behaviour within organizations for the purpose of applying such knowledge towards improving an organization's effectiveness.
- O.B. is the study and understanding of individual and group behaviour, patterns of structure in order to help improve organizational performance and effectiveness.

Bases of Organizational Behaviour

1. **Psychology:** The science or study of individual human behaviour
2. **Sociology:** The study of group human behaviour
3. **Social Psychology:** Studies influences of people on one another
4. **Anthropology:** Study of the human race, and culture
5. **Political Science:** Behaviour of individuals in political environment.

Toward an OB Discipline



Models of Organisational Behaviour

1. The Autocratic Model
2. The Custodial Model
3. The Supportive Model
4. The Collegial Model.

Challenges of OB

1. Responding to Globalisation

- i) Increased foreign assignments
- ii) Working with People from different cultures
- iii) Coping with anticapitalism backlash.
- iv) Overseeing movement of jobs to countries with low- cost labour
- v) Managing people during the war on terror

2. Managing workforce Diversity

- i. Embracing diversity
- ii. Changing demographics

3. Improving quality and productivity

4. Improving customer service

5. Stimulating innovation and changes

6. Working in networked organisations

7. Creating a positive work environment

8. Improving ethical behaviour

Unit – 2. Personality – types-factors influencing personality-theories- learning-types of learners – the learning process- learning theories- organisational behaviour modification. Attitudes – characteristics - components - formation- measurement. Perceptions - importance - factors influencing perception - interpersonal perception. Motivation- importance- types – effects on work behaviour. Emotions - emotional labour - emotional intelligence - theories.

ATTITUDES

- Personality describer the whole person & Attitude determiner the personality.
- It may be defined as a tendency to feel and behave in a particular way towards object, people or events.
- Attitude is a state of mind of an individual towards something.
- It remains unchanged for a long period of time unless he is influenced by External forces.

- Attitude is evaluative statements that can be either favourable or unfavourable.
Ex: if person does not like a certain aspect way of job he is said to have a Negative attitude towards the assignment.
- Feelings and beliefs held by an Individual.
- Way in which an individual organize his perceptions & cognitions attaches to a particular thing.

Three components - ABC Model.

Affect, Behaviour, and Cognition

AFFECTIVE- response is an emotional response that expresses an individual's degree of preference for an entity.

- For an example: from heart, I love my job.
- A component is the person's emotions or feelings about object of that attitude.

BEHAVIOURAL – intention is a verbal indication or typical behavioural tendency of an individual. (Intention to act I am going to get to work early with a smile on my face)

COGNITIVE response is a cognitive evaluation of the entity that constitutes an individual's beliefs about the object. (From brain- my job is interesting). "C" component include the beliefs, opinions and information the person has about the object of the attitude.

Sources of Attitudes:

- Attitudes are gained from parents, teachers & members of the peers group. Heredity also determines his personality & attitudes.
- The child begins his schooling & Interacts with people; his attitudes are influenced by people whom he admires, respects or fears.
- Individuals are more willing to modify their behaviour & shape their attitude to correct with the behaviour of people whom they look up to.
- Companies commit with popular personalities. Such as leading actors, cricket players, such endorsement helps develop a positive attitude towards their products among the public.
- It can be changed by various means, 1 by pervading new Information by involving people in problem solving.
Ex: Organisation helps to understand the competitive threats the org facing & makes them realize the needs for change & organ development
- Both positive & negative

Types of Attitudes:

- Individual may have a member of attitude regarding different aspects of life. But field of OB focus only on the study of job-related attitudes.
- **Focus on 3 Attitudes.**

Outcomes of job satisfaction:

- Find out the impact of employee job satisfaction on organisational effectiveness. Want to know whether job dissatisfaction would lead to decline in employee output & consequently organisational performance.
- The outcomes of job satisfaction by studying the relationship b/w job satisfaction & various other organizational aspects such as productivity turnover absents etc. These relationships are.

Satisfaction & productivity:-

- Assume positive relationship b/w satisfaction & performance. But there is no strong relationship b/w this factor.
- These are other mediating variable like rewards, incentives that leads to increase in productivity.
- Suggest, satisfaction may not bring about considerable improvement in individual performance. It does result in an overall improvement in organisational performance.

Satisfaction & turnover:-

- Moderate relationship b/w high job satisfaction will not eliminate employee turnover. But will reduce the rate of turnover.
- Dissatisfied employee encourage switching organisation at the slightest opportunities for better prospects in other organisations. The satisfied employees will consider several aspects before leaving the organisation. Job tenure [no. Of yrs an employee's has worked in a job in an organisation] another factor that impact on turnover.
- Economic dooming even satisfied employee also may leave their organisation seek better prospects.

Satisfaction & Absenteeism: [inverse relationship]

A high level of J.S. leads to low absenteeism; & vice versa.

- Other variables such as the extent to which people consider their jobs important have an impact on absenteeism. The employee who felt that their jobs were important took less more than other types.

Other effects of jobs satisfaction:

- Employees who are highly satisfied with their jobs have low stress level have less on the job accidents [mistakes] & fewer grievances.
- They also showed enthusiasm in learning job related tasks. Satisfied employees are help fellow employees customers & other people in society by undertaking social activities.

Job involvement:-

New concept in field of ob refers to the extent to which a person identifies himself psychologically with his job actively participates in it, & considers that his performance in the job contributes to his self-worth.

Employees who are highly involved with their jobs strongly identify themselves with the kind of work they do & strive to deliver quality work. Work hard to levels of job involvement lead to lower absenteeism & employee turnover levels.

Organisational commitment:-

- Refers to an employee's satisfaction with a particular organisation & its goals. Who are highly committed is a strong supporter of the values & goals of the organisation and he want to strive hard to achieve the goals of the organisation.
- Org. Commitment of an employee is affected by a numbers of personal & organisational variables.

Personal variables include:

- ❖ Employee's age
- ❖ No. Of yrs he is working.
- ❖ Attitude towards his job

Organisation variables include:

- ❖ Job design & the leadership style of a superior.
- ❖ Sometimes non-organisation factors influence org. commitments such as the job market & the opportunities for career options available to the employee.
- ❖ 3 components model for understand multidimensional nature of org. Commitment.

Affective commitment:-

- Concerned with employees emotional attachment & involvement with the organisation.

Continuance commitment:-

Influence by the costs that could accuse to the employee if he leaves the organisation.

Normative commitment:-

Refers to the extent to which an employee feels obligated to continue in the organisation.

Personality

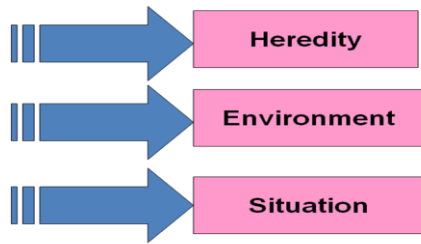
Albert Gordon

“Personality is the dynamic organization within the individual of those psychological system that determines his unique adjustment to his environment.”

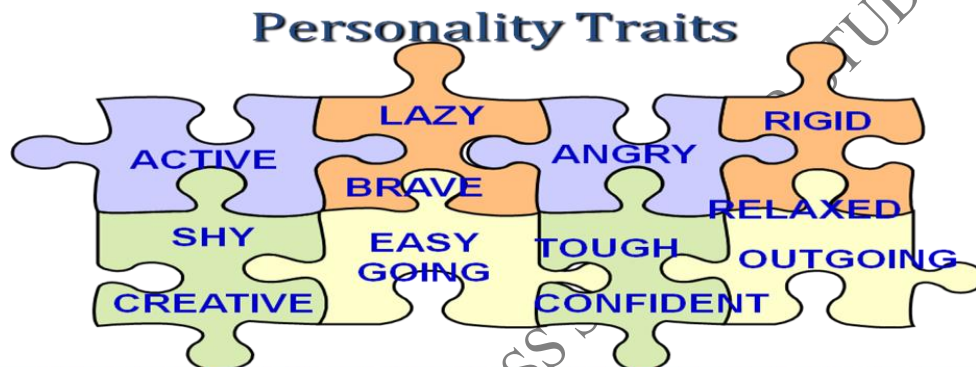
- “It is the sum total of ways an individual reacts to and interacts with others.”
- Personality is measurable - traits

Personality Determinants

Personality Determinants



Personality Traits



Characteristics that describe an individual's behaviour, they are exhibited in a large number of situation

The Big Five Model

- Extroversion
- Agreeableness
- Conscientiousness
- Emotional stability
- Openness to experience

The Big Five Model & OB

- High relation with job performance
- Conscientiousness leads to high level of job knowledge.

- Extroverts are good sales persons.
- High on agreeableness makes a person good team player.
- People are good and quick learners if they are high on openness.

THEORIES ON PERSONALITY

- 1. Type Theories
- 2. Trait Factor Theory
- 3. Psychoanalytic Theory
- 4. Socio-psychological Theory
- 5. Self Theory

Personality Attributes influencing OB

1. Locus of Control

Internals Vs Externals

- ✚ Absenteeism
 - ✚ Turnover
 - ✚ Job satisfaction
 - ✚ Job performance
- Locus of Control – one's perception as to where is his locus of control. The concept was developed originally Julian Rotter in the 1950s. Do you believe that your destiny is controlled by yourself or by external forces (such as fate, god, or powerful others)?
- ✚ Internals – they control what happens to them
 - ✚ Externals – controlled by outside forces (lady luck to chance, fate)
- Research has found the following trends:
- ✚ Males tend to be more internal than females

- ✚ As people get older they tend to become more internal
- ✚ People higher up in organizational structures tend to be more internal

However, it's important to warn people viewing notion that internal is good and external is bad (two legs well, four legs bad?). There are important complexities to be considered. For example:

- Internals can be psychologically unhealthy and unstable. An internal orientation usually needs to be matched by competence, self-efficacy and opportunity so that the person is able to successfully experience the sense of personal control and responsibility.
- Overly internal people who lack competence, efficacy and opportunity can become neurotic, anxious and depressed. In other words, internals need to have a realistic sense of their circle of influence in order to experience 'success'.
- Externals can lead easy-going, relaxed, happy lives.

2. Machiavellianism

✚ High Machs

- Pragmatic, manipulative
- Emotional distance, persuade others
- Believes in ends can justify means, win more

✚ Do high Machs make good employees?

- Type of job
- Bargaining
- Less rules and regulations

3. Self Esteem

High on Self Esteem

- Expectations for success
- Possess ability for success
- Willing to take risks

- Do not seek approval from others on their capabilities
- High on Job Satisfaction

4. Self Monitoring

High on SE

- Expectations for success
- Possess ability for success
- Willing to take risks
- Do not seek approval from others on their capabilities
- High on Job Satisfaction

5. Risk Taking

Person ability / willingness to take risk

- Decision making quick
- Specific to jobs (stocks) (accounts)

A & B Types of Personality

→ Type 'A'

- Always moving, walking & eating fast
- Feel impatient
- Strive to do two or more things at once
- Cannot cope with leisure time
- Obsessed with number; how many, how much they have achieved

Type 'B'

- Never suffer from a sense of time urgency
- Feel no need to display/discuss their achievements unless required
- Play for fun /relaxation

- Can relax without guilt
- ➔ **Type 'A'**
 - Suffer high level of stress
 - Quantity over quality
 - Time pressure/deadlines
 - Rarely creative
 - Poor decision makers
 - Behavior is easier to predict
- ➔ **Type 'B'**
 - Difficult to predict behavior
 - Good decision makers
 - Quality of work
 - No compromise on health
 - Wiser than hasty
 - Creative / innovative solutions to same problem

Personality-Job Fit

TYPE	CHARACTERISTICS	OCCUPATION
Realistic Prefers physical activities	Shy, genuine, stable, persistent, conforming, practical	Mechanic, machine/drill operator, farmer
Investigative Thinking, organizing,	Analytical, original curious, independent	Biologist, economist, mathematician, news reporter

understanding		
Social Helping and developing others	Sociable, friendly, cooperative	Social worker, teacher, counselor, clinical psychologist
Conventional Orderly, rule regulator	Conforming, efficient, inflexible	Accountant, bank teller, file clerk, corporate manager
Enterprising Influence others and attain power	Self-confident, ambitious, energetic	Lawyer, real estate, PR
Artistic Ambiguous allow creative expression	Imaginative, idealistic, disorderly,	Painter, musicians, interior decorator

Emotions

Emotions play a very crucial role in the formation of behavior patterns. You are angry Or pleased, Work place or everyday life, we are driven by emotions.

