VIVEKANANDA GLOBAL UNIVERSITY, JAIPUR

(Established by Act 11/2012 of Rajasthan Govt. Covered u/s 2(f) of UGC Act, 1956)

Master of Business Administration

(MBA)

Organizational Behaviour

SEMESTER I

Author: Dr. Vijayendra Shrivastava

Approval Director CIQA: 27th July 2023

Approval of Academic Council: 28th July 2023

For Vivekananda Global University

Registrar

Unit 1

Organizational Behaviour I

Learning Objectives

After studying this module, students will be able to:

1. Know the meaning of Organizational Behaviour
2. Understand its nature
3. Know about its objectives and benefits
4. Understand the scope

Structure of the Unit

1.1 Introduction

Individual or group behaviour when working in teams is referred to as organizational behaviour. When contextual elements interact, the investigation becomes more difficult. The investigation of these behaviours within an organization is done through the study of organizational behaviour, which pertains to the expected behaviour of a person within the organization.

Organizations now understand that the efficiency of human resources is more important to their success than the efficiency of systems and processes. Employees play a significant role in determining whether a firm succeeds or fails. Employee behaviour takes many forms, all of which have a significant impact on how well an organization performs and grows.

Organizational behaviour sheds light on the fundamentals of employee behaviour in workplaces.

It covers a range of topics related to human behaviour, including personality,

perception, and motivation, as well as group and teamwork behaviour.
The impact of motivation and its significance in assisting people in achieving their goals while being in sync with the objectives of the organization have been explained by a variety of philosophers and thinkers in their distinctive theories of requirements. The diverse decision- making techniques and leadership abilities are highlighted by organizational behaviour for the efficient operation of groups. It is a phrase used in the study of group and individual dynamics inthe workplace as well as the impact of power on organizational development and change.

1.2 Definition of Organizational Behaviour

"Organizational behaviour is a field of study that investigates the impact that individuals, groups, and structure have on behaviours within the organizations to apply such knowledge towards improving an organization's effectiveness", defined by Stephen P Robbins.
According to Fred Luthans - "Organizational behaviour is directly concerned with understandingproduction and control of human behaviour in the organization."
According to Raman J Aldag - "Organizational behaviour is a branch of the social sciences that seeks to build theories that can be applied to predicting, understanding and controlling behaviourin work organizations."

1.3 Concept of Organizational Behaviour

Fig 1.1: Concept of OB

1. **Individual Differences** - Each person is unique in their intelligence, physique, personality, diction, and other characteristics. Because each employee is unique, management can inspire the most drive among them, by treating them differently. If it wasn't for individual variances, all employees could be treated uniformly, and only minimal judgment would be necessary for going forward. The reason OB starts with the individual is because of individual differences. A group, by definition, cannot assume responsibility or make decisions; only an individual can. A group cannot do anything until its members take action.

2. **A Whole Person** - When a person is hired, their skills are taken into consideration. Their socialbackground, likes and dislikes, pride, and prejudices are all taken into account. An individual's personal and professional lives are inextricably linked. For this reason, managers should make an effort to transform the workplace into a second home. They should work hard to create better people as a whole, not just better workers in terms of growth and fulfillment.

3. **Caused Behaviour** - The behaviour of an employee is intentional and not random. The employee is acting in this way toward someone who, properly or erroneously, the employee believes is in their best interests. This fundamental principle must be understood by the manager to change the behaviour and address the root of the problem. For instance, there is a reason why a worker is late for work, throws stones at a bus that is moving, or yells at the boss.

4. **Human Dignity** - People desire to be treated with respect and dignity. Every profession, however small, has a right to adequate respect and acknowledgement of the individual goals and skills of those who perform it. The traditional view of exploiting workers as economic instruments is rejected by the concept of human dignity. People play a role in organizational behaviour constantly, and ethical theory permeates every action in some way. Human decisions cannot and should not be made without considering these values.

5. **Organizations are social systems** - Organizations are social systems therefore, activities inside them are subject to social and psychological laws. People also have social statuses and roles. Their actions are influenced by both their group dynamics and personal motivations. When a social system is present, it

suggests that the organizational environment is dynamic rather than static. Because of their interdependence, all system components can have an impact on one another.

6. **Mutuality of Interest** - Mutual interest is the foundation upon which organizations are created and sustained. Organizations and people both depend on one another as participants in these systems. Organizations are seen as a way to assist people in achieving their goals, yet organizations depend on people to achieve their own goals. A higher purpose that unites the various demands that individuals bring to organizations is provided through mutual interest.

7. **Holistic Concept**- This idea considers the entire person, the entire group, the organization, and the social system when interpreting people-organization linkages. To comprehend as many of the potential aspects that affect one's behaviour, firms must take an all-encompassing view of their workforce. Instead of focusing on a single incident or problem, issues are examined in the context of the larger scenario that affects them.

1.4 Nature and scope of organizational behaviour

The nature of Organizational behaviour is mentioned below:

1. **Integral Part of Management** - The phrase "organizational behaviour" refers to a crucial component of the entire management system. Understanding the human behaviour of employees who work for the organization is important. Different ideas and concepts that aid in understanding human behaviour are used in the phrase "organizational behaviour." Each organization's workforce is a valuable resource that aids in goal achievement. For any firm, appropriate management and care of them become a must. The performance of this function by organizations is aided by organizational behaviour.

2. **Goal-Oriented**- Goal and action-oriented fields of study include organizational behaviour. Its fundamental objective is to effectively manage organizational affairs so that the organizational goals can be met on schedule. Organization Behaviour conducts numerous studies and finds issues in the organization. It analyses the behaviours of people who are employed by the

organization. Following analysis and problem detection, corrective action is taken and ensures that the organization's actions produce results. The accomplishment of organizational goals depends heavily on organizational behaviour.

3. **On-Going Process**- The concept of organizational behaviour is continuously practiced within an organization. It works tirelessly to maintain organizational performance. Organizational behaviour is used to monitor all organizational actions continuously. The organizational environment is occasionally examined using a variety of theories and studies. Continuous efforts are made to build a conducive climate that makes achieving organizational goals simple.

4. **Multi-Level Analysis** - Organizational behaviour carries out analyses at several levels. Individual behaviour, group behaviour, and organizational behaviour are examined at three different levels to explain behaviour better. It carefully completes each of these studies to comprehend organizational issues. To prevent any erroneous assumptions about behaviour, it offers rational thinking about these three levels, as mentioned above. These three levels are vital and complementary to organizational behaviour.

5. **Branch of Social Science** - When conducting the numerous studies needed to comprehend the organizational structure, organizational behaviour makes use of a variety of social science topics. The social sciences, in general, have an impact on it. Some significant social sciences that are used by organizational behaviour include sociology, anthropology, and psychology. Rich information needed for organizational behaviour to carry out its functions is provided by these disciplines.

6. **Science and Art** - Both science and art are used to describe behaviour. It entails doing numerous studies and methodically compiling behavioural data. The information gathered is subsequently put to use to manage and control issues inside an organization.

   Science is the systematic collection of all pertinent data about human behaviour. Art is the application of amassed behavioural knowledge and abilities in the workplace.

   Organizational behaviour, however, is not a precise science since it cannot anticipate the apt behaviour of the people within an organization. In many circumstances, managers are the sole ones who take action based on insufficient information.

7. **Normative Science** - An additional normative science is organizational behaviour. Finding and identifying the cause-and-effect relationships of organizational issues is merely one of its many concerns. To secure organizational outcomes it also determines the best and most popular method. It describes how the behavioural knowledge gathered will be applied to achieve organizational outcomes. Positive science does not determine what would be accepted by society; rather,normative science does this.

8. **Beneficial for Organization and Individual** - The word "organizational behaviour" is helpfulfor both the organization and the people who work there. Between the employer and the employees in the organization, it fosters positive interpersonal relationships. Employers receive complete, detailed information about the individuals working with them.

   This knowledge aids in a better understanding of the actions of those who work for an organization. The treatment of employees by their employers will improve, and they will feel content. It leads to fewer disputes overall throughout the organization and improves interpersonalrelationships.

1.4.1 Scope of Organizational Behaviour

The scope of OB may be summed up in the words of S.P.Robbins as follows:

"OB is a field of study that investigates the impact that individuals, groups, and structure have on behaviour within organizations to apply such knowledge towards improving an organization's effectiveness".

Fig 1.2. Scope of OB

The scope of Organizational behaviour involves three levels of behaviour in organizations: individuals, groups, and structure.

1. **Individual Behaviour**
   - Learning
   - Motivation
   - Personality
   - Perception
   - Values and Attitudes

2. **Group Behaviour**
   - Communication
   - Leadership
   - Morale
   - Workgroups and group dynamics
   - Dynamics of Conflict

3. **Organization: Structure, Process, and Application / Procedures**
   - Organizational Climate
   - Organizational Development
   - Organizational Culture
   - Organizational Change
   - Organizational Effectiveness

1.4.2 Basic Approaches of Organizational Behaviour

The human resources approach, the contingency approach, the system approach, and the productivity approach are the four key functions of organizational behaviour in any organization.

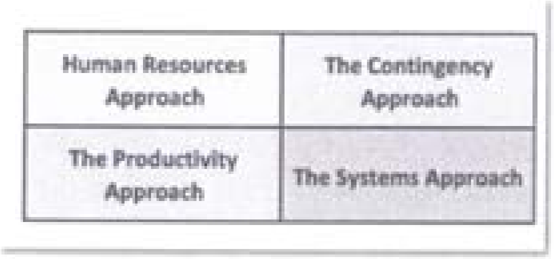

Fig 1.3. Basic Approaches to OB

1. Human Resources Approach

The advancement of an organization's human resources is its key concern. For an organization to continue to expand and survive, its personnel must grow and develop. Being the focal point of each management function, employees' skills and inventiveness are essential to the success of any firm. Managers have historically played a key role in assigning tasks and ensuring that they are completed according to the plan. Employees should be given more responsibility and should not be seen as order-takers. To achieve organizational goals with efficiency and economy, a company must create an environment where people may behave better while feeling satisfied with their jobs.

Employee development increases performance efficacy. Employees that are happy with their jobs accomplish tasks to the best of their abilities. Developed personnel give their all to the growth of the company without causing conflicts or stress and with great zeal and spirit. Money- based incentives only motivate working for as long as financial rewards are involved. However, if workers are developed, their capacities grow for improved work performances throughout. The manager's job description has evolved from one of controlling employees to one of encouraging them.

2. Contingency Approach

Utilizing behavioural science, issues that could develop at any time are being resolved. To address these issues, behavioural knowledge is used. There are too many issues to be resolved by just a few widely recognized ideas. To deal with any issues, employees receive training. They should be capable of overcoming environmental obstacles. Problem-solving is better suited to employee-oriented leadership than task-oriented leadership. Employees should be trained to use their powers and capabilities, rather than abstract ideas, to handle situations that are far more complex. Different functions and behavioural methods are required for various scenarios. Because it holds that there isn't a single optimum solution to solve an issue, it is known as the contingency approach. Situation-specific solutions are more beneficial and effective. This strategy promotes investigation of each circumstance, both before and after the problem arises. The contingency approach is a system- focused, interdisciplinary management strategy. There is no ideal management approach. The participatory approach may be helpful on occasion, whereas authoritarian judgments may be preferable in other circumstances. The efficacy of task performance depends on the situation, and organizational behaviour deals with these dependencies to make the best choice possible in a given circumstance.

3. System Approach

The system approach contains several organizational subsystems that interact with one another. To anticipate future circumstances, managers must go beyond the current circumstances. A methodical and productive structure with broad relationships is required. The goal is to manage organizations more effectively by improving organizational behaviour. A system is created where employees can collaborate in a friendly environment. The mechanism for accomplishing organizational goals is subjected to organizational behaviour theories. Better organizational behaviour increases the system approach's success. Organizational behaviour has advantages for both the organization and society. Better employees form stronger organizational bonds that serve the goals of the individual, the business, and society as a whole. The General System Theory (GST) has been developed for the success of the system approach.

4. Productivity Approach

The ultimate goal of organizational behaviour is to boost productivity. If production is improved with the given inputs, it is a symbol of productivity improvement. In other words, productivity is the amount of output produced per unit of input. It is calculated using economic inputs and outputs. Better organizational behaviour raises output in comparison to inputs. Human behaviour is designed to help people do their jobs more effectively. People's abilities to perform tasks improve as their knowledge and skills grow. People work to the best of their abilities when they are motivated. Employee motivation is affected by their situation and attitude. People's potential performance is determined by their ability and motivation. Organizational productivity increases if human performance is supported by sufficient resources. Their knowledge, skill, attitude, ability, and performance potential are influenced by organizational behaviour.

1.5 Summary

- Organizational behaviour is a field of study that investigates the impact that individuals, groups, and structures have on behaviours within organizations to apply such knowledge towards improving an organization's effectiveness.
- When a person is hired, their skills are considered, along with their social background, likes and dislikes, pride, and prejudices. A person's personal and professional lives are inextricably linked. For this reason, managers should make an effort to transform the workplace into a second home.
- The employee's behaviour is intentional and not random. The employee is

acting in this way toward someone who, properly or erroneously, the employee believes is in his or her best interests. This fundamental principle must be understood by the manager to change the behaviour and address the root of the problem.

➢ Organizations are social systems therefore, activities inside them are subject to social and psychological laws. People also have social statuses and roles. Their actions are influenced by both their group dynamics and personal motivations. When a social system is present, it suggests that the organizational environment is dynamic rather than static.

➢ Goal- and action-oriented fields of study include organizational behaviour. Its fundamental objective is to effectively manage organizational affairs so that organizational goals can be met on schedule. Organization Behaviour conducts numerous studies and finds issues in the organization.

➢ Both science and art are used to describe behaviour. It entails doing numerous studies and methodically compiling behavioural data. The information gathered is subsequently put to use to manage and control issues inside the organization.

➢ Science is the systematic collection of all pertinent data about human behaviour. Art is the application of amassed behavioural knowledge and abilities in the workplace.

➢ The contingency approach focuses on the variable nature of businesses and organizations. The managers choose a Framework for finding solutions to a problem rather than sticking to a particular strategy for solving the problems. This allows an organization to work under different environmental conditions and circumstances.

➢ The advancement of an organization's human resources is its key concern. For an organization to continue to expand and survive, its personnel must grow and develop. Being the focal point of each management function, employees' skills and inventiveness are essential to the success of any firm. Manager shave historically played a key role in assigning tasks and ensuring that they are completed according to plan.

1.6 Keywords:

1. **Organizational Behaviour** - The study of human behaviour, attitudes, and

performance in organizations is known as organizational behaviour. It is the study of what people in and around organizations think, feel, and do.

2. **Contingency approach** -The contingency approach is based on the variable nature of businesses and organizations. Managers select a Framework for problem-solving rather than a specific strategy for problem-solving. It enables an organization to operate under a variety of environmental conditions.

3. **Behaviour** - Behaviour (American English) or behavior (British English) is the set of actions and mannerisms performed by individuals, organisms, systems, or artificial entities in a given environment. Other systems, along with the inanimate physical environment, can be included in these systems. It is the system's or organism's computed response to various stimuli or inputs, whether internal or external, conscious or subconscious, overt or covert, voluntary or involuntary.

4. **Dignity** - Dignity is a person's right to be valued and respected for their own sake as well as to be treated ethically. As an extension of the enlightenment-era concepts of inherent, inalienable rights, it is significant in morality, ethics, law, and politics.

5. **Organization** - An organization, also known as a company, institution, or association, is a legal entity that consists of one or more people and serves a specific purpose. The term comes from the Greek word organon, which means tool or instrument, musical instrument, or organ.

1.7 Self-Assessment Questions

1. Define Organizational behaviour.
2. Organizational behaviour is both science and art. Explain how?
3. What is the nature of Organizational behaviour?
4. Explain why organizational behaviour is an ongoing process.
5. What are the basic approaches to organizational behaviour?
6. What is the scope of organizational behaviour?
7. What are the various concepts of organizational behaviour?
8. Explain the productivity approach of organizational behaviour
9. What organizational behaviour is considered to be the normative science?
10. What are the various levels at which organizational behaviour takes place?

1.8 Case study

Roshan, the HR manager of Indian Textile Pvt Ltd company has circulated the notice that employees should be strict regarding the schedule and have to be at the office and factories at a predetermined time or else strict action will be taken against them and as a punishment salary, a deduction will be done.

For a few days, the rules were followed strictly, but Roshan himself didn't follow the rules and was late for duty.

The other employee also took advantage and took the rules lightly and was not disciplined at work.

1. What nature of organizational behaviour is shown in the above example?
2. What steps should be taken to improve this kind of behaviour?

1.9 References

1. Kavita Singh: Organizational Behaviour, Vikas Publication.
2. Luthans Fred: Organizational Behaviour, Tata McGraw Hill.

Unit 2

Organization Behaviour II

Learning Objectives

After studying this module, students will be able to:

1. Know the meaning of Organizational Behaviour.
2. Understand its nature.
3. Know about its objectives and benefits.
4. Understand the scope of Organizational Behaviour.

Structure of the Unit

2.1 Need for Studying Organizational Behavior

Studying organizational behaviour is crucial for several reasons:

1. Understanding human behaviour: Organizational behaviour helps us to understand how individuals and groups behave in the workplace, including their attitudes, motivation, communication, and decision-making. Understanding human behaviour is essential for managing and leading people effectively.
2. Improving organizational performance: Organizational behaviour research helps us to identify factors that can enhance organizational performance, such as job satisfaction, employee engagement, and teamwork. By understanding these factors, organizations can design effective policies and practices that improve productivity and profitability.
3. Enhancing employee well-being: Studying organizational behaviour helps us to identify factors that contribute to employee well-being, such as work-life balance,
   Job security, and social support. By prioritizing employee well-being, organizations can create a positive work environment that promotes employee satisfaction and retention.
4. Managing diversity: Organizational behaviour research helps us to understand how diversity affects organizational behaviour, including issues such as communication, leadership, and conflict resolution. By understanding these factors, organizations can create a diverse and inclusive workplace that promotes creativity, innovation, and mutual respect.
5. Adapting to change: Organizational behaviour research helps us to understand

how individuals and groups react to change, including technological, economic, and social changes. By understanding these reactions, organizations can develop effective change management strategies that minimize resistance and promote innovation.

6. Overall, studying organizational behaviour is essential for creating a positive work environment that promotes productivity, well-being, and effective performance.

2.2 Importance of Organizational Behaviour

1. **OB gives us a roadmap for living in organizations.** People carry their worries, disappointments, and aspirations to their workplace. People in companies frequently give the impression that they are acting logically, contributing equally to the workload, and respectfully conducting them. Several people start getting distracted, their job suffers, and some even begin to retreat. Even worse, one can come across someone who is using others for selfish gain. Life in organizations can be confusing because of the wide variety of human behaviours. However, individuals who are aware of what to seek and have some in-depth knowledge of how to handle challenges are more likely to react in a way that is practical, less stressful, and even career-advancing. For employees to work in a more secure and comfortable environment, OB must map out organizational events.
2. **A manager in a business setting is concerned with delegating tasks to get things done.** He or she will succeed when able to inspire subordinates to put in more effort and produce better results. The manager will benefit from OB by better understanding the causes of motivation and what to do to inspire workers.
3. **The field of OB is beneficial for fostering cordial labour/management relations.**

   It is not necessarily due to a hostile workplace when an employee is slow to complete tasks or sees a steady decline in productivity. The boss's casual approach frequently encourages employee laziness. Similar to the last example, the management's unwillingness to discuss problems with union leaders may lead to them calling for a strike. In other words, management- employee relationships are frequently strained for reasons that are personnel-related rather than technical. Humane solutions must be found for human concerns. To comprehend the root of the issue, foresee its progress, and manage its effects, OB is helpful. The foundation of human resource management is the field of OB.
4. **OB aids in staff motivation and assists managers in motivating staff**, which

naturally improves organizational performance and increases job happiness. It aids managers in using the proper tactics and instruments for employee motivation based on each employee's unique needs.

5. **OB promotes efficient use of human resources** - Effective management of the Organization and people's behaviour is made possible by OB. It enables managers to encourage and inspire workers to achieve high levels of productivity and superior outcomes.

2.3 Contributing Disciplines to Organizational Behaviour

Fig 2.1: Contributing disciplines to organizational behaviour

Contributing Disciplines of OB are:

1. **Psychology** - The word "psychology," means "soul or spirit," and is derived from the Greek word "psyche." The goal is to analyze, comprehend, and occasionally modify human behaviour. Psychology studies the mechanisms underlying human behaviour, including learning, motivation, perception, individual and group decision-making, patterns of organizational influence change, group process, satisfaction, communication, selection, and training. The concepts mentioned above are also relevant to organizational behaviour.

   Psychology is one of the most important disciplines that contribute to organizational behaviour. It focuses on studying individual behaviour, attitudes, and emotions, which are critical factors in understanding organizational behaviour. Topics such as motivation, perception, learning, personality, and group dynamics are all relevant to OB.

2. **Anthropology**- The word "anthropology" is a combination of the Greek

word "anthropoid" and "logy," which signifies science. So, the science of man can be referred to as anthropology. It sometimes goes by the name "science of humanity." It investigates how people interact with their surroundings. Comparative values, comparative attitudes, cross-cultural study, organizational environment, etc. are among anthropology's key contributions to the area of OB.

Anthropology studies human cultures and societies, including their customs, beliefs, and practices. Anthropological perspectives are particularly useful for understanding cross-cultural differences in organizational behaviour, as well as issues related to diversity, equity, and inclusion.

3. **Political Science** - The area of social science known as political science studies political institutions and political behaviour. In other words, political science aids in our understanding of the dynamics of politics and power inside organizations, including conflict resolution, coalition building, and the distribution of power, among other things. Political science has primarily contributed to the discipline of organizational behaviour by studying conflict, intra- organizational policies, and power. Political science studies power, governance, and decision-making processes in organizations and societies. It provides insights into how power dynamics shape organizational behaviour, including issues such as conflict management, leadership, and decision-making.
4. **Economics** - Economists research how products and services are produced, distributed, and consumed. A nation's economic situation has a long-lasting effect on organizational behaviour. When employees' psychological and financial expectations are met, they are happy and perform well. Financial, commercial, and industrial activities are all part of economic systems, and these activities have a significant impact on how individuals behave.
    - Understanding incentives: Economics provides a framework for understanding how incentives shape behaviour. In OB, economic concepts such as incentives, rewards, and punishments are used to understand how they influence employee behaviour, motivation, and performance.
    - Analyzing decision-making: Economics provides a framework for analyzing decision-making behaviour. In OB, economic concepts such as cost-benefit analysis, rational choice theory,

and game theory are used to understand how individuals and organizations make decisions, and how these decisions affect organizational behaviour and performance.

- Studying organizational design: Economics provides a framework for analyzing organizational design, which refers to the structure, processes, and systems that determine how an organization operates. In OB, economic concepts such as transaction costs, agency theory, and organizational learning are used to understand how organizational design affects behaviour and performance.
- Examining labour markets: Economics provides a framework for analyzing labour markets, which refers to the supply and demand of labour within an economy. In OB, economic concepts such as human capital, labour market segmentation, and wage differentials are used to understand how labour markets affect employee behaviour and performance.
- Analyzing productivity: Economics provides a framework for analyzing productivity, which refers to the efficiency with which inputs (e.g., labour, capital) are converted into outputs (e.g., goods, services). In OB, economic concepts such as production functions, efficiency, and productivity growth are used to understand how organizational behaviour affects productivity and performance.

5. **Engineering**- Engineering has an impact on organizational behaviour as well. Engineering and organizational behaviour share some subjects, such as work measurement, productivity measurement, workflow analysis, work design, job design, labour relations, and related others. There are several areas where engineering can help in OB:
    - Human factors engineering: Human factors engineering is a discipline that applies engineering principles to the design of systems, processes, and equipment to optimize their interaction with people. In OB, human factors engineering can be used to design workspaces, equipment, and processes that optimize employee comfort, safety, and efficiency.
    - Operations research: Operations research is a discipline that uses mathematical and analytical methods to model and solves complex

problems. In OB, operations research can be used to develop models that

For Vivekananda Global University, Jaipur

Registrar

decision-making. In OB, IT can be used to analyze and manage large amounts of data, automate processes, and improve communication and collaboration.

- System engineering: System engineering is a discipline that applies engineering principles to the design, development, and operation of complex systems. In OB, system engineering can be used to design and develop systems that optimize organizational performance, including supply chain management systems, quality control systems, and decision support systems.

6. **Medical Science** - Stress is increasingly prevalent in organizations. According to research, it is critical for both individual and organizational well-being to manage the causes and effects of stress in both work- and non-work-related environments. Medicine aids in the management of stress and issues associated with it.
7. **Sociology** - Additionally, sociology has a significant influence on the study of organizational behaviour. Sociology uses scientific approaches to learn more about how people interact with one another in groups. Through the study of interpersonal dynamics including leadership, group dynamics, communication, etc., sociology contributes to organizational behaviour.

   Sociology studies social groups, institutions, and their interactions. It provides valuable insights into the ways in which people interact and behave within organizations, including the impact of culture, social norms, and power structures.

   - Understanding organizational culture: Sociology provides a framework for understanding organizational culture, which refers to the shared values, beliefs, and practices of an organization. Sociological concepts such as socialization, social norms, and social structure are used to analyze how organizational culture is created and maintained, and how it influences employee behaviour, attitudes, and performance.
   - Studying group behaviour: Sociology offers insights into how groups interact and how group dynamics influence individual behaviour. In OB, sociological concepts such as group cohesion, groupthink, and social identity are used to understand how groups function in organizations and how they can be managed effectively.

- Examining power dynamics: Sociology provides a framework for analyzing power dynamics in organizations. Sociological concepts such as authority, power, and status are used to understand how power is distributed within an organization, and how it influences decision-making, conflict resolution, and employee behaviour.
- Exploring social inequality: Sociology provides a lens for understanding social inequality and how it affects organizational behaviour. Sociological concepts such as social class, race, gender, and ethnicity are used to analyze how these factors affect organizational behaviour, including employee recruitment, selection, and promotion.
- Analyzing organizational structure: Sociology provides a framework for analyzing organizational structure, which refers to the formal and informal patterns of relationships, communication, and decision- making within an organization. Sociological concepts such as bureaucracy, division of labour, and organizational hierarchy are used to understand how organizational structure affects employee behaviour, attitudes, and performance.

Overall, the interdisciplinary nature of organizational behaviour draws on various social sciences, and their integration helps in understanding organizational behaviour in a comprehensive manner. The integration of different disciplines allows for a broader understanding of human behaviour, which can help to develop effective strategies for managing people and organizations.

2.4 Summary

➢ OB offers a roadmap for our life within organizations. We all have a natural desire to learn more about the world we live in. Due to their significant influence on our actions and behaviours, this is especially true in organizations.

➢ Psychology studies the mechanisms underlying human behaviour, including learning, motivation, perception, individual and group decision-making, patterns of organizational influence change, group process, satisfaction, communication, selection, and training. The concepts mentioned above are also relevant to organizational behaviour.

- Political science aids in our understanding of the dynamics of politics and power inside organizations, including conflict resolution, coalition building, and the distribution of power, among other things. Political science has primarily contributed to the discipline of organizational behaviour (OB) by studying conflict, intra-organizational policies, and power.
- Effective management of the organization and people's behaviour is made possible by OB. It enables managers to encourage and inspire workers to achieve high levels of productivity and superior outcomes.
- OB gives us the power to change organizational outcomes. The majority of us wish to change the environment in which we live, even if it is beneficial to comprehend and foresee organizational happenings.

2.5 Keywords

1. **Anthropology**- The word "anthropology" is a combination of the Greek words "anthropoid" and "logy," which signifies science. So, the science of man can be referred to as anthropology.
2. **Psychology** -The word "psychology," means "soul or spirit," and is derived from the Greek word "psyche." The goal is to analyze, comprehend, and Occasionally modify human behaviour.
3. **Political Science** - The area of social science known as political science studies political institutions and political behaviour. In other words, political science aids in our understanding of the dynamics of politics and power inside organizations, including conflict resolution, coalition building, and the distribution of power, among other things.
4. **Sociology** - Sociology is a social science that focuses on society, human social behaviour, and patterns of social relationships, social interaction, and aspects of culture associated with everyday life.

Self-Assessment Questions

1. What is important in studying organizational behaviour?
2. Explain how psychology contributes in discipline to organizational behaviour.
3. What do you mean by Anthropology?
4. How anthropology contributes in discipline to organizational behaviour?
5. Engineering has an impact on organizational behaviour. Explain
6. Explain how medical science contributes discipline to organizational behaviour.
7. How organizational behaviour helps in living in the organization?

8. How does organizational behaviour help in cordial labour/management relations?
9. How does engineering have an impact on organizational behaviour?
10. Human resources are efficiently utilized with the help of organizational behaviour. Explain how.

2.6 Case study

A Hard-working employee of a reputed organization named Shyam is working with dedication and is awarded an Incentive and bonus. This increased his purchasing power and improved his standard of living. It also has an impact on his behaviour. He is now able to provide his kids with better education and a better healthcare facility for the elderly members of his family.

Questions

This is an example of which discipline of Organizational behaviour?

