

# ORGANIZATIONAL THEORY AND BEHAVIOUR

**STUDY MATERIAL**

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**UNIVERSITY OF CALICUT  
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**STUDY MATERIAL**

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**ORGANISATIONAL THEORY AND BEHAVIOUR**

**PREPARED BY**

**BAIJUMON.P  
ASSITANT PROFESSOR  
PG DEPARTMENT OF COMMERCE  
GOVT. COLLEGE MALAPPURAM**

**SCRUTINISED BY**

**DR. YAKOOB . C.  
READER AND RESEARCH GUIDE,  
SS COLLEGE, AREACODE.**

**Settings & Lay out:**

**Computer Section, SDE**

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**MODULE 1**

**UNIT 1**

**INTRODUCTION TO ORGANISATIONAL BEHAVIOUR**

The success of every organisation depends upon the efficiency and effectiveness of the management and the effectiveness of the management depends primarily on its human skills and how well it understands the needs and desires of the people. Organisational behaviour actually refers to the behaviour of the people in the organisations because organisations themselves do not behave. It is an accepted fact that an organisation can develop only when its people are developed. Organisational behaviour is a field of study that investigates the impact that individuals, group and structure have on behaviour within organisations. It covers three determinants of behaviour within organisations – individuals, group and structure. It is an applied field because it applies the knowledge gained about individuals, and the effect of structure on behaviour, in order to make organisations work more effectively.

Organisational behaviour is an academic discipline concerned with describing, understanding, predicting and controlling human behaviour in an organisational environment.

The importance & scope of Organisational Behaviour & their study is growing rapidly due to changing cultural, ethical and business environment of Organization. Manager should concentrate on employee's nature, reaction and response to different situations of organization which are becoming an important part in today's scenario. The present day changing conditions like fast paced organisational change, fast changing technology, shorter life cycles for products work force diversity, declining loyalty, skill deficiencies increased demand for flexibility, continuous improving quality of people in organisations. Organisations have been described as groups of people who interact to accomplish shared objectives. The study of organisational behaviour and its connected subjects help us to understand what people think, feel and do in organisational settings.

Organizational behaviour is the study of how people behave both individually and within informal and formal groups. Every organization's performance is ultimately dependent on the motivational levels of its human resources and the willingness and ability of people to work harmoniously and effectively towards the accomplishment of shared goals. In this discipline, we will explore and examine the interrelationships of individual personality and work, the characteristics of organizations and their environments and the challenges presented by the ever-changing combination of these factors.

Organizational Behaviour helps to understand different activities and actions of people in organization. It also helps to motivate them. People, Environment, Technology and structure are the main four elements of organizational behaviour. Simply the scope of this mix is the scope of Organisational Behaviour.

**DEFINITION OF ORGANIZATIONAL BEHAVIOUR (O.B.)**

” Organizational Behaviour is the study of human behaviour in the workplace, the interaction between people and the organization, and the organization itself.”

Keith Davis and John Newstrom (1985) has defined O.B. as "the study and application of knowledge how people act or behave within organization. It is a human tool for human benefit. It applies broadly to the behaviour of people in all types of organizations such as business, government, schools and service organizations."

In the opinion of Robbins, "O.B. is a field of study that investigates the impact that individuals, groups and structure have on behaviour within organizations for the purpose of applying such knowledge towards improving an organization's effectiveness".

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The above definitions are comprehensive ones as these contain all characteristics of O.B. In brief, what O.B. studies are three determinants of behaviour in organizations individuals, groups and structure.

Organizational behaviour in the words of Keith Davis may be defined as - "Organizational behaviour is the study and application of knowledge about human behaviour in organizations as it relates to other system elements, such as structure, technology and the external social system.

To sum up, O.B. is concerned with the study of how and what people act in organizations and also how their acts affect the performance of the organization. It also applies the knowledge gained about individuals, groups and the effect of structure on human behaviour in order to make organizations work more effectively.

Organizational behaviour is a field of study that investigates the impact that individuals, groups and structure have on behaviour within organizations, for the purpose of applying such knowledge toward improving an organization's effectiveness.

An organization is a collection of people who work together to achieve a wide variety of goals, both goals of the various individuals in the organization and goals of the organization as a whole. Organizations exist to provide goods and services that people want. These goods and services are the products of the behaviours of workers.

Organizational behaviour is the study of the many factors that have an impact on how individuals and groups respond to and act in organizations and how organizations manage their environments. Although many people assume that understanding human behaviour in organizations is intuitive, many commonly held beliefs about behaviour in organizations, such as the idea that a "happy worker is a productive worker," are either entirely false or true only in specific situations. The study of organizational behaviour provides a set of tools—concepts and theories—that help people understand, analyze and describe what goes on in organizations and why. How do the characteristics of individuals, groups, work situations and the organization itself affect how members feel about their organization?

The ability to use the tools of organizational behaviour to understand behaviour in organizations is one reason for studying this subject. A second reason is to learn how to apply these concepts, theories and techniques to improve behaviour in organizations so that individuals, groups and organizations can achieve their goals. Managers are challenged to find new ways to motivate and coordinate employees to ensure that their goals are aligned with organizational goals.

### **HISTORY OF ORGANIZATIONAL STUDY**

The Greek philosopher Plato wrote about the essence of leadership. Aristotle addressed the topic of persuasive communication. The writings of 16th century Italian philosopher Niccolo Machiavelli laid the foundation for contemporary work on organizational power and politics. In 1776, Adam Smith advocated a new form of organizational structure based on the division of labour. One hundred years later, German sociologist Max Weber wrote about rational organizations and initiated discussion of charismatic leadership. Soon after, Frederick Winslow Taylor introduced the systematic use of goal setting and rewards to motivate employees. In the 1920s, Australian-born Harvard professor Elton Mayo and his colleagues conducted productivity studies at Western Electric's Hawthorne plant in the United States.

Though it traces its roots back to Max Weber and earlier, organizational studies is generally considered to have begun as an academic discipline with the advent of scientific management in the 1890s, with Taylorism representing the peak of this movement. Proponents of scientific management held that rationalizing the organization with precise sets of instructions and time-motion studies would lead to increased productivity. Studies of different compensation systems were carried out.

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After the First World War, the focus of organizational studies shifted to analysis of how human factors and psychology affected organizations, a transformation propelled by the identification of the Hawthorne Effect. This Human Relations Movement focused on teams, motivation and the actualization of the goals of individuals within organizations.

The Second World War further shifted the field, as the invention of large-scale logistics and operations research led to a renewed interest in rationalist approaches to the study of organizations. Interest grew in theory and methods native to the sciences, including systems theory, the study of organizations with a complexity theory perspective and complexity strategy. Influential work was done by Herbert Alexander Simon and James G. March and the so-called "Carnegie School" of organizational behaviour.

In the 1960s and 1970s, the field was strongly influenced by social psychology and the emphasis in academic study was on quantitative research. An explosion of theorizing, much of it at Stanford University and Carnegie Mellon, produced Bounded Rationality, Informal Organization, Contingency Theory, Resource Dependence, Institutional Theory and Organizational Ecology theories, among many others.

Starting in the 1980s, cultural explanations of organizations and change became an important part of study. Qualitative methods of study became more acceptable, informed by anthropology, psychology and sociology. A leading scholar was Karl Weick.

### **Specific Contributions**

Frederick Winslow Taylor (1856-1915) was the first person who attempted to study human behavior at work using a systematic approach. Taylor studied human characteristics, social environment, task, physical environment, capacity, speed, durability, cost and their interaction with each other. His overall objective was to reduce and/or remove human variability. Taylor worked to achieve his goal of making work behaviors stable and predictable so that maximum output could be achieved. He relied strongly upon monetary incentive systems, believing that humans are primarily motivated by money. He faced some strong criticism, including being accused of telling managers to treat workers as machines without minds, but his work was very productive and laid many foundation principles for modern management study.

Mary Parker Follett was a pioneer management consultant in the industrial world. As a writer, she provided analyses on workers as having complex combinations of attitude, beliefs and needs. She told managers to motivate employees on their job performance, a "pull" rather than a "push" strategy.

Douglas McGregor proposed two theories/assumptions, which are very nearly the opposite of each other, about human nature based on his experience as a management consultant. His first theory was "Theory X", which is pessimistic and negative; and according to McGregor it is how managers traditionally perceive their workers. Then, in order to help managers replace that theory/assumption, he gave "Theory Y" which takes a more modern and positive approach. He believed that managers could achieve more if they start perceiving their employees as self-energized, committed, responsible and creative beings. By means of his Theory Y, he in fact challenged the traditional theorists to adopt a developmental approach to their employees. He also wrote a book, 'The Human Side of Enterprise', in 1960; this book has become a foundation for the modern view of employees at work.

Organizational behaviour is currently a growing field. Organizational studies departments generally form part of business schools, although many universities also have industrial psychology and industrial economics programs.

**NATURE AND SCOPE (FEATURES) OF ORGANIZATIONAL BEHAVIOUR**

**Organizational behaviour has emerged as a separate field of study. The nature it has acquired is identified as follows:**

**1. A Separate Field of Study and not a Discipline Only**

By definition, a discipline is an accepted science that is based on a theoretical foundation. But, O.B. has a multi-interdisciplinary orientation and is, thus, not based on a specific theoretical background. Therefore, it is better reasonable to call O.B. a separate field of study rather than a discipline only.

**2. An Interdisciplinary Approach**

Organizational behaviour is essentially an interdisciplinary approach to study human behaviour at work. It tries to integrate the relevant knowledge drawn from related disciplines like psychology, sociology and anthropology to make them applicable for studying and analysing organizational behaviour.

**3. An Applied Science**

The very nature of O.B. is applied. What O.B. basically does is the application of various researches to solve the organizational problems related to human behaviour. The basic line of difference between pure science and O.B. is that while the former concentrates on fundamental researches, the latter concentrates on applied researches. O.B. involves both applied research and its application in organizational analysis. Hence, O.B. can be called both science as well as art.

**4. A Normative Science**

Organizational Behaviour is a normative science also. While the positive science discusses only cause effect relationship, O.B. prescribes how the findings of applied researches can be applied to socially accepted organizational goals. Thus, O.B. deals with what is accepted by individuals and society engaged in an organization.

**5. A Humanistic and Optimistic Approach**

Organizational Behaviour applies humanistic approach towards people working in the organization. It deals with the thinking and feeling of human beings. O.B. is based on the belief that people have an innate desire to be independent, creative and productive. It also realizes that people working in the organization can and will actualize these potentials if they are given proper conditions and environment. Environment affects performance of workers working in an organization.

**6. A Total System Approach**

The system approach is one that integrates all the variables, affecting organizational functioning. The systems approach has been developed by the behavioural scientists to analyse human behaviour in view of his/her socio-psychological framework. Man's socio-psychological framework makes man a complex one and the systems approach tries to study his/her complexity and find solution to it.

**SCOPE OF ORGANIZATIONAL BEHAVIOUR**

The three internal organizational elements viz., people, technology and structure and the fourth element, i.e., external social systems may be taken as the scope of O.B.



### **1. People**

The people constitute the internal social system of the organization. They consist of individuals and groups. Groups may be large or small, formal or informal, official or unofficial. They are dynamic. They form, change and disband. Human organization changes everyday. Today, it is not the same as it was yesterday. It may change further in the coming days. People are living, thinking and feeling beings who created the organization and try to achieve the objectives and goals. Thus, organizations exist to serve the people and not the people exist to serve the organization. Organizations are the associations of individuals. Individuals differ in many respects. The study of individuals, therefore, includes aspects such as personality, perception, attitudes, values, job satisfaction, learning and motivation

### **2. Structure**

Structure defines the relationship of people in an organization. Different people in an organization are given different roles and they have certain relationships with others. It leads to division of labour so that people can perform their duties or work to accomplish the organizational goal. Thus, everybody cannot be an accountant or a clerk. Work is complex and different duties are to be performed by different people. Some may be accountants; others may be managers, clerks, peons or workers. All are so related to each other to accomplish the goal in a co-ordinated manner. Thus, structure relates to power and duties. One has the authority and others have a duty to obey him.

### **3. Technology**

Technology imparts the physical and economic conditions within which people work. With their bare hands people can do nothing so they are given assistance of buildings, machines, tools, processes and resources. The nature of technology depends very much on the nature of the organization and influences the work or working conditions. Thus, technology brings effectiveness and at the same time restricts people in various ways.

### **4. Social System**

Social system provides external environment in which the organization operates. A single organization cannot exist alone. It is a part of the whole. One organization cannot give everything and therefore, there are many other organizations. All these organizations influence each other. It influences the attitudes of people, their working conditions and above all provides competition for resources and power.

O.B. is the study of human behaviour at work in organizations. Accordingly, the scope of O.B. includes the study of individuals, groups and organization/structure. Let us briefly reflect on what aspects each of these three cover.

### **NEED FOR THE KNOWLEDGE OF OB**

- Organizational behavior studies the factors that impact individual and group behavior in organizations and how organizations manage their environments. Organizational behavior provides a set of tools—theories and concepts—to understand, analyze, describe and manage attitudes and behavior in organizations.
- The study of organizational behavior can improve and change individual, group and organizational behavior to attain individual, group and organizational goals.
- Organizational behavior can be analyzed at three levels: the individual, the group and the organization as a whole. A full understanding must include an examination of behavioral factors at each level.

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• A manager's job is to use the tools of organizational behavior to increase effectiveness, an organization's ability to achieve its goal. Management is the process of planning, organizing, leading and controlling an organization's human, financial, material and other resources to increase its effectiveness.

As a manager, the teachings of OB can significantly increase one's personal sensibilities and outlook on these attributes;

1. Working with people from different cultures:

What might seem motivating to a manager might not appeal to his workforce at all. Or a manager's style of communication may be straightforward, but the workforce may find it threatening and uncomfortable. As a manager one must learn how to adapt his managerial style to their cultural, geographic and religious disparities.

2. Workforce diversity:

Organizations are increasingly becoming a more heterogeneous mix of people in terms of gender, race, age, ethnicity and sexual orientation. No longer can these disparities and clichés be ignored, these people are in the real world educated and ready to work. So managers must recognize the fact that they don't leave their lifestyles, cultural values and perception at home, so we as managers must learn to accommodate this diverse group of people by addressing their different lifestyles, family needs and work styles.

3. Customer Service:

Many an organization has failed because its employees failed to please its customers. Management needs to create a customer-responsive culture. OB can provide considerable guidance in helping managers create such cultures- cultures in which employees are friendlier and courteous, accessible, knowledgeable and prompt in responding to customer needs, in order to please the patron.

4. Ethics:

Today's manager needs to create an ethically healthy climate for his employees, where they can work productively and confront a minimal level of uncertainty regarding what constitutes right and wrong behavior. Organizational behavior is the path to understanding how elements of the work place fall into place. As a nascent manager one can develop the self with the help of these learning's and partake in managerial roles confidently.

### **CONTRIBUTING DISCIPLINES TO THE ORGANIZATIONAL BEHAVIOUR FIELD**

Organizational behavior is an applied behavioral science that is built upon contributions from a number of behavioral disciplines. The predominant areas are psychology, sociology, social psychology, anthropology and political science.

#### ***Psychology***

Psychology is the science that seeks to measure, explain and sometimes change the behavior of humans and other animals. Valuable contributions are made by psychologists to the field of Organisational behaviour. Many of the theories dealing with personality, attitude, learning, motivation and stress have been applied in Organisational Behaviour to understand work related phenomena such as job satisfaction, commitment, absenteeism, turnover and worker well being. Understanding the psychological principles helps in gaining the knowledge of determinants of Individual behaviour such as learning process, motivation techniques, personality determinants and personality development, perceptual process and its implications, training process, leadership effectiveness, job satisfaction , individual decision making , performance appraisal, attitude measurement, employee selection, job design and work stress.

### ***Sociology***

Sociologists study the social system in which individuals fill their roles; that is, sociology studies people in relation to their fellow human beings. Sociologists studying the structure and function of small groups within a society have contributed greatly to a more complete understanding of behaviour within organisations. They focus on studying the social systems in which individuals fill their roles. The focus of attention is centred on group dynamics. Sociologists' concepts, theories, models and techniques help significantly to understand better the group dynamics, organisational culture, formal organisation theory and structure, organisational technology, bureaucracy, communications, power, conflict and inter-group behaviour.

### ***Social Psychology***

An area within psychology that blends concepts from psychology and sociology and that focuses on the influence of people on one another. Social psychologists contribute to measuring, understanding and changing attitudes; identifying communication patterns; and building trust. They have also made important contributions to the study of group behaviour, power and conflict.

### ***Anthropology***

The study of societies to learn about human beings and their activities. Anthropologists work on cultures and environments has helped to understand the differences in fundamental values, attitudes and behaviour between people in different countries and within different organisations. Much of the current understanding of organisational culture, organisational environments and differences among national cultures is a result of the work of anthropologists or those using their methods.

## **CHALLENGES AND CAREER DEVELOPMENT FOR OB**

Modern organisations are deeply affected by the external environment. These need to maintain a good fit with their external environment by continuously monitoring and adjusting to the changes over the past decade and decade to come, are more profound than others. Some critical OB issues confronting the managers today are as follows:-

1. Managerial challenges
2. Work place issues and challenges
3. Organisational challenges
4. Global challenges
5. Environmental challenges

### 1. Managerial challenges

Managers of modern organisation faces the following managerial challenges:-

- a. Workforce diversity.-Organisations are becoming more heterogeneous in terms of gender, race and ethnicity. There can be employees who are Physically handicapped, lesbians, gays, elderly or others who are different in some way or others. The managers must learn to respect the diversity. They have to shift their philosophy from treating everyone alike to recognising differences and responding to those differences in a way that will ensure employee retention and greater productivity while at the same time not discriminating. An increasingly diverse workforce presents both opportunities and challenges for the organisations. If diversity is not properly managed, it can lead to higher employee turnover, more difficult communications and more interpersonal conflicts.
- b. Changing demographics of workforce- it includes dual career couples, where both partners are actively pursuing professional careers. They limit the individual flexibility in

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accepting important assignments and this hinders the organisational flexibility in acquiring and developing talent.

- c. Growing number of youngsters- these employees are fresh, ambitious, enthusiastic and innovative. These people do not “Live to work but work to Live” choosing a life that they want to have as opposed to just bringing home a pay check.
- d. Gender factor- women gradually moved into professions previously dominated by male and in the same way men also moved to professions previously dominated by females. These developments have their own implications for human resource managers in organisations.

2. Workplace issues and challenges- these issues also have behavioural implications. Major issues under these are:-

- a. Employee Privacy- employers have started to intrude and encroach into the personal lives of the employees. Managers need to be very sensitive to this issue since this trend creates resentment among employees.
- b. Employee rights- it involves controversies associated with job ownership and individual rights while at work.
- c. Unionism- recently union membership has been steadily declining. As a result organisations carry the burden of providing services to the employees which were previously provided by the union. Organisations need to take extra precautions to ensure that workers are treated fairly, otherwise, union membership will start increasing once again.
- d. Changed Employee expectations- Traditional motivators like job security, attractive pay, additional perks etc do not attract present day employees and they demand empowerment, and expect quality of status with the management. Participative management instead of authoritative leadership, flexi-timings, opportunities to work from home, leading by example are the more recent trends.

3. Organisational challenges

a. Improving quality and productivity – Due to the changed circumstances [LPG] managers have to think seriously about improving the quality and productivity measures like Total Quality Management [TQM] and Reengineering Programme.

TQM is a philosophy of management for attainment of customer satisfaction through the continuous improvement of all organisational processes. Reengineering means radically thinking and redesigning those processes by which they create value for customers and do their work.

b. Managing technology and innovations- success will come only to those organisations that maintain their flexibility continually improve their quality and outbeat their competitors with innovative products and services. The challenge for managers is to stimulate employee creativity and tolerance for change

c. Coping with temporariness – the concept of continuous improvement means constant change. Managers face a stage of permanent temporariness. The actual jobs that workers perform are in a state of flux they have to continuously update their knowledge and skills to perform new job requirements.

d. Ethical behaviour- it is the duty of managers to create an ethically healthy climate for their employees, where they can do their work productively and with clean conscience.

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Social responsibility is the organisational, obligation to protect and contribute to social environment with which they functions

### 4. Global Challenges

a. Managing global environment- Internationalism of business has transformed the world into a global village. Managers have to cope with this internationalism and must change to acquire a global perspective

b. Managing cultural diversity- Managers in India as well as abroad has to work with people from other countries having different cultures. They have to work effectively with these people and understand their culture and learn to adapt management styles to these different cultures.

5. Environment Challenges- Organisations exist within an external environment. It must adapt itself with the continuously changing and dynamic environment . Managers of an organisation must be responsive to a large number of environmental challenges like:-

a. Ecology- it is concerned with the relationship of living things with their environment. Every organisations must face the challenge to maintain and even create ecological standards

b- Air, Water and soil Pollution- the general concept recommended nowadays is that development should be sustainable in the long run and every project should cater to maintain if not mend the direct harm to the environment resulting from the development measures

c. Personnel Policies- It must not be discriminatory towards any particular caste, creed, religion, sex or nationality. There should be equal pay for equal work.

d. Consumerism- It call for a revised marketing concept. Marketing concept has to be broadened to include societal marketing concept, where the long run consumer welfare is important.

e. Research and development- To keep pace with global challenges, the organisations must take technical and scientific research.

f. International and National Economic Policies – The organisations must keep in mind the International as well as National Legislations as well as the rising inflationary trends.

### **NEED FOR CONTINGENCY APPROACH TO THE STUDY OF OB**

Organizational behaviour is a field of business or management studies that looks at the relationships between individuals and the factors that motivate them, both intrinsically and extrinsically. The contingency approach focuses on the various factors, or contingencies, that have an impact on an organization's behaviour.

There should be a fit between organisation's structure, size ,technology and the requirements of its environment. This perspective is known as contingency theory and the contrasts with the perspective of classical theorists of Weber,Taylor,Fayol etc., who thought that there probably was one way to run organisations that was the best,

Contingency theory of management is an extension of system approach to management. There cannot be suitable management solutions for all problems. External and internal factors keep changing. Since systems approach cannot appropriately suggest relationship between organisation and environment, the gap so created has been fulfilled by contingency approach.

Traditional management relies on one basic principle that there is one best way of managing things and these things can be applied across the organisation in all the situations. The situational effect will be totally ignored in this traditional management. Situations are much more complex

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than first perceived and the different variables may require different behaviour for effectiveness. Each situation must be analysed carefully to determine the significant variables that exist in order to establish the kinds of practices that will be more effective.

The fundamental basis of contingency theory is that there is no best way to manage a corporation or to deal with employees. Such activities cannot be planned, because so many things change so quickly in the business world. Rather than being proactive, managers and business leaders must be reactive to the various changes and contingencies they face on a day-to-day basis.

The contingency theory of leadership holds that the success of a business leader or manager is contingent on numerous internal and external factors facing him. Internal factors include the character and quality of his subordinates, the level of support received from superiors within the organization and the tasks assigned to him. External factors include economic concerns, the level of competition in the marketplace and relationships with channel partners and business partners, among others.

The contingency theory of decision-making argues that the effectiveness of a decision-making procedure depends on many contingent factors surrounding the decision. Such factors include time constraints, for example. Generally speaking, the greater the time constraint, the more flawed the decision-making process will be. Another important contingency is the amount of relevant information possessed by a decision-maker and his subordinates. The greater the amount of information, the more sound the decision should be.

The contingency rules theory suggests that rules, consequences and their impact on the behaviour of individuals or groups of individuals depend upon the context in which they exist. For example, the influence of some rules might be more significant in situations in which a member of senior management is present or on the level of importance placed on the potential benefit of disobeying a rule.

Environmental change and uncertainty, work technology, and the size of a company are all identified as environmental factors impacting the effectiveness of different organizational forms. According to the contingency perspective, stable environments suggest mechanistic structures that emphasize centralization, formalization, standardization, and specialization to achieve efficiency and consistency. Certainty and predictability permit the use of policies, rules, and procedures to guide decision making for routine tasks and problems. Unstable environments suggest organic structures which emphasize decentralization to achieve flexibility and adaptability. Uncertainty and unpredictability require general problem solving methods for non routine tasks and problems. However, there are certain drawbacks in this approach. It is not considered as a unified theory of management because there is inadequate literature. It does not suggest any action in a contingency. Management actions depends upon the situation is not adequate and this theory is difficult for empirical testing. It is complex because there are large number of variables and large number of managerial actions involved. This theory is not proactive, it is reactive.

### UNIT 3

#### ORGANISATION AS A SYSTEM

Whatever the nature of change, many people find it helpful to view the organisation as a system to help them manage the change effectively. A system is made up of separate components which all work together to achieve a task. If you take away or change a component it affects the whole system.

So, for example, a car is a system. It is a collection of components which put together in a particular way, will transport you. Individually these components cannot achieve much if anything - a spark plug or petrol tank on its own will not take you far. Similarly, if one component is faulty or stops working then this can have a massive impact on the whole system. If you've ever experienced a flat tyre, you'll know this.

In the same way, you could view the organisation as a system - made up of components which work together to achieve an overall goal. These components can be defined in any number of ways, but you could see them as different functions. So, for example, the HR team could be one component. The service delivery staffs another component. The volunteers another and so on.

All these different functions are dependent on each other. A great HR team on its own does not make a great organisation in the same way that a petrol tank on its own does not make a car. You may have a great team of staff delivering services, but if your finance processes and procedures stop working the whole organisation suffers.

The systems perspective was introduced by Ludwig Von Bertalanffy who proposed that all systems have predictable tendencies of behaviours.

1. Open/Closed exchange - This implies responsiveness to information about the system that is internal or external to the system
2. Interdependence- systems are divided into many small parts known as sub systems. These subsystems are interacting each other simultaneously, and each part is affected by the actions of the other parts.
3. Homeostasis-systems adjust their communications and other behaviours to achieve or retain equilibrium
4. Non summativity – the whole system equals more the sum of its parts.

In essence, the systems perspective emphasizes that everything is connected to everything else and that it's often worthwhile to model businesses and processes in terms of flows and feedback loops. Systems thinking stresses linkages and relationships and flows. It emphasizes that any given employee or unit or activity is part of a larger entity and that ultimately those entities, working together, are justified by the results they produce.

#### System approach to Organisational Behaviour

**Systems Approach** Systems approach to OB views the organisation as a united, purposeful system composed of interrelated parts. This approach gives managers a way of looking at the organisation as a whole, whole person, whole group, and the whole social system. In so doing, systems approach tells us that the activity of any segment of an organisation affects, in varying degrees the activity of every other segment. A systems view should be the concern of every person in an organisation. The clerk at a service counter, the machinist, and the man-ager-all work with the people and thereby influence the behavioural quality of life in an organisation and its inputs. Managers, however, tend to have larger responsibility, because they are the ones who

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make majority are people-oriented. The role of managers, then, is to use organisational behaviour to help build an organisation culture in which talents are utilized and further developed, people are motivated, teams become productive, organisations achieve their goals and society reaps the reward.

More recently, attention has been focused on the analysis of organisations as 'systems' with a number of interrelated sub-systems. The classical approach emphasised the technical requirements of the organisation and its needs – 'organisations without people'; the human relations approaches emphasised the psychological and social aspects, and the consideration of human needs – 'people without organisations'.

The systems approach attempts to reconcile these two earlier approaches and the work of the formal and the informal writers. Attention is focused on the total work organisation and the interrelationships of structure and behaviour, and the range of variables within the organisation. This approach can be contrasted with a view of the organisation as separate parts. The systems approach encourages managers to view the organisation both as a whole and as part of a larger environment. The idea is that any part of an organisation's activities affects all other parts. The input-transformation process-output model with the feedback mechanism can be very well applicable to organisational behaviour. Organisation composed of three basic elements

1. Components- there are five basic, interdependent parts of the organising system, namely
  - a. The individual
  - b. The formal and informal organisation
  - c. Patterns of behaviour emerging from role demands of the organisation
  - d. Role comprehension of the individual and
  - e. The physical environment in which individuals work
2. Linking Processes – the different components of an organisation are required to operate in an organised and correlated manner. The interaction between them is dependent upon the linking processes, which consist of communication, balance and decision making
  - Communication is a means of initiating action exerting control and effecting co-ordination to link decision centres in the system in a composite form.
  - Balance is the equilibrium between different parts of the system so that they keep a harmoniously structured relationship with one another.
  - Decision analysis is also considered to be a linking process in the systems approach. Decisions may be to produce or participate in the system. Decision to produce depends upon the attitude of the individual and the demands of the organisation. Decision to participate refers to the individual's decisions to engross themselves in the organisation process. That depends on what they get and what they are expected to do in participative decision making.
3. Goals of organisation – it may be growth, stability and interaction. Interaction implies how best the members of an organisation can interact with one another to their mutual advantage.

### **Importance of Organisational behaviour to Managers**

Organizational behaviour is an essential aspect for managers in an organization, because they deal with humans in the organization, with full understanding of their behavior will gives the manager a full control of the personnel working with him. For a good managerial qualities, A manager must be able to know his subordinate well so as to work with them in good harmony to achieved the organizational goals and objectives.



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In addition to the basic functions of Planning, Organising, Directing and controlling, managers have to perform many managerial roles which can be termed as Organised set of behaviours . These roles are developed by Henry Mintzberg in 1960s after a careful study of executives at work. These roles are divided into three categories.

1. Interpersonal roles
2. Information roles
3. Decision roles

### Interpersonal roles

Managers have to spend considerable amount of time in interacting with other people, both with their own organisations as well as outside. These people include Peers, subordinates, superiors, suppliers, customers, government officials and community leaders. All these interactions require an understanding of interpersonal behaviour. Studies show that interacting with people takes up nearly 80% of manager's time.

The important interpersonal roles are:-

1. **Figure/Lead role** – managers act as symbolic figureheads performing social or legal obligations. These duties include greeting visitors, signing legal documents, taking important customers to lunch, attending a subordinate's wedding and speaking at functions in schools and churches. As a manager, you have social, ceremonial and legal responsibilities. You're expected to be a source of inspiration. People look up to you as a person with authority, and as a figurehead.
2. **Leader** – This is where you provide leadership for your team, your department or perhaps your entire organization; and it's where you manage the performance and responsibilities of everyone in the group. He must be an ideal leader so that his subordinates follow his directions and guidelines with respect and dedication
3. **Liaison** – Managers must communicate with internal and external contacts. He must be able to network effectively on behalf of organization. In this role managers build their own external information system. This can be achieved by attending meetings and professional conferences, personal phone calls, trade journals and informal personal contacts with outside agencies.

Category	Roles
Interpersonal	Figurehead Leader Liaison
Informational	Monitor Disseminator Spokesperson
Decisional	Entrepreneur Disturbance Handler Resource Allocator Negotiator

### **Information Roles**

A manager, by virtue of his interpersonal contacts, emerges as a source of information about a variety of issues concerning an organisation. In this capacity of information processing, a manager executes the following three roles:-

1. **Monitor** – In this role, he regularly seek out information related to organization and industry, looking for relevant changes in the environment. He monitor his team, in terms of both their productivity, and their well-being. Managers constantly scanning their internal and external environment for this purpose.
2. **Disseminator** – This is where he communicate potentially useful information to his colleagues and his team. The managers must transmit the information regarding changes in policies or other matters to subordinates, their peers and to other members of an organisation,
3. **Spokesperson** – Managers represent and speak for their organization. In this role he is responsible for transmitting information about his organization and its goals to the people outside it.

### **Decisional Category**

A manager must make decisions and solve organisational problems on the basis of environmental information's received. In this respect managers play four important roles :-

1. **Entrepreneur** – As a manager, he create and control change within the organization. This means solving problems, generating new ideas, and implementing them. Managers, as entrepreneurs are constantly involved in improving their units and facing the dynamic technological challenges
2. **Disturbance Handler** – When an organization or team hits an unexpected roadblock, it's the manager who must take charge. He also need to help mediate disputes within it. The managers are constantly involved as judge in solving conflicts among the employees and between employees and management.
3. **Resource Allocator** – He also need to determine where organizational resources are best applied. This involves allocating funding, as well as assigning staff and other organizational resources.
4. **Negotiator** – Managers need to take part in, and direct, important negotiations within his team, department, or organization. He has to negotiate deals and agreement within and outside of an organisation. He negotiate contracts with unions. Sales managers may negotiate prices with prime customers. Purchase managers may negotiate prices with vendors.

**UNIT 4**

**MANAGERIAL FUNCTIONS**

Management is the process of designing and maintain an environment for the purpose of efficiently accomplishing selected objectives. Managers carry out the functions of planning, organising , staffing, leading and controlling. Managing is an essential activity at all organisational level. Henry Fayol proposed that all managers are required to perform five management functions in order to execute their day – to – day activities.

**Planning**

The planning function of management controls all the planning that allows the organization to run smoothly. Planning involves defining a goal and determining the most effective course of action needed to reach that goal. Typically, planning involves flexibility, as the planner must coordinate with all levels of management and leadership in the organization. Planning also involves knowledge of the company's resources and the future objectives of the business. The four steps in planning are

1. Establish a goal or set of goals
2. Define the present situations
3. Identify the aids and barriers to the goals
4. Develop a plan or set of actions for reaching the goals

**Organizing**

The organizing function of leadership controls the overall structure of the company. The organizational structure is the foundation of a company; without this structure, the day-to-day operation of the business becomes difficult and unsuccessful. Organizing involves designating tasks and responsibilities to employees with the specific skill sets needed to complete the tasks. Organizing also involves developing the organizational structure and chain of command within the company.

**Staffing**

The staffing function of management controls all recruitment and personnel needs of the organization. The main purpose of staffing is to hire the right people for the right jobs to achieve the objectives of the organization. Staffing involves more than just recruitment; staffing also encompasses training and development, performance appraisals, promotions and transfers. Without the staffing function, the business would fail because the business would not be properly staffed to meet its goals.

**Coordinating**

The coordinating function of leadership controls all the organizing, planning and staffing activities of the company and ensures all activities function together for the good of the organization. Coordinating typically takes place in meetings and other planning sessions with the department heads of the company to ensure all departments are on the same page in terms of objectives and goals. Coordinating involves communication, supervision and direction by management.

**Controlling**

The controlling function of management is useful for ensuring all other functions of the organization are in place and are operating successfully. Controlling involves establishing performance standards and monitoring the output of employees to ensure each employee's performance meets those standards. The controlling process often leads to the identification of situations and problems that need to be addressed by creating new performance standards. The level of performance affects the success of all aspects of the organization.

### **ORGANISATION AND PEOPLE**

An organisation is a deliberate arrangement of people to accomplish some specific purpose. Organisations share three common characteristics

1. Each has a distinct purpose
2. Each is composed of people
3. Each develops some deliberate structure so members can do their work

The person who does not consider the needs of people as consumers of organizational output while fighting for employee needs is not applying the ideas of organisational behaviour correctly. It is a mistake to make an assumption that the objective of organizational behaviour is as simple as to create a satisfied employee-base, as that goal will not automatically turn into new products and stellar customer service. It is also a fact that the person who pushes production outputs without regard for employee needs is also not applying organisational behaviour in the right fashion. The most effective OB dwells, acknowledges and appreciates a social system that consists of many types of human needs that are served in many ways.

People make up the internal social system of the organisation. They consist of individuals and groups, and large groups as well as small ones. It exists to achieve their objectives. Organisations exist to serve people. People do not exist to serve organisations. The work force is one of the critical resources that need to be managed, In managing human resources managers have to deal with

1. Individual employee who are expected to perform the tasks allotted to them
2. Dual relationships such as superior-subordinate interactions
3. Groups who work as teams and have the responsibility for getting the job done
4. People outside the organisation system such as customers and government officials

Organisation is a purposeful system with several subsystems where individuals and activities are organised to achieve certain predetermined goals through division of labour and coordination of activities. Division of labour refers to how the work is divided among the employees and coordination refers to how all the various activities performed by the individuals are integrated or brought together to accomplish the goals of the organisations. The term organising is used to denote one aspect of the managerial activities when he is preparing and scheduling the different task that needs to be completed for the job to be done.

### **LIMITATIONS OF ORGANISATIONAL BEHAVIOUR**

- 1.OB helps an individual to understand human behaviour only at workplace or he she may be a failure at domestic front.
- 2.OB has not contributed to improved interpersonal relations in an organisation. Jealousies, back stabbing, harassments go side by side with rewards, lectures, discussions, smiles etc
- 3.OB is selfish and exploitive. With emphasis on motivation ,efficiency, productivity there exists a kind of competition among workers and they are not able to live in harmony.
- 4.OB will not totally abolish conflict but it can only reduce it.
- 5.OB has all most become a fad with managers. Abolishing of physical disparities has not abolished mental barriers.
6. The law of diminishing returns in organizational behaviour works in a similar way. According to the law of diminishing returns, at some point, increases of a desirable practice produce declining returns, finally resulting in zero returns, and then follows negative returns as more increases are added. More of a good thing is not necessarily good. The concept means that for any situation there is an optimum level of a desirable practice, such as recognition or participation. when that point is exceeded, there is a decline in returns realized. To put it differently, the fact that a practice is desirable does not necessarily imply that more of the same practice is more desirable.
- 7.It is only one of the many systems operating within a large social system
- 8.A significant concern about organisational behaviour is that its knowledge and techniques could be used to manipulate people without regard for human welfare People who lack ethical values could use people in unethical ways.

**REVIEW QUESTIONS**

**Short Answer Type**

1. What do you mean by Organisation Behaviour?
2. What is social psychology?
3. What is psychology?

**Paragraph Type**

1. Explain the nature and scope of Organisation Behaviour?
2. Explain the system theory of organisation ?
3. Explain the contingency approach to the study of OB?
4. State the limitations of OB?

**Essay Type**

1. What do you mean by organisation behaviour ? Discuss the nature and scope of organisation behaviour ?
2. Discuss the historical evolution of organisation behaviour?
3. Discuss the contributing disciplines of OB?

**CASE STUDY**

*Difficult Transitions*

Tony Stark had just finished his first week at Reece Enterprises and decided to drive upstate to a small lakefront lodge for some fishing and relaxation. Tony had worked for the previous ten years for the O'Grady Company, but O'Grady had been through some hard times of late and had recently shut down several of its operating groups, including Tony's, to cut costs. Fortunately, Tony's experience and recommendations had made finding another position fairly easy. As he drove the interstate, he reflected on the past ten years and the apparent situation at Reece.

At O'Grady, things had been great. Tony had been part of the team from day one. The job had met his personal goals and expectations perfectly, and Tony believed he had grown greatly as a person. His work was appreciated and recognized; he had received three promotions and many more pay increases.

Tony had also liked the company itself. The firm was decentralized, allowing its managers considerable autonomy and freedom. The corporate Culture was easygoing. Communication was open. It seemed that everyone knew what was going on at all times, and if you didn't know about something, it was easy to find out.

The people had been another plus. Tony and three other managers went to lunch often and played golf every Saturday. They got along well both personally and professionally and truly worked together as a team. Their boss had been very supportive, giving them the help they needed but also staying out of the way and letting them work.

When word about the shutdown came down, Tony was devastated. He was sure that nothing could replace O'Grady. After the final closing was announced, he spent only a few weeks looking around before he found a comparable position at Reece Enterprises.

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As Tony drove, he reflected that "comparable" probably was the wrong word. Indeed, Reece and O'Grady were about as different as you could get. Top managers at Reece apparently didn't worry too much about who did a good job and who didn't. They seemed to promote and reward people based on how long they had been there and how well they played the never-ending political games.

Maybe this stemmed from the organization itself, Tony pondered. Reece was a bigger organization than O'Grady and was structured much more bureaucratically. It seemed that no one was allowed to make any sort of decision without getting three signatures from higher up. Those signatures, though, were hard to get. All the top managers usually were too busy to see anyone, and interoffice memos apparently had very low priority.

Tony also had had some problems fitting in. His peers treated him with polite indifference. He sensed that a couple of them resented that he, an outsider, had been brought right in at their level after they had had to work themselves up the ladder. On Tuesday he had asked two colleagues about playing golf. They had politely declined, saying that they did not play often. But later in the week, he had overheard them making arrangements to play that very Saturday.

It was at that point that Tony had decided to go fishing. As he steered his car off the interstate to get gas, he wondered if perhaps he had made a mistake in accepting the Reece offer without finding out more about what he was getting into.

### **Case Questions**

- Identify several concepts and characteristics from the field of organizational behavior that this case illustrates.
- What advice can you give Tony? How would this advice be supported or tempered by behavioral concepts and processes?
- Is it possible to find an "ideal" place to work? Explain.

**BASIC PSYCHOLOGICAL PROCESS-PERCEPTION**

Psychology is the study of the mind and behaviour. This can include many things, from how children learn a native language to how one finds a scooter in a crowded parking lot. Even the simplest human activities involve complex psychological processing. Psychologists examine the mind's underlying processes. Each of these basic psychological processes has a function, and they all work together to produce complex human behaviour.

**Sensation: The Most Basic Psychological Process**

We have five senses: sight, sound, smell, taste, and touch. Everything we know about the world around us comes through those five senses.

It is easy to fall under the impression that the mind is an open window to the world around it. In fact, the sensory information that our minds receive undergoes a significant degree of processing before it resembles the world as we know it.

The sensory information for sight consists of light particles that travel in waves. Once those light waves reach our eyes, the information contained in the waves is transformed into electrical signals carried by the nervous system, a process called **transduction**.

All sensory information is transduced into electrical signals, the language of the brain. For this reason, the process of **sensation** can be defined as the act of receiving physical information from the environment and the initial transformation of that information into the nervous system.

Once sensory information is transduced into the electrical signals of the nervous system, the perceptual system works to interpret the sensory information. **Perception** is the process of identifying and understanding sensory information.

For example, have you ever heard an odd buzzing sound only to realize a few seconds later that it is the hum of a bee? That is your perceptual system making sense of the sensory information it is receiving.

Most of the time, it works lightning fast; however, because the sensory information we take in is in such an elementary form, our perceptual systems have to do a lot of translating work, and every once-in-a-while, we experience a sort of perceptual hiccup

Everyday different stimuli around us will be stimulating our sense organs. Many of these stimuli are received by our sense organs and are converted into sensations. These sensations are transmitted to the concerned parts of brain. In turn the brain will interpret these sensations. It is only after such interpretation we understand what the stimulus is.

Hence in understanding the world around us, attention occurs first, followed by sensation and finally interpretation by brain. This process of 'interpretation of stimulus is known as perception'. So perception involves two processes: sensation interpretation. But interpretation of any stimulus requires past experience also. For example, a child who has not seen an elephant earlier either in photo or directly cannot identify that animal, whereas another child who has seen earlier will identify the animal easily.

Hence, perception may be defined as "a process of interpretation of a present stimulus on the basis of past experience".

Stephen P. Robbins defines perception as "a process by which individuals organise and interpret their sensory impressions in order to give meaning to their environment."

According to B. Von Haller Glimer, "Perception is a process of becoming aware of situations of adding meaningful associations to sensations"

Perception is not as simple as said here. It is an integrated approach. It is a synthetic process where different physiological and psychological processes are involved. For example, the accuracy of sense organs, clarity of sensations, mental set of an individual, etc. Otherwise our perception may go wrong.

In short perception is a process of receiving, selecting, organising, interpreting, checking, and reacting to sensory stimuli or data.”

### **Levels of Psychological Processes**

A new born child has a body equipped with mechanisms to undertake a limited set of activities. The child has potentialities to grow and develop. With advancing age child's capacities grow and the changes from a dependent being to a competent and accomplished person provided that there is support from the environment. The human behaviour and activities vary in nature, complexity and duration. These can be classified as follows:-

1. **Physical and psychological activities-** We breathe, eat food, drinks water and excrete. The various activities that take place inside the body are related to various organs. These activities should be proper order if we have to function properly. Thus blood circulation, digestive activities, and brain activity must take place on a continuous basis and regulate the functioning of the organism. Brain activities are related to almost all psychological processes including thinking, imagination, memory, perception, emotion etc.
2. **Motor Behaviour-** the visible human behaviour is largely in terms of motor activities and verbal responses. When we walk, run, jump, sit and work on table we are showing various types of motor behaviour. Psychologists often use the term response to refer to this kind of behaviour.
3. **Psychological processes –** while performing any kind of activity we use various processes like thinking, remembering, problem solving, reasoning etc. Thus whether you study a lesson, view a cinema, talk on a topic, we are using psychological processes of which we may or may not be aware
4. **Language and communication –** we communicate with others and convey our intentions and meaning through language and gestures. We are related to other persons and objects in our environment through the process of communication, use of language, which is symbolic in nature is one of the main characteristics of being human.
5. **Interpersonal behaviour –** we interact with fellow beings and make efforts to achieve goals. We like and dislike others and cooperate with them and develop negative attitude and prejudice. It may lead to discriminatory behaviour. The people with whom we live and interact have tremendous influence on our behaviour. We try to emulate and conform to them and obey the orders of elders. Psychology specialises in understanding all the processes like sensory-perceptual, learning, memory, motivation, personality etc. and applying the knowledge for the betterment of human life. Human beings exist as a part of a person – environment system

### **Perceptual Process**

Perceptual Process is mainly comprised of five processes namely receiving, selecting, organising, interpreting and behaviour response to stimuli. These Process are influenced by perceiver and the situation.

1. **Receiving Stimuli –** A stimulus is any unit of output of any of the senses. Sensory reception is taking place through human organs such as eyes, ears, nose mouth and skin. Picking up all external and internal factors is in this stage.



2. **Selecting Stimuli** – After receiving stimuli from the environment, some are to be selected for further processing and some are screened out. Selecting the stimuli which will be most important – This is where the introduction of new employees is important, they need to be presented in a way where the selected stimuli are positive.
3. **Organising** – Grouping and selecting which are the perceptions to keep. The stimuli received from the environment must be organised so as to assign some meaning to them. This aspect of forming bits of information into meaningful ones is called the perceptual organisation.
4. **Interpreting** –After the data have been received and organised, the perceiver interprets or assign meaning to the information. People will interpret data on the basis of their assumptions of people and events and attributions about causes of behaviour and feelings. Interpretation of stimuli is affected by characteristics of stimuli, situations under which perception take place and the characteristics of perceiver. Fundamental Attribution Error, stereotyping, Halo Effect and projection occurs at this stage.
5. **Response** – In this stage the response of the perceiver takes on both implicit and explicit characteristics. Implicit or concealed response will be reflected in the attitudes, motives, and feelings of the perceiver and explicit responses will be reflected in the actions of the individual. The perception is then turned into attitudes, motivation, feelings and beliefs, which will change the behaviours of the individuals.

### **Factors influencing Perception**

#### ***a. Perceptual learning:***

Based on past experiences or any special training that we get, every one of us learns to emphasise some sensory inputs and to ignore others. For example, a person who has got training in some occupation like artistry or other skilled jobs can perform better than other untrained people. Experience is the best teacher for such perceptual skills.

For example, blind people identify the people by their voice or by sounds of their footsteps.

#### ***b. Mental set:***

Set refers to preparedness or readiness to receive some sensory input. Such expectancy keeps the individual prepared with good attention and concentration. For example, when we are expecting the arrival of a train, we listen to its horn or sound even if there is a lot of noise disturbance.

#### ***c. Motives and needs:***

Our motives and needs will definitely influence our perception. For example, a hungry person is motivated to recognise only the food items among other articles. His attention cannot be directed towards other things until his motive is satisfied.

#### ***d. Cognitive styles:***

People are said to differ in the ways they characteristically process the information. Every individual will have his or her own way of understanding the situation. It is said that the people who are flexible will have good attention and they are less affected by interfering influences and to be less dominated by internal needs and motives than or people at the constricted end.

#### ***e. Extrasensory Perception (ESP):***

There are some instances reported by people that they have experienced some perceptions without the aid of their sense organs. Psychologists have named the perception that occurs without sensory stimulation as 'Extrasensory perception' (ESP).

This is otherwise known as sixth sense in common man's view. Some of the common phenomena in ESP are clairvoyance, telepathy, meeting the souls, precognition, psycho-kinesis, reincarnation, etc.

Though research is going on, the researchers are unable to confirm them, because these experiences are not repeatable for verification. In many instances they remain as coincidences.