Emotions in OB are influenced by two factors

- Myth of rationality
- Mostly emotions are viewed as negative

Affect – Emotions – Mood!!

- Affect – range of feelings which encompass emotions & moods.
- Moods – feelings which are less intense than emotion and is not directed towards anything.
- Emotions – intense feelings that are directed towards someone or something.
 - Reactions
 - Object specific
 - Emotions can turn into moods

Emotional labor

An OB concept every employee puts in their

- Physical labor
- Mental labor
- Emotional labor – employee displays desired (organizational) emotions.
 - Almost all jobs require high emotional labor (customer dealing, sales, doctors, pilots service jobs, cricketer etc)

Emotions

✚ Felt emotions

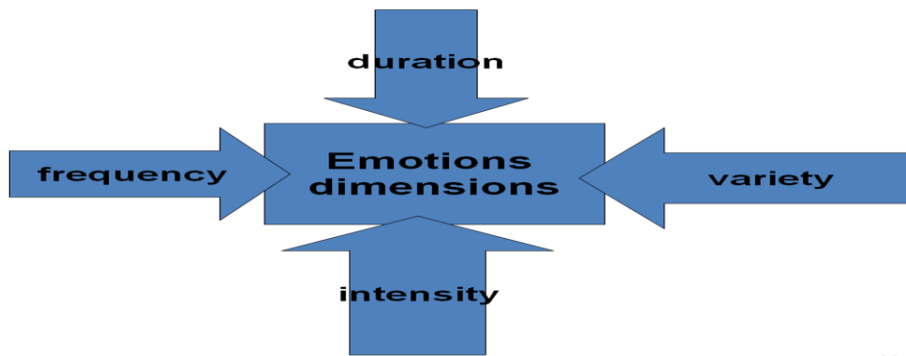
- Actual feelings
- In-born
- Natural response

✚ Displayed emotions

- emotion exhibited
- desired, organizational requirements.
- learned

How do you fall victim to office politics is mostly a difference between felt & displayed emotions?

Emotions are never neutral. Being neutral is being emotionless



Emotions dimensions

Variety

- Dozens of emotions
- Positive & negative
- Six universal emotions (continuum)

Emotions are happiness, surprise, fear, sadness, anger, disgust. A variety of emotions are displayed at work place

Intensity

- Some people hardly express emotions
- Some people are always ecstatic
- Job requirement also determines the intensity
- Emotions displayed by services jobs vs lawyers, sports, etc

Frequency & duration

- How often and for how long a emotion is exhibited/exist
- Some jobs demand show of an emotion more frequently and also for a longer period of time
- political leaders/workers and HR personnel

Emotion-free

- Humans cannot be emotion-free
- Can hide the emotions where situation requires

Alexithymia (lack of emotions)

- A disease where person can not express emotions at all
- Uncomfortable for others as well as self
- Appropriate for jobs where working in isolation is required

Gender & Emotions

Men Vs women

- Women are more emotional
- They react with emotions very easily
- They also understand/read emotions of others

Three factors count:

1. Women are socially brought up like that. Men are required to hide their emotions
2. Women have inborn ability to read & understand others' emotions.
3. Need for social approval is higher for women

Emotional constraints

Organizational Influences

Though no 'list' of emotions is there for organizations

Some organizations laid out display of certain emotions

Expression of negative emotions is discouraged

Cultural Influences

Understand the cultural value for emotions

Different cultures read one emotion differently

OB applications

An understanding of emotions can help us predicting a number of processes in an organizations:

✚ Ability and selection

- Person who can read own and others emotions has found to be a good performer
- This is called EI (emotional intelligence)
- EI enables us to cope with stress and pressures
- EI is a factor in selection of employees

✚ Emotional Intelligence

EI is composed of five dimensions

- Self-awareness (what you're feeling)
- Self-management (manage the feelings)
- Self-motivation (go on with -ve emotions)
- Empathy (feel how others are feeling)
- Social skills (handle emotions of others)

✚ Decision making

- Emotionally charged people make poor decisions, lose patience to analyze the pros & cons
- People experiencing positive emotions are good decision makers. Problem solving skills are sharpened

✚ Motivation

- People with high motivation are emotionally committed to their work/project.
- Involvement with the job generates positive emotions
- Discouragement leads to low motivation level, hence negative emotions can be displayed

✚ Leadership

- Leader rely a lot on expression of feelings by themselves
- They also read and understand others' emotions to be a better leader.
- Leaders make people follow them by making them emotionally charged
- Emotionally charged people accept change readily

✚ Interpersonal conflict

- When conflict is there emotions are surfacing
- When resolving conflict, a manager is supposed to keep an eye on emotional content of it.

✚ Deviant workplace behaviors

- Actions which violate norms and threaten members or organizations, such actions are called employee deviance
- These action scan be violent or non-violent; envy, jealousy, back stabbing, etc.

Theories of Motivation

Meaning of Motivation:

A motivation is one's willingness to push up efforts to accomplish some specific goals.

Definition:

Motivation is a process that starts with a physiological or psychological deficiency or need that activates behaviour or a drive that is aimed at a goal or incentive.

Theories of Motivation:

1) Abraham Maslow's "Need Hierarchy Theory" :

One of the most widely mentioned theories of motivation is the hierarchy of needs theory put forth by psychologist Abraham Maslow. Maslow saw human needs in the form of a hierarchy, ascending from the lowest to the highest, and he concluded that when one set of needs is satisfied, this kind of need ceases to be a motivator.

As per his theory this needs are :

(i) Physiological needs :

These are important needs for sustaining the human life. Food, water, warmth, shelter, sleep, medicine and education are the basic physiological needs which fall in the primary list of need satisfaction. Maslow was of an opinion that until these needs were satisfied to a degree to maintain life, no other motivating factors can work.

(ii) Security or Safety needs :

These are the needs to be free of physical danger and of the fear of losing a job, property, food or shelter. It also includes protection against any emotional harm.

(iii) Social needs :

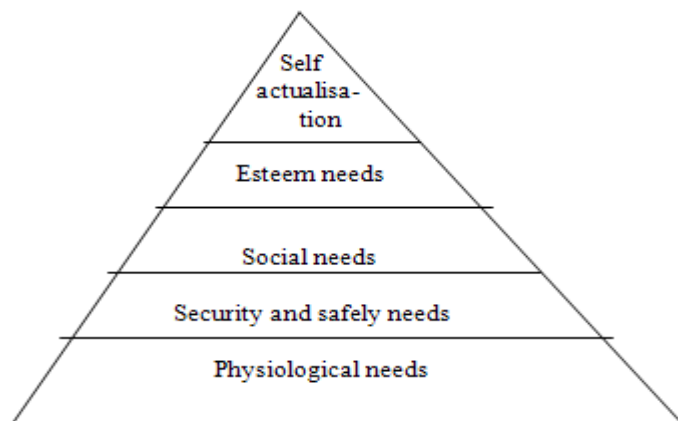
Since people are social beings, they need to belong and be accepted by others. People try to satisfy their need for affection, acceptance and friendship.

(iv) Esteem needs :

According to Maslow, once people begin to satisfy their need to belong, they tend to want to be held in esteem both by themselves and by others. This kind of need produces such satisfaction as power, prestige status and self-confidence. It includes both internal esteem factors like self-respect, autonomy and achievements and external esteem factors such as states, recognition and attention.

(v) Need for self-actualization :

Maslow regards this as the highest need in his hierarchy. It is the drive to become what one is capable of becoming, it includes growth, achieving one's potential and self-fulfillment. It is to maximize one's potential and to accomplish something.



2) “Theory X and Theory Y” of Douglas McGregor :

McGregor, in his book “The Human side of Enterprise” states that people inside the organization can be managed in two ways. The first is basically negative, which falls under the category X and the other is basically positive, which falls under the category Y. After viewing the way in which the manager dealt with employees, McGregor concluded that a manager’s view of the nature of human beings is based on a certain grouping of assumptions and that he or she tends to mold his or her behavior towards subordinates according to these assumptions.

Under the assumptions of theory X :

- Employees inherently do not like work and whenever possible, will attempt to avoid it.
- Because employees dislike work, they have to be forced, coerced or threatened with punishment to achieve goals.
- Employees avoid responsibilities and do not work fill formal directions are issued.
- Most workers place a greater importance on security over all other factors and display little ambition.

In contrast under the assumptions of theory Y :

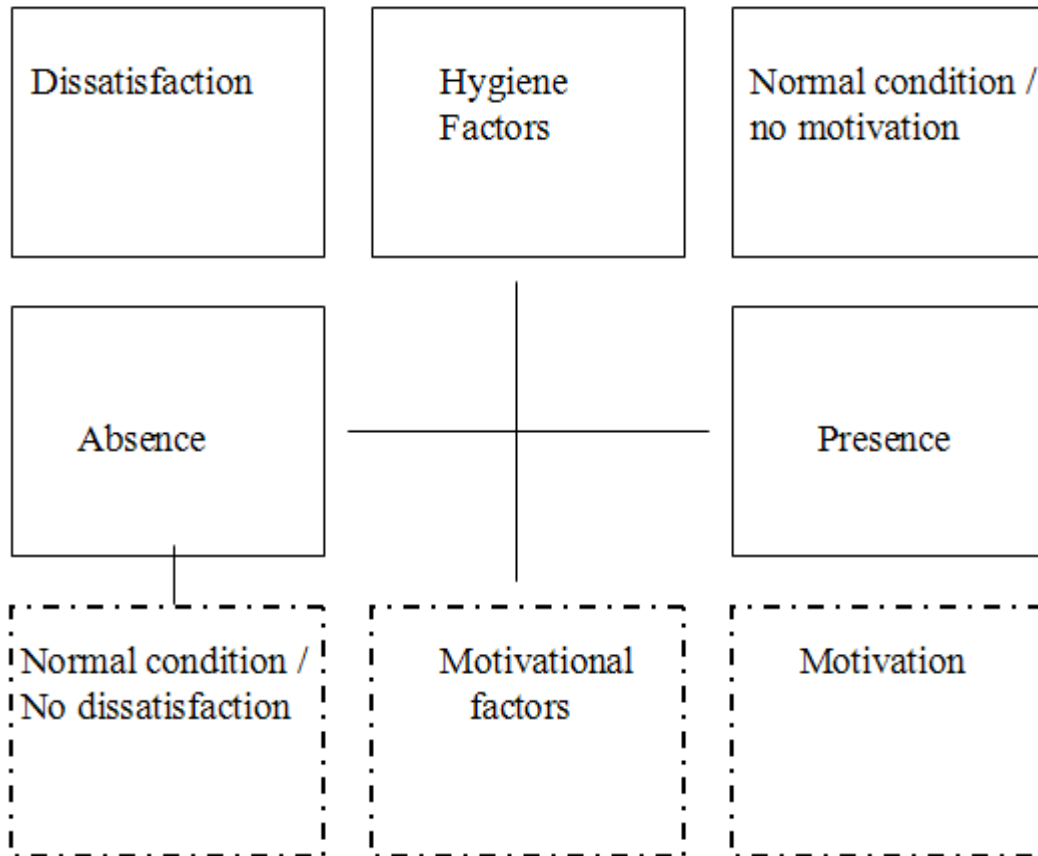
- Physical and mental effort at work is as natural as rest or play.
- People do exercise self-control and self-direction and if they are committed to those goals.
- Average human beings are willing to take responsibility and exercise imagination, ingenuity and creativity in solving the problems of the organization.
- That the way the things are organized, the average human being’s brainpower is only partly used.

On analysis of the assumptions it can be detected that theory X assumes that lower-order needs dominate individuals and theory Y assumes that higher-order needs dominate individuals. An organization that is run on Theory X lines tends to be authoritarian in nature, the word “authoritarian” suggests such ideas as the “power to enforce obedience” and the “right to command.” In contrast Theory Y organizations can be described as “participative”, where the aims of the organization and of the individuals in it are integrated; individuals can achieve their own goals best by directing their efforts towards the success of the organization.

However, this theory has been criticized widely for generalization of work and human behavior.

3) Frederick Herzberg’s motivation-hygiene theory :

Frederick has tried to modify Maslow’s need Hierarchy theory. His theory is also known as two-factor theory or Hygiene theory. He stated that there are certain satisfiers and dissatisfiers for employees at work. In-trinsic factors are related to job satisfaction, while extrinsic factors are associated with dissatisfaction. He states that presence of certain factors in the organization is natural and the presence of the same does not lead to motivation. However, their nonpresence leads to demotivation. In similar manner there are certain factors, the absence of which causes no dissatisfaction, but their presence has motivational impact.