References

1. https://tyonote.com/contributing_disciplines_to_organizational_behavior/
2. https://humanyze.com/blog-what-is-organizational-behaviorand-why-is-it-important/#:~:text=The%20importance%20of%20studying%20organizational,key%20to%20an%20organization's%20success.
3. Gilbert: Principles of Management, McGraw Hill.
4. Kaul Vijay Kumar, Business Organization & Management - Text and Cases, Pearson

Unit 3

Model and Theories of Organization Behaviour

Learning Objectives

After studying this module, students will be able to:

1. Know about the various models and theories of organizational behaviour
2. Understand the classic theories and approaches toward Organization Behaviour by early thinkers
3. Acquire knowledge about the leading contributors in the field of Organization Behaviour

Structure of the Unit

3.1 Models of Organizational Behaviour

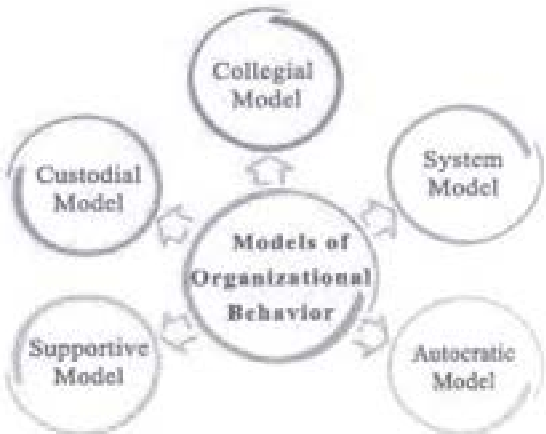

Fig 3.1: Models of OB

Every firm lays down a paradigm for its employees to behave a certain way. This model is built on the management's assumptions about people and its vision. Since these presumptions varied greatly, various organizational behaviour models have been developed.

Two distinct strategies have been used since the dawn of civilized human society to establish confidence in others. According to one, do not trust anyone unless there is contrary evidence, and trust everyone unless there is contrary evidence, according to the other. Naturally, these two approaches produce different interpersonal relationships.

It is worthwhile to note the following information about the organizations here:

Most of our foundations are built on the premise that individuals can't be trusted or depended upon, even for trivial things.

But this is just one side of the story. Examples are McGregor's theories X and Y, both of which contain assumptions that are in stark contrast to one another; Argyris' concept ofpeople's immaturity and maturity, which offers two opposing viewpoints on individuals. As a result, OB models built based on these hypotheses would exhibit wide variations. However, in-use OB models exhibit some sort of continuity between these two opposing poles, despite their propensity to lean in one direction. According to Davis, there are four models:

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

Basis of difference	Autocratic	Custodial	Supportive	Collegial
Basis of model	Power	Econo mic resource	Leadership	Partnership
Managerial orientation	Authority	Money	Support	Teamwork
Employee orientation	Obedience	Security and benefits	Job performance	Responsible behaviour
Employee psychological result	Dependen ceon boss	Dependence on organization	Participation	Self-discipline

Employee needs met	Subsistence	Security	Status and recognition	Self- actualization
Performance result	Minimum	Passive cooperati on	Awakened drives	Moderate enthusiasm

1. Autocratic Model

Managerial orientation is towards power in the autocratic approach. Employees are expected to follow their orders since managers view them as the only way to accomplish tasks orders. High boss reliance arises as a result. Employees only make enough money to subsist which allows for this dependence. The organizational structure is largely codified, and those to whom it applies, have the right of command over those to whom it is granted. The management chooses what is best for the employees to do. The approach is heavily influenced by McGregor's Theory of X, which holds that people are fundamentally lazy and reluctant to shoulder responsibilities. To get the kind of work that is desired from them, very stringent and close control is necessary. A comparison between the Likert management system and the organizational behaviour model can be made. Fear, threats, punishment, and sporadic rewards are used to maintain his exploitative authoritative system, in which motivation depends on physical security as well as some use of the desire for better performance is ensured. Communications are primarily one-way, downward, with little interaction between managers and employees.

The autocratic model emphasizes on the conventional wisdom that is predicated on The economic notion of man. As a result of people's shifting values and levels of desire, this paradigm is giving way to others. Although, this does not imply that the model is completely abandoned. When employees may be motivated by physiological demands, the autocratic model of organizational behaviour may be a beneficial tool for achieving performance in various situations. It is more common at lower levels of the organization.

2. Custodial Model

While custodial model employees are happy with their jobs, they do not perform well. It is analogous to Herzberg's satisfaction and dissatisfaction. Employees are content because they receive enough respect and organizational security. They do not, however, have any power to determine what rewards or advantages they should receive. This strategy is similar to the patrimonial method in that the underlying premise is that management has the right to choose which benefits are best for the workforce. This strategy is still widely used in many Indian corporations. The tendency is particularly prevalent in family- run businesses where family values have also been integrated into the workplace culture. Parents make decisions regarding what is best for their children, while managers make decisions about what is best for their employees. This is a fundamental component of the family-managed system.

3. Supportive Model

Instead of relying on the use of financial power, the supporting model of organizational behaviour rests on managerial leadership. Managers want to help employees achieve their objectives. Employee interaction and participation in managerial decision-making are prioritized. The model is built on the fundamental component of Likert's approach, supporting relationships (participative).

According to Likert, the leadership and other organizational processes must be such that there is a maximum probability that each member will, in light of his background, values, and expectations, view the experience as supportive and one that builds and maintains his sense of personal worth and importance in all interactions and relationships with the organization. 28 It shares several similarities with McGregor's Theory Y's underlying tenets. The supportive approach is predicated on the notion that as people mature, they want their work environments to reflect their expectations.

Several organizational functions, including leadership, decision-making, interaction, control, and influence, are designed to support employees in achieving their higher-order demands, including self-actualization and respect.

According to Likert, supportive models are most effective when employees are motivated by their own goals. This emphasizes the human side of the company rather than its financial resources. Instead of closely monitoring employees, a manager's job is to assist staff in completing their work. For higher-level managers whose lower-order needs are adequately met, this can be implemented more successfully. Businesses with advanced technology and expert staff can also use this technique to make the most of their human resources. However, this does not imply that this paradigm can be used in every situation. Davis notes, for instance, that "the supporting model tends to be particularly effective in societies with affluence and complicated technology because it appeals to higher order demands and provides intrinsic motivational reasons. Applying this concept in less developed countries might not be a great idea. Because their social situations are different and their employees need structures that are frequently at lower levels. Furthermore, compared to operational levels, this model can be applied more successfully at the managerial level. As a result, modern management tends to adopt a supportive model, particularly for their management groups.

4. Collegial Model

The supportive model is expanded upon in the collegial model. Collegial refers to a group of persons who have the same goal. Collegial models are founded on the idea of a team in which each person grows in understanding of others and works toward shared objectives. The employee here will respond responsibly. Employees do not require a lot of management direction or control. The self-discipline of the team members primarily serves as a control mechanism. The environment at work is very supportive of self-actualization and self-fulfillment.

With unprogrammed work requiring behavioural flexibility, an intellectual environment, and significant job freedom, the collegial model typically proves more beneficial. The numerous models of organizational behaviour are predicated on the idea of human traits and how they can function most effectively. Managers cannot automatically assume that a certain model is best suited for all purposes and all scenarios because situational variations are significant elements in defining organizational processes. Instead, all of the models would be used indefinitely and with great success. These models are built around the needs. The same model cannot be applied to all employees because their need hierarchies differ. The position of a person within the organization, his education, maturity, personality traits, and type of work environment all affect the need hierarchy.

Organizational theorists have asserted that there is a trend towards the adoption of supporting models because, in this scenario, people may provide most of their effort because, in other models, they do not find conducive conditions to giving their bestperformance. To make their organizations more efficient, managers are doing a variety of things to humanise them, including encouraging involvement and boosting moral.

3.2 Evolution of Organizational Behaviour-Classical to Postmodern Theories

We were familiar with the idea and methods for understanding organizational behaviour in earlier courses. It is vital to understand the development of organizational behaviour to better comprehend how the discipline developed. Understanding the evolution will allow you to link the rules and regulations to the transition from assembly lines and standardised, repetitive jobs to team-based work units. Three people had a significant impact on the organizational behaviour discipline. They are Robert Owen, Charles Babbage, and Adam Smith.

1. Adam Smith

Adam Smith established a persuasive case for the economic benefits that organizations and society would experience from the division of labour, also known as work application in industry, in his debate published in "The Wealth of Nations" in 1776. He used an example from an Industry to illustrate it. He concluded that the division of labour increases productivity by improving each worker's ability and dexterity, saving time that is typically lost when switching activities, and promoting the development of machines and inventions that reduce labour costs. His theory led to the extensive development of assembly-line manufacturing techniques in the 20th century.

2. Charles Babbage

Although Charles Babbage supported Adam Smith's division of labour, he also highlighted other benefits that flow from it. They are:

1. It cuts down on the amount of time needed to learn a new job.
2. It reduces the material waste that occurs throughout the learning process.
3. It makes it possible to develop high skill levels.
4. It makes it possible to carefully match people's abilities and skills to particular tasks.

He also suggested that, in comparison to physical labour, the economies of specialization should be just as significant. In recent years, we have come to view the professionals' key competencies (specializations) as expertise. When it comes to treating people with various illnesses, professionals with specialties including dermatologists, physicians, and gynecologists, among others, are available. Therefore, whether they are in the industrial or service industries, firms around you make extensive use of the division of labour.

3. Robert Owen

He was significant in the development of organizational behaviour. He was the first industrialist to understand how factory techniques were implemented. He became a reformer after becoming repulsed by such practices as hiring children under the age of 10, having thirteen-hour workdays, and having unsanitary working conditions. He confronted factory owners for treating their machinery and staff worse than they did. He also attacked them for investing in the best machines and running them with low-cost labour. He made a case that the management must invest in its people to be profitable and put an end to human suffering. When he advocated for a regulated home workplace, child labour laws, public education, providing meals at work, and business involvement in community projects in 1825, he was more than a century ahead of his time.

3.3 The Classical Movement

1900 until the mid-1930s is considered the classical era. The earliest broad ideas of management started to take shape at this time. Frederick Taylor, Henri Fayol, and Max Weber are considered classic contributors since they set the groundwork for modern management techniques.

With this method, an organization was seen in terms of its formal structure and goals. The emphasis is on task planning, technical proficiency, management concepts, and the presumption of reason and logic in workplace behaviour.

The strategy places a strong emphasis on articulating a distinct organizational purpose, outlining defined objectives, and coordinating duties at all organizational levels as the means of enhancing effectiveness.

The division of labour and coordination are advocated for managers to accomplish work specialization by defining duties and responsibilities. The key characteristics of organizations in this approach are formal organizational links and managerial hierarchies.

The following are the main theories that make up the classical approach:

a.) Scientific management

b.) Bureaucracy

A. Scientific management

The "founder" of scientific management, F. W. Taylor (1856-1917), concentrated on identifying the single optimal technique to carry out a task. He broke a task down into a series of tasks and used science to determine the most effective way to perform each job-related duty.

To create the most effective set of tasks to complete a job, he timed each method of performing a specific task and rearranged them.

His strategy intended to increase productivity and motivation at work while paying employees appropriately according to the difficulty of the duties they perform. The following were the main tenets of scientific management theory:

- Scientific approach for designing every job.
- Scientific approach to worker selection, training, and development.
- Collaboration with workers to complete tasks in the most efficient manner.
- The division of labour and accountability between management and employees.

a. Evaluation of scientific management theory

Workers were regarded like other production components and were seen more as individuals than as a collective. Production supervisors achieved a high level of unchecked power. Union and non-union members were dissatisfied with the intensively controlled work. Repetitive work and fewer skills learned on the job.

b. Relevance of scientific management theory

Importance to employee behaviour at work

Employees are seen as logical, economically sound beings with underlying motivations, such as higher incentives for higher output. Relatively better industrial harmony through higher wages from the increased output, elimination of physical burnout, matching of work with skills, and better coordination between management and employees.

3.4 Administrative Theory

This theory puts out standards for excellent management practice as well as general managerial duties. Henry Fayol, who lived at the same time as Taylor and made the main contribution to this theory, suggested that all managers carry out five managerial functions. They coordinate, command, plan, organize, and control. Every businessaccepts managers of all levels to execute these duties. He claimed that all types of organizations engage in management.

He put forth 14 management principles.

1. Division of labour:

Increased levels of efficiency through workload division, resulting in a quicker turnaround time, less supervision needed, and the development of expertise.

2. Authority and Responsibility:

These are the two most important aspects of management. Authority allows management to work more efficiently, while responsibility holds them accountable for the work done under their supervision or leadership.

3. Discipline:

Respect for the laws, regulations, and agreements that govern an organization is a prerequisite for discipline. All agreements between a company and its employees must be presented transparently and equitably.

4. Uniformity of command:

This prevents confusion and disagreement by requiring that each employee follow the directions of only one supervisor.

5. Unity of Direction:

One manager for each organizational plan and a single plan for functioning within the organization are examples of unity of direction and deal with comparable objectives.

6. Subordination of Individual Interest:

Individual interests are subordinated to the greater good: organizational aims should take precedence over those that are personal or collective.

7. Remuneration:

Wages should be allocated to all employees and managers fairly and equitably.

8. Centralization:

Decision-making is in the hands of superiors, but the levels of decision- making should be left to the organization's contingency factors to allow managers and subordinates to contribute equally. No situation, whether centralization or decentralization, is ideal because it depends on the circumstances.

9. Scalar chain:

It is important to clearly define and always abide by the lines of organizational hierarchy and lines of authority for communication.

10 Order:

Everything (things) and everyone (people) should be in their proper places at the appropriate times. Posting employees in positions that are best suited for them.

11 Equity:

It is mandatory to treat all employees equally and respectfully. It is the responsibility of a manager to ensure that there is no discrimination.

12 Tenure stability:

It is important to have a steady employee population so that employees may get a better understanding of the nature of their occupations and the larger context in which they are done.

13 Initiative:

To increase employees' pleasure and motivation, implementable inventiveness should be promoted.

14 Esprit de Corps:

The instilling of collaboration, a sense of cooperation and harmony, and two-way verbal communication to lessen disagreement among team members.

3.5 Structural Theory

German sociologist Weber described the essential elements of the bureaucratic organization, a particular sort of organizational structure. He proved that this kind of organization has a knowledgeable and orderly administration.

Key characteristics include:

- For all work levels, job tasks are designated as official duties
- Every job has a distinct division of labour and a speciality
- There is a position-based hierarchy
- Formal rules and regulations are used to achieve uniformity or consensus in decisions and actions.
- Employment is based on technical skills and in line with a professional's long-term career ambitions

Stewart summarized four main features of bureaucracy:

- Job specialization beyond the performer to maintain continuity in the event of a worker's departure
- A hierarchy of authority creates a distinct line between management and employees, as well as additional levels of authority within management
- A set of rules is intended to create a structured and effective work procedure.
- Being impersonal means delegating power according to rules rather than at random.

1. Evaluation of bureaucracy Criticism

- Too much attention is paid to documents, rules, and regulations
- Executives flaunt their status and power within the bureaucracy
- Lack of ability to change with the times and adapt
- Excessive secrecy surrounding administrative processes
- Impersonal interactions can lead to a lack of empathy for and sensitivity to the personal issues of employees

2. Organizational solutions to Bureaucracy

Organizations in the modern world are moving away from bureaucratic systems and toward alternative models as global competition and knowledge advancements increase. Ridderstrale made a few recommendations for building high-performing organizations in the modern world.

- Organizations that are flatter and decentralized, with a broad span of control and fewer mid- level management layers.
- People can move between functions in a flexible organization.
- Creating learning organizations in which all employees are equally familiar with one another and their skills to improve collaboration. This can be accomplished by compiling a comprehensive list of core competencies.
- Managers sharing knowledge and principles with employees to improve cooperation public sector organizations are a good example of bureaucratic organizations. They ensure consistency of treatment, adherence to rules and processes, and public accountability.

Mooney and Riley outlined guidelines that all organizations should follow.

- The principle of coordination focuses on the unity of action, which requires all employees to work together with discipline and authority
- The scalar principle focuses on organizational hierarchy, responsibility allocation based on job level, and the delegation process
- The functional principle - the requirement for each task to be specialized to differentiate between roles

3. Evaluation of the classical approach

- Positives:
- The first theory approached management systematically
- Concentrate on universal rules that apply to all organizations
- Concentrate on assessing organizational effectiveness
- Criticisms:
- Lack of attention to personality traits
- Perception of organizational structure in which workers have limited control over their working environment

- There is no flexibility in adopting flexible managerial styles, and there is an over-reliance on a few fixed principle
- Concerns about the practical application of the classical approach.
- In the organization, there is no emphasis on situational factors
- There is no emphasis on workers' social and psychological characteristics

3.5 Structuralism: This approach advocates concentrating on both formal and informal aspects of an organization. The approach bridges the gap between early theories and human relations approaches.

3.6 Social Man Theory

Taylor, Fayol, and Weber have come under fire for failing to recognize that employees are the fundamental element of every firm and that people are social animals. Chester Barnard and Mary Parker Follett were the two theorists who recognized the significance of social factors in organizations. Their concepts were ignored at first, and it wasn't until the 1930s that they were acknowledged. Follett believed that rather than individualism, organizations should be built on a shared code of ethics. The potential of an individual is not realised unless it is connected to growth. The potential aims that a manager must coordinate and harmonise the efforts of the group.

Additionally, she stated that both managers and employees should see each other as partners and as members of the same group. To lead their employees, managers must rely more on their experience and knowledge than on the formal authority of their position.

Given the importance of inspiration, leadership, power, and authority today, her thoughts are still relevant. The management philosophies of the United States, Europe, and Japan are all influenced by Follett's idea. They value cooperation among the group members and teamwork highly.

1. Views on Business Management

She referred to management as "the art of getting things done through others," and she wrote about power, authority, leadership, and coordination.

a. Conflict

She defines conflict in terms of difference rather than good and bad. Domination, compromise, and integration can be used to resolve conflict. Domination is thought to be effective, but it does not last long. Because compromise entails sacrifice, integration is the preferred method of dealing with conflicting situations.

b. Power

She defines power as 'the ability to influence and effect change'. She believes that power should not be understood as a forceful way of getting things done through subordinates, but rather as the coexistence of power. She believes that power should be shared anddeveloped by superiors and subordinates alike. Her advice is to wield power by integrating two parties back and forth. She did not believe in delegating power because it could not be exercised genuinely by the person who delegated it. According to Follett, the manager's direction and power should flow naturally from their expertise and skill. As a result, she discussed and initiated approaches such as power-over, power-with, the balance of power, actual equal power, integration, and collective bargaining.

c. Giving Orders

Instead of giving orders, managers should inform their subordinates about standard practices. Work process, progress, and demand should initiate the order, which should not be hierarchical and always flow from manager to subordinates. Everyone in the organization should have a complete understanding of the organization's purpose, and only then can orders be accepted. Managers must occasionally train and refresh the skill sets of their subordinates to give orders about the new way of performing. Managers in organizations must be prepared and trained to give orders to subordinates so that the giver's attitude matches the result and the order is viewed from an organizational perspective.

d. Authority

Authority does not come from a hierarchical position, but rather from the employee's performance. The responsibilities vested in the individual with their knowledge, skills, and experiences accompany the authority. Managers and subordinates should make decisions together rather than accepting authoritarian instructions from them as the final step. Authority also includes the entire decision-making process, including the judgment and suggestions shared by subordinates. Instead of formal lines of authority, open and informal channels of communication should be allowed in the organization. Instead of ruling and obeying, real authority is intermingling and fitting work according to theneeds of the organization.

e. Leadership

Leaders should prioritise group tasks over individual tasks because employees perform better in groups. Leaders must be fully knowledgeable, have a thorough understanding of the situation and environment, direct a group toward a common goal, find new ways and means, and evaluate the methods employed. She believed that through leadership, a natural order could be established between management and employees. Leadership is unquestionably function-based rather than position-based. This leadership, however, was not to be achieved through the traditional exercise of formal authority by superiors over subordinates. She also urged managers to coordinate work activities through personal contact rather than impersonal and directive work systems and written rules.

f. **Management as a Profession**

According to Follett, business management should strive to achieve the status of a profession because businesses can learn from the profession about maintaining standards. Businesses must accept responsibility for educating people and providing more convenience to them. A scientific approach is used in a business so that everything is dealt with systematically. Business managers must be professionally trained to deal with situations professionally.

g. **Impact and Influence**

Her primary focus was on the behavioural approach to management theory. As a caring community member, she advocated for issues concerning employees' working conditions. She believed in group behaviour and the mutuality of employers' and employees' interests. Her writings are filled with submissive philosophy and values, and her style is not dominant. She described integration methods and alternatives to formal, authoritarian organizational structures. The creators of organizational development shadily rely on Follett's ideas on integrative conflict resolution, the law of situation, and viewing behaviour as being conditioned both internally and externally.

3.7 Chester Barnard

Despite Weber's impact, Barnard disagreed with his mechanistic and impersonal vision of organizations. He viewed institutions as cooperative social systems that depend on people. A manager's primary responsibility is to communicate with and persuade the workforce to work toward the organization's objectives. Any organization's success depends on its ability to interact effectively with others and sustain positive relationships with those external factors on which it depends, such as customers, suppliers, and other stakeholders. The organization can maintain itself by doing this.

1. **Formal and Informal Organization**

Barnard talked about the idea of formal and informal organizational structures. To accomplish organizational objectives, two or more persons consciously create the formal structure. With the personal interaction and bonding between the employees, the informal organization naturally emerges. To accomplish the stated goal, organizations must use these informal settings efficiently. Through recognised and established appropriate routes of communication, the stated aim is accomplished. Managers and supervisors in charge of communication must be capable of giving subordinates a clear message.

2. **Decision Making**

Barnard made decisions based on the freedom of choice, which disappears if there are numerous options. Therefore, the decision-making process involves limiting options to the point where executives or subordinates can handle them. Organizational behaviour, not individual behaviour, best describes the rational process of decision-making. Thedecision-making process for the decision-maker is based on the urgency of the organizational requirement; there should be no premature decisions, no decisions that cannot be put into practice, and they should not make decisions on behalf of others. Organizational decision analysis heavily relies on strategic considerations and must be scrutinized in minute detail using technological methodologies. The techniques, such as chemical analysis and statistics process, financial statements, etc. He also recognized the essence of intuition in decision-making that rationalized the outcomes.

3. The Executive Functions

Executives, according to Barnard, have the responsibility to create in their workers a sense of moral purpose of the majority. Communication with the team members is a crucial task. The team members of the organization need to be made to feel like the organization and they must put the interests of their people before their own.

4. Responsibility and Morality

Responsibility is the key to moral behaviour for an individual during strong contrary desires. During the time of differences within the organization, these moral codes are effectively displayed through individual behaviours. Organizations have their ways of unique expression in the form of cuff cultural terms, assumptions, convictions, reflections, and belief systems. These moral institutions manoeuvre the organizational vision and strategies. Impact and Influence He contributed significantly to our understanding of the concept of organization and its social dimensions. Barnard discussed the concept of formal and informal organizations, in which an informal setting exists within a formal setting to foster cooperation, integrity, teamwork, and unrestricted communication. Barnard's work made managers more aware of the "informal organization," which increased the effectiveness of recognizing and utilizing informal workplace groups. According to the Hawthorne studies' informal organization, workgroups had their leaders, influence systems, norms for appropriate behaviour, social pressures, and standards for an acceptable and unacceptable level of performance. Classical management thought encouraged managers to concentrate on the design and management of formal organizations. Barnard emphasized the service of executive managers, but he also mentioned the duty of all individual members as "the basic strategic factor in the organization" and he was the one who laid the developing foundation for much of the research into current behavioural dimensions.

3.8 Behavioural Movement

The human element was valued in organizations during this time. The human relations movement was born during this period and has since had a considerable impact on organizational behaviour research. Two crucial fields entered into force before this age ever began. Two examples are the establishment of the Personnel Office and Industrial Psychology, both of which Hugo Munsterberg contributed to in 1913.

1. Personnel Office

A few companies, including H.J. Heinz, Colorado Fuel & Iron, and International Harvester, developed the position of "welfare secretary" in response to the rise of unionism. These individuals served as a point of contact between the company and its staff for suggestions on how to enhance working conditions, housing, healthcare, educational opportunities, and recreation. These are comparable to the candidates hired by HR Departments in today's business environment. In 1900, Goodrich Co. formed an employment department with the sole purpose of hiring. The National Cash Register Company developed the first comprehensive labour department in 1902, with responsibility for managing tasks like managing wages, handling complaints, overseeing employment and working conditions, maintaining records, and fostering worker improvement.

2. Industrial Psychology

The book Psychology and Industrial Efficiency by Hugo Munsterberg was published in 1913. Here, he recommended that human behaviour be studied scientifically to uncover broad trends and shed light on individual distinctions. He also saw a connection between industrial psychology and scientific management. Through scientific work analyses and improved skill and ability matching to the requirements of diverse occupations, both observed a rise in efficiency.

He recommended numerous psychological exams for hiring, how training aids in development, and the significance of human behaviour research for inspiring employees. These recommendations have been effectively embraced by modern businesses.

3.9 The Magna Carta of Labour

The 1929 stock market crash in the United States, caused the economy to contract and exacerbated the depression. President Franklin D. Roosevelt at the time backed the Wagner Act, which was passed in 1935. This Act gave union officials the right andlegitimacy to bargain collectively with employers on behalf of their members. This Act turned out to be the labour Magna, Carta. With the passage of this Act, the organization's working conditions improved, as did the union-management relationship. The human relations movement then emerged, playing a significant role from the late 1930s through the early 1940s.

1. Human Relations Movement

The fundamental tenet of this movement is that production will increase in direct proportion to employee pleasure. The following individuals were crucial to this movement. They are Douglas McGregor, Dale Carnegie, and Abraham Maslow.

2. The Human Relation Approach

When the 1920s arrived, organizational theorists began to place more emphasis on social dynamics and human behaviour at work than on formal structures. This article discusses a few of the tests and investigations that aided in the growth of the human approach.

The trial with Hawthorne at the Western Electric Company's Hawthorne plant, which is close to Chicago, the United States, this experiment was carried out between 1924 and 1932. The experiment was carried out by Elton Mayo and his associates and had four stages:

A. Illumination experiments
B. Relay assembly test room
C. Interviewing programme
D. Bank wiring observation room.

A. The illumination experiments

In this study, two groups of workers—the test group and the control group—were exposed to varying light levels—the latter with low to high illumination and the former with standard illumination. The assumption was that production would increase as illumination did. However, no such rise in productivity was seen, and it was determined that there is no connection between physical conditions and productivity.

B. The relay assembly test room

The work in the relay assembly test room was tedious and repetitive. It entailed assembling telephone relays from a variety of small parts. Six female employees were moved from their regular departments to a separate area. The researchers chose two assemblers who were close friends. They then selected three additional assemblers and a layout operator. The experiment was divided into 13 periods during which the workers were subjected to a series of planned and controlled changes to their working conditions, such as work hours, rest breaks, and the provision of refreshments. The test room's general environmental conditions were similar to those of a typical assembly line.

Throughout the experiment, the observer maintained a friendly demeanour, consulting with the workers, listening to their complaints, and keeping them updated on the progress of the experiment. Except for one change (when operators complained that too many breaks caused them to lose their work rhythm), there was a steady increase in output. The researchers concluded that the tension given to workers, as well as management's apparent interest in them, were the primary reasons for the higher productivity. The 'Hawthorne Effect' is named after this phenomenon.

C. The interviewing programme

The significance of supervision, as a factor affecting the level of output, was establishedin the first two phases. Researchers ran a significant interviewing programme that included over 20,000 open-ended, non-directive interviews to better understand this. The employees were free to voice their thoughts regarding management, working conditions, and other aspects of the job. Researchers were able to delve deeply into the attitudes, needs, and expectations of workers as well as the value of listening to them in an organizational environment.

D. **The bank wiring observation room**

In this experiment, 14 men were assigned to work in the bank wiring room and their behaviour was observed. It was discovered that within this large formal group, a few informal groups emerged, and in each group, a leader emerged naturally, to whom other members of the groups looked for decisions. The group developed its own set of norms that defined appropriate behaviour for that group. Despite a financial incentive scheme in which individuals were offered more money for higher output, the group decided on an optimal level of output suitable for all members of the group. Instead of doing their best, some members chose to follow group norms. Peer pressure had a greater influence on workers than financial incentives.

3.10 Neo-Human Relations

Following the Hawthorne experiments, there was a greater emphasis in the 1950s and 1960s on social organization and individual motivation theories, with organizational theorists focusing on human psychological orientation. The following set of management theories focused on the individual's adjustment at work, as well as the impact of leadership styles and group relationships. This line of research was classified as "neo-human relations" theories.

1. Maslow developed based on a hierarchy of human needs, a conceptual framework of individual personality development and motivation in 1943. The hierarchy progresses through five levels, beginning with physiological needs and progressing through safety needs, love needs, and esteem needs to the need for self-actualization at the top.

   Individuals move up the hierarchy only after each lower-level need is met. This theory influenced management approaches to motivation and work design, either directly or indirectly.
2. McGregor linked managers' attitudes toward human behaviour to the management style he used at work. He defined two theories for explaining workplace behaviour: Theory X and Theory Y. According to these, the managers believe that team members must be constantly prompted, rewarded, or punished to ensure that they complete their tasks. Theory Y managers have a positive attitude toward their employees and employ a decentralized, participative management style. This

encourages managers and team members to form more collaborative, trusting relationships.

The neo-human relations approach has resulted in a continued focus on organizational structuring, group dynamics, job satisfaction, communication and participation, leadership styles, and motivation. It has also increased awareness of the significance of interpersonal interactions, the causes of conflict, and the recognition of 'employee relations issues.

3.11 Behavioural science theorists

These theorists believed in objective research of human behaviour in organizations to develop a science of organizational behaviour.

Jacob Moreno created a Sociometric analysis that identified patterns of attraction, repulsion, and indifference among group members. His analysis is used in organizations to build cohesive, high-performing teams.

B.F. Skinner developed operant conditioning and behavioural modification which had a significant impact on organizational training design programmes and incentive systems He stated that behaviour is a function of its environmental consequences. People will engage in desirable behaviour if they are rewarded whereas undesirable behaviour is less likely to be repeated if it is not accepted or punished.

David Mcclelland discovered, with the help of projective tests, that One can distinguish between the high-end needs needed to achieve individuals: these tests aided organizations in matching people with their jobs. Competencies to place them in appropriate jobs, as well as in enriching the jobs to employees. Fred Fielder's research on the contingency model of leadership made an impact.

From the mid-1960s to the late 1970s, there was a significant impact on organizational behaviour. Herzberg classified factors into two categories: motivators and hygiene factors. The former influenced motivation, while the latter resulted in job satisfaction.