**f. Errors in Perception:**

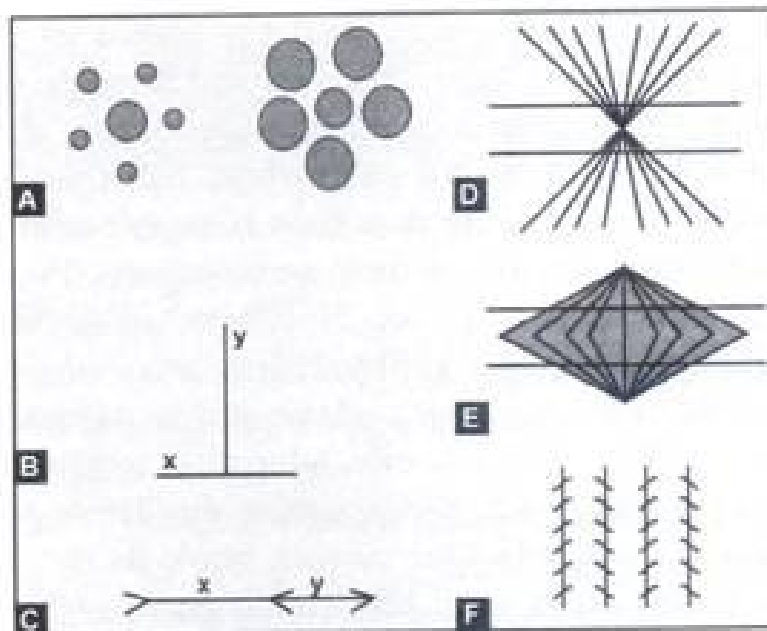
As seen above perception is process of analysing and understanding a stimulus as it is. But it may not be always possible to perceive the stimuli as they are. Knowingly or unknowingly, we mistake the stimulus and perceive it wrongly.

It may be due to defect in our sense organs or defective functioning of the brain. Many times the prejudices in the individual, time of perception, unfavourable background, lack of clarity of stimulus, confusion, conflict in mind and such other factors are responsible for errors in perception. There are two kinds of errors:

**f. a. Illusion:**

Illusion is a false perception. Here the person will mistake a stimulus and perceive it wrongly. For example, in the dark, a rope is mistaken as a snake or vice versa. The voice of an unknown person is mistaken as a friend's voice. A person standing at a distance who is not known may be perceived as a known person.

Most of our illusions are visual and auditory. But illusions pertaining to other senses are also possible. See Figure 3.10 for some of the examples of visual illusions.



**Figs 3.10A to F:** (A) both the circles in the middle are same in size, but appear to vary. (B) Both horizontal and vertical lines are equal in length. (C) Both feather headed and arrow headed lines are equal in length. (D & E) The horizontal lines are straight. (F) The space between vertical lines, is equal

**f. b. Hallucination:**

Sometimes we come across instances where the individual perceives some stimulus, even when it is not present. This phenomenon is known as hallucination. The person may see an object, person, etc. or he may listen to some voice though there are no objects and sounds in reality.

Hallucinations pertain to all the sensations appear in people, but visual and auditory hallucinations are more common. Usually persons with unsound mind, emotionally disturbed, alcoholics and those who are in confused states may experience hallucinations. However, among abnormal people and intoxicated persons hallucinations are very common.

In addition to these errors, there are some abnormalities in our sense perceptions called anaesthesia (no sensation), hyperaesthesia (excessive sensitivity) and paraesthesia (distorted or wrongly localised sensation). In these cases the tactile (skin) sensation is wrongly perceived.

### **Observation and Nurse:**

Good and keen observational ability is an essential characteristic of a nurse. The most important activities of a nurse include observation of changes in pulse, respiration, heart beat and blood pressure because they indicate general condition of a patient. The condition of the postoperative case, the emergency cases also require accurate observation.

Observation involves attention and perception. The nurse should always concentrate her attention on duties.

Distraction of attention may lead to serious consequences like death of a patient. Attention helps to understand the problems of patient. At the same time, accurate perception helps the nurse to have a clear picture of the condition of the patient.

While attending the emergency cases, during operations and other serious conditions accurate perception of the situations help the nurse to deal with the situation in an effective manner.

### **g. Characteristics of the Perceiver**

Several characteristics of a perceiver define one's perception of another person. Familiarity with the person being perceived leads the perceiver to believe that he or she understands the intentions of the individual. Attitudes and moods also affect one's impressions of others. The perceiver's self-concept leads to a more negative or positive view of the attributes of others. Finally, a person's cognitive structure, or pattern of thinking, affects his or her perception of others.

### **h. Characteristics of the Target**

The person being perceived influences the social perception process through a combination of physical appearance, verbal and nonverbal communication, and apparent intention.

### **i. Characteristics of the Situation**

The social context in which you meet an individual has a great deal to do with perceiving the individual positively or negatively. The strength of the situational cues also affects person perception. Strong situational cues lead to the assumption that the situation prompts a person's behavior rather than his/her own personality.

### **Difference between Perception and sensation**

Sensation is the immediate and direct response of the sensory organs to simple stimuli. Sensitivity to stimuli varies with the quality of an individual's sensory receptors and the amount of intensity of stimuli to which he/ she is exposed. The difference between perception and sensation are:-

1. Sensation is the response of physical sensory organs. Perception is something more than sensation. It correlates, integrates and comprehends diverse sensations and information from many organs of the body by means of which a person identifies an object
2. Sensation is a simple mental process whereas perception is comparatively a complex mental process.
3. Sensation is done with physical senses by a person. In perception, he tries to know the meaning of sensation.
4. A person is somewhat inactive in sensation but he is active in perception.
5. Sensation is a part of perception because sensation is the primary stage of perception.
6. Out organs and nerves are active in sensation. All our body became active in perception.

**ATTRIBUTION IN ORGANIZATIONS**

As humans, we are naturally curious about the causes of our behaviour and the behaviour of others. The process of assigning causality to behaviour is referred to as attribution. For instance, if an employee is late for work, one can attribute his late coming due to laziness or lack of interest in the job of oversleeping. This would be internal interpretation. If the employee late coming is due to traffic jam or road accident or his wife sickness, then he is making external attribution. The process of connecting behaviour and performance to specific internal or external sources of control is known as attribution. There are three factors which are used to determine whether the behaviour is caused by internal factors or due to external factors. They are:-

**1. Distinctiveness**

It refers to whether an individual displays different behaviours in different situations. For example, a person may come late not only to office but also to picnic party or to birthday party or to attending meeting. If his late coming behaviour is not unique, it will probably be judged as internal. (Low Distinctiveness) If his late coming behaviour is unusual, that is only to office work, his late coming behaviour is due to external attribution. (High Distinctiveness)

**2. Consensus**

It refers to whether all the people who are facing with a similar situation respond in the same way or not. If all people are responding the same way, then there is high consensus. If consensus is high, then his late coming behaviour is due to external factors. If only a particular worker is late and all others are punctual, then there is low consensus. If consensus is low, then his late coming is due to internal factor.

**3. Consistency**

It refers whether a person responds the same all the time, that is, whether his late coming is common in all the days or once in a while. If his late coming is reported in all the days, then there is high consistency. If there is high consistency, his late coming behaviour is due to internal factor. If his late coming is reported only one time, then there is low consistency. If there is low consistency, then his late coming is due to external factors. The more consistent the behaviour, the more the observer is inclined to attribute it to internal factors.

**Errors in Attribution**

There are two common errors that affect the attribution process: self-serving bias, and the fundamental attribution error.

**Fundamental attribution error** is the tendency to make attributions to internal causes when focusing on someone else's behaviour. This is the tendency to underestimate the influence of external factors and overestimate the influence of internal factors. For example, a sales manager is likely to attribute the poor performance of his sales agents to laziness rather than to the new product line introduced by the competitor or current recession prevailing in the economy.

**Self-serving bias** is the tendency to attribute one's own successes to internal causes such as ability or effort and one's failures to external causes such as luck or fate. While assessing the performance of subordinates, the managers are likely to provide feedback in a distorted manner depending on whether it is positive or negative.

Specific Applications of Perception in organisations

Attitudes, Skill, knowledge, Motivation, appraisal etc will have many consequences in an organisation. They are :-

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1. Stress-A great deal of stress in an organisation can be due to the perception, judgements and expectations that workers and managers have about the workplace. Managers must ensure that the judgement must lead to positive consequences.
2. Employment Interview- due to perceptual errors in the interview process, the screening of job applicants from not so potential to potential will not be very effective. There is poor inter- rater agreement on the performance of job applicants which will perhaps due to interviewer's subjective feelings, bias, prejudice and cause all the perceptual errors.
3. Performance expectation-manager's expectation will have a significant impact on the performance of an employee. If a manager expects a very good performance from his subordinate and conveys such expectations in all possible ways to him, that employee will adjust behaviour in such a way by putting more effort in his work and fulfil the expectation of his manager. Similarly, if a manager expects very poor or substandard performance, that employee will tend to behave in such a way to as to meet those low expectations.
4. Performance evaluation -An employee's future is closely tied to his or her appraisal- promotions, pay raises, and continuation of employment are among the most obvious outcomes. The performance appraisal represents an assessment of an employee's work. Although the appraisal can be objective (for example, a Sales person is appraised on how many rupee of sales she generates in her territory), many jobs are evaluated in subjective terms. Subjective measures are easier to implement, they provide managers with greater discretion, and many jobs do not readily lend themselves to objective measures. Subjective measures are, by definition, judgmental. The evaluator forms a general impression of an employee's work. To the degree that managers use subjective measures in appraising employees, what the evaluator perceives to be good or bad employee characteristics or behaviours will significantly influence the outcome of the appraisal.
5. Employee effort -An individual's future in an organization is usually not dependent on performance alone. In many organizations, the level of an employee's effort is given high importance. Just as teachers frequently consider how hard you try in a course as, well as how you perform on examinations, so often do managers. An assessment of an individual's effort is a subjective judgment susceptible to perceptual distortions and bias. If it is true, as some claim, that workers are fired for poor attitudes and lack of discipline than for lack of ability, then appraisal of an employee's effort may be a primary influence on his or her future in the organization.
6. Employee loyalty Another important judgment that managers make about employees is whether or not they are loyal to the organization. Few organizations appreciate it when employees, especially those in the managerial ranks, openly disparage the firm. Furthermore, in some organizations, if the word gets around that an employee is looking at other employment opportunities outside the firm, that employee may be labelled as disloyal and so may be cut off from all future advancement opportunities. The issue is not whether organizations are right in demanding loyalty. The issue is that many do, and that assessment of an employee's loyalty or commitment is highly judgmental.

**UNIT 7**  
**LEARNING**

“Learning” means different things to different people and is used somewhat differently in different theories. As theories of learning evolved over the past half-century, definitions of learning shifted from changes that occur in the mind or behaviour of an individual to changes in participation in ongoing activities with other individuals to changes in a person's identity within a group (e.g., a change from being a follower to being a leader).

Although, most definitions of learning involve a change in an individual's knowledge, ability to perform a skill, or participate in an activity with other individuals, there is considerable variation among the theories about the nature of this change.

Learning is a powerful incentive for many employees to stick to certain organizations. Learning has a significant impact on individual behaviour as it influences abilities, role perceptions and motivation. Along with its role in individual behaviour, learning is essential for knowledge management. Knowledge management enhances an organization's capacity to acquire, share and utilize knowledge in ways that improve its survival and success.

**MEANING AND DEFINITION**

Learning is defined as “a relatively permanent change in behaviour that occurs as a result of prior experience.” Learning is understood as the modification of behaviour through practice, training, or experience. This is supplemented with five important components of learning:

1. Learning involves change: a change may be for good or bad. Change may not be evident until a situation arises in which the new behaviour can occur. Learning is not always reflected in performance
2. Not all changes reflect learning: to constitute learning, change should be relatively permanent. Temporary changes may be only reflective and fail to represent any learning. This requirement, therefore, rules out behavioural changes caused by fatigue or drugs.
3. Learning is reflected in behaviour: a change in an individual's thought process or attitude, not accompanied by behaviour, is no learning. It should be further clarified that learning needs to result in behaviour potentiality and not necessarily in the behaviour itself. The reason for this distinction lies in the fact that an individual may learn but owing to lack of motivation, may not exhibit any changed behaviour.
4. The change in behaviour should occur as a result of experience, practice or training: this implies that behaviour caused from maturity, disease, or physical damages does not constitute learning
5. The practice or experience must be reinforced in order for learning to occur: if reinforcement does not accompany the practice or experience, the behaviour will eventually disappear.
6. Though not implied in any standard definition of learning: contrary to popular belief, learning is not confined to one's schooling. Learning occurs throughout one's life

Theories of Learning

**THEORIES OF LEARNING**

There are four theories which explain how learning occurs. They are :-

1. Classical conditioning
2. Operant conditioning
3. Cognitive theory
4. Social learning theory

### **1. Classical Conditioning**

Classical conditioning is based on the premise that a physical event – termed a stimulus – that initially does not elicit a particular response gradually acquires the capacity to elicit that response as a result of repeated pairing with a stimulus that elicits a reaction. Learning of this type is quite common and seems to play an important role in such reactions as strong fears, taste aversions, some aspects of sexual behaviour and even racial or ethnic prejudice

Despite the theoretical possibility of the widespread applicability of classical conditioning, most theorists agree that it represents only a very small part of total human learning. Skinner, in particular, felt that classical conditioning explains only respondent (reflexive) behaviours. These are the involuntary responses that are elicited by a stimulus. Skinner felt that the more complex human behaviours cannot be explained by classical conditioning alone. He felt that most human behaviour affects, or operates on, the environment. The latter type of behaviour is learnt through operant conditioning. In an organizational setting we can see classical conditioning operating. For example, at one manufacturing plant, every time the top executives from the head office would make a visit, the plant management would clean up the administrative offices and wash the windows. This went on for years. Eventually, employees would turn on their best behaviour and look prim and proper whenever the windows were cleaned even in those occasions when the cleaning was not paired with visit from the top brass. People had learnt to associate the cleaning of the windows with the visit from the head office.

The first model, classical conditioning, was initially identified by Pavlov in the salivation reflex of dogs. Salivation is an innate reflex, or unconditioned response, to the presentation of food, an unconditioned stimulus. Pavlov showed that dogs could be conditioned to salivate merely to the sound of a buzzer (a conditioned stimulus), after it was sounded a number of times in conjunction with the presentation of food. Learning is said to occur because salivation has been conditioned to a new stimulus that did not elicit it initially. The pairing of food with the buzzer acts to reinforce the buzzer as the prominent stimulus.

Classical conditioning can be summarised as follows:-

Unconditioned stimulus [US] like food which invariably causes to react in a certain way , i.e., salivation

Unconditional response take place whenever the US is presented i.e., whenever the organism [dog in the original experiment] is given food [US], it salivates

Conditioned stimulus [CS] – the object that does not initially bring about the desired response like the sound of a bell.

Conditioned stimulus [CS] a particular behaviour that the organism learns to produce to the salivation

### **2. Cognitive theory of learning**

Contemporary perspective about learning is that, it is a cognitive process. Cognitive process assumes that people are conscious, active participants in how they learn. Cognitive theory of learning assumes that the organism learns the meaning of various objects and event and learned responses depending on the meaning assigned to stimuli. Wolfgang Köhler showed that a protracted process of trial-and-error may be replaced by a sudden understanding that grasps the interrelationships of a problem. This process, called insight, is more akin to piecing together a puzzle than responding to a stimulus.

Edward Tolman (1930) developed this theory. Tolman tested this theory through controlled experiments using rat in the laboratory. He trained a rat to turn in a ‘T’ maze in order to obtain

food. Then he started the rat from the opposite part of the maze; according to operant conditioning theory. The rat should have turned right because of past conditioning.

Edward Tolman found that unrewarded rats learned the layout of a maze, yet this was not apparent until they were later rewarded with food. Tolman called this latent learning, and it has been suggested that the rats developed cognitive maps of the maze that they were able to apply immediately when a reward was offered. The cognitive theory of learning is relevant in the contemporary managerial practices. Many motivation theories centred around the concept of cognition. Expectations, attributions and locus of control are all cognitive concepts requiring attention while motivating employees.

### **3. Social learning theory**

Also called observational learning, social learning theory, emphasizes the ability of an individual to learn by observing others. The important models may include parents, teachers, peers, motion pictures, TV artists, bosses and others. An individual acquires new knowledge by observing what happens to his or her model. This is popularly known as vicarious learning. A learner acquires tacit knowledge and skills through vicarious learning. Social learning has considerable relevance in organizational behaviour. A great deal of what is learned about how to behave in organizations can be explained as the result of the process of observational learning. A new hire acquires job skills by observing what an experienced employee does. Observational learning also occurs in a very informal, unarticulated manner. For instance, people who experience the norms and traditions of their organizations and who subsequently incorporate these into their own behaviour may be recognized as having learnt through observation.

Social learning is also valuable because it enhances the self-efficacy of the learner. Self-efficacy refers to a person's belief that he or she has the ability, motivation and situational contingencies to complete a task successfully. People strong in self-efficacy have a 'can do' attitude towards a specific task and, more generally, with other challenges in life. Social learning increases self-efficacy because people gain greater self-confidence after observing someone else do it than if they are simply told what to do. Managers can shape employee behaviour by systematically reinforcing each successive step that moves the individual closer to the desired response. If an employee, for example, who has been chronically a half-hour late for work comes in only twenty minutes late, the boss can reinforce that improvement.

The influence of the model is the centre to the social learning view point. Four Processes have been found to determine the influence of a model on an individual.

1. Attention Process – people learn from a model only when they recognise and pay attention to its critical features
2. Retention Process – A model's influence will depend on how well the individual remembers the model's action after the model is no longer readily available.
3. Motor reproduction process – after a person has seen a new behaviour by observing the model, the watching must be converted to doing. This process then demonstrates that the individual can perform the modelled activities.
4. Reinforcement Process- Individual will be motivated to exhibit the modelled behaviour if positive incentives or rewards are provided. Behaviour that is positively reinforced will be given more attention, learned better and performed more often.



### **PRINCIPLES OF LEARNING**

Principles of learning are highly useful for trainer in order to impart maximum knowledge and skills to the trainees. However, blind adherence to these principles can cause more harm than good. Each principle should, therefore, be interpreted and applied carefully in full consideration of the particular task being learned and the most important of them are

- Motivation
- Reinforcement
- Whole versus part learning
- Learning curves
- Meaningfulness of material
- Learning styles

#### **Motivation**

The concept of motivation is basic because, without motivation learning does not take place or, at least, is not discernible. Motivation may be seen at different levels of complexity of a situation. A thirsty rat will learn the path through a maze to a dish of water; it is not likely to do so well, or even more purposefully at all, if it is satiated. On a broader level, a college student must have the need and drive to accomplish a task and reach a specific goal.

#### **Reinforcement, punishment and extinction**

Reinforcement, punishment and extinction play a key role in learning process. Reinforcement is used to enhance desirable behaviour; punishment and extinction are employed to minimize undesirable behaviour.

#### **Reinforcement**

It is the attempt to develop or strengthen desirable behaviour.. The principle of reinforcement size stated that the larger the amount of reinforcement delivered after the desired behaviour, the more effect the reinforcer will have on the frequency of the desired behaviour. There are two types of reinforcement: positive and negative

##### a. Positive reinforcement

It strengthens and enhances behaviour by the presentation of positive reinforcers. There are primary reinforcers and secondary reinforcers. Primary reinforcers satisfy basic biological needs and include food and water. However, primary reinforcers don not always reinforce. For instance, food may not be a reinforcer to someone who has just completed a five course meal. Most behaviours in organizations are influenced by secondary reinforcers. These include such benefits as money, status, grades, trophies and praise from others. These become positive reinforcers because of their associations with the primary reinforcers and hence are often called conditioned reinforcers. It should be noted that an event that functions as a positive reinforce at one time or in one context may have a different effect at another time or in another place. For example, food may serve as a positive reinforcer for a person who is hungry, but not when the person, as stated above, has already a large meal. Clearly, a stimulus that functions as a positive reinforcer for one person may fail to operate in a similar manner for another person. Within itself, positive reinforcement has several principles.

##### b. Negative reinforcement

An unpleasant event that precedes a behaviour is removed when the desired behaviour occurs. This procedure increases the likelihood that the desired behaviour will occur. Just as there are positive reinforcers, there are the stimuli that strengthen responses that permit an organism to avoid or escape from their presence. Thus, when we perform an action that allows us to escape

from a negative reinforcer that is already present or to avoid the threatened application of one, our tendency to perform this action in the future increases. Some negative reinforcers such as intense heat, extreme cold, or electric shock, exert their effects the first time they are encountered, whereas others acquire their impact through repeated association. We see negative reinforcement in organizations and in personal life. Supervisors apply negative reinforcement when they stop criticizing employees whose poor performance has improved. By withholding the criticism, employees are more likely to repeat behaviours that enhance their performance.

### **Whole versus part learning**

A great deal of work has been done in psychology of learning to decide whether learning a whole job is superior to breaking the job into parts and learning the parts. In parts learning, the individual is not only required to learn each individual part but must be able to combine the separate parts so that the whole performance can be accomplished. No overall conclusion, however, has been reached in this field.

### **Learning curves**

A highly useful learning concept which is valid for a wide range of situation is the learning curve, a diagrammatic presentation of the amount learned in relation to time. A typical learning curve will show on the Y-axis the amount learnt and the X-axis the passage of time. Certain characteristics are common to all learning curves. One such feature is the initial spurt. At the beginning, it is natural that the rate of learning exhibits spurt. Usually, the graph levels off at some stage, indicating that maximum performance has been achieved. Apparently at the beginning of the learning process, the subject is highly motivated and seems to exhibit a significant surge of effort. Many experienced trainers exploit this initial spurt by selecting the most important items to be communicated and presenting them as a package to the students at the beginning of the training unit. In many ways, it is possible to exemplify the initial spurt with the aphorism “the first step is the best step”

### **Learning styles**

The final principle of learning is the learning styles. Learning style refers to the ability of an individual to learn. A manager's long-term success depends more on the ability to learn than on the mastery of the specific skills or technical knowledge. There are four styles people use when learning: accommodation, divergence, assimilation and convergence. The four styles are based on dimensions: feeling versus thinking and doing versus observing. An accommodator learns by doing and feeling. He tends to learn primarily from hands-on experience. He tends to act on gut feeling rather than on logical analysis. An accommodator tends to rely more heavily on people for information while making decisions. He seeks action-oriented careers such as marketing, politics, public relations and management. Diverger: A diverger learns by observing and feeling. The diverger has the ability to view concrete situations from different angles. When solving problems, diverger enjoys brainstorming. He takes time and analyses many alternatives. Diverger is imaginative and sensitive to the needs of the other people. He seeks careers in entertainment, arts and services sector. Converger: A converger learns by doing and thinking. The converger seeks practical use for information. When presented with problems and making decisions, the converger tends to focus on solutions. Converger tends to prefer dealing with technical tasks and problems rather than social and interpersonal issues. Converger seeks technical careers in various scientific fields and work at engineering, production supervision, IT and managerial jobs. Assimilator: an assimilator learns by observing and thinking. The assimilator is effective at understanding a wide range of information and putting in to concise and logical form. It is more important for the assimilator that an idea or theory is logical than practical. Assimilator tends to be more concerned

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with abstract idea and concept than with people. He tends to seek careers in education, information and science.

### USING LEARNING CONCEPTS FOR SELF MANAGEMENT

Self-Management, simply stated, is an organizational model wherein the traditional functions of a manager (planning, coordinating, controlling, staffing and directing) are pushed out to all participants in the organization instead of just to a select few. Each member of the organization is personally responsible for forging their own personal relationships, planning their own work, coordinating their actions with other members, acquiring requisite resources to accomplish their mission, and for taking corrective action with respect to other members when needed.

Self management means the methods, skills, and strategies by which individuals can effectively direct their own activities towards the achievement of objectives and include goal setting, decision making, focusing, planning, scheduling, task tracking, self evaluation, self intervention and self development

Self management may also refer to a form of workplace decision making in which the employees themselves agree on choices instead of the supervisor telling workers what to do, how to do it and where to do it, in the traditional way.

The concept of learning can be used to allow individuals to manage their own behaviour. In such cases the need for managerial control can be reduced. This is called self management. Self management requires an individual deliberately manipulate stimuli internal processes and responses to achieve personal behaviour outcomes, the basic process involve on serving one's own behaviour, compare the behaviour with the standard and regarding oneself if the behaviour meets the standard,

In many organisations, performance management is based on principles of self management. In such situations employees themselves set personal goal of performance and identify performance measurement techniques. In such a way, they learn how to self monitor their performance to establish whether individual and organisational goals is being achieved. Individuals are self managing when they accept a high degree of responsibility for their work and for making decisions on their own. Employees are encouraged to do this on the assumption that if selection and training has been appropriate, individuals know best how to perform their jobs and are qualified to make decisions about how those jobs are performed. Self management models encourage training and development of employees who act as their own bosses by individually and independently solving their own problems.

Self-Management is an alternative to the traditional, hierarchical method of organizing we see most often in modern organizations. There are a few key ideas that are central to the Self-Management philosophy, namely that:

- People are generally happier when they have control over their own life (and work)
- It doesn't make a lot of sense to give the decision-making authority to the person that furthest (literally) away from the actual work being done
- When you give good people more responsibility, they tend to flourish
- The traditional hierarchical model of organizations is not scalable—in fact, it's a recipe for a slow painful death
- There's an undeniable link between freedom and economic prosperity in nations around the world—and, further, an undeniable link between lack of freedom and corruption at the national level. The same is true of human organizations in general.

## UNIT 8

### IMPLICATIONS FOR PERFORMANCE AND SATISFACTION

Individual *self-management* will also likely affect job satisfaction. Job satisfaction has been identified as a positive outcome of *self-managing* activity because it gratifies demands for interesting and challenging work and the desire for *self-control*. Promoting individual *self-management* will enrich employees' job situations and offer them many opportunities for growth and satisfaction. However, whether individuals will respond positively to *self-managing* activities depends on individual differences. For example, individuals with high need achievement, high growth need strength, or high *self-esteem* should be more receptive to increased responsibility and challenge than those low on such traits.

Since individual *self-management* is proposed to fit better in functional units in terms of effectiveness, when such units have members with high levels of individual *self-management*, these units should report more job satisfaction. Cross-functional settings are proposed to be less suitable for individual *self-management* in terms of work unit effectiveness. Thus, because of the potential conflict between the requirements of cross-functional teams and the focus of individual *self-management*, the strength of the relationship between levels of *self-management* in the units and job satisfaction was expected to be less for the cross-functional teams than for the functional work units:

Self managing activities reduce bureaucratic obstacles by empowering individuals with greater decision-making authority. Individuals who are rated high on self management will likely perceive bureaucracy, lack of authority, and lack of support are not big problems than will those lower on self management. On the other hand, in an organisation promoting self management would also likely perceive greater opportunities for upward mobility and less resistance to change. Those using less individual self management would likely perceive less authority to do their jobs right and a lack of upward mobility, as well as greater problems with bureaucracy, red tape, managerial incompetence, and communication. Thus teams with high level of individual self management face less severe job problems arising from organisational systems and structures. Bureaucratic obstacles in discharging their duties may not be as strong for those teams

If offers implications for managing within team- based designs. Self management can have beneficial effects, but it is not a universal remedy. Transitions to self managing designs should not be taken lightly; rather, organisational support for self management should clearly be considered relative to the context in which it occurs and the type of self management desirable. In the right situation, individual self management can substantially benefit team performance, teamwork effectiveness and employee attitudes.

### REMEMBERING

Psychologists consider memory and learning to be different processes, though, both are closely related. Learning refers to the acquisition of new behaviours through experience. On the other hand, memory refers to the process of storing of information that can be retrieved when required. Memory refers to the set of processes involved in storing information and the specific process is termed as retention. Cognitive psychologists define memory as a perceptually active mental system that receives, encodes, modifies and retrieves information. We cannot directly observe the process of memory. It can be studied indirectly by way of measuring retention.

The direct methods of assessing memory are: (i) recall, (ii) recognition, (iii) relearning, and (iv) reconstruction. The indirect method focuses on the amount of transfer of previous learning to a subsequent learning situation.

### **Recall**

The most widely used method of testing memory or measuring retention is the method of recall. It is a passive, but direct method of measuring retention. Reproduction of learnt materials after a time span is recall. It is actually repetition of learned material, i.e., verbatim (word for word) recitation. For example, one may recall a poem by reciting it even if he does not remember the circumstances under which he had learned.

### **Recognition**

Recognition is considered as a sensitive method of measuring retention. It is an active process where identification of elements takes place. Recognition is a common experience which refers to the fact that once the remembered event or word is in front of us, we know that we have stored it away before is familiar to us. Guilford (1917) viewed that recognition means knowing again. Further, the essential difference between recall and recognition is that in first case, the stimulus is not there for one's identification, whereas it is there in the second case.

### **Relearning**

The method of relearning is the most sensitive among all measures of retention. This method is otherwise known as the method of 'saving', which was introduced by Ebbinghaus (1885) for measuring the quantitative aspect of memory. In this method, a list of materials is presented to the subject up to perfect learning, and after a time gap, she/he is presented with the same list to relearn. The experimenter records the number of trials and time taken by the subject in relearning condition.

### **Reconstruction**

Reconstruction involves the reproduction of the learned materials. Reconstruction technically means rearranging the parts of an original task, presented randomly. In this method, the stimuli are first presented in a certain arrangement, then this arrangement is broken up and the stimuli are handed over to the subject with instruction to reconstruct the original order.

Suppose the parts of a plastic doll are joined to get a full figure of a doll, then the experimenter breaks it into pieces and asks the subject to rearrange the items to form a doll. If the subject can rearrange, then she/he gets the full credit for the test. Similarly while writing an essay on Second World War, we recall that the United States entered the war in 1941 after the attack on Pearl Harbour, and an atom bomb was dropped on Hiroshima in 1945. Hence, we are able to reconstruct the events that took place between these two times.

### **Strategies for enhancing memory**

1. Deep Processing –if you want to learn something and wish to enter information into long- term memory, you have to think about it. You need to consider its meaning and examine its relationship to information you already have. Careful planning and considering the meaning of information, and relating to your knowledge is helpful in learning it and remembering it later.
2. Careful Attention- whatever we want to learn and ensure its retention in long term memory there should be a conscious effort to attend to the material carefully. So , it is essential to provide full attention to information that we want to remember.
3. Reduce interference- interference is a major cause of forgetting and we should try to reduce it as much as possible. Learning of similar material will produce interference. Thus, it is better to avoid learning similar material one right after the other.
4. Distributed practice- while learning some material it is beneficial to learn it using distributed practice in which there is gap between trails. That is, if the material is lengthy, divide it into two or three parts and learn a part in one attempt. After mastering one part then go to the second and so on.
5. Using memory aids – people use various cues, indicators and signs to connect events. This often facilitates remembering. It is called memories. We can use visual imagery to remember objects and places.
6. Shorthand codes- we can develop our own shorthand codes to memorise long list of items. We can use the first letter of each word or item and construct a unique word.

**UNIT 9**

**MOTIVATIONAL CONCEPTS.**

Motivation is one of the important factors which affect human behaviour. Motivation is not directly observable (it is internal to each employee), it is personal (what is arousing differs and how behaviour is directed is often different), however the process is common and it is goal directed. It is an important factor which encourages employees to give their best performance and help in attaining enterprise goals.

**Motivation “The processes that account for an individual’s intensity, direction, and persistence of effort toward achieving a goal”**

Motivation is the driving force which help causes us to achieve goals. Motivation is said to be intrinsic or extrinsic, Intrinsic motivation refers to motivation that is driven by an interest or enjoyment in the task itself, and exists within the individual rather than relying on any external pressure. Extrinsic motivation comes from outside of the individual. Common extrinsic motivations are rewards like money and grades, coercion and threat of punishment. Motivation means inspiring the personnel with enthusiasm to do work for the accomplishment of objectives in the organisation. It is the important function of a manager.

Motivation is derived from the word ‘motive’ which means idea, need, emotion or organism state which promotes a man to an action. So to motivate a person needs, emotions etc of person should be studied .

Edwin B. Flippo defines, ” motivation is the process of attempting to influence others to do their work through the possibility of gain or reward “

**Characteristics of motivation**

***1. Motivation is a Psychological Concept:***

Motivation has to come from within each individual. There are two desiring factors in motivation- (a) Fundamental needs, such as food, clothes and shelter and (b) Ego-satisfaction including self-esteem, recognition from others, opportunities for achievements, self-development and self actualization which act as powerful though unconscious, motivator of behaviour. Inner motivation can be more decisive for behaviour than any external influence.

***2. Motivation affects the Whole Individual, not part of Him /Her:***

A person’s basic needs determine to a great extent what he will try to do at any given time. All these needs are inter-related because each individual is an integrated organised whole.

***3. Motivation is never an Unending Process:***

Man is a social animal. As a social animal he has innumerable wants which induce him to work. If one basic need is adequately satisfied for a given individual it loses power as a motivator and does not determine his current behaviour but at the same time others needs continue to emerge. Wants are innumerable and cannot be satisfied at one time. It is an unending process so the process of motivation is also unending to induce the person to satisfy his innumerable wants. The importance of motivation is to keep it alive and not to let it dwindle.

***4. Non-fulfilment of Basic Needs Makes a Man Sick:***

If anybody fails in trying to meet a need which he feels is essential for him, he becomes to some extent mentally ill and such frustrated man cannot be motivated any further until his essential need is satisfied.

### ***5. Goals are Motivators:***

Goals and motives are inseparable. Man works to achieve the goals. As soon as the goal is achieved he would be no longer interested in work. Therefore, it is very essential for the management to know his goal to push him to work.

### ***6. The Self-concept as a Unifying Force:***

According to Geller-man unifying forces run through each individual's history. Unifying force means the drive to activate his/her image of him-herself. The outline of a person's self image is fairly well checked in early childhood and thereafter does not act ordinarily change. Thus, two things that individual is always trying to do are (a) to act like the person; he thinks he is, and (b) to get what he thinks, he can.

### ***7. Motivation is a complex phenomenon:***

Motivation being an internal feeling cannot be observed directly. Since motives themselves are dynamic, it further adds to complexity.

### ***8. Motivation is different from Satisfaction, Inspiration, and Manipulation:***

Motivation refers to the drive and efforts to satisfy a want or goal, whereas satisfaction refers to the contentment experienced when a want is satisfied. In contrast, inspiration is bringing about a change in the thinking pattern. On the other hand Manipulation is getting the things done from others in a predetermined manner.

### **Importance of Motivation**

Every manager in the organisation is to motivate his subordinates to attain better results. So motivation is very important in an organisational context. The importance of motivation are:-

#### **1. Lead to profitable operation**

Motivation is an important tool that leads the organization in profitable operations. Motivated workers perform their duties with full responsibility. The development of self responsibility among the workers contributes for the best utilization of available resources like materials, money, machines and others.

#### **2. High level of productivity**

Motivation contributes to develop working efficiency of employees. When employees are actually motivated they improve their working efficiency. The development of working efficiency among workers leads to maximize production and productivity. Management can expand its business activities in large areas for organizational profitability and growth.

#### **3. Best remedy for resistance to change**

The change in the management system and organizational structure is essential to adjust an organization and its business activities according to changing environment. In some situation workers, specially, their unions may create resistance to change. They think about their job security and stability. The motivated workers have knowledge about the outcome of changes. They even better appreciate the management view points to the introduction of changes in the organization.

#### **4. Effective use of human resources**

Manpower is the main active factor of production and is responsible for the best utilization of organizational resources. Motivation is the main instrument which creates the willingness among workers to do their work in the best possible way. In other words, motivated employees make the best utilization of their skills, knowledge, capabilities etc. in the existing environment.

### **5.Satisfaction of employees**

The satisfaction of employees is essential for organizational effectiveness. Motivation helps satisfy employees and develop morality among them. Employees with high morale become dedicated to the organization. They also perform their jobs in the best manner. Generally, employees are motivated through facilities both financial and non financial. Financial facilities are essential to fulfill basic and other physiological needs. In a similar manner, promotion on the basis of efficiency and experience is essential to fulfil social needs.

### **6.Minimize disputes and strikes**

Motivation is an important tool, which helps to maintain coordination and develop a feeling of harmony among workers and management. It minimizes misunderstanding and disputes between the management and workers. The development of transparency about the internal matters stimulates the workers to perform their work efficiently. When workers get knowledge about their responsibility and return, they perform their work efficiently.

### **7.Basis of coordination**

Motivation is the basis of coordination among all members of the organization. Motivated employees develop a better understanding among themselves. They appreciate their mutual problems and resolve differences through mutual consent. The main reason for the differences in approach among the workers is the lack of coordination. However, motivation helps to maintain coordination among the workers. The maintenance of coordination helps to develop the attitude of team spirit and group effort for common goals.

### **8.Stability of workforce**

It is known that a motivated and stable workforce is potential of the organization. Motivation directly or indirectly facilitates the stability of the workforce. Generally, frustrated and dissatisfied employees may think of leaving the organization for better opportunity. Motivated employees do not want to leave the organization and want to work for the organization with the best possible way. Therefore, the management needs to provide facilities to workers on the basis of their efficiency and experience.

### **9.Minimizes supervision cost**

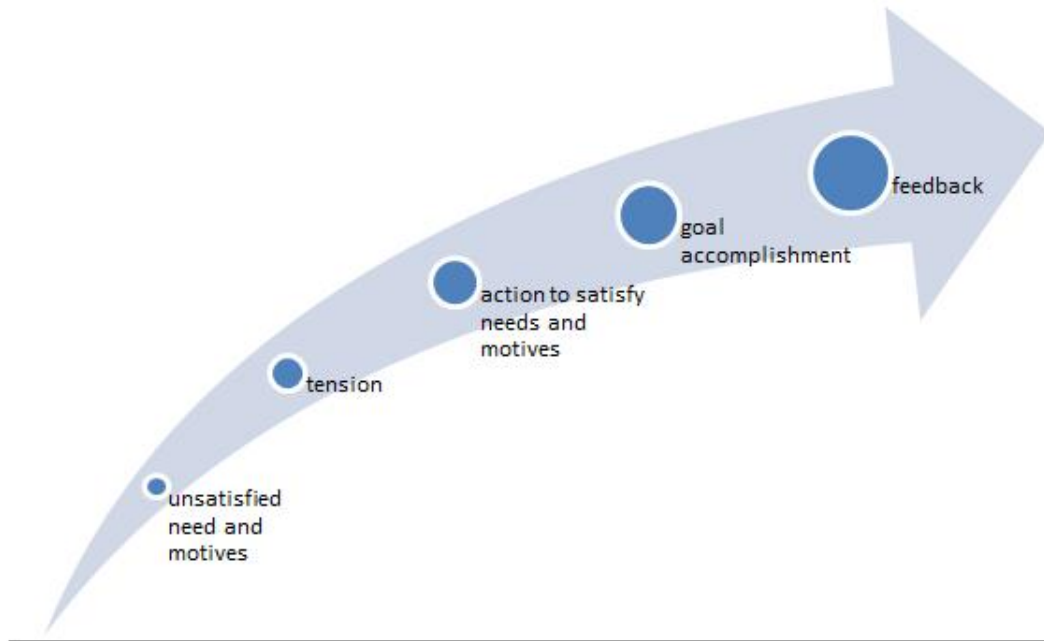
Motivated employees perform their work themselves. In other words, the concept of self responsibility is developed among them and they perform work smoothly. For such employees, only guidance and timely suggestion is sufficient. Therefore, regular and close supervision is not required to such employees. Motivation indirectly contributes to minimizing supervision cost.

### **10.Achievement of organization goals**

Every organization is established to achieve definite objectives. Similarly, the main responsibility of the management is to focus on organizational objectives. Motivated workers put their effort toward the attainment of organization objectives. The best utilization of human effort contributes for the proper utilization of other resources. This is helpful to minimize cost of output or service and maximize profitability.



### MOTIVATION PROCESS



1. **Unsatisfied needs and motives:** it is the first process of motivation. This stage involves unsatisfied needs and motives. Such unsatisfied needs can be activated by internal stimulus such as hunger and thirst. They can also be activated by external stimulus such as advertisement and window display
2. **Tension:** this stage involves tension. Unsatisfied needs create tension in the individual. Such tension can be physical, psychological, and sociological. In this situation, people try to develop objects that will satisfy their needs.
3. **Action to satisfy needs and motives:** this stage involves action of people to satisfy needs and motives. Such tension creates strong internal stimulus that calls for action. Individual engages in action to satisfy needs and motives for tension reduction. For this purpose, alternatives are searched and choice is made, the action can be hard work for earning more money
4. **Goal accomplishment:** this stage involves goal accomplishment. Action to satisfy needs and motives accomplishes goals. It can be achieved through reward and punishment. When actions are carried out as per the tensions, then people are rewarded others are punished. Ultimately goals are accomplished.
5. **Feedback:** this is the last stage for motivation. Feedback provides information for revision or improvement or modification of needs as needed. Depending on how well the goal is accomplished their needs and motives are modified. Drastic changes in environment necessitate the revision and modification of needs

**UNIT 10**

**THEORIES OF MOTIVATION**

Motivation theories are important to managers attempting to be effective leaders. Motivation theories can be classified into content theories and process theories.

**Content theories of motivation**

The content approach to motivation focuses on the assumption that individuals are motivated by the desire to fulfil inner needs. Content theories focus on the needs that motivate people.

**1. Maslow's need hierarchy theory**

This theory was propounded by Abraham Harold Maslow. It is the simple and widely accepted theory. Abraham Maslow's hierarchy of needs is the most well-known theory of motivation.

Maslow's need theory has received wide recognition, particularly among practicing managers. Research does not generally validate the theory. Maslow provided no empirical substantiation, and several studies that sought to validate the theory found no support for it.

If motivation is driven by the existence of unsatisfied needs, then it is worthwhile for a manager to understand which needs are the more important for individual employees. In this regard, Abraham Maslow developed a model in which basic, low-level needs such as physiological requirements and safety must be satisfied before higher-level needs such as self-fulfilment are pursued. In this hierarchical model, when a need is mostly satisfied it no longer motivates and the next higher need takes its place. Maslow's hierarchy of needs is shown in the following diagram:

*Maslow's Hierarchy of Needs*



Physiological Needs

Physiological needs are those required to sustain life, such as:

- air
- water
- nourishment
- sleep

According to Maslow's theory, if such needs are not satisfied then one's motivation will arise from the quest to satisfy them. Higher needs such as social needs and esteem are not felt until one has met the needs basic to one's bodily functioning.

Safety

Once physiological needs are met, one's attention turns to safety and security in order to be free from the threat of physical and emotional harm. Such needs might be fulfilled by:

- Living in a safe area
- Medical insurance
- Job security
- Financial reserves

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According to Maslow's hierarchy, if a person feels that he or she is in harm's way, higher needs will not receive much attention.

### Social Needs

Once a person has met the lower level physiological and safety needs, higher level needs become important, the first of which are social needs. Social needs are those related to interaction with other people and may include:

- Need for friends
- Need for belonging
- Need to give and receive love

### Esteem

Once a person feels a sense of "belonging", the need to feel important arises. Esteem needs may be classified as internal or external. Internal esteem needs are those related to self-esteem such as self respect and achievement. External esteem needs are those such as social status and recognition. Some esteem needs are:

- Self-respect
- Achievement
- Attention
- Recognition
- Reputation

Maslow later refined his model to include a level between esteem needs and self-actualization: the need for knowledge and aesthetics.

### Self-Actualization

Self-actualization is the summit of Maslow's hierarchy of needs. It is the quest of reaching one's full potential as a person. Unlike lower level needs, this need is never fully satisfied; as one grows psychologically there are always new opportunities to continue to grow.

Self-actualized people tend to have needs such as:

- Truth
- Justice
- Wisdom
- Meaning

Self-actualized persons have frequent occurrences of *peak experiences*, which are energized moments of profound happiness and harmony. According to Maslow, only a small percentage of the population reaches the level of self-actualization.

### ***Implications for Management***

If Maslow's theory holds, there are some important implications for management. There are opportunities to motivate employees through management style, job design, company events, and compensation packages, some examples of which follow:

- **Physiological needs:** Provide lunch breaks, rest breaks, and wages that are sufficient to purchase the essentials of life.
- **Safety Needs:** Provide a safe working environment, retirement benefits, and job security.
- **Social Needs:** Create a sense of community via team-based projects and social events.
- **Esteem Needs:** Recognize achievements to make employees feel appreciated and valued. Offer job titles that convey the importance of the position.
- **Self-Actualization:** Provide employees a challenge and the opportunity to reach their full career potential.

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However, not all people are driven by the same needs - at any time different people may be motivated by entirely different factors. It is important to understand the needs being pursued by each employee. To motivate an employee, the manager must be able to recognize the needs level at which the employee is operating, and use those needs as levers of motivation.

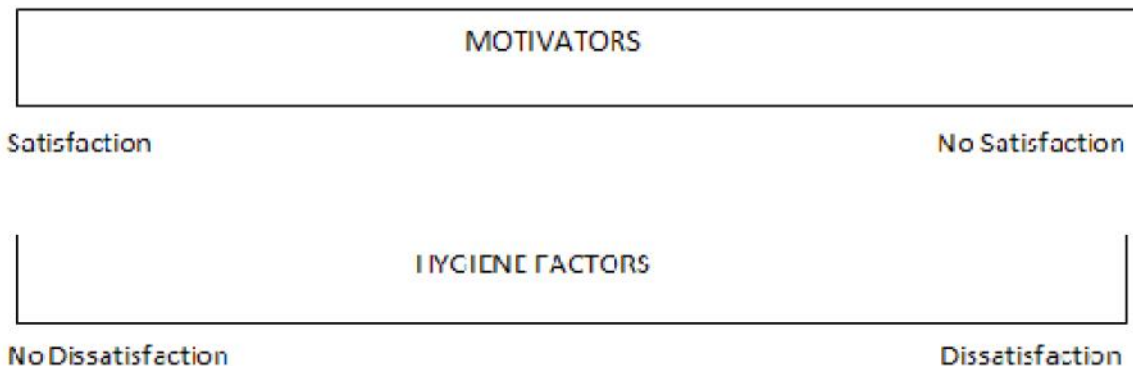
### **Drawbacks and Criticism on Maslow's Theory of Motivation:**

Although Maslow's theory of motivation is still referred by practising managers and students, it received severe criticism on its several aspects. To fully learn about Maslow's hierarchy of needs theory, it is equally important to know its drawbacks and criticisms, which are as follows:

- The theory lacked empirical data and statistics – which are essential for any organizational behaviour theory.
- It could not be validated in practice or real life.
- There is nothing that supports the idea of a hierarchy in real life. In other words, these needs do not need to be in the same hierarchical order.
- Different people require different types of motives. All such people cannot be generalized in a single hierarchical model of five common needs.
- According to Maslow, when a need is significantly satisfied, the next need becomes the more dominating motivation factor. However, most of these needs simultaneously demand attention. Furthermore, no need is fully satisfied. For example, the physiological needs will be there throughout the day, every day.
- There is no set criterion as to when a need is satisfied. Moreover, even after a need is satisfied, it does not fully cease to be a motivating force.
- Different situations force individuals to change their decisions and their needs, too. The fixed hierarchical model does not accommodate this important fact.

### **HERZBERG'S TWO FACTOR THEORY**

In 1959, Frederick Herzberg, a behavioural scientist proposed a two-factor theory or the motivator-hygiene theory. According to Herzberg, there are some job factors that result in satisfaction while there are other job factors that prevent dissatisfaction. According to Herzberg, the opposite of "Satisfaction" is "No satisfaction" and the opposite of "Dissatisfaction" is "No Dissatisfaction".



**FIGURE: Herzberg's view of satisfaction and dissatisfaction**

Herzberg classified these job factors into two categories-

- a. **Hygiene factors-** Hygiene factors are those job factors which are essential for existence of motivation at workplace. These do not lead to positive satisfaction for long-term. But if

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these factors are absent at workplace, then they lead to dissatisfaction. In other words, hygiene factors are those factors which when adequate/reasonable in a job, pacify the employees and do not make them dissatisfied. These factors are extrinsic to work. Hygiene factors are also called as **dissatisfiers or maintenance factors** as they are required to avoid dissatisfaction. These factors describe the job environment/scenario. The hygiene factors symbolized the physiological needs which the individuals wanted and expected to be fulfilled. Hygiene factors include:

- Pay - The pay or salary structure should be appropriate and reasonable. It must be equal and competitive to those in the same industry in the same domain.
  - Company Policies and administrative policies - The company policies should not be too rigid. They should be fair and clear. It should include flexible working hours, dress code, breaks, vacation, etc.
  - Fringe benefits - The employees should be offered health care plans (medi claim), benefits for the family members, employee help programmes, etc.
  - Physical Working conditions - The working conditions should be safe, clean and hygienic. The work equipments should be updated and well-maintained.
  - Status - The employees' status within the organization should be familiar and retained.
  - Interpersonal relations - The relationship of the employees with his peers, superiors and subordinates should be appropriate and acceptable. There should be no conflict or humiliation element present.
  - Job Security - The organization must provide job security to the employees.
- b. **Motivational factors-** According to Herzberg, the hygiene factors cannot be regarded as motivators. The motivational factors yield positive satisfaction. These factors are inherent to work. These factors motivate the employees for a superior performance. These factors are called satisfiers. These are factors involved in performing the job. Employees find these factors intrinsically rewarding. The motivators symbolized the psychological needs that were perceived as an additional benefit. Motivational factors include:
- Recognition - The employees should be praised and recognized for their accomplishments by the managers.
  - Sense of achievement - The employees must have a sense of achievement. This depends on the job. There must be a fruit of some sort in the job.
  - Growth and promotional opportunities - There must be growth and advancement opportunities in an organization to motivate the employees to perform well.
  - Responsibility - The employees must hold themselves responsible for the work. The managers should give them ownership of the work. They should minimize control but retain accountability.
  - Meaningfulness of the work - The work itself should be meaningful, interesting and challenging for the employee to perform and to get motivated.