Examples of Hygiene factors are :

Security, status, relationship with subordinates, personal life, salary, work conditions, relationship with supervisor and company policy and administration.

Examples of Motivational factors are :

Growth prospects job advancement, responsibility, challenges, recognition and achievements.

4) Contributions of Elton Mayo :

The work of Elton Mayo is famously known as “Hawthorne Experiments.” He conducted behavioral experiments at the Hawthorne Works of the American Western Electric Company in Chicago. He made some illumination experiments, introduced breaks in between the work performance and also introduced refreshments during the pause’s. On the basis of this he drew the conclusions that motivation was a very complex subject. It was not only about pay, work condition and morale but also included psychological and social factors. Although this research has been criticized from many angles, the central conclusions drawn were :

- People are motivated by more than pay and conditions.
- The need for recognition and a sense of belonging are very important.
- Attitudes towards work are strongly influenced by the group.

5) Vroom's Valence x Expectancy theory :

The most widely accepted explanations of motivation has been propounded by Victor Vroom. His theory is commonly known as expectancy theory. The theory argues that the strength of a tendency to act in a specific way depends on the strength of an expectation that the act will be followed by a given outcome and on the attractiveness of that outcome to the individual to make this simple, expectancy theory says that an employee can be motivated to perform better when their is a belief that the better performance will lead to good performance appraisal and that this shall result into realization of personal goal in form of some reward. Therefore an employee is :

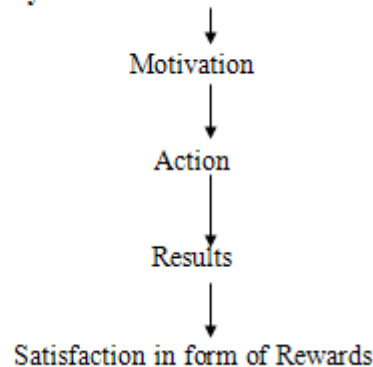
Motivation = Valence x Expectancy.

The theory focuses on three things :

- Efforts and performance relationship
- Performance and reward relationship
- Rewards and personal goal relationship

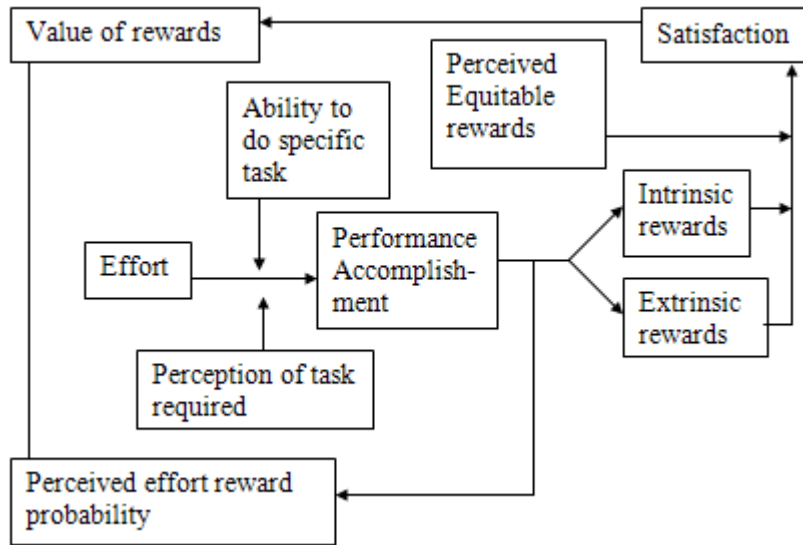
This leads us to a conclusion that :

Valance x Expectancy



6) The Porter and Lawler Model :

Lyman W. Porter and Edward E. Lawler developed a more complete version of motivation depending upon expectancy theory.



Actual performance in a job is primarily determined by the effort spent. But it is also affected by the person's ability to do the job and also by individual's perception of what the required task is. So performance is the responsible factor that leads to intrinsic as well as extrinsic rewards. These rewards, along with the equity of individual leads to satisfaction. Hence, satisfaction of the individual depends upon the fairness of the reward.

7) Clayton Alderfer's ERG Theory :

Alderfer has tried to rebuild the hierarchy of needs of Maslow into another model named ERG i.e. Existence – Relatedness – Growth. According to him there are 3 groups of core needs as mentioned above. The existence group is concerned mainly with providing basic material existence. The second group is the individual's need to maintain interpersonal relationship with other members in the group. The final group is the intrinsic desire to grow and develop personally. The major conclusions of this theory are :

1. In an individual, more than one need may be operative at the same time.
2. If a higher need goes unsatisfied than the desire to satisfy a lower need intensifies.
3. It also contains the frustration-regression dimension.

8) McClelland's Theory of Needs :

David McClelland has developed a theory on three types of motivating needs :

1. Need for Power

2. Need for Affiliation
3. Need for Achievement

Basically people for high need for power are inclined towards influence and control. They like to be at the center and are good orators. They are demanding in nature, forceful in manners and ambitious in life. They can be motivated to perform if they are given key positions or power positions.

In the second category are the people who are social in nature. They try to affiliate themselves with individuals and groups. They are driven by love and faith. They like to build a friendly environment around themselves. Social recognition and affiliation with others provides them motivation.

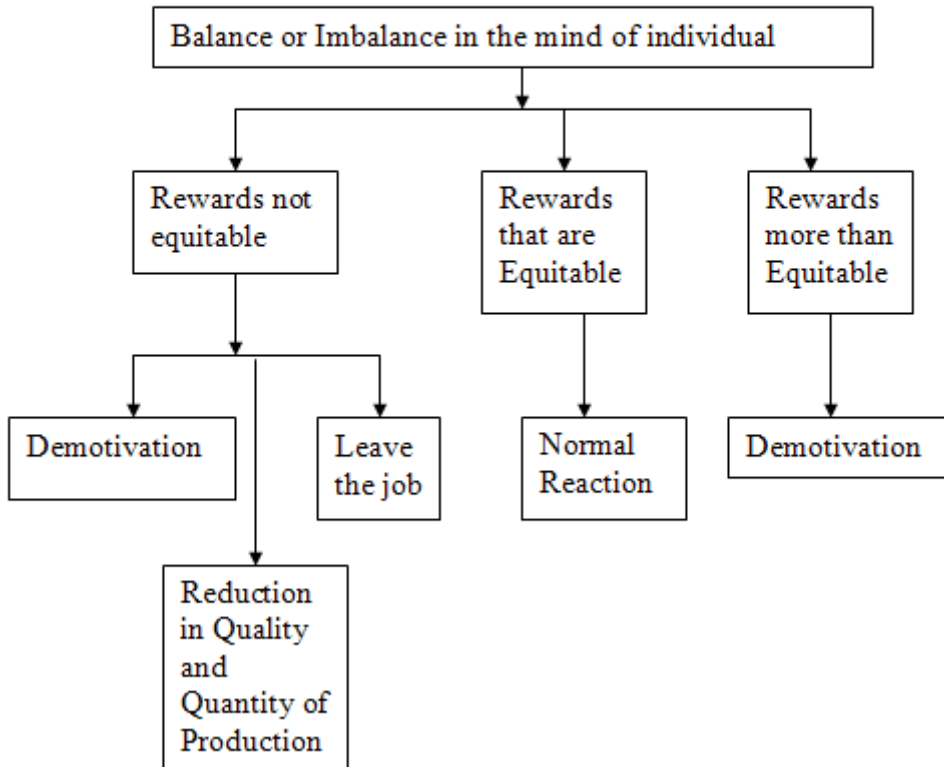
People in the third area are driven by the challenge of success and the fear of failure. Their need for achievement is moderate and they set for themselves moderately difficult tasks. They are analytical in nature and take calculated risks. Such people are motivated to perform when they see atleast some chances of success.

McClelland observed that with the advancement in hierarchy the need for power and achievement increased rather than Affiliation. He also observed that people who were at the top, later ceased to be motivated by this drives.

9) Equity Theory :

As per the equity theory of J. Stacey Adams, people are motivated by their beliefs about the reward structure as being fair or unfair, relative to the inputs. People have a tendency to use subjective judgment to balance the outcomes and inputs in the relationship for comparisons between different individuals. Accordingly :

$$\frac{\text{Out comes by a person}}{\text{Inputs by a person}} = \frac{\text{Out comes by another person}}{\text{Input by another person}}$$



CONFIDENTIAL

If people feel that they are not equally rewarded they either reduce the quantity or quality of work or migrate to some other organization. However, if people perceive that they are rewarded higher, they may be motivated to work harder.

10) Reinforcement Theory :

B.F. Skinner, who propounded the reinforcement theory, holds that by designing the environment properly, individuals can be motivated. Instead of considering internal factors like impressions, feelings, attitudes and other cognitive behavior, individuals are directed by what happens in the environment external to them. Skinner states that work environment should be made suitable to the individuals and that punishments actually leads to frustration and de-motivation. Hence, the only way to motivate is to keep on making positive changes in the external environment of the organization.

11) Goal Setting Theory of Edwin Locke :

Instead of giving vague tasks to people, specific and pronounced objectives, help in achieving them faster. As the clarity is high, a goal orientation also avoids any misunderstandings in the work of the employees. The goal setting theory states that when the goals to be achieved are set at a higher standard than in that case employees are motivated to perform better and put in maximum effort. It revolves around the concept of “Self-efficacy” i.e. individual’s belief that he or she is capable of performing a hard task.

12) Cognitive Evaluation Theory :

As per these theory a shift from external rewards to internal rewards results into motivation. It believes that even after the stoppage of external stimulus, internal stimulus survives. It relates to the pay structure in the organization. Instead of treating external factors like pay, incentives, promotion etc and internal factors like interests, drives, responsibility etc, separately, they should be treated as contemporary to each other. The cognition is to be such that even when external motivators are not there the internal motivation continues. However, practically extrinsic rewards are given much more weightage.

Unit- 3. Organisational structure- formation – groups in organisations – influence- group dynamics- emergence of informal leaders and working norms- group decision making techniques- interpersonal relations- communication- control.

GROUP DYNAMICS are the interactions and forces among group members in social situation.

Types of Groups

- **Formal**- hierarchical. These groups are formed by the organizations to carry out specific tasks.
- **Informal**- interest groups or cliques- horizontal, vertical or random.

These are the groups formed by employees themselves.

Virtual Groups- facilitated through I. T.

- (a) Information Sharing
- (b) Decision Making
- (c) Solving Complex Problems

- **Psychological Group-**'we' feeling, sensitivity, affinity, understanding of individual strengths and personalities, sense of belonging and loyalty

- **Other types of Groups**
 1. (a)Interacting- assembly-line
(b) Co-acting- work independently
(c) Counter-acting- union/ management
 2. (a)Open-Matrix
(b) Closed- Fixed Roles
 3. (a)Membership- belongs
(b)Referent-Would like to belong
 4. (a)In and Out groups- Gang Wars, rivalry, competition,politics

Stages of Small Group Development

- FORMING
- STORMING
- NORMING
- PERFORMING
- ADJOURNING

Group Structure:

- 1) Formal leadership
- 2) Roles
- 3) Norms
- 4) Status
- 5) Size
- 6) Composition

Differences between Work Groups and Teams

S. No.	Aspect	Work Groups	Teams
1.	Roles& Respon.	Set of behaviours	Understands roles
2.	Identity	No identity	Norms & values
3.	Cohesion	'me' feeling	'we" feeling
4	Communication	self-centered	member-centered
5.	Flexibility	rigid	flexible
6.	Morale	Maybe	Enthusiasm/pride
7.	Idea generation	Old ways	New/creative ways

TEAM GROUP

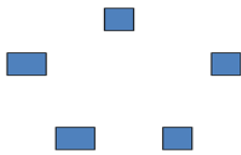
Work Group: A group interacts primarily to share information and to make decision to help each group member perform within his or her area of responsibility.

Work Team: A group whose individual efforts result in performance that is greater than the sum of the individual inputs.

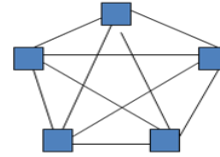
Difference between Groups and Teams.