Because hygiene factors are the most important, their absence leads to job dissatisfaction. When someone works, they have certain basic expectations. However, the presence of these factors did not motivate an individual to give his or her best effort. Organizations must provide growth/motivating factors to employees to motivate them. These are concerned with the nature of the job.

The research of Hackman and Oldham identified five key dimensions that lead to high levels of employee performance and satisfaction. The identified core dimensions are skill variety, task identity, task significance, autonomy, and feedback. These dimensions also aided in job motivation and design.

1. **Relevance to Management and Organizational**
2. **Behaviour Positive advantages of OB theories**

- It provides a setting for viewing the field of management and learning to take into account the contributions of individual writers.
- It follows the major lines of argument developed by writers attempting to advise. Managers are being trained on how to improve their performance.
- It provides a framework within which the enunciated principles can be established and implemented. It provides a framework within which the enunciated principles can be established and implemented.
- It aids in organizational analysis and problem identification areas.
- It helps the manager to adopt those concepts from the various methods which most effectively meet the specific task requirements. For instance, in coping with a structure issue, the concepts of the classical authors, or the contingency hypothesis may be used. Whenever there is an issue with concepts from the human relations movement applied to human resource management may be most useful. If environmental influences are the issue, it might be more beneficial to conclude from the systems perspective. for issues concepts from the decision-making method or those that are more quantitative derived from management science could be used.

3. Points of caution

- The numerous strategies show the development of concepts, each one building on the last adding to and expanding upon the other. They collectively present a pattern of research that complement one another on the evolution of management thought.
- The various strategies do not compete with one another, and no one strategy should be regarded as the sole strategy, replacing or replacing previous contributions. There arestill many of the authors' ideas relevant today and remaining crucial in contemporary management practices.
- Any classification of particular authors according to particular methodologies is unavoidably arbitrary, and not all authors may be ordered logically in this way. This is to be anticipated, after all.
- Even when there is consensus regarding the type of input from diverse authors, the split into several techniques may take some time in various forms. Using those phrases, it may be said that despite the need for a framework, no one can agree on its design. Various authors have chosen many approaches to explain the advancements in managerial reasoning.
- The term 'management approaches' is more indicative of the obscure lines between the various classifications and paradoxically it is the suggestion of ambiguity, arguably, that makes it a more appropriate term to use.

3.12 Summary

➢ The quality of organizational behaviour that organizations develop varies. These differences are largely caused by different models of organizational behaviour that influences management's thinking in each organization. Organizational behaviour models assist managers in implementing organizational practices that best meet their needs.

➢ Power is central to the autocratic model. According to this model, the person in power has the authority to demand work from his or her employees. It is predicated on the premise that work can only be extracted by pushing, directing, and persuading employees. The emphasis in the custodial model is on providing job security (and fringe benefits that strengthen employees' confidence in security) to employees. The supportive model prioritizes leadership over power or money. It strengthens the bonds between the employer and the employees. Employees in the collegial model are self-disciplined, self-satisfied, and have specific goals that drive them to improve their performance.

➢ The scientific management approach, Weber's bureaucratic approach, and administrative theory are all part of classical organization theory. The scientific management approach is founded on the idea of task planning to achieve efficiency, standardization, specialisation, and simplification.

➢ Henry Fayol developed administrative theory, which is based on several management principles. Furthermore, management was viewed as a collection of functions such as planning, organising, training, commanding, and coordinating.

➢ The contingency or situational approach acknowledges that organizational systems are interconnected with their environment and that different environments necessitate different organizational relationships for the organization to function effectively.

➢ The scientific management approach is founded on the idea of task planning to achieve efficiency, standardisation, specialisation, and simplification. Increased productivity is achieved through mutual trust between management and employees. Taylor (1947) proposed four scientific management principles:

- Science, not common sense;
- Scientific worker selection;
- Management and labour cooperation rather than conflict; and
- Scientific worker training.

➢ In determining productivity, neoclassical theory emphasizes individual or group behaviour and human relations. Individual, workgroup, and participatory managementare the main characteristics of the neoclassical approach.

3.13 Keywords

1. **Autocratic Model** -This model's foundation is power, with a managerial orientation of authority. Employees in this model are focused on obedience and discipline. They are completely reliant on their boss. Subsistence is met as an employee requirement.

2. **Self-actualization** - The desire for self-fulfillment, the desire to become more and more what one is, to become everything that one is capable of becoming, and ultimately the full realization of one's potential.

3. **Collegial model** -The collegial model is based on teamwork - everyone working as a peer. The overall environment and corporate culture need to be aligned with this model, where everyone is actively participating - not just about position and job title - for everyone to work together to make a better organization is encouraged.

4. **Esprit de Corps** - Esprit de Corps means "Team Spirit". Henry Fayol's principle of management states that the management should strive to create unity, morale, and cooperation among the employees.

5. **Conflict** - Mary Parker defines conflict in terms of difference rather than good and bad. Domination, compromise, and integration can be used to resolve conflict. Domination is thought to be effective, but it does not last long. Because compromise entails sacrifice, integration is the preferred method of dealing with conflicting situations.

6. Self-Assessment Questions

7. **Explain the four organizational behaviour models described by Davis.**
8. What is the difference between the 4 Models of OB?
9. Who is considered to be the father of scientific management?
10. What is the key principle of scientific management?
11. Explain the 14 principles of management given by Taylor.
12. What do you mean by a bureaucratic organization?
13. What are the key characteristics of structural theory?
14. Explain social man theory.
15. Discuss the advantages of organizational theories.
16. Explain the evolution of organizational behaviour.

3.14 Case study

Varun working with reputed Real estate company Sobha limited is provided with facilitates of health care and PPF account. This gives both social as well as economic security to him. This results in better performance. Keeping the inflation rate in mind employees are also provided with an annual appraisal. All this facility helps in retaining the employees at the company.

Questions

The above-given study is an example of which approach to Organizational behaviour? Explain.

3.15 References

1. https://legalpaathshala.com/organizational-behavior-model/
2. https://www.myorganizationalbehaviour.com/five-models-oforganizational-behaviour/
3. https://byjus.com/commerce/henri-fayol-14-principles-of-management/
4. Organizational Behaviour - by Stephen Robbins - Prentice Hall Publications
5. Organizational Behaviour - by K. Ashwathappa - Himalaya Publishing
6. Organizational Behaviour - by L. M. Prasad - Sultan Chand Publications
7. Organizational Behaviour - by Suja Nair - Sultan Chand Publication

Unit 4

Perception and Attribution

Learning Objectives

After studying this module, students will be able to:

1. Understand the meaning and nature of perception
2. Know the concept of perception and attribution
3. Know its importance
4. Understand the scope of attribution

Structure of the Unit

4.1 Concept

The choice and arrangement of external inputs to produce meaningful experiences for the perceiver are known as perception. It is the procedure through which information obtained from the outside environment is chosen, gathered, organised, and analysed to give it meaning. It is a significant factor in determining how people behave. One's perception is influenced by the receiver, the received, and the circumstance. It is a significant factor that has an impact on many organizational domains. The main inputs for understanding organizational behaviour will come from the disparities between the managers' and employees' perceptions of the world and the organization's reality.

Additionally, we have looked at the social perception process in terms of the perceiver,the perceived one, the circumstance, the attribution, and potential errors. Additionally, we have made an effort to investigate how people control situations by using impression management. We've noted the process of attribution, which is when someone gives causes and attributes to other people's behaviour. In this lesson, we seek to comprehend how individual differences in the many aspects of perception, the perception process, and the operation of perceptual organization might affect perception. This unit also includes attribution theory.

Stephen P. Robbins mentions it as a process by which individuals organize and interpret their sensory impressions to give meaning to their environment.

Fred Luthans remarks that Perception is an important meditative cognitive process through which persons make interpretations of the stimuli or situations they face.

4.2 Nature :-

All of the methods by which a person gets information are considered information from his environment, including what he can see, hear, feel, taste, and smell. Perception can be defined as the process of seeing what is readily visible. It is the process of getting information about and making sense of the environment around us. "The study of perception is concerned with discovering the processes by which we interpret and organise sensory information to construct our conscious experience of objects and object connection."

Perception includes the effort to gather and organise information in the mind. It is also known as a psychological process whereby people gather (or take) information from their surroundings and attempt to make sense of the world around them. Two people who have witnessed the same thing will frequently have two very different interpretations of it.The engagement of the highly complex cognitive process outlined above is the cause of such an occurrence. Because each person perceives the world differently, they each process information differently. The personality of a person is greatly influenced by their perceptions. Individuals organise and interpret their sensory perceptions through perception to give the context of their surroundings.

It should be noted that perception is an individual's unique interpretation of a situation, not an identical recording of it. As a result, we must remember:

1. Perception is a complex cognitive process that results in a unique interpretation (or image) of the world, which may be very different from reality at the time.
2. There is a significant difference between the perceptual and real world.
3. Many issues that arise in organizations (related to organizational problems) and perception issues (such as behaviour) are frequently discovered.

4.3 Process and Its Application in Organizational Behaviour

A variety of things influence and occasionally distort perception. These elements might be found in the perceiver, the item or target being perceived, or the situation in which. the perception is made

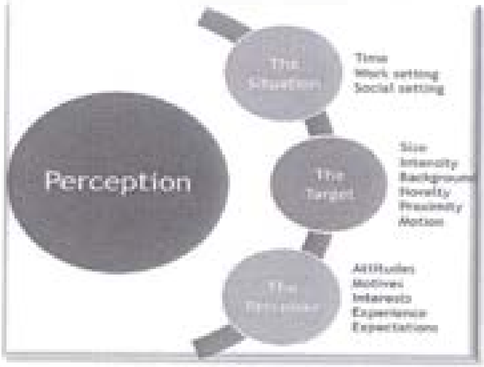

Fig 4.1: Perception

1. The Perceiver

When a person looks at a target and attempts to interpret what he or she sees, that interpretation is significantly influenced by the individual perceiver's personal qualities. Attitudes, intentions, interests, expectations, and past experiences are some of the more important personal characteristics that influence perception. Unsatisfied desires or motives stimulate people and can have a big impact on their perspectives.

For example, a supervisor who has just been admonished by her employer for her staff's high degree of tardiness is more likely to notice such behaviour by an employee tomorrow than she was last week. If you are engaged with a personal issue, you may find it difficult to concentrate in class. These examples show that the focus of our attention appears to be impacted by our interests and varies significantly. What one individual notices in a scenario may not be the same as what others perceive.

Past experiences, like interests, help to narrow one's focus. You notice things to whichyou can relate. However, in many cases, your prior experience will serve to negate the object's interest. Objects or experiences that have never been seen or experienced before are more noticeable than those that have. Women and minorities in executive roles were particularly visible in the late 1960s and early 1970s since those jobs had long been the domains of white males.

Because women and minorities are more broadly represented in management today, we are less likely to notice if a boss is female.

Finally, expectations might distort your senses, causing you to see only what you expect to see. You may perceive a police officer to be authoritative, young people to be unambitious, personnel directors to "like" people, or anyone holding public office to be unethical, regardless of their true characteristics.

2. The Target

The characteristics of the observed target can influence what is perceived. In a group, loud persons are more likely to be recognized than quiet ones. The way we see a target is shaped by its motions, noises, size, and other characteristics.

Because targets are not viewed in isolation from their surroundings, their relationship to their surroundings affects perception, as does our tendency to group close and similar things. What we see is determined by how we distinguish a figure from its broad background.

Objects that are close together are more likely to be perceived jointly than separately. We frequently group unrelated items or occurrences due to physical or temporal proximity. Persons, objects, or similar events grouped the toll. er the similarity, the more likely we are to regard them as a common group. Women, blacks, or members of any other group with obviously distinguishable features or colours will be perceived similarly in otherunrelated aspects as well.

3. The Situation

It is critical to consider the context in which we observe objects or events. Elements in our surroundings influence our perception.

For example, if your supervisor from the headquarters happens to be in town, you are more likely to observe our employees congregating. Once again, the situation influences our perception. Location, light, heat, or any number of environmental circumstances can all alter the time at which an object or event is noticed.

a) Frequently used shortcuts in judging others

When we criticize people, we employ a variety of shortcuts. It is difficult to perceive/interpret what others do. As a result, people devise methods to make the process more doable. These strategies are typically useful since they allow us to quickly form accurate perceptions and supply valid data for making predictions. They are, however, not without flaws. They can and do cause us problems. Some of these shortcuts are as follows:

b) Selective perception

Any feature that distinguishes a person, item, or event increases the likelihood that it will be perceived. Why? Because it is difficult for us to comprehend what we observe. Relics of relics i. We participate in selective perception because we cannot monitor everything that is going on around us. A group's view of organizational operations is selectively altered to conform to the vested interests they represent. But how can selectivity function as a shortcut in judging others? We see that because we cannot absorb everything, we take in bits and pieces. But those bits and pieces are not chosen at random; rather, they are chosen carefully based on our interests, prior experience, and attitudes.

c) Halo effect

The halo effect refers to evaluating another person primarily based on one attribute, whether favourable or unfavorable. This indicates that the halo effect blinds the perceiver to other traits that must also be evaluated if the evaluator is to form a comprehensive and accurate impression of the other person. Managers must take precautions to avoid the halo effect, especially when conducting a preliminary interview with a prospective employee or appraising a current employee's job performance. One trait may be singled out and used to evaluate an individual's performance. For example, the interviewer may regard a lovely candidate as fit for the position of personal secretary, even though she is a terrible typist and secretary. Alternatively, a great attendance record may reflect perceptions of strong productivity, quality work, and tenacity, regardless of whether this is true or not.

d) Contrast effects

We don't judge people in isolation. Our reaction to one individual is influenced by other people we've previously met. One interview circumstance with a swarm of job hopefuls is an example of how contrast affects work. The position of a candidate in the interview schedule can cause distortions in his or her appraisal. If the candidate is preceded by strong applications, he or she is more likely to receive a favourable appraisal.

e) Projection

Under some circumstances, people tend to see traits in others that they possess. That is, they project their feelings, attitudes, or goals onto others. This is especially true for unpleasant features that the perceiver possesses but fails to recognise in himself. For example, a person who is not very active may perceive others as lethargic or interpret their lack of achievement as a result of their refusal to work hard. Dishonest people may be wary of others and see dishonest intentions in others where they do not exist. Prop. Apprehensive people misinterpret the behaviour of others as fearful or nervous.

f) Stereotyping

Stereotyping is the tendency to attach characteristics to a person only based on a group of people to which he or she belongs. People tend to assume someone classified as a doctor, lawyer, or politician to have specific characteristics, even if they have encountered a few others who do not.

Stereotyping frequently results in attaching positive or negative attributes to the individual being perceived. Frequently, the person is only aware of the overarching group to which the person being perceived belongs and is so placed in a stereotype. (The perceiver fails to recognise the attributes that would designate the person as an individual, as well as his distinctive traits and qualities).

For example, a common person may allude to a politician by saying, "he is a politician, and so will be corrupt". It is evident from this statement that what the average boy may wish to express, is that because he belongs to the class of politicians he can legitimately be described as "corrupt". Stereotyping has an impact on social attitudes in organizations, with managers, blue-collar workers, supervisors, administrative staff, and trade union members being the most commonly stereotyped groups.

g) Expectancy

The tendency to perceive people, objects, or events based on what we expected them to be in the first place is known as expectancy. It's known as the "pygmalion effect" at times. Pygmalion was a mythological Greek sculptor who fashioned a statue of a girl that he wanted and made her come to life so that what came to life was what he expected.Expectancy allows one to create specific things in the workplace that he or she is anticipated to start with. This element is also known as a "self-fulfilling prophecy".

4. Its application in Organizational Behaviour

Members of an organization frequently judge one another. Therefore, performance feedback is required by managers. We assess how much effort each of our co-workers is making in their task. The other team members immediately "measure up" a new team member when they are hired. These decisions frequently have significant ramifications for the corporation.

A. Employment Interview -

The employment interview is a major factor in deciding who gets selected or rejected by any firm. Few people are employed without an interview. However, the evidence suggests that interviewers frequently produce erroneous perceptual judgments.

Additionally, there is frequently little consensus among interviewers, meaning that each draws different judgments about the application based on different aspects of the same individual. Interviewers typically record short impressions during the interview. Negative information tends to carry more weight than similar material revealed later in the interview if it is revealed early on. According to studies, after the first four or five minutes of the interview, the majority of the interviewers' decisions don't vary at all. As a result, later evidence revealed that an "excellent applicant" is likely defined more by the lack of unfavourable traits.

It is important to note that your opinion of a strong candidate and others can diverge significantly. Evaluations of the same candidate can vary tremendously because interviews typically have little structure that is constant and interviewers differ in terms of what they are looking for in a candidate. If the job interview plays a significant role in the hiring decision, which it typically does, you should understand the perceptual factors that affect- who gets hired and eventually the caliber of a workforce within a firm.

B. Performance Expectations -

There is a staggering quantity of research that suggests that individuals will even when their conceptions of reality are incorrect, make an effort to support those perceptions. When we think about performance expectations at work, this quality becomes more important. People's expectations influence their behaviour, which is described by the words Self Perception Fulfilling Prophecy and Pygmalion Effect. They won't let the management down if he has high expectations for them. Similarly to this, if managers have expectations of their staff, they will typically act in a way to live up to those expectations. As a result, the anticipation turns into reality.

C. Performance Evaluation -

The perceptual process plays a vital role in employee performance reviews. Promotions, pay hikes and increases, and continued employment is among the most visible results that are directly related to an employee's appraisal. The performance review serves as an evaluation of an employee's performance. Even though the evaluation may be objective, many jobs are rated subjectively. Since they give managers more direction since many jobs don't lend themselves well to objective measures, subjective measures are simpler to execute. But judgments are always made using subjective measures. The evaluator develops a broad view of a worker's output. The extent to which managers use subjective measures in the appraisal of Employees, what the evaluator perceives to be good or bad employee characteristics or behaviour, will have a significant impact on the appraisal's outcome.

D. Employee Effort -

The future of a person in an organization typically depends on more than just performance. The level of an employee's effort is valued highly in many workplaces. An evaluation of someone's effort is a subjective appraisal vulnerable to bias and perceptual illusions. If what some say is true—that "more workers are fired for lousy attitudes and lack of discipline than for lack of ability"—then an employee's effort review may have a significant impact on how long they stay with the company.

E. Employee Loyalty -

Another critical decision that managers make about their employees is whether or not they are loyal to the organization. Despite the general decline in employee loyalty, few organizations appreciate it when employees, particularly those in management, openly criticise the company. Furthermore, in some organizations, if word gets out that an employee is looking for other job opportunities outside the company, the employee may be fired. That employee may be labelled disloyal and thus barred from future advancement opportunities. The question is not whether organizations are correct to demand loyalty. The problem is that many do and determining an employee's loyalty or commitment is highly subjective. What one decision maker regards as loyalty may be regarded as treachery by another's excessive conformity. Some may view an employee who questions a top management decision as disloyal, while others may see them as caring and concerned. Individuals who report unethical practices by their employer to outsiders — usually out of loyalty to their organization — are viewed as troublemakers by management.

4.4 Importance of Perception

To give their surroundings meaning, people organise and interpret their sensory input through the process of perception. Because people's behaviour is based on their impression of reality rather than reality itself, perceptions are crucial to the study of organizational behaviour. Numerous things affect perception. These elements could be present in the perceiver, the thing being experienced, or the circumstances in which the perception is made. Personal traits that influence

Attitude, personality, motivations, interests, prior experiences, and expectations all go into perception. Because we draw con conclude activities, our view of humans is different from how we perceive inanimate objects like desks, machines, etc.

4.5 Attribution

The propensity one develops to explain how something happens is known as attribution a person evaluates the behaviour of another person. We frequently make an effort to analyse the features, goals, and motives of others through the attribution process, so we can comprehend the longer- lasting causes underlying their behaviours. Simply, attribution is the theatrical process we use to analyse the behaviour of others and try to deduce the explanations behind it from a variety of sources.

There are several attributions that people frequently make about social perception. Which are:

a) Attributions based on disposition (such as personality traits, motivation or ability) or internal variables

b) Attribution in the context (social influence of others, equipment, and so on) or outside influences.

The attribution theory tries to explain how people decide whether a behaviour is internally or externally generated when they observe it, based on three criteria:

(1) Distinctiveness,

(2) Consensus, andConsistency.

Attribution theories have made important contributions, particularly in fields involving psychological and personality processes including motivation, performance evaluation, and leadership.

Managers should consider the consequences of attribution theory. A manager is when a person blames internal causes for poor performance, they can use specific techniques to change those factors. On the other hand, if the manager blames external sources for low performance, he or she can take appropriate action to boost performance.

Let's use an organizational context as an example. The production manager's evaluation of his supervisor's performance will depend on the reasons he gives for his supervisor's exceptional performance when he notices it. If he thinks the supervisor's performance is a result of his skill and motivation, he may compliment him and give him a prize. The production manager is likely to approach the performance differently if he thinks that the performance is the result of using more advanced technology. Therefore, depending on whether internal or external situational qualities are formed, perceptions and subsequent behaviours change. Self-attribution is possible. If one believes that hard work leads to a pay boost, one will keep working hard. Instead, if the cause of bad performance is perceived to be external (such as the boss's friendliness), he or she may work harder to maintain that friendship.

The primary inaccuracy in attribution is:

(a) the propensity to overestimate the external forces' impact while underestimating the impact of internal factors when evaluating the actions of others;

(b) The propensity tendency of people to blame external sources for their failures while attributing their success to internal factors.

4.6 Summary

- Perception is the act of seeing what is there to be seen.
- Perception refers to the process of receiving stimuli, selecting, grouping, understanding, and reacting to external stimuli.
- Perception is influenced by the object of perception, the perceiver, and the situation in which the process occurs.
- A person's needs, habits, impact experiences, ethics and values, attitudes and personality, all influence the perception process.
- Barriers like stereotyping, halo effect, projection, attribution and self-fulfilling prophecy distort perception.
- The Halo effect refers to the tendency of perceiving people in terms of good or bad and assigning all good qualities to one who is good and bad qualities to one who is bad.
- Stereotyping, one of the most common barriers to accurately perceiving others, is a tendency to classify people and events into already known or perceived general

categories.

➢ Projection refers to a tendency for individuals to see their traits in others.

➢ Expectancy is the extent to which prior expectations bias perceptions of events, objects, and other persons.

➢ Attribution is a corollary of perception.

➢ Attribution has implications for perception, leadership, and motivation.

➢ Attribution theory refers to the process in which people interpret the reasons or causes for their behaviour. Attribution theory suggests that we observe behaviour and then attribute causes to it; i.e., we attempt to explain why people behave as they do.

4.7 Keywords

1. **Perception** -Perception is the organization, identification, and interpretation of sensory information to represent and understand the presented information or environment. All perception involves signals that go through the nervous system, which in turn result from physical or chemical stimulation of the sensory system.

2. **Attribution** - Attribution is a term used in psychology that deals with how individuals perceive the causes of everyday experience, as being either external or internal. Models to explain this process are called attribution theory.

3. **Accuracy** - Accuracy and precision are two measures of observational error. Accuracy is how close a given set of measurements are to their true value, while precision is how close the measurements are to each other. In other words, precision is a description of random errors, a measure of statistical variability.

4. **Projection** - The tendency to attribute one's characteristics to other people. Stereotyping: The tendency to judge someone based on the reception of a group to which that person belongs. Halo effect: The tendency to draw a general impression about an individual based on a single characteristic.

5. **Stereotyping** - In social psychology, a stereotype is a generalized belief about a particular category of people. It is an expectation that people might have about every person in a particular group. Self-Assessment Questions

1. What is perception?
2. What are the factors affecting perception?
3. What is attribution Theory?
4. What is the application of attribution theory in organizational behaviour?
5. What do you mean by Halo effect error?
6. What is stereotyping?
7. What do you mean by projection?

8. What do you understand about expectancy?
9. What is the importance of perception?
10. Explain the nature of perception.
11. What is the various application of perception in organizational behaviour?

4.8 Case study

Sameer Mehta working in a Pharma company for the last 4 years is open to appreciation. He makes 10 Calls per day as he is a marketing professional. He is a smart employee but hates when someone takes out his flaws. Sameer believes that his hard work should be appreciated whereas His boss Vineeta believes that too much praise may make an employee complacent.

Questions

Define the problem posed in this case.

References

1. https://businessjargons.com/perception.html
2. https://www.geektonight.com/perception/
3. https://wandofknowledge.com/perception-meaning-definition-nature-importance-factors- affecting/
4. Kavita Singh: Organizational Behavior, Vikas Publication.
5. Koontz & Heinz Weihrich: Essential of Management, McGraw Hill.
6. Luthans Fred: Organizational Behavior, Tata McGraw Hill.

Unit 5

Personality

Learning Objectives

After studying this module, students will be able to:

1. Understand the meaning of personality and personality traits
2. Explain personality development theories
3. Analyse the key determinants of personality
4. Know about the various concepts of Personality

Structure of the Unit

5.1 Concept of Personality

Behaviour is the result of a complex interaction between the individual and the situation. At any given time, a person's behaviour is strongly influenced by events in their surrounding environment (including the presence and behaviour of other people), yet people tend to bring something of themselves to the situation. And it is this something that represents the 'unique qualities' that are unique to that individual.

There is no universally accepted definition of personality because the term has been defined from various perspectives. Sometimes attempts are attempted to characterize personality by a visible dominant trait, such as a "strong person" or a "charming person" but it is not rare to find people defining personality from the perspective of social achievements, such as a "pleasant, friendly person" or a "popular person." Therefore, characterizing the personality will be a monumental undertaking. The term "personality" derives from the Latin word persona which means "to speak through." In ancient Greece, this term referred to the masks worn by the actors. In common parlance, the term personality refers to a person's public persona. A personality definition with the goal of social learning and relevance to the study of organizational behaviour could be accepted. It is based on the central idea that personality represents personal characteristics that result in a consistent pattern of behaviour. Salvatore Maddi, a well-known personality theorist, proposed the following definition of personality:

"Personality is a stable set of characteristics that determine those commonalities and differences in people's physiological behaviour (thoughts, feelings, and actions) that have continuity in time
and that may not be easily understood as the sole result of the moment's social and biological pressures."
Thus, it is clear from the definition above that the personality theory is provided as a general theory of behaviour, meaning it constantly describes all behaviours. The phrase "commonalities and differences" suggests that theories of personality frequently discuss

what makes people similar to one another and what specific differences set them apart. Each employee in any organization is different and might not react the same way as others in a similar situation. The complexity of the job makes managing and dealing with staff difficult. According to studies, personality development happens to some extent throughout life, although the biggest changes take place in early childhood. To put it plainly, a person's personality can change over time.

In general, personality refers to the set of characteristics and behaviours that define an individual. It is a relatively stable behavioural pattern that explains a person's behavioural tendencies.

Personality has the following characteristics:

(a) it has both internal and external elements

(b) an individual's personality is relatively stable

(c) an individual's personality is both inherited and shaped by the environment

(d) each individual's behaviour is unique

Thus, personality refers to the total of an individual's internal and external traits that are relatively stable and distinguish the individual from others.

1. The Self Concept

When people try to understand themselves, we call it self-concept in personality theory. It should be noted that different dimensions of perception enter into personality. This is because personality would essentially mean:

- How people influence others
- How they perceive and understand themselves
- What is the pattern of their measurable inner and outer traits
- What is the interaction between the person and the situation

The self is central to the concepts of self-efficacy and self-esteem in the organizational context. Self-esteem is primarily based on a person's self-perceived competence and self-image whereas, self-efficacy is concerned with a person's perception of how well they can cope with situations as they arise. According to John Miner2, self-esteem is a universal trait whereas, self-efficacy is situational. Furthermore, research has shown that people with high self-esteem outperform those with low self-esteem and that people with high self-efficacy work hard and end up doing a good job. This indicates that there is a well-established link between self-efficacy and performance.

5.2 Theories of Personality

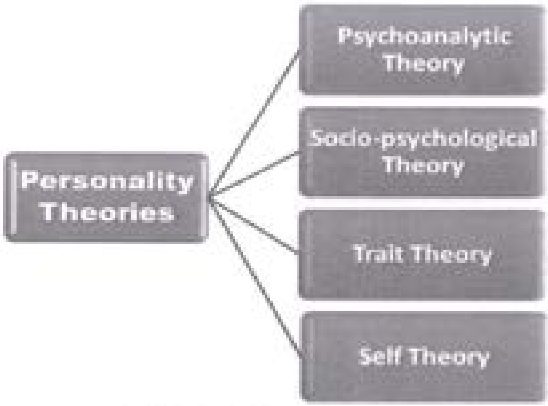

Fig 5.1: Theories of Personality

1. Type Theory

Type theory, as the name implies, classifies people into distinct types or groups. Personalities can be classified in one way based on body type. This classification should be attributed to Kretschmer and Sheldon. According to type theories, a relationship can be established between facial or body features and personality. However, the classification of personalities solely based on physical characteristics is highly subjective and lacks substance.

Another source of type personalities is psychological factors. Carl Jung classified people as introverts or extroverts, with the latter indicating a person's sociability and interpersonal orientation. Extroverts are more naturally drawn to other people, events, and objects, whereas introverts are more sensitive, concerned with feelings, and prefer dealing with abstract concepts. Although psychological type theories provide a simple way of looking at personality, they have the following limitations:

- Though categorizing personalities based on psychological factors into introverts and extroverts is simple, it is ineffective because many people fall somewhere in between the two extremes.
- The introvert-extrovert typology is more of a continuum than discrete separate types.
- It provides a simple method for identifying a personality but it does not address the various complexities of personality.