### Limitations of Herzberg Two-Factor Theory

The two factor theory is not free from limitations:

1. The two-factor theory overlooks situational variables.
2. Herzberg assumed a correlation between satisfaction and productivity. But the research conducted by Herzberg stressed upon satisfaction and ignored productivity.
3. The theory's reliability is uncertain. Analysis has to be made by the raters. The raters may spoil the findings by analyzing same response in different manner.
4. No comprehensive measure of satisfaction was used. An employee may find his job acceptable despite the fact that he may hate/object part of his job.
5. The two factor theory is not free from bias as it is based on the natural reaction of employees when they are enquired the sources of satisfaction and dissatisfaction at work. They will blame dissatisfaction on the external factors such as salary structure, company policies and peer relationship. Also, the employees will give credit to themselves for the satisfaction factor at work.
6. The theory ignores blue-collar workers. Despite these limitations, Herzberg's Two-Factor theory is acceptable broadly.

### Implications of Two-Factor Theory

The Two-Factor theory implies that the managers must stress upon guaranteeing the adequacy of the hygiene factors to avoid employee dissatisfaction. Also, the managers must make sure that the work is stimulating and rewarding so that the employees are motivated to work and perform harder and better. This theory emphasize upon job-enrichment so as to motivate the employees. The job must utilize the employee's skills and competencies to the maximum. Focusing on the motivational factors can improve work-quality.

### Comparison of Herzberg and Maslow's model

Herzberg had close links with Maslow and believed in a **two-factor theory of motivation**. He argued that there were certain factors that a business could introduce that would directly motivate employees to work harder (**motivators**). However there were also factors that would de-motivate an employee if not present but would not in themselves actually motivate employees to work harder (**hygiene factors**)

Motivators are more concerned with the actual job itself. For instance how interesting the work is and how much opportunity it gives for extra responsibility, recognition and promotion. Hygiene factors are factors which 'surround the job' rather than the job itself. For example a worker will only turn up to work if a business has provided a reasonable level of pay and safe working conditions but these factors will not make him work harder at his job once he is there.

Herzberg believed that businesses should motivate employees by adopting a democratic approach to management and by improving the nature and content of the actual job through certain methods. Some of the methods managers could use to achieve this are:

- **Job enlargement** – workers being given a greater variety of tasks to perform (not necessarily more challenging) which should make the work more interesting.
- **Job enrichment** - involves workers being given a wider range of more complex and challenging tasks surrounding a complete unit of work. This should give a greater sense of achievement.
- **Empowerment** means delegating more power to employees to make their own decisions over areas of their working life.

**Key summary for Herzberg:**

- Workers motivated to work harder by motivators e.g. more responsibility, more interesting work, more praise for good work
- Workers can become de-motivated if hygiene factors are not met e.g. pay, working conditions, relationships with colleagues

## **Alderfer ERG motivation theory**

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

1. **Existence Needs**

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

2. **Relatedness Needs**

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

3. **Growth Needs**

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

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

### **Relationships between Alderfer's ERG theory concepts**

There are three relationships among the different categories in Alderfer's ERG theory:

1. **Satisfaction-progression**

This moves up to higher-level needs based on satisfied needs. With Maslow, satisfaction-progression plays an important part. Individuals move up the need hierarchy as a result of satisfying lower order needs. In Alderfer's ERG theory, this isn't necessarily so. The progression upward from relatedness satisfaction to growth desires does not presume the satisfaction of a person's existence needs.

2. **Frustration-regression**

If a higher level need remains unfulfilled, a person may regress to lower level needs that appear easier to satisfy. Frustration-regression suggests that an already satisfied need can become active when a higher need cannot be satisfied. Thus, if a person is continually frustrated in his/her attempts to satisfy growth, relatedness needs can resurface as key motivators.

3. **Satisfaction-strengthening**

Iteratively strengthening a current level of satisfied needs. Satisfaction-strengthening indicates that an already satisfied need can maintain satisfaction or strengthen lower level needs iteratively when it fails to gratify high-level needs.

### **Differences between ERG theory and Maslow's model**

Alderfer's ERG motivation theory differs from Maslow's theory in three ways:

1. A lower level need does not have to be gratified (i.e., a person may satisfy a need at hand, whether or not a previous need has been satisfied);
2. If a relatively more significant need is not gratified, the desire to gratify a lesser need will be increased (i.e., the frustration in meeting high-order needs might lead a person to regress to a more concrete need category);
3. Alderfer's ERG theory allows the order of the needs to differ for different people (e.g., it accounts for the "starving artist" who may place growth needs above existence ones).

### **The ERG motivation theory work situations**

On a work level, this means that managers must recognize his employees' multiple simultaneous needs. In Alderfer's ERG model, focusing exclusively on one need at a time will not motivate your people. The frustration-regression principle impacts workplace motivation. For example, if growth opportunities are not provided to employees, they may regress to relatedness needs, and socialize more with co-workers. If you can recognize these conditions early, steps can be taken to satisfy the frustrated needs until the employee is able to pursue growth again.

### **Implications for financial incentives in Alderfer's ERG model**

Financial incentives may satisfy the need for growth and for recognition by others. As you can see, in this theory financial incentives can only fulfil human needs indirectly, through their perceived value and effect on other people. So even though you may provide financial incentives, if your people's other needs aren't being met, according to Alderfer's ERG theory your workers will not be motivated.

### **McClelland achievement motivation theory**

In his 1961 book 'The Achieving Society', David McClelland expounds on his acquired-needs theory. He proposed that an individual's specific needs are acquired over time and are shaped by one's life experiences. He described three types of motivational need. A person's motivation and effectiveness in certain job functions are influenced by these three needs.

1. Need for affiliation
2. Need for power
3. Need for achievement

#### **1. Need for Affiliation [n-affil]**

The n-affil person is 'affiliation motivated', and has a need for friendly relationships and is motivated towards interaction with other people. They need harmonious relationships with other people and need to feel accepted by other people. The affiliation driver produces motivation and need to be liked and held in popular regard. These people are team players. They tend to conform to the norms of their work group. High n-affil individuals prefer work that provides significant personal interaction. They perform well in customer service and client interaction situations.

#### **2. Need for Power [n-pow]**

The n-pow person is 'authority motivated'. This driver produces a need to be influential, effective and to make an impact. There is a strong need to lead and for their ideas to prevail. There is also motivation and need towards increasing personal status and prestige.

A person's need for power can be one of two types - personal and institutional. Those who need personal power want to direct others, and this need often is perceived as undesirable. Persons who need institutional power (also known as social power) want to organize the efforts of others to



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further the goals of the organization. Managers with a high need for institutional power tend to be more effective than those with a high need for personal power.

### **3. Need for Achievement [n-ach]**

The n-ach person is 'achievement motivated' and therefore seeks achievement, attainment of realistic but challenging goals, and advancement in the job. There is a strong need for feedback as to achievement and progress, and a need for a sense of accomplishment. People with a high need for achievement seek to excel and thus tend to avoid both low-risk and high-risk situations. Achievers avoid low-risk situations because the easily attained success is not a genuine achievement. In high-risk projects, achievers see the outcome as one of chance rather than one's own effort. High n-ach individuals prefer work that has a moderate probability of success, ideally a 50% chance. They prefer either to work alone or with other high achievers.

McClelland's achievement motivation theory suggests that a strong n-affil 'affiliation-motivation' undermines a manager's objectivity, because of their need to be liked, and that this affects a manager's decision-making capability. A strong n-pow 'authority-motivation' will produce a determined work ethic and commitment to the organisation, and while n-pow people are attracted to the leadership role, they may not possess the required flexibility and people-centred skills.

McClelland's motivation theory argues that n-ach people with strong 'achievement motivation' make the best leaders, although there can be a tendency to demand too much of their staff in the belief that they are all similarly and highly achievement-focused and results driven, which of course most people are not.

### **McClelland's achievement motivation theory in work situations**

McClelland's acquired needs are found to varying degrees in all workers and managers, and this mix of motivational needs characterises a person's or manager's style and behaviour, both in terms of being motivated, and in the management and motivation others.

People with different needs are motivated differently.

- **High need for achievement (n-ach)**

High achievers should be given challenging projects with reachable goals. They should be provided frequent feedback. While money is not an important motivator in itself. Rather, it is an effective form of feedback.

- **High need for affiliation (n-affil)**

Employees with a high affiliation need perform best in a cooperative environment.

- **High need for power (n-pow)**

Management should provide power seekers the opportunity to manage others.

Note that McClelland's acquired needs theory allows for the shaping of a person's needs; training programs can be used to modify one's need profile.

### **Relation of McClelland's achievement motivation theory to other theories**

McClelland's concept of achievement motivation is also related to Herzberg's motivation-hygiene theory. People with high achievement motivation tend to be interested in the motivators (the job itself).

Achievement-motivated (n-ach) people want feedback. They want to know how well they are doing on their job. On the other hand, people with low achievement motivation are more concerned about the environment. They want to know how people feel about them rather than how well they are doing.

### **Theory X and Theory Y**

In his 1960 book, *The Human Side of Enterprise*, Douglas McGregor proposed two theories by which to view employee motivation. He avoided descriptive labels and simply called the theories **Theory X** and **Theory Y**. Both of these theories begin with the premise that management's role is to assemble the factors of production, including people, for the economic benefit of the firm. Beyond this point, the two theories of management diverge.

### **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-centred 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.

### **Theory X - The Hard Approach and Soft Approach**

Under Theory X, management approaches can range from a *hard approach* to a *soft approach*.

The hard approach relies on coercion, implicit threats, close supervision, and tight controls, essentially an environment of command and control. The soft approach is to be permissive and seek harmony with the hope that in return employees will cooperate when asked to do so. However, neither of these extremes is optimal. The hard approach results in hostility, purposely low-output, and hard-line union demands. The soft approach results in ever-increasing requests for more rewards in exchange for ever-decreasing work output.

The optimal management approach under Theory X probably would be somewhere between these extremes. However, McGregor asserts that neither approach is appropriate because the assumptions of Theory X are not correct.

### **The Problem with Theory X**

Drawing on Maslow's hierarchy, McGregor argues that a satisfied need no longer motivates. Under Theory X the firm relies on money and benefits to satisfy employees' lower needs, and once those needs are satisfied the source of motivation is lost. Theory X management styles in fact hinder the satisfaction of higher-level needs. Consequently, the only way that employees can attempt to satisfy their higher level needs in their work is by seeking more compensation, so it is quite predictable that they will focus on monetary rewards. While money may not be the most effective way to self-fulfilment, in a Theory X environment it may be the only way. Under Theory X, people use work to satisfy their lower needs, and seek to satisfy their higher needs in their leisure time. But it is in satisfying their higher needs that employees can be most productive. McGregor makes the point that a command and control environment is not effective because it relies on lower needs as levers of motivation, but in modern society those needs already are satisfied and thus no longer are motivators. In this situation, one would expect employees to dislike their work, avoid responsibility, have no interest in organizational goals, resist change, etc., thus making Theory X a self-fulfilling prophecy. From this reasoning, McGregor proposed an alternative: Theory Y.

### **Theory Y**

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.

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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 address higher needs such as self-fulfilment.
- 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 fulfilment as the motivator. McGregor stressed that Theory Y management does not imply a soft approach.

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.

### **Difference between Theory X and Theory Y of Motivation and its Critical Appraisal!**

#### **Comparison between Theory X and Theory Y**

<b>Theory X</b>	<b>Theory Y</b>
1. Inherent dislike for work.	Work is natural like rest or play.
2. Unambitious and prefer to be directed by others.	Ambitious and capable of directing their own behaviour.
3. Avoid responsibility.	Accept and seek responsibility under proper conditions.
4. Lack creativity and resist change.	Creativity widely spread.
5. Focus on lower-level (physiological and safety) needs to motivate workers.	Both lower-level and higher-order needs like social, esteem and self-actualisation are sources of motivation.
6. External control and close supervision required to achieve organisational objectives.	Self-direction and self-control.
7. Centralisation of authority and autocratic leadership.	Decentralisation and participation in decision-making. Democratic leadership.
8. People lack self-motivation.	People are self-motivated.

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### ***Critical Appraisal:***

McGregor's theory of motivation is simple. It helped to crystallise and put into right perspective the findings of the Hawthorne Experiments. It has generated wide ranging and lasting interest in the field of motivation. This theory offers a convenient framework for analysing the relationship between to motivation and leadership style.

Despite its significance; McGregor's theory has been criticised for various reasons. First, it tends to over-generalise and over-simplify people as being one way or the other. People cannot be put into two extreme patterns or stereotypes. The theory overlooks the complex nature of human beings. No enterprise man may belong exclusively either to Theory X or to Theory Y.

He may share the traits of both, with emphasis shifting from one set of properties to the other with changing motives (internal), and varying (external) environment. Secondly, McGregor's theory squeezes all managerial styles and philosophies into two extremes of conduct which is devoid of reality.

Thirdly, Mc Gregoer suggests tacitly that job itself is the key to motivation. But all persons do not look for motivation in the job and not all work can be made intrinsically challenging and rewarding. Lastly, some managers may have Theory Y assumptions about human nature, but they may find it necessary to behave in a very directive and controlling manner with some people in the short run to help them grow up in a developmental sense until they are truly Y people.

A question often posed in which theory (X or Y) is better. Most people believe that Theory Y is more desirable and productive. But it may not be the best approach for all situations. Theory X might be more suitable in some crisis situations but less appropriate in more routine and formalised situations. In some under-developed countries like India Theory X may still be useful at the lower levels of organisation.

Neither Theory X nor Theory Y is the best for all situations. An amalgam of both the theories may be more useful than either of the two alone. The best approach to motivation is one that is appropriate to the situation.

The appropriate theory is contingent upon the nature of the work to be done and the particular needs of the individual. In other words, contingency approach is the best approach to motivation. McGregor's theory is an improvement over the traditional view that you can motivate employees by paying them more money.

### **THE PROCESS THEORIES OF MOTIVATION**

Whereas the content theories concentrate on the question of 'what' motivates, the process theories address more the issues relating to how the process works and sustains itself over time, such as factors that determine the degree of effort, the continuation of effort, the modification of effort, etc.

As with content theory, there are a number of process theories. These include:

- [Equity theory](#)
- [Expectancy theory](#)
- [The Porter-Lawler Model](#)

#### **1.Adams' equity theory**

John Stacey Adams, a workplace and behavioural psychologist, put forward his Equity Theory on job motivation in 1963. The Equity theory argues that motivation arises out of simple desire to be treated fairly. Equity can be defined as an individual's belief that he is being treated fairly relative to the treatment of others.

The Adams' Equity Theory model therefore extends beyond the individual self, and incorporates influence and comparison of other people's situations - for example colleagues and friends - in

forming a comparative view and awareness of Equity, which commonly manifests as a sense of what is fair.

When people feel fairly or advantageously treated they are more likely to be motivated; when they feel unfairly treated they are highly prone to feelings of disaffection and demotivation. The way that people measure this sense of fairness is at the heart of Equity Theory.

John Stacey Adams' equity theory helps explain why pay and conditions alone do not determine motivation. It also explains why giving one person a promotion or pay-rise can have a demotivating effect on others.

Employees seek to maintain equity between the inputs that they bring to a job and the outcomes that they receive from it against the perceived inputs and outcomes of others. The belief in equity theory is that people value fair treatment which causes them to be motivated to keep the fairness maintained within the relationships of their co-workers and the organization.

Words like efforts and rewards, or work and pay, are an over-simplification - hence the use of the terms inputs and outputs. Inputs are logically what we give or put into our work. Outputs are everything we take out in return.

### **Inputs**

This equity theory term encompasses the quality and quantity of the employees contributions to his or her work. Typical inputs include time, effort, loyalty, hard work, commitment, ability, adaptability, flexibility, tolerance, determination, enthusiasm, personal sacrifice, trust in superiors, support from co-workers and colleagues etc.

### **Outputs**

Outputs in equity theory are defined as the positive and negative consequences that an individual perceives a participant has incurred as a consequence of his/her relationship with another. Outputs can be both tangible and intangible. Typical outcomes are job security, esteem, salary, employee benefits, expenses, recognition, reputation, responsibility, sense of achievement, praise, thanks etc.

### **Examples of equity theory at work**

In practice this helps to explain why people are so strongly affected by the situations (and views and gossip) of colleagues, friends, partners etc., in establishing their own personal sense of fairness or equity in their work situations.

Equity Theory explains why people can be happy and motivated by their situation one day, and yet with no change to their terms and working conditions can be made very unhappy and demotivated, if they learn for example that a colleague (or worse an entire group) is enjoying a better reward-to-effort ratio.

This also explains why and how full-time employees will compare their situations and input-to-output ratios with part-time colleagues, who very probably earn less, however it is the ratio of input-to-output - reward-to-effort - which counts, and if the part-timer is perceived to enjoy a more advantageous ratio, then so this will have a negative effect on the full-timer's sense of Equity, and with it, their personal motivation.

### **Assumptions of Equity Theory applied to business**

The three primary assumptions applied to most business applications of Equity Theory can be summarized as follows:

1. Employees expect a fair return for what they contribute to their jobs, a concept referred to as the "equity norm".
2. Employees determine what their equitable return should be after comparing their inputs and outcomes with those of their co-workers (social comparison).

3. Employees who perceive themselves as being in an inequitable situation will seek to reduce the inequity either by distorting inputs and/or outcomes in their own minds ("cognitive distortion"), by directly altering inputs and/or outputs, or by leaving the organization

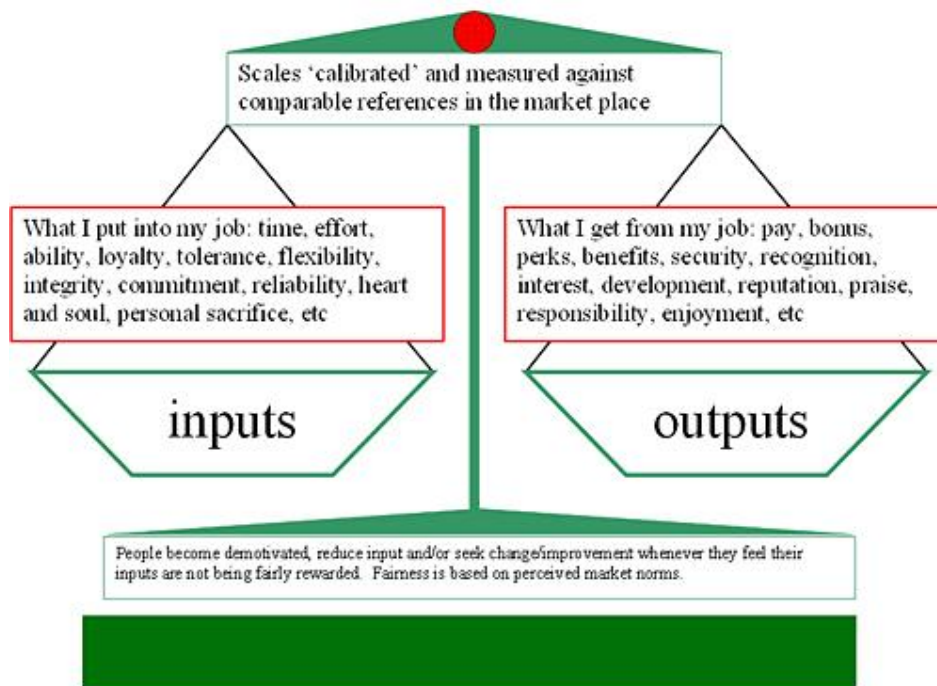
### Advantages of Equity theory

1. The theory makes the managers to realize that equity motive tends to be one of the most important motives of the people of the organisation. So equity concept must be considered while designing a good motivation system in an organisation
2. The theory is based on the principle of "equal pay for equal work"
3. The theory recognises the influence of social comparison process
4. It is realistic approach to motivation

### Limitations of Equity theory

1. It is difficult to assess the perception or misconception of people about input/outcome relationships
2. Equity is a matter of comparison. But there is difficult to chooses a person for comparison purpose
3. It is difficult to apply this theory in certain circumstances. The feeling of inequity may force employees to leave that job.
4. The perception of employees behaviour is a difficult task
5. The theory does not mention the actions which an individual will take to re-establish equity

### Adams' Equity Theory diagram - job motivation



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### 2. VROOM EXPECTANCY MOTIVATION THEORY

The expectancy theory was proposed by **Victor Vroom** of Yale School of Management in 1964. Vroom stresses and focuses on outcomes, and not on needs unlike Maslow and Herzberg. The theory states that the intensity of a tendency to perform in a particular manner is dependent on the intensity of an expectation that the performance will be followed by a definite outcome and on the appeal of the outcome to the individual.

Whereas Maslow and Herzberg look at the relationship between internal needs and the resulting effort expended to fulfil them, Vroom's expectancy theory separates effort (which arises from motivation), performance, and outcomes.

Vroom's expectancy theory assumes that behaviour results from conscious choices among alternatives whose purpose it is to maximize pleasure and to minimize pain. Vroom realized that an employee's performance is based on individual factors such as personality, skills, knowledge, experience and abilities. He stated that effort, performance and motivation are linked in a person's motivation. He uses the variables Expectancy, Instrumentality and Valence to account for this.

**Expectancy** is the belief that increased effort will lead to increased performance i.e. if I work harder then this will be better. This is affected by such things as:

1. Having the right resources available (e.g. raw materials, time)
2. Having the right skills to do the job
3. Having the necessary support to get the job done (e.g. supervisor support, or correct information on the job)

**Instrumentality** is the belief that if you perform well that a valued outcome will be received. The degree to which a first level outcome will lead to the second level outcome. i.e. if I do a good job, there is something in it for me. This is affected by such things as:

1. Clear understanding of the relationship between performance and outcomes – e.g. the rules of the reward 'game'
2. Trust in the people who will take the decisions on who gets what outcome
3. Transparency of the process that decides who gets what outcome

**Valence** is the importance that the individual places upon the expected outcome. For the valence to be positive, the person must prefer attaining the outcome to not attaining it. For example, if someone is mainly motivated by money, he or she might not value offers of additional time off.

The three elements are important behind choosing one element over another because they are clearly defined: effort-performance expectancy (E>P expectancy) and performance-outcome expectancy (P>O expectancy).

#### **E>P[Effort-to-Performance] expectancy:**

Our assessment of the probability that our efforts will lead to the required performance level. When an individual believes that effort will lead directly to high performance, expectancy is quite strong, that is close to 1. For e.g. If one feels sure that studying hard for an examination [effort] will result in scoring high marks [performance], then his effort-to- performance expectancy is high, that is close to 1. When an individual believes that effort and performance is unrelated, the effort-to-performance expectancy is very weak, that is close to 0. Usually we are not sure about our expectations, so they fall somewhere between 0 and 1 with a moderate expectancy

#### **P>O [Performance-to-outcome] expectancy:**

Our assessment of the probability that our successful performance will lead to certain outcomes. for e.g. an individual who believes that high performance will lead to a pay rise has a high performance to outcome expectancy, approaching to 1. An individual who believes that high performance may possibly lead to pay rise has a moderate expectancy between 1 ne 0.

### **Outcomes and valences**

Expectancy theory recognises that an individual may experience a variety of outcomes as a consequence, of behaviour in an organisational environment. A high performer, for example, may get big pay rises, fast promotions and praise from the boss. However, he may also be subject to a lot of stress and incur resentment from co-workers. Each of these outcomes has an associated value or valence that is, an index of how much an individual desires a particular outcome. If an individual wants an outcome, its valence is positive. If an individual does not want an outcome, its valence is negative. If an individual is indifferent to an outcome, its valence is zero. It is this advantage of expectancy theory that goes beyond the need based approaches of motivation.

Crucially, Vroom's expectancy theory works on **perceptions** – so even if an employer thinks they have provided everything appropriate for motivation, and even if this works with most people in that organisation, it doesn't mean that someone won't perceive that it doesn't work for them.

At first glance expectancy theory would seem most applicable to a traditional-attitude work situation where how motivated the employee is depends on whether they want the reward on offer for doing a good job and whether they believe more effort will lead to that reward.

However, it could equally apply to any situation where someone does something because they expect a certain outcome. For example, I recycle paper because I think it's important to conserve resources and take a stand on environmental issues (valence); I think that the more effort I put into recycling the more paper I will recycle (expectancy); and I think that the more paper I recycle then less resources will be used (instrumentality)

Thus, Vroom's expectancy theory of motivation is not about self-interest in rewards but about the associations people make towards expected outcomes and the contribution they feel they can make towards those outcomes.

### **Advantages of the Expectancy Theory**

- It is based on self-interest individual who want to achieve maximum satisfaction and who wants to minimize dissatisfaction.
- This theory stresses upon the expectations and perception; what is real and actual is immaterial.
- It emphasizes on rewards or pay-offs.
- It focuses on psychological extravagance where final objective of individual is to attain maximum pleasure and least pain.

### **Limitations of the Expectancy Theory**

- The expectancy theory seems to be idealistic because quite a few individuals perceive high degree correlation between performance and rewards.
- The application of this theory is limited as reward is not directly correlated with performance in many organizations. It is related to other parameters also such as position, effort, responsibility, education, etc.

### **Implications of the Expectancy Theory**

1. The managers can correlate the preferred outcomes to the aimed performance levels.
2. The managers must ensure that the employees can achieve the aimed performance levels.
3. The deserving employees must be rewarded for their exceptional performance.
4. The reward system must be fair and just in an organization.
5. Organizations must design interesting, dynamic and challenging jobs.
6. The employee's motivation level should be continually assessed through various techniques such as questionnaire, personal interviews, etc.

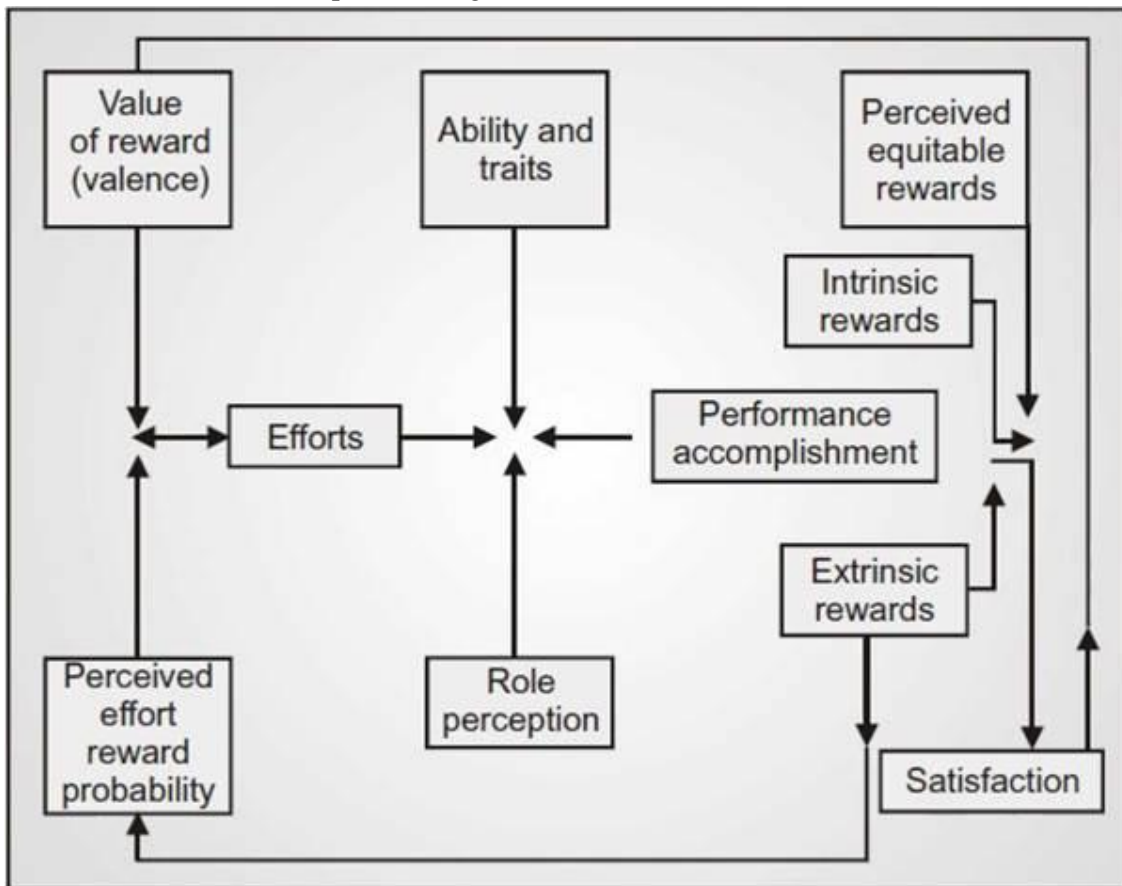


**3.PORTER AND LAWLER MODEL OF MOTIVATION**

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

- (i) As mentioned above, it is a multivariate model. According to this model, individual behaviour is determined by a combination of factors in the individual and in the environment.
- (ii) Individuals are assumed to be rational human beings who make conscious decisions about their behaviour in the organizations.
- (iii) Individuals have different needs, desires and goals.
- (iv) On the basis of their expectations, individuals decide between alternative behaviours and such decided behaviour will read to a desired outcome.

In fact, Porter and Lawler's theory is an improvement over Vroom's expectancy theory. They say that motivation does not equal satisfaction or performance. The model suggested by them encounters some of the simplistic traditional assumptions made about the positive relationship between satisfaction and performance. They proposed a multivariate model to explain the complex relationship that exists between satisfaction and performance. What is the main point in Porter and Lawler's model is that effort or motivation does not lead directly to performance. It is, in fact, mediated by abilities and traits and by role perceptions. Ultimately, performance leads to satisfaction. The same is depicted in Fig. 5.11.



**Fig. 5.11: Porter and Lawler Motivation Model.**

### The Various Elements of Porter and Lawler Model

1. Effort,
2. Performance and
3. Satisfaction.

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

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

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

There is no denying of the fact that the motivation model proposed by Porter and Lawler is quite complex than other models of motivation. In fact, motivation itself is not a simple cause effect relationship rather it is a complex phenomenon. Porter and Lawler have attempted to measure variables such as the values of possible rewards, the perception of effort-rewards probabilities and role perceptions in deriving satisfaction

It is helpful for the managers to determine the primary outcomes that each employee likes or desires. It helps the managers to decide what kind and levels of performance are needed to meet the organisational goals

### 4. REINFORCEMENT THEORY

Reinforcement theory of motivation was proposed by BF Skinner and his associates. It states that individual's behaviour is a function of its consequences. It is based on "law of effect", i.e., individual's behaviour with positive consequences tends to be repeated, but individual's behaviour with negative consequences tends not to be repeated.

Reinforcement theory of motivation overlooks the internal state of individual, i.e., the inner feelings and drives of individuals are ignored by Skinner. This theory focuses totally on what happens to an individual when he takes some action. Thus, according to Skinner, the external environment of the organization must be designed effectively and positively so as to motivate the employee. This theory is a strong tool for analyzing controlling mechanism for individual's behaviour. However, it does not focus on the causes of individual's behaviour.

The managers use the following methods for controlling the behaviour of the employees:

- ✓ **Positive Reinforcement-** This implies giving a positive response when an individual shows positive and required behaviour. For example - Immediately praising an employee for coming early for job. This will increase probability of outstanding behaviour occurring again. Reward is a positive reinforce, but not necessarily. If and only if the employees' behaviour improves, reward can said to be a positive reinforcer. Positive reinforcement stimulates occurrence of a behaviour. It must be noted that more spontaneous is the giving of reward, the greater reinforcement value it has.
- ✓ **Negative Reinforcement-** This implies rewarding an employee by removing negative / undesirable consequences. Both positive and negative reinforcement can be used for increasing desirable / required behaviour.

- ✓ **Punishment-** It implies removing positive consequences so as to lower the probability of repeating undesirable behaviour in future. In other words, punishment means applying undesirable consequence for showing undesirable behaviour. For instance - Suspending an employee for breaking the organizational rules. Punishment can be equalized by positive reinforcement from alternative source.
- ✓ **Extinction-** It implies absence of reinforcements. In other words, extinction implies lowering the probability of undesired behaviour by removing reward for that kind of behaviour. For instance - if an employee no longer receives praise and admiration for his good work, he may feel that his behaviour is generating no fruitful consequence. Extinction may unintentionally lower desirable behaviour.

### **Implications of Reinforcement Theory**

Reinforcement theory explains in detail how an individual learns behaviour. Managers who are making attempt to motivate the employees must ensure that they do not reward all employees simultaneously. They must tell the employees what they are not doing correct. They must tell the employees how they can achieve positive reinforcement.

### **Financial and non financial motivators**

Motivating staff is an integral part of every organisation. People usually need to work in order to make money. Although it is a strongest incentive, it is not the only one. People will enjoy their job and gain satisfaction from it, if they know that they are achieving results. Motivation can be categorised into Financial Motivation and Non Financial Motivation

#### **Financial motivators**

Though Monetary Motivators have many criticism, money is still used by many firms as a major incentive or motivator. It includes

##### **1.Wages and Salaries**

Often paid every week, sometimes in cash or sometimes into a bank account. It is a common way of remuneration for manual workers those who work in factories and warehouse. It can be calculated in **two** ways:

- **Piece Rate:** this is where the workers are paid depending on the quantity of products made. The more they make the more they get paid. This system of wages is followed where the output can be counted.
- **Time Rate:** This payment by the hour. The longer you work the more you get paid. This system of wages is followed where the output cannot be measured.

**2.Commission:** It is often paid to sales staff. The certain percentage of commission is paid to sales person who exceed a certain level of sales. It motivates the sales staff to sell more.

**3.Profit Sharing:** Employees receive a share of the profits in addition to their basic salary.

**4.Bonus:** Extra amount is paid to workers once a year or at intervals during the year as an appreciation of their hard work.

**5.Performance related pay:** Employee pay is linked to their performance in work. An Appraisal is carried out for the employee and they get paid according to their appraisal.

**6.Share ownership:** As a gesture of appreciation for the hard work of the employees a business might offer stock options to its employees. This motivates them to worker even harder because they are also the owners of the company.

### Non-Financial Motivation Methods

Most businesses recognise the need for non-financial methods of motivation. The main ones are described briefly below:

#### 1. Job enlargement

**Job enlargement** involves adding extra, similar, tasks to a job. In job enlargement, the job itself remains essentially unchanged. However, by widening the range of tasks that need to be performed, hopefully the employee will experience less repetition and monotony.

With job enlargement, the employee rarely needs to acquire new skills to carry out the additional task. A possible negative effect is that job enlargement can be viewed by employees as a requirement to carry out more work for the same pay!

#### 2. Job rotation

**Job rotation** involves the movement of employees through a range of jobs in order to increase interest and motivation.

For example, an administrative employee might spend part of the week looking after the reception area of a business, dealing with customers and enquiries. Some time might then be spent manning the company telephone switchboard and then inputting data onto a database.

Job rotation may offer the advantage of making it easier to cover for absent colleagues, but it may also reduce productivity as workers are initially unfamiliar with a new task. Job rotation also often involves the need for extra training.

#### 3. Job enrichment

Job enrichment attempts to give employees **greater responsibility** by **increasing the range and complexity of tasks** they are asked to do and giving them the necessary authority. It motivates by giving employees the opportunity to use their abilities to the fullest. Successful job enrichment almost always requires further investment in employee training.

#### 4. Teamworking and empowerment

Empowerment involves **giving people greater control over their working lives**. Organising the labour force into **teams** with a high degree of **autonomy** can achieve this. This means that employees plan their own work, take their own decisions and solve their own problems. Teams are set targets to achieve and may receive rewards for doing so. Empowered teams are an increasingly popular method of organising employees at work.

### NEED FOR INCENTIVE PROGRAMS FOR MOTIVATION

Employee Incentive Programs reward exceptional employees for reaching work goals, achieving milestones or simply doing a good job. These types of programs are designed to offer incentive and rewards to valued employees. [Employee Incentive Programs](#) have proven very successful in arousing motivation in employees and increasing the overall performance of the company. An incentive program is a great way to show employees that you value their input while at the same time increasing your businesses potential.

The need for incentive programs for motivation can be summarised as follows:-

#### 1. Mutual Rewards

An [Employee Incentive Program](#) is mutually beneficial. The employee feels valued and motivated and is therefore more productive and committed. The company reaps the benefits of a motivated, focused and loyal employee. The results of Incentive Programs have a consistent theme. The company's bottom line increases as the employee's productivity peaks.

### **2. Increased motivation**

Many people find it hard to motivate themselves at work. This is a common occurrence and one that has been significantly effected by Incentive Programs. These programs motivate employees by offering rewards for reaching targets and company goals. These come in many forms ranging from cash to cars to holidays to gifts. The rewards are a great motivator but what is more inspiring for the employee is that the company cares enough to offer these incentives.

### **3. Increased company morale**

Rewards, incentives and recognition make for a happy, harmonious working environment. Goal setting and targeting objectives helps with focus and purpose. Employee Incentive programs offer all of these things and are highly conducive to company morale. Increases in company morale help to reduce absenteeism and overall company costs.

### **4. Increase company loyalty**

Company loyalty is not something you can buy. However incentives for good work and rewards for hard work go along way to securing commitment from employees. Employee incentive programs show employees the company values their input and their work. If an employee feels valued and appreciated they are more likely to form an allegiance to the company.

### **5. Increased productivity**

Incentive programs promote productivity in a number of ways. Employees are offered incentives for reaching targets or for good work in general. These incentives vary but the main aim is to encourage employees to work towards company goals. With the promise of incentives and clearly defined targets employees are more productive and motivated.

### **7. Increase objective achievement**

Incentive Programs are a great way to reach targets and company objectives. Using an Incentive Program employers can set realistic goals and reward employees when they reach them. This is a great way to boost productivity and morale while at the same time achieving company goals.

### **8. Reduced company costs**

Overall company costs can be reduced as a result of an Incentive Program. This cost can be measured in terms of reduced absenteeism, reduced recruitment costs and turnover of staff. You will also see a significant return on your investment via increased productivity and motivation within the office.

### **9. Reduced Absenteeism**

The bottom line with incentive programs comes down to the very simple fact that people like being rewarded for hard work and a job well done. The rewards are only part of the equation. Incentive schemes show employees the company cares and appreciates the work they are outputting. If an employee feels appreciated and has clear targets that result in rewards then they are more likely to want to come to work.

### **10. Team Work**

Incentive Programs promote teamwork and foster an environment that is conducive to success. Employees working towards rewards or targets will pull together to achieve desired results. Teamwork increases efficiency and creates harmony within the workplace.

### **11. Decreased Turnover**

Incentive Programs foster happy, productive working environments. Employees enjoying this kind of environment will be more likely to stay long term. This means incentive programs reduce the amount of turnovers within the company. The advantage of consistent staffing is that you are not spending money on recruiting or training new staff. You are also able to retain loyal committed employees with a vested company interest.

@@@@@

**REVIEW QUESTIONS**

**Short Answer Type**

1. Define Perception ?
2. What do you mean by basic psychological process ?
3. Define learning?
4. What is classical conditioning?
5. Define motivation ?

**Paragraph Type**

1. State the characteristics of motivation?
2. Distinguish between Maslow's Need Hierarchy and ERG theory ?
3. State the features of Learning ?
4. State the Cognitive theory of learning?
5. Explain the perceptual process?

**Essay Type**

1. What is perception? State its features? Explain the factors influencing perception? Explain the equity theory of motivation?
2. Discuss the historical evolution of organisation behaviour?
3. Discuss the financial and non financial motivators?

**CASE STUDY**

*Differing Perceptions at Clarkston Industries*

Susan Harrington continued to drum her fingers on her desk. She had a real problem and wasn't sure what to do next. She had a lot of confidence in Jack Reed, but she suspected she was about the last person in the office who did. Perhaps if she ran through the entire story again in her mind she would see the solution.

Susan had been distribution manager for Clarkston Industries for almost twenty years. An early brush with the law and a short stay in prison had made her realize the importance of honesty and hard work. Henry Clarkston had given her a chance despite her record, and Susan had made the most of it. She now was one of the most respected managers in the company. Few people knew her background.

Susan had hired Jack Reed fresh out of prison six months ago. Susan understood how Jack felt when Jack tried to explain his past and asked for another chance. Susan decided to give him that chance just as Henry Clarkston had given her one. Jack eagerly accepted a job on the loading docks and could soon load a truck as fast as anyone in the crew.

Things had gone well at first. Everyone seemed to like Jack, and he made several new friends. Susan had been vaguely disturbed about two months ago, however, when another dock worker reported his wallet missing. She confronted Jack about this and was reassured when Jack understood her concern and earnestly but calmly asserted his innocence. Susan was especially relieved when the wallet was found a few days later.

The events of last week, however, had caused serious trouble. First, a new personnel clerk had come across records about Jack's past while updating employee files. Assuming that the information was common knowledge, the clerk had mentioned to several employees what a good thing it was to give ex-convicts like Jack a chance. The next day, someone in bookkeeping discovered some money missing from petty cash. Another worker claimed to have seen Jack in the area around the office strongbox, which was open during working hours, earlier that same day.

Most people assumed Jack was the thief. Even the worker whose wallet had been misplaced suggested that perhaps Jack had indeed stolen it but had returned it when questioned. Several employees had approached Susan and requested that Jack be fired. Meanwhile, when Susan had discussed the problem with Jack, Jack had been defensive and sullen and said little about the petty-cash situation other than to deny stealing the money.

To her dismay, Susan found that rethinking the story did little to solve his problem. Should she fire Jack? The evidence, of course, was purely circumstantial, yet everybody else seemed to see things quite clearly. Susan feared that if she did not fire Jack, she would lose everyone's trust and that some people might even begin to question her own motives.

### Case Questions

- Explain the events in this case in terms of perception and attitudes. Does personality play a role?
  
- What should Susan do? Should she fire Jack or give him another chance?

MODULE 3[UNIT 11]

PERSONALITY

What is personality? The word personality comes from the Latin root persona, meaning "mask." According to this root, personality is the impression we make on others; the mask we present to the world .

Personality is defined as "a unique set of traits and characteristics, relatively stable over time." Clearly, personality is unique in so far as each of us has our own personality, different from any other person's. The definition further suggests that personality does not change from day to day.

Personality is a dynamic concept describing the growth and development of a person's whole psychological system--it looks at some aggregate whole that is greater than the sum of the parts.

Gordon Allport coined the most frequent used definition:

**Personality—“the dynamic organization within the individual of those psychophysical systems that determine his unique adjustments to his environment”**

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

It is most often described in terms of measurable traits that a person exhibits.

S.R.Maddi defined Personality as “ a set of characteristics and tendencies that determine those commonalities and differences in the behaviour (thought ,feeling and actions) of people that have continuity in time and that may not be easily understand as a sole result of the social and biological pressures of the moment “

According to Floyd.L.Ruch,”Personality should include :

1. External appearances and behaviour of social stimulus values
2. Inner awareness of self as a permanent organising force ; and
3. The particular pattern of organisation of measurable traits, both inner and outer

**Characterstic of Personality**

**1. Personality is something which is unique in each individual:**

Personality refers to internal as well as external qualities, some of which are quite general. But it is unique to each individual. It is not possible for any other individual to reproduce or imitate the qualities of the personality of the individual

**2. Personality refers particularly to persistent qualities of an individual:**

Every individual has certain feeling as well as other permanent traits and qualities. Personality is mainly composed of the persistent or permanent qualities that exhibit themselves in form of social behaviour and attempt to make adjustment with the environment.

**3. Personality represents a dynamic orientation of organism to environment:**

Personality represents the process of learning. It takes place in reference to the environment. We do not acquire all the traits of personality all at once.

**4. Personality is greatly influenced by social interactions:**

Personality is not an individual quality. It is a result of social- interaction. In other words, it means that when we come in contact with other members of the society, we acquire certain qualities while we exhibit certain others. All these come to form personality.

**5. Personality represents a unique organisation of persistent dynamic and social predisposition:**

In personality various qualities are not put together. They are, in fact, integrated into one. This integration is nothing but a result of organisation which may be different from man to man. The behaviour of a person directed to one particular individual may differ from the behaviour of another person. That is why; we put the condition of suitable environment. This suitability is concerned with individual specificity.



### **FORMATION OF PERSONALITY**

Personality is very unique and it is a combination of constitutional factors and environmental factors which vary from individual to individual.

#### **Stages of Personality Development**

Personality development is a continuous process. It starts since the child is in fetal stage. After birth, the child develops and learns. This process is continued throughout the life. The stages of Personality development are:-

#### **Freudian Stages**

The theory of psychosexual development was proposed by the famous psychoanalyst [Sigmund Freud](#) and described how personality developed over the course of childhood. Psychoanalytic theory suggested that personality is mostly established by the age of five. Early experiences play a large role in personality development and continue to influence behaviour later in life.

According to Freud, personality develops as a result of interaction of four main sources of stress. These are physical growth process, frustration, conflicts and threats. These sources affect differently at each stage of life of a person. These stages are classified into five. They are Oral stage, Anal stage, Phallic stage, Latency stage and Genital stage. Freud believes that these stages are the main driving forces of personality development.

#### **Neo-Freudian stages**

Neo Freudians are Carl Jung, Alfred Adler, Erickson, Karen Horney, Erich Fromm and Harry Stack Sullivan. They emphasised the role of environmental variables in the development of personality

### **PERSONALITY DETERMINANTS**

It represents a process of change and it relates to the psychological growth and development of an individual. These can be classified into four major factors. They are biological factors, cultural factors, family and social factors and situational

#### **I. Biological factors**

These factors have one sided impact on personality. The study of biological factors to personality can be divided into three broad categories namely physical features, brain and heredity..

##### **(a)Physical features**

An individual's external appearance or physical features has a tremendous effect on personality. For example, the fact that a person is short or tall, fat or thin, handsome or ugly, black or whitish will undoubtedly influence the person's effect on others and in turn will affect the self concept. A person's physical characteristics may be related to his approach to the social environment, to the expectancies of others, and to their reactions to him. These in turn may have impact on personality development.

##### **(b)Brain**

The psychologists are unable to prove empirically the contribution of human brain in influencing personality. Father and children generally adopt the same type of brain stimulation. The differences are caused by environment. Physiologists and psychologists have studied the structure of human brain. They divided the brain into two divisions namely left hemisphere and right hemisphere. Left hemisphere lies in the right side of the body and right hemisphere lies in the left side. An individual's personality is developed on the basis of the structure of the brain.

### ©Heredity

There are some genetic factors that play a part in determining certain aspects of what we tend to become. Whether we are tall or short, experience good health or ill health, are quickly irritable or patient, are all characteristics which can, in many cases, be traced to heredity. An early argument centred on whether or not personality was the result of heredity or of environment. Heredity refers to those factors that were determined at conception. It is transmitted by genes in the chromosomes contributed by each parent. The heredity plays an important role in one's personality. It varies from one personality to another.

### II.Cultural factors

The culture and the values we are surrounded by significantly tend to shape our personal values and inclination. Thus, people born in different cultures tend to develop different types of personalities which in turn significantly influence their behaviours. India being a vast country with a rich diversity of cultural background provides a good study on this. For example, we have seen that people in Gujarat are more enterprising than people from other states, Punjabis are more diligent and hardworking, people from Bengal are more creative and with an intellectual bend and the likes.

Culture generally determines attitude towards independence, aggression, competition and co-operation. Every culture has its own sub cultures; each with its own views about such qualities has moral values, standards of cleanliness, style of dress, and definitions of success.

### III.Family and Social factors

The socio-economic status of the family, the number of children in the family and birth order, and the background and education of the parents and extended members of the family such as uncles and aunts, influence the shaping of personality to a considerable extent. These factors have their impact through socialisation and identification process

- a. Socialisation process- it involves a process by which a person acquires the enormously wide range of behaviour potentialities that are open to him or her, starting at birth, from mother, later from other members of family and social groups. Thus socialisation process starts with initial contact between mother and infant and later on from the family members and social groups. These person and groups influence the personality of an individual
- b. Identification process – the parents play an important part in the identification process which is important to an individual's early development. This process occurs when a person tries to identify himself with some person whom he feels ideal or model in the family. Generally a child in the family tries to behave like his father or mother. The process of identification can be viewed in three angles
  1. It can be viewed as a similarity of behaviour between child and model
  2. Identification can be looked upon as the child's motives or desires to be like the model
  3. It can be viewed as a process through which the child actually takes on the attributes of the model
- c. Home environment-it is an important factor that influences personality development of an individual. The overall home environment created by parents,in addition to their direct influence, is critical to personality development.