Comparing Work Groups and Work Teams

Work Groups

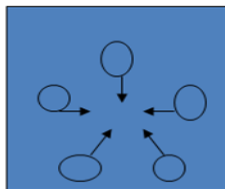


Work Teams

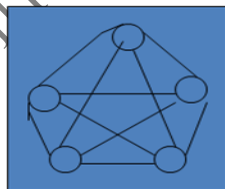


Share information	← Goal →	Collective Performance
Neutral(s.t.negative)	← Synergy →	Positive
Individual	← Accountability →	Individual and mutual
Random and varied	← Skills →	Complementary

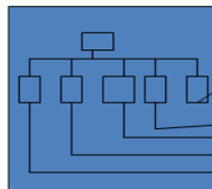
TYPES OF TEAMS



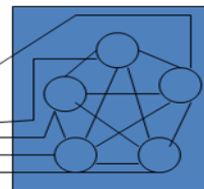
Problem-solving



Self-managed



Cross-functional



Virtual

Characteristics of Effective Work Teams

1. Commitment and inspiring goals
2. Role Clarity

3. Self- disclosure (incl.confrontation)
4. Openness to feedback
5. Competence
6. Creativity with constructive confrontation
7. Collaboration /Support/Trust
8. Congruence between individual and group goals
9. Supportive leadership
10. Management of power

Team Functioning

1. a)Cohesion- amongst team members
2. b)Confrontation-solving problems
3. c)Collaboration-working together

Team Empowerment

1. a)Clarity of Roles
2. b)Autonomy
3. c)Resources provn.
4. d)Accountable-goals

TEAM EFFECTIVENESS MODEL

Context	Work Design
-Adequate resources	-Autonomy
-Leadership and structure	-Skill variety
-Climate of trust	-Task identity
-Performance evaluation & Reward systems	-Task significance

TEAM EFFECTIVENESS

Composition

- Abilities of members
- Personality
- Allocating roles
- Diversity
- Size of teams
- Member flexibility

Process

- Common purpose
- Specific goals
- Team efficacy
- Conflict levels
- Social loafing

Organisational structure

Defined “as framework of tasks reporting & authority relationships within which as organisation functions”.

Robbins – an organisational structure defines how job tasks are formally divided grouped & co-ordinated.

Classical organisation theory

Bureaucratic model: - → Formulated max weber.

Characteristics of ideal org. structure:-

Work specialization & division of labours:-

- Duties & responsible of all employee should be defined clearly.
- Area in which expected to perform duties & responsibilities should be clarified to avoid confusion.

Division of labour:-

- Gives slope for employee to obtain expert in particular skill. Productivity & efficiency.
- Same task gives boredom stress in employees.
- Divide people blue collar & white collar & gap b/w them both in org & society.

Abstract rules:-

- Defined rulers & regulation.
- Coming to office on time meeting project deadlines.

Impersonality of managers:-

Manager should take rational decisions & judgement based purely on facts.

Hierarchy:-

- Each member in the organisation is accountable for his actions in his superior.

Modification of bureaucratic centralization decentralization.

- Tall structure, flat structure, departmentalisation, centralisation. Decentralisation.

Work specialization: -Division of labour.

- The degree to which tasks in an organization are subdivided into separate jobs.

Departmentalization:-

- Basis by which jobs in an organization are grouped together engineering, accounting personnel.

By product:-

Variety of product under a single manager

- By function (HR, Marketing)
- By geography (North, West, South, East)
- By process (alloys, Hot rolling, Cold rolling, casting pressing etc.
- By customers (Corporate customer, Individual, overseas customers)

Chain of command:-

- Unbroken line of authority that extends from top to lowest level & clarifies who reports to whom.

Unity of command:-

- Should have only one superior to who he or she is directly responsible.

Span of control:-

- The number of subordinates a manager can efficiently & effectively direct.

Communication

Communication:-

- The transfer & understanding of meaning → Robbins.
- The process of meaningful interaction among people in an organisation. It is the process by which meanings are presented & understandings are reached among human beings.
- Process of passing information and understanding from one person to another. Process of importing ideas & making oneself understood by others.

Function of communication:-

- 1) Control
- 2) Motivation
- 3) Emotional Expression
- 4) Information

Control:-

Communication acts to control member's behaviour in several ways.

- Formal control: to maintain hierarchy among are job related to any grievance to their immediate boss follow their job description.

Motivation:-

What is to be done?

- How well they are doing what can be done to improve performance.

Towards goals, effect of feedback.

Emotional Expression:-

Group fundamental source is social interaction.

- Communication provides a release for the emotional expression of feelings for fulfilment of social needs.

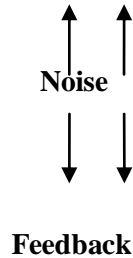
Information:-

Transmission of information.

- Communication performance relates to its role in facilitating decision making. It provides information that individuals & group need to make decision by transmitting the data to identify & evaluate alternative choices.

Communication Process:-

Message sent → Encoding → Channel → Message Receive → Decoding



Steps between sources and receiver that result in transfer and understanding of meaning.

Formal channel → establish by organisation to transmit message to professional activities.

Informal channel → individual choice

Directions of Communication:

Downward

Flow of authority, Maintenance of hierarchy, Reasoning, Memo

Upward

Feedback, report submission, request, permission

Lateral

Communication among same work group

INTERPERSONAL COMMUNICATION:

➤ **Oral communication**

Speech. Formal one – to- one and group discussion.

Advantage:

Best way to get information from and to employees.

Disadvantage:

If a one way communication, when it reach to destination, very different from its original.

➤ **Written communication:**

All memos, letters, fax, emails, text messages, magazines, notices and reports. These all are used as a record of communication and evidence, reference. It should be clear.

Disadvantage

1. Time consuming,
2. Language barriers,
3. No feedback.

➤ **Non- verbal**

Body language and sign boards are called non-verbal communication.

Advantage

Quick feedback

Disadvantage

Cultural difference, no universal meaning for body language.

Organisational communication

1. Chain
2. Wheel
3. Network

Criteria	Chain	wheel	Network
Speed	Moderate	Fast	Fast
Accuracy	High	High	Moderate
Emergence leader	Moderate	High	None
Member satisfaction	Moderate	Low	High

Grapevine

It is an informal way of communication.

Electronic Communication

E-mail, text message, network software (Orkut, face book), web blogs, Tele/ video conference.

Control

It is a process of monitoring activities to ensure they are being accomplished as planned and of correcting any significance deviation.

Process of control

Measure → measure present performance. Monitoring and evaluation

Compare → effect of measurement range of variation. Goal Vs Performance.

Managerial actions → correct actual performance. Revise standard one.

Unit - 4. **Meaning- importance- leadership styles- theories- leaders Vs managers- sources of power- power centres- power and politics.**

Leadership

Definition: “as the ability to influence a group toward the achievement of a vision or set of goals”. Sources of this influence may be formal based on the managerial rank in an organisation. Leadership role simply because of position he/she hold in organisation. Not all leaders are managers, all managers are leaders. Organisation needs strong leadership and strong management for optimal effectiveness. Leader is a personal and active interest in achieve goals.

Leader	Manager
Leader take personal and active interest in achieve goals.	Managers tend to play a relatively passive role in accomplishing goal
Leaders have power within themselves and the required drive the head people and motivate them to work enthusiastically towards achieving objectives.	Managers need power to be entrusted to them by organisation to deal with people.
Leader can act confidently even, if they need to work independently.	If managers are require to work alone without assistance from people. They become tense.
Leaders interact with people frequently and in more natural way. They inspire people	Managers limit their interaction with people to the minimum extent required to carry out their

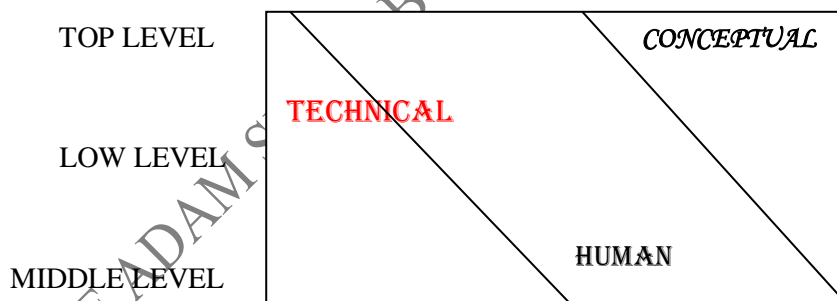
motivate them and lead them.	managerial responsibility.
Leaders focus on developing a vision for the future. Communicating the vision to people, integrating their efforts, helping them overcome hurdles and developing their abilities to realise the vision.	Managers concentrate on developing plans, organisational structure, controlling deviations from plans.
Leaders often arise from a group without any formal appointment and outside the purview of the organisation structure.	Managers drive their power from their position in the organisation and formal authority that comes with the position.

Traits of effective leaders.

- Cognitive and psychological factors like intelligence ambition and aggressiveness are the traits commonly found in leaders.
- Others believe physical characteristics like height (more than average), weight large body structure and personal attractiveness are important.
- Leaders traits Initiative, desire to lead, integrity, self confidence, analytical ability, and knowledge of the specific company industry and technology.
- Factors are supplemented with traits such as charisma. Power to inspire / enthuse in other people creative and flexibility.

LEADERSHIP SKILLS:

Technical, Human, Conceptual skills.



THEORIES

- Traits theories
- Behavioural theories
 - I) Ohio Theory
 - II) Leadership Grid.

- Contingency approach
- Situational theory
- Leadership – Member Exchange theory
- Path- Goal Theory

TRAIT THEORIES OF LEADERSHIP

- Theories that consider personal qualities and characteristics that differentiate leader from non-leaders.
- Big Five Model- it support to trait theory.
For example. Ambition energy, sociable, dominate, heredity, appearance, personality, experience

BEHAVIOURAL THEORIES

- Theories proposing that specific behaviours differentiate leaders from leaders from non-leader.

OHIO STATE STUDIES

Leader's behaviour is described by employees.

- Initiating structure
- Consideration

INITIATING STRUCTURE

It is extent to which a leader is likely to define and structure his or her role and those of subordinates in the search for goal attainment. Assign group members to particular tasks, expected workers to maintain definite STD of performance and emphasizes the meeting of deadlines.

CONSIDERATION

Giving importance to human relationship in another way the leader has an empathetic (see others problem in their point of view) attitude. Friendly with followers.

University of Michigan Studies.

- **Employee Oriented**
- **Production Oriented**

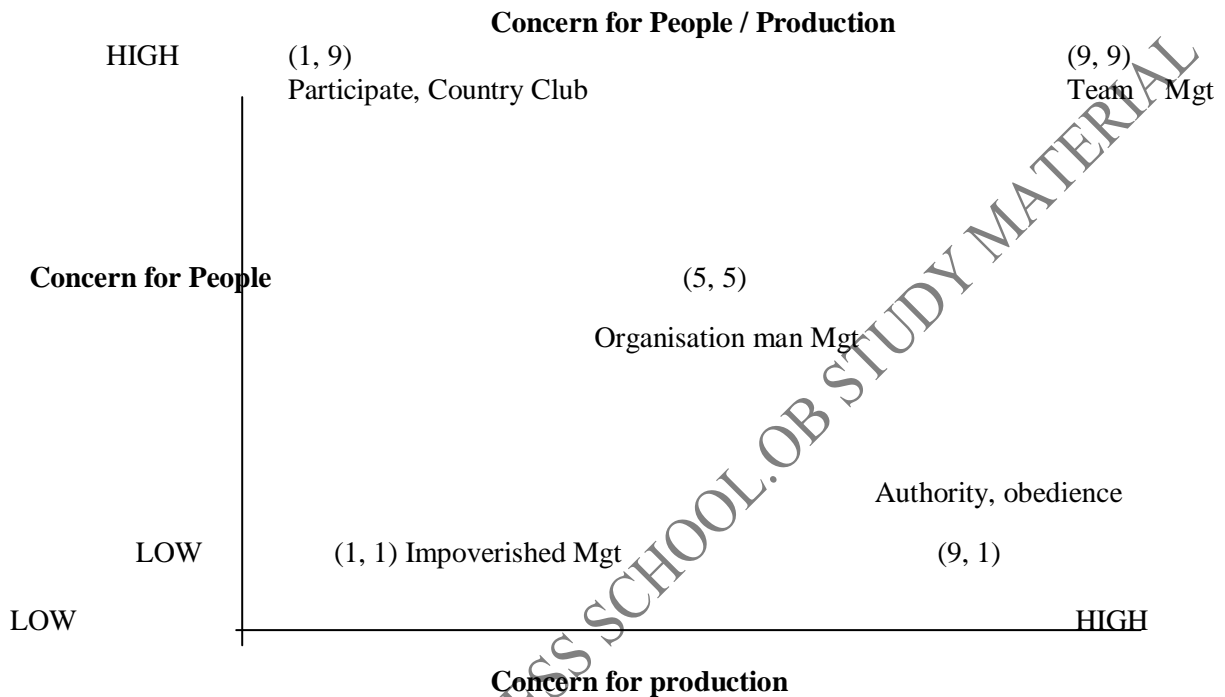
EMPLOYEE ORIENTED:

It emphasis interpersonal relationship they look a personal interest in the need of their employee and accepted individual difference among members.