2. Trait Factor Theory

The trait theory is a quantitative method for studying personality. This theory holds that an individual's personality is made up of definite predisposition characteristics known as traits. A personality trait is assumed to be an enduring attribute of a person that remains consistent in a variety of situations. Furthermore, an individual's trait distinguishes one from another in a relatively consistent manner. Thus, a trait can be defined as any distinguishable, relatively long-lasting way in which one person differs from another.

a) The three assumptions in trait factor theory are

i) Traits that are shared by many people may differ in absolute terms between people.
ii) Traits are typically and relatively stable, with relatively universal effects on behaviour regardless of environment or situation.
iii) Measuring behavioural indicators allows for inferences about traits. All port developed one trait theory, while Cattell developed the other. The distinction between common traits and personal dispositions is central to All port's trait theory. He has identified six categories of values as common traits that can be used to compare people: religious, social, economic, political, aesthetic, and theoretical. Allport has also mentioned personal dispositions that may be unique to the individual. This distinction could be:

- Cardinal (the most common),
- Central (unique and scarce), or
- Secondary (peripheral)

Raymond Cattell used psychological test measures to develop a similar set of traits. Despite taking a different approach than Allport, he clearly distinguishes two types of traits: surface traitsand source traits.
He identified thirty-five surface traits by identifying a cluster of correlated traits, such as wise- foolish, affectionate-cold, and so on. Such traits, he believes, exist on the surface of the personality and are usually determined by the underlying source traits. Cattell also identified several source traits, including affect ego strength (mature, realistic) versus emotionality and neuroticism (immature, evasive), and so on.
Through research, an attempt has been made in this trait factor theory to find a relationship and assorted behaviour. Thus, one can see how personality tests contribute to behavioural science.

b) Its limitations are as follows:

- This theory is more descriptive than analytical. As a result, it cannot be called a comprehensive theory of personality.
- Some of the terms are difficult to define, and the results lack scientific credibility.

3. Psychoanalytic Theory

Psychoanalytic theory holds that human beings are motivated by unseen forces rather than their conscious and rational thoughts. Although Sigmund Freud is most closely associated with psychoanalytic theory, others such as Carl Jung and Alfred Adler have also made significant contributions to Personality.

Freud developed a psychoanalytic theory as a result of his clinical observations of his patient's behaviour, which could not always be consciously explained. This observation among patients led Freud to the conclusion that man's primary motivating force was in his unconscious framework.

This unconscious framework is made up of three interconnected but opposing stages: the Id, Ego, and Superego. These three stages are also interconnected and must be artificially separated for individual study and analysis.

i) The Id:

This is a psychic energy source that requires immediate gratification for biological or instinctual needs. Freud divided instinctual needs into two categories: life instincts and death instincts. These needs manifest as hunger, thirst, and sex, with energy provided by the libido. The id would be actively involved in the process of satisfying motives, though it would be limited and channeled into acceptable ways by the ego. The id continues to be a driving force in an individual's life (though he may learn to control the id as he matures), and it plays a significant role in and influences his/her thinking and behavioural processes.

ii) The Ego:

The ego stage is the conscious and logical part of the human personality thatoperates on the reality principle. As previously stated, the ego represents the conscious aspect and keeps the id in check by using intellectual reasoning of reality. Of course, there are times when the id demands immediate gratification while the ego mediates and dictates postponement to a more appropriate time and place. The ego receives assistance from the superego in this regard.

iii) The Super Ego:

The superego, like one's conscience, represents norms (both societal and personal) and places ethical constraints on behaviour. The super ego's role is to provide norms to the ego for it to determine what is wrong or right. However, the individual is frequently unaware of the super ego's operation. The conscience develops through observation and acceptance of societal cultural values and norms.

a) Some of the highlights of the psychoanalytic theory are:

• Some current research findings of cognitive psychologists' support Freud's emphasis on the unconscious aspect that causes people to behave in different ways.

• Furthermore, Freud's concern for the role of sexual factors in adjustment problems has raised awareness of their impact on adjustment problems, paving the way for future research in this area.

• Freud's contribution to understanding creative behaviour, dissatisfaction, group development, leadership, and its influence is specifically related to organizational behaviour.

• **The limitations of this theory are:The theory is based on an approach that includes elements (psychoanalytic) that are largely speculative and cannot be measured or verified.**

• Some critics argue that Freud's personality theory was developed based on his observations of emotionally disturbed people and may not represent a normal healthy personality.

• Some critics have disputed the claim that Freud's theory should be used as the foundation for scientific research into sexuality. They pointed out that while Freud's observation was valid during the Victorian era, it may no longer be valid in today's permissive society (to sex). As a result, personality disorders may be caused by factors other than sexual conflicts.

• There have also been criticisms levelled at Freud's assumption that all human activities (thoughts, feelings, actions, and aspirations) are determined by powerful instinctual forces. They believe that, according to Freud's approach, there is no room for free will, choice, or responsibility.

4. Social-psychological Theory

The individual and society are interdependent, according to socio-psychological theory. On the one hand, the individual strives to meet the needs of society, while society assists the individual in achieving his goal. And the interaction determines the individual's personality. As a result, this theory combines sociological and psychological elements. Karen Horney, Adler, Fromm, and Sullivan are all associated with this theory.

This theory differs from psychoanalytic theory in two ways:

• Social variables, rather than biological instincts, are referred to as important determinants in shaping an individual's personality.

- Behavioral motivation is a deliberate effort. Man's behaviour will be directed to meet those needs once he has identified his wants and needs.

  The socio-psychological theory has been criticized because, while it can help with issues about how social influences shape personality, it cannot provide a complete picture of how people behave.

5. Self-Theory

Traditional explanations for the complex human personality include psychoanalysis, sociopsychology, and characteristic theories. The self-theory places a strong emphasis on the interconnectedness and wholeness of all behaviour.

More than any other hypothesis, this one takes the organization's overall structure into account. Maslow, Herzberg, Lewin, and Rogers are just a few of the famous people whose names are associated with this strategy. The Self Theory, which was developed by Carl Rogers, is a crucial contribution.

Rogers defines the self-concept as an organised, consistent, and conceptual gestalt composed of perceptions in the form of 'I' or 'Me' and the perception of the relationship of 'I' or 'Me' with others to various aspects of life, as well as the values associated with these perceptions.

The self-concept consists of four components:

a) **Self-image**: This is how one perceives themselves based on their beliefs about who or what they are.

b) **Ideal self**: This refers to the person's perception of how they would like to be.

c) **Looking-glass self**: As a result of the socialization process, the individual perceives that 'this is how' others perceive his or her qualities and characteristics. This perception of 'others' does not have to be the way people see things.

d) **Real self**: This implies that one's true self is what one is.Rogers' approach to personality is well-liked because his self-theory emphasises that the best way to understand behaviour is to use the individual's internal frame of reference.

Rogers believed that a person has an active inner energy that is purposeful, active, and oriented toward self-directed goals in the future based on his experience working with emotionally disturbed people. Rogers agreed with Freud to some extent that people can become emotionally disturbed, exhibiting abnormal impulses, anger, bitter feelings, and anti-social behaviour. At the same time, he suspects that these people are not acting by their inner selves. This implies that humans have a natural tendency to move in a direction that allows them to continue and adopt the path of self-responsibility and cooperation, which leads to self-enhancement.

Thus, self-actualisation, according to Rogers, is the primary motivating force in a person's life, allowing him to actualize, maintain, or improve himself to become the best that his inherent nature would allow him to be.

5.2.1 Personality and Organizational behaviour

Employee behaviour is heavily influenced by personality. If an employee enjoys monotonous or boring work; if he stubbornly refuses additional responsibilities in the form of promotion; if a supervisor fails to reprimand an unruly subordinate; or if a middle-level manager tries to climb over you the ladder to reach the top of the organization while ignoring ethical considerations; the explanation for such behaviour in each case depends on the individual personality and their behavioural pattern. Through the active application, thoughtful application ofpersonality concepts helps us understand unique beings and groups with similar personality characteristics.

Motivation is determined by one's personality. It is impossible to provide a complete account of executive behaviour without raising questions about why they behave the way they do. For example, why do effective executives devote so much time to personnel issues? Why don't they put their efforts into production? When we ask questions about executive behaviour, we are attempting to elicit information about motivation.

The study of the direction and persistence of action is what motivation is all about. The organismcentres around which people's motives form a unified and integrated system is their personality. Despite their best efforts, experts have yet to grasp the true nature of personality. Perhaps the most significant problem that humans have faced since the beginning of recorded history has been the mystery of their nature.

Attempts to answer the question "what is man?" are numerous; many fields have been explored. Astrology, philosophy, and the life sciences are just a few of the many paths that the search for human nature has taken. Some of these paths have been proven to be dead ends at this point in history, while others are just getting started. And the problem is more pressing now than ever, because most of the world's ills, such as overpopulation, war, pollution, and prejudice, are caused by human behaviour. So, it may not be an exaggeration to say that the quality of human life in the future, indeed our very survival, may depend on a better understanding of human nature.

➢ Summary

➢ Personality refers to an individual's internal and external characteristics that are relatively stable and distinguishes them from others.

➢ Heredity, environment, family, social, and situational factors contribute to one's personality.

➢ Understanding personality is critical because it influences behaviour, perception, and attitudes.

➢ Personality traits are fundamental

➢ The trait theory attempts to categories people based on characteristics such as aggression, flexibility, humour, sensitivity, impulsiveness, and so on.

➢ Freud's psychoanalytic theory attempts to explain personality by dividing it into three parts: id, ego, and superego.

➢ Rogers' self-concept theory focuses on how an individual perceives the world and himself.

5.2 Keywords

1. **Personality** - Personality refers to the enduring characteristics and behaviour that comprise a person's unique adjustment to life, including major traits, interests, drives, values, self-concept, abilities, and emotional patterns.
2. **Ego** – the opinion that you have about yourself
3. **Trait** – a quality that forms part of your character or personality
4. **Physiological behaviour**– Physiology & Behaviour is a peer-reviewed scientific journal published by Elsevier. It covers the fields of behavioural neuroendocrinology, psychoneuroimmunology, learning and memory, ingestion, social behaviour, and studies related to the mechanisms of psychopathology.
5. **An extrovert** –a person who is confident and full of life and who prefers being with other people to being alone.

5.3 Self-Assessment Questions

5.3.1 What do you understand about personality?

5.3.2 What are the characteristics of personality?

5.3.3 Explain the self-Concept of personality.

5.3.4 Explain the trait theory.

5.3.5 Explain the Trait theory of personality. What are its limitations?

5.3.6 Explain the Psychoanalytic Theory of personality.

5.3.7 What are the three stages of psychoanalytic theory? What are its limitations?

5.3.8 What are the four components of self-concept?

5.3.9 Differentiate between introvert and extrovert personalities?

5.3.10 Explain the relationship between personality and organizational behaviour.

5.6 Case study

A boy is playing with a ball in the garden. The other boy Rohan also wants to play with the ball but he does not want to snatch it as that might lead to a fight. There is a constraint in Rohan's behaviour which guides him to follow the right path. Rohan doesn't want to commit any unpleasant social behaviour, so he buys a new ball for himself.
Is Rohan's behaviour an example of Id, Ego or superego? How ?

5.7 References

1. Gilbert: Principles of Management, McGraw Hill.
2. Kaul Vijay Kumar, Business Organization & Management - Text and Cases,Pearson.
3. Kavita Singh: Organizational Behaviour, Vikas Publication.

Unit 6

Learning

Learning Objectives

After studying this module, students will be able to:

1. Understand the nature of the learning process
2. Know about the various theories of learning
3. Discuss how reinforcement helps in motivating a person to learn
4. Understand the implication of learning managerial performance

Structure of the Unit

6.1 Concept

Learning is a critical concept in organizational behaviour. It has taken on enormous significance because learning is undoubtedly involved in everything we do in an organization.

Learning can be applied in a variety of contexts. It refers to the process of adequately responding to a situation you may or may not have previously encountered.

A simple definition of learning that is widely accepted is any relatively permanent change in behaviour that occurs as a result of experience. According to this definition, the process of learning cannot be seen, but if there is a noticeable behaviour change, learning has occurred. This means that we are acting on changes in individuals' behaviour as a result of learning. Therefore, learning appears to be an abstract and theoretical concept that cannot be directly observed.

It is also defined as a relatively permanent change in the frequency of occurrence of a specific individual behaviour. In an organizational setting, the work set and organizational norms serve as objective bases for determining whether an employee's behaviour is desirable or undesirable and whether they need to learn and practice productive work behaviour. Thus, it is the process by which skills, knowledge, attitudes, and behaviour are formed and developed as a result of education, training, socialization, and experience.

Conditioning and restriction also contribute to learning. Each situational requirement persuades a person to adopt guidance, regulation, conformity, and compliance. Furthermore, people learn at different rates, times, and stages throughout their lives. Of course, the individual's own needs and drives, as well as rewards that improve one's potential and expertise, marketability, as well as increased esteem, respect, and status, will ultimately act as the motivating drive(s) in inducing the person to learn.

1. **Learning consists of six essential components:**

1) Learning entails change, which can be good or bad from the perspective of an organization.

2) Not all changes are the result of learning. Change must be relatively permanent to be considered learning.

3) Behaviour reflects learning. There is no learning if a change in an individual's thought process or attitude is not accompanied by a change in behaviour.

4) The behaviour change should be the result of experience, practice, or training.

5) For learning to occur, the practice or experience must be reinforced. If no reinforcement is provided to accompany the practice or experience, the behaviour will eventually vanish.

6) Learning happens all the time.

Employees pick up explicit and implicit knowledge as they learn. Explicit knowledge is structured and transferable from one individual to another.

The explicit information can be recorded and shared with others. But this just represents a small part of all knowledge.

The vast majority of humans possess implicit or suggested knowledge. The concept of tacit knowledge holds that one knows more than one can express. Although it is ingrained in our behaviours and ways of thinking, tacit knowledge cannot be expressed openly since it is not well understood. Through first-hand experience and observation, this information is gained. Making tacit knowledge explicit so that it can be stored and transferred more readily is one of the issues in knowledge management because the majority of knowledge in organizations is tacit.

6.2 Theories of Learning

How can learning occur in the workplace? Four theories have been used to explain how learning can occur in the workplace. Classical conditioning theory, Operant conditioning theory, Social cognitive theory, and Learning theory are examples. The operant conditioning theory and social cognitive theory are the two that are most useful in understanding other people's behaviour.

Fig 6.1: Theories of Learning

1. Classical Conditioning Theory

Classical conditioning is the process by which people learn to link the information value of a neutral stimulus to a stimulus that would not normally elicit a response-. Such learned behaviours (or reflexive behaviours) may be beyond a person's conscious control. An unconditional stimulus (environmental event) will elicit a natural response in the classical conditioning process. The unconditioned stimulus is then associated with a neutral environment event (also known as a conditioned stimulus), which causes the behaviour. Following that, the conditioned stimulus will bring out the behaviour, which is known as the conditioned response.

Ivan Pavlov, the Russian physiologist whose experiments with dogs led to the early formulations of classical conditioning theory, is the name most frequently associated with classical conditioning. The sound of a metronome (the conditioned stimulus) was associated and paired with the conditioned response - the salivation response - in Pavlov's famous experiment. According to the experiment, the dogs eventually learned to exhibit a salivation response (conditional response) to the sound of the metronome alone.

The process of classical conditioning can aid in understanding a wide range of organizational behaviours. The special lights displayed in front of any hospital's emergency room indicate that a patient who requires immediate medical attention and treatment has arrived, whereas the lights displayed across the building during the opening of a new office indicate the feeling of joy at the opening of a new business establishment.

Classical conditioning is passive conditioning, which means that when something happens, we interpret it in a specific way. Classical conditioning is not used in workplaces because the desired employee behaviours usually do not include responses that can be changed using classical conditioning techniques, i.e., it can only explain simple reflexive behaviours and not the complex behaviours that occur in organizations.

2. Operant Conditioning Theory

This learning theory is strongly related to B.F. Skinner. According to Skinner, behaviour is taught and involuntary since it is determined from the outside. The phrase "operant conditioning" refers to voluntary behaviours that are called "operant" because they have some environmental impact. According to Skinner, there would be an increase in the frequency of desired behaviours if specific enjoyable consequences were made to reinforce them. This implies that given desired

behaviours are positively reinforced; people will engage in them. Additionally, if rewards are given right away for desired behaviour, they will be more potent. In addition, punishing bad behaviour makes it less likely that it will happen again. The majority of human actions, including talking, moving, and working, can be categorised as operant behaviour.

3. Social Cognitive Theory

Albert Bandura and others expanded on Skinner's work by demonstrating that people learn new behaviours in social situations by watching others and then imitating their behaviour. According to the social cognitive theory, the social aspect denotes individuals' involvement in learning as members of society, while, the 'cognitive' aspect recognises that individuals use thought processes to make decisions. This theory is relevant to organizational behaviour because the majority of work done in organizations is based on the knowledge and behaviour of others in the organization.

There are five dimensions to social cognitive theory. Understanding these five dimensions will help you understand why employees behave differently in the same situation.

- Symbolizing:

  People tend to use symbols to help them process visual experiences into models that will guide their behaviour and then react to their surroundings.
- Forethought:

  People use forethought to anticipate, plan, and guide their behaviours and actions.
- Vicarious Learning:

  Almost all forms of learning involve vicariously (or imaginatively sharing in the feelings or actions of other people) by observing other people's behaviour and the consequences of that behaviour.
- Self-Control:

  When a new behaviour is learned in the absence of external pressure, it is said to be self-control learning.

Employees' managers and co-workers can use self-efficacy to help them learn to believe in themselves. This is possible by putting the employee in situations where he or she can complete the task at hand. Human resource trainers have used social cognitive theory inthe form of programmes to instill team spirit, develop leadership skills, improve an employee's (including managers') self-efficacy, and bring about managerial effectiveness.

4. Learning Theory

The learning theory approach emphasises objective, measurable (countable) behaviour assessment. This implies that the behaviour must be publicly observable and ignores unobservable, inner, cognitive behaviour.

Desirable work behaviours in organizations will help the organization achieve its goals. Unwanted work behaviours, on the other hand, will impede the achievement of these objectives. For example, an HR manager may find a shop floor worker returning late from a coffee break to be undesirable, whereas the worker's friends may find the same to be desirable because he is satisfying his social needs. Certain organizational norms are prescribed in the workplace. The more an employee deviates from organizational norms, the more unsavoury his behaviour becomes. These organizational norms will differ amongst organizations. For instance, in organizations like Infosys, all staff members are urged to be open and engage in two-way communication with their bosses because such interactions are regarded as beneficial. Contrarily, in the defence forces, challenging a superior's commands and instructions is viewed as insubordination and may even result in harsh disciplinary action being taken against the subordinate.

To be effective, a manager must attempt to identify observable employee behaviours as well as the environment that influences these behaviours. Then he must exert effort to control and guide employee behaviour. Thus, the manager's goal will be to provide learning experiences in an environment that promotes the desired employee behaviours of the organization.

Implication of Learning on Managerial Performance Training, organizational behaviour management, and discipline are three systematic approaches to incorporating learning in organizations. Training is the process by which people acquire and improve the skills and knowledge required for better job performance. Many executive training programmes make concerted efforts to improve the skills of their top executives. This is accomplished by either bringing in outside experts to train personnel in-house or sending them to specialized programmes run by other organizations.

The principles that help in the effectiveness of training are:

1) **Participation**:

   When people actively participate in the learning process, they not only learn faster but also retain the skills for longer.

2) **Repetition**:

   The importance of repetition in learning new skills or performing a task cannot be overstated.

3) **Training Transfer**:

   What is learned in training must be applied on the job.

4) **Feedback**:

   Learning is extremely difficult to achieve in the absence of feedback - that is, knowledge of the outcomes of one's actions. Feedback informs the user about the effectiveness of their training.

Organizational Behaviour Management: It entails the systematic application of positive reinforcement principles in organizational settings to increase the frequency of desirable organizational behaviours. Managers should do the following to maximize the effectiveness of organizational behaviour management programmes:

1) Identify the desired behaviour
2) Determine how people will perform the desired behaviour change
3) Determine the specific performance objective
4) Determine how the desired behaviour will be rewarded in detail
5) Encourage learning by rewarding behaviours that are more similar to the criterion
6) Review the programme regularly

Discipline: Organizations use punishment to discourage undesirable behaviour just as they use rewards to encourage desirable behaviour. Absenteeism, tardiness, theft, alcoholism, and substance abuse are just a few of the issues that can cost a company a lot of money. Companies handle such situations by dispensing punishment on time.

6.3 Reinforcement

The word "reinforcement" describes the psychological procedure of motivating someone. Although motivation and reinforcement are often used interchangeably, there is a small difference between the two. The psychological process of motivation is vital, and it has a broader meaning than reinforcement. In contrast to reinforcement, which is influenced by the environment, motivation can be thought of as an inherent process. Reinforcement is, to put it simply, any behaviour that a person considers gratifying. A pat on the back, a wage raise, a day off, or a citation are a few examples of popular affirmation actions.

Reinforcement is defined as something that strengthens the response and encourages repetition of the behaviour that preceded reinforcement. It should be noted from the preceding perspective that reinforcement is more than just a reward. This means that the reward aspect is assumed to be desirable from the presenter's point of view (or the manager's safety). However, if the employee being rewarded does not find it sufficientlyrewarding, there will be no reinforcement.

1. Contingency of Reinforcement

The relationship between a person's behaviour and the preceding and following environmental events that influence that behaviour is referred to as a contingency of reinforcement. An antecedent, a behaviour, and a consequence comprise a reinforcement contingency.

It should be noted that the presentation or withdrawal of a specific antecedent increases the likelihood of a specific behaviour occurring. Managers, for example, should ideally prepare a to- do list every day. This list, as an antecedent, assists them in organising their jobs/tasks for the day and also draws their attention to specific behaviours that are required. A consequence is the outcome or result of a behaviour, which can be positive or negative in terms of goal achievement. The manager's reaction to an employee's behaviour is determined by the consequences of that behaviour.

Reinforcement, punishment, and extinction are all important components of the learning process. Reinforcement is used to encourage desirable behaviour, whereas punishment and extinction are used to discourage undesirable behaviour.

Reinforcement is always feedback about the success of previous behaviour. Feedback is data that can be used to change or maintain previous behaviour. However, this information must be perceived, interpreted, and given meaning before it can be used to make decisions about future behaviour. Feedback must be processed.

The attempt to develop or strengthen desirable behaviour is referred to as reinforcement. There are two kinds of reinforcement: positive reinforcement and negative reinforcement.

a. **Positive reinforcement**:

Positive reinforcement reinforces and improves behaviour by presenting positive reinforces. Primary reinforces and secondary reinforces exist. Food, water, and sexualpleasure are examples of primary reinforcers that meet basic biological needs. However, Primary reinforcers do not always reinforce. Food, for example, may not be a reinforcer for someone who has just finished a five-course meal. Secondary reinforcers influence the majority of organizational behaviours. These include money, status, grades, trophies, and other people's praise. Because of their association with the primary reinforcers, these are often referred to as conditional reinforcers.

The following concepts form the foundation of positive reinforcement:

- The principle of contingent reinforcement stipulates that the reinforcer must only be allowed once the desired behaviour has been achieved.
- According to the principle of instant reinforcement, the reinforcer will be most effective if given right away after the desired behaviour has been accomplished.
- According to the reinforcement size principle, the amount of reinforcement given should be as large as possible to have a vital impact on the frequency of the desired behaviour.
- According to the theory of reinforcement deprivation, the more a person is deprived of the reinforcer, the higher the impact it will have on the likelihood that the desired behaviour will occur in the future.

b. **Negative reinforcement**:

An unpleasant incident that comes before a behaviour is eliminated when the behaviour takes place.

There are negative reinforcers, just as there are positive reinforcers. The stimuli that strengthen a reaction that allows an organism to flee or avoid them are known as negative reinforcers.

In both organizations and personal relationships, we observe negative reinforcement. When supervisors stop reprimanding workers whose subpar performance has improved, they are enacting negative reinforcement. Negative reinforcement also happens when parents give in to their kids' temper tantrums, especially in public settings like restaurants and shopping centres.

Positive and negative reinforcement are thus both procedures that strengthen or increase behaviour. By presenting desirable consequences, positive reinforcement strengthens or increases behaviour. Negative reinforcement, on the other hand, strengthens and increases behaviour through the threat and use of negative consequences. Because both use unpleasant stimuli to influence behaviour, negative reinforcement and punishment are frequently confused.

6.5 Summary

- The modification of behaviour through practice, instruction, or experience is known as learning.
- Explicit knowledge and tacit knowledge are different in that the former is organised and can be shared between people, whereas the latter is what a person knows but cannot express.
- The terms classical conditioning, operant conditioning, cognitive learning, and social learning refer to four different learning strategies.
- According to the theory behind classical conditioning, a physical object that cannot initially elicit a certain response gradually develops that ability through repeated pairing with a stimulus that can cause a reaction.
- B.F. Skinner's concept of "operant conditioning" describes the idea that our actions have repercussions, and how we behave in the future will depend on what thoserepercussions are.
- Cognitive learning differs from the other two in that it is thought of as the result of deliberate consideration of the situation and objectively responding.
- Social learning, also referred to as observational learning, takes place through social interaction with others, such as parents, teachers, peers, movie stars, and other well-known public figures, or by observing the actions of role models in a social setting.
- When learning is based on certain principles, such as motivation, reinforcement, whole versus partial learning, learning curves, and the significance of the subject matter, it becomes effective.
- Reinforcement is the attempt to develop or strengthen desirable behaviour; a kind of feedback about the success of prior behaviour. Reinforcement is the consequences of a behaviour.
- People vary widely in terms of their backgrounds, abilities, and expectations; as a result, management must acknowledge these differences when creating reinforcement processes and programmes and keeping employee needs in mind.

- Organizational learning is the process of improving actions through better knowledge acquisition, clearer understanding, and improved performance.
- A learning organization is successful at acquiring, cultivating, and applying knowledge that can be used to help it adapt to change.

6.6 Keywords

1. **Learning** - Learning is the process of acquiring new understanding, knowledge, behaviours, skills, values, attitudes, and preferences. The ability to learn is possessed by humans, animals, and some machines; there is also evidence of some kind of learning incertain plants.

2. **Stimulus** - It includes light, heat, sound, actions of supervisors or other aspects of the environment to which a person is sensitive. The stimulus is very comprehensive and all-encompassing in nature. It stimulates the organism or person into action, interrupts what they are doing and helps them to make their choices

3. **Vicarious Learning** - Almost all forms of learning involve vicariously (or sharing imaginatively in the feelings or actions of other persons) observing the behaviour of other people and the consequences of that behaviour.

4. **Human resource** - Human resources is the set of people who make up the workforce of an organization, business sector, industry, or economy. A narrower concept is human capital, the knowledge and skills that the individual commands. Similar terms include manpower, labour, personnel, associates or simply people.

5. **Reinforcement** - It is the action of strengthening or encouraging something.

6.7 Self-Assessment Questions

1. Define Learning.
2. What are the components of learning?
3. Explain the classical conditioning theory of learning.
4. How does classical conditioning theory aid in organizational behaviour?
5. Explain Operant conditioning theory.
6. Explain social cognitive theory.
7. What are the five dimensions of social cognitive theory?
8. Explain the learning theory approach.
9. What do you understand by reinforcement?
10. What are the two types of reinforcement?

6.8 Case study

Sheetal is 5 years old. Whenever Sheetal's father comes home wearing a baseball cap, he takes her to the park to play. So, whenever this child sees her father come home with a baseball cap, she is excited because she has associated the baseball cap with a trip to the park.

Questions

This example comes under which mode of learning? Explain.

6.9 References

1. https://www.iedunote.com/learning-theories
2. https://www.geektonight.com/theories-of-learning/
3. https://www.tutorialspoint.com/performance_management/performance_management_an d_learning.htm
4. Koontz & Heinz Weihrich: Essential of Management, McGraw Hill.
5. Luthans Fred: Organizational Behavior, Tata McGraw Hill.

Unit 7

Workplace Diversity

Learning Objectives

After studying this module, students will be able to:

1. Know managing millennials at the workplace and workplace diversity
2. Understand transactional analysis.
3. Know the importance of Johari Window.
4. Understand QWL in the Indian context

Structure of the Unit

7.1 Managing millennial at workplace and workplace diversity

Millennials are a vital part of the workforce, accounting for more than one-third of all American workers. They are a driven group that prioritises transparency and work-life balance over pay and title.

Recruiting the millennial generation takes skill. But it does not stop there. The difficult part is keeping them. Millennials aren't known for their loyalty to employers, preferring to leave for greener pastures while costing businesses untold amounts in lost productivity. Gallup estimates that the annual cost of turnover to the economy is $30.5 billion. If your company does not want to contribute to that statistic, it is critical to understand how to keep millennial workers happy, whether they are in the office orworking from home.

With 83.1 million people born between 1981 and 1996, millennials are the largest living generation. They are technologically savvy, value more than just a paycheck, and are used to having a voice and a seat at the table. They're an upbeat bunch who enjoy social media and want their jobs and interactions to have meaning.

1. **Characteristics of Millennials**

   Millennials have distinct characteristics that must be embraced and harnessed in the workplace if loyalty is to be fostered. If you are unable to meet their basic needs and provide a suitable working environment, they will quickly abandon ship. Here are the six characteristics that define millennials in the workplace, ranging from their comfort with technology to their need to collaborate.

a. **They are digital natives.**

Millennials grew up surrounded by technology, whether it was a laptop, desktop computer, or smartphone. They prefer email, texting, and messaging apps to phone calls and in-person meetings and they are open to new technology and apps. They anticipate that their employers will support technology, particularly mobile apps.

b. **They yearn for work-life balance.**

Many millennials grew up seeing their parents devote their entire lives to a job only to lose it during the Great Recession. They also witnessed the September 11th terrorist attack. Both of these events shaped their perspectives on work and life.

As a result, millennial employees seek balance in their professional and personal lives. Many of them would rather have flexible hours and the ability to spend time with family and friends than a high salary. This is something that small business owners can use to their advantage when competing for talent with large corporations.They anticipate collaboration.

The typical millennial worker does not prefer to work alone; instead, they prefer to collaborate with others in the company, often from different departments.