- d. Family members- family is the first factor affecting personality development ,after hereditary characteristics are endowed. Rich people have different personalities from those of poor.
- e. Parental influences – the positive and negative personalities of children are dependent on their parent’s characteristics and mutual behaviour.
- f. Social group - it consists of peers, school friends, and members of the working group who influence in the personality development of an individual.

#### IV.Situational factors

Situations influence the effect of heredity and environment on personality. Different situations demands different aspects of one’s personality. It has been observed that many arrogant and undisciplined employees became humble and disciplined in a particular situation.

#### **PERSONALITY TRAITS**

The traditional approach of understanding personality was to identify and describe personality in terms of traits. In other words, it viewed personality as revolving around attempts to identify and label permanent characteristics that describe an individual's behaviour.

Popular characteristics or traits include shyness, aggressiveness, submissiveness, laziness, ambition, loyalty, and timidity. This distinctiveness, when they are exhibited in a large number of situations, are called personality traits. The more consistent the characteristic and the more frequently it occurs in diverse situations, the more important that trait is in describing the individual.

#### **THE “BIG FIVE” PERSONALITY TRAITS**

Human resources professionals often use the Big Five personality dimensions to help place employees. That is because these dimensions are considered to be the underlying traits that make up an individual’s overall personality. The Big Five traits are **Openness, Conscientiousness, Extroversion, Agreeableness, and Neuroticism** or OCEAN:

- [Openness](#) - People who like to learn new things and enjoy new experiences usually score high in openness. Openness includes traits like being insightful and imaginative and having a wide variety of interests. They also tend to have broad interests and to be curious, imaginative and creative.
- [Conscientiousness](#) – it refers to the number of goals on which a person focuses. People who focus on relatively few goals at one time are likely to be organised, systematic, careful, thorough, responsible, and self disciplined as they work to pursue those goals. People that have a high degree of conscientiousness are reliable and prompt. Traits include being organized, methodic, and thorough.
- [Extraversion](#) - Extraverts get their energy from interacting with others, while introverts get their energy from within themselves. Extraversion includes the traits of energetic, talkative, and assertive. They tend to be higher overall job performers than introverts and that they are also more likely to be attracted to jobs based on personal relationships, such as sales and marketing positions.
-

- [Agreeableness](#) - These individuals are friendly, cooperative, and compassionate. People with low agreeableness may be more distant. Traits include being kind, affectionate, and sympathetic. High agreeable people will be better able to develop good working relationships with co-workers, subordinates, and higher level managers, whereas less agreeable people will not have particularly good working relationships.
- [Neuroticism](#) - Neuroticism is also sometimes called Emotional Stability. This dimension relates to one's emotional stability and degree of negative emotions. People that score high on neuroticism often experience emotional instability and negative emotions. Traits include being moody and tense. People that score high on neuroticism often experience emotional instability and negative emotions.

### THE MYERS-BRIGGS FRAMEWORK

The MBTI [**MYERS-BRIGGS TYPE INDICATOR**] was constructed for normal populations and emphasizes the value of naturally occurring differences. "The underlying assumption of the MBTI is that we all have specific preferences in the way we interpret our experiences, and these preferences underlie our interests, needs, values, and motivation." Although popular in the business sector, the MBTI exhibits significant psychometric deficiencies, notably including poor validity and reliability. This framework is based on the classic work of Carl Jung. He differentiates people in terms of four general dimensions.

#### Attitudes: extraversion/introversion

Myers-Briggs literature uses the terms *extraversion* and *introversion* as Jung first used them. Extraversion means "outward-turning" and introversion means "inward-turning".

The preferences for extraversion and introversion are often called "[attitudes](#)". Briggs and Myers recognized that each of the cognitive functions can operate in the external world of behaviour, action, people, and things ("extraverted attitude") or the internal world of ideas and reflection ("introverted attitude"). The MBTI assessment sorts for an overall preference for one or the other.

People who prefer extraversion draw energy from action: they tend to act, then reflect, then act further. If they are inactive, their motivation tends to decline. To rebuild their energy, extraverts need breaks from time spent in reflection. Conversely, those who prefer introversion "expend" energy through action: they prefer to reflect, then act, then reflect again. To rebuild their energy, introverts need quiet time alone, away from activity.

#### Functions: sensing/intuition and thinking/feeling

Jung identified two pairs of psychological functions:

- Two *perceiving* functions: [sensation](#) (usually called "sensing" in MBTI writings) and [intuition](#)
- Two *judging* functions: thinking and feeling

According to Jung's typology model, each person uses one of these four functions more dominantly and proficiently than the other three; however, all four functions are used at different times depending on the circumstances.

*Sensing* and *intuition* are the information-gathering (perceiving) functions. They describe how new information is understood and interpreted. People who prefer sensing are more likely to trust information that is in the present, tangible, and concrete: that is, information that can be understood by the five senses. They tend to distrust hunches, which seem to come "out of nowhere". They prefer to look for details and facts. For them, the meaning is in the data.

On the other hand, those who prefer *intuition* tend to trust information that is less dependent

upon the senses, that can be associated with other information (either remembered or discovered by seeking a wider context or pattern). They may be more interested in future possibilities. For them, the meaning is in the underlying theory and principles which are manifested in the data.

*Thinking* and *feeling* are the [decision-making](#) (judging) functions. The thinking and feeling functions are both used to make rational decisions, based on the data received from their information-gathering functions (sensing or intuition). Those who prefer *thinking* tend to decide things from a more detached standpoint, measuring the decision by what seems reasonable, logical, causal, consistent, and matching a given set of rules.

Those who prefer *feeling* tend to come to decisions by associating or empathizing with the situation, looking at it 'from the inside' and weighing the situation to achieve, on balance, the greatest harmony, consensus and fit, considering the needs of the people involved. Thinkers usually have trouble interacting with people who are inconsistent or illogical, and tend to give very direct feedback to others. They are concerned with the truth and view it as more important.

### **Lifestyle preferences: judging/perception**

Myers and Briggs added another dimension to Jung's typological model by identifying that people also have a preference for using either the *judging* function (thinking or feeling) or their *perceiving* function (sensing or intuition) when relating to the outside world (extraversion).

The MBTI is frequently used in the areas of [pedagogy](#), career counselling, team building, [group dynamics](#), professional development, marketing, family business, leadership training, [executive coaching](#), life coaching, personal development and marriage counselling.

**UNIT 12**

**PERSONALITY THEORIES**

Researchers have developed a number of personality theories. These theories can be classified into Trait theory, Freud theory, Adler and Jung theories, Social learning theories and Holistic theories.

**1. Traits Theory**

The traditional approach of understanding personality was to identify and describe personality in terms of traits. In other words, it viewed personality as revolving around attempts to identify and label permanent characteristics that describe an individual's behaviour.

Popular characteristics or traits include shyness, aggressiveness, submissiveness, laziness, ambition, loyalty, and timidity. This distinctiveness, when they are exhibited in a large number of situations, are called personality traits. The more consistent the characteristic and the more frequently it occurs in diverse situations, the more important that trait is in describing the individual.

The trait theory is based on three assumptions;

1. Traits are common to many individuals and vary in absolute amount between individual
2. Traits are relatively stable and exert fairly universal effects on behaviour regardless of environmental situation.
3. Traits can be inferred from the measurement of behavioural indicators

Among the personality theories, Allport and Cattell trait theories are most popular. Allport bases his theory on the distinction between common traits and personal dispositions. He identifies six categories of values such as religious, social, economic, political, aesthetic and theoretical for comparison purposes. These are the common traits. He also identifies personal dispositions which are unique. These are cardinal [most pervasive], central [unique and limited in number] or secondary [peripheral]

Cattell developed a similar set of traits through the construction of tests and the determination of factors or trait families which may emerge from this psychological measure. Cattell identifies two sets of traits such as surface traits and source traits. He determined five surface traits which are correlated e.g., affectionate-cold, honest-dishonest

Such traits lie on the surface of the personality of the individual. These are largely determined by underlying source traits. Cattell identifies twelve source traits, it includes affecto-thymia (good nature and trustfulness) vs. Sizo thymia (critical and suspicious) ego strength (maturity and realism) vs. Emotionality and neuroticism (immaturity and evasiveness) dominance vs. Submissiveness; surgency (cheerfulness and energy) vs. desurgency (depressed and subdued feelings)

**2. Freud Theory**

Sigmund Freud's psychoanalytic theory of personality argues that human behavior is the result of the interactions among three component parts of the mind: the *id*, *ego*, and *superego*. This theory, known as Freud's structural theory of personality, places great emphasis on the role of unconscious psychological conflicts in [shaping](#) behaviour and personality. Dynamic interactions among these fundamental parts of the mind are thought to progress through five distinct

psychosexual stages of development. Over the last century, however, Freud's ideas have since been met with criticism, in part because of his singular focus on sexuality as the main driver of human personality development.

According to Freud, our personality develops from the interactions among what he proposed as the three fundamental structures of the human mind: the id, ego, and superego. Conflicts among these three structures, and our efforts to find balance among what each of them "desires," determines how we behave and approach the world. What balance we strike in any given situation determines how we will resolve the conflict between two overarching behavioural tendencies: our biological aggressive and pleasure-seeking drives vs. our socialized internal control over those drives.

### **The Id**

The *id*, the most primitive of the three structures, is concerned with instant gratification of basic physical needs and urges. It operates entirely unconsciously (outside of conscious thought). For example, if your id walked past a stranger eating ice cream, it would most likely take the ice cream for itself. It doesn't know, or care, that it is rude to take something belonging to someone else; it would care only that you wanted the ice cream.

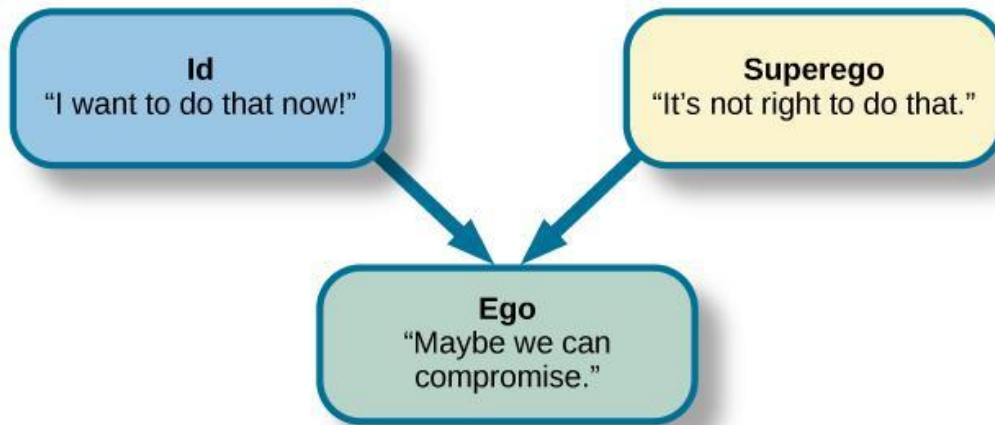
### **The Ego**

In contrast to the instinctual id and the moral superego, the *ego* is the rational, pragmatic part of our personality. It is less primitive than the id and is partly conscious and partly unconscious. It's what Freud considered to be the "self," and its job is to balance the demands of the id and superego in the practical context of reality. So, if you walked past the stranger with ice cream one [more](#) time, your ego would mediate the conflict between your id ("I want that ice cream right now") and superego ("It's wrong to take someone else's ice cream") and decide to go buy your own ice cream. While this may mean you have to wait 10 more minutes, which would frustrate your id, your ego decides to make that sacrifice as part of the compromise—satisfying your desire for ice cream while also avoiding an unpleasant social situation and potential feelings of shame.

### **The Superego**

The *superego* is concerned with social rules and morals—similar to what many people call their "[conscience](#)" or their "moral compass." It develops as a child learns what their [culture](#) considers right and wrong. If your superego walked past the same stranger, it would not take their ice cream because it would know that that would be rude. However, if both your id *and* your superego were involved, and your id was strong enough to override your superego's concern, you *would* still take the ice cream, but afterward you would most likely feel guilt and shame over your actions.

Freud believed that the id, ego, and superego are in constant conflict and that adult personality and behaviour are rooted in the results of these internal struggles throughout childhood. He believed that a person who has a strong ego has a healthy personality and that imbalances in this system can lead to [neurosis](#) (what we now [think](#) of as [anxiety](#) and depression) and unhealthy behaviours.



#### 4. Adler and Jung theory

According to Adler the thrust of superiority is the drive which motivates the individual. He developed the concepts like compensation and inferiority complex based on the drive for power. He gave stress on social relationship instead of innate or biological factors. He stressed on individual uniqueness, style of life, and the creative.

Jung stressed on unconscious aspect of psycho analysis. According to him personality is based on pre-disposing pattern borrowed by persons from his ancestors. Jung asserted that the operation of an individual's personality is as much future oriented as rooted in the past.

#### 4. Social Learning theory

According to this theory situation is an important determinant of human behaviour. An individual's action in a given situation, individual's appraisal of the situation, and post reinforcement to behaviour is somewhat similar. When the situation, they encounter are similar and stable, individuals behaviour also will be more or less consistent.

#### 5. Holistic theories

Kolasa has grouped several theorists under one group namely holistic theories, they include holistic, organismic and field theorists. They stress on the totality and interrelatedness of all kinds of human behaviour. Maslow, Rogers, Herzberg, Lewin and Festinger are the main contributors of these theories



UNIT 13

**MAJOR PERSONALITY ATTRIBUTES INFLUENCING ORGANISATION  
BEHAVIOUR**

There are several attributes that influence behaviour in organisations. Among the most important are locus of control, self efficacy, authoritarianism, Machiavellianism, self-esteem, and risk propensity.

**1.Locus of control**

It is the degree to which an individual believes that they are masters of their own fate.

A person's perception of the source of his/her fate is termed locus of control. There are two types of people in this category :

*a.Internals:* People who believe that they are masters of their own fate.

*b.Externals:* People who believe they are pawns of fate.

Individuals who rate high in externality are less satisfied with their jobs, have higher absenteeism rates, are more alienated from the work setting, and are less involved on their jobs than are internals.

Internals, facing the same situation, attribute organizational outcomes to their own actions. Internals believe that health is substantially under their own control through proper habits; their incidences of sickness and, hence, of absenteeism, are lower.

There is not a clear relationship between locus of control and turnover because there are opposing forces at work. Internals generally perform better on their jobs, but one should consider differences in jobs.

Internals search more actively for information before making a decision, are more motivated to achieve, and make a greater attempt to control their environment, therefore, internals do well on sophisticated tasks.

Internals are more suited to jobs that require initiative and independence of action.

Externals are more compliant and willing to follow directions, and do well on jobs that are well structured and routine and in which success depends heavily on complying with the direction of others

**2.Machiavellianism**

Named after Niccolo Machiavelli, who wrote in the sixteenth century on how to gain and use power. An individual high in Machiavellianism is pragmatic, maintains emotional distance, and believes that ends can justify means.

High Machs manipulate more, win more, are persuaded less, and persuade others more.

High Mach outcomes are moderated by situational factors and flourish when they interact face to face with others, rather than indirectly, and when the situation has a minimum number of rules and regulations, thus allowing latitude for improvisation. High Machs make good employees in jobs that require bargaining skills or that offer substantial rewards for winning.

### **3. Self-esteem and self concept**

Self-esteem is the degree to which people like or dislike themselves. (SE) is directly related to expectations for success. It denotes the extent to which individuals consistently regard themselves as capable, successful, important and worthy individuals.

Individuals with high self-esteem will take more risks in job selection and are more likely to choose unconventional jobs than people with low self-esteem.

The most generalizable finding is that low SEs are more susceptible to external influence than are high SEs. Low SEs are dependent on the receipt of positive evaluations from others. In managerial positions, low SEs will tend to be concerned with pleasing others.

High SEs are more satisfied with their jobs than are low SEs

### **4. Self-monitoring**

It refers to an individual's ability to adjust his or her behaviour to external, situational factors. Individuals high in self-monitoring show considerable adaptability. They are highly sensitive to external cues, can behave differently in different situations, and are capable of presenting striking contradictions between their public persona and their private self.

Low self-monitors cannot disguise themselves in that way. They tend to display their true dispositions and attitudes in every situation resulting in a high behavioural consistency between who they are and what they do.

The research on self-monitoring is in its infancy, so predictions must be guarded. Preliminary evidence suggests:

High self-monitors tend to pay closer attention to the behaviour of others.

High self-monitoring managers tend to be more mobile in their careers and receive more promotions.

High self-monitor is capable of putting on different "faces" for different audiences.

### **5. Type A Personality and Type B Personality**

A Type A personality is "aggressively involved in a chronic, incessant struggle to achieve more and more in less and less time, and, if required to do so, against the opposing efforts of other things or other persons."

They are always moving, walking, and eating rapidly, are impatient with the rate at which most events take place, are doing two or more things at once and cannot cope with leisure time. They are obsessed with numbers, measuring their success in terms of how many or how much of everything they acquire.

Type Bs never suffer from a sense of time urgency with its accompanying impatience and feel no need to display or discuss either their achievements or accomplishments unless such exposure is demanded by the situation.

Play for fun and relaxation, rather than to exhibit their superiority at any cost and can relax without guilt.

Type A's operate under moderate to high levels of stress. They subject themselves to continuous time pressure, are fast workers, quantity over quality, work long hours, and are also rarely creative. Their behaviour is easier to predict than that of Type Bs.

Type A's do better in job interviews; more likely to be judged as having desirable traits such as high drive, competence, and success motivation

### **6.Risk taking**

The propensity to assume or avoid risk has been shown to have an impact on how long it takes managers to make a decision and how much information they require before making their choice.

High risk-taking managers made more rapid decisions and used less information in making their choices. Managers in large organizations tend to be risk averse especially in contrast with growth-oriented entrepreneurs. They make sense to consider aligning risk-taking propensity with specific job demands.

### **7.Work ethic Orientation**

Some individuals are highly work oriented while others try to do the minimum work that is necessary to get by without being fired on the job. The extremely work oriented person gets greatly involved in the job. Extreme work ethic values could lead to traits of "work holism" where work is considered as the only primary motive for living with very little outside interests. A high level of work ethic orientation of members is good for the organisation to achieve goals. Too much work holism will destruct both organisation and individual

### **8.Introversion and extroversion**

Introversion is the tendency of individuals which directs them to be inward and process feelings, thoughts and ideas within themselves. Extroversion, on the contrary, refers to the tendency in individuals to look outside themselves, searching for external stimuli with which they can interact. While there is some element of introversion as well as extroversion in all of us, people tend to be dominant as either extroverts or introverts.

Extroverts are likely to be most successful while working in the sales department, publicity office, personal relations unit, and so on, where they can interact face to face with others. Introverts on the other hand, are quiet, reflective, introspective and intellectual people, preferring to interact with a small intimate circle of friends. They are likely to be successful when they work on highly abstract ideas such as R&D work, in a relatively quite atmosphere.

**UNIT 14**  
**ATTITUDES**

An attitude is a fairly stable emotional tendency to respond consistently to some specific object, situation, person or category of people

Every attitude has three components that are represented in what is called the ABC model of attitudes: A for affective, B for behavioural and C for cognitive. The affective component refers to the emotional reaction one has toward an attitude object. For example, 'I feel scared when I think about or see a snake.'

Attitude is defined as “a learned predisposition to respond in a consistently favorable or unfavorable manner with respect to a given object.” That is, attitudes affect behavior at a different level than do values.

**Features of Attitude**

1. Attitudes are learned from personal experience, information provided by others and market controlled sources, in particular exposure to mass media.
2. Attitudes are pre-dispositions. A predisposition is an inclination or tendency towards something; attitudes have motivational qualities
3. Attitudes have a relationship with behavior.
4. Attitudes are consistent. However, this does not necessarily mean that they are permanent. Attitudes can change
5. Attitudes are directed towards an object and are very specific reasons to that object.

**COMPONENTS OF ATTITUDE**

Experts has pointed out three basic components of attitude. These are :

**(i) Emotional or Affective:** Emotional components include the feelings of a person about and object. These feeling could be positive, negative or neutral. While customer service representative displays positive feelings, a police officer or a bill collector would exhibit negative feelings. Similarly while discharging administrative duties public servants are required to show neutral feelings. This basis of attitude is made up of feelings, moods and emotions that have become associated with the attitude object through past or current experience.

**(ii) Informational or Cognitive :** The beliefs and information that the individual has about the object are the informational component of attitude. Here it makes little difference if the information is correct or incorrect. The impact of an attitude is determined by the evaluation of whether the attitude is good or bad, and the perceived likelihood that this attribute applies to the object.

**(iii) Behavioural or Intentional:** This component of attitude consists of a tendency of an individual to behave in a particular way towards and object. Only this component of attitude is visible as the other two can only be inferred .The behavioural basis is made up of two kinds of information, past behaviours and intentions to commit future behaviours.

For example, the different components of an attitude held towards a firm, which supplies inferior products and that too irregularly could be described as:-

“ I don’t like that company “ – Affective component

“ They are the worst supply firm I have ever dealt with “ – Cognitive component

“I will never do business with them again “ – Intentional component

### ATTITUDE FORMATION

Attitude refers to the feelings and beliefs of individuals or group of individuals. A person acquires these attitudes from several sources. The important sources are :-

#### 1. Personal Experience:

Attitudes form directly as a result of experience. They may emerge due to direct personal experience, or they may result from observation. Employees develop attitude towards an organisation in terms of salary , job evaluation, work design and managerial talents. When he joins in another organisation, he holds all these past experiences that eventually results in the formation of an attitude.

#### 2. Social Factors:

Social roles and social norms can have a strong influence on attitudes. Social roles relate to how people are expected to behave in a particular role or context. Social norms involve society's rules for what behaviours are considered appropriate.

#### 3. Learning:

Attitudes can be learned in a variety of ways. Consider how advertisers use [classical conditioning](#) to influence your attitude toward a particular product. In a television commercial, you see young, beautiful people having fun in on a tropical beach while enjoying a sport drink. This attractive and appealing imagery causes you to develop a positive association with this particular beverage.

#### 4. Family and Peer groups :

Attitudes like values are acquired from parents, teachers and peer group members. In our early years, we begin modelling our attitudes after whose we admire, respect or maybe even a fear. We observe the way our family and friends behave and we shape our attitudes and behaviour to align with theirs.

#### 5. Economic status and occupations :

The economic status and occupational position of the individual also affect his attitude formation. Our socio-economic background influences our present and future attitudes. Researches have shown that unemployment disturbs former religious and economic values. Children of professional class tend to be conservatives

#### 6. Mass Communications :

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

### CHANGING ATTITUDES

Formation and change of attitude are interconnected. People are always adopting, modifying, and relinquishing attitudes to fit there ever changing needs and interests. Most attempts to attitude change are done by a communicator who tries to use persuasion to modify existing beliefs or values of an audience. Techniques used to affect attitude change are known as persuasion techniques. These may take the form of written communications such as posters or newsletters, or face to face communications such as conferences or meetings.

The traditional approach to most organisational attitude- change programs is to change beliefs and or values in order to change attitudes and behaviour.

Attitudes change when :-

1. A person receives new information from others or media – cognitive change
2. Through direct experience with the attitude object – Affective change.
3. Force a person to behave in a way different than normal- Behavioural change.

### **THEORIES OF ATTITUDE CHANGE**

We tend to assume that people behave in accordance with their attitudes. However, social psychologists have found that attitudes and actual behaviour are not always perfectly aligned. After all, plenty of people support a particular candidate or political party and yet fail to go out and vote. A number of different theories have tried to explain attitudes, their formation and their relationship with affect and behaviour.

#### 1. Learning theory

Classical conditioning, operant conditioning, and observational learning can be used to bring about attitude change. Classical conditioning can be used to create positive emotional reactions to an object, person, or event by associating positive feelings with the target object. Operant conditioning can be used to strengthen desirable attitudes and weaken undesirable ones. People can also change their attitudes after observing the behaviour of others.

#### 2. Balance theory

It involves an individual's evaluation of an attitude object and the evaluation of another individual. If an individual has a positive attitude towards a second person, and a positive attitude towards a certain object, the system will be in balance if the second person has a positive attitude towards the object as well. If the second person held a negative attitude towards the object, the system would be in imbalance, causing tension and the need to change one of these attitudes. The direction of change will be determined by that which would involve the least effort. The theory touches on the idea that attitudes need to be consistent within a given individual.

#### 3. Cognitive dissonance theory

Leon Festinger, the late 1950s proposed the theory of cognitive Dissonance. Dissonance is an aversive motivational state which results from explicit behaviour being inconsistent with our attitudes. This creates psychological tension which needs to be relieved. Therefore one would expect that people should act in accordance with their attitudes in order to avoid dissonance.

In order to relieve this tension one's attitude can change since behaviour which has already been performed cannot change. Whether one's attitude will change or not depend upon a number of different factors such as incentive to commit the behaviour, commitment to the behaviour, and effort put into the behaviour.

The individual will seek a stable state where there is minimum of dissonance, because an individual cannot completely avoid dissonance. The desire to reduce dissonance is determined by three factors

1. Importance of the elements creating the dissonance
2. The degree of influence the individual believes he has over the elements.
3. The rewards that may be involved in dissonance

#### 4. Self perception theory

This theory states that individuals know their attitudes from inferring from their own behaviour. Attitudes are casual verbal statements in this regard rather than strong predispositions. If we do not have any well defined specific attitude, we will infer them from our behaviour. Conversely, if we do have specific well defined attitudes, cognitive dissonance processes appear more likely

to occur. Most attitudinal theories accept that both processes do occur, yet under different circumstances.

### 5. Expectancy value theory

This theory states that an attitude towards an object will be chosen after all positive and negative outcomes resulting from that attitude is weighed. The value of a particular outcome will be weighed, as well as the expectancy that the outcome will occur. The attitude that maximises gain will be in the position that is adopted.

### 6. Cognitive response theory

This theory states that one reacts to a position with either positive or negative thoughts. These thoughts determine whether the position will be supported or not. Again, the individual is seen as an active processor in the formation of attitudes rather than a passive recipient. In relation to this theory the “elaboration likelihood model” states that an individual can respond to a message in either a thoughtful, rational way or an emotional, automatic way. This is referred to as either central or peripheral processing respectively.

## **SELF VALUES, ATTITUDES AND JOB SATISFACTION**

Values are important to study of organisational behaviour because they lay the foundation for the understanding of attitudes and motivation. Values are the basis of human personality and are a powerful but silent force affecting human behaviour. Values are so much embedded in the personalities of the people that they can be inferred from people’s behaviour and their attitudes. If we search for the source of values, we see a significant portion is genetically determined. The rest is attributable to factors like national culture, parental dictates, teachers, friends and similar environmental influences. Majority of variation in values is due to environmental factors

### **Attitudes and Values**

Attitudes are not the same as values, but the two are interrelated. Attitudes, like values, are acquired from parents, teachers and peer group members. We are born with certain genetic predispositions. We observe the way family and friends behave, and we shape our attitudes and behaviour accordingly. People also imitate the attitude of popular individuals and those they admire and respect.

In organisations, attitudes are important because they affect job behaviour. If workers believe, for example that supervisors, auditors, bosses, and motion engineers are all in conspiracy to make employees work harder for the same or less money, then it makes sense to try to understand how these attitudes were formed, their relationship to actual job behaviour, and how they might be changed.

### **TYPES OF WORK RELATED ATTITUDES**

OB focuses our attention on a very limited number of job-related attitudes. Most of the research in OB has been concerned with three attitudes: job satisfaction, job involvement, and organizational commitment.

#### 1. Job Satisfaction

Job satisfaction refers to a collection of feelings that an individual holds toward his or her job. A high level of job satisfaction equals positive attitudes toward the job and vice versa. Employee attitudes and job satisfaction are frequently used interchangeably. Often when people speak of “employee attitudes” they mean “employee job satisfaction.”

Research results revealed that the job satisfaction has a tremendous impact on improving productivity, enhancing quality requirements, and reduced absenteeism rate and employee turnover.

Organisational factors that influence employee satisfaction include pay, promotion, policies and procedures of the organisations and working conditions. Group factors such as relationship with co-workers and supervisors also influence job satisfaction

A person with positive attitude is likely to have more job satisfaction, while a person with negative attitude is likely to have job dissatisfaction towards his job. Job satisfaction is one of the major determinants of an employees' organisational citizenship behaviour. Satisfied employees would seem more likely to take positively about the organisation, help others and go beyond the normal expectation in their job.

### 2. Job Involvement

Job involvement is the measure of the degree to which a person identifies psychologically with his/her job and considers his/her perceived performance level important to self-worth. High levels of job involvement are thought to result in fewer absences and lower resignation rates. Job involvement more consistently predicts turnover than absenteeism. It is the Psychological empowerment—employees' beliefs in the degree to which they impact their work. Employees with a high level of job involvement strongly identify with and really care about the kind of work they do in their job.

### 3. Organisational commitment

A state in which an employee identifies with a particular organization and its goals. Commitment may be 1. **Affective Commitment**—emotional attachment to the organization and belief in its values and 2. **Continuance Commitment**—value of remaining with an organization compared to alternatives and 3. **Normative Commitment**—obligation to remain with the organization for moral or ethical reasons

Research evidence demonstrates negative relationships between organizational commitment and both absenteeism and turnover. An individual's level of organizational commitment is a better indicator of turnover than the far more frequently used job satisfaction predictor because it is a more global and enduring response to the organization as a whole than is job satisfaction. This evidence, most of which is more than three decades old, needs to be qualified to reflect the changing employee-employer relationship.

Organizational commitment is probably less important as a job-related attitude than it once was because the unwritten "loyalty" contract in place when this research was conducted is no longer in place. In its place, we might expect "occupational commitment" to become a more relevant variable because it better reflects today's fluid workforce.



**UNIT 15**

**ETHICAL ISSUES IN ORGANISATIONAL BEHAVIOUR**

An ethical organization can achieve better business results. This maxim is now making more and more corporate leaders accept their social responsibilities and organizational ethics. Organizations indulging in unethical business practices or even in unethical dealings with their employees are now quickly identified and globally exposed in this era of technology intensive communication systems.

Organizational activities require redesigning and updating, keeping pace with public expectations and ever-rising standards. With the pattern of organizational behaviour (OB), injustice, corporate dishonesty, exploitation, and negligence being more visible and attracting public opinion and criticism, ethical violations are carefully avoided.

For organizations, ethical issues encompass every citizen of the world. The definition of stakeholder is no longer limited to shareholders, investors, and partners. A stakeholder is any group that has an interest in, involvement with, dependence on, contribution to, or is affected by the organization. A stakeholder is any individual or group who could lose or gain something because of the actions of the organization.

Unethical corporate practices can be classified into the immoral category, that is, a deliberate violation of ethical issues to harm the stakeholders. This apart there may be unknowing violations of ethics by the organization, which we can categorize into the amoral type.

Negative consequences of unethical corporate cultures in human resource management or OB pervade selection and staffing, performance appraisal, compensation, and retention decisions. Thus, human resource systems and ethical corporate cultures should be considered partners in the process of creating competitive advantages for organizations.

Ethics are moral principles (about what is good, defensible, and right). It is often treated as an afterthought. Ethics and ethical reflection need to be integrated through all OB. A common philosophical definition of ethics is the science of conduct or values of management.

Moral values such as respect, honesty, fairness, and responsibility are important constructs of ethics. Application of such ethics is ensured by organizations by adopting some code of ethics. Thus, ethics include the fundamental ground rules and organizations give an informed choice to the employees to understand whether something is right or wrong and then take decisions making the right choice.

The major ethical issues in organisations are as follows:-

### **1. Health and Safety**

One area of ethical consideration for employers is how to balance expense control with the health and safety interests of employees. Manufacturing plants and other workplaces where employees use dangerous equipment or engage in physically demanding work should have strong safety standards that not only meet federal requirements, but that also makes eliminating accidents a priority. Even standard office workplaces pose health risks to employees who are asked to sit or stand all day. Unfortunately, certain organizations opt to cut corners on safety controls, equipment and training to save money. This is both unethical and potentially damaging in the long run if major accidents occur.

## **2. Technology**

Advancements in technology and the growth of the Internet in the early 21st century have produced a slew of ethical dilemmas for companies. Company leaders have to balance the privacy and freedom of workers while also maintaining standards that require that company technology use is for legitimate business purposes. Certain companies go so far as to monitor all online use and email communication from employee computers and work accounts. A company may have this right, but its leaders need to understand the potential concern about privacy and autonomy among employees.

## **3. Transparency**

Prominent business and accounting scandals have made it imperative that companies operate with openness and transparency. For public corporations, this includes honest, accurate and complete reporting on mandated financial accounting reports. For large and small businesses, transparency includes communicating messages, including marketing messages, that aren't open to misinterpretation and that clearly represent the intentions of the company and its messages. Being caught in a lie or avoiding full disclosure may cause irreparable harm to small businesses.

## **4. Fair Working Conditions**

Companies are generally expected to provide fair working conditions for their employees in the business environment, but being responsible with employee treatment typically means higher labour costs and resource utilization. Fair pay and benefits for work are more obvious elements of a fair workplace. Another important element is provision of a non discriminatory work environment, which again may have costs involved for diversity management and training.

## **5. Wages and reward system**

Wages and working conditions of employees are one of the areas of ethical issue. For example, an organisation may pay low wages than he deserved simply because of knowing that he never quits the organisation or may not question the decision. This act on the part of organisation is considered unethical.

### **MENTAL AND HEALTH PROBLEMS IN ORGANISATIONS**

In aiming to prevent the development of mental health problems among employees, organisations should develop a comprehensive mental health and wellbeing strategy. This strategy should be integrated with the broader health and wellbeing policy, and should address work-related risks to employee mental health, using a systematic approach to planning, implementation and monitoring.

Mental health problem is a fact that is usually overlooked because these disorders seem to be hidden at work. Research shows that many employees experienced symptoms of a mental health disorder at workplace. Because of the fear of losing jobs employees will rarely reveal such problems and managers are also not sure how to help them. The unrecognised and untreated health disorders damage an individual's health and career and also reduce productivity at work. Adequate and timely treatment helps to reduce such symptoms and improve job performance. Some of the major mental and health problems in organisations are:-

#### **1. Depression**

The low mood is a symptom of depression in the workplace and this disorder is more likely to reflect in behaviours – such as nervousness, restlessness or irritability and in physical complaints, such as pre occupation with aches and pains. Employees may become passive,

withdrawn, aimless and unproductive. They also may be fatigued at work, partly as a result of the mood disorder or because they are having trouble sleeping at night. Depression may also harm judgement or decision making. Research has found that employees with depression are more likely than others to lose their jobs and to change jobs frequently. When lack of treatment or inadequate treatment was taken into account, only about one in four employees with major depression received adequate treatment for the disorder.

### 2. Bipolar disorders

It is characterised by a midway between elevated (manic) and depressed moods. In a manic phase, employees may appear highly energetic and creative, but actual productivity may suffer. Manic may become disruptive, disobey work rules, be excessively aggressive and make mistakes in judgement. During the depressive phase, an employee may exhibit depressive symptoms, but can damage performance more than the manic phase. Although bipolar disorder may be more disabling to employees on an individual level, the cost to employers is still less than that attributed to depression, because the latter is more common in population.

### 3. Anxiety disorders

Anxiety disorders in the workplace may reflect as restlessness, fatigue, difficulty concentrating, and excess worrying. Employees may require constant reassurance about performance. Sometimes, as with depression, physical symptoms or irritability may be noticeable. People with anxiety disorders face problems like gastrointestinal distress, sleep disturbances or heart trouble. It may cause significant work reduction. It is probably not surprising, then, that anxiety disorders cause significant work impairment. Generalized anxiety disorder, for example, results in work impairment (as measured by sick days and lost productivity) similar to that attributed to major depression.

### 4. *ADHD*

*ADHD* is often considered a problem only in childhood, but it also affects adults. In the workplace, symptoms of *ADHD* may manifest as disorganization, failure to meet deadlines, inability to manage workloads, problems following instructions from supervisors, and arguments with co-workers.

## CONSEQUENCES OF MENTAL HEALTH PROBLEMS IN THE WORKPLACE

The consequences of mental health problems in the workplace are:-

### 1. Absenteeism

Employees overall sickness absence increases, particularly frequent short periods of absence. It causes poor health (depression, stress, burnout) and the physical conditions (high blood pressure, heart disease, ulcers, sleeping disorders, skin rashes, headache, neck- and backache, low resistance to infections)

### 2. Work performance

In the work performance we can notice

- ✓ reduction in productivity and output;
- ✓ increase in error rates;
- ✓ increased amount of accidents;
- ✓ poor decision-making;
- ✓ deterioration in planning and control of work

### 3. Staff attitude and behaviour

With respect to staff attitude and behaviour

- ✓ loss of motivation and commitment
- ✓ burnout
- ✓ staff working increasingly long hours but for diminishing returns
- ✓ poor timekeeping
- ✓ labour turnover (particularly expensive for companies at top levels of management)

### 4. Relationships at work

- ✓ tension and conflicts between colleagues;
- ✓ poor relationships with clients;
- ✓ increase in disciplinary problems.

Workers' health is a separate goal in its own right. Addressing mental health issues in the workplace means incorporating social responsibility in a firm's everyday practices and routines

#### **Issues facing employers and managers**

Although our knowledge of mental health issues has increased over the past few decades, employers and enterprises have lagged behind in their understanding and acceptance of the pervasiveness, treatment and impact of mental health problems on organizational life. Most human resource management and public administration training programmes do not cover adequately the area of mental health and employment. Recognition of mental illness in the workplace is often difficult for there is often a psychological component to physical symptoms and physical ailments may be present in some mental disorders. Whatever the original cause, employers and managers are faced with three main issues as they attempt to address the mental health needs of their employees :-

#### **1. Recognition and acceptance of mental health as a legitimate concern of organizations**

There is a need among employers to recognize mental health issues as a legitimate workplace concern. As disability costs and absenteeism increase in the work-place due to mental ill-health (whatever the precipitating factors), more and more employers are faced with the challenge of developing policies and guidelines to address these issues.

#### **2. Effective implementation of a country's anti-discrimination provisions**

The last decade has seen a significant increase in anti-discrimination legislation specific to employment for people with disabilities. Although many of these laws and statutes have weak enforcement mechanisms, there is an increasing need for employers and their human resource managers to understand how these laws affect their company's employment policies.

#### **PHYSICAL HEALTH PROBLEMS**

The management of every organisation must take necessary steps to protect the physical safety of the employees. It may include protective policies, physical safety measures, training in safety related protocols, rapid and appropriate response to physical accidents or situations identified as risky and clearly demonstrated concern for physical safety.

Employees who feel the workplace a protective of physical safety will feel more secure and

engaged at work. When employees have higher level of confidence in safety, they experience lower rate of psychological distress and mental health problems.

Protection to physical safety is especially important in work places with high levels of safety-sensitivity. Safety climate is consistent with, and part of, the larger culture or climate of the organisation. A psychologically safe climate is one where there is a shared strong belief among employees that management will take appropriate action in protection of the physical and psychological safety of all employees. Safety culture is therefore dynamic and aspirational rather than fixed.

Workplaces that fail to protect physical safety are likely to be more dangerous. Also, workers who do not see the workplace as protecting physical safety will feel less secure and less engaged, and this will increase their vulnerability to psychological distress and potential mental health problems.

Therefore, employees and employers would think of both mental and physical health care as an investment. The studies have found that when health problems are adequately treated, companies reduce job-related accidents, sick days, and employee turnover, as well as improve the number of hours worked and employee productivity.

### **CONSEQUENCES OF STAFF WITH PHYSICAL HEALTH PROBLEMS**

Staff with physical health problems also create problems for the organisation same as that of staff with mental health problems. More over mental health problems like stress may lead to many physical health problems like

- cardiovascular Problems- Hypertension (60%) to Strokes, Heart Attacks
- Gastrointestinal problems
- Immunological Impairment
- Auto-immune disorders
- Diabetes
- Skin Disorders

Staff members with problems will take more leave from the organisation. This is expensive for the organisation both from the viewpoint of the cost of the treatment and the cost of take away from the job. Remaining staff also suffer since they will have to do additional work to cover for the member who is away. In turn the organisation may lose business as well as customers.

Managers themselves may face many problems. Managers with problems will impact on his staff they supervise. Each staff member may lost productivity even though they are ordinarily productive because of the treatment of their boss. The boss decision will be clouded with the personal issues and the organisation may lose money or customers.

Modern business methods call for people to do a great deal of work as part of a team or a project group. When the members of the team don't interact well because of their personal issues, the work of the team or the project will suffer.

### UNIT 16

#### ROLE OF COUNSELING

Counselling occasionally is necessary for employees because of job and personal problems that subject them to excessive stress. The conditions that cause stress are called stressors and include work overload, time pressures, role ambiguity, financial problems, and family problems. Stress affects both physical and mental health and results in burnout when it occurs chronically.

Counselling helps to drive away fears and to diminish anxiety, anger or paralysing frustration. It provides elements for making functional decisions. It is an interaction that should inspire the client to make her or his best decisions. Thus, it is more about guidance, orientation than prescription.

Counselling helps a person feel relief from emotional distress, develop more self assurance, have a greater ability to make decisions, and experience an increased comfort in relationships with others. The basic elements of counselling are:-

1. Sympathy and support
2. Risk assessment and planning to reduce these risks
3. Comprehensive plan of life
4. Referral

Promotion of counselling requires that necessary responses be in place to meet public demands counselling is a serious intervention that requires skills, sensitivity, empathy, tact, and thorough knowledge.

Employers are interested in the productivity and performance of their staff. This is the main reason why counselling is important in the work place. If employees are unhappy, anxious, or stressed they will not be able to perform well on their jobs. Their productivity and performance will go down. In addition, their interpersonal relations both at home and on the job may suffer more even when they ordinarily do not have interpersonal relations issues.

#### TYPES OF COUNSELLING

1. Individual counselling

Individual work with one counsellor and either one client, a couple or some members of a family. This type of counselling works well when problems originate with in an individual and his thinking patterns and behaviours.

2. Group counselling

Group work where a counsellor leads or facilitates the group. In group counselling, people find out that they are not alone. They meet other people who are in different stages of growth but are on the same road to emotional well-being. The group as a whole discusses issues to which all group members can relate ad from which they can learn.

3. Family counselling

Family counselling includes members of the immediate family. Family counselling is based on the concept that an individual is greatly influenced by his or her family's belief system and culture. A family counsellor will help the family look at a situation from a different perspective and try new ways to help and support each other.

4. Couples counselling

This type of counselling is between two people, usually spouses. The counsellor will be an objective listener to both participants and help identify how certain thoughts and behaviours may contribute to conflict between the couple. Couples counselling may also resemble family counselling, in that couples can learn new ways to help and support one another during times of stress.

### 5. Crisis counselling

Counselling is done by counsellors to assess psychological emergencies that warrant immediate intervention. In case of emergency, the counsellor will help the individual to get through the crisis.

#### **SKILLS FOR THE COUNSELLOR**

Modern employers introduce counselling into the workplace for various reasons. In fact, employees spend about one quarter of their lives in work settings; that here some important relationships blossom and grow and become part of their life and work. Most importantly, personal identity is often bound up with profession. Employees also integrate personal and professional lives to a great extent.

Making counselling as a facility in the organization means problems can be dealt with much more quickly and can be solved in the very set up from which they have often emerged. This ultimately results in commitment of staff to the organisational goals and job performance. Counselling involves not only a good talking but thinking, understanding human nature and having compassion and kindness on the part of the manager for his problem worker. The manager-counsellor must show the following qualities in order to counsel effectively

#### 1. Communication Skill

Effective communication will enable a manager with better understanding of why employees behave as they do. This will help him identify the factors that motivate and prevent the undesirable behaviour and interaction of an employee. This also improves communication and essential feedback mechanisms that allow employees to communicate with managers. It enhances the loyalty of the employees as they feel they are cared and listened to in a supportive environment. This ultimately results in their commitment to organizational goals and job performance. Counselling helps in regaining the self-esteem and motivation of the employees, reduces the levels of workplace conflict, stress and moreover, workplace miscommunication.

#### 2. Respect for employees

The manager has to be aware of an employee's individuality, must recognize his skills, special attributes, unique values. As he aims to bring a positive change in his people with counselling, he must not project his own values onto them. The troubled employee is regarded as a person, not a collection of behaviour. The manager's attitude is non-judgmental without any reservation. It does not mean that the manager accepts the negative aspects of the employee's behaviour or agrees or condones the deviant act. Imperfections and mistakes are accepted as part of human conditions. Respect can be shown by listening to his story in a genuine effort to understand him better. Though respect is correlated to understanding, the same can be generated by accepting his/ her uniqueness.

#### 3. Empathy:

It means being compassionate innately. It makes the leader understand his employee's situation. He travels with his employee's emotion, identifies the situation he is in and then develops a strategy to improve it. Empathic understanding has long been recognized as an important element in counselling. In Rogers definition "Empathy is an accurate, empathic understanding of the client's world as seen from the inside. To sense the client's private world as if it was your own, but without losing the 'as if' quality – that is empathy"

### 4. Winning Trust:

The counsellor-manager can win the trust of his employees with his honesty in his statements and actions. He has to prove his credibility so that he can earn his sub-ordinate's trust and respect forever. The manager has to understand that this is not a one-time event but a process

### 5. Understanding of self:

The leader, before counselling, has to understand himself first. He should be aware of his own values, needs and prejudices so that he will be careful before projecting his feelings onto his employees. He has to understand that counselling is not a trick nor it is simple. It is not easy to see things from another person's point of reference. Moreover, the manager has to be fully convinced of the benefits of counselling, its short-term as well as long-term effects.

### 6. Establish a Connection

In counselling, what matters most is the extent of help a manager-cum-counsellor can show to establish a connection with the troubled employee. As a practical matter he/she is trying to figure out what is going on in the other person's head without worrying or assigning any psychological labels during the process of counselling. Counselling can be fruitful only when the troubled employee feels a connection with the manager. He might cross the bridge or barrier for better behaviour since he understands that his behaviour is undesirable, not him. He comes to realize that the manager desires to do some good for him and his career.

### 7. Language of the Manager

A manager has to be aware of the inherent language fallacy while communicating. A manager might say, "I've told this guy a hundred times" perhaps means to say that, the person is deliberately disobeying. The fact is that words uttered are not necessarily words received. So, the selection of right words is of great importance. Words have the power to create emotional responses. So, the manager should avoid using words that deliberately provoke negative reactions.

### 8. Questioning and Listening Skills

Since problem employees are often emotionally troubled, supervisors or managers should allow them to verbalize or talk out their problems, thus providing them the opportunity to open up with their concerns. The manager should use the counselling session as an opportunity to sharpen his understanding of what is going on in his mind. Both the parties, in this sense, use questioning and listening skills during the process of counselling. The manager should ask more of open-ended questions to send a signal like "I want to know more". This process of asking question and listening actively indicates acceptance.

Counselling service can change an organization's culture because it introduces alternative ways and perspectives of working with people, viewing people in relation to organization and each other. It provides a system where people are heard and moreover helped to make important career growing decisions. The "people" side of the workforce is essential and thus counselling speaks of the organization's values and the importance of people within the system. Every value-conscious manager who has ever tried to help or counsel his problem employees, uses some special communication approaches to deal with particular type of problem employees. While counselling, the employer or manager shows that he cares and has concern.



**REVIEW QUESTIONS**

**Short Answer Type**

6. Define Personality?
7. What is locus of control ?
8. What is super ego ?
9. What is bipolar disorder?
10. What is counselling ?
11. What is social psychology?
12. What is psychology?

**Paragraph Type**

1. Explain the features of personality?
2. Explain the Big Five Personality Traits ?
3. Explain the mental health problems of employees?
4. what are the different types of counselling?

**Essay Type**

4. What is personality? Discuss the determinants of personality ?
5. Discuss various theories of attitude formation?
6. Discuss the ethical issues of OB?

**CASE STUDY**

*Humanized Robots?*

Helen Bowers was stumped. Sitting in her office at the plant, she pondered the same questions she had been facing for months: how to get her company's employees to work harder and produce more. No matter what she did, it didn't seem to help much.

Helen had inherited the business three years ago when her father, Jake Bowers, passed away unexpectedly. Bowers Machine Parts was founded four decades ago by Jake and had grown into a moderate-size corporation. Bowers makes replacement parts for large-scale manufacturing machines such as lathes and mills. The firm is headquartered in Kansas City and has three plants scattered throughout Missouri.

Although Helen grew up in the family business, she never understood her father's approach. Jake had treated his employees like part of his family. In Helen's view, however, he paid them more than he had to, asked their advice far more often than he should have, and spent too much time listening to their ideas and complaints. When Helen took over, she vowed to change how things were done. In particular, she resolved to stop handling employees with kid gloves and to treat them like what they were: the hired help.