PRODUCTION ORIENTED

It emphasizes the technical on task aspects of the job, main concern to accomplishing their group's tasks and the group members.

MANAGERIAL GRID/ LEADERSHIP GRID



CONTINGENCY THEORIES:

Author - Fiedler

The theory that effective groups depends on a proper match between a leader's styles of interacting with subordinate's situation gives control and influence to the leader.

Leadership style:

LEAST PREFERRED CO-WORKER (LPC).

To measure whether the person is task or performance oriented.

SITUATION:

Match leader with situation there are 3 contingency dimensions.

- Leader-Member Relations
- Task Structure

- Position power

LEADER- MEMBER RELATION:

It is the degree of confidence, trust and respect members have in their leader. Leader is accepted by his subordinates. For Ex PAYROLL Manager. Respected and employees have confident with boss / superior

TASK STRUCTURE

It is the degree to which the job assignments are procedurized (structure or unstructured).degree of task on hand. For example. Tasks for payroll manager are wage computation, check writing, and report filing.

POSITION POWER:

It is the degree of influence a leader has power variables such as hiring, firing, discipline, promotions and salary increases. He is in position to decide the rewards and incentives for his followers.

COGNITIVE RESOURCE THEORY

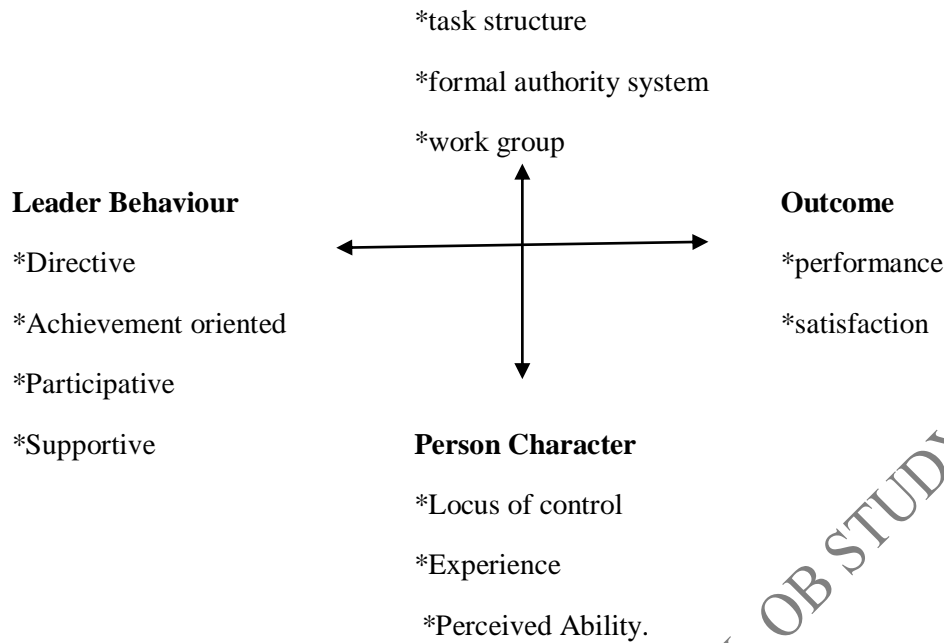
Leadership that states that stress unfavourably affect a situation and that intelligence and experience can reduce the influence of stress on the leader. Due to the stress, leadership style affect by situation.

PATH – GOAL Theory:

It states that it is the leader's job to assist followers in attaining their goals and to provide the necessary direction and / or support to ensure that their goals are compatible with the overall objectives of the group or organisation.

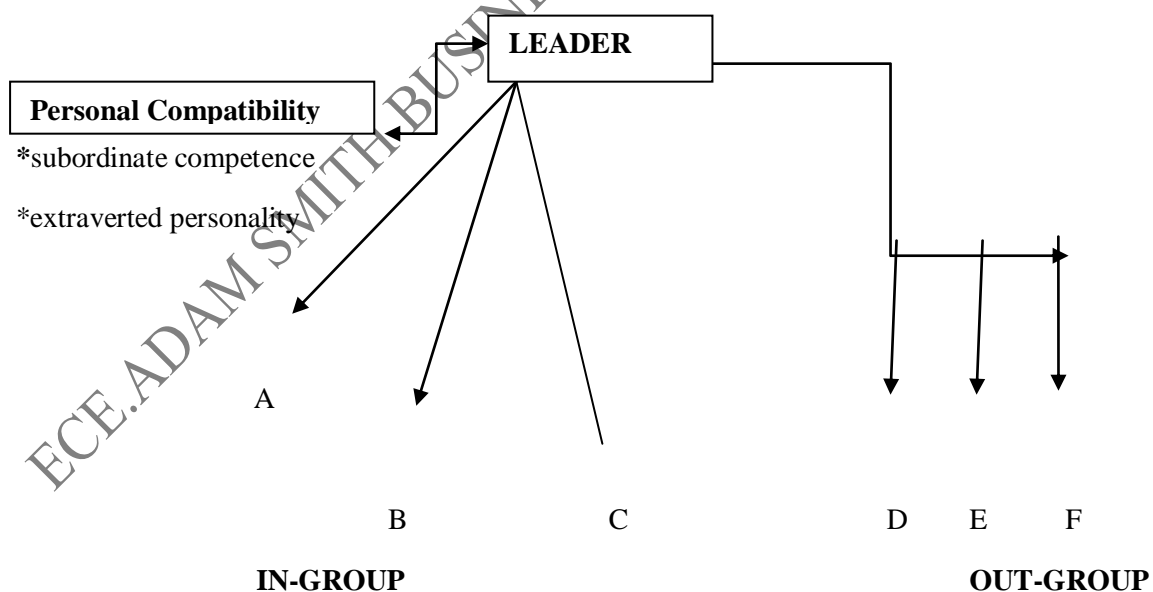
Clarify the path to help their followers get from where they are to the achievement of their work goals and make the journey along the path easier by reducing road blocks.

Environment Contingency Factor



LEADER-MEMBER EXCHANGE THEORY (LMX)

It is that supports leaders' creation of in-groups and out-groups; subordinates with in-group status will have higher performance ratings, less turnover and greater job satisfaction, because of time pressure, leaders establish special relationship with small group of their followers. Individual's makeup in-groups. They are trusted, get disproportionate amount of the leader's attention more likely to receive special privileges.



Charismatic Leadership

- It is states that followers make attribution of heroic/ extra ordinary leadership abilities when they observe certain behaviour.

KEY Characteristics

Vision – long term strategy

Personal Risk- incurs high cost and engages self-sacrifice

Sensitivity to follow needs- Ability and response to their needs and feeling.

Unconventional behaviour-engage in behaviour perceived as novel (new counter to norms against)

TRANSACTIONAL LEADERS

Leaders who guide or motivate their followers in the direction of established goals by clarifying role and tasks requirement.

Ohio, Fiedler, Path-Goal theory are transactional leadership type.

TRANSFORMATIONAL LEADERS:

A leader who inspire followers to transcend their own self-interest and who are capable of having a profound and extraordinary affect on followers is called transformational leaders.

TRANSACTIONAL LEADERS	TRANSFORMATIONAL LEADERS
<p>Management by exception (active)</p> <p>Leader constantly monitors organisational activities. If there is any deviation from the established rules and stds take necessary steps to bring condition back to normal</p>	<p>Charisma</p> <p>Leaders have a vision which they are easily communicate with others. They establish a mission for their followers and make them take pride in working towards that mission. They gain respect and trust of their follower</p>
<p>Management by exception (positive)</p> <p>Leaders involve in day to day operations only if the required std a not is met.</p>	<p>Inspiration</p> <p>They inspire their followers by communicating to them the high expectations of the organisation has often and assume them of their capacity to met those expectations. They are good at expressing complicating goals and objectives</p>

<p>Laissez-faire</p> <p>Leader tries to escape responsibilities and avoids making decision.</p> <p>Preference for contingent rewards:</p> <p>Leaders believe that people can be motivated by recognizing their accomplishments and designing rewards appropriate for their level of efforts and performance.</p>	<p>Intellectual Stimulation</p> <p>They appreciate and encourage rationality and careful problem solving among their followers.</p>
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POWER AND POLITICS

Power

- A capacity that “A” has to influence the behaviour of “B” so that B acts in accordance with A’s Wishes.

Dependency:

“B”’s relationship to “A” when ‘A’ possesses something that B requires.

Bases of Power:

1. Formal power
2. Informal Power

FORMAL POWER

- Based on individual’s position in an organization. It can come from formal authority.

➤ Coercive Power

Base that is dependent on fear. E.g. ‘A’ can dismiss, suspend

➤ Reward Power

Compliance achieved based on the ability to distribute rewards that others view as valuable.

E.g. Promotion bonuses, pay rates raises.

Formal Power

- **LEGITIMATE POWER**

The power a person receive as a result of his/her position in the formal hierarchy of an organization. It represent the formal authority to control and use organisational resources.

E.g. Production Manager can control the wastage for the material from the production

Personal Power

Power comes from an individual's unique characteristics.

EXPERT POWER

Influence based on special skills and knowledge.

E.g. Accountants, Economists

REFERENT POWER

Influence based on possession by an individual of desirable resources or personal traits.

E.g. Brand Ambassador. They have a power to influence your choice of chocolates and credit cards. Sachin

WHICH BASES OF POWER MORE EFFECTIVE

Personal sources of power.

Expert and reference power are positively related to employees' satisfaction with supervision, their organisation commitment and their performance, where an reward and legitimate power seem to be unrelated to these outcomes.

THE KEY OF POWER-DEPENDENCY FACTOR

- IMPORTANCE

To create dependency, the things you control must be perceived as important.

- SCARCITY

Opposite-abundance. This not create power / dependency. When things come scarcity it create dependency and power.

- NON-SUBSTITUTABILITY.

When particular resource have no proper substitute then that person control that resource will have power over those who require that resource.

POWER	Positive	Negative
1. Positive motivation		primitive in nature
2. Social power		lose- win situation
3. Loyalty & commitments		negative consequence

EXCHANGE THEORY AND CONTROL

Motivation is outcome, when individual tries to bring about parity between the cost he incurs and the reward he gets.

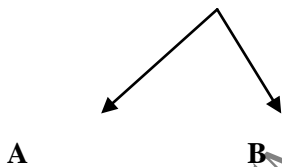
1. Person possess expert /reference power that position determine and control profit and loss of an another person
2. Expert power- compliance with expert's wishes lead to positive outcomes
3. Legitimate power- incurs profit by confirming to accepted std and procedures. Non compliance with legitimate power

Lead to a loss in form of punishment or non-acceptance by colleagues.

POWER STRUCTURE

- **High ranking persons have more power.**
- **Power relationship may be direct or indirect**

DIRECT POWER



INDIRECT POWER



POWER PROCESS- ELEMENTS

- ❖ Dependency
- ❖ Balancing Power relationship
- ❖ Reaction to imbalance
- ❖ Power ploys

Note: Dependency we already discussed earlier.

Nature of power in organization:

Some individuals always seek power to influence benefits in favors for him. Some give more important and some not give important to get power. Individual

Difference too.

POWER BALANCE

If Degree of dependency is equal to degree of power exercise.

Dependency = power exercise.

If the above is not equal that is called power imbalance.

Dependency =power exercise.

Unit-5. Organisational climate- factors affecting organisational climate- importance . Job satisfaction- determinants- measurements- influence on behaviour. Organisational change-importance-stability Vs change- proactive Vs reaction change- the change process- resistance to change- managing change. Stress –work stress-prevention and management of stress- balancing work and life. Organisational development –characteristics- objectives- team building. Organisational effectiveness.