Collaboration is a key tenet of work for millennials, and it would have been more difficult during the pandemic if they hadn't been so comfortable with technology. Millennials need to feel engaged and part of the team even when they are at home, whether through video conferencing or collaboration apps.

c. **They must have a seat at the table.**

Millennials grew up with a say in family decisions and expect the same at work, regardless of their position within an organization. They want to be heard and value the companies that allow them to do so. That may be difficult for a boss from the Baby Boomer, Generation X, or Generation Z to accept, but you must get used to it; millennials are a determined bunch. Give them the path and the rules, and they will work hard to achieve their own and the company's goals.

d. **They want to keep learning.**

For millennials, learning does not end when they graduate from college. This group has a strong desire to learn and advance in their careers. They value opportunities to learn more and seek mentorship from those who have gone before them. Companies that offer opportunities for ongoing education and mentorship are more likely to retain millennial employees than those that do not.

2. **Ways for managing millennials in the workplace**

Employers frequently face challenges when hiring and supervising millennials. These employees may be difficult to manage because they have strong opinions about how the business world should operate and are not afraid to express them. One advantage of this new generation is that they have a work ethic and mentality that their elders did not. The following are some tips for managing millennials in the workplace.

a. **Specify Job Responsibilities**

Millennials dislike a never-ending list of tasks. When millennials get a job, the tasks are carefully planned, prioritised, and strategized. When you give this group of employees a concrete and exhaustive list of to-dos, they thrive.

Employee burnout can occur in open-ended jobs. Even if employees are highly skilled, they may be unable to contribute fully to the company without a road map and strategic planning. If you do not want your employees to experience this lack of direction, make a plan. When given a road map, millennials frequently find better ways to complete tasks independently.

b. **Encourage direct interactions**

Face-to-face interactions within businesses have decreased as a result of the pervasiveness of technology in both the workplace and society. Even though many employees can work remotely, they frequently avoid scheduling a video conference with their direct reports if the same information can be sent via text message or email. Set a good example by prioritising in-person interactions whenever possible.

Fostering and supporting this human connection will benefit you and your team, as well as the relationships among your co-workers. A business social, even if it is virtual using tools such as Zoom or Skype, can help strengthen team bonds and communication.

c. **Encourage Innovation and Experimentation**

As a foresighted manager, you should encourage your employees to gain experience in a variety of fields and roles. Even better, allow your millennial employees to learn new skills that are unrelated to their work or team. More Millennials will join your team and stay if they see opportunities for advancement in their roles. Employees are also more likely to stay with a company for an extended period when there is an opportunity for professional development.

d. **Provide a Clear Professional Pathway**

Millennials make long-term plans and strive for success in their chosen fields. These employees want to know that the company they've joined will help them advance in their chosen field. As a result, if you or your company can pave the way for the millennial and their 5-year plan, you will most likely have a highly valued and efficient employee. Investing in your millennial employees' education and training is a no-brainer if you want them to succeed professionally and contribute meaningfully to the success of your company.

e. **Avoid Using Financial Incentives**

Money is not the only motivator for today's Millennials. That generation desires more from life than a full wallet. Millennials want to enjoy their jobs, achieve their goals, relax, and do good in the world. Participating in fundraising activities or making donations to worthy charities is one way to achieve this goal.

Employers who want to attract and retain top talent while avoiding market rates can offer comprehensive benefits packages. Perks such as working from home paid time off and more flexible hours can be included. Furthermore, the millennial generation values having a pleasant place to work. As a result, providing amenities such as a coffee bar is a good idea.

f. Provide Direction

Rather than their bosses, most Millennials see their managers and supervisors as mentors who will help them achieve their professional goals. Millennials, on the other hand, want to believe that their ideas and concepts are important. You can be theleader they require by striking a balance and making time in your schedule for mentoring or guidance.

g. Provide Feedback

The ever-productive Millennial is constantly striving to improve themselves and smooth out flaws. These employees anticipate constant feedback from their boss. Giving your employees weekly or daily feedback can help them become the type of future leaders they desire. This approach will be appealing to millennials, who will be better able to demonstrate their value to their employers. It's important to remember that sarcasm, unjustified criticism, and other forms of negative feedback can hurt employee motivation and faith in management. As a result, the rate of employee turnover has increased significantly.

h. Show Your Appreciation

Millennials are ambitious and hardworking, and they, like any other generation, value acknowledgement and appreciation for their efforts. Employees will leave if you do not reward or acknowledge their dedication. As a result, they must receive the monetary compensation to which they are entitled. All millennials deserve to be treated equally.

i. Give Encouragement

Young adults of the millennial generation are known for their high levels of self-assurance, which can be traced back to their parents' early support and encouragement. Millennials will succeed as long as they continue to work hard. Instead of trying to stifle your employees and their ideas, you should be encouraging them to grow.

j. Highlight Teamwork

For Vivekananda Global University, Jaipur

Registrar

Previous generations' "self-sufficient mindset" has long since faded. The millennial generation recognises the importance of working together to achieve greater goals. Collaboration improves efficiency and generates new ideas. As the boss, you should take advantage of the situation. You can, for example, organise team-building exercises and team outings.

k. Control Multitasking

Employees who can multitask have a much better chance of meeting their goals and meeting their deadlines. Multitasking prepares them for future accomplishments and success in the present. Moreover, millennials are masters of multitasking. They can talk on the phone while answering emails and responding to text messages. You can take advantage of this trait. Instead, the practice boosts your employees' cognitive abilities and output.

3. WorkplaceDiversity

1.Organizational Diversity Definition -

When differences in race, ethnicity, age, ability, language, nationality, socioeconomic status, gender, religion, or sexual orientation are represented within a community, this is referred to as cultural diversity in organizations. A country, region, city, neighborhood, business, or school can all be considered a community. If a wide range of groups is represented, the group is culturally diverse. When it comes to the workplace, cultural diversity has become a contentious issue.

Diversity in Organizations refers to the extent to which the members of a unit, such as a group or organization, differ from one another. This includes a wide range of individual characteristics, with gender, race/ethnicity, and age differences receiving the most attention. Nationality, culture, education, work, tenure, ability, sexual orientation, religion, values, personality, goals, and many other characteristics are attracting attention. The field focuses on the consequences and management of individual differences in organizational settings, such as work groups and organizations. Its significance stems from the fact that workplace diversity is increasing in many countries.

2. Benefits of Diversity

The benefits of diversity in organizations include: -

a. **Enhanced Productivity:**

   A diverse workplace fosters new ideas and processes. This diversity of talent means that employees have a broader range of skills as well as a diversity of experiences and perspectives, which increases the potential for increased productivity.

b. **Increased Creativity:**

   When people from different cultures and backgrounds collaborate, there is an opportunity for increased creativity. This is due to the increased number of people with diverse perspectives and solutions to problems, which increases the likelihood of a workable solution to a workplace problem.

c. **Improved Cultural Awareness**:

   Having a diverse range of cultures in the workplace allows businesses to deal with the various nuances of a global marketplace. If a company does business with China, having an employee who speaks Mandarin is advantageous and can lead to improved workplace relations.

d. **A Good Reputation**:

   Companies with a diverse workforce are frequently perceived as better employers. Potential employees want a company that accepts and tolerates people from all backgrounds and treats their employees fairly. Increased Marketing Possibilities:

   When potential employees or customers see that a company has a diverse workplace, they feel more at ease with the company. Using advertisements that depict mature-aged, differently-abled, or ethnically diverse people encourages applicants to apply, promotes a positive reputation, raises market awareness, and results in a more diverse client base.

3 A Variety of Points of View -

Organizational diversity ensures a wide range of perspectives. Employees are more likely to have a variety of skills and experiences because they will have different characteristics and backgrounds. As a result, employees in a company with greater workplace diversity will have access to a variety of different perspectives, which is extremely beneficial when it comes to business planning and execution.

7.2 Transactional Analysis

Understanding the concepts of Transactional analysis, understanding life positions, stroking, and the Johari window can help you manage your interpersonal relationships better. In this, we will apply some of the concepts discussed above to better understand and improve interpersonal relationships on both a personal and professional level.

Transactional analysis is a proven method that helps two people communicate and maturely behave on the job by understanding each other's motives through complementary transactions. The concept of life positions, which is an important part of TA as a way of understanding individuals' behaviour in the organization, is another important tool for improving interpersonal understanding and appreciating each other's behaviour in a more objectifying one's own and other's worth. Similarly, the Johari window assists in revealing individuals' hidden areas through feedback and critical appraisal, which leads to improved communication and interpersonal relationships among individuals and increases organizational effectiveness and commitment.

1. Use of TA to improve interpersonal relations

Eric Berne's transactional analysis can be understood as a method of improving and maintaining healthy interpersonal relations in organizations by identifying the three ego states, allowing individuals to communicate and behave maturely while interacting with each other, where people develop the capacity to better understand each other's viewpoints. The Three Ego States in an Individual's Personality Form the Basis of Transactional Analysis. These are as follows: 1. The Parent ego, 2. The Adult ego, and 3. Child's ego.

These ego states refer to the psychological age of the individuals rather than their chronological age, which is evident in their behaviour and social interactions. Although we are unable to directly observe these ego states, Berne argues that we can deduce which of the three ego states is in operation at any given time by observing behaviour.

2. The Parent ego State

A person tends to act more like a parent in this ego state by constantly dictating what is right and wrong behaviour, which can be of two types: the Nurturing Parent and the Critical Parent.

The nurturing parent is that aspect of a person who is understanding and caring of others while also setting boundaries and giving guidance to their behaviour. It won't degrade people or make them feel inadequate as individuals. By being evaluative and judgmental, critical parent behaviour attacks people's personalities as well as their behaviour and leaves them feeling as though they are not OK.

3. The Adult ego State

Behaviour that is simply logical, reasonable, rational, and emotionless is the result of this state. An adult ego state's behaviour is characterized by rational decision-making and problem-solving. People who are operating from the adult ego state are checking the emotional and morally- charged content of their parent and child ego states against the reality of the outside world. Before acting, these people weigh available options, likelihoods, and values.

4. The Child ego State

When a person is emotionally reacting, they exhibit behaviours that include their "natural" inclinations and attitudes they learned as children. The child's ego state manifests in a variety of ways. However, they frequently exhibit both happy child and destructive child ego states, which are relevant to their behaviour. People who act in ways that make them happy are acting in ways that do not harm other people. However, people who have a destructive child are also acting in ways that are either harmful to other people, harmful to themselves, or harmful to the environment.

It is helpful to keep in mind that behaviour by itself is neither happy nor harmful when attempting to understand the distinction between these two types of child ego states. The transaction feedback from other people determines whether a person is acting happily or destructively. For instance, someone who enjoys listening to music while working might be a happy child, but if others find it distracting and tell him to stop but he persists, he has changed from being a happy child to a destructive child. Having a functioning child ego state—one that is impulsive, emotional, and occasionally dependent—is healthy for people.

5. Analysis of Transactions

TA can be used to explain why people follow certain patterns throughout their lives. This analysis allows people to identify transaction patterns between themselves and others. Finally, this can help us determine which ego state has the most influence over our behaviour and the behaviour of others with whom we interact.

Two types of transactions are must for managers to be familiar with:

1. Complementary /open transactions
2. Non-Complementary /Crossed transactions

There are numerous combinations of complementary/open transactions; however, the basic principle to remember is that the ego state must receive a response for the transaction to continue. Communication can resume when the response to a transaction is expected and predictable. Adult to Adult, Child to Child, Parent to Child, and Parent to Parent are these transactions.

However, not all open transactions are advantageous. We want to strive for OK open transactions in our relationships—happy child to a happy child, nurturing parent to a happy child. Adult to Adult, as well as Nurturing Parent to Nurturing Parent. Transactions that are not acceptable involve any of the lost healthy ego states, such as critical parent to nurturing parent, rebellious child, or complaint child.

Examples of both OK and not OK open transactions are shown below in figure 1-

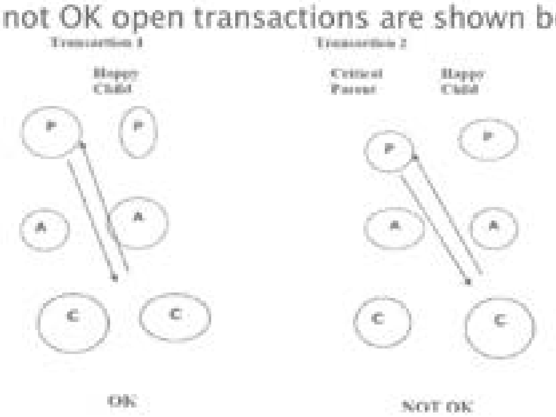

Fig 7.1: Ok and Not Ok Transactions

As shown in transaction 1, if a manager from the Nurturing parent says to one of his staff members, "I want you to be more careful in writing your reports because I found several typographical and grammatical errors in this report," and his staff member responds from his happy child, OK sir, I did not notice all those mistakes, we have a completed communication in which information has been easily shared and everyone still feels OK about themselves. If, however, this manager was coming from a Critical Parent and said something like, "How can you be so stupid?" as shown in transaction 2. The last report you gave me was riddled with typos and grammatical errors. We have an elaborate communication in which information is shared with minimal effort, but the staff member feels denigrated by his boss and does not feel OK. His manager said, "I don't see how you can do a job if you don't know how to write a decent report," and his staff member responded from a happy child back to the manager's critical patent by saying, "I am sorry, I will try not to make those mistakes next time. "A blocked transaction causes communication to end, if only temporarily. Unlike open transactions, the answer is out of context with what the stimulus sender had first meant and is either improper or unexpected. When someone reacts in a different ego state than the one the other person was addressing, something happens. To put it another way, it happens when the stimulus switches from one ego state to another, causing the sender to feel misunderstood, perplexed, or even threatened. When this happens, listening and sharing come to an abrupt end. For instance, Rahul would anticipate George to react from his adult ego state and offer knowledge about the time if Rahul asked him, in his adult ego state, "What time is it, George?" A blocked transaction, as seen below, has occurred if George, on the other hand, responds from his Critical Parent and says, "don't ask me." The example demonstrated how communication lines might become blurred during a stopped transaction, which prevents efficient communication. The development of persons can either be aided or hindered by blocked transactions.

The preceding example was a destructive transaction because the Critical Parent's response to Rahul's question left him feeling uneasy. Destructive blocked transactions occur between people when either the Critical Parent or the rebellious or Destructive Child responds to the other.

A destructive blocked transaction is usually involved when people argue. The various strengths of the three ego states can be determined by analysing open and blocked transactions. This, in turn, indicates the position the individual has chosen.

6. Benefits of TA

Organizations that have used the TA approach have had moderate success. Training in TA can provide employees with new insights into their personalities, as well as help them understand why others react the way they do. Improved interpersonal communication is a significant advantage. Employees in an organization can detect when complementary communication is being crossed and then take steps to restore it, preferably in the Adult-to-Adult pattern. As a result, interpersonal transactions generally improve.

7.3 Johari Window

The Johari window is a method that is used to understand one's relationship with oneself and others better. It was developed in the United States in 1955 by Joseph Luft and Harrington Ingham.

- It is primarily used as a heuristic exercise in self-help groups and corporate settings.
- The Johari Window model depicts the process of providing and receiving feedback.
- The window was created as part of their group process programme.

Consider the communication window depicted in the model below as a means of exchanging and receiving information about oneself and others. Consider the columns and rows in the four panes. The two rows and two columns stand for the group and the self, respectively. "Things that I know about myself" are listed in column one; "Things that I do not know about myself" are included in column two. As the group's level of mutual trust and feedback exchange varies, the data in these rows and columns shift from one page to another. The size and shape of the window's panes will change as a result of this movement. Figure 7.2 is shown below.

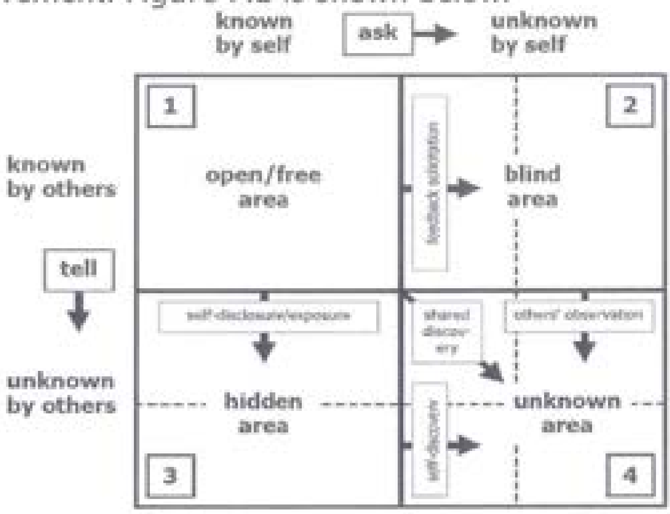

Fig 7.2: Johari Window

1. **The first pane, the "Arena," contains information about myself and the group that I am aware of.**

This window is distinguished by free and open information exchange between myself and others; this behaviour is public and accessible to all. The Arena grows in size as trust between individuals or between an individual and the group grows. Individuals are sharing more information, especially personal information.

2. The second pane, the "Blind Spot," contains information about myself that I am unaware of but that the group may be aware of.

I am unaware of the information I communicate to the group as I begin to participate in it. People in the group pick up on this information from my verbal cues, mannerisms, the way I say things, or the way I interact with others. For example, I may be unaware that I always look away from someone when I speak... or that I always clear my throat just before saying something. This is something I teach the group.

3. **Pane three, the "Facade" or "Hidden Area," contains information about myself that I know but the group does not.**

These things are kept hidden from them. I may be afraid that if the group learns about my feelings, perceptions, and opinions about the group or its members, they will reject, attack, or hurt me. As a result, I am withholding this information. Before I risk telling the group something, I need to know that there are supportive members in our group. When I reveal my feelings, thoughts, and reactions, I want group members to judge me favourably. To find out how members will react, I must reveal something about myself. On the other hand, I may withhold certain information from myself to manipulate or control others.

4. **The fourth and final pane, "Unknown," contains information about me that neither I nor the group is aware of.**

I may never become aware of material buried deep within my unconscious area. However, the group and I may learn new material through a feedback exchange. This uncharted territory represents intrapersonal dynamics, early childhood memories, latent potentials, and untapped resources. This pane's internal boundaries change depending on how much feedback is sought and received. Knowing everything about myself is extremely unlikely, and the model's unknown extension represents the part of me that will always be unknown (the unconscious in Freudian terms).

The model's main goal is to increase mutual understanding by encouraging disclosure and feedback to expand our open area so that both you and your colleagues are aware of your perceptual limitations and reduce the blind, hidden, and unknown areas through disclosure, which is informing others of your beliefs, feelings, and experiences that may influence work relationships.The open area also increases through feedback from others about your behaviour, which sounds easy but very difficult to seek. However, this type of feedback will invariably assist you in reducing your blind area, because your coworkers frequently see things in you that you cannot see for yourself. Finally, the combination of disclosure and feedback occasionally yields revelations about previously unknown information.

7.4 QWL in the Indian context

1. Meaning and concept of QWL

To different people, the phrase "Quality of Work Life" (QWL) means different things. Some see it as a form of industrial democracy or co-determination, with increased employee participation in decision-making. Others, particularly managers and administrators, interpret the term to mean improving the psychological aspects of work to increase productivity. Unions and workers interpret it as more equitable profit sharing, job security, and healthy and pleasant working conditions. Others see it as enhancing social relationships at work through autonomous work groups. Others, on the other hand, take a broader approach to change the entire organizational climate by humanising work, individualising organizations, and altering structural and managerial systems.

According to Harrison: "Quality of Work Life is the degree to which work in an organization contributes to material and psychological well-being of its members."

According to D.S.Cohan "Quality of Work Life is a process of joint decision making, collaborations and building mutual respect between management and employees."

According to the American Society of Training and Development, "Quality of Work Life is a process of work organization which enables its members at all levels to participate actively and effectively in shaping the organizations' environment, methods and outcomes. It is a value-based process which is aimed towards meeting the twin goals of enhanced effectiveness of the organization and improved quality of life at work for the employees".

In general, the concept of QWL entails four major components: a safe working environment, (ii) occupational health care, (iii) appropriate working time, and (IV) an appropriate salary. A safe work environment is a foundation for a person's happiness at work. The work should not endanger the person's health. Both the employer and the employees are aware of their risks and rights, and they have a lot to gain from each other. The State has indicated the working time by the legislation. The idea behind QWL is that a job is more than just a job; it is the centre of a person's life. The following factors have contributed to an increase in concern for QWL in recent years:

- increase in education level and consequently job aspirations of employees;
- association of workers;
- significance of human resource management;
- widespread industrial unrest;
- growing knowledge of human behaviour, etc.

The concept of QWL is gaining popularity in the field of Human Resource Management. The QWL is the sum of an individual's total healthy experience in various aspects of work life or life at work. Employees' reactions to work are influenced by three factors:

a) The employees' personality traits and individual characteristics such as need pattern, ambiguity tolerance, locus of control, work ethics, values, abilities, and skills.

b) Job characteristics such as the amount of challenge it provides, the amount ofautonomy one has in performing the job, the extent of skills used in performing the job, and so on.

c) Workplace amenities provided by the organization, such as reward systems and training facilities.

2. Factors Influencing the Quality of working life

A variety of factors influence the quality of a person's working life. Working conditions, workplace stress, and job satisfaction are among these factors.

1.Job satisfaction refers to how satisfied individuals are with their current position. Workplace environment, peers, income, and job duties all have an impact on an employee's job satisfaction. Positive job satisfaction contributes to a higher quality of life at work. An employee who is satisfied with their job is more likely to have a higher quality of life at work than an employee who is dissatisfied or even resentful of their job.

2.Workplace stress refers to the amount of stress that an employee feels at work. Workplace stress is caused by a variety of factors, including the duties that an individual is required to perform, their peer group in a company, and their overall workload. Employees who have stressful work responsibilities, such as an emergency room doctor who is responsible for the lives of countless people every day, are more likely to experience workplace stress. A worker with a heavy workload is more likely to experience workplace stress. Workplace stress frequently leads to stress outside of the workplace as a result of attending to other tasks in an individual's daily life. This stress is the cause of experiencing a lower quality of work life.

3.Other factors that influence work-life quality include individual employees' wages, (ii) their working hours, (iii) workplace conditions, (iv) workplace fairness, and (v) personal characteristics such as anxiety or depression.

i) A person who earns a low wage, especially in comparison to how difficult their job is, will have a lower quality of life at work.

ii) Working hours can also have an impact on overall job satisfaction. Employees who work too many hours, too few hours, or unusual hours are more likely to report a poor quality of life at work. An individual who works very few hours at work is unlikely to earn enough money to maintain his standard of living, whereas an individual who works too many hours is likely to suffer from workplace stress and a decline in social relationships. Individuals who work unusual hours are more likely to experience a decline in social relationships and difficulty attending to normal activities, which can lead to a decline in quality of life.

iii) Individual employees' wages should be proportionate to the job they perform, as determined by fair compensation.

iv) Workplace conditions influence employee performance, and they include all of the factors that act and react to an employee's body and mind. Working conditions are defined as those that are properly maintained by the requirements of the Factories Act and other enactments.

v) Workplace fairness refers to how fair a workplace is and how fair it is maintained. When a workplace is not managed fairly, it generally means that all employees are not treated equally.

3. QWL in the Indian context

Indian philosophy promotes self-actualization as the ultimate goal of life, with work serving as a means to that end. "Work, in the Indian perspective, is a spiritual discipline in and of itself. The process of refinement to realise this objective or the identity of the self is yoga or work". According to Swami Yaktananda (1980), the workplace is a temple, and work is worship. "The basic philosophy - the central theme of Gita - is 'Karma Yoga," he says Karma Yoga is concerned with many aspects of development. Karma Yoga is the only way to develop oneself, one's community, society, and industry. Karma Yoga refers to any action, duty, or work that is not forbidden, is not harmful, and is not performed for selfish reasons but to serve humanity. The Gita declares that "doing one's duty is worshipping the Lord himself." A. K. Srivastava (1990).

Nishkama Karma preaches the philosophy of doing one's duty without seeking recompense. Work is regarded as a reward in and of itself. At this point, one might wonder whether the quintessence of this philosophy applies to both the employer and the employee in the modern industrialized period of recent history. Another theory of work from the Indian school of thought is the 'Sacrifice - Chitta Suddhi theory. Work, as Radhakrishnan (1976) so aptly stated, is the supreme worship, man's homage to God.

The quiet cultivation of this attitude toward work, deep within, through all the ups and downs, successes and failures, can gradually stimulate movement towards perfection and progress in terms of the nature of work.

Thus, in the Indian school of philosophy, no stress is laid on the nature of work. If one accepts the principle that work is the worship of God, then a good quality of work life will naturally prevail. For example, in the Ramakrishna order, a universally recognised voluntary organization, a monk performing morning and evening puja in the temple is assigned to ledger posting work in a hospital on one fine morning, or a college teacher is sent out for prolonged relief work in a drought-stricken desert area. The Ramakrishna mission hoped that by doing so, its members would learn that satisfaction was found not online work but also in the attitude of the workers.

The Indian approach to work-life quality and work ethic is based on the premise that a man has a spiritual metaphysical dimension to his personality that is inherently superior to his economic, biological, and social dimensions. The majority of the task of improving the quality of work life and work ethics must be completed within each worker's mental empire. This necessitates a completely different type of education and training than that which is the foundation of QWL.

India as a society has agrarian roots, which in turn shape the country's industrial work ethic. The distance between the workplace and the home is short in rural cultures. The workplace layout gave employees the time and space they needed to care for their families, raise their kids, and uphold positive social bonds. The social structure was perfectly suited to the nature of the work, and harvest-related festivals and celebrations allowed the populace to unwind and take pleasure in the fruits of their labour. To get to work in a society that has undergone industrialization, a worker must leave behind both his house and, occasionally, his community. It took a great deal of time and effort to arrive at it. The discipline required by the industrialized society is likewise new to the populace. The industrial worker enters a new, unknown workplace and is faced with given tasks that must be completed in a given time and in a fixed manner to do it, putting aside the natural planning of work culture, nearby work fields, peaceful and pollution-free atmosphere, and self-disciplined working times. While industrialization calls for detachment from the family, Nishkama Karma chooses detachment from incentives. The nature of the employee's work life has a significant impact on their quality of life. His employment is the centre of his social life, family life, and even his habits and interests. When an employee suddenly feels alienated from his family after leaving a job, he or she learns that this would not have been the case had he been able to spend time with them when they were younger. As a result, the QWL is intimately related to the employee's employment and lifestyle. The company cannot afford to disregard these.

7.5 Summary

- The importance of interpersonal relationships has been established in the lesson through understanding and applying the concepts of Transactional analysis, life positions, and the Johari window to improve organizational communication.
- The study of social transactions between people wearing the masks of Parent, Adult, or Child ego states is known as Transaction Analysis (TA).
- Adult-to-adult complementary transactions have been observed to be especially desirable at work, whereas Crossed transactions tend to cut off communication and produce conflicts.

➢ TA is essentially a learning experience in which an individual learns how to sort through the data that influences his decisions.

➢ This approach can help to improve interpersonal communication and relationships in organizations and everyday life. Another important concept in TA is the study of life positions, which depicts the acceptance of self and others, as well as the worth of self and others, in the form of life positions depicting the four quadrants, giving employees new insights into their personalities.

➢ Looking through the four panes of the Johari Window encourages disclosure and feedback to increase our open area so that both you and your colleagues are aware of your perceptual limitations and reduce the blind, hidden, and unknown areas through disclosure, i.e., informing others of your beliefs, feelings, and experiences that may influence work relationships.

➢ Indian philosophy promotes self-actualization as the ultimate goal of life, with work serving as a means to that end.

➢ "Work, in the Indian perspective, is a spiritual discipline in and of itself. The process of refinement to realise this objective or the identity of the self is yoga or work".

➢ According to Swami Yaktananda (1980), the workplace is a temple, and work is worship. "The basic philosophy - the central theme of Gita - is 'Karma Yoga," he says Karma Yoga is concerned with many aspects of development.

7.6 Keywords

1. **Interpersonal relations** - The concept of interpersonal relationships involves social associations, connections, or affiliations between two or more people.

2. **Crossed transactions** - A crossed transaction occurs when an ego state that did not receive the transactional stimulus sends the transactional response. Crossed transactions may lead to breakdowns in communication, which may sometimes be followed by conflict.

3. **Quality of work life** - Quality of Work Life is the degree to which work in an organization contributes to the material and psychological well-being of its members.

4. **Façade** - the way somebody/something appears to be, which is not the way he/she/it is.

5. **Millennials** - Millennials value interesting work and a good work-life balance. They do not believe that excessive work demands are worth sacrifices in their personal lives. Millennials want flexibility in their working hours and are willing to give up pay increases and promotions for a flexible working schedule.

7.7 Self-Assessment Questions

1. Explain Transactional Analysis with examples.
2. What is a blocked transaction?

3. What are the benefits of TA?
4. Explain the Johari Window approach to improve organizational effectiveness.
5. Explain QWL in an Indian context.
6. Define QWL.
7. What are the factors influencing Quality work life?
8. What are the ways to manage millennials in the workplace?
9. What do you mean by diversity in the organization?
10. What are the benefits of diversity in the organization?

7.8 Case study

A new employee is late for a meeting. The person moderating the meeting answers the questions briefly and returns to where the meeting left off. The new employee later comes to the moderator and tells him that what he did was rude. The moderator explains to the new employee that he may have appeared rude because he started the meeting on time for those who needed it.

Questions

Above given is an example of which Quad of Johari window? Comment.

7.8 References

1. https://www.communicationtheory.org/the-johari-window-model/
2. https://www.businessballs.com/self-awareness/johari-window-model-and-free-diagrams/
3. https://www.businessnewsdaily.com/15974-millennials-in-the-workplace.html
4. https://guthriejensen.com/blog/8-steps-to-manage-millennials/
5. https://teambuilding.com/blog/managing-millennials
6. https://legalpaathshala.com/diversity-in-organizations/
7. Gilbert: Principles of Management, McGraw Hill.
8. Kaul Vijay Kumar, Business Organization & Management - Text and Cases, Pearson.
9. Kavita Singh: Organizational Behavior, Vikas Publication.