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In addition to changing the way employees were treated, Helen had another goal for Bowers. She wanted to meet the challenge of international competition. Japanese firms had moved aggressively into the market for heavy industrial equipment. She saw this as both a threat and an opportunity. On the one hand, if she could get a toehold as a parts supplier to these firms, Bowers could grow rapidly. On the other, the lucrative parts market was also sure to attract more Japanese competitors. Helen had to make sure that Bowers could compete effectively with highly productive and profitable Japanese firms.

From the day Helen took over, she practiced an altogether different philosophy to achieve her goals. For one thing, she increased production quotas by 20 percent. She instructed her first-line supervisors to crack down on employees and eliminate all idle time. She also decided to shut down the company softball field her father had built. She thought the employees really didn't use it much, and she wanted the space for future expansion.

Helen also announced that future contributions to the firm's profit-sharing plan would be phased out. Employees were paid enough, she believed, and all profits were the rightful property of the owner—her. She also had private plans to cut future pay increases to bring average wages down to where she thought they belonged. Finally, Helen changed a number of operational procedures. In particular, she stopped asking other people for their advice. She reasoned that she was the boss and knew what was best. If she asked for advice and then didn't take it, it would only stir up resentment.

All in all, Helen thought, things should be going much better. Output should be up and costs should be way down. Her strategy should be resulting in much higher levels of productivity and profits.

But that was not happening. Whenever Helen walked through one of the plants, she sensed that people weren't doing their best. Performance reports indicated that output was only marginally higher than before but scrap rates had soared. Payroll costs were indeed lower, but other personnel costs were up. It seemed that turnover had increased substantially and training costs had gone up as a result.

In desperation, Helen finally had hired a consultant. After carefully researching the history of the organization and Helen's recent changes, the consultant made some remarkable suggestions. The bottom line, Helen felt, was that the consultant thought she should go back to that "humanistic nonsense" her father had used. No matter how she turned it, though, she just couldn't see the wisdom in this. People worked to make a buck and didn't want all that participation stuff.

Suddenly, Helen knew just what to do: She would announce that all employees who failed to increase their productivity by 10 percent would suffer an equal pay cut. She sighed in relief, feeling confident that she had finally figured out the answer.

### **Case Questions**

- How successful do you think Helen Bowers's new plan will be?
- What challenges does Helen confront?
- If you were Helen's consultant, what would you advise her to do?

**MODULE 4**

**UNIT 17**

**GROUP DYNAMICS AND INTER GROUP RELATIONSHIPS**

The people working in a factory form a group because, in the context of their occupation, they interact with one another more than they interact with other people, so far as their occupation goes. Group is basically a collection of two or more persons. The society or the organisations are themselves huge groups of people.

Group can be defined as two or more individuals interacting and interdependent, who have come together to achieve particular objectives. According to Edgar H.Schien, “a group may be defined as a social phenomenon in which two or more persons decide to interact with one another, share common ideology and perceive themselves as a group.” A group is defined as two or more individuals who are connected to one another by social relationships.

**Features of a Group**

1. Two or more people in social interaction.
2. Rewards to members.
3. Stable structure.
4. Members share common interests or goals.
5. individuals must perceive themselves as a group

**Classification of Groups or Teams**

All persons who are working in an organisation belong to different groups within the organisation. Groups may be classified on the basis of purpose, extend of structuring, process of formation and size of group membership. On analytical point of view groups may be classified into :-

**1. Formal Groups:** A designated work group defined by the organization's structure. A formal group is set up by the organization to carry out work in support of the organization's goals. In formal groups, the behaviours that one should engage in are stipulated by - and directed toward - organizational goals. Examples include a book-keeping department, an executive committee, and a product development team. Formal groups may be command groups or task groups.

i) **Command Group:** A command group consists of a manager and the employees who report to him or her. Thus, it is defined in terms of the organization's hierarchy. Membership in the group arises from each employee's position on the organizational chart.

i) **Task Group:** A task group is made up of employees who work together to complete a particular task or project. A task group's boundaries are not limited to its immediate hierarchical superior. It can cross command relationships. An employee's membership in the group arises from the responsibilities delegated to the employee -that is, the employee's responsibility to carry out particular activities. Task group may be temporary with an established life span, or they may be open ended.

iii) **Committee:** A group of people officially delegated to perform a function, such as investigating, considering, reporting, or acting on a matter. Committee, one or more persons appointed or elected to consider report on, or take action on a particular matter. It investigates analyses and debates the problem and makes recommendation. Committee usually has their own committee member comprising of advisory authority, secretary and others. Recommendation is sent to the authority that is responsible for implementing them.

### Characteristics of Formal groups

- ✓ Created to carry out some specific task or to meet a required goal
- ✓ Explicitly stated defined structure, procedural rules and membership
- ✓ Relatively permanent or temporary (e.g. steering group or problem solving group)
- ✓ Defined roles and designated work assignments
- ✓ Well Defined norms
- ✓ Specified goals and deadlines

2. **Informal Groups:** An organization's informal groups are the groups that evolve to meet social or affiliation needs by bringing people together based on shared interests or friendship. Thus, informal groups are alliances that are neither formally structured nor organizationally determined. These groups are natural formations in the work environment that appear in response to the need for social contact. Many factors explain why people are attracted to one another. One explanation is simply proximity; when people work near one another every day, they are likely to form friendships. That likelihood is even greater when people also share similar attitudes, personalities, or economic status.

i) **Friendship Groups:** Groups often develop because the individual members have one or more common characteristics. We call these formations 'friendship groups'. Social alliances, which frequently extend outside the work situation, can be based on similar age, same political view, attended the same college, etc.

ii) **Interest Groups:** People who may or may not be aligned into common command or task groups may affiliate to attain a specific objective with which each is concerned. This is an interest group.

iii) **Reference Groups:** Sometimes, people use a group as a basis for comparison in making decisions or forming opinions. When a group is used in this way, it is a reference group. Employees have reference groups inside or outside the organization where they work. For most people, the family is the most important reference groups. Other important reference groups typically include co-workers, friends, and members of the person's religious organization. The employee need not admire a group for it to serve as a reference group. Some reference groups serve as a negative reference; the employee tries to be unlike members of these groups.

iv) **Membership Groups:** When a person does belong to a group (formal and informal groups to which employees actually belong) the group is called a membership group (or affiliation group) for that person. Members of a group have some collection of benefits and responsibilities that go beyond the group serving as a reference point. In a membership group, each member would be expected to contribute to the group's well being and would enjoy the benefits arising from the group members' friendship.

v) **Cliques:** A relatively permanent informal groups that involves friendship. Most of the relationships came down to two cliques, each with a hanger-on, and some isolates. The groups included several different professions. They developed ideas about each other. Clique membership acted as a form of social control, forcing people to conform to group desires. The groups established norms regarding output, treatment of supervisor, reciprocity and other interpersonal relations. The cliques served as a system for sense making about organizational events. They developed their own set of beliefs, explaining things to each other.

**Table 12. : Difference between formal and Informal Groups**

<i>Basis</i>	<i>Formal Group</i>	<i>Informal Group</i>
Formation	Legally constituted, rationally designed, and consciously planned	Emerges naturally and spontaneously
Existence	Normally formal group does not arise because of informal Group	Informal group emerges while working in a Formal Group
Purpose	Well-defined and centres around survival, growth, profit, Service to Society	Ill-defined and centres around friendship, goodwill, unity and so on
Relationship	Superior-subordinate relationship	Personal and social relationship
Influenced by	Rationality and leaves no scope for personal, social, and emotional factors	Personal, social, and emotional factors
Communication	Unity of Command and line of authority followed	Pattern is grapevine, which is natural, haphazard and intricate
Leadership	Based on formal authority and position	Based on individual competence and group acceptance
Boundaries	Operates within set boundaries	No bounds, operates in different directions
Nature & Emphasis	Normative and idealistic, emphasis on efficiency, discipline, conformity, consistency and control bring in rigidity and bureaucracy in processes and practices	Reflects actual functioning, characterised by relative freedom, spontaneity, homeliness and warmth

### **Work Groups**

Work groups are a part of task groups in employment settings and goal focussed groups in a variety of non employment situations. A work group is a group that interacts primarily to share information and to make decisions to help one another perform within each member's area of responsibility with a given work or organisation

### **Features of Work groups**

1. Work groups are composed of two or more individuals
2. It is formed to perform organisationally designed tasks
3. The members of the group are attracted to it and are loyal to its members, including the leader.
4. The superior of each work group exerts a major influence in establishing the tone and atmosphere of that work group by his or her leadership principles and practices.
5. There is high motivation in the group to use the communication process so that it best serves the interests and goals of the group.
6. It exhibit task interdependencies.
7. The group is eager to help each member develop to his or her full potential.
8. These work groups have a developmental life span. They form, mature and evolve over time.

### Types of Work Groups

1. Production Groups – consists of core employees who involved in producing of tangible products. e.g., automobile assembly. It includes bottom line employees, supervisors and foreman.
2. Service Groups- they engage in repeated transactions with customers e.g., airline attendants
3. Management groups- include all medium level and top level managers. The primary responsibility of these managers is directing and coordinating lower level units under their authority.
4. Project Groups- are formed to accomplish certain tasks or projects which are completed within a period of stipulated time. These are temporary groups that execute specialised time constrained tasks and eventually dissolve after the completion of the project. E.g., new product development
5. Action and performing groups- are composed of interdependent exerts who engage in complex time- constrained performance events,. Examples include aircrews, surgical teams and military units.

### Why people join in groups?

People join in groups for a variety of reasons like

- ✓ Security
- ✓ Status
- ✓ Self-esteem
- ✓ Affiliation
- ✓ power
- ✓ Goal achievement

They join functional groups simply by virtue of joining organizations. People you accept employment to earn money or to practice their profession. People in existing functional groups are told, are asked, task forces and teams. People join informal or interest groups for a variety of reasons, most of them quit complex. Indeed, the need to be team players has grown so strong today that many organizations will actively resist hiring someone who does not want to work with others.

**Interpersonal Attraction** One reason why people choose to form informal or interest groups is that they are attracted to one another. Many different factors contribute to interpersonal attraction. Attraction is increased when people have similar attitude, personalities, or economic standings.

**Group Activities** Individuals may also be motivated to join a group because the activities of the group appeal to them. Jogging, playing war games and flying model airplanes are all activities that some people enjoy. Many of them are more enjoyable to participate in as a member of a group and most require more than one person. Of course, if the groups level of interpersonal attraction is very low, a person may choose to forget the activity rather than join the groups.

**Group Goals** The goal of a group may also motivate people to join. The Sierra Club, which is dedicated to environmental conservation, is an example of this kind of interest group. Member may or may not be personally attracted to the other fund raisers, and they probably do not enjoy the activity of knocking on doors asking for money but they join the group because they subscribe to its goal. Workers join unions like the United Auto Workers because they support its goal.

**Need Satisfaction** Still another reason for joining a group is satisfy the need for affiliation. New residents in a community may join the New Comers Club partially just to be around other people. Likewise, newly divorced people often join support groups as away to have companionship.

**Instrumental Benefits** A final reason why people join groups is that membership is sometimes seen as instrumental in providing other benefits to the individuals. For example, it is fairly common for college students entering their senior year to join several professional clubs or associations, because listing such membership on a resume is thought to enhance the chance of getting job, similarly, a manager might join a certain racquet club not because she is attracted to its members and not because of the opportunity to play tennis.

### **Stages of group development**

Groups tend to develop in stages. As you work with a support group, or with almost any group of people who are working together toward a common cause, you'll be able to see the progression. As a facilitator, knowing what to look for and how to manage the challenges can have a big impact on how your group progresses.

As with many things, the progress of a group isn't always neat and tidy. Sometimes groups will regress to an earlier stage if there's a major change, if a group member leaves or another is added or for various other reasons. Having said that, here's an overview of how groups typically develop and progress.

#### **Stage 1 -- Orientation (Forming):**

Group members are learning what to do, how the group will operate, what's expected, and what's acceptable. Students watch the facilitator and each other for cues and clues, and seek guidelines and stated expectations. They want to feel safe and comfortable, and many will do only limited sharing until that comfort zone is established.

Some students will be comfortable sharing openly even on the first day, either because they enjoy this type of interaction, or because they already feel comfortable with the facilitator and/or the other students in the group. As a facilitator, you can call on these students to give examples, be the first to answer questions, and model positive interactions for the other group members.

- In this stage, most team members are positive and polite. Some are anxious, as they haven't fully understood what work the team will do. Others are simply excited about the task ahead.
- As leader, you play a dominant role at this stage, because team members' roles and responsibilities aren't clear.
- This stage can last for some time, as people start to work together, and as they make an effort to get to know their new colleagues.

### **Stage 2 -- Power Struggle (Storming):**

As things progress, it's normal for some power struggles to emerge. As students become more comfortable, they may challenge each other or the facilitators, attempt to form cliques and exclude or ignore certain students, and push limits. This can be frustrating for everyone involved, but it helps to know it's just a stage, and things tend to get much better once it's past.

- Next, the team moves into the storming phase, where people start to push against the boundaries established in the forming stage. This is the stage where many teams fail.
- Storming often starts where there is a conflict between team members' natural working styles. People may work in different ways for all sorts of reasons but, if differing working styles cause unforeseen problems, they may become frustrated.
- Storming can also happen in other situations. For example, team members may challenge your authority, or jockey for position as their roles are clarified. Or, if you haven't defined clearly how the team will work, people may feel overwhelmed by their workload, or they could be uncomfortable with the approach you're using.
- Some may question the worth of the team's goal, and they may resist taking on tasks.
- Team members who stick with the task at hand may experience stress, particularly as they don't have the support of established processes, or strong relationships with their colleagues.

### **Stage 3 – Cooperation and Integration (Norming):**

This is where being in group becomes fun and enjoyable most of the time. Group interaction becomes easier, more cooperative, and productive, with balanced give and take, open communication, bonding, and mutual respect. If there is a conflict or disruption, it's relatively easily resolved and the group gets back on track. Group leadership is still important, but the facilitator can step back a little and let group members initiate more and move forward together.

- Gradually, the team moves into the norming stage. This is when people start to resolve their differences, appreciate colleagues' strengths, and respect your authority as a leader.
- Now that your team members know one another better, they may socialize together, and they are able to ask one another for help and provide constructive feedback. People develop a stronger commitment to the team goal, and you start to see good progress towards it.
- There is often a prolonged overlap between storming and norming, because, as new tasks come up, the team may lapse back into behaviour from the storming stage.

### **Stage 4 – Synergy (Performing):**

Not every group reaches this level, and if you spend most of a school year in Stage 3, it will still be a productive and enjoyable group. Synergy emerges when the group shifts or evolves into another level, often without realizing what's happening. Here, there's a sense of group unity, group members looking out for each other even outside of the group setting, deepening friendships or bonds, and a dynamic energy no matter what the task. This is the epitome of



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“The whole is greater than the sum of its parts.”

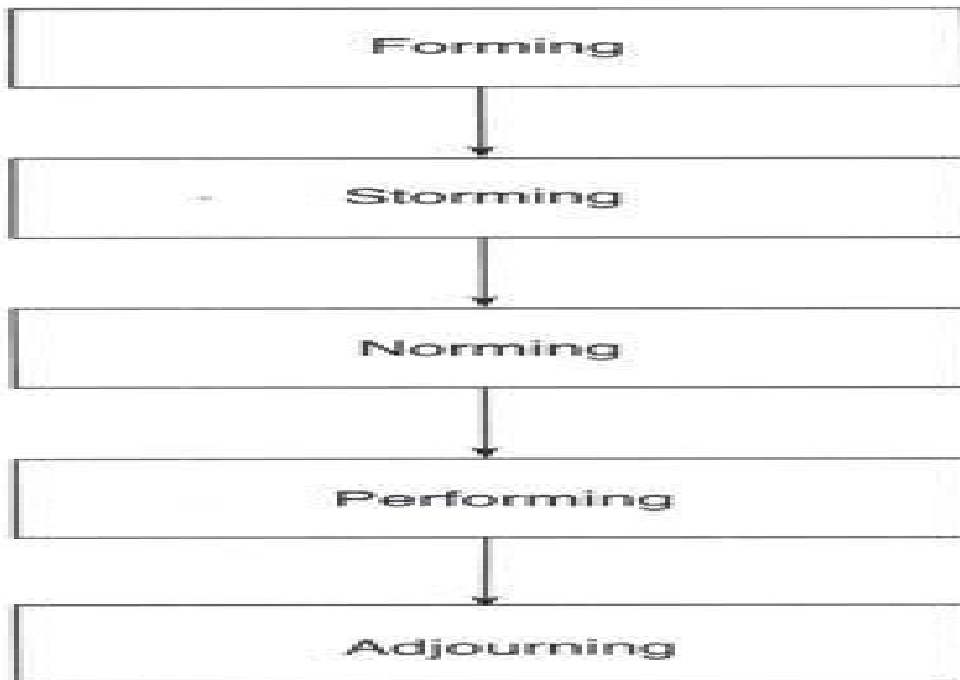
- The team reaches the performing stage, when hard work leads, without friction, to the achievement of the team's goal. The structures and processes that you have set up support this well.
- As leader, you can delegate much of your work, and you can concentrate on developing team members.
- It feels easy to be part of the team at this stage, and people who join or leave won't disrupt performance.

### **Stage 5 – Closure (Adjourning):**

The closure stage of a group can be confusing and disconcerting if you don't know it's coming. After weeks or months of a smoothly running group, as the end of group or the school year approaches, things may start to fall apart for no apparent reason. Students may bicker with and criticize each other, and anger may surface in unexpected ways.

This is a normal part of group process. Many students (and adults, for that matter) have no idea how to deal with endings, goodbyes, or losses, and they don't know how to find closure. Being angry with each other, or in conflict, is easier for many students than feeling or addressing the sadness of saying goodbye. It's easier for most to be angry than to be vulnerable. Students who have abandonment issues may become especially argumentative or unruly.

- Many teams will reach this stage eventually. For example, project teams exist for only a fixed period, and even permanent teams may be disbanded through organizational restructuring.
- Team members who like routine, or who have developed close working relationships with colleagues, may find this stage difficult, particularly if their future now looks uncertain.



**Figure 12.1 : Process of Group Development**

### **Group Behaviour**

Group behaviour" refers to the ways people behave in large- or small-group situations. People join groups for a multitude of reasons, most frequently because membership satisfies a need of the individual. Group membership can provide companionship, survival and security, affiliation status, power and control, and achievement. There is currently no universal description of what constitutes a group, though research has identified a few common requirements that contribute to recognition of a group:

- *Interdependence*—Individual members must depend, to some degree, on the output of the collective members.
- *Social interaction*— Accomplishing a goal requires some form of verbal or nonverbal communication among members.
- *Perception of a group*— All members of the collective must agree they are part of the group.
- *Commonality of purpose*—All members of the collective come together to attain a common goal.
- *Favouritism*—Members of the same group tend to be positively prejudiced toward other members and discriminate in their favour.

### **How Groups Influence Individual Behaviour**

Individual behaviour and decision making can be influenced by the presence of others. There are both positive and negative implications of group influence on individual behaviour. For example, group influence can often be useful in the context of work settings, team sports, and political activism. However, the influence of groups on the individual can also generate negative behaviours.

While there are many ways a group can influence behaviour, we will focus on three key phenomena: groupthink, group shift, and deindividuation.

*Groupthink* happens when group members, faced with an important choice, become so focused on making a smooth, quick decision that they overlook other, possibly more fruitful options. *Groupshift* is a phenomenon in which the initial positions of individual members of a group are exaggerated toward a more extreme position. *Deindividuation* happens when a person lets go of self-consciousness and control and does what the group is doing, usually with negative goals or outcomes. Besides these, the important forces of group behaviour are:-

1. Member resources- members' knowledge, abilities, skills and personality characteristics such as sociability, self reliance and independence are the resources which decides the success of a group.
2. Group size- it may vary from a small size of two to a large number of people. Small groups are effective than large groups.
3. Group roles- in formal groups, roles are always predetermined and assigned to members. Group roles may be
  - a. Work roles-like initiator, informer, clarifier, summariser and reality master
  - b. Maintenance roles-social- emotional activities including harmonizer, gatekeeper, consensus tester, encourager and compromiser
  - c. Blocking roles- are activities that disrupt the working of a group. They often resist ideas, disagree with group members for personal reasons and will have hidden agendas. This behaviour may be positive or negative. Their roles includes aggressor, blocker, dominator, comedian and avoidance behaviour
4. Group Norms – define the acceptable standard or boundaries of acceptable and unacceptable behaviour, shared by group members. Each group will create its own norms to follow by group members. Group apply pressure on members and force them to conform to the group's standards. The norms often reflect the level of commitment, motivation and performance of the group
5. Group cohesiveness- refers to bonding of group members or unity, feelings of attraction for each other and desire to remain part of the group. Many factors are responsible for group cohesiveness such as agreement to group goals, frequency of interaction, personal attractiveness, inter group competition, favourable evaluation, etc.

It also depends on the degree of difficulties to obtain group membership. If it is difficult to obtain an entry into a group, the cohesiveness of the group will be more and vice versa. Groups also show more cohesive when there are strong competitions with other groups or face a serious external threat to survival. Smaller groups and those who spend considerable time together also tend to be more cohesive. Cohesiveness has many positive effects like worker satisfaction, low turnover and absenteeism and higher productivity. But highly cohesive group may be detrimental to organisational performance if their goals are contradictory to organisational goals.
6. Group Processes –decision making by a group is superior, because group generates more information and knowledge, generates diverse alternatives, increases acceptance of a solution, and increases legitimacy. The demerits are decisions take longer time, minority is dominated, pressure is applied to conform to group decisions, and none is responsible for the decisions.

### UNIT 18

### GROUP DYNAMICS

The term “group dynamics” refers to the interactions between people who are talking together in a group setting. Group dynamics can be studied in business settings, in volunteer settings, in classroom settings, and in social settings. Any time there are three or more individuals interacting or talking together, there are group dynamics.

Group dynamics involve the study and analysis of how people interact and communicate with each other in face-to face small groups. The study of group dynamics provides a vehicle to analyse group communications with the intent of rendering the groups more effective.

In its most basic sense, Group dynamics is used to describe something that is happening in all groups at all times, whether anyone is aware of it or not. “Group dynamics” used in this way refers to the complex forces that are acting upon every group throughout its existence which cause it to behave the way it does.

We can think of every group as having certain relatively static aspects – its name, constitutional structure, ultimate purpose, and other fixed characteristics. But it also has *dynamic* aspects -- it is always moving, doing something, changing, becoming, interacting, and reacting. And the nature and direction of its movement is determined by forces being exerted on it from within itself and from outside. The interaction of these forces and their resultant effects on a given group constitute its dynamics. In this sense, “group dynamics” is to groups what “personality dynamics” is to individuals. It is a phenomenon that occurs naturally; nobody invents it.

#### **Dynamics of Group formation**

There is no single reason why individuals join groups. Different groups offer different benefits to their members. The most popular reason for joining a group are:-

1. Proximity, Interaction and Influence: One of the most common reasons why people join groups is because they work near each other. Informal groups seem to form among those who are in close proximity. When people have frequent interaction or contact with one another, there is likelihood that they will form a group. Finally, if the behaviour of one individual influences that of others, they are likely to form a group.
2. Security: Probably the strongest reason to join the group is the need for security. By joining a group we can reduce our insecurity – we feel stronger. New or experienced, no employee likes to stay alone. We derive reassurance from interacting with others and being part of a group. This often explains the appeal of unions – if management creates an environment in which employees feel insecure, they are likely to turn to unionization in order to reduce their feelings of insecurity.
3. Affiliation:-people join the groups because it provides them an opportunity to have regular company with those with whom they share something common. Individuals may seek out others at work who shares common hobbies or common back grounds.
4. Power: Membership of groups offers power to members in at least two ways. First, there are sayings such as “United we stand, divided we fall” and “there is strength in number.” Secondly, leadership of an informal group enables an individual to use power over group members, even if he does not enjoy a formal position of authority in the

organization.

5. Esteem: An individual can increase his self-esteem through group membership. One may gain esteem by becoming a member of a high status group. Associating with high status people is reinforcing
6. Task functions
  - a. Generating new ideas or creative solution requires inputs from a large number of individuals
  - b. Co-ordination of several groups
  - c. Teaching methods to new comers
  - d. Facilitate the implementation of complex decisions
  - e. A complex task which cannot be performed individually

### **GROUP NORMS.**

Norms are acceptable standards of behaviour within a group that are shared by the members of the group. Norms define the boundaries of acceptable and unacceptable behaviour. They are typically created in order to facilitate group survival, make behaviour more predictable, avoid embarrassing situations, and express the values of the group. Each group will establish its own set of norms that might determine anything from the appropriate dress to how many comments to make in a meeting. Groups exert pressure on members to force them to conform to the group's standards. The norms often reflect the level of commitment, motivation, and performance of the group.

Group norms are the informal guidelines of behaviour and a code of conduct that provides some order and conformity to group activities and operations. These rules are expected to be followed by all the group members. These norms and rules usually develop gradually and informally as group members learn as to what behaviours are necessary for the group to function effectively.

Performance norms determine how quickly members should work and how much they should produce. They are created in an effort to determine levels of individual effort.

Reward-allocation norms determine how rewards are bestowed upon group members. For example, the norm of equality dictates equal treatment of all members. Every member shares equally so rewards are distributed equally to everyone. Equity norms suggest that rewards are distributed according to the member's contribution.

The majority of the group must agree that the norms are appropriate in order for the behaviour to be accepted. There must also be a shared understanding that the group supports the norms.

It should be noted, however, that members might violate group norms from time to time. If the majority of members do not adhere to the norms, then they will eventually change and will no longer serve as a standard for evaluating behaviour. Group members who do not conform to the norms will be punished by being excluded, ignored, or asked to leave the group.

## **Types of Group Norms**

### **1. Behaviour Norms**

These are rules and guidelines defining the day-to-day behaviour of people at work. This behaviour pattern may include punctuality as a habit, completing any given assignments within the required time framework, not losing temper, showing respect for other member's opinions, not monopolizing the conversation and so on. Certain professionalism is expected from all members and this professionalism is predictable form of behaviour.

### **2. Work Norms**

Work norms regulate the performance and productivity of individual members. An overly ambitious worker who produces more is considered as much a deviate from the norms as a worker who is an under producer. Work norms usually put an acceptable level of productivity, within reasonable tolerances so that comparatively poor performers can also be accommodated and that they do not become a burden on their peers.

Workers performing below the lower acceptable level are generally informally reprimanded and encouraged to produce more. On the other hand, rate-busters who perform above the upper acceptable limit set by the group are also ostracized for encouraging the [management](#) to raise its expectations.

### **Reasons for strong enforcement of Norms**

Group norms are generally reinforced if all members agree to abide by them and the members will agree if they firmly believe that adherence to such norms will facilitate group goals achievement or ensure group survival and additionally, such norms do not [conflict](#) with individual values and principles. Also, the norms are reinforced if the members value their membership in the group and do not like the outcomes of violating them. The outcome of violating the group norms must be sufficiently consequential in order to discourage members to deviate from them.

The [groups](#) enforce compliance with norms in many ways. They can reward people who comply with group norms by appreciating them, by listening to them in a respectful manner and by making them leaders of the group. Also, they can take negative actions against those persons who deviate from group norms in the form of ridicule or 'silent treatment' or by withdrawing privileges or by ultimate action of expelling them from the membership of the group.

Conditions where group norms will be strongly enforced are as follows:-

- If the norms facilitate group success or ensure group survival
- If the norms simplify or predict regarding the behaviour which is expected from group members
- If the norms emphasize the roles of specific members within a group and
- If the norms help the group to solve the inter-personal problems themselves

### **GROUP COHESIVENESS.**

Cohesiveness refers to the bonding of group members and their desire to remain part of the

group. Many factors influence the amount of group cohesiveness. Generally speaking, the more difficult it is to obtain group membership the more cohesive the group. Groups also tend to become cohesive when they are in intense competition with other groups or face a serious external threat to survival. Smaller groups and those who spend considerable time together also tend to be more cohesive.

Cohesiveness in work groups has many positive effects, including worker satisfaction, low turnover and absenteeism, and higher productivity. However, highly cohesive groups may be detrimental to organizational performance if their goals are misaligned with organizational goals. Highly cohesive groups may also be more vulnerable to groupthink. Groupthink occurs when members of a group exert pressure on each other to come to a consensus in decision making. Groupthink results in careless judgments, unrealistic appraisals of alternative courses of action, and a lack of reality testing. It can lead to a number of decision-making issues such as the following:

1. Incomplete assessments of the problem,
2. Incomplete information search,
3. Bias in processing information,
4. Inadequate development of alternatives, and
5. Failure to examine the risks of the preferred choice.

Evidence suggests that groups typically outperform individuals when the tasks involved require a variety of skills, experience, and decision making. Groups are often more flexible and can quickly assemble, achieve goals, and disband or move on to another set of objectives.

Many organizations have found that groups have many motivational aspects as well. Group members are more likely to participate in decision-making and problem-solving activities leading to [empowerment](#) and increased productivity. Groups complete most of the work in an organization; thus, the effectiveness of the organization is limited by the effectiveness of its group

### Consequences of Group Cohesiveness

More participation, more conformity, high productivity, more success, more influence, more communication and more personal satisfaction are some of the consequences of group cohesiveness. These positive outcomes of group cohesiveness are as follows:-

**1. More Participation:** Because group cohesiveness involves close interpersonal relationship, the members consider the group as their own, just like a family and they are motivated to participate actively in group affairs and activities. Members also try to assist and support other members of the group in times of need and this strengthens the bonds of friendship.

The turnover rate of members is very low and they look forward to group meetings and group activities as it gives them an opportunity of social interaction in addition to devising strategies for achieving individual and group goals.

**2. More Conformity:** While all individuals who are in the group are unique in many ways with their own norms, values, beliefs and attitudes and sometimes these characteristics may be in

conflict with the group norms, the members usually make sacrifices in order to conform to group norms. The cohesive group is generally able to put subtle pressure on the individual member who 'deviated' from the group norms in order to bring him back to the mainstream.

**3. More Success:** Success and cohesiveness are interdependent factors. Cohesiveness makes the goal achievement easier and goal achievement adds to cohesiveness. Cohesive groups are more successful in achieving their goals. The reason for this relationship is that a high degree of cohesiveness involves a high degree of [communication](#), participation and conformity to group norms and this result in successes in achieving them. Thus such coordinated efforts tend to result in successes in achieving such goals.

**4. More Influence:** Individual members will respond favourably to the demands of the cohesive groups in comparison to less cohesive groups. An informally accepted and respected leader of the group can have quite an autocratic authority and influence over the group members specially when confronting an external threat.

Thus the leader will have considerable influence over the members in shaping their opinions and operations.

**5. More Communication:** [Communication](#) reduces conflict. The better the communication, the less likely is any misunderstanding among members. Because the members of the cohesive groups share common values and goals, they are inclined greater communicativeness. Since [communication](#) is key to understanding, respect and closeness, it tends to foster and cement positive social relations as well as deep personal relationships.

**6. More Personal Satisfaction:** Satisfaction, though a state of mind, is primarily influenced by positive external factors. These factors include friendliness, respect from other members and self-respect, support, opportunity to interact, achievement, protection against threats and a feeling of security. Members of cohesive groups report that they are more satisfied than members of less cohesive groups. This is expected since the members of a cohesive group will not stay as members if they were dissatisfied.

**7. High Productivity:** It is quite easy to understand that unity has synergetic effect. The group effort is expected to bring better results than the sum efforts of individual members. However, the outcome of the efforts is a function of not only group cohesiveness but also group compliance with the organizational goals.

According to Richard M. Steers, 'specifically, when cohesiveness is high and acceptance of organizational goals is high; performance will probably be high. Similar results would be expected for low cohesiveness and high goal acceptance, although the results may not be as strong. On the other hand, performance would not be expected to be high when cohesiveness is high and goal acceptance is low.' In that case, group effort will probably be directed away from organizational goals and towards goals valued by the group.

### FACTORS INFLUENCING GROUP COHESIVENESS

Group size, degree of dependency, physical distances, time spent together, severity of initiation, cooperation, threat history of past successes are the major factors. These factors are influencing the group cohesiveness in an organization. We shall discuss about the above factors below:

#### 1. Group size



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Small group size is a greater probability of being cohesive than large groups in an organization. When team size increases, in this circumstance, possibility of agreement towards the common goal and mutual interaction decreases. When team increases it restricts inter group and intra group communication and encourages for the formation of sub groups.

### **2. Degree of Dependency**

It is a positive between the degree of cohesiveness and dependency in an organization. It requires greater attractiveness towards goals in an organization. The greater the degree of dependency which will be greater attraction and consequently the higher group cohesiveness in an organization.

### **3. Physical Distance**

It is very important when people working together at a very close distance are likely to have greater opportunity for interaction in an organization.

It enhances the free exchange of ideas, sharing the problems and prospects in an organization. Therefore, it develops closeness among the team members who leading to greater cohesiveness.

### **4. Time spent Together**

Time spent together and cohesiveness is positively related people who met frequently and spend time together for developing mutual attraction and interpersonal interaction. Team members are developing friendship and communication among members in an organization.

### **5. Severity of Initiation**

It is positively correlated towards with cohesiveness when strict admission procedures are prescribed for entry into group that is creating severity of initiation.

In this case, the group becomes unique and elite in the eyes of other teams in an organization.

It arises out of the natural human tendency which share among the team members and get benefits for their efforts in an organization.

### **6. Cooperation**

It is the team spirit that is developed by all team members in the team. It helps to share their personal opinion, suggestion, and recommendation relating to group tasks, reward system in a team and teamwork. Well designed organization structure promotes greater cooperation in this way cohesiveness is enhanced.

### **7. Status**

Status and cohesiveness are positively related in an organization. Status is identity of team and team members and their tasks in an organization. Status will come to heard dedication, achievement, growth and development of the organization.

### **8. Threat**

It is also considered for determining factors of cohesiveness. External threat are unpredictable and uncontrollable. Internal threat can be predictable and controllable, Its impact on the group, its identity, and process in an organization. Strong and united team can easily face threat in an organization.

### 9. History of Past Successes

It is very important factors influencing the group cohesiveness in an organization Past result, performance, growth and development is the step stone towards the future goals and mission and vision of an organization Team will be evaluated the past results and analysis and interpret future result for survival and growth and development of an organization.

### GROUP DECISION MAKING

**Group decision-making** (also known as **collaborative decision-making**) is a situation faced when [individuals](#) collectively make a choice from the alternatives before them. The [decision](#) is then no longer attributable to any single individual who is a member of the group. This is because all the individuals and [social group](#) processes such as [social influence](#) contribute to the outcome. The decisions made by groups are often different from those made by individuals. [Group polarization](#) is one clear example: groups tend to make decisions that are more extreme than those of its individual members, in the direction of the individual inclinations.

There is much debate as to whether this difference results in decisions that are better or worse. According to the idea of [synergy](#), decisions made collectively tend to be more effective than decisions made by a single individual.

**1. Brainstorming:** It is a combination of group problem solving and discussions. It works on the belief that the more the number of ideas, greater the possibility of having a solution to the problem that is acceptable to all. It starts with the group generating ideas which are then analyzed, with action points based on the discussions.

**2. Nominal group technique:** In a nominal group technique, the team divides itself into smaller groups and generates ideas quietly. Possible options are noted down in writing and the team members further discuss these to narrow down the possible choices they would like to accept. Team members then discuss and vote on the best possible choice. The choice that receives the maximum vote is accepted as the group decision.

**3. Multi-voting:** It starts with a number of rounds of voting where an individual casts his/ her vote for the options that are shortlisted. Each individual can cast one vote at a time. In this way the options favouring the maximum number of votes is carried to the next round. This process is repeated until a clear winning option is obtained.

**4. Delphi method:** In this method of decision making, the facilitator allows team members to individually brainstorm their ideas and submit their ideas “anonymously”. The other team members do not know the owner of the ideas. The facilitator then collects all the inputs and circulates them among others for modifying or improving them. This process continues until a final decision is made.

**5. Electronic meeting:** Here, the decision making process takes place virtually with the help of technology. Participants type any message they want to convey and this flashes on the screen of

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other participating members. In this process, the identity of the participants can be kept a secret and they can voice their opinions without any inhibitions.

### Turning Groups into Effective Teams:

All teams are groups but not all groups are teams. Teams often are difficult to form because it takes time for members to learn how to work together. People in every workplace talk about building the team, working as a team, and my team, but few understand how to create the experience of team work or how to develop an effective team. Belonging to a team, in the broadest sense, is a result of feeling part of something larger than oneself. It has a lot to do with your understanding of the mission or objectives of your organization.

In a team-oriented environment, one contributes to the overall success of the organization. One works with fellow members of the organization to produce these results. Even though you have a specific job function and you belong to a specific department, you are unified with other organization members to accomplish the overall objectives. The bigger picture drives your actions; your function exists to serve the bigger picture.

It is on record that teams are better than groups, because they are more flexible and responsive to dynamic environment. A work group has no opportunity to involve in collective works.

It is the work team whose members 'work intensely on a specific, common goal using their positive synergy, individual and mutual accountability, and complementary skills'.

**Table 12.3: Difference between a Group and a Team**

<i>Groupa</i>	<i>Team</i>
<b>No opportunity to engage in collective work</b> , which requires joint effort.	<b>Members work intensely</b> with individual and mutual accountability and complementary skills.
<b>No positive synergy</b> to create.	Generates <b>positive synergy</b> due to capability of group members to bounce ideas off one another to correct one another's mistakes, to bring a diverse knowledge base to bear on a problem, and to accomplish work that is too vast for any one individual to achieve.
<b>Performance not greater than the sum of inputs</b>	<b>Generates greater outputs with no increase in inputs</b>
<b>Less responsive</b> to dynamic environment	<b>More flexible and more responsive</b> to dynamic environment

## UNIT 19

## Team Management - Meaning and Concept

There are some tasks which can't be done alone. Individuals need to come together, discuss things among themselves and work together towards the realization of a common goal. The individuals forming a team should ideally think more or less on the same lines and should have similar interests and objective. People with absolutely different tastes can't form a team. Their goals have to be the same. Every team is formed to achieve a predefined goal and it is the responsibility of each and every member to contribute his level best and accomplish the assigned task within the stipulated time frame. The team members must complement each other and come to each other's help whenever required. Individual performances do not matter much in a team and every individual should strive hard and work in unison.

### What is Team Management?

**Team management refers to the various activities which bind a team together by bringing the team members closer to achieve the set targets.** For the team members, their team must be their priority and everything else should take a back seat. They should be very focused on their goals.

Let us understand Team Management with the help of a real life situation.

Maria was representing the training and development vertical of a leading firm. Joe, Kathy, Sandra and Tim were reporting to Maria and helped her in designing the various training programs. Maria left no stone unturned to ensure that all her team members were satisfied with their job responsibilities. The workload was shared equally among four of them. Ideas were discussed on an open forum and each of them contributed to his level best. They went out for movies and stayed in touch even after work.

Maria being the team leader was actually responsible for bringing her team members closer so that none of them feels left out and all are motivated to deliver their level best. With the help of the team management activities, she managed to create a positive ambience at the workplace and promoted healthy competition in her team.

### TYPES OF TEAMS

1. **Permanent teams-** These teams perform on a permanent basis and are not dissolved once the task is accomplished. Let us understand the concept with an example.

Mike, Peter, Joe and Ana had a strong inclination towards branding as well as promotions and hence were a part of the branding team with a leading organization. They were primarily responsible for promoting their brand and designing marketing strategies to generate maximum revenue for their organization. They worked extremely hard and always managed to achieve their targets well in advance, but their team was always in place and never dissolved. Their organization never asked them to leave or ever dissolved their team. Such teams are called permanent teams.

Work or no work, the human resources team, operation team, administration team always function effectively throughout the year and hence are permanent teams.

2. **Temporary teams** - Unlike permanent teams, temporary teams lose their importance, once the task is accomplished. Such teams are usually formed for a shorter duration either to assist the permanent team or work when the members of the permanent team are busy in some other

project.

When organizations have excess of work, they generally form temporary teams which work in association with the members of the permanent team for the accomplishment of the task within the stipulated time.

3. **Task Force** - Such teams are formed for a special purpose of working on any specific project or finding a solution to a very critical problem.

The government generally appoints special teams to investigate critical issues like bomb blasts, terrorist attacks and so on. The task force explores all the possible reasons which led to a severe problem and tries to resolve it within a given deadline.

4. **Committee** - Committees are generally formed to work on a particular assignment either permanently or on a temporary basis. Individuals with common interests, more or less from the same background, attitude comes together on a common platform to form a committee and work on any matter.

To organize any cultural event, organizations generally make committees to raise funds, invite celebrities and all the major tasks involved to successfully organize any event. The committee members work together, design strategies to successfully accomplish the task.

In educational institutes, various committees are formed where students with a common interest join hands to organize cultural events and various other activities required for the all round development of students.

5. **Organization/Work Force** - Such groups are formed in organizations where team members work together under the expert guidance of leader. A leader or a supervisor is generally appointed among the members itself and he along with his team works hard to achieve a common goal. The leader all through must stand by his team and extract the best out of each team member. He must not underestimate any of his team members and take his team along to avoid conflicts.

Samuel was working with a leading advertising firm with two members reporting to him. Samuel always believed in his team members and worked together with his team and no doubts his team always did wonders and was way ahead of others.

6. **Self Managed Teams** - Self Managed Teams consist of individuals who work together again for a common purpose but without the supervision of any leader. Here as the name suggests every individual is accountable for his individual performance. The team members of self managed teams must respect each other and should never loose focus on their target. No leader is appointed and the team members have to take their own responsibility. Individuals take the initiative on their own and are their own guides and mentors.

7. **Cross Functional Team** - Let us understand this with the help of an example.

Maria and Andy both were part of the branding team. They got an assignment from their superiors to be completed within two days. Unfortunately Andy met with an accident and was advised complete bed rest. To avoid delays, Peter from the operations team was shifted to the marketing team to assist Maria for the time being and form a team. Such teams are called cross functional teams. Ideally the employees should be more or less on the same level to avoid ego hassles. Individuals from different areas come and work together for a common objective to

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form a cross functional team. In such teams, people from different areas, interests and likings join hands to come out with a unique idea to successfully complete a task.

**8. Virtual Teams** - Virtual teams consist of individuals who are separated by distances and connected through computer. Here individuals communicate with each other online through internet. Sam at Los Angeles can form a team with Mandy at Mexico and Sara at Denver all working for a common objective but the communication is totally digital through internet. Such teams are helpful when employees need to connect with each other and are located at different places. Individuals supporting any community in social networking sites such as facebook or orkut also form a virtual team as all the members are from different locations but support a common community. They all have a common objective -to support and promote their community.

### **Characteristics of Effective Teams**

**1. There is a clear unity of purpose.**

There was free discussion of the objectives until members could commit themselves to them; the objectives are meaningful to each group member.

**2. The group is self-conscious about its own operations.**

The group has taken time to explicitly discuss group process -- how the group will function to achieve its objectives. The group has a clear, explicit, and mutually agreed-upon approach: mechanics, norms, expectations, rules, etc. Frequently, it will stop to examine how well it is doing or what may be interfering with its operation. Whatever the problem may be, it gets open discussion and a solution found.

**3. The group has set clear and demanding performance goals**

The group has set performance goals into well-defined concrete milestones against which it measures itself. The group defines and achieves a continuous series of "small wins" along the way to larger goals.

**4. The atmosphere tends to be informal, comfortable, relaxed.**

There are no obvious tensions, a working atmosphere in which people are involved and interested.

**5. There is a lot of discussion in which virtually everyone participates.**

It remains pertinent to the purpose of the group. If discussion gets off track, someone will bring it back in short order. The members listen to each other. Every idea is given a hearing. People are not afraid of being foolish by putting forth a creative thought even if it seems extreme.

**6. People are free in expressing their feelings as well as their ideas.**

The people in a group are free to express their feelings, ideas and emotions in the group.

**7. There is disagreement and this is viewed as good.**

Disagreements are not suppressed or overridden by premature group action. The reasons are carefully examined, and the group seeks to resolve them rather than dominate the dissenter.

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Dissenters are not trying to dominate the group; they have a genuine difference of opinion. If there are basic disagreements that cannot be resolved, the group figures out a way to live with them without letting them block its efforts.

### **8. Most decisions are made at a point where there is general agreement.**

However, those who disagree with the general agreement of the group do not keep their opposition private and let an apparent consensus mask their disagreement. The group does not accept a simple majority as a proper basis for action.

### **9. Each individual carries his or her own weight,**

meeting or exceeding the expectations of other group members. Each individual is respectful of the mechanics of the group: arriving on time, coming to meetings prepared, completing agreed upon tasks on time, etc. When action is taken, clear assignments are made (who-what-when) and willingly accepted and completed by each group member.

### **10. Criticism is frequent, frank and relatively comfortable.**

The criticism has a constructive flavour -- oriented toward removing an obstacle that faces the group.

### **11. The leadership of the group shifts from time to time.**

The issue is not who controls, but how to get the job done.

**Team building** is the collective term for various types of activities used to enhance social relations and define roles within **teams**, often involving collaborative tasks. It is distinct from **team** training, which is designed to improve the efficiency of the process, rather than the interpersonal aspect of it.

### **Steps to Building an Effective Team**

The first rule of team building is an obvious one: to lead a team effectively, you must first establish your leadership with each team member. Remember that the most effective team leaders build their relationships of trust and loyalty, rather than fear or the power of their positions.

- **Consider each employee's ideas as valuable.** Remember that there is no such thing as a stupid idea.
- **Be aware of employees' unspoken feelings.** Set an example to team members by being open with employees and sensitive to their moods and feelings.
- **Act as a harmonizing influence.** Look for chances to mediate and resolve minor disputes; point continually toward the team's higher goals.
- **Be clear when communicating.** Be careful to clarify directives.
- **Encourage trust and cooperation among employees on your team.** Remember that the relationships team members establish among themselves are every bit as important as those you establish with them. As the team begins to take shape, pay close attention to the ways in which team members work together and take steps to improve communication, cooperation, trust, and respect in those relationships.
- **Encourage team members to share information.** Emphasize the importance of each team member's contribution and demonstrate how all of their jobs operate together to

move the entire team closer to its goal.

- **Delegate problem-solving tasks to the team.** Let the team work on creative solutions together.
- **Facilitate communication.** Remember that communication is the single most important factor in successful teamwork. Facilitating communication does not mean holding meetings all the time. Instead it means setting an example by remaining open to suggestions and concerns, by asking questions and offering help, and by doing everything you can to avoid confusion in your own communication.
- **Establish team values and goals; evaluate team performance.** Be sure to talk with members about the progress they are making toward established goals so that employees get a sense both of their success and of the challenges that lie ahead.
- **Make sure that you have a clear idea of what you need to accomplish;** that you know what your standards for success are going to be; that you have established clear time frames; and that team members understand their responsibilities.
- **Use consensus.** Set objectives, solve problems, and plan for action. While it takes much longer to establish consensus, this method ultimately provides better decisions and greater productivity because it secures every employee's commitment to all phases of the work.
- **Set ground rules for the team.** These are the norms that you and the team establish to ensure efficiency and success. They can be simple directives (Team members are to be punctual for meetings) or general guidelines (Every team member has the right to offer ideas and suggestions), but you should make sure that the team creates these ground rules by consensus and commits to them, both as a group and as individuals.
- **Establish a method for arriving at a consensus.** You may want to conduct open debate about the pros and cons of proposals, or establish research committees to investigate issues and deliver reports.
- **Encourage listening and brainstorming.** As supervisor, your first priority in creating consensus is to stimulate debate. Remember that employees are often afraid to disagree with one another and that this fear can lead your team to make mediocre decisions. When you encourage debate you inspire creativity and that's how you'll spur your team on to better results.
- **Establish the parameters of consensus-building sessions.** Be sensitive to the frustration that can mount when the team is not achieving consensus. At the outset of your meeting, establish time limits, and work with the team to achieve consensus within those parameters. Watch out for false consensus; if an agreement is struck too quickly, be careful to probe individual team members to discover their real feelings about the proposed solution.

### Team Advantages & Disadvantages

The advantages and disadvantages of teams also need to be considered before deciding to transition to teams. The following table of team advantages and disadvantages is an adaptation of work by Medsker and Campion (1992). This list can also be used by existing teams to self-evaluate their efficacy.