ORGANISATIONAL CULTURE AND CLIMATE

CULTURE:

“A system of shared meaning held by members that distinguishes the organisation from other organisations”. (Set of values and key characteristics)

Organisational culture is the set of assumptions, beliefs, values, norms that are shared by an organisation's members.

Organisational Assumptions, values, norms which are known as abstract elements of the culture. Externally oriented characteristics like products, dresses, buildings etc, are called material Element.

ORGANISATIONAL CULTURE:

A set of attributes specific to an organisation that may be inducing from the way the organisation deals with its members. It is current situation in an organisation and linkage among individuals, work groups and work performance.

CHARACTERISTICS

Innovation

Degree to which employees are encouraged to be innovative and task risk.

Attention to details

Degree to which employee are expected to exhibit to precision analysis and attention to detail.

Outcome orientation:

Degree to which management focuses on results/ outcomes rather than on the techniques and processes used to achieve those outcomes

People orientation:

The Degree to which management decisions take into consideration the effect of outcomes on people within the organisation.

Team Orientation:

The degree to which work activities are organised around teams rather than individuals.

Aggressiveness:

The Degree to which peoples are aggressive and competitive rather than easygoing.

Stability:

The degrees to which organisational activities are emphasize maintaining the status quo in contrast to growth.

Based on these characteristics, organisation culture should be identified

CULTURE AND CLIMATE

CULTURE	CLIMATE
Based on anthropology and sociology	Study of climate base on psychology.
Culture is a means through which members learn and communicate what is accepted and unaccepted in an organisation on the light of its values and norms	Climate does not deal with values and norms it is concerned with the current atmosphere in the organization
Culture is more difficult to change in short period of time	Climate is subject to manipulation by managerial actions even in short-term.

CULTURE IS A DESCRIPTIVE TERM

Organisational culture is concerned with how employees perceive the characteristics of organisation. It is a descriptive term, it is important because differentiate the concept of job satisfaction.

Job satisfaction seeks to measure of affective response to work environment. It concern with how employees feel about the organisation's expectation, rewards, policies and etc...

DOES ORGANISATION HAVE NIFORM CULTURE?

Many organisation have dominant culture and many number of sub culture.

DOMINANT CULTURE:

It expresses the core values that are shared by a majority of the organisation's members. Macro view of culture that gives an organisation its distinct personality.

SUB-CULTURE

This is mini culture within an organisation, typically defined by department designations and geographical separation. It includes core values of dominant culture plus additional values unique to members or the concerned department.

STRONG Vs WEAK CULTURE

Strong culture impact on employee behaviour and or more directly related to reduced turnover. Primary and dominant values that are accepted throughout the organisation.

It influence on the behaviour of its members because the high degree of sharedness and intensity creates an internal climate of high behavioural control. Builds cohesiveness loyalty and commitment less opportunity to leave organisation.

CULTURE Vs FORMALIZATION

Cultures increase behavioural consistency. Strong culture can act as a substitute for formalization. Formalization refers to the degree to which the organisations are standardized. Both are two different roads but common designation

Strong organisational culture less management need to concern rate on rules and regulations to guide employee's behaviours

ORGANISATIONAL CULTURE Vs NATIONAL CULTURE:

National culture is greater impact on employees than organisational culture .National culture strongly shaped this company's organisational culture.

WHAT DOES CULTURE DO? (Or)FUNCTIONS OF CULTURE IN ORGANISATION:

Boundary defining roles: it relates distinction between one organisations from another. Represent a sense of identity for organisation culture: culture facilitate the generation of commitment of something larger than one's self-interest.

It enhance the stability of social system: culture is the social glue that helps the organisation together by providing appropriate stds for what employees should say and do. Serve as sense-making and control mechanism that guides and shapes attitude and behaviour of employees.

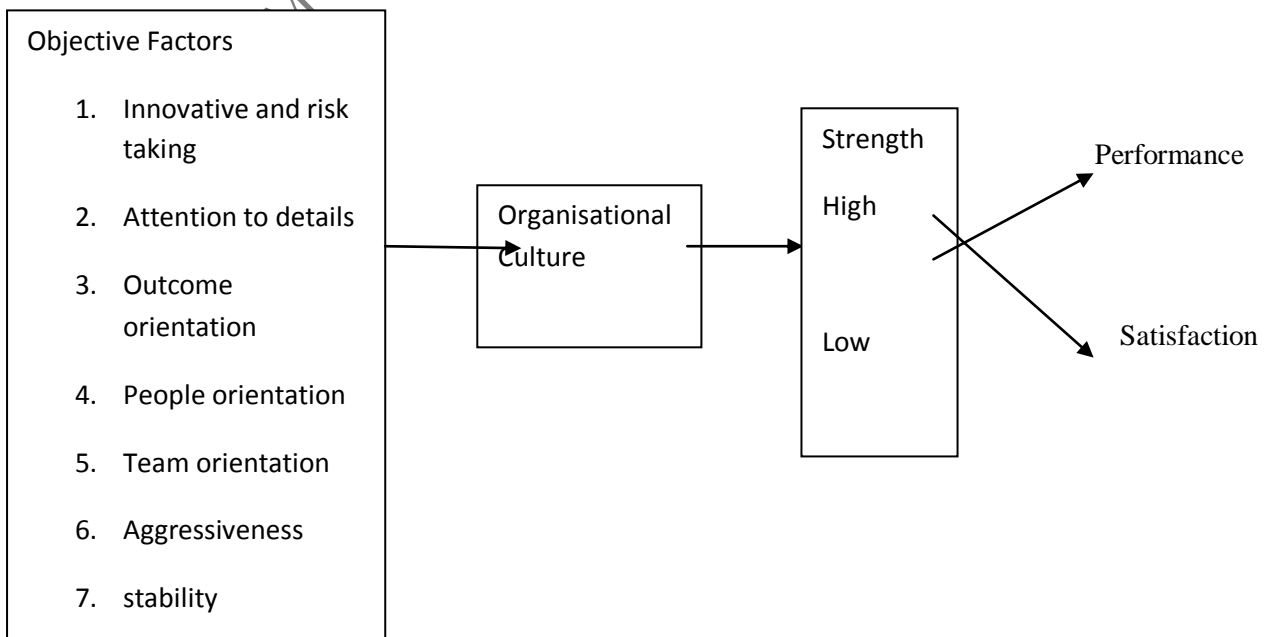
For example: Disney theme park- attractive, clean wholesome looking with smile face. Image of Disney Strong culture support by formal rules and regulations that Disney theme park employees will act in uniform and predictable way.

CULTURE AS A LIABILITY:

Culture should match with environment. In many organisations with strong culture practice that led to previous success can lead to failure when those practices no longer match up well with environment needs .consistency of behaviour is an asset to an organisation.

FACTORS INFLUENCE PERFORMANCE AND SATISFACTION OR

HOW ORGANISATION CULTURE INFLUENCE PERFORMANCE AND SATISFACTION?



Environment, Gender, Values of individual, rules and regulations of organisation, timing, level of respect to employees, personality of individuals. These factors also can influence performance and job satisfaction.

CREATING AND SUSTAINING CULTURE:

Origin of a culture: Organisation current customs traditional and formal way of doing things.

Characteristics of founder: personality aggressive, competitive, highly discipline traits, personality, values, attitudes, past work experience, good bad experience from his own life, family culture and customs, learning's from varies personalities and situations.

HOW TO KEEP A CULTURE ACTIVE? OR

PROCESS OF CREATION OF ORGANISATIONAL CULTURE



Establishing Values:

Define values- value is define as what is right and what is wrong what is desirable and what is undesirable and so on.

It depends upon the founders and other key personnel's values.

Bajaj auto limited is an example. He is Gandhi ideology. More opportunity in business he selected trading in auto parts. Expect liquor and mill cloth.

Values also determine how organisational activities will be carried out.

CREATING VISION:

Vision represents imagination of future event and prepares the organisation for the same. Visionary companies hold distinct set of values. Vision derived from values. A good vision helps several ways to organisational members.

It inspires and exhilarates them. It helps in the creation of a common identity and a shared sense of purpose. It creates competitiveness originality uniqueness.

It fosters risk-taking and experimentation. It fosters long term thinking.

Operational sing values & vision:-

These are not put into action. For putting values & vision in action, the organisation can unfertile full activities.

Organisation prepares a written statement containing its value & vision & communicates these two organisation members land books.

Take care should be takes while selecting an employees, that their values match organisational values.

Reward system put enough provisions in the reward system.

Socialization of employees:-

It means process that adopts employees to the organisation cultures. For that 5 month training programme where they learn way of doing everything. From how to speak to superiors to proper grooming & dress. Company considered it is entered for transforming young employee's fresh out of school into dedicated corporate warriors.

Socialization process:-

Pre-Arrival:-

Before join the organisation he understands what is organisation from kerning friend & family. At the recruitment stage most of the org give job previews which help the prospective employees to learn more about the job & the organisation.

Encounter:-

Expectation true with realities he adopt org culture quickly.

→ Expectation & realities is different →

Expectation abt the person her boss, co-workers.

The new employee must undergo socialization that will detach him from her previous assumptions & replace them with another set that org deems desirable.

A new member become totally disillusioned with the actualities (disappointed) of her job. Proper selection should significantly reduce the probability of latter encounter or occurrence.

Metamorphosis stage:-

New employee adjusts to his/her work groups values & norms.

Methods of socialization with organisation

Or

How employees learn culture.

Stories, rituals, material symbols, language.

Stories:-

Learning org norms & values through stories include circulation of informal & oral narration of events abt the organisation.

Rituals:-

Rituals repetitive sequence of activities that express & re-in force the key values of the organisation. What goal is most important who is important?

Corporation rituals.

May – Kay cosmetics annual award meeting.

Miss American pageants wear.

This show act as a motivator by publicly recognising outstanding sales performance.

In convey to sales persons that reaching their quote is important & that through hard work & encouragement they too can achieve success.

Material symbols:-

Various materials symbols used by org convey specific means high status people can be distribution the bases of various facilities provided to him equality.

Language:-

Many organisations & units within organisation use language as a way to identify members of a culture or sub culture by learning these language members at least to their acceptance of the culture & in so doing help to preserve it.

It acts as common denominator that unites members of an organisational culture.

Changing the org culture:-

- ✚ Predict the current culture set unique goals.
- ✚ Recruit personnel with previous experience so that they are able to interact well.
- ✚ Make changes from top to bottom so that consistent message is delivered.

- ✚ Include employees in this process of change when making changes in rules & policies.
- ✚ Stay the course of being persistent.

Job Satisfaction

- Mental feeling of favourable. Which an individual has abt his job.

Determinants of job satisfaction.

→ Individual factors, nature of job, situational variables.

Individual factors:-

Level of Education:

Highly educated person have very big expectations from their jobs, which remain unsatisfied.

Age:

Starting stage is org high job satisfaction gradually reduced.

Other factor:

If individual not satisfied with family & social life. He may not satisfy with org also.

Nature of job:-

Occupation level:-

High level job provide more satisfaction carry prestige status.

Job content:-

Refers to intrinsic value of the job which depends on the requirement of skills for performing it & the degree of responsibility & growth it offers.

Routine repetitive job provides lesser satisfaction. Job satisfaction in job rotation, enlargement, enrichment.

Situational variables:-

Working condition:-

Condition of work place & associated facilities for performing the job.

Type of supervision:-

Employee oriented supervision

Production – oriented supervision.

Equitable rewards:-

Job performances rewards determine reward is based on job performance reward based on consideration.

Opportunity for promotion:-

If the present job offers opportunity of promotion in future, it provides more satisfaction.

Work group:-

Either created formally or they develop on their own to seek emotional satisfaction at work place.

Such groups are cohesive, degree satisfaction is high.

Effect of job satisfaction:-

Productivity, absentees, turnover, organisation citizenship behaviour, customer satisfaction, work place.

How to improve satisfaction:-

- ❖ Improve level of job satisfaction.
- ❖ In form go job redesigning to make the job more interesting & challenging.
- ❖ Improving quality of work-life.
- ❖ Linking rewards with performance.
- ❖ Improving overall organisation climate.

STRESS MANAGEMENT

DEFINITION OF STRESS:

“Stress is an adaptive response, mediated by individual characteristics and/or psychological processes, that is consequence of any external action, situation, or event that places special physical and /or psychological demands upon a person”.

DEFINITION JOB STRESS:

“Job stress is a condition arising from the interaction of people and their jobs and characterised by changes within people that force them to deviate from their normal functioning”.

CHALLENGE STRESSORS:

It associated with work load, pressure to complete taks and time urgency.