Unit 8

Motivation

Learning Objectives

After studying this module, students will be able to:

1. Understand the concept of motivation
2. Know about the importance of motivation
3. Discuss important motivation theories
4. Contemporary theories of motivation

Structure of the Unit

8.1 Introduction

The process of motivating employees to work toward achieving organizational goals involves establishing motivational organizational conditions. Motivation is defined as an unmet need that causes tension or disequilibrium and leads a person to act in a goal-directed manner to satisfy the need and return to equilibrium.

When viewed from a corporate perspective, motivation is the capacity to exert effort in supportof organizational goals.

According to Dubin, "motivation is the complex of forces starting and keeping a person at work in an organization." The willingness of individual team members to set and accept difficult goals, accept accountability, be involved in their work, and be satisfied with their jobs are all examples of motivation. A physiological or psychological need or deficiency sets off a process that results in behaviour or a drive toward a target or an incentive. The goal of motivation is to create conditions in which people are willing to work with zeal, initiative, interest, and enthusiasm, with a sense of responsibility, loyalty, and discipline, and with pride and confidence to achieve an organization's goals effectively. Employee development is aided by the use of motivational techniques. Motivation is a complex mix of many different elements that are difficult to define. However, two elements have been identified as critical:

(a) understanding of the fundamental drives, urges, and needs of people that are subject to emotional stimulation or motivation, and

(b) Communication with people so that they can receive a satisfying stimulus to their urges.

A manager's function is to motivate his subordinates for them to achieve job objectives. It is more than just a management process; there is also the individual being motivated. Individual motivation is described by psychologists as a state of tension. Group motivation is just as important as self-motivation. A group can be motivated by improving human relations and dealing with people in a humane manner, developing the will to do, encouraging participation in their work, providing opportunities to improve their performance, and complimenting or praising them. Respect for individuality, good pay, the opportunity to do interesting work, the feeling thatthe job is important, a lot of freedom on the job, and opportunity and self-development are all important motivators for people. Without motivated employees, no company can be productive.

8.2 Need

Motivation is likely the concept of human resource management that receives the most attention from academics, researchers, and practicing managers. Several factors justify the increased emphasis on motivation. Motivated employees always look for better ways to do a job:

This statement applies to both corporate strategies and production workers. People who actively seek new ways of doing things are more likely to find them. Managers must encourage employees to look for better ways to do things carrying out their responsibilities Understanding the nature of motivation is beneficial in this situation.

1. **A motivated employee is quality oriented:**
   This is true whether we are talking about a top manager spending extra time gathering and analysing data for a report or a clerk filing important documents with extra care. The organization benefits in either case because Individuals both inside and outside the organization regard the enterprise as high-quality conscious. A clear understanding of how motivation works benefits managers who still have equality with their employees.
2. **Highly motivated workers are more productive than apathetic workers:**
   Japanese workers are very productive, and there are also fewer workers overall. It is popular that fewer resources are required in Japan than elsewhere to construct an automobile. There are several causes behind Japanese workers' great productivity, but motivation is the primary one.
3. **Every organization requires human resources, in addition to financial and physical resources for it to function:**

The following three human resource behavioural dimensions are important to the organization:

(a) People must be enticed not only to join but also to stay with the organization. (b) People must perform the tasks for which they are hired reliably; and (c) people must engage in activities other than dependable role performance at work in some form of creative, spontaneous, and innovative behaviour. In other words, for the form to be effective it must confront the motivational issues of encouraging both participation and decision-making as well as the decision to produce at work.

4. **Motivation as a concept represents a highly complex phenomenon that affects, and is affected by, a multitude of factors in the organizational milieu:**

   A thorough understanding of how an organization operates functionality necessitates that the question receives more consideration explanations for why people act in certain ways at work.

8.3 Concepts and their Application to the Workplace

Motivating yourself to act is as simple as wanting to. It is the distinction between sleeping in all day and getting up early to pound the pavement. It is essential to setting and achieving objectives, and research suggests you have power over your degrees of drive and restraint. So, decide what you want. Push through the discomfort. Start acting the way you want to. Create the environment you wish to lead by starting now.

Understanding Motivation Concepts and Applications is a critical skill for any Human Resource Professional. All six functional areas are affected by motivation. For example, motivation is frequently associated with why - and how - employees or people learn. However, it is also highly relevant to how employees perceive and value salaries, wages, and benefits, as well as establishing and maintaining positive workplace relationships.

Employee performance is directly impacted by motivation theories at work. As a result, to effectively incorporate different motivation theories into their projects and their consulting relationships with managers and leaders across the organization, HR professionals need to have a thorough understanding of these theories. Some of the most important beliefs that HR professionals.

The following items need to be well-versed:

- Maslow's Hierarchy of Needs
- B.F. Skinner - Operant Conditioning
- Frederick Herzberg - Motivation-Hygiene Theory
- Douglas McGregor - Theory X and Theory Y
- David McClelland - Acquired Needs Theory
- J. Stacey Adams - Equity Theory
- Victor Vroom - Expectancy Theory

1. Application of motivation at the workplace

The following steps are adopted for motivation

a) **Sizing Up**:

This involves determining motivational requirements. All employees require motivation, but it comes in various forms and degrees.

b) **Creating a Set of Motivating Items**:

This includes choosing several motivational tools. An executive may compile a list of devices that may motivate different types of people under different circumstances based on personal experience, the experiences of others, and the assistance of the personnel department.

c) **Choosing and Applying Motivation**:

The executive should choose the words, tone of voice, and gestures to be used and practice their proper use. Furthermore, it must be considered where and when motivation will be used. The location and timing of this purpose are critical.

d) **Feedback**:

This entails determining whether or not an individual has been motivated; if not, another device may be used. An executive should follow certain rules when developing motivational steps.

These are Jucius' rules:

a) **Self-interest and Motivation**:

People are selfish by nature. When a person realises that achieving an organization's goals best serves his interests, he is more likely to be motivated.

b) **Attainability**:

It is necessary to set attainable goals, when these goals meet, it leads to employee satisfaction. People are frustrated by unattainable goals.

c) **The Human Element**:

Emotions and feelings are used to motivate people. The executive who is most effective as a motivator can invariably attribute his success to his ability to deal with people's emotions.

d) **Individual Group Relationship**:

Motivation must be based on both group and individual stimuli.

e) **Managerial Theory**:

Management's motivational efforts should be based on sound theory

8.4 Content Theories

The content theory of motivation, also known as the need theory, is primarily concerned with the internal factors that energise and direct human behaviour. In general, such theories see motivation as the result of internal drives that compel an individual to act or move (hence, "motivate") toward the fulfilment of personal needs. Deficits that energise or trigger behaviours to satisfy those deficiencies are referred to as needs. You may have a strong need for food and shelter at some point in your life. At times, your social needs may go unsatisfied. Unsatisfied needs cause tension, making you want to find ways to reduce or satisfy those needs.

Your motivation to meet your wants increases as they become more pressing. On the other hand, a met need does not motivate.

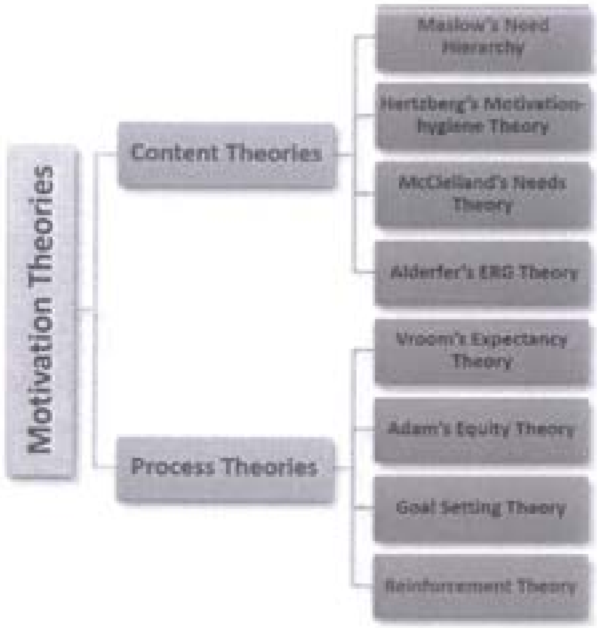

Fig 8.4: Major Content Theories

Major content theories include the following:

1. **Maslow's Hierarchy of Needs (1954)**

Maslow's hierarchy of needs describes the five levels of human needs. As lower levels of need are met, people progress to higher levels of need. These levels, from most basic to most evolved, are as follows: Basic physical needs: Food, water, shelter, safe working conditions, and other fundamental, foundational needs are all included.

- Safety and security: Speak to the need to live and work in a safe environment.
- Belonging and love: This need can be met in the workplace by joining a department, a profession, a division, clubs, affinity groups, or simply through friendships and relationships.
- Esteem: Self and others manifest in two dimensions. Self-esteem is the value one places on oneself, both personally and professionally. Others' esteem refers to receiving recognition and approval from others.
- Self-actualization: Individuals desire and strive to achieve their full potential. Self-actualization is frequently its reward.

2. **Alderfer's ERG Theory**

The ERG theory has identified the following three sorts of needs:

- Existence requirements: These are necessary for a person's survival. They are analogous to Maslow's concepts of physiological and safety needs. Existence requirements include incentives, safe working conditions, and job stability.
- Related Needs: It is a person's innate desire to connect with others. He longs for strong friendships and a sense of belonging with others. He values the sense of belonging to a group. He wants to be recognized and seeks recognition. These requirements are linked. These requirements are analogous to Maslow's definitions of social and esteem needs.

3. **Growth Needs**: The individual has an innate desire to advance both personally and professionally in his organization. He wants to develop beyond his current level and pick up new powers. These call for expansion. They resemble the Maslow-proposed self- actualization demands. Theory X and Theory Y by Douglas McGregor (1960)

Based on Maslow's work, Theory X and Theory Y refer to two management approaches:

- Theory X Managers manage on the assumption that employees are uncommitted, uninterested, hesitant to take on additional responsibilities, and essentially lazy.
- Theory Y managers manage by the general belief that if employees perceive their work to be satisfying and rewarding, they will take on - and even seek - additional work.

4. **Frederick Herzberg - Motivation-Hygiene Theory (1959)**

Herzberg distinguished two distinct types of needs:

- **Motivation factors**: Specific to the job - for example, the nature of the work, the challenge inherent in the work, or the perceived or actual value of the work.
- **Hygiene factors**: Everything else an employee might encounter in the workplace is related to the work, but not the work itself. This includes, but is not limited to, pay, benefits, nature of supervision, co-worker relationships, and so on.

5. **David McClelland - Acquired Needs Theory (1961)**

The theory developed by McClelland highlighted and concentrated on the demand for achievement. According to McClelland, the need for achievement differs from person to person and is not a uniform motivator for everyone.

People who have the urge to achieve are neither risk-averse nor need risk-loving, which is arguably a more accurate description. They typically use a planned, aware middle-of-the-road strategy when it comes to risk. Those who are driven by the urge to succeed will consequently take on an acceptable and manageable degree of risk that provides the possibility of upside potential, sure that their efforts will have a major influence on the outcome of a scenario. It is interesting to note that those with higher success needs are more focused on achieving their goals than on receiving rewards for doing so.

People who have a strong demand for achievement may tend toward stretch goals when it comes to performance management. In a performance management system or form, they would likewise be more inclined to concentrate on the goals section than the competencies section.

8.5 Process Theories

Process theories of motivation allow us to better understand the thought processes that influence our behaviour. It explains how workers choose behavioural actions to meet their needs and influences their decisions. The major process theories of motivation are as follows:

1. B.F. Skinner - Operant Conditioning (1957)

According to B.F. Skinner's operant conditioning theory, how people choose to behave in the future is a function of the consequences of their previous behaviour. Skinner distinguishes four types of outcomes:

- Positive reinforcement (praise):

A desirable outcome or consequence results from demonstrating the desired behaviour. This may encourage people to engage in desired behaviours again. A customer service supervisor, for example, witnesses a customer service representative skilfully resolving an entire customer's complaint and congratulates that individual on successfully defusing a potentially explosive situation.

- Negative reinforcement:

An individual may decide to exhibit more desirable behaviours in their place when they think that exhibiting certain behaviours will have a certain unfavorable effect or consequence. In this approach, the person will act in a way that stops the unfavorable outcome from occurring. As an employee decides to send jokes or other correspondence that would be deemed improper for the workplace using their email address andcomputer rather than the company's email system that place of labour.

- Punishment:

When an unacceptable behaviour is displayed, an unwanted result or effect occurs. This might persuade the person to decide never to repeat that negative behaviour. For instance, if an employee answers personal mobile phone calls during a training session despite being ordered to stop, they are forced to leave and are not allowed to sign up for a make-up programme for at least three months.

- Extinction:

An individual's behaviour, whether desired or unwanted, has no outcomes or consequences. The individual may decide not to repeat the behaviour. An employee, for example, persists in engaging co-workers in counterproductive conversations about other co-workers (that is, gossip). If the co-workers do not participate, the employee may decide not to initiate such (unwanted) conversations in the future.

2. J. Stacey Adams – Equity Theory (1963)

As the name implies, equity theory is based on the assumption that people want to be treated fairly, especially in comparison to how others around them are treated. It also claims that such comparisons will occur frequently.

Equity theory asserts that in the context of employment, employees will compare their inputs (everything they bring to the job and invest in the job) and outputs (how they are rewarded - both intrinsically and extrinsically - for what they invest in the job) to the inputs and outputs of others. If employees leave this process with the impression that they have been treated fairly, they will continue to exert effort in comparison to others. Employees who believe they are being treated unfairly as a result of this process, on the other hand, will seek to make a change. That change could include attempting to change their inputs or attempting to change their own attempting to change the inputs or outputs of others Any of these possibilities could manifest in either productive or unproductive ways. And, of course, that same employee could quit, which is the most dramatic way for an employee's input to change.

3. Victor Vroom – Expectancy Theory (1964)

Vroom's expectancy theory focuses on weighing options and making decisions. It asserts, in essence, that people will exert effort when they believe that such effort will result in a worthwhile outcome. This theory is made up of three key elements and the questions that they raise individuals (in this case, employees) inquire:

- **To expect**:

"How likely is it that, with the right effort, I'll be able to accomplish a particular objective—in this example, a certain level of performance?

- **Instrumentality**:

"How likely is it that if I achieve this level of performance, I will be recognised or rewarded in some way?"

- **The Valence**:

"How much does it matter to me if I get a prize or praise?

8.6 Contemporary theories of motivation

Early ideas of motivation were founded on assumptions, and occasionally these beliefs lacked compelling evidence. This strategy can be seen in action in Maslow's hierarchy of needs. As a result, competing theories of motivation have advanced over time.

1. **Self-determination theory**

According to the self-determination theory of motivation, people frequently try to exert control over their behaviour.

2. Goal setting theory

The philosophy of goal-setting assumes that setting difficult objectives will help enhance workplace productivity. According to this view, an employee is presumptively dedicated to the objectives of the company and eager to contribute positively. The objectives specified must be seen as doable.

3. Self-efficacy theory

The foundation of self-efficacy theory is an employee's perception of their capacity to carry out the responsibilities of their job role. Social learning theory and social cognitive theory are other names for this idea.

A worker who has a high level of self-efficacy will be more assured and have a better chance of succeeding. Employees with low self-efficacy frequently perform less well on the job in increasingly difficult circumstances.

According to Albert Bandura, there are four approaches to boosting self-efficacy, inc

1. Simulated modelling
2. Energetic mastery
3. Arousal
4. Verbal influence

4. Reinforcement theory

According to the reinforcement hypothesis, an action or attitude is a function of its results or consequences. In other words, the theory contends that either positive or bad behaviour results will either encourage (or, in the case of a negative outcome, change) ongoing conduct.

5. Equity theory

Employees use equity theory to compare their job inputs and outputs with those ofothers in the organization, primarily to reduce perceived inequities. If employees discover inequities, they seek to correct them by: Altering the inputs Changing the results Perceptions of themselves are being distorted Perceptions of others are being distorted Quitting their job.

8.7 Summary

- The term motivation is derived from the word motive, which is defined as an active form of desire, craving, or needs that must be satisfied. Getting individuals to do what you want them to do because they want to is called motivating them (Dwight D. Eisenhower).
- The content theories cover (a) Maslow's hierarchy of needs; (b) Alderfer's ERG

theory; (c) David McClelland's achievement motivation theory; and (d) Frederick Herzberg's two-factor theory.

➢ The process theories include: (a) Victor Vroom's expectancy theory; (b) Porter-Lawler theory; (c) Equity theory; (d) Goal-setting theory; and (e) Attribution theory

➢ The belief that a particular level of effort will be followed by a particular level of performance is called expectancy. According to the expectancy theory, Motivation is: Expectancy x Instrumentality x Valence.

➢ Goal-setting theory is a relatively applied approach to motivation that is based on the assumption that the type of goal as well as the degree of difficulty in achieving such a goal will determine the individual's motivation to achieve such a goal.

8.8 Keywords

1. **Motivation** - Motivation is derived from the word 'motive', which means needs, desires, wants, or drives within individuals. It involves motivating individuals to take action to achieve objectives.
2. **Deficiency** - The meaning of deficiency is the quality or state of being defective or of lacking some necessary quality or element.
3. **Hygiene** - Hygiene refers to the conditions and practices that help to maintain health and prevent disease spread.
4. **Expectancy** - a feeling that something is going to happen
5. **Esteem** - Esteem is defined as respect or a high opinion of someone.

8.9 Self-Assessment Questions

1. What do you mean by motivation?
2. What is the need for motivation?
3. Explain Maslow's Hierarchy of Needs.
4. Explain Alderfer's ERG Theory.
5. Describe the theories X and Y proposed by Douglas McGregor.
6. Explain Hygiene Theory.
7. Explain Skinner's theory of motivation.
8. Explain the Expectancy Theory of Varoom.
9. Explain Reinforcement theory.
10. Explain Equity theory.

8.10 Case Study

Hari Sinha works for Hard byte Computer Peripherals Ltd as a marketing executive. Hard byte has been in business for ten years and has a solid product line in computer peripherals. Because of its reputation for quality, it sells its products at a slightly higherprice in the market. Hari Sinha is one of the company's best marketing executives, and he receives several companies benefits due to his outstanding performance. Sudhir Pradhan, Hari's boss, is pleased with his work and likes him. Hari, on the other hand, prefers to sell to institutional buyers rather than individual consumers.

Hari enjoys working with difficult customers, but not at the expense of wasting too much time on those who are extremely difficult to please. He constantly keeps himself focused on the month's goals and strives to achieve the maximum. It is important to him to be ahead in the race of selling, so he works very hard and smartly. Sudhir has always tried to give Hari enough freedom to explore potential customers on his own. Of course, he is concerned about Hari's attitude toward marketing executives who sell to small customers. Hari's attitude toward them can be dismissive at times, even mocking their efforts. Sudhir, on the other hand, has tried to ignore this because of Hari's performance. Hard byte's business with corporate customers has declined as a result of the recent IT industry slack. As a result, Sudhir has reallocated targets to all marketing executives. He is, however, well aware of Hari's penchant for corporate clients. But he also knows that Hair will be forced to promote the product to small customers. He is aware that Hari has strong likes and dislikes, which has put him in a bind. He is also concerned that if Hari is not given an appropriate assignment, he will consider quitting his job. Sudhir was well aware that Hari was spoiled for choice.

What appears to be Hari's main driving force based on the character description given above? According to David McClelland's Needs Theory, what kind of orientation does Hari possess?

References

1. https://www.myorganizationalbehaviour.com/contemporary-motivation-theories/
2. https://pressbooks.senecacollege.ca/organizationalbehaviour/chapter/chapter-5/
3. Kavita Singh: Organizational Behaviour, Vikas Publication.
4. Koontz & Heinz Weihrich: Essential of Management, McGraw Hill.
5. Luthans Fred: Organizational Behaviour, Tata McGraw Hill.

Unit 9

Leadership

Learning Objectives

After studying this module, students will be able to:

1. Know the meaning of leadership
2. Understand the function of Leadership
3. Know about the various theories of Leadership
4. Know about the Leadership Style in the Indian context

Structure of the Unit

9.1 Leadership - Meaning

Leadership is required for the operation of any family, group, society, business, government, or other organization. Because planning, executing, reviewing, and controlling are functions associated with every organization, they necessitate the presence of a vital force in the form of a leader to design, execute, coordinate, and control all of these functions to achieve the desired goal with efficiency. The human relations movement of the 1940s and 1950s added weight to the idea that leadership is essential in business and government. Since then, much research in the field of leadership has been conducted, but it is still considered incomplete because each piece of empirical research highlights previously unknown aspects of leadership.

Leadership is about dealing with change. Leaders always create a vision for the future and thus establish direction. Following that, they communicate their vision to their disciples and inspire them to overcome obstacles. Leadership is defined precisely as the ability to influence a group toward achieving the desired goals. Organizations requireboth strong leadership and strong management to be truly effective in achieving their goals. In today's dynamic world, we require creative leadership with a dominant vision for the future as well as effective skills in inspiring organizations and employees to achieve their goals.

1. **Leadership: A Conceptual Analysis**

The term "leader" comes from the verb "to lead." This also implies "to advance," "to excel," "to standardize," and "to guide and govern" others' actions. A leader is someone who directs a group of followers. Only when he has the ability and competence to guide and govern his followers, i.e., when he is ahead of them, will he be recognized as a leader. The leader will fail to command respect and obedience from his followers unless he is ahead of them. Furthermore, he should have a competitive advantage over his

peers in terms of professional, technical, managerial, or other skills.
Based on his abilities, he should be able to outperform his subordinates or followers. A leader is also capable of taking a stand in the face of overwhelming odds and adversity. He should not lose heart when adversity strikes, nor should he become swollen-headed when success comes his way.
The leader must also be able to guide and govern the actions of his subordinates. A person designated as a leader is accepted as a leader based on his ability -professional, technical, and others - to guide the actions of these subordinates. He has the authority to direct subordinates' actions to maintain group discipline and correct erring subordinates. He also can keep the group disciplined to defend actions for the achievement of the group's or enterprise's common goal.
Many authors have defined the term "leadership" as follows:
1. Mooney & Reiley, "Leadership is regarded as the form which the authority assumes when it enters into the process". Chester I. Koontz & O'Donnell, "Leadership may be defined as the influence, the art or the process of influencing people so that they will strive willingly towards the achievement of group goals".
2. R.T. Livingston, "Leadership is the ability to awaken in others the desire to follow a goal or objective".
3. Ordway Tead, "Leadership is that combination of qualities by the possession of which one can get something done by others, chiefly because, through his influence, they become willing to do so".
4. Alford & Beatty, "Leadership is the ability to secure desirable actions from a group of followers voluntarily, without the use of coercion".

9.2 Leadership – Theories and Functions

The major theories on leadership are discussed below:

1. Trait Theory

Leadership trait theories concentrate on the personal characteristics of successful leaders. According to theories, leaders have a set of characteristics that distinguish them from followers. As a result, an attempt must be made to identify and quantify these characteristics.
Attempts have been made in the past to identify such characteristics. Ralph Stogdill, for example, surveyed over 5000 leadership studies and concluded that successful leaders have the following characteristics:

- A strong desire for accomplishment
- Persistent pursuit of goals
- Creativity and intelligence used to solve problems
- Initiative applied to social situations

- Self-assumed personality
- Willingness to accept behavioural consequences
- Low susceptibility to interpersonal stress
- High tolerance for ambiguity
- Ability to influence other people
- Ability to structure social interactions

Most leadership research conducted to date has focused primarily on the unique leadership qualities of successful leaders. There has been little systematic research into the personal characteristics of unsuccessful leaders. Poor temperament, self-centeredness, inability to get along with others, lack of vision, lack of character, and mental health problems such as aggression, depression, disorganization, paranoia, neurosis, and procrastination are likely associated with ineffective leadership. Furthermore, some psychological factors appear to be linked to ineffective leaders. These include:

(1) Excessive concern for morale,

(2) Failure to maintain an objective attitude,

(3) A lack of proportion, and

(4) Engaging in "polarisation," or viewing others as either good or bad. (5) Idealism in decision-making, and (6) an overzealous desires to do the "right" things.

A. Merits of Trait Theory

One merit is related to the characteristics of successful leaders. A review of studies conducted from 1900 to 1957 found that "leaders are consistently better adjusted, more dominant, more extroverted, more masculine, and more conservative, and have greater interpersonal sensitivity than non-leaders. "The second merit is concerned with the impact of personality on one's effectiveness. "A person's personality, or what he is fundamental as a person, has a constant and massive influence on how and with what success he functions as a manager."

Third, the belief that leaders are born rather than made is still prevalent (though not among researchers). After a lifetime of reading popular novels and watching films and television shows, perhaps most of us believe, to some extent, that there are people who are naturally braver, more aggressive, more decisive, and more articulate than others.

Finally, there are some practical implications to the theory. Only those people who possess the designated leadership traits would become politicians, officers, and managers if leadership traits could be identified. Organizations and societies would presumably operate more efficiently as a result.

B. Limitations of Trait Theory

(i) The list of successful leaders' personality traits is far too long, and there appears to be no end in sight. Despite the identification of hundreds of traits, no consistent pattern has emerged.

(ii) The amount of fear a successful leader must have is not quantifiable.

(iii) According to the theory, a leader is born rather than trained. This assumption is not accepted by modern thinkers on the subject.

(iv) Despite what the theory suggests, leadership effectiveness is not solely determined by the leader's personality. Other factors such as the situation, the task, the organization, and the characteristics of followers will all have an impact on a leader's effectiveness.

(v) It is well known that people who fail as leaders or who never achieve positions of leadership often share some of the same characteristics as successful leaders. For example, while taller people may be more successful as leaders in general,many tall people lack both the desire and the ability to lead. Simultaneously, many short people have advanced to positions of leadership.

(vi) There is little agreement on the definition of words used to label traits. A researcher demonstrated the magnitude of this problem in a study of extensive leadership qualities by asking 75 top executives to define the term "dependability," a trait associated with effective leadership. This trait was defined in 147 different ways by the executives.

2. Behavioural Theories

In the 1940s, in addition to research studies on the traits displayed by leaders, research was also conducted on the behaviours displayed by leaders. The first and most important study on leadership was conducted in 1939 by psychologist Kurt Lewin and his associates, who identified different styles of leadership, namely autocratic, democratic, and laissez-faire leadership, which will be discussed in the following unit. While traits theory holds that "leaders are born, not made," behavioural theories hold that specific behavioural patterns of leaders can be acquired through learning and experience. While trait theory focuses on "who the leaders are," behavioural theories focus on "what the leaders do."

Ohio State University Research

One of the most important studies on behavioural theories was conducted by E.A. Fleishman, E.F. Harris, and H.E. Burtt at Ohio State University in 1945. The study classified leadership behaviours into two groups: initiating structure and consideration, under which the various leadership behaviours were grouped.

(i) **Beginning Structure**:

The extent to which a leader is likely to define and structure his or her role and those of employees in the pursuit of goal attainment is referred to as initiating structure. It encompasses attempts to organise work, work relationships, and goals. A leader with an initiating structure is generally task-oriented, with a focus on employee performance and meeting deadlines.

(ii) Consideration:

In the "consideration" category, a leader pays more attention to the organization's employees rather than the task at hand, demonstrating concern for their well-being, comfort, and satisfaction. That is, a leader prioritises relationships characterised by mutual trust, respect for employees' ideas, and consideration for their feelings.

3. The Managerial Grid

Blake and Mouton created a graphic portrayal of a two-dimensional view of leadership style. They propose a managerial grid based on "concern for people" and "concern for production" styles, which essentially represent the Ohio state dimensions of consideration and initiating structure or the Michigan dimensions of employee-oriented and production-oriented. The grid, as shown below, has some possible positions along each axis, yielding eighty- one distinct positions into which the leader's style can fall. The grid does not represent actual results, but rather the dominant factors in a leader's thinking about getting results. Based on the findings of their research, Blake and Mouton concluded that managers perform best under a 9, 9- leadership style, as opposed to a 9,1 (task-oriented) or a 1,9 (country club type) leader. Unfortunately, the grid provides a better framework for conceptualizing leadership style than it does for providing any tangible new information in clarifying the leadership quandary, as there is little substantive evidence to support the conclusion that the 9,9 style is most effective in all situations.

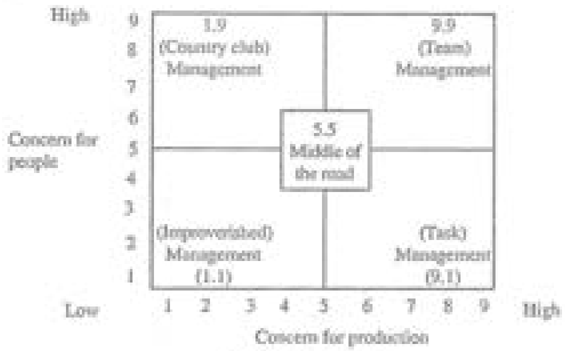

Fig 9.1: Managerial Grid

i) 1, 1 Impoverished Style

It denotes the use of minimal effort to complete required tasks and is appropriate for maintaining organization membership.

ii) 1, 9 Country Club Style

It denotes thoughtful attention to people's needs for satisfying relationships, which results in a comfortable, friendly organizational atmosphere and work tempo.

iii) (5, 5) Middle Road Style

It implies that adequate organization and performance are possible by balancing the need to get work done with keeping people's morale at a satisfactory level.(9, 1) Task Style

It implies that efficiency in operations results from arranging working conditions in such a way that human elements interfere to the greatest extent possible.

iv)(9, 9) Team Style

It implies that the work done is the result of dedicated individuals, as well as interdependence through a "common state." In organizations, purpose leads to trust and respect relationships.

4. Transformational Leadership Theories (the 1970s)

In the late 1970s, political sociologist James MacGregor Burns popularized the concepts of transformational leadership. Burns distinguished two types of leadership.