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<b>TEAM ADVANTAGES</b>	<b>TEAM DISADVANTAGES</b>
Team members have the opportunity to learn from each other.	Some individuals are not compatible with team work.
Potential exists for greater work force flexibility with cross-training.	Workers must be selected to fit the team as well as requisite job skills.
Opportunity provided for synergistic combinations of ideas and abilities.	Some members may experience less motivating jobs as part of a team.
New approaches to tasks may be discovered.	Organization may resist change.
Teams membership can provide social facilitation and support for difficult tasks and situations.	Conflict may develop between team members or other teams.
Communication and information exchange may be facilitated and increased.	Teams may be time-consuming due to need for coordination and consensus.
Interdependent work flow can be enhanced.	Evaluation and rewards may be perceived as less powerful;
Potential exists for greater acceptance and understanding of team-made decisions.	"Free-riding" within the team may occur.
Greater autonomy, variety, identity, significance, and feedback for workers can occur.	Less flexibility may be experienced in personnel replacement or transfer.

### UNIT 20

#### LEADERSHIP AND COMMUNICATION

Behind the success of every organisation there lies an effective leadership. Leadership involves the exercise of influence by one person over others. Wherever there is an organised group of

people

Leaders are people who do the right thing; managers are people who do things right. –  
*Professor Warren G. Bennis*

Leadership is the art of getting someone else to do something you want done because he wants to do it. – *Dwight D. Eisenhower*

Leadership can be defined as an interpersonal influence directed toward the achievement of goals. Three important parts of this definition are the terms interpersonal, influence and goal.

- Interpersonal means between persons and thus, a leader has more than one person or group to lead
- Influence is the power to affect others
- Goal is the end one attempts to attain

### CHARACTERISTICS OF LEADERSHIP

- **Empathy:** Creating a legitimate rapport with your staff makes it less likely that personal issues and resentment can creep in and derail the group. When your team knows that you are empathetic to their concerns, they will be more likely to work with you and share in your vision, rather than foster negative feelings.
- **Consistency:** Being a consistent leader will gain you respect and credibility, which is essential to getting buy-in from the group. By setting an example of fairness and credibility, the team will want to act the same way.
- **Honesty:** Another characteristic of leadership that lends itself to credibility. Those who are honest, especially about concerns, make it far more likely that obstacles will be addressed rather than avoided. Honesty also allows for better assessment and growth.
- **Direction:** Having the vision to break out of the norm and aim for great things --then the wherewithal to set the steps necessary to get there-- is an essential characteristic of good leadership. By seeing what can be and managing the goals on how to get there, a good leader can create impressive change.
- **Communication:** Effective communication helps keep the team working on the right projects with the right attitude. If you communicate effectively about expectations, issues and advice, your staff will be more likely to react and meet your goals.
- **Flexibility:** Not every problem demands the same solution. By being flexible to new ideas and open-minded enough to consider them, you increase the likelihood that you will find the best possible answer. You will set a good example for your team and reward good ideas.
- **Conviction:** A strong vision and the willingness to see it through is one of the most important characterizes of leadership. The leader who believes in the mission and works toward it will be an inspiration and a resource to their followers.

### FACTORS OF LEADERSHIP

# Factors of Leadership



Leaders are people who are able to think and act creatively in abnormal situations and who set out to influence the actions, beliefs and feelings of others. There are four major factors in leadership.

## **1.Leader**

Leader must have an honest understanding about himself, what he know, and what he can do. Also, note that it is the followers, not the leader or someone else who determines if the leader is successful. If they do not trust or lack confidence in their leader, then they will be uninspired. To be successful you have to convince your followers, not yourself or your superiors, that you are worthy of being followed.

## **2.Followers**

Different people require different styles of leadership. For example, a new employee requires more supervision than an experienced employee does. A person who lacks motivation requires a different approach than one with a high degree of motivation. You must know your people! The fundamental starting point is having a good understanding of human nature, such as needs, emotions, and motivation. You must come to know your employees' *be*, *know*, and *do* attributes.

## **3.Communication**

Leadership is possible only through two-way [communication](#). Much of it is nonverbal. For instance, when you “set the example,” that communicates to your people that you would not ask them to perform anything that you would not be willing to do. What and how you communicate either builds or harms the relationship between you and your followers.

### **4.Situation**

All situations are different. What you do in one situation will not always work in another. Leader must use his judgment to decide the best course of action and the leadership style needed for each situation. For example, you may need to confront an employee for inappropriate behaviour, but if the confrontation is too late or too early, too harsh or too weak, then the results may prove ineffective.

### **QUALITIES OF A SUCCESSFUL LEADER**

Leadership is the ability to influence the behaviour of a group of individuals in a particular pattern. A leader should possess certain qualities which is helpful to influence the group for achieving the best results from individuals. Leadership traits can be divided in to two. They are personal traits and management traits

1. Personal traits
  - a. Intelligence
  - b. Self confidence
  - c. Foresight and vision
  - d. Initiative
  - e. Sound physique
  - f. Dynamic personality
  - g. Objectivity
  - h. Empathy
  - i. Responsibility
  - j. Emotional stability
  - k. Tact
2. Managerial Traits
  - a. Technical knowledge
  - b. Organising ability
  - c. Ability to deal with people

### **IMPORTANCE OF LEADERSHIP.**

Leadership plays an important role in making organisation successful. All organisations require leaders to lead the organisation. Leaders are able to build a team for achievement of organisational objectives. Without a good leader, organisation cannot function efficiently and effectively. The importance of good leadership are:-

1. Motivating employees
2. Better utilisation of human resources
3. Creating confidence
4. Promoting the spirit of co-ordination
5. Builds morale
6. Directing group activity
7. Develops good human relations
8. Helps to fulfil social responsibilities.

## LEADERSHIP STYLES

From Mahatma Gandhi and Winston Churchill, to Martin Luther King and Steve Jobs, there can be as many ways to lead people as there are leaders. Fortunately, businesspeople and psychologists have developed useful frameworks that describe the main ways that people lead.

### Lewin's Leadership Styles

Psychologist Kurt Lewin developed his framework in the 1930s, and it provided the foundation of many of the approaches that followed afterwards. He argued that there are three major styles of leadership:

1. **Autocratic leaders** make decisions without consulting their team members, even if their input would be useful. This can be appropriate when you need to make decisions quickly, when there's no need for team input, and when team agreement isn't necessary for a successful outcome. However, this style can be demoralizing, and it can lead to high levels of absenteeism and staff turnover. There are three types of autocratic leaders
  - a. **Strict autocrat** –who follows autocratic style in a very strict sense. He influences subordinates through negative motivation like criticizing subordinates', imposing penalty etc.
  - b. **Benevolent autocrat** – leader influences his subordinates through positive motivation. He uses reward and incentives in directing his subordinates towards these organisational goals.
  - c. **Manipulative autocrat** – the autocrat leader tries to make the subordinate to feel that they are actually participating in decision making even though he had already take a decision
2. **Democratic leaders** make the final decisions, but they include team members in the decision-making process. They encourage creativity, and people are often highly engaged in projects and decisions. As a result, team members tend to have high job satisfaction and high productivity. This is not always an effective style to use, though, when you need to make a quick decision.
3. **Laissez-faire or free rein** -leaders give their team members a lot of freedom in how they do their work, and how they set their deadlines. They provide [support](#) with resources and advice if needed, but otherwise they don't get involved. This autonomy can lead to high job satisfaction, but it can be damaging if team members don't manage their time well, or if they don't have the knowledge, skills, or self motivation to do their work effectively. (Laissez-faire leadership can also occur when managers don't have control over their work and their people.)
4. **Paternalistic leaderships**- under this style leader assumes that his function is paternal or fatherly. Their relationship is same as father and family. The leader guides and protects his subordinates as members of his family. As the head of the family , the leader provides good working conditions and fringe benefits to his subordinates.

### LEADERSHIP AND MANAGEMENT

These are two notions that are often used interchangeably. Leadership and management must go hand in hand. They are not the same thing. But they are necessarily linked, and complementary. Any effort to separate the two is likely to cause more problems than it solves.

- The manager is a copy; the leader is an original.
- The manager maintains; the leader develops.
- The manager focuses on systems and structure; the leader focuses on people.
- The manager relies on control; the leader inspires trust.
- The manager has a short-range view; the leader has a long-range perspective.
- The manager asks how and when; the leader asks what and why.
- The manager has his or her eye always on the bottom line; the leader's eye is on the horizon.
- The manager imitates; the leader originates.
- The manager accepts the status quo; the leader challenges it.
- The manager is the classic good soldier; the leader is his or her own person.
- The manager administers; the leader innovates.
- The manager does things right; the leader does the right thing

Perhaps there was a time when the calling of the manager and that of the leader could be separated. A foreman in an industrial area factory probably didn't have to give much thought to what he was producing or to the people who were producing it. His or her job was to follow orders, organize the work, assign the right people to the necessary tasks, coordinate the results, and ensure the job got done as ordered. The focus was on efficiency.

But in the new economy, where value comes increasingly from the knowledge of people, and where workers are no longer undifferentiated cogs in an industrial machine, management and leadership are not easily separated. People look to their managers, not just to assign them a task, but to define for them a purpose. And managers must organize workers, not just to maximize efficiency, but to nurture skills, develop talent and inspire results.

The late management guru Peter Drucker was one of the first to recognize this truth, as he was to recognize so many other management truths. He identified the emergence of the "knowledge worker," and the profound differences that would cause in the way business was organized.

### UNIT 21 LEADERSHIP THEORIES

An organisation has the greatest chance of being successful when all of the employees work toward achieving its goals. Since leadership involves the exercise of influence by one person over others, the quality of leadership exhibited by supervisors is a critical determinant of organisational success. Thus, supervisors study leadership in order to influence the actions of employees towards the achievement of the goals of the organisation.

Effective leadership is a function of the characteristics of the leader, the style of leadership, the characteristics of the followers and the situation exists in the organisation. The leadership theories can be categorised as follows:-

1. Trait theories
2. Behavioural theories
3. Contingency theories
4. Transformational theories

### **TRAIT THEORIES OF LEADERSHIP**

The trait model of leadership is based on the characteristics of many leaders - both successful and unsuccessful - and is used to predict leadership effectiveness. The resulting lists of traits are then compared to those of potential leaders to assess their likelihood of success or failure.

Scholars taking the trait approach attempted to identify physiological (appearance, height, and weight), demographic (age, education and socioeconomic background), personality, self-confidence, and aggressiveness), intellective (intelligence, decisiveness, judgment, and knowledge), task-related (achievement drive, initiative, and persistence), and social characteristics (sociability and cooperativeness) with leader emergence and leader effectiveness.

Successful leaders definitely have interests, abilities, and personality traits that are different from those of the less effective leaders. Through many researches conducted in the last three decades of the 20th century, a set of core traits of successful leaders have been identified. These traits are not responsible solely to identify whether a person will be a successful leader or not, but they are essentially seen as preconditions that endow people with leadership potential.

Among the core traits identified are:

- *Achievement drive*: High level of effort, high levels of ambition, energy and initiative
- *Leadership motivation*: an intense desire to lead others to reach shared goals
- *Honesty and integrity*: trustworthy, reliable, and open
- *Self-confidence*: Belief in one's self, ideas, and ability
- *Cognitive ability*: Capable of exercising good judgment, strong analytical abilities, and conceptually skilled
- *Knowledge of business*: Knowledge of industry and other technical matters
- *Emotional Maturity*: well adjusted, does not suffer from severe psychological disorders.
- *Others*: charisma, creativity and flexibility

### **Strengths/Advantages of Trait Theory**

- It is naturally pleasing theory.

- It is valid as lot of research has validated the foundation and basis of the theory.
- It serves as a yardstick against which the leadership traits of an individual can be assessed.
- It gives a detailed knowledge and understanding of the leader element in the leadership process.

### **Limitations of the Trait Theory**

- There is bound to be some subjective judgment in determining who is regarded as a 'good' or 'successful' leader
- The list of possible traits tends to be very long. More than 100 different traits of successful leaders in various leadership positions have been identified. These descriptions are simply generalities.
- There is also a disagreement over which traits are the most important for an effective leader
- The model attempts to relate physical traits such as, height and weight, to effective leadership. Most of these factors relate to situational factors. For example, a minimum weight and height might be necessary to perform the tasks efficiently in a military leadership position. In business organizations, these are not the requirements to be an effective leader.
- The theory is very complex

### **Implications of Trait Theory**

The trait theory gives constructive information about leadership. It can be applied by people at all levels in all types of organizations. Managers can utilize the information from the theory to evaluate their position in the organization and to assess how their position can be made stronger in the organization. They can get an in-depth understanding of their identity and the way they will affect others in the organization. This theory makes the manager aware of their strengths and weaknesses and thus they get an understanding of how they can develop their leadership qualities.

The traits approach gives rise to questions: whether leaders are born or made; and whether leadership is an art or science. However, these are not mutually exclusive alternatives. Leadership may be something of an art; it still requires the application of special skills and techniques. Even if there are certain inborn qualities that make one a good leader, these natural talents need encouragement and development. A person is not born with self-confidence. Self-confidence is developed, honesty and integrity are a matter of personal choice, motivation to lead comes from within the individual, and the knowledge of business can be acquired. While cognitive ability has its origin partly in genes, it still needs to be developed. None of these ingredients are acquired overnight.

### **BEHAVIOURAL THEORIES**

Behavioural theories of leadership are classified as such because they focus on the study of specific behaviours of a leader. For behavioural theorists, a leader behaviour is the best predictor of his leadership influences and as a result, is the best determinant of his or her leadership success.

This behaviour-focused approach provides real marketing potential, as behaviours can be conditioned in a manner that one can have a specific response to specific stimuli. As a result, we have gone from the supposition that leaders are born, ([Great Man Theory](#)) through to the possibility that we can measure your leadership potential ([Trait Theory](#)) via psychometrics



measurements and then to the point that anyone can be made a leader (Behavioural Theories) by teaching them the most appropriate behavioural response for any given situation.

There are two important Behavioural studies:-

### ***Ohio State University (1940s)***

As leadership studies that were aimed at identifying the appropriate traits didn't yield any conclusive results, a group of people from Ohio State University developed a list of 150 statements from their generated responses that included 1,800 hundred statements. The list was designed to measure nine different behavioural leadership dimensions.

One of the primary purposes of the study was to identify common leadership behaviours. After compiling and analyzing the results, the study led to the conclusion that there were two groups of behaviours that were strongly correlated. These were defined as Consideration (People Oriented behavioural Leaders) and Initiating Structure (Task Oriented Leaders).

### ***Task oriented leaders***

The task concerned leaders are focusing their behaviours on the organizational structure, the operating procedures and they like to keep control. Task-oriented leaders are still concern with their staff motivation; however it's not their main concern. They will favour behaviours that are in line with:

- Initiating
- Organizing
- Clarifying
- Information Gathering

### ***People oriented leaders***

The people oriented leaders are focusing their behaviours on ensuring that the inner needs of the people are satisfied. Thus they will seek to motivate their staff through emphasizing the human relation. People oriented leaders still focus on the task and the results; they just achieve them through different means. Leaders with a people focus will have behaviours that are in line with:

- Encouraging
- Observing
- Listening
- Coaching and Mentoring

### ***University of Michigan (1950s)***

Lead by the famous organizational psychologist, Dr. Rensis Likert, the leadership studies at the University of Michigan identified three characteristics of effective leadership; two of which were previously observed in studies that had been conducted at Ohio State University. The study showed that task and relationship-oriented behaviours weren't of major significance within the world of organizational psychology. However it was the third observation that introduced a new concept, one of [participative leadership](#).

### **The Blake-Mouton Managerial Grid**

The [Blake-Mouton Managerial Grid](#) was published in 1964, and it highlights the most appropriate style to use, based on concern for people and concern for production/tasks.

With a people-oriented style, focus is on organizing, supporting, and developing team

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members. This participatory style encourages good teamwork and creative collaboration.

With task-oriented leadership, focus is on getting the job done. We define the work and the roles required, put structures in place, and plan, organize, and monitor work.

According to this model, the best style to use is one that has both a high concern for people and a high concern for the task – it argues that you should aim for both, rather than trying to offset one against the other.

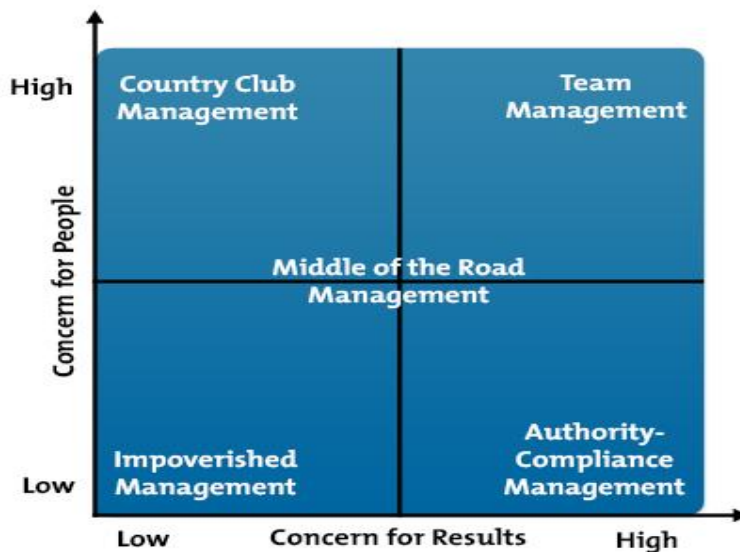
### Understanding the Model

The Managerial Grid is based on two behavioural dimensions:

- **Concern for People** – This is the degree to which a leader considers the needs of team members, their interests, and areas of personal development when deciding how best to accomplish a task.
- **Concern for Results** – This is the degree to which a leader emphasizes concrete objectives, organizational efficiency and high productivity when deciding how best to accomplish a task.

Using the axis to plot leadership ‘concerns for results’ versus ‘concerns for people’, Blake and Mouton defined the following five leadership styles:

Figure 1 – The Blake Mouton Managerial Grid



#### **Impoverished Management – Low Results/Low People**

This leader is mostly ineffective. He/she has neither a high regard for creating systems for getting the job done, nor for creating a work environment that is satisfying and motivating. The result is disorganization, dissatisfaction and disharmony.

#### **Country Club Management – High People/Low Results**

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This style of leader is most concerned about the needs and feelings of members of his/her team. These people operate under the assumption that as long as team members are happy and secure then they will work hard. What tends to result is a work environment that is very relaxed and fun but where production suffers due to lack of direction and control.

### **Authority-Compliance Management – High Results/Low People**

Also known as Authoritarian or "Produce or Perish" Leaders, people in this category believe that employees are simply a means to an end. Employee needs are always secondary to the need for efficient and productive workplaces. This type of leader is very autocratic, has strict work rules, policies, and procedures, and views punishment as the most effective means to motivate employees.

### **Middle-of-the-Road Management – Medium Results/Medium People**

This style seems to be a balance of the two competing concerns, and it may at first appear to be an ideal compromise. Therein lies the problem, though: When you compromise, you necessarily give away a bit of each concern, so that neither production nor people needs are fully met. Leaders who use this style settle for average performance and often believe that this is the most anyone can expect.

### **Team Leadership – High Production/High People**

According to the Blake Mouton model, this is the best managerial style. These leaders stress production needs and the needs of the people equally highly.

## **CONTINGENCY THEORIES**

These theories are based on the idea that the leader's ability to lead is a contingent upon various situational factors, including the leader's preferred style, the capabilities and behaviours of the followers and also various other situational factors

Contingency theories are a class of behavioural theory that tells there is no best way of leading and that a leadership style that is effective in some situations may not be successful in others. The important contingency theories are:-

### **1. FIEDLER'S CONTINGENCY MODEL**

This theory was developed by Fred.E.Fiedler. This is the first comprehensive contingency theory of leadership. He believes that leader effectiveness depends upon both the leader's personality and the situation. Certain leaders are effective in one situation but not in others.

#### **(a) Least preferred Co-worker (LPC) scale**

Fiedler identified the a Least Preferred Co-Worker scoring for leaders by asking them first to think of a person with which they worked that they would like least to work with again, and then to score the person on a range of scales between positive factors (friendly, helpful, cheerful, etc.) and negative factors (unfriendly, unhelpful, gloomy, etc.). A high LPC leader generally scores the other person as positive and a low LPC leader scores them as negative.

High LPC leaders tend to have close and positive relationships and act in a supportive way, even prioritizing the relationship before the task. Low LPC leaders put the task first and will turn to relationships only when they are satisfied with how the work is going.

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Three factors are then identified about the leader, member and the task, as follows:

- *Leader-Member Relations*: The extent to which the leader has the support and loyalties of followers and relations with them are friendly and cooperative.
- *Task structure*: The extent to which tasks are standardised, documented and controlled.
- *Leader's Position-power*: The extent to which the leader has authority to assess follower performance and give reward or punishment.

The best LPC approach depends on a combination of these three. Generally, a high LPC approach is best when leader-member relations are poor, except when the task is unstructured and the leader is weak, in which a low LPC style is better.

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

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

A high LPC score suggests that the leader has a "human relations orientation", while a low LPC score indicates a "task orientation". Fiedler assumes that everybody's least preferred co-worker in fact is on average about equally unpleasant. But people who are indeed relationship motivated, tend to describe their least preferred co-workers in a more positive manner, e.g., more pleasant and more efficient. Therefore, they receive higher LPC scores. People who are task motivated, on the other hand, tend to rate their least preferred co-workers in a more negative manner. Therefore, they receive lower LPC scores. So, the Least Preferred Co-worker (LPC) scale is actually not about the least preferred worker at all, instead, it is about the person who takes the test; it is about that person's motivation type.

### **(b) Situational favourableness**

According to Fiedler, the ability to control the group situation (the second component of the contingency model) is crucial for a leader. This is because only leaders with situational control can be confident that their orders and suggestions will be carried out by their followers. Leaders who are unable to assume control over the group situation cannot be sure that the members they are leading will execute their commands. Because situational control is critical to leadership efficacy.

The contingency theory allows for predicting the characteristics of the appropriate situations for effectiveness. Three situational components determine the favourableness of situational control:

1. *Leader-Member Relations*, referring to the degree of mutual trust, respect and confidence between the leader and the subordinates. When leader-member relations in the group are poor, the leader has to shift focus away from the group task in order to

regulate behaviour and conflict within the group

2. Task Structure, referring to the extent to which group tasks are clear and structured. When task structure is low (unstructured), group tasks are ambiguous, with no clear solution or correct approach to complete the goal. In contrast, when task structure is high (structured), the group goal is clear, unambiguous and straightforward: members have a clear idea about the how to approach and reach the goal
3. Leader Position Power, referring to the power inherent in the leader's position itself.

When there is a good leader-member relation, a highly structured task, and high leader position power, the situation is considered a "favourable situation." Fiedler found that low-LPC leaders are more effective in extremely favourable or unfavourable situations, whereas high-LPC leaders perform best in situations with intermediate favourability.

Leaders in high positions of power have the ability to distribute resources among their members, meaning they can reward and punish their followers. Leaders in low position power cannot control resources to the same extent as leaders in high power, and so lack the same degree of situational control.

For example, the CEO of a business has high position power, because she is able to increase and reduce the salary that her employees receive. On the other hand, an office worker in this same business has low position power, because although they may be the leader on a new business deal, they cannot control the situation by rewarding or disciplining their colleagues with salary changes

### **(c)Leader-situation match and mismatch**

Since personality is relatively stable though it can be changed, the contingency model suggests that improving effectiveness requires changing the situation to fit the leader. This is called "job engineering" or "job restructuring". The organization or the leader may increase or decrease task structure and position power, also training and group development may improve leader-member relations.

### **Examples**

- Task-oriented leadership would be advisable in natural disaster, like a flood or fire. In an uncertain situation the leader-member relations are usually poor, the task is unstructured, and the position power is weak. The one who emerges as a leader to direct the group's activity usually does not know subordinates personally. The task-oriented leader who gets things accomplished proves to be the most successful. If the leader is considerate (relationship-oriented), they may waste so much time in the disaster, that things get out of control and lives are lost.
- Blue-collar workers generally want to know exactly what they are supposed to do. Therefore, their work environment is usually highly structured. The leader's position power is strong if management backs their decision. Finally, even though the leader may not be relationship-oriented, leader-member relations may be extremely strong if they can gain promotions and salary increases for subordinates. Under these situations the task-oriented style of leadership is preferred over the (considerate) relationship-oriented style.

## **2.TRI-DIMENSIONAL LEADER EFFECTIVENESS MODEL**

Depending on employee's competencies in their task areas and commitment to their tasks, leadership style should vary from one person to another. They classified most of the activities of leaders into the following two distinct behavioural dimensions.

### 1. Task behaviour

It is the extent to which leaders are likely to organise and define the roles of the members of their group and to explain what activities each is to do and when, where and how tasks are to be accomplished ; characterised by endeavouring to establish well defined patterns of organisation, channels of communication and ways of getting jobs accomplished.

The leader engages in one way communication with the workers by telling what each worker is to do. The communication is characterised as one way because there is no chance for workers to give feedback to the leader.

### 2. Relationship behaviour

Relationship behaviour on the other hand is the extent to which leaders are likely to maintain personal relationships between themselves and members of their group by opening up channels of communication, providing socio emotional support, active listening, psychological strokes, and facilitating behaviours. In this case the leaders and workers engage in two ways communication. There are sufficient opportunities for feedback.

In order to understand a persons leadership style there must be a combination of task and relationship behaviour. They are directing/telling, coaching/selling, supporting/participating and delegating.

1. Directing/telling – it is known as high task low relationship leadership behaviours directing. When the follower cannot do the job and is not motivated, then the leader takes a highly directive role, telling them what to do and without a great deal of concern for the relationship.

2. Coaching/selling-High task-High relationship leadership behaviour is referred to as coaching. Leaders still define roles and tasks, but seek ideas and suggestions from the follower. Decisions remain the leader's choice, but communication is much more two way.

3. Supporting/Participating- Low task-High relationship leadership behaviour is referred to as supporting. Leaders pass day to day decisions, such as task allocation and processes, to the follower. The leader facilitates and takes part in decisions, but control is with the follower. For people who have competence, but lack confidence or motivation does not need much direction because of their skills, but support is necessary to bolster their confidence and motivation.

4.Delegating- finally, low task- low relationship leadership behaviour is referred to as delegating. When the follower can do the job and is motivated to do it, then the leader can basically leave them to it, trusting them to get on with the job. The leader allows group members considerable autonomy in completing the task. In the tri dimensional model it shows that the effectiveness of leaders depends on how appropriate their leadership style is to the situation in which they operate. The added effectiveness dimension also attempts to integrate the concepts of leader style with situation demands of a specific environment. So where the style is appropriate to a given situation it will be deemed effective, and where it is not appropriate it will be concluded ineffective.

### **3.LEADER MEMBER EXCHANGE THEORY [LMX]**

Leader-Member Exchange Theory, also called *LMX* or *Vertical Dyad Linkage Theory*, describes how leaders in groups maintain their position through a series of tacit exchange

agreements with their members.

### **In-group and out-group**

In particular, leaders often have a special relationship with an inner circle of trusted lieutenants, assistants and advisors, to whom they give high levels of responsibility, decision influence, and access to resources. This in-group pay for their position. They work harder, are more committed to task objectives, and share more administrative duties. They are also expected to be fully committed and loyal to their leader. The out-group, on the other hand, are given low levels of choice or influence.

This also puts constraints upon the leader. They have to nurture the relationship with their inner circle whilst balancing giving them power with ensuring they do not have enough to strike out on their own.

### **The LMX process**

These relationships, if they are going to happen, start very soon after a person joins the group and follow three stages.

#### ***1. Role taking***

The member joins the team and the leader assesses their abilities and talents. Based on this, the leader may offer them opportunities to demonstrate their capabilities.

Another key factor in this stage is the discovery by both parties of how the other likes to be respected.

#### ***2. Role making***

In the second phase, the leader and member take part in an unstructured and informal negotiation whereby a role is created for the member and the often-tacit promise of benefit and power in return for dedication and loyalty takes place.

Trust-building is very important in this stage, and any felt betrayal, especially by the leader, can result in the member being relegated to the out-group.

This negotiation includes relationship factors as well as pure work-related ones, and a member who is [similar](#) to the leader in various ways is more likely to succeed. This perhaps explains why mixed gender relationships regularly are less successful than same-gender ones (it also affects the seeking of respect in the first stage). The same effect also applies to cultural and racial differences.

#### ***3. Routinization***

In this phase, a pattern of ongoing social exchange between the leader and the member becomes

established.

### Success factors

Successful members are thus similar in many ways to the leader (which perhaps explains why many senior teams are all white, male, middle-class and middle-aged). They work hard at building and sustaining trust and respect.

To help this, they are empathetic, patient, reasonable, sensitive, and are good at seeing the viewpoint of other people (especially the leader). Aggression, sarcasm and an egocentric view are keys to the out-group wash-room.

The overall quality of the LMX relationship varies with several factors. Curiously, it is better when the challenge of the job is extremely high *or* extremely low. The size of the group, financial resource availability and the overall workload are also important.

### Onwards and upwards

The principle works upwards as well. The leader also gains power by being a member of their manager's inner circle, which then can then share on downwards. People at the bottom of an organization with unusual power may get it from an unbroken chain of circles up to the hierarchy.

## 4. PATH GOAL THEORY

The **path-goal theory**, also known as the **path-goal theory of leader effectiveness** or the **path-goal model**, is a leadership theory developed by Robert House, an Ohio State University graduate, in 1971 and revised in 1996. The theory states that a leader's behaviour is contingent to the satisfaction, motivation and performance of her or his subordinates. The revised version also argues that the leader engages in behaviours that complement subordinate's abilities and compensate for deficiencies.

The path-goal model can be classified as a **Transaction leadership theory**. According to the first of all theory, the manager's job is viewed as guiding workers to choose the best paths to reach their goals, as well as the organizational goals. The theory argues that leaders will have to engage in different types of leadership behaviour depending on the nature and the demands of a particular situation. It is the leader's job to assist followers in attaining goals and to provide the direction and support needed to ensure that their goals are compatible with the organization's goals.

A leader's behaviour is acceptable to subordinates when viewed as a source of satisfaction, and motivational when need satisfaction is contingent on performance, and the leader facilitates, coaches, and rewards effective performance. The original path-goal theory identifies *achievement-oriented*, *directive*, *participative*, and *supportive* leader behaviours:

- The *directive path-goal clarifying leader behaviour* refers to situations where the leader



lets followers know what is expected of them and tells them how to perform their tasks. The theory argues that this behaviour has the most positive effect when the subordinates' role and task demands are ambiguous and intrinsically satisfying.

- The *achievement-oriented leader behaviour* refers to situations where the leader sets challenging goals for followers, expects them to perform at their highest level, and shows confidence in their ability to meet this expectation. Occupations in which the achievement motive was most predominant were technical jobs, sales persons, scientists, engineers, and entrepreneurs.
- The *participative leader behaviour* involves leaders consulting with followers and asking for their suggestions before making a decision. This behaviour is predominant when subordinates are highly personally involved in their work.
- The *supportive leader behaviour* is directed towards the satisfaction of subordinates needs and preferences. The leader shows concern for the followers' psychological well being. This behaviour is especially needed in situations in which tasks or relationships are psychologically or physically distressing.

Path-goal theory assumes that leaders are flexible and that they can change their style, as situations require. The theory proposes two contingency variables, such as environment and follower characteristics, that moderate the leader behaviour-outcome relationship.

Environment is outside the control of the follower-task structure, authority system, and work group. *Environmental factors* determine the type of leader behaviour required if the follower outcomes are to be maximized. *Follower characteristics* are the locus of control, experience, and perceived ability. Personal characteristics of subordinates determine how the environment and leader are interpreted. Effective leaders clarify the path to help their followers achieve goals and make the journey easier by reducing roadblocks and pitfalls. Research demonstrates that employee performance and satisfaction are positively influenced when the leader compensates for the shortcomings in either the employee or the work setting. This theory is useful because it reminds leaders that their central purpose as a leader is to help subordinates define and reach their goals in an efficient manner.

### **5. Leader-Participation Model**

The Vroom-Yetton-Jago model or Leader- Participation Model is a [contingency approach](#) to group decision making that is designed specifically to help leaders select the best approach to making decisions. The model identifies different ways a decision can be made by considering the degree of follower participation. It proposes a method for leaders to select the right approach to making a decision in a given set of circumstances.

The Vroom-Yetton-Jago model defines five different decision approaches that a leader can use. In order of participation from least to most, these are:

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1. *AI – Autocratic Type 1:* Decisions are made completely by the leader. Leaders make the decision on their own with whatever information is available.
2. *AII – Autocratic Type 2:* The decision is still made by the leader alone, but the leader collects information from the followers. Followers play no other [role](#) in the decision-making process.
3. *CI – Consultative Type 1:* The leader seeks [input](#) from select followers individually based on their relevant knowledge. Followers do not meet each other, and the leader's decision may or may not reflect followers' influence.
4. *CII – Consultative Type 2:* Similar to CI, except the leader shares the [problem](#) with relevant followers as a group and seeks their ideas and suggestions. The followers are involved in the decision, but the leader still makes the decision.
5. *GII – Group-based Type 2:* The entire group works through the problem with the leader. A decision is made by the followers in collaboration with the leader. In a GII decision, leaders are not at liberty to make a decision on their own.

The following questions must be answered to determine the appropriate leadership style in the leader participation model.

1. Is there a [quality](#) requirement? Is the nature of the solution critical? Are there technical or [rational](#) grounds for selecting among possible solutions?
2. Do I have sufficient information to make a high-quality decision?
3. Is the problem structured? Are the alternative courses of action and methods for their evaluation known?
4. Is acceptance of the decision by subordinates critical to its implementation?
5. If I were to make the decision by myself, is it reasonably certain that it would be accepted by my subordinates?
6. Do my subordinates share the organizational [goals](#) to be met by solving this problem?
7. Is [conflict](#) among subordinates likely in obtaining the preferred solution?

By answering the questions honestly, the decision tree provides the leader with the preferred decision style for the given situation.

### UNIT 22

#### RECENT APPROACHES TO LEADERSHIP THEORIES

##### 1. Transformational Leadership

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The leadership frameworks discussed so far are all useful in different situations, however, in business, "[transformational leadership](#)" is often the most effective style to use.

Transformational leaders have [integrity](#) and high [emotional intelligence](#). They motivate people with a shared vision of the future, and they communicate well. They're also typically [self-aware](#), [authentic](#), [empathetic](#), and [humble](#).

Transformational leaders inspire their team members because they expect the best from everyone, and they hold themselves [accountable](#) for their actions. They set clear goals, and they have good [conflict-resolution skills](#). This leads to high productivity and engagement.

However, leadership is not a "one size fits all" thing; often, you must adapt your approach to fit the situation. This is why it's useful to develop a thorough understanding of other leadership frameworks and styles; after all, the more approaches you're familiar with, the more flexible you can be.

### **2.Charismatic Leadership**

Charismatic leadership resembles transformational leadership: both types of leaders inspire and motivate their team members.

The difference lies in their intent. Transformational leaders want to transform their teams and organizations, while leaders who rely on charisma often focus on themselves and their own ambitions, and they may not want to change anything.

Charismatic leaders might believe that they can do no wrong, even when others warn them about the path that they're on.

### **3.Transaction Leadership**

This style starts with the idea that team members agree to obey their leader when they accept a job. The "transaction" usually involves the organization paying team members in return for their effort and compliance on a short-term task. The leader has a right to "punish" team members if their work doesn't meet an appropriate standard.

Transactional leadership is present in many business leadership situations, and it does offer some benefits. For example, it clarifies everyone's roles and responsibilities. And, because transactional leadership judges team members on performance, people who are ambitious or who are motivated by external rewards – including compensation – often thrive.

The downside of this style is that, on its own, it can be chilling and amoral, and it can lead to high staff turnover. It also has serious limitations for knowledge-based or creative work.

As a result, team members can often do little to improve their job satisfaction.

### **4.Transformational Leadership**

According to Hodgetts and Luttans (2000), transformational leaders are visionary agents with a mission who are capable of motivating their followers to accept new goals and new ways of doing things. Over the last 30 years, transformational leadership has become one of the most prominent theories of organizational behaviour. Transformational leadership has been defined by the ability of the leader to create a shared vision and a strong identification with team members that is based on more than just rewarding completion of project activities. Through this shared vision, the transformational leader is then able to mobilize commitment and transcendent performance of both the individual and the project as a whole. Such leaders are said to show charisma, as a means of motivating others to integrate into the collective vision,

and a strong consideration of and support for individual team member needs

In contrast to leadership based on individual gain and the exchange of rewards for effort, transformational leaders direct and inspire employee effort by raising their awareness of the importance of organizational values and outcomes. In doing so, such leaders activate the higher-order needs of their employees and encourage them to transcend their own self-interest for the sake of the organization and its clientele.

Research not only has validated the existence of transformational leadership but also consistently has linked the practice of these transformational leadership behaviours with employee performance and satisfaction. Transformational leaders use idealized influence, inspiration and motivation, intellectual stimulation and individualized consideration to achieve superior results .

### **LEADERSHIP SUBSTITUTES**

Leadership substitutes is one of the more recent theories on leadership. Although not many studies have been done so far to test them, these theories suggest certain different and interesting ways of looking at leadership.

The concept of substitutes for leadership was developed because leadership models and theories do not account for situations in which leadership is not needed. They simply try to specify what kind of a leader behaviour is appropriate. The substitutes concept, however identifies situations in which leader behaviours are neutralised or replaced by characteristics of the subordinate, the task, and the organisation.

Under certain circumstances, leaders and leadership become unnecessary because they are no longer necessary for employees high performance and satisfaction.

Factors that can substitute for leadership include the following:

1. Certain individual characteristics, including ability, knowledge, experience, training, independence, and indifference toward organisational rewards.
2. Certain task characters, including routineness, high structure, frequent feedback, and intrinsic satisfaction.
3. Certain organisation characteristics, including clear plans and goals, rules and procedures, cohesive work groups, rigid reward structure, and physical distance between leader and subordinates.

## **UNIT 23**

### **COMMUNICATION**

**Communication is simply the act of transferring information from one place to another. Communication process can be defined as the sending and receiving of information between two people.**

### **The Elements of Communication Process**

#### **1.Source or Sender**

A message or communication is sent by the sender through a communication channel to a receiver, or to multiple receivers. The sender must encode the message (the information being conveyed) into a form that is appropriate to the communication channel.

#### **2.Message**

Message is sent by the information source and received by the destination. The message or core idea that we wish to communicate consists of both verbal(written or spoken) symbols and non verbal ( unspoken) symbols. Whenever a message is composed, it is necessary to consider what content to include, how the receiver will interpret it, and how it may affect their relationship.

#### **3.Encoding**

An effective communicator understands their audience, chooses an appropriate communication channel, hones their message to this channel and encodes the message to reduce misunderstanding by the receiver(s). Encoding is the process of converting messages into communication symbols. Certain symbols like words, pictures, gestures etc. are used as communication symbol to transmit information.

#### **4.Channel**

**Communication Channels** is the term given to the way in which we communicate. There are multiple communication channels available to us today, for example face-to-face conversations, telephone calls, text messages, email, the Internet (including social media such as Facebook and Twitter), radio and TV, written letters, brochures and reports to name just a few.

**Choosing an appropriate communication channel** is vital for effective communication as each communication channel has different strengths and weaknesses. For example, broadcasting news of an upcoming event via a written letter might convey the message clearly to one or two individuals but will not be a time or cost effective way to broadcast the message to a large number of people.

On the other hand, conveying complex, technical information is better done via a printed document than via a spoken message since the receiver is able to assimilate the information at their own pace and revisit items that they do not fully understand.

#### **5.Receiver**

Receive is the person who receives the message. The message receiver is our reader, listener, also known as the decoder. Receiver is presumably a person who consumes and process the message. He is the person who receives message or ideas through symbols. Receiver wants to understand the message in the best possible manner to achieve the desired objectives.

They will also seek out feedback from the receiver(s) as to how the message is understood and attempt to correct any misunderstanding or confusion as soon as possible. Receivers can use **Clarification** and **Reflection** as effective ways to ensure that the message sent has been understood correctly.

6. Decoding

Once received, the receivers need to decode the message, and successful decoding is also a vital skill. Individuals will decode and understand messages in different ways based upon any **Barriers to Communication** which might be present, their experience and understanding of the context of the message, their psychological state, and the time and place of receipt as well as many other potential factors. Understanding how the message will be decoded, and anticipating as many of the potential sources of misunderstanding as possible, is the art of a successful communicator.

7. Feedback

Receivers of messages are likely to provide feedback on how they have understood the messages through both verbal and non-verbal reactions. Effective communicators should pay close attention to this feedback as it the only way to assess whether the message has been understood as intended, and it allows any confusion to be corrected. Bear in mind that the extent and form of feedback will vary according to the communication channel used: for example feedback during a face-to-face or telephone conversation will be immediate and direct, whilst feedback to messages conveyed via TV or radio will be indirect and may be delayed, or even conveyed through other media such as the Internet.

**Nature and Characteristics of Communication**

1. Communication involves at least two persons:

Communication involves at least two persons-the sender and the receiver. The sender sends the message and is known as the communicator. The receiver receives the message and is known as communicate.

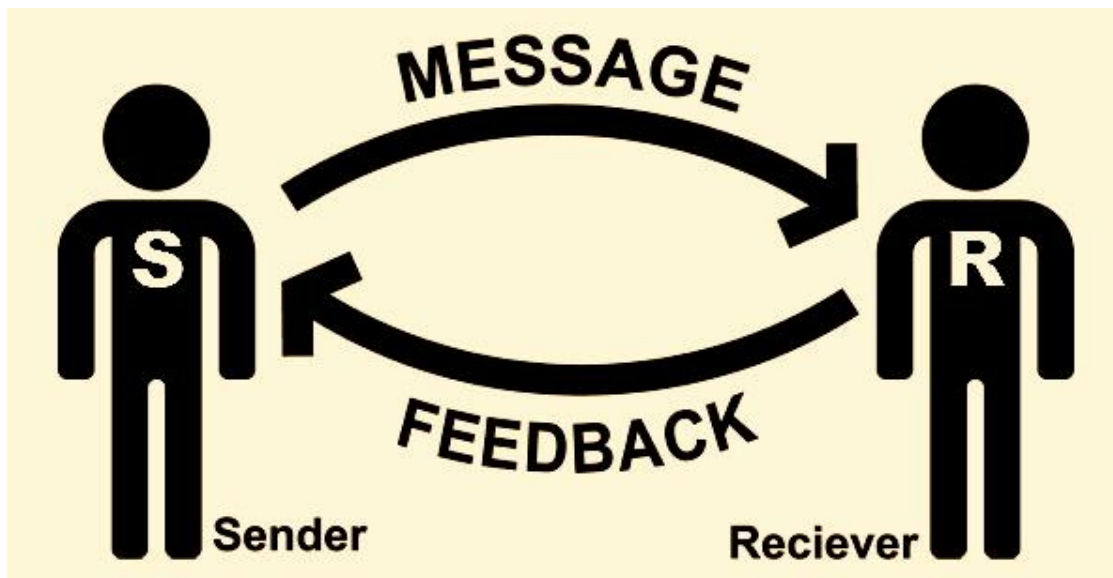


Image Source: digacommunications.files.wordpress.com

2. Communication is a two way process:

Communication is essentially a two way process. It does not merely means sending and receiving messages. It is not complete unless and until the message has been understood by the receiver in the same sense.

### 3. Purpose of communication:

The basic purpose of communication is to create an understanding. The receiver should understand the message sent and should respond accordingly.

### 4. Form of communication:

Communication may take several forms e.g. order, instruction, report, queries etc. It may be verbal or written. It may be formal or informal.

### 5. Scope of communication:

Communication pervades all human relationship. It is essential in all type of organizational and at all levels of management.

### 6. Communication is a dynamic process:

Communication is influenced by the mood and thinking of the sender and receiver. The way a message is accepted depends upon the fact that which of the fine sensory organs of the receiver is active at that time.

### 7. Communication is much more than words:

Communication is not merely sending or receiving facts, expressed in words. It also involves ideas and emotions. A lot of communication is done through signs, symbols and gestures.

### 8. Communication is a goal oriented process:

Communication is goal oriented and is effective only when there is congruence of goals of sender and receiver.

### 9. Communication is conversational:

Communication sets up a link between facts, ideas, and thus helps the communicator and communicates to progress logically.

### 10. Communication is an interdisciplinary science:

Communication to be effective derives knowledge from several sciences like-anthropology (study of body language), sociology (study of human behaviour), psychology (study of attitude) etc.

### **Significance of Communication**

Organizations are totally reliant on **communication**, which is defined as the exchange of ideas, messages, or information by speech, signals, or writing. Without communication, organizations would not function. If communication is diminished or hampered, the entire organization suffers. When communication is thorough, accurate, and timely, the organization tends to be vibrant and effective.

Communication is central to the entire management process for four primary reasons:

- **Communication is a linking process of management.** Communication is the way managers conduct the managerial functions of planning, organizing, staffing, directing, and controlling. Communication is the heart of all organizations

- **Communication is the primary means by which people obtain and exchange information.** Decisions are often dependent upon the quality and quantity of the information received. If the information on which a decision is based is poor or incomplete, the decision will often be incorrect.
- **The most time-consuming activity a manager engages in is communication.** Managers spend between 70 to 90 percent of their time communicating with employees and other internal and external customers.
- **Information and communication represent power in organizations.** An employee cannot do anything constructive in a work unit unless he or she knows what is to be done, when the task is to be accomplished, and who else is involved. The staff members who have this information become centres of power.

The ability to communicate well, both orally and in writing is a critical managerial skill and a foundation of effective leadership. Through communication, people exchange and share information with one another and influence one another's attitudes, behaviours, and understandings.

Communication allows managers to establish and maintain interpersonal relationships, listen to others, and otherwise gain the information needed to create an inspirational workplace. No manager can handle conflict, negotiate successfully, and succeed at leadership without being a good communicator.

Functions of Communication

### **i) Information function:**

The basic requirement of adapting and adjusting oneself to the environment is information. There must be some information about what is going on in the environment which concerns the people. The receiving or giving of information underlines all communication functions, either directly or indirectly.

### **ii) Command or instructive function:**

Those who are hierarchically superior in the family, society or organization, often initiate communication either for the purpose of informing their subordinates or for the purpose of telling them, what to do, how to do when to do etc.

The command and instructive functions of communication are more observable in formal organizations than in informal organizations.

### **iii) Influence or persuasive function:**

According to Berlo (1960), the sole purpose of communication is to influence people. Persuasive function of communication i.e. to induce people is extremely important for extension in changing their behaviour in the desirable direction.

### **iv) Integrative function:**

A major function of communication is integration or of continuously offsetting any disintegration at the interpersonal or at the organizational level. This helps in maintaining individual, societal or organizational stability and identity.

### **v) Co-ordination and regulation of production activities**



This function of communication has changed over time. Production activities require dynamic, reciprocal, lateral communications between workers, two-way, vertical communication between workers and managers. Communication as a means of co-ordination and regulation becomes more important, complex and difficult.

### **vi) Socialisation**

The socialisation process of communication is stressed in the human relations perspective of organisations which states that capturing the hearts and minds of organisational members is necessary to effectively co-ordinate organisational action in the pursuit of collective organisational goals. Communication directed at socialising organisational members focuses on articulating and reinforcing organisational values and aligning individual goals with organisational goals.

### **vii) Innovation**

Communication promotes innovation which is associated with strong communication within and beyond the organisation. This approach focuses on the functional goals of organisational communication.

## **COMMUNICATION BARRIERS**

Communication barriers complicate the communication process. A communication barrier is anything that obstructs the communication process. It is anything that prevents understanding of the message. These barriers are inevitable. Both the sender and receiver has to minimise them. The major barriers are:-

### **1. Language Barriers**

Language and linguistic ability may act as a barrier to communication.

However, even when communicating in the same language, the terminology used in a message may act as a barrier if it is not fully understood by the receiver(s). For example, a message that includes a lot of specialist jargon and abbreviations will not be understood by a receiver who is not familiar with the terminology used.

Regional colloquialisms and expressions may be misinterpreted or even considered offensive.

### **2. Psychological Barriers**

The psychological state of the communicators will influence how the message is sent, received and perceived.

For example, if someone is stressed they may be preoccupied by personal concerns and not as receptive to the message as if they were not stressed.

Anger is another example of a psychological barrier to communication, when we are angry it is easy to say things that we may later regret and also to misinterpret what others are saying.

More generally people with low self-esteem may be less assertive and therefore may not feel comfortable communicating - they may feel shy about saying how they really feel or read negative sub-texts into messages they hear.

### **3. Physiological Barriers**

Physiological barriers may result from the receiver's physical state.

For example, a receiver with reduced hearing may not grasp to entirety of a spoken conversation especially if there is significant background noise.

### **4. Physical Barriers**

An example of a physical barrier to communication is geographic distance between the sender and receiver(s).

Communication is generally easier over shorter distances as more communication channels are available and less technology is required. Although modern technology often serves to reduce the impact of physical barriers, the advantages and disadvantages of each communication channel should be understood so that an appropriate channel can be used to overcome the physical barriers.