HINDRANCE STRESSORS:

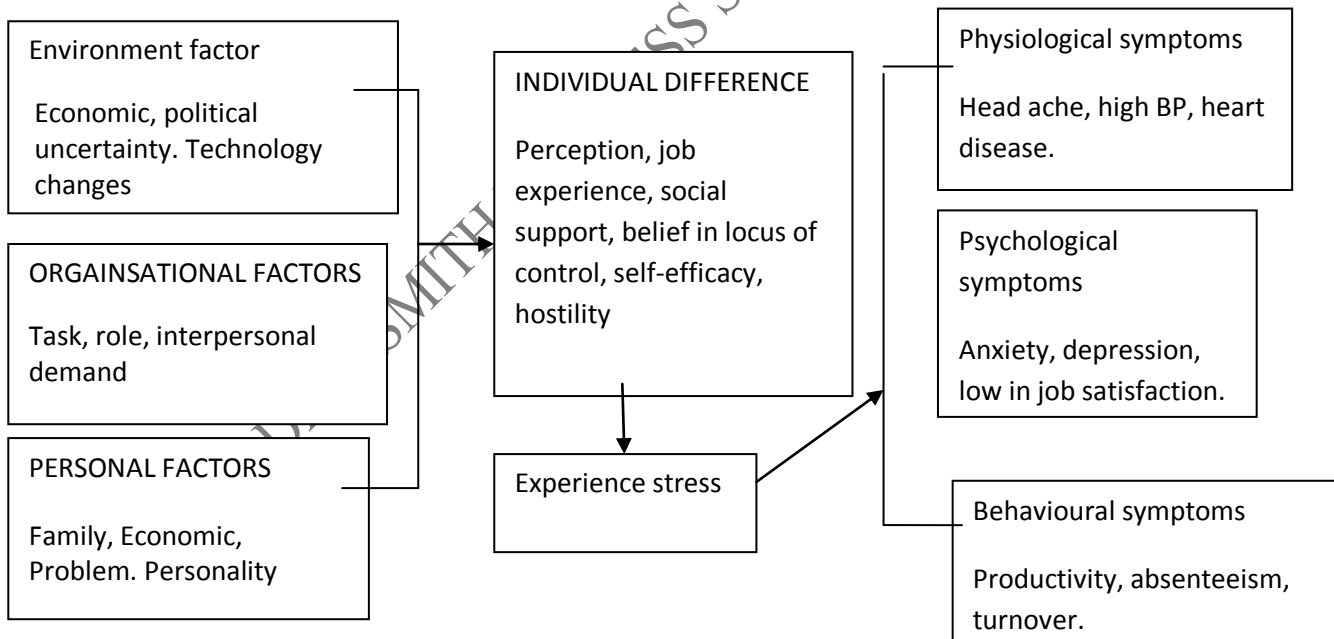
Its keep you from reaching your goals (office politics, confusion, over-job responsibilities)

Stress is associated with demand and resources.

Demands are responsibilities, pressure, obligations and uncertainty.

Resources – things within an individual’s control that can be used to resolve demands.

STRESS MODEL:



SOURCES OF STRESS OR CAUSES OF STRESS.

ENVIRONMENTAL FACTORS

There are three main uncertainties. That is economic uncertainty, political uncertainty, technology changes.

Economic Uncertainty

Changes in business cycle create economic uncertainty that people become anxious about job security.

Political uncertainty

Political threats and changes.

Technology changes

New innovation can make employees skills and experience become obsolete in very short time period.

ORGANISATIONAL FACTORS

Task demands

It related to person's job include design of the individual job (task variety, degree of automation) working conditions. Physical work layout. For example cover crowded, room visible location, noise, interruption, increase anxiety, and stress.

Role demand

Role conflict, role over load, unclear role.

Interpersonal demand

Lack of social support from peer groups. Poor interpersonal relationship creates stress.

PERSONAL FACTORS

Family

Personal relationship, marital difficulties, breaking off of a relationship, discipline troubles with children.

Economic- financial problem in family and organisation make feel stress.

Personality – type A and introversion personality person are easy undergoing stress.

Individual Differences:

Perception – laying of job security

Experience- Voluntary retirement service, family commitments make stress.

Social support- lack of mutual understanding and relationship are causes of stress.

Personality- type A and introversion emotional people are highly feels stress.

CONSEQUENCE OF STRESS:

PHYSIOLOGICAL SYMPTOMS: Heart diseases, breathing rates, high BP, headache, heart attack.

PSYCHOLOGICAL SYMPTOMS: tension, anxiety, irritability, boredom.

BEHAVIOURAL SYMPTOMS: changes in productivity, absenteeism, turnover, eating habit, high smoking and drinking, rapid speech, sleep disorders.

Manage Stress

1. Individual Approach
2. Organisational Approach

Individual Approach:

- Take personal responsibility for reduce stress level
- Strategies include Time Management,
- Techniques –Physical exercise, relaxation training, expands social supports and network.

TIME MANAGEMENT-

- ❖ Scheduling activities according to priorities.
- ❖ Knowing daily cycle and handling most demand part it increases part of cycle.
- ❖ Be alert and productive.
- ❖ Making daily list of activity accomplished
- ❖ Prioritizing activities, importance, and urgency.

PHYSICAL EXERCISE:

Cycling, swimming, jogging, riding bicycle.

RELAXATION TRAINING

Do meditation daily 15-20 minutes. Deep relaxation it keep your mind relax and also physically relaxed.

EXPAND SOCIAL SUPPORT AND NETWORK

Keep good relationship with family members, peers group, neighbourhood.

ORGANISATIONAL APPROACH

Task and role demand can be controlled by management and it can be modify and change in organisation

Recruitment and personnel sections:

Organisation doesn't give importance to experience candidate. Some candidates will be external locus of control.

Goal setting:

Get feedback from employees it will motivate to employees.

Redesigning job

Make less dependence, more responsibility to employees, more meaningful work. It reduces employee stress related to managerial control and power.

ORGANISATIONAL CHANGES (Making things different).

Change refers to alternation in the total work environment. People should adopt themselves to the changing situations. i.e. the change towards the growing trend.

Factors:

- ❖ Internal changes (changes in managerial personal)
- ❖ External changes. (deficiency in existing organisation)

CAUSES OF CHANGES OR FORCES FOR CHANGES:

- Stimulates changes in organisation.

Work Force

The educational level of work force seems to be cause for organisational changes. Human resource policy and practices must be changed as to concentrate in an effective work force. Organisation spends a lot of money in development skills of the employees.

Technology:

It is changing jobs and organisation speed /fast technology change.

Economic Shocks:

Boom, recession these two factors influence financial decision, investment decisions, dividend decision, capital structure.

Competition:

It is changing capable of new product development rapidly and getting them to market quickly.

Social trend

We used post cards to communicate to some people but now we communicate through internet chat room and mobiles.

Baby boomers – future generation adjust organisation product and marketing strategy to be sensitive to changing social trends.

Chain Effect of Change:

Change touches a sequence of related and supporting changes. It is known as Domino Effect.

For example: organisation is not able to face competition in the market because of old techniques of production and competitors. New technique only alternative is to only change. If Organisation acquiring new technology change job content, it completely the recruitment new employee or training given to existing employee. Environment constrain – job structure change, internal relationship change.

Reactive and Proactive changes:

Reactive change is undertaken when it is pressed by some factors. Either internal or external to the organisation most of organisation believe in traditional pattern of working often go for reactive changes. Organisation introduces certain methods or systems when they are forced for that. For example: population control devices they did when they are forced by government.

Proactive change is brought out of the likely behaviour of the forces having impact on the organisation. Organisation known as prospectors which constantly interact with their environment to identify new opportunity and threats.

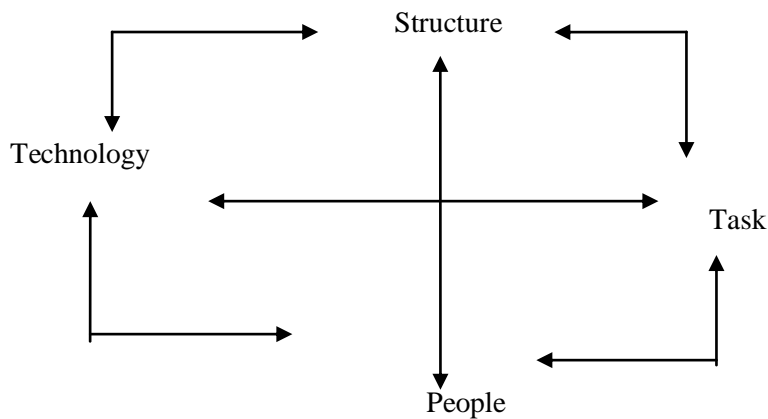
Regularly basis changes in order to avoid developing inertia of inflexible.

Planned Changes

- Planned changes are change activities that are intentional and goal oriented.

- Planned change aims to prepare the total organisation or a major portion of it to adapt to significant changes in the organisation's goals and direction.

- Implementation of a structural innovation a new policy or goal or a change in operating philosophy climate or style.



First order change: said to be continuous that there will be no fundamental shift in the assumptions regarding the improvement to be made in the functioning of the organisation.(moderate changes/ adjustments. It can easily reversible)

Second order change/ fundamental / quantum

It is said to be a discontinuous one that the assumptions are to be reframed by the organisation.(completely different nature from old state)

RESISTANCE to CHANGE:

Whenever an idea is proposed, i.e to make some changes in the organisation, there will be resistance to adapt those changes. When there is resistance, then the merits and demerits of that idea will be discussed and it is good for organisation. The resistance may fall under 4 types. They are

- Overt (explicit)
- Implicit (covert)
- Immediate
- Deferred

Explicit and immediate resistance that occurs after implementation of a certain changes initiative is rather easier to manage than implicit or deferred resistance.

Implicit and deferred are more complicated. When resistance is not open, the management does not even have inkling of the resistance of its actions by employees.

CAUSES OF RESISTANCE TO CHANGE:

- Individual resistance
- Organisational resistance

INDIVIDUAL RESISTANCE

It is related to human characteristics. They are

- ❖ Habit. The habits developed by an individual are difficult to change.
- ❖ Security. Individual resist change if it is likely to decrease their income or sources of earning.
- ❖ Economic factors. People tend to resist change that threatens their safety and security.
- ❖ Fear of the unknown. People fear the unknown and uncertainty associated with it and hence resist change.
- ❖ Selective information processing. Individuals process information selectively to make it compatible with their perceptions.

ORGANISATIONAL RESISTANCE:

- ❖ Limited focus of change.
- ❖ Group inertia
- ❖ Threat to expertise
- ❖ Threat to established power relationship
- ❖ Threat to established resource allocations.

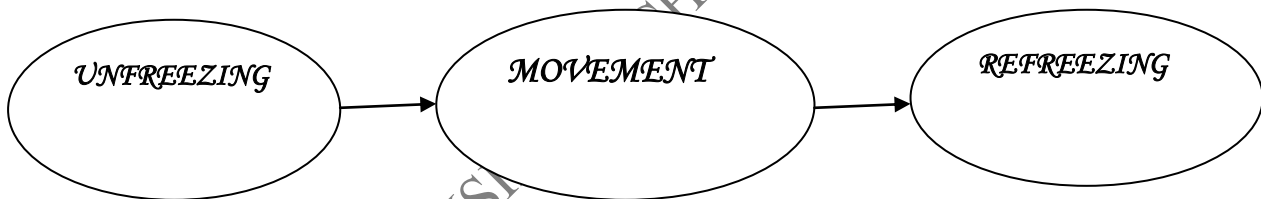
HOW TO OVERCOME RESISTANCE TO CHANGE?

- ❖ Education and communication. Employees should be educated on the logic of changes by explaining the full facts and all doubts must be cleared in order to reduce the resistance.
- ❖ Participation. It becomes difficult for the individuals to resist a change decision in which they take active participation.
- ❖ Facilitation and support. Change agents can offer a range of supportive efforts like counselling, training, paid leave, etc.
- ❖ Use of group force. Group can exert more pressure on attitude, values and behaviour. By identifying strong cohesive groups and making them involve and participate in the decision making process, the resistance is reduced.