Transactional: where a leader influences others through what they offer in exchange; Transformational: where a leader connects with followers in manners that raise the levels of motivation and morality.

These two words - motivation and morality - are critical because transformational leaders must be committed to the greater good. This could be a societal good, like opening a community center or improving air quality, or a more personalized good, like assisting direct reports in reaching their full potential. Transactional theories, also known as leadership exchange theories, are distinguished by a transaction between the leader and the followers. The theory emphasises the importance of a positive and mutually beneficial relationship.

To be effective and thus have motivational value, transactional theories require the leader to find a way to align to adequately reward (or punish) his follower for performing the leader's assigned task. In other words, transactional leaders are most effective at times when they create a mutually reinforcing environment in which both the individual and organizational goals are on the same page. According to transactional theorists, humans in general seek to maximise pleasurable experiences while decreasing unpleasant ones. As a result, we are more likely to associate with people who complement our strengths.

According to the Transformational Leadership theory, this is the process by which a person interacts with others and can build a solid relationship that results in a high percentage of trust, which will later result in an increase in intrinsic and extrinsic motivation in both leaders and followers. The essence of transformational theories is that leaders transform their followers by being inspirational and charismatic. Group norms guide the flexibility of rules and regulations. These characteristics give followers a sense of belonging because they can easily identify with the leader and their purpose.

5. Path-Goal Theory

Path-goal theory, developed by Robert House, incorporates elements from the Ohio State leadership research on initiating structure and consideration, as well as the expectancy theory of motivation.

Path-goal theory states that it is the leader's responsibility to provide followers with the information, support, or other resources they need to achieve their goals. The term path- goal comes from the belief that effective leaders clarify the path to help their followers get from where they are to the achievement of their work goals and to remove roadblocks to make the journey easier.

a. **Leader Behaviours**: House identified four types of leadership behaviours. The directive leader communicates expectations to followers, schedules work, and provides specific instructions on how to complete tasks. The friendly supportive leader is concerned about the needs of his or her followers. Before making a decision, the participative leader consults with followers and considers their suggestions. The goal-oriented leader sets challenging goals and expects followers to perform to the best of their abilities. House, unlike Fiedler, believes that leaders are adaptable and that the same leader can exhibit any or all of these behaviours depending on the situation.

b. **Contingency Variables and Predictions**: As shown in Exhibit, the path-goal theory proposes two contingency variables that moderate the leader's behaviour-outcome relationship: those in the environment that are beyond the employee's control (task structure, the formal authority system, and the workgroup) and those that are part of the employee's characteristics (focus of control, experience, and perceived ability). The type of leader behaviour required as a complement to maximise follower outcomes is determined by environmental factors. While the employee's characteristics influence how the environment and leader's behaviour are interpreted.

As a result, the theory proposes that when leader behaviour is redundant with sources of environmental structure or incongruent with employee characteristics, it will be ineffective.

1. When tasks are ambiguous or stressful, directive leadership leads to greater satisfaction than when they are highly structured and well laid out.

2. When employees perform structured tasks, supportive leadership results in high employee performance and satisfaction.

3. Employees with high perceived absinthe quality or significant experience

4. Employees who have an internal locus of control will be happier with a participatory style.

5. When tasks are ambiguously structured, achievement-oriented leadership raises employees' expectations that their efforts will result in high performance

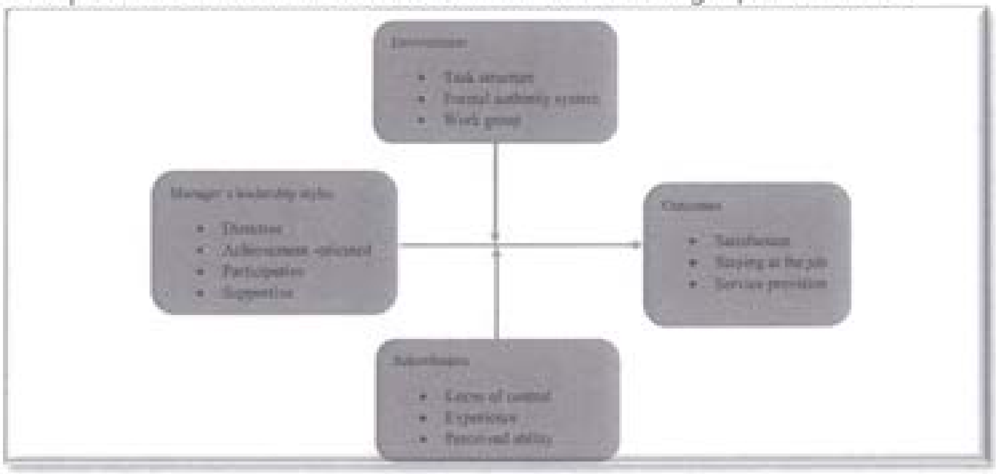

Fig 9.2: Path-Goal Theory

- **Limitation of Path-Goal Theory**

Testing path-goal theory has proven difficult due to its complexity. A review of the evidence reveals mixed feelings. According to the authors of this review, "these results suggest that either effective leadership does not rest, as path-goal theories propose, in the removal of roadblocks and pitfalls to employee path instrumentalities, or that the nature of these hindrances is not by the theories' proposition." According to another review, the lack of support was "shocking and disappointing." Others have argued that adequate tests of the theory have yet to be conducted, calling these conclusions into question. As a result, it is safe to say that the verdict on the validity of the path-goal theory is still out.

6. **Transactional Theory of Leadership**

Max Weber proposed the transactional theory of leadership in 1947, and Bernard M Bass developed it in 1981. Several assumptions underlie the transactional theory, which is as follows:

When the chain of command is defined and clear, people perform at their best.Reward and punishment motivate employees.

- The primary goal of the followers is to obey the leader's instructions and commands.
- To ensure that expectations are met, subordinates must be closely monitored.

According to the transactional theory of leadership, leaders guide or motivate their followers toward predetermined goals by clarifying the role and task requirements. The following are the characteristics of transactional leaders:

(i) **Contingent Reward:**

The leader connects the organization's goals to rewards, clearly specifies expectations, provides the necessary resources and sets SMART (specific, measurable, attainable, realistic, and timely) goals for subordinates.

(ii) **Management by Exception (Active):**

The leader actively monitors subordinate performance, watches and searches for deviations from rules and standards, and takes corrective actions to avoid mistakes.

(iii) **Management by Exception (Passive):**

In this case, the leader intervenes only if standards are not met and may even use punishments for poor performance; and

(iv) **Laissez-Faire:**

In this case, the leader provides an environment in which subordinates can make decisions.

This type of leadership may not be appropriate for all situations, but it may be appropriate when organizational problems are simple and well-defined. Transactional leaders are highly directive and action-oriented, and their relationships with their followers are transitory and lack emotional bonds. Gender differences exist whenadopting this leadership style. Several studies have found that when using a transactional leadership style, women are more likely to focus on the "rewards" component, whereas men focus on the "punishment" component.

7. Situational Theory

The Situational Theory proposes that no single leadership style is superior to others, which is similar to Contingency Theory. The theory implies, as the name suggests, that leadership is situational. In other words, leaders should match their leadership to the situation by assessing variables such as the type of task, the nature of followers, and so on.

The situational theory, proposed by US professor Paul Hersey and leadership guru Ken Blanchard, combines two key elements: the leadership style and the maturity levels of the followers. Hersey and Blanchard classified maturity into four levels:

M1 - Team members lack motivation and tactical skills to complete necessary tasks.

M2 - Team members are eager and ambitious to succeed, but they lack the necessary skills.

M3 - Team members have the skills and capacity to complete tasks, but they are unwilling to accept responsibility.

M4 - Team members have all of the necessary skills and are eager to complete projects.

8. Contingency Theory – The Fred Fiedler Model

A particular leadership style cannot be effective in all situations. In other words, it is dependent on the enterprise's environment. Even the widely accepted "democratic style" of leadership, which emphasises subordinate participation in decision-making, cannot be used in every situation. Contingency Model of Leadership Effectiveness

Leadership Theories – In the late 1960s, Fred Fiedler developed Fiedler's contingency theory. He believes that leadership styles' effectiveness varies depending on the situation. He believes that there are two types of leaders: task-oriented leaders and people-oriented leaders.

The elements that would affect the effectiveness of leadership are:

- How clearly defined is the job scope?
- How much positional power does the leader have?
- The relationship between leaders and their team or followers.

Fiedler believes that the best situation is one with a well-defined scope, high positional power, and a good relationship between leaders and followers. He discovered that task-oriented leaders are more effective in situations that are extremely favourable or unfavourable, whereas relationship-oriented leaders perform best in immediately favourable situations.

The contingency theory of leadership which was developed by Fred E. Fiedler was based on research into a wide range of group effectiveness and focused on the relationship between leadership and organizational performance. This is one of Fiedler's earliest situational- contingency leadership theories.

According to him, if an organization attempts to achieve group effectiveness through leadership, then the leader must be assessed based on an underlying trait, the situation faced by the leader must be assessed, and a proper match between the two must be constructed.

2. Fiedler's Contingency Model

According to the theory, effective groups are dependent on a proper match between a leader's style of interacting with subordinates and the degree to which the situation givesthe leader control and influence.

3. Least Preferred Co-Worker (LPC) Questionnaire

It is purposes to measure whether a person is task or relationship oriented.

4. Fiedler's Model: Defining the Situation

Fiedler believes that a leader's behaviour is determined by the favorability of the leadership situation. Three factors interact to determine how advantageous a situation is for a leader. They are as follows:

1. Leader-Member Relations refers to the degree to which the leader is trusted and liked by the group members, as well as the group members' willingness to follow the leader's

guidance. It is the level of trust, confidence, and respect that subordinates have in their leader.

2. Task Structure -This is the degree to which the group's task has been described as structured or unstructured, has been clearly defined, and can be carried out using detailed instructions.

3. Position Power It is the leader's power as a result of his organizational position, as well as the extent to which the leader can exercise authority over group members for them to comply with and accept his direction and leadership. The power to hire, fire, discipline, promote, and give salary increases is derived from one's formal structural position in the organization. Fiedler created eight different combinations of group-task situations using these three variables. These combinations were used to determine the leader's style.

4. Leader's trait Fiedler developed the 'least preferred co-worker' (LPC) scale to assess leaders' attitudes, in which leaders are asked about the person with whom they dislike working. The scale is a questionnaire with 16 items that are used to assess a leader's underlying disposition toward others. Pleasant/unpleasant, friendly/unfriendly, rejecting/accepting, unenthusiastic/enthusiastic, tense/relaxed cold harmful/frustrating,cooperative/uncooperative, supportive/hostile, quarrelsome/harmonious efficient/ inefficient, gloomy/cheerful, distant/close, boring/interesting self-assured/hesitant open / guarded are the items on the LPC scale. Each item on the scale is assigned a single point ranging from one to eight, with eight being the most favourable. According to Fiedler, leaders with high LPC scores are relationship-oriented, while those with low LPC scores are task-oriented. Leaders with a high LPC score derive the most satisfaction from interpersonal relationships and thus have a favourable opinion of their least preferred co- workers. These leaders consider task completion only after the relationship needs have been met. Low LPC score leaders, on the other hand, derived satisfaction from task performance and achievement of objectives, and only after tasks were completed did these leaders work on establishing good social and interpersonal relationships.

3. Function of Leadership

(i) Setting Goals:

A leader guides the group by assigning goals to his subordinates. He guides his followers by establishing group objectives.

(ii) Representation:

A leader may provide advice and attempt to overcome real or imagined barriers while instilling confidence in employees. Leadership fosters a collaborative attitude among employees.

(iii) As a Counsellor:

A leader may provide advice and attempt to overcome real or imagined barriers while instilling confidence in employees. Leadership fosters a collaborative attitude among employees.

(iv) **Develops Team Spirit**- The leader instils in his or her employees a sense of collectivism that encourages them to work as a team. Individuals in the group may have a variety of interests and goals. A leader must reconcile conflicting goals and restore trust.

(v) **Strives for Effectiveness:**

A leader provides an adequate regard structure to improve employee performance. To achieve better results, he delegates authority and invites employee participation. He instills in groups imagination, foresight, and initiative, and forces them to develop a sense of identity in terms of interests, outlook, and action.

(vi) **Organising**-

Another important function of a leader is to organise a group of people into a task that they can effectively perform. They must understand how to assign roles to individuals based on their ability to bring out the best in them. As a result, this function is critical for increasing team and individual productivity.

(vii) **Policy Making** -

Policy formulation is a critical function of a leader for the smooth operation of the organization. The rules to follow for effective delivery of work operations are included in the policies that leaders create. Leaders design the mechanism for all team members to follow to achieve the organization's goals by developing policies.

9.3 Leadership styles in the Indian context

Indian leadership styles in ancient times (Evidence from Mahabharata)

The Mahabharata is an epic narrative of ancient India that is significant historically, culturally, and religiously. However, this great epic is also significant in terms of leadership. Lord Krishna (the central character in Mahabharata) is an avatar of Lord Vishnu, a popular and respected Hindu divinity who possesses superior intelligence, communication skills, affection, the ability to influence others, and the ability to resolve any crisis that his devotees face. Lord Krishna is known as the world's "greatest crisis manager" in modern parlance. The epic Mahabharata makes it clear that many diverse characters impress us with their responses when faced with great challenges.

However, as the central character, Lord Krishna comes across as a master strategist and thoughtful leader who employs various leadership styles depending on the type of people to be dealt with and the circumstances at the time.

Authoritarian leadership style: The fight between Bheema and Jarasandha exemplifies an authoritarian leadership style. Lord Krishna and Arjuna were both presidents during the fight between Bhima and Jarasandha. Bhima and Jarasandha fight for days, and during that time, Bhima kills Jarasandha numerous times, but Jarasandha's body miraculously recovers each time. Then Bheema looks to Lord Krishna for guidance.

Lord Krishna knows the secret of Jarasanndha's birth and death, so he directs Bheema by picking up a stick, breaking it in half, and throwing the two halves in opposite directions far apart. Bheema understands and does the same with Jarasandha's body, throwing the two halves of Jarasandha's body in opposite directions far apart and killing Jarasandha.

This story depicts Bheema as having the personality of a superhuman with a sensitive and short-tempered nature, but he is incapable of killing Jarasandha on his own. Lord Krishna employs an authoritative leadership style to assist Bheema in killing Jarasandha.

1 Directive Leadership Style:

Lord Krishna was the Sarathi of Arjuna's wrath during the Mahabharata war in Kurukshetra between the Pandas and the Kauravas. The war was about to begin, butArjuna demonstrates his aversion to war, i.e. his unwillingness to fight, by seeing his relatives on the other side. Arjuna was a sensitive person, but he was also a person of extreme thought and a strong sense of duty and responsibility. And Lord Krishan, understanding Arjuna's personality, uses the directive style of leadership, i.e. Bhagavad Gita, to persuade Arjuna to begin the great war of Mahabharata.

2 Influential Leadership Style:

The influence of Bhishma and Shikandi's leadership styles is clear. Kaurwas' army was led by Bhishma Pitamah during the first nine days of the Great War (Mahabharata), causing significant damage to Pandwas' army. Bhishma had a great personality, which included being a great warrior with a strong character, an extreme human with a persuasive nature, and being blessed with the ability to choose the manner and time of his death.

But, as a staunch supporter of Pandawas, Lord Krishan urged Pandawas to confront such a veteran personality as Bhishma by taking Yudhisthira to Bhishma (who knows that Pandawas truly deserves to win the war) and telling Yudhisthira the secret to defeating him, namely that he would not target women. On the tenth day of the war, when confronted by Shikandi (a transgender woman who underwent surgery to become a man), Bhishma refuses to consider him a man and throws down his bow and arrows, deciding not to fight and tackle Bhishma. This story exemplifies an influential leadership style in which Lord Krishna confronts Bhishma by making him the veteran general of the enemy front, a friend, with little mediation.

3 Participative Leadership Style:

The story of Drona and Ashwatthama provides evidence of a participative leadership style. Guru Drona was leading the Kaurwas' army, which was overwhelming the Pandwas' army. Lord Krishna realises that the only way to defeat Drona is to take advantage of his greatest weakness, his son Ashwatthama. Lord Krishna cleverly employs Yudhisthira (the

personification of truth and dharma). Lord Krishna informs the Pandawas that the only way to kill Drona is to inform him that his son Ashwatthama has died. They know that Drona only believes in the saying of Yudhisthira, consequently, he takes up the responsibility
and says that "Ashwathama is dead, but it is an elephant and not your son". When Yudhisthira finished the first part of the sentence, namely, Ashwatthama is dead, Lord Krishna directed the Pandava army to begin a profound loud drum roll in such a way that the second part of the sentence, namely, but it is an elephant and not your son, did not reach Guru Drona's ears. Guru Drona concluded that his son was dead after hearing only the first part of the sentence (the second part is not hearable), and being in a shocked state, he shocked his bow and weapons and detached his soul from his body through meditation. This story depicts the existence and use of participative leadership in ancient India.

Leadership styles in India Which managerial style is appropriate for a given organization is determined by a variety of factors related to superiors, subordinates, and situations. Similarly, the leadership style to be used is determined by a variety of factors, including the type of organization. However, expecting a consistent leadership style for all types of organizations is highly unlikely. From this perspective, Indian organizations can be divided into three types, each with its own set of characteristics, and all of them are characterised by different leadership styles. Organizations may be classified as follows from an Indian perspective: 1. Traditional family-run businesses. 2. Professionally managed Indian organizations and organizations owned by foreigners. 3. Organizations in the public sector.

1. Various Leadership Styles are discussed below:

A. Transformational Leadership -Transformational leadership inspires the entire organization to think differently, believes in effective and continuous communication, and empowers people to think for themselves and make decisions. He gets people to see their growth as being in line with the overall organizational goal. He sets challenging but attainable goals for himself and all employees and works collaboratively to achieve them. As a result, he is capable of transforming the organization as a whole for both current and future situations. He makes himself expendable at the risk of attracting more enthusiastic colleagues as competitors, but this style is rarely easily replicated.

B. Democratic Leadership -

In this style, the leader allows some employees the necessary growth potential while limiting overall growth. In the future, the organization becomes reliant on him. He allows all employees to participate in analysis processes but makes final decisions based on input from colleagues. This style generates greater company benefits due to his individualist approach by a few close employees but results in slower decision-making because decision- making is limited to a small group of employees, including the Leader.

C. **Laissez-faire Leadership-**

   A "decide yourselves" style in which employees are self-motivated and all experts in their respective functions. The leader allows each to perform as they see fit to achieve the best results. This style is best suited for organizations that do creative work.

D. **Transactional Leadership-**

   The top Leader clearly defines what, who, when, and how in this style of leadership, with the Chain of Command specifically elaborated and a reward attached to eachoutput. When the organization grows large, there is very little room for employee growth and thus for organizational growth.

E. **Autocratic Leadership —**

   Autocratic leadership requires decision-making and control by the supreme leader regardless of the subordinate's intended positive and better inputs. The leaders and all other employees form a master-slave relationship. In such situations, the majority of employees remain unengaged. Most Owner-managed organizations suffer from this Leadership Style, which is only concerned with personal likes and dislikes.

F. **Bureaucratic Leadership** - Bureaucratic leadership models are best suited for highly regulated or administrative environments where principles and an established hierarchy are essential. In this leadership style, the leaders establish a strict set of rules, regulations, and policies that they strictly adhere to, and they expect their teams to do the same.

9.4 Summary

- Leadership is the process of persuading others to work enthusiastically towards the achievement of common goals. Influence is a two-way street. The leader both influences and is influenced by their followers.
- The most widely debated leadership theory is the traits theory. According to this theory, a successful leader possesses biological, psychological, and social characteristics. Following that are the behaviour theories, which focus on what leaders do to influence the behaviour of subordinate.
- Contingency theories and the path-goal model emphasise that leadership effectiveness is situational. The task structure of the job, the level of situational stress, the level of group support, the leader's intelligence and experience, and

follower characteristics such as personality, experience, ability, and motivation are also relevant situational variables.

- The situation influences the demand, which determines who emerges as a leader in any given situation, according to this approach. A situational theorist, for example, will argue that an emerging leader will emerge in response to revolutionary upheaval, chaotic politics, social and economic distress, and the deterioration of traditional institutions. In these cases, the emerging leader is a product of time, place, and circumstance, and the leader cannot control or direct what they did because it was directed and controlled by the historical moment.

9.5 Keywords

1. **Autocratic leadership-** Autocratic leadership is characterized by one person running everything and making all decisions without consulting others.
2. **Leadership-** Leadership entails providing a company with direction and vision.
3. **Laissez-faire leaders-** Leaders who are laissez-faire have a trusting and reliant attitude toward their employees. They do not micromanage or become overly involved; they do not provide excessive instruction or guidance. Laissez-faire leaders, on the other hand, allow their employees to use their creativity, resources, and experience to help them meet their objectives.
4. **Bureaucratic Leadership-** Bureaucratic leadership is a management system that follows a hierarchy and assigns official duties. Employees in this type of leadership are expected to abide by the rules and authority established by their superiors.
5. **Transformational-** where a leader connects with followers in such a way that it raises the level of motivation and morality.

9.6 Self-Assessment Questions

1. What do you mean by Leadership?
2. Explain the Trait Theory of Leadership.
3. What are the limitations of Trait Theory?
4. Explain the Path-Goal Theory of Leadership. What are its limitations?
5. What are the major functions of Leadership?
6. Explain the Behavioural Theories of Leadership.
7. What are the characteristics of transactional leaders?
8. Explain the working of the Contingency Theory given by Fiedler.
9. Explain the various leadership styles.
10. How does effective leadership help in the successful functioning of the organization?

9.7 Case Study

Peter Weaver dislikes following the crowd. He believes that groupthink is a widespread issue in many organizations. This former director of marketing for a consumer products company believes that different points of view should be heard and valued. "I have always believed I should speak for what I believe to be true," Weaver says.

Throughout his career, he demonstrated his belief in being direct and candid. On one occasion, he was tasked with marketing Paul's spaghetti sauce. "Our spaghetti sauce is losing out to price- cutting competitors," the company president said during the brand review. We must reduce our prices!"

Questions

1. What leadership traits did Weaver exhibit?
2. If you were in Weaver's shoes, what would you have done?
3. Where does courage come from?

9.8 References

1. https://corporatefinanceinstitute.com/resources/management/leadership-theories/

2. http://www.jiwaji.edu/pdf/ecourse/political_science/MBA_FA_205_OB.pdf

3. https://egyankosh.ac.in/bitstream/123456789/8007/1/Unit-5.pdf

4. file:///C:/Users/tirup/Downloads/BCA-629%20OB.pdf

5.https://www.linkedin.com/pulse/effective-leadership-styles-indian-context-rohit-chawla#:~:text=An%20 effective%20header%20is%20 charismatic,Shows%20 empathy%20and%20 understanding

6. Kaul Vijay Kumar, Business Organization & Management - Text and Cases, Pearson.

7. Kavita Singh: Organizational Behavior, Vikas Publication.

8. Koontz & Heinz Weihri

Unit 10

Group Behaviour

Learning Objectives

After studying this module, students will be able to:

1. Know about the importance of groups in an organization
2. Know about the various types of groups
3. Know about the difference between group and team
4. Know about the various types of teams

Structure of the Unit

10.1 Introduction

Group dynamics are not universally understood, just as there is no single definition of the term "group." Although the term was made popular in the 1930s by Kurt Lewin, who is widely regarded as the father of group dynamics, over time various meanings havebeen associated with it. According to one normative perspective, group dynamics explains how a group should be run and organised. The importance of democratic leadership, member involvement, and general cooperation are emphasised. Another way to look at group dynamics is as a collection of methods. Role-playing, brainstorming, focus groups, leaderless groups, group therapy, sensitivity training, team building, transactional analysis, the Johari window, and more contemporary self-managed and virtual teams are all traditionally associated with group dynamics in this context. The search for a collision of ideas rather than a collision of people is called "creative abrasion," and it is an illustration of a recent group technique. The aim is to encourage the group to become more creative. The third perspective comes closest to Lewin's original idea. The internal nature of groups, their formation, structure, and processes, as well as how they function and impact particular members, other groups, and the organization are all viewed from the perspective of group dynamics. The discussion of work teams is set up in the sections that follow and are devoted to this third perspective on group dynamics.

1. **Importance of Groups in an organization**

a. Assign Tasks

When working in a group, individuals can share responsibilities rather than having all of the work fall on one person. Instead, group members can assign tasks to people who have the necessary expertise, know-how, and skills to complete the task successfully.

b. Encourage Innovation

As a group searches for solutions to organizational issues, group work helps the group members' creativity by opening up a wider range of ideas. People may enter a group with ideas, but with the group's assistance, those ideas are developed andtransformed into original, doable, strategic, or time-sensitive solutions.

c. Discover Compromise

Members learn the value of compromising and giving up their insistence on doing things their way through group work. As the group develops solutions, the members work to include the thoughts and opinions of the group in their choices.

d. Integrate Skills

Although members of a group may have some of the same knowledge and skills, it is common for them to come from different educational backgrounds and have different work and volunteer experiences, which reveals the weaknesses of some group members while highlighting the strengths of others.

e. Create connections

Individuals can develop enduring bonds of loyalty and trust by cooperating in groups. People learn about their differences and commonalities as group members, which motivates them to seek out other members of their group.

10.2 Foundation of Group Behaviour

Theories are establishing hypotheses which explain a particular phenomenon. One phenomenon, such as "delinquency," may be explained by several theories. Delinquency is explained by psychological, biological, and sociological themes. Along the same lines as previously stated, numerous theories explain how groups form, develop, and progress. There are several theories regarding group formation and development. The theories here include classic theory, social exchange and social identity theory.

a. Classic Theory:

According to George Homans' classic theory, groups develop primarily through activities, interactions, and sentiments. This theory indicates that when individuals share common activities, they will have more interaction and will develop attitudes (either positive or negative) toward each other. The major element is the interaction between the individuals involved.

b. Social Exchange Theory:

Another important theory that provides an alternative explanation for group development is the social exchange theory. Individuals form relationships based on the implicit expectation of mutually beneficial exchanges based on trust and felt an obligation, according to this theory. It can also be stated that if people are attracted to and affiliated with a group, they will have a positive perception of exchange relationships.

c. Social Identity Theory:

Besides this, another important theory is social identity theory which explains group formation. It suggests that individuals get a sense of identity and self-esteem through their membership in groups. Groups are based demographically, culturally and organizationally.

10.3 Definition and characteristics of Groups and Teams

1. Group

Everyone knows what a group is in general. A group is formed when two or more people gather and interact in one location. The group can be defined in a variety of ways. Here are a few important definitions of group, each emphasising one or more important characteristics of the group.

a) R.M. Williams (1951) "A social group is a given aggregate of people playing interrelated roles and recognised by themselves or others as a unit of interaction." Here it can be said that a group is an aggregate of some people. The roles of the group members are interrelated. The group is considered a unit. R.M. MacIver (1953) "By group we mean any collection of social beings who enter into distinctive social relationships with one another." There must be social relationships between the individual members of a group.

Suppose you belong to one such group where you may find some special features which you can accept or not. It can be good or unhealthy, beneficial or not, but certain significant characteristics define the group.

i. A sense of belonging:

There is a sense of belonging among the group members. The members of the group assist one another in carrying out their responsibilities. They work together to combat evil forces. Outsiders are people who do not belong to the group. They are always attempting to make the group self-sufficient.

ii. Shared interest:

Every member of the group shares a common interest. There is a shared interest among the members, which promotes unity. The group includes those persons who are related to each other in such a way that they should be treated as one.

iii. A sense of unity:

Every group requires unity. Each member of the group treats each other as if they were their own, and a sense of camaraderie develops among the members of the group.

iv. **Related to one another:**

Members of the group are indeed related to one another. The members of the group communicate with one another. The fundamentals of group life are social relations.

v. **Influenced by group characteristics:**

Each group has some social characteristics that distinguish it from similar and dissimilar groups. These characteristics have an impact on the members of the group. The nature of each individual may differ, but all members are affected by the group.

vi. **Shared values:**

Certain values are shared by members and are traditionally respected and passed down to the next generation. They are manifested in the members' mutual behaviours. Members of the social group are bound together by these shared values.

vii. **Group control:**

Each group has some customs, norms, and procedures that everyone accepts. Group life cannot exist without some sort of norm. It could be argued that the reason for the similarity of behaviours in group life is that the group controls the members' actions.

viii. **Obligation:**

All members of a group have complementary obligations to one another. Furthermore, the relationships between group members are strengthened by their mutual obligation and shared social values.

ix. **Expectations:**

Not only mutual obligation, but the members of the group also expect love, compassion, empathy cooperation etc., from all other members of the group. If the mutual expectation is fulfilled, the group members are maintained intact. A group can maintain its existence only if the constituent members fulfil their responsibility by satisfying their desires among themselves.

2. **Different types of groups**

We can classify groups in different ways. First, it can be divided into two main parts considering the degree of intimacy as the basis of classification.

a. **Primary group:**

There is a strong sense of "we" among the members, and there is an intimate face-to-face relationship between them. This includes family, playgroups, and the village community.

b. Secondary group:

In this group, connections are more or less haphazard and characterised by shared interests. This group includes clubs and labour unions, among others.

c. In-group/we group:

In this case, we associate ourselves with a group that shares a common goal or passion. They feel like "we," a group. People who are a part of an in-group tend to treat outsiders poorly. These groups may be formed based on ties, shared nationality, comparable political and economic interests, etc.

d. Out-group:

The term "out-group" refers to a group whose members we view as outsiders. Out-groups are typically referred to as groups other than the in-group.

Groups can be divided into the following types based on norms and rules:

i. Formal group:

They are typically established according to particular standards, laws, and values. The formal group category includes the group of students in a classroom. So, one of the formal group settings is school.

ii. Informal group:

There is no definition of the group's nature. Typically, the laws are flexible. Examples of informal groups include playgroups, peer groups, and social clubs.