### **5. Systematic Barriers**

Systematic barriers to communication may exist in structures and organisations where there are inefficient or inappropriate information systems and communication channels, or where there is a lack of understanding of the roles and responsibilities for communication. In such organisations, individuals may be unclear of their role in the communication process and therefore not know what is expected of them.

### **6. Attitudinal Barriers**

Attitudinal barriers are behaviours or perceptions that prevent people from communicating effectively.

Attitudinal barriers to communication may result from personality conflicts, poor management, [resistance to change](#) or a [lack of motivation](#). Effective receivers of messages should attempt to overcome their own attitudinal barriers to facilitate effective communication.

### **7. Listener Barriers**

These barriers relate to the listeners mind set. Communication is complete when it has entered the mind of the recipient. Communication is a waste of time unless someone is listening. Typical mindset of listeners includes not paying attention or day dreaming. The listener generally exhibits resistance toward the sender and or the message.

### **8. Sender-Message barriers**

These barriers relate to style and content of communication, both of which originate with the sender. Examples of sender barriers include; sender incorrectly assumes the listener has adequate knowledge to understand the message.

### **9. Status Barriers**

Status of people involved in communication also often acts as a barrier for effective communication. Status means the degree of importance placed on an individual or on his position by the others in the organisation. Good communication usually takes place between people belongs to the same status.

### **10. Use of Jargon**

Employees who are “specialists” may use specialist language for a non-specialist audience. For example, IT technician may explain how users should log onto a network in technical language which is not familiar to most users of the network.

### **11. Conflict**

Where the communicator and recipient are in conflict, information tends to be ignored or distorted.

### **INTERPERSONAL COMMUNICATION**

Interpersonal communication is the process by which people exchange information, feelings, and meaning through verbal and non-verbal messages: it is face-to-face communication.

Interpersonal communication is not just about what is actually said - the language used - but *how* it is said and the non-verbal messages sent through tone of voice, facial expressions, gestures and body language.

Functions of Interpersonal communication

1. Gaining information – one reason for engaging in interpersonal communication is to gain knowledge about another individual. People attempt to gain information about others so that they can interact with other more effectively.
2. Building a context of understanding- it helps to better understand what someone says in a given context. The words we can mean different things depending on how we said it or in what context
3. Establish Identity- the roles we play in our relationships helps us to establish identity. Both roles and face constructed based on how we interact with others.
4. Interpersonal needs –there are three types of such needs ; inclusion, control and affection
  - Inclusion is the need to establish identity with others
  - Control is the need to exercise leadership and proves one's abilities. Groups provide outlets for the need. Some individuals do not want to be a leader. For them, groups provide the necessary control over aspects of their lives
  - Affection is the need to develop relationships with people. Groups are an excellent way to made friends and establish relationships.

### **Principles of Interpersonal Communication**

These principles underlie the workings in real life of interpersonal communication. They are basic to communication. We can't ignore them

#### ***1. Interpersonal communication is inescapable***

We can't not communicate. The very attempt not to communicate communicates something. Through not only words, but through tone of voice and through gesture, posture, facial expression, etc., we constantly communicate to those around us. Through these channels, we constantly receive communication from others. Even when you sleep, you communicate. Remember a basic principle of communication in general: people are not mind readers. Another way to put this is: people judge you by your behaviour, not your intent.

#### ***2. Interpersonal communication is irreversible***

You can't really take back something once it has been said. The effect must inevitably remain. Despite the instructions from a judge to a jury to "disregard that last statement the witness made," the lawyer knows that it can't help but make an impression on the jury. A Russian proverb says, "Once a word goes out of your mouth, you can never swallow it again."

### ***3. Interpersonal communication is complicated***

No form of communication is simple. Because of the number of variables involved, even simple requests are extremely complex. Theorists note that whenever we communicate there are really at least six "people" involved: 1) who you think you are; 2) who you think the other person is; 3) who you think the other person thinks you are; 4) who the other person thinks /she is; 5) who the other person thinks you are; and 6) who the other person thinks you think s/he is.

We don't actually swap ideas, we swap symbols that stand for ideas. This also complicates communication. Words (symbols) do not have inherent meaning; we simply use them in certain ways, and no two people use the same word exactly alike.

In short:

- If communication can fail, it will.
- If a message can be understood in different ways, it will be understood in just that way which does the most harm.
- There is always somebody who knows better than you what you meant by your message.
- The more communication there is, the more difficult it is for communication to succeed.

### ***4. Interpersonal communication is contextual***

In other words, communication does not happen in isolation. There is:

- *Psychological context*, which is who you are and what you bring to the interaction. Your needs, desires, values, personality, etc., all form the psychological context. ("You" here refers to both participants in the interaction.)
- *Relational context*, which concerns your reactions to the other person--the "mix."
- *Situational context* deals with the psycho-social "where" you are communicating. An interaction that takes place in a classroom will be very different from one that takes place in a bar.
- *Environmental context* deals with the physical "where" you are communicating. Furniture, location, noise level, temperature, season, time of day, all are examples of factors in the environmental context.
- *Cultural context* includes all the learned behaviors and rules that affect the interaction. If you come from a culture (foreign or within your own country) where it is considered rude to make long, direct eye contact, you will out of politeness avoid eye contact. If the other person comes from a culture where long, direct eye contact signals trustworthiness, then we have in the cultural context a basis for misunderstanding.

## **VERBAL AND NON VERBAL COMMUNICATION**

Verbal communication encompasses any form of communication involving words, spoken, written or signed. The conversation we have with our co-worker at lunch, the morning news or the sports page we read in the morning--even the text message you send to your spouse telling him to pick up some milk is a form of verbal communication. Our ability to communicate with

a language that is based on an organized system of words, rather than merely sounds, is what sets us apart from lower species. Not only do we have language, but we also have the technology that enables us to communicate with one another no matter the physical distance.

We use verbal communication to inform, whether it is to inform others of our needs or to impart knowledge. Clarification is a key component of verbal communication. Often, we do not articulate ourselves clearly, or our words or actions are misconstrued. Verbal communication helps to clarify misunderstandings and provides missing information.

We can use verbal communication to correct a wrong. The power of the words, "I'm sorry," is often more effective than an action.

Verbal communication can also be used as a tool of persuasion. It creates an opportunity for debate, stimulates thought and creativity, and deepens and creates new relationships.

Objective of every communication is to have people understand what we are trying to convey. **In verbal communication remember the acronym KISS** (keep it short and simple).

**Verbal Communication** is further divided into:

- Oral Communication
- Written Communication

### **1.Oral Communication**

In oral communication, Spoken words are used. It includes face-to-face conversations, speech, telephonic conversation, video, radio, television, voice over internet. In **oral communication**, communication is influence by pitch, volume, speed and clarity of speaking.

**Advantages of Oral communication** are:

- It brings quick feedback.
- In a face-to-face conversation, by reading facial expression and body language one can guess whether he/she should trust what's being said or not.

### **Disadvantage of oral communication**

In face-to-face discussion, user is unable to deeply think about what he is delivering, so this can be counted as a cheating

### **2. Written Communication**

In written communication, written signs or symbols are used to communicate. A written message may be printed or hand written. In written communication message can be transmitted via email, letter, report, memo etc. Message, in written communication, is influenced by the vocabulary & grammar used, writing style, precision and clarity of the language used.

**Written Communication is most common form of communication being used in business.** So, it is considered core among business skills.

Memos, reports, bulletins, job descriptions, employee manuals, and electronic mail are the types of written communication used for internal communication. For communicating with external environment in writing, electronic mail, Internet Web sites, letters, proposals, telegrams, faxes, postcards, contracts, advertisements, brochures, and news releases are used.

**Advantages of written communication** include:

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- Messages can be edited and revised many time before it is actually sent.
- Written communication provide record for every message sent and can be saved for later study.
- A written message enables receiver to fully understand it and send appropriate feedback.

**Disadvantages of written communication** includes:

- Unlike oral communication, Written communication doesn't bring instant feedback.
- It take more time in composing a written message as compared to word-of-mouth. And number of people struggles for writing ability.

### **Non-Verbal Communication**

Verbal communication coexists alongside non-verbal communication, which can affect people's perceptions and exchanges in subtle but significant ways. Non-verbal communication includes body language, such as gestures, facial expressions, eye contact and posture.

Touch is a non-verbal communication that not only indicates a person's feelings or level of comfort, but illustrates personality characteristics as well. A firm handshake or warm hug indicates something very different than a loose pat on the back or a timid handshake does.

The sound of our voice, including pitch, tone and volume are also forms of non-verbal communication. The meaning behind someone's words is often entirely different than the literal translation, as is seen in instances of sarcasm and mockery.

The clothing we wear and the way we design our living space are also forms of non-verbal communication that frequently shape people's judgments about others, regardless of whether or not the perceptions are true.

Think of how many relationships start with a man and woman making eye contact across a crowded room. A playful wink tends to be more effective than a well-thought out pick-up-line.

Michael Argyle, in his book "Bodily Communication," identifies five main functions of non-verbal communication:

1. to express emotions
2. communicate interpersonal relationships
3. support verbal interaction
4. reflect personality and
5. perform rituals, such as greetings and goodbyes.

### **COMMUNICATION FLOWS [TYPES OF COMMUNICATION]**

Based on style and purpose, there are two main categories of communication and they both bears their own characteristics. Communication types based on style and purpose are:

1. Formal Communication

### 2. Informal Communication

#### 1. Formal Communication

In formal communication, certain rules, conventions and principles are followed while communicating message. Formal communication occurs in formal and official style. Usually professional settings, corporate meetings, conferences undergoes in formal pattern.

In formal communication, use of slang and foul language is avoided and correct pronunciation is required. Authority lines are needed to be followed in formal communication.

#### Advantages

- ❖ It helps to maintain the authority of line executives
- ❖ It helps to understand the attitude and behaviour of boss and subordinates
- ❖ It helps to have better solutions and relations

#### Disadvantages

- ❖ Increases the work load of the superior
- ❖ Reduces accuracy of message
- ❖ Chances of red-tapism and delay tactics
- ❖ Distance among rank and file

#### 2. Informal Communication

Informal communication is done using channels that are in contrast with formal communication channels. It's just a casual talk. It is established for societal affiliations of members in an organization and face-to-face discussions.

It happens among friends and family. In informal communication use of slang words, foul language is not restricted. Usually, Informal communication is done orally and using gestures.

Informal communication, Unlike formal communication, doesn't follow authority lines. In an organization, it helps in finding out staff grievances as people express more when talking informally. Informal communication helps in building relationships.

#### Advantages

- ❖ Communication is transferred at a greater speed
- ❖ It is more flexible
- ❖ It is a natural and normal activity
- ❖ It is dynamic
- ❖ It is more influential than formal communication
- ❖ It provides a great number of benefits to management
- ❖ It meets the social needs of people which are not met by formal communication
- ❖ It acts as a supplement to formal communication

#### Disadvantages

- ❖ There is possibility of spreading misleading or half truth information among employees, which may create problems
- ❖ Responsibility of erratic information cannot be fixed and therefore any action taken on

the basis of such information leads the organisation in difficult situation

### **3. Horizontal communication ( Lateral Communication)**

It is the communication between two or more persons operating at the same level of authority. It is more of an informal nature, if a departmental head needs some information from another departmental head, he may get this by ringing directly. Such communication is very helpful in creating co-operation and co-ordination among different departments or division of organisation.

### **4. Vertical communication**

This communication takes place between managers to subordinates, from workers to supervisors, from chief executive to all other management and employees. Vertical communication flows are mainly used for reporting information and obtaining feedback. Such type of communication takes the form of either downward communication or upward communication

Downward communication flows from the superior to subordinate. This kind of communication is found especially in organisation with an authoritarian atmosphere.

Upward communication is just reverse of downward communication. It flows from a subordinate to a superior position. Generally this type of communication is ignored by superiors, but in modern times it is regarded as the main source of motivation in employees.

### **5. Diagonal communication**

It refers to communication between managers and workers located in different functional divisions. Although both vertical and horizontal communication continue to be important, these terms no longer adequately capture communication needs and flows in most modern organisations. The concept of diagonal communication was introduced to capture the new communication challenges associated with organisational forms, such as matrix and project based organisations. Also, with rise of the network organisation communication flows can no longer be restricted to vertical, horizontal and diagonal.

## **UNIT 24**

### **POWER AND POLITICS IN ORGANISATIONS**

Organizations operate by distributing authority and setting a stage for the exercise of power. Individuals who are highly motivated to secure and use power find a familiar and hospitable environment in business.



At the same time, executives are reluctant to acknowledge the place of power both in individual motivation and in organizational relationships. Somehow, power and politics are dirty words.

Power and politics are important concepts in the study of Organisation Behaviour. Both power and politics are dynamic concepts and are a function of interaction between different elements in organisations.

It is often said “Power corrupts and absolute power corrupts absolutely”. In spite of this negative remark, power is vital and essential for organisations because power is like a fuel that provides energy to run organisational machinery.

### **MEANING AND DEFINITION OF POWER**

Power is a force that cannot be seen, but its impact can be felt. Power has been defined as “the ability to influence and control anything that is of value to others”. It is the ability to influence the behaviour of their people in the organisation and to get them to do what they otherwise would not have done.

German sociologist, Max Weber defined power as “the probability that one actor within a social relationship will be in a position to carry out his own will despite resistance”.

Power refers to A,s ability to affect the behaviour of B, so that B acts in accordance with As wishes. At this point it is useful to point out that power refers to As ability to influence B, not A,s right to do so; no right is implied in the concept of power.

### **BASES OF POWER**

French and Raven, social psychologists, identified five sources of power ; legitimate, reward, coercive, referent and expert power.

#### **1. Legitimate Power**

A president, prime minister, or monarch has legitimate power. So does a CEO, a minister, or a fire chief. Electoral mandates, social hierarchies, cultural norms, and organizational structure all provide the basis for legitimate power.

This type of power, however, can be unpredictable and unstable. If you lose the title or position, legitimate power can instantly disappear – since others were influenced by the position, not by you. Also, your scope of power is limited to situations that others believe you have a right to control. If the fire chief tells people to stay away from a burning building, they'll probably listen. But if he tries to make people stay away from a street fight, people may well ignore him.

Therefore, relying on legitimate power as your only way to influence others isn't enough. To be a leader, you need more than this – in fact, you may not need legitimate power at all.

#### **2. Reward Power**

People in power are often able to give out rewards. Raises, promotions, desirable assignments, training opportunities, and even simple compliments – these are all examples of rewards controlled by people "in power." If others expect that you'll reward them for doing what you want, there's a high probability that they'll do it.

The problem with this power base is that you may not have as much control over rewards as

you need. Supervisors probably don't have complete control over salary increases, and managers often can't control promotions, all by themselves. And even a CEO needs permission from the board of directors for some actions.

So, when you use up available rewards, or when the rewards don't have enough perceived value to others, your power weakens. (One of the frustrations of using rewards is that they often need to be bigger each time if they're to have the same motivational impact. Even then, if rewards are given frequently, people can become satiated by the reward, so that it loses its effectiveness.)

### ***3. Coercive Power***

This source of power is also problematic, and can be subject to abuse. What's more, it can cause unhealthy behaviour and dissatisfaction in the workplace.

Threats and punishment are common tools of coercion. Implying or threatening that someone will be fired, demoted, denied privileges, or given undesirable assignments – these are examples of using coercive power. While your position may give you the capability to coerce others, it doesn't automatically mean that you have the will or the justification to do so. As a last resort, you may sometimes need to punish people. However, extensive use of coercive power is rarely appropriate in an organizational setting.

Clearly, relying on these forms of power alone will result in a very cold, technocratic, impoverished style of leadership. To be a true leader, you need a more robust source of power than can be supplied by a title, an ability to reward, or an ability to punish.

### ***4. Expert Power***

When you have knowledge and skills that enable you to understand a situation, suggest solutions, use solid judgment, and generally outperform others, people will probably listen to you. When you demonstrate expertise, people tend to trust you and respect what you say. As a subject matter expert, your ideas will have more value, and others will look to you for leadership in that area.

## **CHARACTERISTICS OF POWER**

### **1. Dependency**

The fundamental aspect of power is dependency. A person enjoys power only if he controls the desires of others. For example, children who are studying in a college totally depends on their parents for meeting the educational expenses. Here children recognise the power of parents. After getting a job and start to earn themselves, parents power is reduced significantly.

### **2. Power is specific**

It means that power can be exercised only by some people, that too under some circumstances. It shows that power cannot be exercised by all people at all times. The domain of the power is different for different people. This may be higher in some or lower in others.

### **3. Reciprocal relationships**

Power relationship in organisations is essentially in a reciprocal nature. Power is only enjoyed by top-level officers is not correct. In fact power is enjoyed by all even though there are differences in the degree and level of power. Power exists only in a relationship between two or more persons. It is based on two way concept of influencing others and being influenced.

### DEPENDENCY

The most important aspect of power is that it is a function of dependency. The degree of dependence of the target determines the power exercised by the agent. Dependency is a function of important, scarcity and non substitutability of the resources controlled by a person. The greater a person depend on other, the greater is the power in their relationship. A person can have power over others only if he controls something they desire.

Dependency is inversely proportional to the alternative sources of supply. If something is available in plenty, its possession will not increase the power. For example, among millionaires money is no longer power. Dependency occurs when someone creates monopoly by controlling information, prestige or anything that is scarce.

### Factors contributing dependency

#### 1. Importance

In order to create dependency, it is essential to believe by subordinates that the power in the hands of the manager is important. Organisations seek to avoid uncertainty as far as possible. Those people who can absorb the organisations uncertainty are likely to have more power than the others. In some firms engineers are clearly a powerful group because firm which is heavily technology oriented dependent on engineers to maintain technological advantage and product quality

#### 2. Scarcity

If something is available in plenty, the possession will not increase power. In order to create dependency resources should be scarce. Certain low level employees in the organisation may possess some important knowledge which is not known to top level executives. In this case top level executives have to depend on lower level employees to gain the knowledge possessed by them.

#### 3. Non substitutability

Absence of substitute resources also leads to gain more power. For example, organisations prefer employee's having multi skills, because there is an increased demand for such employees.

### POWER AND AUTHORITY

There is a fine line of difference between power and authority, especially as bases for [Leadership](#).

**Power:** the ability of a person or a group to influence the beliefs and actions of other people. It is the ability to influence events. Power can be personal power. A person gets his personal power from his personality or from his expert knowledge. Doctors, Lawyers, Engineers, Programmers, etc. get their power from their expertise and professional knowledge. Power can also be legitimate or official power. This power comes from a higher authority.

**Authority:** the right given to a manager to achieve the objectives of the organisation. It is a right to get the things done through others. It is a right to take decisions. It is a right to give orders to the subordinates and to get obedience from them. A manager cannot do his work without authority.

Authority cannot be bought or sold, given or taken away. Authority is about who you are as a person, your character, and the influence you've built with people. Needless to say, good [Leadership](#) leads by authority and not by power.

Power takes on an additional meaning within organisations. So-called 'legitimate power' refers to the formal authority associated with a particular role in an organisational system. Legitimate power arises out of the organisation and the structures, systems and processes which define how it operates.

The power associated with formal authority can include the power to make certain decisions and the power to instruct another person to do something – but only within the context of the organisation's work.

Power is generally associated with leadership and authority is vested with the manager.

Power has two phases- positive and negative. There is no such distinction in case of authority.

Power is a personal quality and authority is a positional quality

### **USING POWER**

A Manager or leader uses power by several methods.

#### 1. Legitimate request

The manager requests that the subordinate comply because the subordinate recognises that the organisation has given the manager the right to make the request. Most day to day interactions between manager and subordinate are of this type.

#### 2. Instrumental compliance

It is based on the reinforcement theory of motivation. In this form of exchange, subordinate complies to get the reward the manager controls. Suppose that a manager asks a subordinate to do something outside the range of subordinate's normal duties, such as working extra hours. The subordinate complies and as a direct result reaps praise and a bonus from the manager.

#### 3. Coercion

A manager is using coercion when she suggests or implies that the subordinate will be punished, fired or warned if he does not do something.

#### 4. Rational persuasion

It occurs when the manager can convince the subordinate that compliance is in the subordinate's best interests. For example, a manager might argue that the subordinate should accept a transfer because it would be good for the subordinate's career.

#### 5. Personal identification

A manager who recognises that he has referent power over a subordinate can shape the behaviour of that subordinate by engaging in desired behaviours. The manager consciously becomes as model for the subordinate and exploits personal identification. Sometimes a manager can induce to do something consistent with a set of higher ideals or values through inspirational appeal.

#### 6. Information distortion

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The manager withholds or distorts information to influence subordinates behaviour. For example, if a manager has agreed to allow everyone to participate in choosing a new group member but subsequently finds one individual whom he really prefers, he might withhold some of the credentials of other qualified applicants so that the desired member is selected. This use of power is dangerous. It may be unethical, and if the subordinates find out that the manager has deliberately misled them, they will lose their confidence in the manager

### **INDIVIDUAL VS. ORGANISATIONAL POWER**

Power is the ability to exert influence in the company beyond authority. Managers get power both from organisational and individual sources. They derive organisational power by virtue of their position in the company. On an individual basis, the manager has personal power which is based on his expertise and his power to control behaviour. A supervisor's individual power may include job knowledge, personal influence, interpersonal skills and ability to get results, empathetic ability, persuasive ability and physical strength.

Information power is based upon persuasiveness or content of a communication and is independent of the influencing individual. Managers who are good communicators are able to persuade the subordinate to accept an unpopular task.

In order to keep leadership position and maintain stability in employment managers need to enhance their personal power. One way is to continue to upgrade their expertise and knowledge

Develop a likeable personality, dress professionally, and make friends with in their division and outside because the help from many people may be needed in future

Managers should be aware of the strategies for exercising influence as influence leads to more power. Some common strategies include using facts to support a logical argument. Use flattery, praises, and goodwill to win friends both inside and outside the workplace

They need to have friends among the higher authority who can help them to enhance their authority and to adopt their recommendations. Such friends are a great asset to their long term survival in the company. Enhancing and maintaining power and authority does not come naturally. We have to work for it.

### **ORGANISATIONAL POLITICS**

Organisational politics is often called "power" in action. All groups or organizations are equally political. In some organizations, for instance, politicking is overt and rampant, while in others politics plays a small role influencing outcomes.

Tushman defines politics as follows

"Politics refers to the structure and process of the use of authority and power to effect definition of goals, direction and the other major parameters of the organisation. Decisions are not made in a rational or formal way but rather through compromise, accommodation and bargaining"

Stephen P. Robbins defines political behaviour in organisations as those activities that are not required as part of one's formal role in the organisation, but that influence, or attempt to influence, the distribution of advantages and disadvantages within the organisation.

Recent research and observation have identified a number of factors that appear to encourage political behaviour. Some are individual characteristics, derived from the unique qualities of the

people the organization employees; others are a result of the organization's culture or internal environment. Both individual and organizational factors can increase political behaviour and provide favourable outcomes (increased rewards and averted punishments) for both individuals and groups in the organization.

**Individual factor:** At the individual level, researchers have identified certain personality traits, needs, and other factors that are likely to be related to political behaviour. In terms of traits, we find that employees who are high self monitors possess an internal locus of control and have a high need for power are more likely to engage in political behaviour. The high self monitor is more sensitive to social causes, exhibits higher levels of social conformity, and is more likely to be skilled in political behaviour than the low self monitor.

Individual with an internal locus of control, because they believe they can control their environment, are more prone to take a proactive stance and attempt to manipulate situations in their favour. Not surprisingly the Machiavellian personality which is characterized by the will to manipulate and the desire of power is comfortable using politics as a means to further his or her self interest.

In addition, an individual's investment in the organization, perceived alternatives and expectations of success will influence the degree to which he or she will pursue illegitimate means of political action. The more a person had invested in the organization in terms of expectations of increased future benefits, the more that person has to lose if forced out and the less likely he or she is to use illegitimate means.

The more alternative job opportunities an individual has due to a favourable market or the possession of scarce skills or knowledge a prominent reputation, or influential contacts outside the organization the more likely that individual is to risk illegitimate political actions. Finally if an individual has a low expectation of success in using illegitimate means, it is unlikely that he or she will attempt to do so. High expectations of success in the use of illegitimate means are most likely to be the province of both experienced and powerful individuals with polished political skills and inexperienced and naïve employees who misjudge their chances.

**Organizational Factors:** Political activity is probably more a function of the organization's characteristics than of individual difference variables. Because many organizations have a large number of employees with the individual characteristics, yet the extent of political behaviour varies widely.

When organizations downsize to improve efficiency, reductions in resources have to be made. Threatened with the loss of resources people may engage in political actions to safeguard what they have. But any changes, especially those that imply significant reallocation of resources within the organization are likely to stimulate conflict and increase politicking.

### **COMMON POLITICAL BEHAVIOURS**

#### **1. Inducement**

It occurs when a manager offers to give something to someone else in return for that individual's support. For example, a product manager might suggest to another product manager that he will put in a good word with the boss if he supports a new marketing plan that he has developed.

### 2. Persuasion

It relies on both emotion and logic. An operations manager wants to construct a new plant on a certain site might persuade others to support his goal on grounds that are objective and logical as well as subjective and personal. For instance, when one board member attempted to remove him from his position, he worked behind the scenes to persuade the majority of board members to allow him to stay on.

### 3. Creation of an obligation

A third political behaviour involves the creation of an obligation. For example, one manager might support a recommendation made by another manager for a new advertising campaign. Although he might really have no option on the new campaign, he might think that by going along, he is incurring a debt from the other manager and will be able to “call in” that debt when he wants to get something done and needs additional support.

### 4. Coercion

It is the use of force to get one’s way. For example, a manager may threaten to withhold supports, rewards, or other resources as a way to influence someone else.

## **Managing politics**

So, what are the possible steps team managers can take to manage organisational politics and improve knowledge management in globally distributed teams? There are three distinct approaches.

First, instead of aiming at reducing or eradicating organisational politics, managers need to focus on activities that create a healthy political environment in order to improve knowledge flows and organizational performance. This means getting employees to speak out and expose troublesome issues, vent their frustrations, and engage with others in an open and transparent manner.

Furthermore, alongside cultural managers, companies should consider appointing “alignment managers”, people with political competencies and connections who can push ideas forward, steer organisational change initiatives and enrol wider support without triggering resistance.

Second, managers need to be consistent in the way they support behaviour and align interests, goals, and responsibilities among members of globally distributed teams in order to increase their motivation to share and disseminate knowledge.

Finally, global teams need to renew and renegotiate norms and work habits on an ongoing basis, and not only at the beginning of a project. Engaging in actions to diffuse tensions and power struggles should be a continuous, not a one-off, activity.

Presently companies tend to devise elaborate training programmes and invest in creating cultural and technical compatibility among dispersed teams at the inception and during the early stages of an offshore or an outsource project.

## **MANAGING DIFFERENCES AND CONFLICTS**

Conflict is a part of everyday life of an individual or an organisation. There are actually a lot of ways to define conflict due to how it is used in many areas. Hence, to keep it simple for the

layman, conflict pertains to the opposing ideas and actions of different entities, thus resulting in an antagonistic state.

Conflict is an inevitable part of life. Each of us possesses our own opinions, ideas and sets of beliefs. We have our own ways of looking at things and we act according to what we think is proper. Hence, we often find ourselves in conflict in different scenarios; may it involve other individuals, groups of people, or a struggle within our own selves. Consequently, conflict influences our actions and decisions in one way or another.

According to Kae. H. Chung and Loan C. Megginson, “Conflict is the struggle between incompatible or opposing needs, wishes, ideas, interests or people. Conflict arises when individuals, or groups, encounter goals that both parties cannot obtain satisfactorily”

### **NATURE OF CONFLICT**

1. Conflict arises due to persuasion of exclusive goals, values , methods or events by two or more parties mutually. There is a disagreement in two or more aspects of an element like goal, method, interest or process.
2. Conflict arises die to deliberate interference of one party in an occasion
3. Conflict occurs when an individual has no alternatives to select from available course of action
4. Conflict is a dynamic process. It indicates a series of events
5. It arises out of two perceptions
6. It is different from competition. In conflict one person interferes in other person’s opportunity to acquire resources or opportunities. In competition both parties try to win without interfering each others.

### **TYPES OR LEVELS OF CONFLICTS**

Conflict may be of the following types:-

1. Individual level conflict
2. Inter-group conflict
3. Inter-organisational conflict
4. Intra-organisational conflict

#### **1. Individual level Conflict**

The conflict within the individual is usually value related, where role playing expected of the individual does not conform to the values and beliefs held by the individual. For example, a secretary may have to lie on instructions that her boss is not in the office to avoid an unwanted visitor or an unwanted telephone call.

This may cause a conflict within the mind of the secretary who may have developed an ethic of telling the truth. These are divided into two types:-

- a. Intra-personal conflict
- b. Inter-personal conflict

**a.Intra-personal conflict** occurs within an individual. The experience takes place in the



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person's mind. Hence, it is a type of conflict that is psychological involving the individual's thoughts, values, principles and emotions. Interpersonal conflict may come in different scales, from the simpler ones like deciding whether or not to go out for lunch to ones that can affect major decisions such as choosing a career path.

It leads to restlessness and uneasiness, or can even cause depression. In such occasions, it would be best to seek a way to let go of the anxiety through communicating with other people. This conflict may arise from frustration, goal conflict and role conflict.

**b. Interpersonal conflict** involves conflict between two or more individuals and is probably the most common and most recognized conflict. This may involve conflict between two managers who are competing for limited capital and manpower resources.

This conflict can become further acute when the scarce resources cannot be shared and must be obtained. Similarly, if there are two equally deserving professors and they are both up for promotion, but only one of them can be promoted because of budget and positional constraints, and then this could result in interpersonal conflict between the two professors.

Another type of interpersonal conflict can relate to disagreements over goals and objectives of the organization. For example, some members of a board of directors of a school may want to offer courses in sex education while others may find this proposal morally offensive thus causing interpersonal conflict among the members of the board.

The interpersonal conflicts are often the results of personality clashes. People with widely different characteristics and attitudes are bound to have views and aims that are inconsistent with the views and aims of others.

### **2. Inter group Conflict**

An organization is an interlocking network of groups, departments, sections or work teams. The intergroup conflicts are not so much personal in nature as they are due to factors inherent in the organizational structure. For example, there is active and continuous conflict between the union and the management.

One of the most common conflicts is between the line and the staff members of the organization. The line managers may resent their dependence on staff for information and recommendations. The staff may resent their inability to implement directly their own decisions and recommendations. This interdependence causes intergroup conflict.

These inter-unit conflicts can also be caused by inconsistent rewards and differing performance criteria for different units and groups. For example, sales people who depend upon their commission as a reward for their efforts may promise their customers certain quantity of the product and delivery times which the production department may find impossible to meet thus causing conflict between the two units.

Different functional groups within the organization may come into conflict with each other because of their different specific objectives. There are some fundamental differences among different units of the organization both in the structure as well as operations and processes and thus each unit develops its own organizational sub-structure.

These sub-structures according to Lawrence and Lorsch, differ in terms of (a) goal orientation which can be highly specific for production but highly fluid for research and development, (b)

time orientation which is short run for sales and long run for research, (c) formality of structure which is highly informal for research and highly formal in production and (d) supervisory style which may be more democratic in one area as compared to another area.

A classic example of inter-unit conflict is between sales and production as described earlier. The sales department is typically customer-oriented and wants to maintain high inventories for filling orders as they are received which is a costly option as against the production department which is strongly concerned about cost effectiveness requiring as little inventory of finished product at hand as possible.

Similarly, intergroup conflict may arise between day shift workers and night shift workers who might blame each other for anything that goes wrong from missing tools to maintenance problems.

### **3. Inter-organisational Conflict**

Conflict also occurs between organizations which are dependent upon each other in some way. This conflict may be between buyer organizations and supplier organizations about quantity, quality and delivery times of raw materials and other policy issues.

Such conflict could also be between unions and organizations employing their members, between government agencies that regulate certain organizations and the organizations that are affected by them.

### **4. Intra-organisational Conflict**

There are three main types of internal conflicts in an organisation. They are:

- a. Horizontal conflict- means conflict between employees or department's are the same hierarchical level in an organisation. Each department tries to achieve these goals. For example, production department may prefer long economic runs and sales department may insist a quick delivery.
- b. Vertical conflict- is a form of conflict among superior subordinate relationship. It usually occurs when the superior attempts to control the behaviour of his subordinates. Subordinates resist such control. He feels that his superior tries to control activities outside the scope for his control and he perceives conflict with his superior. More difference between superior and subordinate may create conflict and it will cause inefficiency in the organisation .
- c. Line and staff conflict-line and staff organisation refers to a pattern in which staff specialists advise managers to perform their duties. In such organisation there are two types of authorities, namely line authority and staff authority These authorities should support each other and work harmoniously to achieve organisational objectives. However, there are frequent conflicts between line and staff authorities. Line managers who are responsible to achieve organisational objectives believe that staff people are working against them and at the same time staff people feels that line managers do not make use of staff people. All these belief and attitude towards each other will lead to conflict.

## **CONFLICT MANAGEMENT**

Conflict situations are an important aspect of the workplace. A conflict is a situation when the interests, needs, goals or values of involved parties interfere with one another. A conflict is a common phenomenon in the workplace. Different stakeholders may have different priorities; conflicts may involve team members, departments, projects, organization and client, boss and

subordinate, organization needs vs. personal needs. Often, a conflict is a result of perception.

Conflict is not necessarily a bad thing.. Often, a conflict presents opportunities for improvement. Therefore, it is important to understand (and apply) various conflict resolution techniques.

### **1.Forcing**

Also known as *competing*. An individual firmly pursues his or her own concerns despite the resistance of the other person. This may involve pushing one viewpoint at the expense of another or maintaining firm resistance to another person's actions.

Examples of when *forcing* may be appropriate

- In certain situations when all other, less forceful methods, don't work or are ineffective
- When you need to stand up for your own rights, resist aggression and pressure
- When a quick resolution is required and using force is justified (e.g. in a life-threatening situation, to stop an aggression)
- As a last resort to resolve a long-lasting conflict

Possible advantages of *forcing*:

- May provide a quick resolution to a conflict
- Increases self-esteem and draws respect when firm resistance or actions were a response to an aggression or hostility

Some disadvantages of *forcing*:

- May negatively affect your relationship with the opponent in the long run
- May cause the opponent to react in the same way, even if the opponent did not intend to be forceful originally
- Cannot take advantage of the strong sides of the other side's position
- Taking this approach may require a lot of energy and be exhausting to some individuals

### **2.Win-Win (Collaborating)**

Also known as *problem confronting* or *problem solving*. Collaboration involves an attempt to work with the other person to find a win-win solution to the problem in hand - the one that most satisfies the concerns of both parties. The win-win approach sees conflict resolution as an opportunity to come to a mutually beneficial result. It includes identifying the underlying concerns of the opponents and finding an alternative which meets each party's concerns.

Examples of when *collaborating* may be appropriate:

- When consensus and commitment of other parties is important
- In a collaborative environment
- When it is required to address the interests of multiple stakeholders
- When a high level of trust is present
- When a long-term relationship is important
- When you need to work through hard feelings, animosity, etc
- When you don't want to have full responsibility

Possible advantages of *collaborating*:

- Leads to solving the actual problem
- Leads to a win-win outcome

- Reinforces mutual trust and respect
- Builds a foundation for effective collaboration in the future
- Shared responsibility of the outcome
- You earn the reputation of a good negotiator
- For parties involved, the outcome of the conflict resolution is less stressful (however, the process of finding and establishing a win-win solution may be very involved – see the caveats below)

Some disadvantages of *collaborating*:

- Requires a commitment from all parties to look for a mutually acceptable solution
- May require more effort and more time than some other methods. A win-win solution may not be evident .
- For the same reason, collaborating may not be practical when timing is crucial and a quick solution or fast response is required .
- Once one or more parties lose their trust in an opponent, the relationship falls back to other methods of conflict resolution. Therefore, all involved parties must continue collaborative efforts to maintain a collaborative relationship

### 3. Compromising

*Compromising* looks for an expedient and mutually acceptable solution which partially satisfies both parties.

Examples of when *compromise* may be appropriate:

- When the goals are moderately important and not worth the use of more assertive or more involving approaches, such as forcing or collaborating
- To reach temporary settlement on complex issues
- To reach expedient solutions on important issues
- As a first step when the involved parties do not know each other well or haven't yet developed a high level of mutual trust
- When collaboration or forcing do not work

Possible advantages of *compromise*:

- Faster issue resolution. Compromising may be more practical when time is a factor
- Can provide a temporary solution while still looking for a win-win solution
- Lowers the levels of tension and stress resulting from the conflict

Some disadvantages of using *compromise*:

- May result in a situation when both parties are not satisfied with the outcome (a lose-lose situation)
- Does not contribute to building trust in the long run
- May require close monitoring and control to ensure the agreements are met

### 4. Withdrawing

Also known as *avoiding*. This is when a person does not pursue her/his own concerns or those of the opponent. He/she does not address the conflict, sidesteps, postpones or simply withdraws.

Examples of when *withdrawing* may be appropriate:

- When the issue is trivial and not worth the effort
- When more important issues are pressing, and you don't have time to deal with it
- In situations where postponing the response is beneficial to you, for example -
  - When it is not the right time or place to confront the issue
  - When you need time to think and collect information before you act (e.g. if

you are unprepared or taken by surprise)

- When you see no chance of getting your concerns met or you would have to put forth unreasonable efforts
- When you would have to deal with hostility
- When you are unable to handle the conflict (e.g. if you are too emotionally involved or others can handle it better)

Possible advantages of *withdrawing*:

- When the opponent is forcing / attempts aggression, you may choose to withdraw and postpone your response until you are in a more favourable circumstance for you to push back
- Withdrawing is a low stress approach when the conflict is short
- Gives the ability/time to focus on more important or more urgent issues instead
- Gives you time to better prepare and collect information before you act

Some disadvantages of *withdrawing*:

- May lead to weakening or losing your position; not acting may be interpreted as an agreement. Using withdrawing strategies without negatively affecting your own position requires certain skill and experience
- When multiple parties are involved, withdrawing may negatively affect your relationship with a party that expects your action

### 5.Smoothing

Also known as *accommodating*. Smoothing is accommodating the concerns of other people first of all, rather than one's own concerns.

Examples of when *smoothing* may be appropriate:

- When it is important to provide a temporary relief from the conflict or buy time until you are in a better position to respond/push back
- When the issue is not as important to you as it is to the other person
- When you accept that you are wrong
- When you have no choice or when continued competition would be detrimental

Possible advantages of *smoothing*:

- In some cases smoothing will help to protect more important interests while giving up on some less important ones
- Gives an opportunity to reassess the situation from a different angle

Some demerits of *smoothing*:

- There is a risk to be abused, i.e. the opponent may constantly try to take advantage of your tendency toward smoothing/accommodating. Therefore it is important to keep the right balance and this requires some skill.
- May negatively affect your confidence in your ability to respond to an aggressive opponent
- It makes it more difficult to transition to a win-win solution in the future
- Some of your supporters may not like your smoothing response and be turned off

## UNIT 25

### MANAGING CHANGE

In this dynamic world nothing remains static. Everything around us is changing and changes are inevitable also. The changes may be slow or fast, deliberate or natural, permanent or non-controllable, desirable or undesirable.

Organisational change refers to the alteration of the work environment in an organisation. Organisation change is concerned with the alteration of structural relationship and role of the people in the organisation. If organisation is to survive, it is often necessary for them to adapt to meet the changes occurring in the external environment.

According to Rensis Likert, “ every organisation is in a continuous state of change. Sometimes the changes are great. Sometimes small, but change is always taking place. The conditions requiring these changes arise from both within and without”

Organisation change implies a new equilibrium between different components of the organisation- technology, structural arrangement, job design, and people. All these changes should be made according to the environmental conditions.

### Features of Organisational Change

1. Organisation change is the alteration of work environment in an organisation.
2. Due to changes, old equilibrium is disturbed. It necessitates the development of new equilibrium. The type of new equilibrium depends upon the degree of change and its impact in the organisation
3. The changes affect the entire organisation. Some parts of the organisation may be affected more and other parts less; some parts may be affected directly and other parts indirectly.
4. It is a never ending process
5. When a change is introduced, the existing equilibrium of relationship is disturbed and the problem of new adjustment is created.

### Features of Organisational Change Management

In an organisation, Organisation Change Management team should lead and support all stakeholders that could be potentially affected by process changes brought by the new system. Following are five characteristics of a strong OCM team:

- 1. Strong OCM teams lead by example.** The OCM team should not only communicate that the ERP implementation is a priority, they also should demonstrate this in their actions and decisions. There's no doubt that the OCM team will have to make tough decisions, such as postponing or suspending another initiative outside of the ERP project. In order to make such decisions, the OCM team needs to understand the pressures of competing priorities and be able to communicate their concern to the project team.
- 2. Strong OCM teams recognize achievements.** When the project team loses sight of priorities, reinforcing these priorities through recognition of spectacular effort goes a long way. The OCM team should regularly acknowledge and celebrate the work being done and sacrifices being made by the project team, SMEs and end-users.
- 3. Strong OCM teams promote accountability.** Speaking to project team members about their responsibilities will reinforce their accountability to each other and to the organization as a whole. The OCM team should encourage team members to hold each other accountable and to voice disagreements constructively. Regular meetings are a great way to lay everything on the table for discussion and to encourage the project team to come to a consensus. Once a consensus is reached, the OCM team should ensure that everyone understands the shared

responsibilities and reinforce overall expectations.

**4. Strong OCM teams include change agents.** Change agents may be a part of the OCM team or they may just serve as liaisons between the project team and end-users. Either way, change agents can redirect employees' attention to what really matters – the goals and objectives of the organization as a whole and their individual role in the success of the implementation.

**5. Strong OCM teams communicate effectively.** Organizations should staff their OCM teams with strong verbal and written communicators. Team members should be empathetic, sales-oriented and persistent.

Time constraints and financial concerns persuade many organizations to push organizational change management to the backburner or underestimate how difficult change can be. The truth is, an on-time and on-budget ERP implementation is not necessarily a successful one unless it brings measurable business benefits, helps your organization achieve its long-term goals and reinforces the importance of both the individual and the organization as a whole.

### **TYPES OF CHANGES**

#### **1. Personnel Change**

Sometimes people changes are a direct result of other organizational changes. At other times, companies simply seek to change worker's attitudes and behaviours in order to increase their effectiveness. This may be through on the job through techniques such as education and training, team building, and career planning.

#### **2. Culture Change**

Culture change within an organization aims at changing the behaviour patterns of the organization's employees. Some examples of culture change include reward-and-recognition programs, employee empowerment, and training. These programs attempt to improve motivation, improve decision-making skills, and increase sensitivity to diversity issues.

#### **3. Leadership Change**

Leadership transitions are critical moments. Transitions in leadership offer an opportunity to make changes in many areas of the organization

#### **4. Structural Change**

Changes within an organization's structure can occur due to external influences. Structural changes may involve structural characteristics, administrative procedures, or management systems. They may involve simple policy changes or be as complex as a complete restructuring of the management hierarchy.

#### **5. Reengineering**

Change centered on reengineering focuses on making major structural change to the organization. Implementations of these changes typically focus on everyday tasks or procedures. The goal is to substantially improve productivity, efficiency, quality, or customer satisfaction.

### **6. Incremental Organizational Change**

“Incremental change is a step-by-step approach to re-designing an organization.” Each small increment that is changed produces changes in other parts of the organization. By changing specific processes or details in portions, the entire organization changes over time.

### **7. Fundamental Organizational Change**

When major organizational changes are necessary and time constraints are a significant factor, a more radical transformation becomes essential. Fundamental organizational change focuses on changing major characteristics of the entire organization rather than specific parts.

### **8. Divestiture**

Business divestiture means that a firm disposes a significant part of its assets. This may result in the sell-off or dissolution of whole business units, or divisions. ‘Tactical’ divestors and ‘distress’ divestors appear to focus directly on the short-term. In contrast, the ‘strategic’ divestors appear to take a broader view triggering a reevaluation of the organizational strategy.

### **9. Strategic Change**

Strategic changes involve long-term planning while incorporating a strong external orientation. These changes may cover major functional areas of an organization. This type of change may occur when adjusting the firm’s strategy to achieve the goals of the company. This type of change may also result from a change to the mission statement of the organization. An organization’s approach to doing business, targeted markets, partnerships, or the types of products sold may be included in the strategic change approach.

### **10. Process-oriented Change**

The goal of process-oriented change is to improve productivity. Process-oriented change affects the way in which an organization delivers services, produces products, or handles current business practices. As the environmental factors of an organization change, the need for process-oriented change increases.

### **11. Technological Change**

This type of approach concerns the implementation or integration of technology into the processes of an organization. Primarily, technology includes large hardware or software systems.

### **12. Systems Change**

“Systems change means making change that endures and changes at the heart of the organization. Such change is systematic, takes time, planning and patience. Such change is not done by just tweaking parts of the system in isolation. But, it means ultimately impacting change across all elements of the system.”

### **FACTORS AFFECTING ORGANIZATIONAL CHANGE**

Change is inevitable in the life of an organisation. In today’s business world, most of the organisations are facing a dynamic and changing business environment. They should either change or die, there is no third alternative. Organizations that learn and cope with change will thrive and flourish and others who fail to do so will be wiped out. The major forces which make



the changes not only desirable but inevitable are technological, economic, political, social, legal, international and labour market environments.

In very simple words, we can say that change means the alteration of status quo or making things different. “The term change refers to any alterations which occurs in the overall work environment of an organisation.”

“When an organizational system is disturbed by some internal or external force, change frequently occurs. Change, as a process, is simply modification of the structure or process of a system. It may be good or bad, the concept is descriptive only.”

There are a number of factors both internal and external which affect organizational functioning. Any change in these factors necessitates changes in an organisation. The more important factors are as follows:

### **External Forces**

Every organization exists in some context; no organization is an island in itself. Each must continually interact with other organizations and individuals- the consumers, suppliers, unions, shareholders, government and many more. Each organization has goals and responsibilities related to each other in the environment. The present day environment is dynamic and will continue to be dynamic.

Changes in social, political, economic, technology, and legal environment force organizations to change themselves. Such changes may result in organizational changes like major functions production process, labour-management relations, nature of competitions, economic constraints, organizational methods etc. In order to survive in the changing environment, organization must change. How the change in various environmental, organizations, must change. How the changes in various environmental factors necessitate change in the organization may be seen in following context:-

- **Technology:** When there is a change in technology in the organizational environment and other organizations adopt the new technology, the organizations under focus become less cost effective and its competitive position weakens. Therefore, it has to adopt new technology, its work structure is affected and a new equilibrium has to be established.
- **Marketing conditions:** Since every organization exports its outputs to the environment, an organization has to face competition in the market. There may be two types of forces which may affect the competitive position of an organization –other organizations supplying the same products and, buyers who are not buying the product. Any changes in these forces may require suitable changes in the in the organization. For example, when Indian economy was liberalized, there were many foreign organizations that entered the Indian market. This forced many Indian organizations to realign themselves with the new situations.
- **Social changes:** Social changes reflect in terms of people’s aspirations, the needs, and their ways of working. Social changes have taken place because of the several forces like level of education, urbanization, feeling of autonomy, and international impact due to new information sources. These social changes affect the behaviour of people in the organization. There, it is required to make adjustment in its working so that it matches

with people.

- **Political and legal changes:** Political and legal factors broadly define the activities which an organisation can undertake and the methods which will be followed by it in accomplishing those activities. Any changes in these political and legal factors may affect the organization operation.

### Internal Forces

It is not only the changes in external factors, which may necessitate organizational changes; any change in organization's internal factors may also necessitate changes. Such a change is required because of two reasons: changes in managerial personnel and deficiency in existing organizational practices.