- ❖ Leadership for change. A strong leader /manager can use personal reasons for change without resistance. He brings a climate for psychological support from the subordinates.
- ❖ Negotiation. A few powerful individual can be offered a specific reward package and negotiated.
- ❖ Manipulation. Twisting information, creation of false rumours, with-holding undesirable information are some of the tactics of manipulation to decrease the intensity of resistance to change.
- ❖ Coercion. This is the application of force or direct threats of transfers, loss of promotions, negative performance evaluation. Here the change agents' credibility will be zero.

APPROACHES:

LEWIN's Three steps Model:



Unfreezing:

Employees are educated about external and internal factors that make change important.

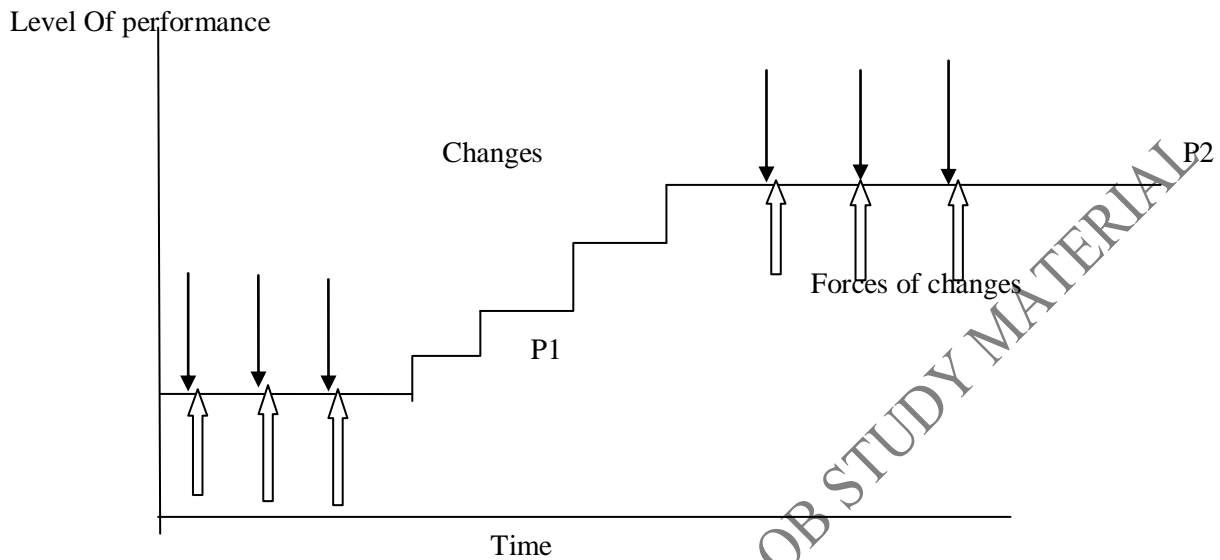
Movement of changes:

Employees convinced on prepared for change, the actual change process begins doing a way of practices and adopting new methods. Job duties are redefined.

Refreezing:

It is an implemented stage. Reforming changes so that organisation does not revert to old state of things. New skills are adopted with the help of training and management ask to demonstrate new skills like Role play.

RESISTANCE OF CHANGE



ACTION RESEARCH MODEL

According to Robbins, action research is “a change process based on the systematic collection of data and then selection of a change action based on what the analyzed data indicate”.

Action research follows a scientific methodology for managing changes. There are 5 steps.

- ❖ Diagnosis- In this step, change agents attempts determine the underlying causes of an organisation’s problems.
- ❖ Analysis. Change agent analysis the information collected in the diagnostic stage.
- ❖ Feedback. Change agent shares his observations and conclusions from diagnosis and analysis information.
- ❖ Action. Employees and change agents work together to implement the measures that they consider solutions to the organisation’s problems.
- ❖ Evaluation. The change agents evaluates the effectiveness of the actions taken by measuring the outcomes of those actions.

ORGANISATIONAL DEVELOPMENT

OD is a unique organisational improvement strategy.

Objective- is to improve performance of individuals and groups in organisations. It deals with “people problem” such as poor morale, low productivity, poor quality, interpersonal conflict, intergroup conflict, poor team performance, poor customer relations, poor designed task etc.

Definition

‘A system wide application of behavioural science knowledge to the planned development and reinforcement of organisational strategy, structure, and processes of improving an organisation’s effectiveness’.

Meaning for definition

OD is a system of planned change. OD takes a holistic or system-wide approach to change. OD targets organisational processes, rather than content. OD is problem oriented. OD focuses on relationship, human, social as well as structure.

Techniques of OD

It attempts to improve the fit between individual and the organisation and its environment and among the different organisation components like strategy structure and processes.

Participants not give importance to power, control, and conflict. They give importance to collaboration, confrontation, participation.

Sensitivity training

- It is also called T-group training
- Trainer is called facilitators.
- To sensitize people to the perceptions and behaviour related aspects of themselves and others.
- Unstructured and no proper agenda.
- give opportunity to express their opinion, belief, ideas.
- Facilitator take notes related to expression, reactions of participant during interaction.
- provide feedback on their behaviour.

It helps to improve listening skills, learn to talk, openly and accept individual differences.

It reduces interpersonal conflicts, and improves organisational productivity and efficiency, interpersonal and leadership skills.

Survey Feedback

Use of questionnaires to identify discrepancies among member's perceptions, discussion follows, and remedies re suggested. Identify the area that need change.

Process consultation intervention:

Reason for ineffectiveness is dysfunctional interpersonal conflict.

It specifies to **improve a particular process** of the organisation. It includes flow of work, flow of communication, roles and responsibility, group problem solving, decision making, co-operation, competition among groups. Here they set agenda, present feedback on observation and give suggestions.

Team Interventions:

- High interaction among team members to increase trust and openness. To improve the performance of work team. It covers 4 substantive areas.
 1. Problem Diagnosis
 2. Task accomplishment
 3. Maintaining team relationship
 4. Improving team and organisation process

Activities consider that goal setting, development of interpersonal relations among the members, role analysis, to clarify each member's, roles and responsibility and team process analysis.

Intergroup development

Again same reason for ineffectiveness is dysfunctional interpersonal conflict. Demerits of this training program are stereotype. (Take a sample for group performance)

Appreciative inquiry: AI

Problem centred

Identify the unique qualities and special strengths of an organisation which can be build to improve performance.

AI agrees that problem solving approaches always ask people to look backward at yesterday.

Four steps

Discover:

Idea is to find at what people think are the strength of the organisation.

Dreaming

From discover stage, used to speculate on possible future for the organisation

Design:

Based on dream, participants focus on finding a common vision of how the organisation will look and agree on its unique qualities.

Destiny

Participants discuss how the organisation is going to fulfil its dream. It includes the writing of action plans and development of implementation strategies.

ORGANISATIONAL EFFECTIVENESS

“Effectiveness may be defined as the degree of which an organisation realises its goals”

OE also called as organisational success or growth.

Efficiency, productivity, profitability, organisational growth to denote organisational effectiveness.

Barnard defined Organisational effectiveness as it is degree to which operative goals have been attained. While the concept of efficiency represents the cost/benefit rate incurred in the pursuit of these goals.

Effectiveness related to goals and is externally focussed.

Efficiency refers to relationship between input and output.

There are 3 situations in organisation

- Organisation may be efficient, may not be effective.(efficient- low cost producing. Not effective- fails to follow price strategy)
- Organisation may be effective, may not be efficient. (effective- earn profit, efficient – not control cost of production)
- Organisation may be both effective and efficiency. (Long term survival in market)

APPROCHES TO MEASURE EFFECTIVENESS:

There are 2 reasons for measure effectiveness.

1. To know whether organisation is doing things rightly, if not additional efforts require.
2. Organisational means for satisfying the needs of people in the society and the satisfaction of such needs is directly linked to organisation effectiveness.

Approaches

- Goal Approach
- Behavioural Approach
- System – Resource Approach
- Strategic Constituencies Approach

GOAL APPROACH

Effectiveness is in terms of accomplishment of goals. It may be short term and long term.

Effectiveness of the organisation can be measured in terms of the degree to which these goals are achieved.

In Goal approach, effectiveness defined Profit maximisation, providing an efficient service, high productivity, good employee morale etc. It includes quality, productivity, readiness, efficiency, profit or return, utilisation of environment, stability, turnover or retention, accidents, motivation etc.

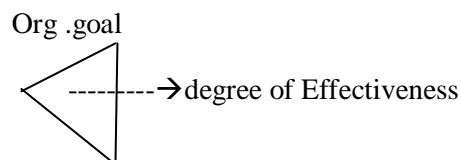
BEHAVIOURAL APPROACH

It takes into account the behaviour of people in the organisation, which ultimately determines the degree of goal achievement by an organisation. It focuses on organisational goals and individual goals.

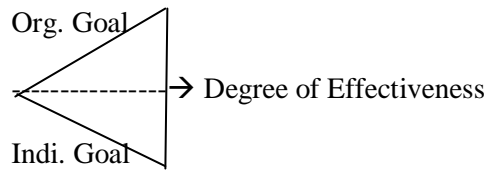
Both goals are trying to satisfy his needs by working in the organisation.

Some people give importance to individual needs rather than organisation needs. To change this situation, organisations have to follow some control mechanism.

Low Degree of Goal Integration:

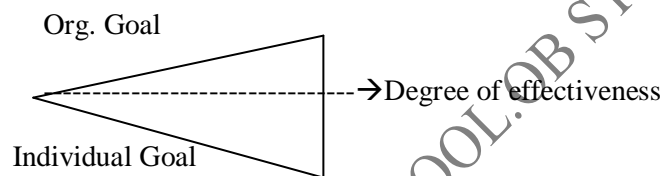


Moderate Degree of Goal Integration



Result of interaction between two set of goals is a compromise actual performance is a combination of both.

High Degree of Goal Integration



SYSTEM RESOURCE APPROACH:

It derived from open system model and it is applied to formal social organisation. It focuses on interdependence between organisation and environment. It takes the form of output- input transaction of various kinds relating to various things. These are scarce and valued resources.

It focuses of competition between organisations. A competition occurs under different social settings and takes different forms. It is a continuous process underlying the emergence of **Universal Hierarchical Differentiation** among social organisations such as Hierarchy may be yardstick because it reflects the bargaining position of organisation.

In terms of bargaining position reflected in the ability of the organisation in either absolute or relative terms.

Bargaining Position refers to resource getting ability. Bargaining position includes ob that importation of resource, their use, their exportation.

STRATEGIC CONSTITUENCIES APPROACH

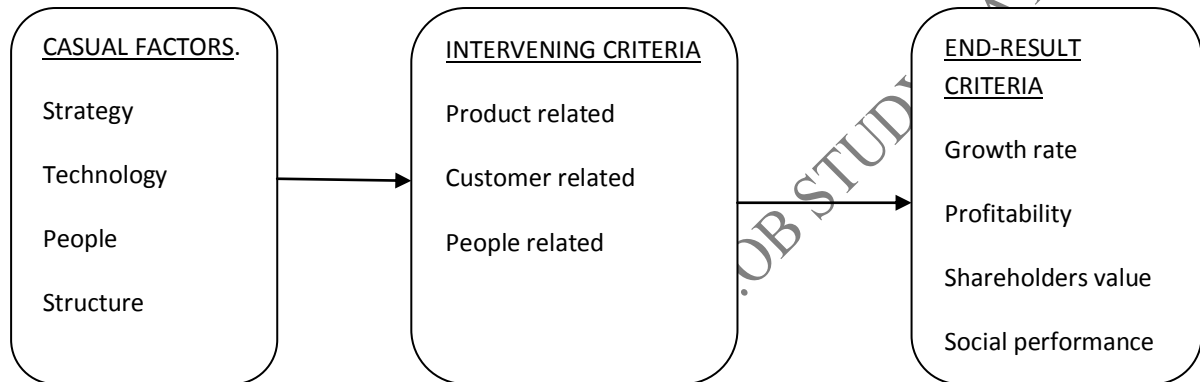
It is similar to System Resource Approach. But there are 2 major differences.

1. It consider only relevant environment of the organisation under reference and takes into account those factors which impact on the operation of the organisation.

2. It does not only consider taking input from environment but exporting its outputs to the environment.

Effectiveness depends on the degree to which organisation able to satisfy the strategy constituencies. It differs from different types of functions of organisation. (Owner, management, customer, suppliers, government, community)

CRITERIA FOR ORGANISATIONAL EFFETIVENESS



- Product related- quality, performance of product, price of the product, new product development.
 - Customer related- service, satisfaction, loyalty.
 - People related- personal ability skills, attracting, retaining, motivation and attitude to work.
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