- **Changes in the managerial personnel:** Besides environmental changes there is a change in managerial personnel. Old managers are replaced by new managers, which necessitated because of retirement, promotion, transfer or dismissal. Each new manager brings his own ideas and way of working in the organization. The relationships, more in the organization. The relationships, more particularly informal ones, changes because of changes in managerial personnel. Moreover, attitude of the personnel change even though there is no changes in them. The result in that an organization has to change accordingly.
- **Deficiency in Existing organization:** Sometimes, changes are necessary because of deficiency in the present organizational arrangement and process. These deficiencies may be in the form of unmanageable span of management, large number of managerial levels, lack in co-ordination between various departments, obstacles in communication, multiplicity of committees, lack of uniformity in policy decisions, lack of cooperation between the line and staff, and so on. Beside these internal factors, there are two more internal factors that give rise to organizational changes.
- **Nature of the work force:** The nature of work force has changed over a passage of time. Different work values have been expressed by different generations. Workers who are in the age group of 50 plus value loyalty to their employers. Workers in their mid thirties to forties are loyal to themselves only. The youngest generation of workers is loyal to their career. The profile of the workforce is also changing fast. The new generation of workers has better educational; they place greater emphasis on human values and questions authority of managers. Their behavior has also become very complex and leading them towards organizational goals is a challenge for the managers. The employee turnover is also very high which again put strain on the management.
- **To avoid developing inertia:** In many cases, organizational changes take place just to avoid developing inertia or inflexibility. Conscious manager take into account this view of organization that organization should be dynamic because any single method is not the best tool of management every time.
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### RESPONSE TO CHANGES

**Very often change is not accepted by all employees. It is the most confusing problem faced by managers. Some employees are ready to accept change and some may not. The response to change is determined by the attitude of employees towards the change. All individuals may not necessarily react in the same way to proposed change. It may be**

**different from individual to individual.**

### **RESISTANCE TO CHANGE**

**If the change is to be implemented effectively, the managers should be able to manage the problem of resistance to change in a diplomatic manner. People tend to resist changes in many ways because changes require certain sacrifice on their part.**

Typical reasons for resistance to change are

**1.Fear of change:** One of the most common reasons for resistance is [fear of change](#). This includes fears of not being able to perform or not being "good enough". People also fear uncertainty and the unknown. It's a bit like the sailors of old who feared the uncharted oceans.

**2.Not being consulted:** If people are able to feel that they are a part of the change there is often less resistance. They feel heard. Yet, time and again, I encounter resistance due to a lack of involvement. The solution is to involve people in the change as early as possible.

**3.Poor communication:** It's self evident .When it comes to change management there's no such thing as too much [communication](#).

**4.Changes to routines:** When we talk about comfort zones we're really referring to routines. We love them. They make us feel secure and efficient. So there's bound to be resistance whenever change requires us to do things differently.

Whether it's new procedures, new parking places, new reporting lines, or new corporate culture, changes to routines can be uncomfortable.

**5.Low trust:** When people don't believe that they, or the company, can competently manage the change there is likely to be resistance. This may be related to their experience of change in the past.

**6.Misunderstanding about the need for change:** If staff do not understand the need for change we can expect resistance. Especially from those who strongly believe the current way of doing things works well...and has done for twenty years!

**7.Exhaustion/Saturation:** Don't mistake compliance for acceptance. People who are overwhelmed by continuous change resign themselves to it and go along with the flow.

**8.Change in the status quo:** Resistance can also stem from perceptions of the change that people hold. For example, people who feel they'll be worse off at the end of the change are unlikely to give it their full support. Similarly, if people believe the change favours another group, department or person there may be (unspoken) anger and resentment.

It's not possible to be aware of all sources of resistance you might face. Expecting that there will be resistance to change and being prepared to manage it is a proactive step

### **ORGANISATIONAL RESISTANCE TO CHANGE**

Organisation itself resists changes because of certain reasons. The main reasons are as follows:-

1. Inflexibility in organisation structure – some organisation structures have a built in mechanism for resistance to change. The system is stabilised ad any change may be understood as a threat by the organisation. For example, a typical bureaucratic structure has certain fixed rules, prescribes rigid authority relationships and punishment system. It

is difficult to bring changes in these aspects easily because it is already accustomed to the present system.

2. Resource constraints – a change usually involves a huge expenditure. Sufficiency of resources is a major constraint of change. For example, while adopting a new technology, it requires financial resources to buy machine, building and providing training for its personnel. The trade union may also put pressure on management to introduce certain changes for safety, welfare and comfort of employees. The management may resist such changes for the lack of availability of funds.
3. Threat to power and influence – if changes make threat the position or power of top level personnel, he will resist the change. Introduction of new technology for reshuffling organisational structure may disturb the existing power of top executives. They start resistance to protect their present interest status, position and power in the organisation
4. Fear of loss of investment – some time the firm has already invested huge amount of money in fixed assets and to give training to employees. If new technology is to be introduced, they fear that these investments will be lost. Hence they resist changes
5. Past success – if the firm has past success stories, they know how to face challenges. Therefore, even if the environment changes management may not be willing to make corresponding changes in the organisation.
6. Inter- organisational agreements – if the organisation has already made certain agreements with organisations like trade union, it is not possible to make changes. For example trade union will resist installation of computer and machines.

### **OVERCOMING RESISTANCE TO CHANGE**

One of the basic problems in managing change is to overcome people's change. If change is imposed by way of formal authority, it may not be successful in majority of cases. Ordinarily the following techniques are commonly used by managers in order to overcome resistance to change.

1. Participation and involvement – involvement is a process through which the affected parties are brought together to understand the idea of change. They are also allowed to participate actively to introduce changes. One of the difficulties in bringing about change in an organisation is that it must be done through the persons who have been most successful in the organisation.
2. Education and communications – the affected parties are to be educated about the changes. Advantages of changes and difficulties if not introducing change must be educated. The opinions and ideas of people should be taken into consideration while making changes.
3. Consultation with trade unions – while making changes it should be discussed with labour union, and their opinions and suggestions must be considered in introducing changes.
4. Training and psychological Counselling – the management can change the basic values of the people through training and psychological counselling. People must be educated to become familiar with change. Training programmes, meeting and conferences etc. should be conducted to educate the effected parties of change.
5. Facilitation and support – the management must take into consideration the views of subordinates. They should provide emotional support and give training skills to employees to meet with the change.
6. Group contact – when a particular group is resisting changes, negotiation and agreements should be made with them by offering incentives in order to tackle the resistance problem.

### GROUP DYNAMICS TO OVERCOME RESISTANCE AGAINST CHANGE

Group dynamics refers to the ever changing interactions and adjustments in the mutual perceptions and relationships among the members of the groups. These group interactions are the most powerful instrument which facilitate or inhibit adaptation to change. Adaptation is a team activity which requires conformity to the new group norms, moves traditions and work patterns. Management should use group dynamics well.

Management should consider the group and not the individual as the basic unit of change. Resistance to change could be overcome on an enduring basis by systematically planning and implementing the process of change. Kurt Lewin identified the following phases in the process of planned change:

- ✓ Unfreezing the present ways of doing things, which are ingrained as habits and customs in individuals as members of groups.
- ✓ Moving to the desired or planned level of activity.
- ✓ Freezing the group life at the new level.

All these phases affect the change as under:

(a) Unfreezing: In this phase, the manager as a change agent has to assume the responsibility to break open the shell of complacency and self-righteousness among his subordinates. He has to identify the background factors contributing to resistance. Subordinates may resist change for economic, social or personal reasons. The inter-play among the several factors responsible for resistance has to be isolated.

- (b) Moving to the new level: Once the subordinates become receptive to change, the manager should introduce the proposed changes in a systematic manner, with the full co-operation of subordinates. They should be given intensive orientation as to the behavioural changes necessary for successful introduction of the proposed change so that adaptation to the new environment takes shape as desired. Several problems crop up during the process of implementation, some of which might be totally unforeseen. These are to be adroitly handled by the manager in consultation with his subordinates.
- © Freezing at the new level: This is a process of stabilization, assimilation and institutionalisation of the changes which are successfully implemented. The changes which are accomplished should remain as a stable and permanent characteristic of the system until another need arises for change. The new roles, relationships and behavioural patterns should be allowed to take on the characteristics of habits. Subordinates should get a genuine feeling that the benefits generated by the change are worthwhile.

#### **Guidelines for Making Better Use of Group Dynamics**

Group cohesiveness or solidarity may produce resistance to change or acceptance of it. It is the responsibility of manager to use group dynamics in such a way that the solidarity of the group contributes to a favourable attitude towards high standards and acceptance of necessary changes. In order to achieve this, the following principles of group dynamics laid down by Darwin Cartwright should be followed:

1. If the group is to be used effectively as a medium of change, those people who are to be engaged and those who are to exert influence for change must have a strong sense of belongingness to the same group.
2. The more attractive to the group is to its members. The greater is the influence that the

group can exert on its members.

3. In attempts to change attitudes, values or behaviour the more relevant they are to the basis of attraction to the group, the greater will be the influence that the group can exert upon them.
4. The greater the prestige of a group member in the eyes of the other members, the greater the influence he can exert.
5. Efforts to change individuals or subparts of a group which, if successful, would have the effect of making them divide from the norms of the group, will encounter strong resistance.
6. Strong pressure for changes in the group can be established by creating a shared percepting by the member of the need for change, thus making the source of pressure for change lie within the group.

**PLANNED CHANGE**

Every change should have a planned way. Planned change may help the person people to adapt with the change environment, planned change is pre determined. It is decided in advance what is to be done in future. It is a deliberate process.

For making any planned change, pre thinking is supposed to be done about the outcomes and impact of change also. Despite carefulness if any negative impact is seen, one can have preparation or metal objective to face the changes. Here is a definition of planned change given below:

*Any kind of alternation or modification which is done in advance and differently for the improvement of present position into brighter one is called planned change.*

**Forces for planned change is an Organization**

An organization’s planned change may take place-having demand for two sources. These forces are classified into internal sources and external sources. These two forces demanding for planned change are shown in the following diagram:

<b>Internal forces</b>	<b>External forces</b>
Obsolescence of production and service	Regulators
New market opportunities	Competitors
New strategic direction	Market force
Increasing divers work force	Customers
Shift in socio cultural values	Technology

From the above table, it is seen that both internal and external forces include five components each which can create pressing demand for making change is small or big, public or private, business or non-business organizations.

**MANAGEMENT OF CHANGE**

Change is an inevitable process. Change is a reality and the world will not move in absence of change. Organisational change is a complex process and therefore managers must approach it systematically and logically. Changes in organisations do not take place suddenly. It involves a conscious effort on the part of management. Management of change consists of the following

steps :

### **1) Acknowledge and understand the need for change**

The first step in any change is acknowledging and understanding the need for change. It's tempting to see that something needs fixing and quickly jump to a solution. Resist the temptation and instead spend time understanding the situation and the change. Involve a range of people in developing a shared understanding of the situation. Manager has to make sure that his solution addresses the complexity of the problem.

Start by understanding why the change needs to happen. **Responding to Social Change** highlights the drivers in the external environment impacting on an organisation and which are likely to spark the need for change.

### **2) Communicate the need and involve people in developing the change**

Once everybody understand what needs to happen, then arises a need to communicate this. The communicating to stakeholder's framework gives an approach to considering what is important to others, what motivates them and how this change will affect them.

Involving beneficiaries has particular challenges and significant time and resources need to be dedicated to ensure this is carried out effectively.

This stage can be frustrating because many of they questions they ask you will have already considered back at the beginning of Stage 1. However it is important to give communication and involvement the time it needs. Rush the communication aspect of managing change and people's commitment will be weakened. This could cause real problems later down the line.

### **3) Develop change plans**

The first aspect of developing a change plan is to detail where you want to be. Planning is perhaps the most crucial phase in the management of change. Planning the change means in deciding who, when, and how the changes are to be made. Every manager should act as a changing agent.

### **4) Implement change plans**

This is the change itself. Make sure everyone knows what has to happen and what their role it. Provide the support and watch out for stress. Maintain some routine as far as is possible. Take a look at team/individual change to understand how people react to change and how you can manage these reactions.

### **5) Evaluate progress and celebrate success**

As soon as you can start identifying what is going well, make sure people are thanked appropriately, their hard work acknowledged and successes celebrated. Management of change is incomplete without proper feedback. Objectives of change must be compared with the performance to see the degree of success in change.

## **APPROACHES TO ORGANISATIONAL CHANGE**

Organisational change is a complex process and managers must approach it systematically and logically. Planned change is designed and implemented by an organisation in an orderly and timely fashion in the anticipation of future change.

Planned change is always preferable to reactive change. Managers who sit back and respond to

change only when they can no longer avoid it are likely to waste a lot of time and money trying to patch together a last minute solution. The more effective approach is to anticipate the significant forces for change working in an organisation and plan ways to address them.

Important approaches to organisational change are

### 1. Lewins Change Model

The assumptions of this model are

1. The change process involves learning something new, as well discontinuing current attitudes, behaviours and organisational practices
2. Change will not occur unless there is motivation to change. This is often the most difficult part of the change process.
3. People are the hub of all organisational changes. Any change, whether in terms of structure, group process, reward systems or job design requires individuals to change.
4. Resistance to change is found even when the goals of change are highly desirable.
5. Effective change requires reinforcing new behaviours, attitudes and organisational practices

To begin any successful change process, you must first start by understanding why the change must take place. As Lewin put it, "Motivation for change must be generated before change can occur. One must be helped to re-examine many cherished assumptions about oneself and one's relations to others." This is the unfreezing stage from which change begins

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### **1.Unfreeze**

This first stage of change involves preparing the organization to accept that change is necessary, which involves break down the existing status quo before you can build up a new way of operating.

Key to this is developing a compelling message showing why the existing way of doing things cannot continue. This is easiest to frame when you can point to declining sales figures, poor financial results, worrying customer satisfaction surveys, or suchlike: These show that things have to change in a way that everyone can understand.

To prepare the organization successfully, you need to start at its core – you need to challenge the beliefs, values, attitudes, and behaviours that currently define it. Using the analogy of a building, you must examine and be prepared to change the existing foundations as they might not support add-on storeys; unless this is done, the whole building may risk collapse.

This first part of the change process is usually the most difficult and stressful. When you start cutting down the "way things are done", you put everyone and everything off balance. You may evoke strong reactions in people, and that's exactly what needs to be done.

By forcing the organization to re-examine its core, you effectively create a (controlled) crisis, which in turn can build a strong motivation to seek out a new equilibrium. Without this motivation, you won't get the buy-in and participation necessary to effect any meaningful change.

### **2.Change**



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After the uncertainty created in the unfreeze stage, the change stage is where people begin to resolve their uncertainty and look for new ways to do things. People start to believe and act in ways that support the new direction.

The transition from unfreeze to change does not happen overnight: People take time to embrace the new direction and participate proactively in the change. A related change model, the [Change Curve](#), focuses on the specific issue of personal transitions in a changing environment and is useful for understanding this specific aspect in more detail.

In order to accept the change and contribute to making the change successful, people need to understand how the changes will benefit them. Not everyone will fall in line just because the change is necessary and will benefit the company. This is a common assumption and pitfall that should be avoided.

### 3. Refreeze

When the changes are taking shape and people have embraced the new ways of working, the organization is ready to refreeze. The outward signs of the refreeze are a stable organization chart, consistent job descriptions, and so on. The refreeze stage also needs to help people and the organization internalize or institutionalize the changes. This means making sure that the changes are used all the time; and that they are incorporated into everyday business. With a new sense of stability, employees feel confident and comfortable with the new ways of working.

## ORGANISATION AND SOCIETY

Organisations are purposefully designed and always specialised. Society is defined by the bonds that hold their members together, whether they be language, culture, history, or locality. An organisation is defined by its task.

The dynamics of knowledge of the present era stipulates that every organisation has to build the management of change into its very structure. This means every organisation has to prepare for the abandonment of everything it does.

On the other hand, every organisation must devote itself to creating the new. Specifically, every management has to draw on three systematic practices. The first is continuing improvement of everything the organisation does, the process the Japanese call Kaizen. The aim of Kaizen is to improve a product or service so that it becomes a truly different product or service in two or three years time.

Second every organisation will have to learn to exploit its knowledge, that is, to develop the next generation of application from its own successes. For example, Japanese business have done the best with this endeavour so far, as demonstrated by the success of the consumer electronics manufacturers in developing one new product after another from the same American invention.

Finally, every organisation will have to learn to innovate as a systematic process. And then, of course, one comes back to abandonment, and the process starts all over. Unless this is done, the knowledge-based organisation will very soon find itself obsolescent, losing performance capacity and with it the ability to attract and hold the skilled and knowledgeable people on whom its performance depends.

In every business in the world, production and distribution of goods or services is considered the ultimate good. For the organisation to perform to a high standard, its members must believe that what it is doing is the one contribution to community and society on which all other depend.

In this culture, therefore, the organisation will always transcend the community. If an organisation's culture and the values of its community clash, the organisation must prevail or

else it will not make its social contribution.

The issue of social responsibility is also inherent in the society of organisations. The modern organisation has and must have social power because it needs power to make decisions about people. It needs power to establish the rules and disciplines required to produce results; for example, the assignment of jobs and tasks and the establishment of working hours. It needs power to decide which factories to build where and which factories to close

In spite of the above, the only one responsibility of business is economic performance. A business which does not earn good return wastes the society's resources. But economic performance is not the only responsibility of a business.

Every organisation must assume full responsibility for its impact on employees, the environment, customers and whomever and whatever it touches. Good intentions are not always socially responsible. It is irresponsible for an organisation to accept responsibilities that would hinder its capacity to perform its main task and mission.

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**REVIEW QUESTIONS**

**Short Answer Type**

- 13. What do you mean by reference group?**
- 14. What is group behaviour?**
- 15. What is brainstorming?**
- 16. What is autocratic leadership?**
- 17. Who is a charismatic leader?**
- 18. What is power?**
- 19. Define conflict ?**
- 20. What is organisation change?**

**Paragraph Type**

- 1. Explain the factors affecting Group Cohesiveness?**
- 2. Discuss the forces behind group behaviour ?**
- 3. state the characteristics of leadership?**
- 4. what is organisational politics?**
- 5. Discuss the reasons for interpersonal conflict?**
- 6. What are the different approaches of organisational change?**

**Essay Type**

- 7. Define Group? Briefly explain the stages of group development ?**
- 8. Briefly explain the recent approaches to leadership?**

**9. Define power? Briefly explain the characteristics and bases of power in organisations?**

**10. What do you mean by conflict? Discuss the various conflict resolutions actions that can be adopted in organisations?**

**11. Explain the various approaches of organisational change?**

### **CASE STUDY**

#### *Difficult Task Force*

José has been appointed chair of a steering task force to design the primary product line for a new joint venture between companies from Japan, the United States, and South America. The new joint venture company will make, sell, and service pet caskets (coffins) for the burial of beloved pets, mostly dogs and cats. One month earlier, each company had assigned personnel to the task force:

- From the Japanese company, Furuay Masahiko from Yokohama, assistant to the president of the Japanese company; Hamada Isao from Tokyo, director of marketing from its technology group; and Noto Takeshi from Tokyo, assistant director of its financial management department.
- From the United States company, Thomas Boone from Chicago, the top purchasing manager from its lumber and forest lands group; Richard Maret from Buffalo, the codirector of the company's information systems group; and Billy Bob "Tex" Johnson from Arizona, the former CEO, now retired and a consultant for the company.
- From the South American company, Mariana Preus from Argentina, the head of product design for that company's specialty animal products group; Hector Bonilla from their Mexico City division, an expert in automated systems design for wood products; and Mauricio Gomes, in charge of design and construction for the plant, which will be located in southern Chile to take advantage of the vast forest there.

These members were chosen for their expertise in various areas and were taking valuable time away from their normal assignments to participate in the joint venture.

As chair of the task force, José had scheduled an initial meeting for 10:00 A.M. José started the meeting by reviewing the history of the development of the joint venture and how the three company presidents had decided to create it. Then, José reviewed the market for the new high-end, designer pet coffins, stressing that this task force was to develop the initial design parameters for the new product to meet increasing demand around the world. He then opened the meeting for comments and suggestions.

Mariana Preus spoke first: "In my opinion, the current designs that we have in production in our

Argentina plant are just fine. They are topnotch designs, using the latest technology for processing. They use the best woods available and they should sell great. I don't see why we have to design a whole new product line." Noto Takeshi agreed and urged the committee to recommend that the current designs were good enough and should be immediately incorporated into the plans for the new manufacturing plant. José interrupted the discussion: "Look, the council of presidents put this joint venture together to completely revolutionize the product and its manufacture based on solid evidence and industry data. We are to redesign the product and its manufacturing systems. That is our job, so let's get started." José knew that the presidents had considered using existing designs but had rejected the idea because the designs were too old and not easily manufacturable at costs low enough to make a significant impact on the market. He told the group this and reminded them that the purpose of the committee was to design a new product.

The members then began discussing possible new design elements, but the discussion always returned to the benefits of using the existing designs. Finally, Tex spoke up: "I think we ought to do what Mariana suggested earlier. It makes no sense to me to design new caskets when the existing designs are good enough to do the job." The others nodded their heads in agreement. José again reminded them of the task force's purpose and said such a recommendation would not be well received by the council of presidents. Nevertheless, the group insisted that José write a memo to the council of presidents with the recommendation to use existing designs and to begin immediately to design the plant and the manufacturing system. The meeting adjourned and the members headed to the golf course at 10:45 A.M.

José returned to his computer and started to write the memo, but he knew it would anger the presidents. He hoped he would not be held responsible for the actions of the task force, even though he was its chair. He wondered what had gone wrong and what he could have done to prevent it.

### Case Questions

- Which characteristics of group behaviour discussed in the chapter can you identify in this case?
- How did the diverse nature of the group affect the committee's actions?
- If you were in Jose's position, what would you have done differently? What would you do now?

## MODULE 5

### UNIT 26

## ORGANISATIONAL DEVELOPMENT

## **School of Distance Education**

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Organisational Development (OD) is focussed on improving the effectiveness of organisations and the people in those organisations.

Different people have defined OD differently. According to Koontz “OD is a systematic integrated and planned approach to improve the effectiveness of the enterprise. It is designed to solve problems that adversely affect the operational efficiency at all levels”.

Burke’ has defined OD as “a planned process of change in an organization’s culture through the utilization of behavioral science technology, research and theory”.

In the opinion of French and Bell “OD is a systematic approach to organizational improvement, that applies behavioral science theory and research in order to increase individual and organizational well-being and effectiveness”.

Now, OD can be defined as a long-term, more encompassing change approach meant to improve individual as well as organizational well-being in a changed situation”.

### ***CHARACTERISTICS OF OD***

**The salient characteristics of OD implied in its definitions are gleaned as follows:**

First, OD is a systematic approach to the planned change. It is structured style of diagnosing organizational problems and opportunities and then applying expertise to them.

Second, OD is grounded in solid research and theory. It involves the application of our knowledge of behavioral science to the challenge that the organizations face.

Third, OD recognizes the reciprocal relationship between individuals and organizations. It acknowledges that for organizations to change, individuals must change.

Fourth, OD is goal oriented. It is a process that seeks to improve both individual and organizational well- being and effectiveness.

Fifth, OD is designed to solve problems.

### ***OBJECTIVES OF OD***

**The main objectives of OD are to:**

1. Improve organizational performance as measured by profitability, market share, innovativeness, etc.
2. Make organizations better adaptive to its environment which always keeps on changing.
3. Make the members willing face organizational problems and contribute creative solutions to the organizational problems.
4. Improve internal behavior patterns such as interpersonal relations, intergroup relations, level of trust and support among the role players.
5. Understand own self and others, openness and meaningful communication and involvement in planning for organizational development.

Douglas McGregor, who was working in the Union Carbide, is considered one of the first behavioral scientists to systematically talking about and advocating for the implementation of OD for organizational improvement. OD as a subject is relatively new. Notwithstanding, it is becoming increasingly popular and visible in USA, UK, Japan, Norway, Sweden and even in

India.

In India, OD is in scene since 1968. Since then, many public and private sector organizations like HAL, HMT, IDPL, LIC, SAIL, TELCO and TISCO have been applying the interventions of OD to solve the organizational problems.

To deliver a sustainable environment for performance there are a number of organisational development and design elements that may be relevant to delivering the performance outcomes required. This includes organization diagnostic, evaluation, strategic thinking, culture change, change management, coaching, mentoring, leadership development, team building, organizational design, evaluation, performance management, talent management, HR processes, learning and development, sales effectiveness, and customer services as part of a holistic OD intervention.

OD helps organizations deliver sustainable performance improvement through people. People and collaboration are key features of any OD intervention.

Organization Development is an effort:-

- (1) planned,
- (2) organization-wide
- (3) managed from the top
- (4) increase organization effectiveness and health through planned interventions in the organizations "processes," using behavioral-science knowledge.

Organizational Development (OD) is a field of research, theory, and practice dedicated to expanding the knowledge and effectiveness of people to accomplish more successful organizational change and performance.

OD is a process of continuous diagnosis, action planning, implementation and evaluation, with the goal of transferring knowledge and skills to organizations to improve their capacity for solving problems and managing future change.

OD emerged out of human relations studies from the 1930s where psychologists realized that organizational structures and processes influence worker behaviour and motivation.

### Organization development process

1. **Data collection:** Surveys may be made to determine organizational climate and behavioural problems. The consultant usually meets with groups away from work to develop information from questions such as these:
  - What kinds of conditions contribute most to your job effectiveness?
  - What kinds of conditions interfere with your job effectiveness?
  - What would you most like to change in the way this organization operates?
  - The by-products of data collection include the identification of performance gaps deficiencies in the way the organization operates and abseiling in the way the organization operates and baseline information a portrait of the organizations current level of operations for later comparison with the effects of OD (Organization Development) efforts?
2. **Data feedback and confrontation:** Work groups are assigned to review the data collected, to medicate areas of disagreement, and to establish priorities for change.
3. **Action planning and problem solving:** Groups use the data to develop specific

recommendations for change. Discussion focuses on actual problems in the organization. Plans are specific, including who is responsible and when the action should be completed.

4. **Use of intentions:** Once the action planning is completed, the consultant helps the participants select and use appropriate OD interventions, Depending on the nature of the key problems; the intervention may focus on individuals, teams. Interdepartmental relating or the total organization.
5. **Evaluation and follow-up:** The consultant helps the organization evaluate the results of its OD efforts and develop additional programs in areas where additional results are needed.

### **Key Concepts of Organizational Development Theory**

#### ***Organizational Climate***

- Defined as the mood or unique "personality" of an organization.
- Attitudes and beliefs about organizational practices create organizational climate and influence members' collective behaviour.
- Climate features and characteristics may be associated with employee satisfaction, stress, service quality and outcomes and successful implementation of new programs. Climate features and characteristics include:
  - Leadership, openness of communication, participative management, role clarity, and conflict resolution, leader support and leader control.

#### ***Organizational Culture***

*Organizational Culture* means deeply seated norms, values and behaviours that members share.

The five basic elements of culture in organizations include:

1. Assumptions
2. Values
3. Behavioural norms
4. Behavioural patterns
5. Artifacts

The subjective features (assumptions, values and norms) reflect members' unconscious thoughts and interpretations of their organizations.

The subjective features shape the behaviours and artifacts take on within organizations

#### **Organizational Strategies**

A common OD approach used to help organizations negotiate change, i.e. action research, consists of four steps.

1. Diagnosis
  - Helps organization identify problems that may interfere with its effectiveness and assess the underlying causes
  - Usually done by OD enlisting the help of an outside specialist to help identify problems by examining its mission, goals, policies, structures and technologies; climate and culture; environmental factors; desired outcomes and readiness to take action.
  - Usually done through key informant interviews or formal surveys of all

- members.
2. Action planning
    - Strategic interventions for addressing diagnosed problems are developed.
    - The organization is engaged in an action planning process to assess the feasibility of implementing different change strategies that lead to action.
  3. Intervention
    - Change steps are specified and sequenced, progress monitored, and stakeholder commitment is cultivated.
  4. Evaluation
    - Assess the planned change efforts by tracking the organization's progress in implementing the change and by documenting its impact on the organization.

### **ORGANIZATION DEVELOPMENT INTERVENTIONS**

Organization Development (OD) interventions techniques are the methods created by OD professionals and others. Single organization or consultant cannot use all the interventions. They use these interventions depending upon the need or requirement. The most important interventions are,

1. Survey feedback
2. Process Consultation
3. Sensitivity Training
4. The Managerial grid
5. Goal setting and Planning
6. Team Building and management by objectives
7. Job enrichment, changes in organizational structure and participative management and Quality circles, ISO, TQM

**1.Survey feedback:** The intervention provides data and information to the managers. Information on Attitudes of employees about wage level, and structure, hours of work, working conditions and relations are collected and the results are supplied to the top executive teams. They analyse the data, find out the problem, evaluate the results and develop the means to correct the problems identified. The team are formed with the employees at all levels in the organization hierarchy i.e, from the rank and file to the top level.

**2.Process Consultation :** The process consultant meets the members of the department and work teams observes the interaction, problem identification skills, solving procedures etc.

Process consulting requires the OD Practitioner to analyze a business and figures out strategies for improving its day-to-day operations and overall functioning. Succeeding in this diagnostic usually requires an individual, who is adept at problem solving, is creative and has excellent interpersonal skills. Some common responsibilities of this job include observing business operations, identifying problem areas, developing practical solutions, executing changes and assisting employees throughout the process.

The process consulting process involves the practitioner meeting the members of the department and work teams observing the interaction, problem identification skills, solving procedures et. He feeds back the team with the information collected through observations, coaches and counsels individuals & groups in moulding their behaviour



Before improvements can begin, it's important for a OD Practitioner to first observe a business's operations. This practice typically involves things like monitoring employee performance, investigating organizational habits and determining overall efficiency. In addition, an individual might get feedback from both employees and supervisors to get a feel for a business.

After a period of observation, the OD practitioner will need to identify the primary problem areas of a business. For example, he might decide that a company's warehouse is disorganized, and that getting products from shelves is unnecessarily difficult. In another instance, he might discover that ineffective employee scheduling is hurting a company's production. Being effective at this job requires a person to find specific flaws and take note of them.

**Process identification.** Many companies think they know their processes — manufacturing, sales, accounting, building services. But it is just this silo mentality that causes processes to lose their customer-centric approach. Instead of defining processes based on the company's understanding, they must be defined by the customer's understanding. Walking through customer experiences helps the reviewer identify those trigger points that can make or break success. These then form the basis for process identification.

**Information gathering.** There is a large volume of information that should be obtained before trying to learn the intricacies of a process. Primary among these is identifying who the true process owners are — the ones who can effect change. Their buy-in and agreement throughout the analysis is paramount. Additional information that should be obtained includes the objectives of the process, risks to the process, key controls over those risks, and measures of success for the process.

**Process Mapping.** This involves sitting with each employee and having him or her describe what it is they do. This information is recorded using a sticky-note method. Each step in the process is recorded on a sticky-note and built in front of the individual completing the work. This allows them to interactively ensure the final map matches their understanding of their work. The final process maps are developed using flowcharting software. Time flows down the page, and each individual involved is represented by a separate column. In this manner, a simple map can result from a complicated process.

**Analysis.** Analysis must really occur throughout the review. While defining the processes, the reviewer may determine that objectives are not in line with the processes in place. In gathering information, it may become apparent that measures of success do not correspond to department objectives. These are just some of the examples of ongoing analysis.

However, there are some specific examples of analysis that can be completed once maps are done. These include identifying unnecessary approvals, isolating rework, removing duplicate forms, eliminating useless hold files, and investigating decision requirements that lead to no discernable result. In and of themselves, no single incident is necessarily wrong. But each must be analyzed in the context of the map to ensure it supports the objectives. When done correctly, Business Process Mapping should lead everyone to a better understanding of what the company is trying to achieve, a realigned sense of purpose, and a number of suggestions that can streamline operations while increasing customer satisfaction.

**4. Managerial grid:** This identifies a range of management behaviour based on the different

ways that how production/service oriented and employee oriented states interact with each other. Managerial grid is also called as instrumental laboratory training as it is a structured version of laboratory training. It consists of individual and group exercises with a view to developing awareness of individual managerial style interpersonal competence and group effectiveness. Thus grid training is related to the leadership styles. The managerial grid focuses on the observations of behaviour in exercises specifically related to work. Participants in this training are encouraged and helped to appraise their own managerial style.

**There are 6 phases in grid OD:**

First phase is concerned with studying the grid as a theoretical knowledge to understand the human behaviour in the Organization.

Second phase is concerned with team work development. A seminar helps the members in developing each member's perception and the insight into the problems faced by various members on the job.

Third phase is inter group development. This phase aims at developing the relationships between different departments

Fourth phase is concerned with the creation of a strategic model for the organization where Chief Executives and their immediate subordinates participate in this activity.

Fifth phase is concerned with implementation of strategic model. Planning teams are formed for each department to know the available resources, required resources, procuring them if required and implementing the model Sixth Phase is concerned with the critical evaluation of the model and making necessary adjustment for successful implementation.

**5.Goal setting and planning :** Each division in an organization sets the goals or formulates the plans for profitability. These goals are sent to the top management which in turn sends them back to the divisions after modification. A set of organization goals thus emerge thereafter.

**6.Management by Objectives (MBO)** is a successful philosophy of management. It replaces the traditional philosophy of "Management by Domination". MBO led to a systematic Goal setting and Planning. Peter Drucker the eminent management Guru in 1959 has first propagated the philosophy since then it has become a movement.

MBO is a process by which managers at different levels and their subordinates work together in identifying goals and establishing objectives consistent with Organizational goals and attaining them.

**6{b}Team building** is an application of various techniques of Sensitivity training to the actual work groups in various departments. These work groups consist of peers and a supervisor. Sensitivity training is called a laboratory as it is conducted by creating an experimental laboratory situation in which employees are brought together. The Team building technique and training is designed to improve the ability of the employees to work together as teams.

**7.Job enrichment** is currently practiced all over the world. It is based on the assumption in order to motivate workers, job itself must provide opportunities for achievement, recognition, responsibility, advancement and growth. The basic idea is to restore to jobs the elements of interest that were taken away. In a job enrichment program the worker decides how the job is performed, planned and controlled and makes more decisions concerning the entire process.

## UNIT 27

### TRANSACTIONAL ANALYSIS

Transactional Analysis is one of the basic approach to study interpersonal relationships in an organizational system. It deals with understanding, predicting and controlling interpersonal relationships.

TA is a technique used to help people better understand their own and other's behavior, especially in interpersonal relationships.

### Psychoanalysis before Eric Berne

While there were many theories purporting to explain human behavior before Eric Berne, the most frequently cited and known is the work of Sigmund Freud. Freud emerged in the early 20th century with his theories about personality. Freud believed that personality had three components, all of which must work together to produce our complex behaviors.

These three components or aspects were the **Id, Ego**, and the **Superego**. It was Freud's belief that these three components needed to be well-balanced to produce reasonable mental health and stability in an individual.

According to Freud, the Id functions in the *irrational* and *emotional* part of the mind, the Ego functions as the *rational* part of the mind, and the Superego can be thought of as the *moral* part of the mind, a manifestation of societal or parental values.

But perhaps Freud's greatest contribution was the fact that the human personality is *multi-faceted*.

### Transactions Defined

"The unit of social intercourse is called a transaction. If two or more people encounter each other... sooner or later one of them will speak, or give some other indication of acknowledging the presence of the others. This is called *transactional stimulus*. Another person will then say or do something which is in some way related to the stimulus, and that is called the *transactional response*."<sup>3</sup>

At its simplest level, *Transactional Analysis is the method for studying interactions between individuals*.

### Berne's Three Ego States

In addition to the analysis of the interactions between individuals, Transactional Analysis also involves the identification of the *ego states* behind each and every transaction. Berne defined an ego state as "*a consistent pattern of feeling and experience directly related to a corresponding consistent pattern of behavior*."

Berne defined the three ego states as: **Parent, Adult, and Child**. It should be carefully noted that the descriptions of these ego states do NOT necessarily correspond to their common definitions as used the English language.

Before describing each of the three ego states, it is important to note that these are fundamentally different than Freud's Ego, Id, and Superego.

"It will be demonstrated that Parent, Adult, and Child are not concepts, like Superego, Ego, and Id, or the Jungian constructs, **but phenomenological realities**." Stated another way, Freud's ego states are unobservable, theoretical states; but Berne's three ego states can be confirmed with observable behaviors.

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The following are detailed descriptions of the three ego states:

**Parent** – The parent represents a massive collection of recordings in the brain of *external* events experienced or perceived in approximately the first five years of life. Since the majority of the external events experienced by a child are actions of the parent, the ego state was appropriately called Parent. Note that events perceived by the child from individuals that are NOT parents (but who are often in parent-like roles) are also recorded in the Parent.

Examples of recordings in the Parent include:

- “Never talk to strangers”
- “Always chew with your mouth closed”
- “Look both ways before you cross the street”

It is worth noting that, while recording these events, the young child has no way to filter the data; the events are recorded without question and without analysis. One can consider that these events are imposed on the child.

**Child** – In contrast to the Parent, the Child represents the recordings in the brain of *internal* events associated with external events the child perceives. Stated another way, stored in the Child are the *emotions* or *feelings* which accompanied external events. Like the Parent, recordings in the Child occur from childbirth all the way up to the age of approximately 5 years old.

Examples of recordings in the Child include:

- “When I saw the monster’s face, I felt really scared”
- “The clown at the birthday party was really funny!”

**Adult** – The Adult is the last ego state. Close to one year of age, a child begins to exhibit gross motor activity. The child learns that he or she can control a cup from which to drink, that he or she can grab a toy.

This is the beginning of the Adult in the small child. Adult data grows out of the child’s ability to see what is different than what he or she observed (Parent) or felt (Child). In other words, the Adult allows the young person to evaluate and validate Child and Parental data. Berne describes the Adult as being “principally concerned with transforming stimuli into pieces of information, and processing and filing that information on the basis of previous experience

One of the key functions of the Adult is to validate data in the parent.

In an attempt to explain Transactional Analysis, Dr. Thomas Harris developed the following summary.

<i>Parent</i>	–	<i>taught</i>	<i>concept</i>
<i>Child</i>	–	<i>felt</i>	<i>concept</i>
<i>Adult – learned concept</i>			

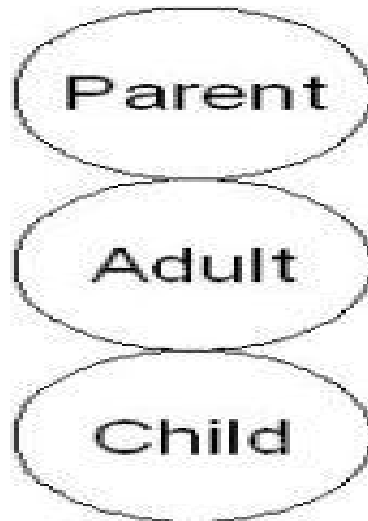
### Analyzing Transactions

When two people communicate, one person initiates a transaction with the *transactional stimulus* (see the above Transactions Defined section for a definition of the transaction stimulus). The person at whom the stimulus is directed will respond with the *transactional*

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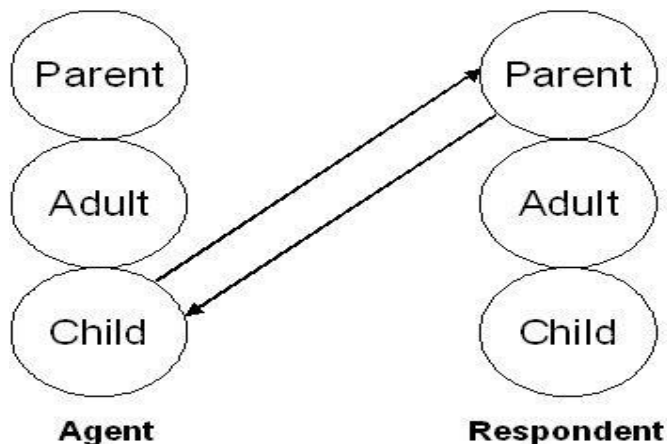
*response*. Simple Transactional Analysis involves identifying which ego state directed the stimulus and which ego state in the other person executed the response.

According to Dr. Berne, the **simplest transactions are between Adults ego states**. Transactions in this ego states are psychologically mature and effective because both parties are acting in a rational manner. But not all transactions proceed in this manner. Some transactions involve ego states other than the Adult.



This leads us to Parent – Child transactions, which are almost as simple as Adult-Adult transactions. It is considered as a ideal situation .

One of the tools used by a Transactional Analysis practitioner is a **structural diagram**, as represented above. A structural diagram represents the complete personality of any individual. It includes the Parent, Adult, and Child ego states, all separate and distinct from each other. The diagram was developed by Eric Berne , when he was developing his theories of Transactional Analysis.

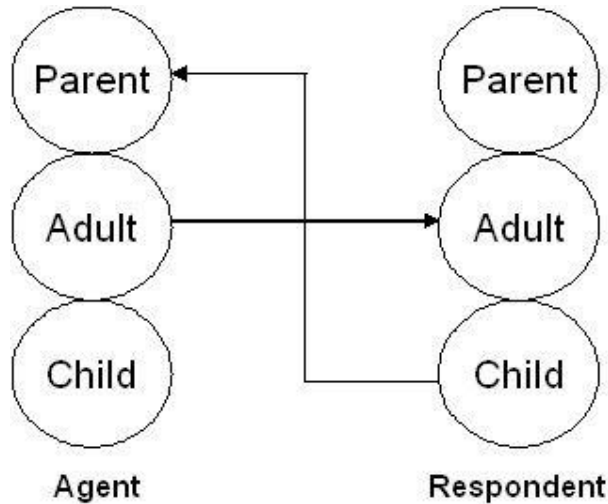


Child interacting with a Parent

Transactional Analysts will then construct a diagram showing the ego states involved in a particular transaction. The transaction to the right shows a Parent – Child transaction, with the Child ego state providing the *transactional stimulus*, and the Adult responding with the

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*transactional response*. The two transactions described can be considered **complementary transactions**. In a complementary transaction, the response must go back from the receiving ego state to the sending ego state. For example, a person may initiate a transaction directed towards one ego state of the respondent. The respondent's ego state detects the stimuli, and then that particular ego state (meaning the ego state to which the stimuli was directed) produces a response. According to Dr. Berne, these transactions are healthy and represent normal human interactions.



### Crossed Transaction

However, not all transactions between humans are healthy or normal. In those cases, the transaction is classified as a **crossed transaction**. In a crossed transaction, an ego state different than the ego state which received the stimuli is the one that responds. The diagram to the right shows a typical crossed transaction.

### Ulterior Transactions

These transactions are the most complex because unlike complementary and crossed transactions they always involve more than two ego states and the communication has double meaning. This occurs when a person appears to be sending one type of message but is secretly sending another message. These transactions are also undesirable.

It is important to note that when analyzing transactions, one must look beyond *what* is being said. According to Dr. Berne, one must look at *how* the words are being delivered (accents on particular words, changes in tone, volume, etc.) as the *non-verbal signs* accompanying those words (body language, facial expressions, etc.). Transactional Analysts will pay attention to all of these cues when analyzing a transaction and identifying which ego states are involved.

### Strokes

As stated earlier, Berne defined a **stroke** as the “fundamental unit of social action.” A stroke is a unit of recognition, when one person recognizes another person either verbally or non verbally. Strokes are exchanged whenever two persons interact with each other. The word stroking originated from the studies of the needs that babies have for physical affection for complete psychological development. As we grow from infancy into childhood, we do not entirely lose

our need for stroking. A part of the original need for physical stroking seems to be satisfied with symbolic stroking like verbal recognition and eye contact between persons.

Berne also reasoned that any stroke, be it positive or negative, is better than no strokes at all. Or, as summarized in *TA Today*, “any stroke is better than no stroke at all.” For example, if you are walking in front of your house and you see your neighbor, you will likely smile and say “Hi.” Your neighbor will likely say “hello” back. This is an example of a positive stroke. Your neighbor could also frown at you and say nothing. This is an example of a negative stroke. But either case is better than no stroke at all, if your neighbor ignored you completely.

**Transactional Analysis – Life Positions**

The concept of life positions is another basic idea from transactional analysis theory. Life positions are basic beliefs about self and others, which are used to justify decisions and behavior. Life positions works within the assumption that we choose very early on in our life, before age two, a basic position towards ourselves and other people. It represents the fundamental attitude a person takes about the essential value he perceives in him and other people. Once a child has taken up a favorite position, they are likely to construct the rest of their world view to match that life position. One could therefore also see a life position as one of the first script decisions a person makes.

		<i>You</i>	
		You're OK	You're not OK
<i>I</i>	I'm OK	Get on with others	Get rid of them
	I'm not OK	Get away from them	Get nowhere

**I'm not OK - You're OK**

When I think I'm not OK but you are OK, then I am putting myself in an inferior position with respect to you.

This position may come from being belittled as a child, perhaps from dominant parents or maybe careless teachers or bullying peers.

People in this position have a particularly low self-esteem and will put others before them. They may thus have a strong 'Please Others' driver.

**I'm OK - You're not OK**

People in this position feel themselves superior in some way to others, who are seen as inferior and not OK. As a result, they may be contemptuous and quick to anger. Their talk about others will be smug and supercilious, contrasting their own relative perfection with the limitation of others.

This position is a trap into which many managers, parents and others in authority fall, assuming that their given position makes them better and, by implication, others are not OK.

These people may also have a strong 'Be Perfect' driver, and their personal strivings makes others seem less perfect.

## **I'm OK - You're OK**

When I consider myself OK and also frame others as OK, then there is no position for me or you to be inferior or superior.

This is, in many ways, the ideal position. Here, the person is comfortable with other people and with themselves. They are confident, happy and get on with other people even when there are points of disagreement.

## **I'm not OK - You're not OK**

This is a relatively rare position, but perhaps occurs where people unsuccessfully try to project their bad objects onto others. As a result, they remain feeling bad whilst also perceive others as bad.

This position could also be a result of relationships with dominant others where the other people are viewed with a sense of betrayal and retribution. This may later get generalized from the bullies to all others people.

Understand how you frame yourself and others as being OK and note how you respond to this. Then think about the other person and how they are framing it.

Note how some combinations work together, for example where one person has the position of 'I'm OK/you're not OK' and the other person has 'I'm not OK/You're OK'. In such matching positions the relationship may well be stable and both will gain some comfort of confirmation from this.

When positions do not fit, particularly when both people are 'I'm OK/You're not OK', then this is a recipe for conflict or confusion.

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### **REVIEW QUESTIONS**

#### **Short Answer Type**

- 1. What is Organizational development?**
- 2. What is sensitivity training ?**
- 3. What is transactional analysis?**

#### **Paragraph Type**

- 1. Explain the features of Organization Development?**
- 2. Why organization development is needed ?**
- 3. Explain the objectives of Organization Development?**

#### **Essay Type**

- 1. What is Organisation Development? Discuss the important techniques available for Organisation Development?**
- 2. What is transaction analysis ? Describe the steps and technique involved in it?**

### **CASE STUDY**

*Spooked by Computers*



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The New England Arts Project had its headquarters above an Italian restaurant in Portsmouth, New Hampshire. The project had five full-time employees, and during busy times of the year, particularly the month before Christmas, it hired as many as six part-time workers to type, address envelopes, and send out mailings. Although each of the five full-timers had a title and a formal job description, an observer would have had trouble telling their positions apart. Suzanne Clammer, for instance, was the executive director, the head of the office, but she could be found typing or licking envelopes just as often as Martin Welk, who had been working for less than a year as office coordinator, the lowest position in the project's hierarchy.

Despite a constant sense of being a month behind, the office ran relatively smoothly. No outsider would have had a prayer of finding a mailing list or a budget in the office, but project employees knew where almost everything was, and after a quiet fall they did not mind having their small space packed with workers in November. But a number of the federal funding agencies on which the project relied began to grumble about the cost of the part-time workers, the amount of time the project spent handling routine paperwork, and the chaotic condition of its financial records. The pressure to make a radical change was on. Finally Martin Welk said it: "Maybe we should get a computer."

To Welk, fresh out of college, where he had written his papers on a word processor, computers were just another tool to make a job easier. But his belief was not shared by the others in the office, the youngest of whom had fifteen years more seniority than he. A computer would eat the project's mailing list, they said, destroying any chance of raising funds for the year. It would send the wrong things to the wrong people, insulting them and convincing them that the project had become another faceless organization that did not care. They swapped horror stories about computers that had charged them thousands of dollars for purchases they had never made or had assigned the same airplane seat to five people.

"We'll lose all control," Suzanne Clammer complained. She saw some kind of office automation as inevitable, yet she kept thinking she would probably quit before it came about. She liked hand-addressing mailings to arts patrons whom she had met, and she felt sure that the recipients contributed more because they recognized her neat blue printing. She remembered the agonies of typing class in high school and believed she was too old to take on something new and bound to be much more confusing. Two other employees, with whom she had worked for a decade, called her after work to ask if the prospect of a computer in the office meant they should be looking for other jobs. "I have enough trouble with English grammar," one of them wailed. "I'll never be able to learn computer language."

One morning Clammer called Martin Welk into her office, shut the door, and asked him if he could recommend any computer consultants. She had read an article that explained how a company could waste thousands of dollars by adopting integrated office automation in the wrong way, and she figured the project would have to hire somebody for at least six months to get the new machines working and to teach the staff how to use them. Welk was pleased because Clammer evidently had accepted the idea of a computer in the office. But he also realized that as the resident authority on computers, he had a lot of work to do before they went shopping for machines.

### Case Questions

- Is organization development appropriate in this situation? Why or why not?
- What kinds of resistance to change have the employees of the project displayed?

- What can Martin Welk do to overcome the resistance?

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BAIJUMON.P  
ASSITANT PROFESSOR  
PG DEPARTMENT OF COMMERCE  
GOVT. COLLEGE MALAPPURAM**