Besides the above two, the group can also be classified into various categories as given below:

1. Organised groups:

   Groups formed for a specific purpose and with careful planning are referred to as organised groups. Organized groups also include the family, the school, etc.

2. Spontaneous groups:

   These teams come together without prior planning. After hearing a renowned speaker speak, the audience may be regarded as a spontaneous group.

3. Command groups:

   The organizational chart identifies command groups. It consists of a supervisor and the employees who answer to him or her.

4. Task groups:

   A group of people who collaborate to complete a single task. In many circumstances, there is a time limit. Task forces are what this is known as. Functional groups are typically formed by an organization to achieve particular objectives within an ambiguous time frame. After current objectives and goals have been achieved, functional groups typically exist.

5. Interest groups:

These typically last for a longer period than more general informal groups. The member's interests may not fall under the same organizational department, but it is clear that they are connected by a shared passion.

6. **Friendship groups**:

   There are various kinds of them. These organizations are made up of people who share common interests in social activities, political beliefs, religious principles, and other ties.

7. **Reference groups**:

   This is the group in which members assess one another. The behaviour of its members is significantly influenced by reference groups.

8. **Temporary Group**:

   According to studies, temporary groups are formed for a specific task and disband once it is complete. These organizations follow distinct action sequences. The key characteristics are:

Their initial meeting establishes the group's course.

i) Inertia characterises the initial stage of group activity.

ii) After the first phase, which takes place precisely when the group has used up half its allotted time, a transition takes place.

iii) A transition starts a significant change.

iv) After the transition, there is a second phase of inertia.

v) The group's final meeting was marked by noticeably increased activity.

vi) There are other types of groups, a few of which are listed below:

i. **Clique:**

A loosely knit group with shared interests, typically found in high school or college. Most Cliques have a well-established but shady power structure. There are numerous effects of cliques.

ii. **Club:**

A club is a group to which one must typically apply to join. These organizations might specialise in certain activities, like sports clubs.

iii. **Community:**

A community is a group of people who have something in common or occasionally a complex web of overlapping things in common. Communities are frequently, but not always, close to one another and exhibit some degree of continuity over time. They frequently have leaders and some organizations.

iv. **Franchise:**

An organization that manages multiple locations-based instances of a business.

v. **Gang:**

A gang is typically an urban organization that congregates in a specific location.

It is a group of individuals who frequently congregate together. They might resemble some clubs, but they would be much less formal. A group is simply a term for a collection of people who are connected. This simple phrase has numerous applications.

vi. **Mob**: A mob is typically a group of people who have seized control of the law. A mob is typically a temporary gathering of people for a specific purpose.

vii. **Posse**: A group of citizens who had joined forces to uphold the law was originally referred to as a posse in America. But it can also be used to describe a gang.

viii. **Squad**: This is a small group that typically consists of 3 to 8 individuals and that collaborates to achieve a specific objective.

ix. **Team**: This is comparable to a squad, but teams typically have much larger memberships. A squad functions similarly to a team.

3. Team

A team is any collection of individuals—human or otherwise—who cooperate to accomplish a common objective. A team is a group of individuals who are interdependent in terms of information, resources, knowledge, and skills and who seek to pool their efforts to accomplish a common goal, according to Professor Leigh Thompson of the Kellogg School of Management. A team is not always made up of a group. Teams typically consist of individuals with complementary skills who work together to create synergy to maximise each person's strengths and minimise their weaknesses.

1. **Characteristics of team**

a. **Ideal Size and Membership-**

The team should consist of members with the ideal balance of skills and talents to complete the task at hand, and it should be the smallest size necessary to accomplish the team's goals.

b. **Fairness in Decision-Making-**

Teams should aim to reach decisions through consensus. Teams will use fair decision-making processes that everyone can agree on when consensus is not possible.

c. **Creativity-** Originality is valued by ineffective teams, and they will come up with fresh solutions to organizational issues.

d. **Accountability-**

Members must be responsible to one another for completing their work on time and adhering to the group's policies.

e. **Purpose and Goals-**

Every team member needs to be aware of the objectives driving the formation of this particular group of people.

f. **Action Plans-**

Assist the team in identifying any recommendations, help, training, materials, or other resources that they may require.

g. **Roles & Responsibilities-**

The most effective teams make use of everyone's strengths. Each team member is aware of their responsibilities and is aware of who is in charge of what.

h. **Information Sharing-**

Information sharing between team members is essential for productive discussions; hoarding information is not acceptable. This is now easier than ever thanks to the proliferation of new technologies.

i. **Good Data-**

Good data is necessary for information sharing. Teams that use solid data for decision-making and problem-solving are much more likely to find long-lasting solutions to issues.

j. **Meeting Skills and Practices -**

Each team member must agree to a standard procedure for running meetings. There isn't a "best" approach; however, everyone needs to be on the same page. Decision Making is a subset of "Skills & Practices." There is no "one way" to make achoice, but there must be a clear path and open communication among team members.

k. **Participation-**

Every team member has a stake; therefore, everyone should contribute their talents, take part in discussions and decision-making, and share a dedication to the team's success.

l. **Accepted Leadership-**

Teams that perform well need capable leadership. When such leadership is absent, groups may easily become disoriented. While a shared, interesting task may be the most important factor in team effectiveness, poor team leadership is frequently the main cause of team inefficiency. In the majority of organizational settings, the team's leader establishes the team's mission and facilitates discussions about it. The lens through which each team member sees and aligns with the team's purpose is determined by the leader's vision, commitment, and communication.

m. **Effective Processes-**

Processes and teams work well together. A surgical team, building crew, string quartet, or film crew would never consider tackling tasks without clearly defined processes. The required procedures are explicitly described in the score sheet for a string quartet or the playbook of a football team. Business teams also have processes, which may include problem-solving, decision-making, meeting management, or product design.

n. **Solid Relationships** -

The idea that team members need to be close friends to work and communicate effectively is one of the most common misconceptions in the world of teams and teamwork. High levels of friendship, which are typically based on the commonality of the way people think, their interests, or their beliefs, are almost incompatible with the diversity of skills, experience, and knowledge required to divide tasks effectively.

o. **Excellent Communication** -

The very foundation of cooperation is communication. The fact that team-based organizations are more responsive and move more quickly is one of the main reasons why businesses choose to implement teams. A team cannot work more quickly than it talks. High levels of team performance are a hallmark of quick, clear, timely, and accurate communication. Teams that perform well have mastered the art of direct communication; confusion or miscommunication rarely causes movement to be wasted.

10.4 Difference between Groups and teams

Basis for Comparison	Group	Team
Meaning	A collection of individuals who work together in completing a task.	A group of persons having a collective identity joined together, to accomplish a goal.
Leadership	Only one leader	More than one
Members	Independent	Interdependent
Process	Discuss, Decide and Delegate.	Discuss, Decide and Do
Work Products	Individual	Collective
Focus on	Accomplishing individual goals.	Accomplishing team goals.
Accountability	Individually	Either individually or mutually

10.5 Stages of Group Development

Appointing people in groups based on their compatibility, diversity, or expertise does not guarantee their effectiveness in achieving group goals. A group begins as a collection of individuals with varying characteristics, needs, and influences. To be effective, individuals must spend time acclimatizing themselves to the task, environment, and most importantly to each other. According to organizational experts and practitioners, new groups go through several stages before reaching peak performance. Each stage presents members with new challenges that must be overcome before progressing to the next stage.

Group formation is concerned with the following:

I. The formation of groups;
II. The group's structures and processes
III. The functions of the group in different situations.

Group development is divided into five stages: forming, storming, norming, performing, and adjourning.

i) The forming stage is characterised by some confusion and uncertainty. Forming is an orientation period during which members get to know one another and share their expectations for the group. This is the first stage of the group's formation when members begin to form relationships with one another and learn what is expected of them.

ii) Storming is the stage in which there is the most disagreement and conflict. At this point, members primarily express their concerns, and criticism occurs. Actually, at this stage, interpersonal conflicts and disagreements about thegroup's goals emerge. It is critical to resolve conflicts and establish clear goals at this time.

iii) Norming is characterised by the recognition of individual differences and shared expectations. Responsibilities are divided among members and the group decides how it will evaluate the progress. If the group's conflicts are resolved, it can establish patterns for getting its work done. Members of the group articulate and accept one another's expectations.

iv) Performing occurs when the group has matured and attains a feeling of cohesiveness. Members of the group make decisions at this stage using a rational process that is focused on relevant goals rather than emotional issues. Role, expectation, and norm issues are no longer of major importance. The group is focused on its tasks and working hard to achieve its objectives.

v) Adjourning displays that group members frequently experience feelings of closure and sadness as they set to leave. It is the final stage in gradually dissolving of the group after achieving the goals for which it was formed.

10.6 Group Cohesiveness

Cohesiveness refers to the members' sense of belonging to the group. It identifies the members' desire to remain in the group and their level of commitment to the group. The cohesiveness of the group has reflected in the extent of unity displayed by the group members and adherence to the group norms. It is the "WE" feeling displayed by the members of the group. Cohesion is achieved in situations where there is an attraction and adherence to the norms of the group. The cohesiveness group can produce miracles in the organization if group objectives and organizational objectives are complementary to each other. In case of differences, group cohesiveness can be disastrous for the organization. For example, if an organization wants to improve sales by 10%, this can be achieved provided the group is assured of deviants out of additional revenue accrued by additional sales. If no incentives are provided, the sales group's cohesiveness will become counterproductive and dysfunctional for the organization. If the organization and the group can subscribe to common goals, then a highly cohesive group will be valuable. In such a case, the group's required and emergent behaviour become identical. But if a group does not subscribe to the organization's goals, then the cohesive group will be detrimental to the organization's goal. As a result, a manager must leverage group cohesion to the organization's advantage by identifying group member goals and aligning them with organizational goals.

10.7 Types of Teams

- Employees from the department where the problem is located are chosen to form problem- solving teams, which typically consist of 6-10 people. These workers meet for a short time each week to discuss ways to enhance the work environment, quality, and efficiency. These members are not given implementation power.
- Self-managed teams are made up of about a dozen workers who take over for their previous supervisor. They typically deal with issues relating to planning and scheduling, task distribution to team members, operational decisions, the pacing of work, and problem resolution. Colleagues are chosen by the members themselves.
- Cross-functional teams are groups of people who work together to complete a specific task and are organised at roughly the same hierarchical level but from different work areas. These teams are a successful way to enable individuals from various departments within an organization or even between organizations to exchange information, create fresh solutions to problems, and coordinate challenging project tasks. It takes time for such teams to establish trust, and teams' function because team members are diverse in

terms of their backgrounds, perspectives, experience, and knowledge.

- A management team that creates plans for activities and then oversees these activities is known as an executive team. A construction team creating the blueprints for a new building and then directing its construction using these blueprints is an example of an executive team.
- A project team is a group of people who work together only for a specific amount of time and for a distinct, concrete goal. Subtypes of this team category include negotiation, compassion, and design teams. Teams of this nature typically consist of members who are multi-talented and knowledgeable in a wide range of fields. Members of these teams may be assigned tasks for the same project even though they are members of different groups.
- Advisory teams offer recommendations for a finished product. A quality control team on an assembly line is an illustration of an advisory team. They would look over the finished goods and offer advice on how to raise the caliber of the creations.
- Work Teams- The actual process of producing tangible goods and services are handled by work teams. A production team would be the actual employees on an assembly line, whereas a service team would be the waitstaff at a restaurant.
- Management teams - The coordination and leadership of a division within an institution or organization during various assigned projects and functional, operational, and/or strategic tasks and initiatives is the responsibility of management teams (also known as action and negotiation teams). Management teams are accountable for the overall performance of the division they are in charge of, including daily operations, task delegation, and employee supervision.
- Virtual teams - Use computer technology to connect geographically separated members to accomplish a shared objective. They are capable of carrying out the tasksassigned to all other teams. There are 3 main factors differentiating virtual teams from other teams, namely:

1. The absence of verbal or non-verbal cues
2. Limited social context and
3. Ability to overcome constraints of time and space. The first two types of teams are at times informal in nature and the latter is formal in nature.

Creating effective teams does need immense effort. The key components making up effective teams are work design. teams' composition, resources and intellectual influences and process variables.

10.8 Summary

> A group is a collection of individuals. A group is defined as two or more people who interact with one another, share common goals, and recognise that they are

part of a group. They interact with each other, either directly or indirectly and their relationship is relatively stable.

- Their interaction should be structured in some way so that when they meet, they perform the same or similar function.
- In general, group members contribute to the satisfaction of both psychological and social needs, such as giving and receiving attention.
- Groups assist us in meeting our need for security. In contrast, we can think about a mere collection of individuals, who are not part of a group, as members of a crowd, as in the case of disorganized groups.
- In a nutshell, the group has some kind of structure to keep it together and achieve its goals effectively. The structure is hierarchical, with functions and powers distributed accordingly. Groups may be of different types, viz., primary and secondary groups, formal and informal groups, organised and unorganized groups, command groups, task groups, functional groups, interest groups, friendship groups, reference groups etc. A group structure is a set of relationships that hold the group together. It can be interpreted in a variety of ways.

10.9 Keywords

1. **Attitude**: An enduring system of evaluations or feelings in favour of or against a person or group.
2. **Belief**: Acceptance of a statement about an object, event, person or group.
3. **Cohesiveness**: The social force which keeps the group together.
4. **Group**: A collection of individuals who are in an interdependent relationship with one another sharing common norms of behaviour and attitude.
5. **Informal group**: An unorganized group is referred to as an informal group.
6. **Group structure**: The differences in roles and status relations within a group.
7. **Group dynamics**: The process by which changes in the behaviour of other members of the group occur.

10.10 Self-Assessment Questions

1. Define a group and discuss the importance of the group.
2. Enumerate the characteristics of a group.
3. Elucidate the different types of groups, their roles and functions.
4. Differentiate between formal and informal groups with examples.
5. Define team.
6. What are the various types of teams?

7. What are the various characteristics of a Team?
8. What is the difference between a group and a team?
9. What do you understand by group cohesiveness?
10. What are the stages of group development?

10.11 Case study

Rohan is accountable for the overall performance of the division. He is in charge of Human resources. He makes sure that all the vacancies in the company are fulfilled on time and also has negotiation skills. Planning, coordinating, and supervising the employment of new employees are the responsibilities of HR managers. In addition to acting as a liaison between management and staff, they advise business executives on strategic planning. The role of an HR manager may be more crucial than ever in today's environment.

Questions

What type of team does he belong to?

10.12 References

1. https://egyankosh.ac.in/bitstream/123456789/20892/1/Unit-1.pdf
2. Gilbert: Principles of Management, McGraw Hill.
3. Kaul Vijay Kumar, Business Organization & Management - Text and Cases, Pearson.
4. Kavita Singh: Organizational Behavior, Vikas Publication.

Unit 11

Organizational Change and Development

Learning Objectives

After studying this module, students will be able to:

1. Know about organizational change
2. Understand the forces of change
3. Know about Kurt's change cycle and its three stages
4. Know various reasons for resistance to change and ways to manage it

Structure of the Unit

11.1 Organizational Change and development

1. Organizational Change

Change can be interpreted as the replacement of an old idea with a new one. Change brings with it new opportunities, challenges, and difficulties. A person's or an organization's life will inevitably change. Organizational change, also known as a change within an organization, includes the use of new production methods, the development of new products, organizational restructuring, the adoption of information technology, the transition from public to private ownership, etc. Businesses that embrace change and gain knowledge from it will succeed, while those that don't

will struggle. Modern companies need to be able to compete globally. Further technological developments led to changes in the production methods for goods and services.

2. Nature of Organizational Change

Organizational change is the alteration of the work environment in the organization. A change in a system, whether physical, biological, or social, is referred to as a "change. "The following characteristics of organizational change may exist:

When change occurs in any part of an organization, it disrupts the organization's old equilibrium.

Any change in an organization can have an immediate or indirect impact on the entire organization or a portion of it.

Organizational change is a never-ending process.

3. Forces of Change

In general, two types of forces drive change: internal forces and external forces.

1. Internal Forces

Change in Leadership: When an organization's leadership changes, perceptions, strategies, activities, and results may change.

Change in Employees Profile: Some changes in an employee's profile are unavoidable due to death, retirement, transfer, promotion, discharge, or resignation. Women's employment is increasing. Furthermore, in the context of modern globalization, employees from various national and cultural backgrounds are recruited. Human resource policies andpractices must be redesigned to accommodate a diverse workforce. Change in Employee's Morale and Motivation: Changes in leadership, policies, and practices may have an impact on employee morale and motivation, resulting in decreased productivity, production, and profits. Union Influence: Despite the implementation of liberalisation policies by many governments, the union's influence on many organizations in terms of recruitment, service conditions, wage rates, and so on is still discernible. In response to the union's demands, management will need to make appropriate changes.

Implementation of New Technology: Technological advancements result in the job, production process, and employee profile changes. More computers, automation, and reengineering programmes result in significant changes in the majority of organizations. The Internet has had a significant impact on the markets of a variety of organizations. Another field where a large number of products are likely to be created in biotechnology.

2. External Forces

Competition: Global competition has emerged. Mergers and acquisitions are becoming more common. Organizations must make appropriate changes in response to competing demands. They should develop the ability to rapidly develop and market new products. To meet these competitive challenges, short production runs and short product cycles will be required, as well as equally flexible and responsive systems.

Economic Fluctuations: Changes in the security markets, interest rates, and exchange rates, among other things, have continued to impose changes on organizations.

Social Trends: Increased college attendance; delayed marriages by young couples; economic upliftment of women and backward communities, among other things, suggest changes that organizations should consider. All of this causes fluctuations in the demand for the products used by these groups.

Global Politics: The collapse of the Soviet Union, the reunification of Germany, WTO policies, the US attack on Afghanistan and Iraq, and other developments have an impact on the business of various organizations whose activities are related to such developments.

3. Organizational Development

Organizational Development is a planned, managed, and systematic process of changing an organization's culture, systems, and behaviour to solve problems and achieve goals. While structural and technological changes are frequently included in OD, its primary focus is on changing people and the nature and quality of their working relationships. Thus, organizational development (OD) is the modern approach to change management for human resource development. It focuses on people's dimensions such as norms, values, attitudes, relationships, organizational culture, and so on. According to Dale S. Beach, organizational development (OD) is a complex educational strategy designed to increase organizational effectiveness and wealth through planned intervention by a consultant using the theory and techniques of applied behavioural service.

French and Bell define O.D. as a long-term initiative that enlists the aid of external or internal behavioural scientists, consultants, or change agents to enhance an organization's capacity for problem-solving and adapting to changes in its external environment.

OD is intended to create an internal environment of openness, trust, confidence and collaboration and to help the members of the organization to interact more effectively in the pursuit of organizational goals.

4. Features of Organizational development

It is an educational strategy that attempts to bring about planned change, and ·

It is related to real organizational problems rather than hypothetical classroom cases.

It employs sensitivity training techniques and emphasises the value of experiment-based training.

Its change agents are almost entirely external consultants hired from outside the organization.

External change agents and internal organization executives form a collaborative relationship based on mutual trust, influence, and mutually agreed-upon goals.

External change agents are humanists who want to instill a social and altruistic philosophy within a company.

The change agent's goals for OD tend to reflect a human approach, with a focus on better conflict resolution, increased understanding, and more significant leadership.

Organizational changes are usually sought as a result of some immediateproblems, but it is a long-term approach that lasts three to five years. The term organizational development (OD) refers to a wide range of change initiatives. It aims to alter people's organizational philosophies, skills, and attitudes.

OD is a dynamic process that requires a significant investment of time and money.

5. Benefits of organizational development

It places a greater emphasis on human resources than on any other physical resources.

It contributes to the development of human resources by initiating change.

It gives people opportunities and challenges to use their abilities. It contributes to organizational effectiveness.

6. Limitations of Organizational Development

Organizational development is based on a behavioural science approach, which has many limitations in and of itself.

Organizational development is applicable based on the circumstances of the organization. As a result, if the circumstances are not favourable, the effectiveness of organizational development may be limited.

11.2 Kurt Lewin Change Cycle

Kurt Lewin asserts that there are three stages to the change process:

Unfreezing the status co; Movement to a new stage; and refreezing the fresh change to solidify it. Unfreezing is the process of forcing people to recognise the need for change. Environmental pressures, declining performance, recognition of a problem, or the availability of a better way of doing things may all hasten the process of unfreezing. While the forces of change should be encouraged, the forces of resistance should be discouraged. Changes introduced without going through this unfreezing process are almost certain to fail due to employee unawareness and resistance.

The changing or moving stage is the second stage. This entails taking action to change a situation by changing things like the organization's people, tasks, structure, and technology.

The final stage of change is refreezing, which involves making the new tasks, technologies, and relationships relatively permanent. Thus, the introduced changes are reinforced and stabilized. If this stage of refreezing is not completed, the changes introduced are likely to be abandoned or implemented only partially.

11.3 OD Models & Interventions

Organizational development models aid in change logistics by providing a clear framework. These models serve two functions: they aid in the development of a strategy and they clarify communication for employees. Organizational development models have been developed by researchers and experts in the field of organizational change and development.

1. **Action Research**

Lewin also created the action research model, which includes three phases.

a. **Research on Problems and Theorizing Solutions**

Data collection, focus groups, and the hiring of an outside consultant or specialist are all part of the research phase. The goal is to identify a problem and come up with a workable, result- oriented solution.

b. **Action Phase**

The change is implemented during the action phase. This step, like the change step in the three- step model, is impossible without clear communication from leadership and strong employee support.

c. **Input and Results Phase**

The final phase entails collecting data to evaluate the strategy's impact on the problem. If the action was ineffective, this step involves analysis and reflection and can lead back to step one.

2. **Business Process Reengineering**

Business process reengineering (BPR) is a much more radical model that can entail completely reimagining parts of a company. The phases of this model are described in the sections that follow.

1. **Chart the Organization's Processes:-** As they Are Currently in preparation for analysis, leadership documents current processes and procedures.
2. **Analyze the Processes:-** Using the process map, committees or individuals examine procedures to determine what is and is not working.

3. Identify Improvement Opportunities:- Teams identify areas of need and come up with solutions.

4. Design a Process Map for Improved Processes in Future:- Changes are planned collaboratively by employees and management. This phase may include timetables, workload delegation, or new organizational structures.

5. Implement Changes to Attain Improved Processes:- The initiatives are executed, and employees receive training and support.

3. Appreciative Inquiry Model

The appreciative inquiry model, which was first proposed in 1987, is also known as the 'positive model.' Instead of focusing on the negative, it highlights the organization's successes. The goal is to teach members how to recognise when the organization is running smoothly and how to improve these conditions to achieve better results.

4. General Model of Planned Change

Thomas Cummings and Christopher Worley, organizational experts and professors, proposed a general model for planned change in 2009. The four steps are as follows: entering and contracting, diagnosing and providing feedback, planning and implementing, evaluating, and institutionalizing. Because organizational change is rarely linear and involves overlap and feedback, the process continues by returning to a previous step after the final one.

5. McKinsey 7-S Framework

The McKinsey 7-S framework is not defined in steps but is organizedinto seven factors. To implement this framework, companies analyze each of the seven S's — shared values, strategy, structure, systems, style, skills, and staff — and come up with improvement solutions. Shared values, a priority, are the deciding factor. The remaining six are typically split into two categories: hard Ss and soft Ss.

6. Hard S's

Strategy: the company's overall direction Structure: The way the corporation is set up, particularly in terms of job roles and descriptions Systems: the procedures and processes that the business now follows.

7. Soft S's

Style: the leadership style of upper management Skills: The company's capabilities, which include both collective and individual capabilities. Staff: the company's employees.

8. Organizational Development Interventions

Organizational development initiatives enable effective change. Interventions are steps made to make a situation better. In the end, these organised processes aid in implementing the adjustments needed to progress an organization's values or operations.

These are the four organizational development strategies:

a. Human Process

Interpersonal interactions are improved by human process interventions at the individual, group, and organizational levels. These occur as a result of adjustments made within an organization.

In the case of recruits or internal transitions, individual interventions offer employee's guidance on interpersonal skills such as conflict management, team building, and body language.

Similar to individual interventions, group interventions impact a group's structure or method, which may be required for departmental improvements. Organizational interventions, on the other hand, are examples of significant changes, such as the adoption of new corporate goals and visions.

b. Techno Structural

Techno-structural interventions are predetermined adjustments made to the processes and organizational structure of a business. This OD intervention should start as quickly as the IT and employment sectors. These interventions use a methodology that focuses on enhancing an organization's technology and structure through modifications to job design, system implementation, workplace hierarchy, and other factors.

c. Strategic Change

Strategic interventions boost competitive advantage, and they can be used to change an organization's structure, procedures, or policies. They are particularly successful when businesses change the way they operate, such as when they replace their core goods or services with new ones, or when they go through trans-organizational transitions like mergers or acquisitions.

d. Human Resource Management

Interventions in human resource management (HRM) concentrate on integrating, fostering, and assisting people inside an organization. Implementing diversity programmes to ensure that workers feel represented and included in the workforce regardless of their age, gender, sexual orientation, or race is one example of this.

The four OD intervention techniques are used by organisations in a variety of ways, whether at the individual or organisational levels.

9. Individual Interventions

Human process interventions include individual interventions. They are intended to change behaviour. This is usually done in response to workplace problems. Alcohol and drug use interventions are well-known examples of pop culture interventions.

When an individual's use of these addictive substances becomes excessive, concerned family and friends confront them with the negative consequences of their substance abuse. These interventions frequently conclude with a request for treatment. Individual interventions in the workplace, on the other hand, typically occur in response to situations such as a lack of communication or workplace errors.

10. Job Enrichment

Job enrichment enables effective employee management by providing opportunities for advancement. This technological structural intervention technique entails creating and redesigning jobs that take into account the individual's interests and skills. Its organizational goal is to create a job that is motivating for employees. A job enrichment programme could include interventions as simple as increasing an employee's autonomy by allowing them to choose when they want to take a break. Job rotation — moving employees from department to department to increase their skill set — is another example of job enrichment, depending on the industry.

11. Transformational Change

Transformational change is a fundamental transformation of the organization. For example, if IHOP decided to focus on burgers instead of the popular breakfast food pancakes, the company would transform. These changes are frequently made to keep up with changing consumer preferences.

12. Performance Management

A well-known example of HRM is performance management. It is a continuous process that includes setting expectations and goals, providing feedback, and evaluating performance between an employee and their supervisor.

As a result, performance evaluations are included in this initiative. Both job enrichment and performance management are concerned with the individual, but the latter is more concerned with the individual than with the organization.

11.4 Resistance to Change

Resistance to change is an attitude or behaviour that demonstrates an unwillingness to accept a specific change. To successfully implement change, this opposition must be overcome. Sometimes resistance to change serves as a warning sign that the proposed change should be reconsidered. Thus, resistance to change can be used to the organization's advantage. The essence of a constructive approach to resistance is to consider raised objections, make appropriate changes, and educate employees about the proposed change. Overt, implicit, immediate, and varied resistance can all exist. When such resistance is overt and immediate, management can take immediate corrective action. Implicit resistance can lead to a loss of loyalty, and motivation, increased mistakes, absenteeism, and so on.

Resistance to change is an attitude or behaviour that shows an unwillingness to approve a particular change. For change to be successful, it must be overcome. Sometimes resistance to change serves as feedback to reconsider the proposed change. Thus resistance to change can also be used for the benefit of the organization. The essence of a constructive approach to resistance is to consider objections raised and make suitable amendments and educate the employees about the proposed change. Resistance can be overt, implicit, immediate and deferred. When it is overt and urgent, management can deal with such opposition right away by taking corrective action. Implicit resistance can lead to diminished commitment, diminished drive, more errors, more absences, etc. Similarly, varied resistance causes problems for management over time, especially when significant funds have already been invested in carrying out the change. Change resistance can be introduced by the organization, the individual, or both. Organizational Resistance

a. **Structural Inertia:**

   Every organization has mechanisms or systems in place to keep things stable. It could be training and other socialised techniques, or it could be formulation procedures. The people are recruited, trained, and shaped to behave in specific ways. When changes are proposed to any of these systems or procedures, existing employees may be resistant.

b. **Limited Change Focus:**

Organizations are made up of interconnected subsystems. We can't make one change without affecting the other. If management wishes to change the technological process without also changing the organizational structure, the technological change is unlikely to be accepted.

c. **Group Inertia**:

Even when individuals want to change their behaviour, group norms can act as a barrier.

d. **Threat to Expertise**:

A change in the organization may jeopardise specialised expertise developed over time by individuals and groups. As a result, they are likely to oppose the change.

e. **Threat to Established Power Relationships**:

Any redistribution of decision-making authority may jeopardise individuals' power relationships with others, resulting in resentment.

f. **Resource Allocation**:

The groups within an organization that control resources frequently see change as a threat.

2. **Individual Resistance**

Individuals' resistance can be traced back to basic human characteristics such as perceptions, personalities, and needs. The six reasons for individual resistance to change are as follows.

a. **Habit**:

People prefer to do their daily tasks, in the same way, every time. Any new steps in carrying out the job cause them to believe that the job has become more difficult. As a result, they are opposed to the change.

b. **Security**:

People who have a high need for job security are more likely to resist change that will affect their feelings of safety. The implementation of new technological changes in an organization may cause employees to believe that their jobs are in jeopardy.

c. **Economic Factors**:

Employees may believe that the proposed changes will result in a decrease in their monthly payments. As a result, they are opposed to such changes.

d. **Fear of the Unknown**:

When a change is proposed, a known situation is sought to be replaced by an ambiguous and uncertain situation, which employees may not like. As a result, they form a negative opinion of the proposed change.

e. Lack of Awareness:

People may be unaware of the benefits of proposed changes, and as a result, they may resist those changes.

f. Social Factors:

Individual employees may be resistant to changes due to the influence of the group or union to which they belong. They may fear that if those changes are implemented, they will be mocked by their co-workers or union officials.

11.5 Managing resistance to change

1. Overcoming resistance to Change

When there is resistance to change, management must take appropriate steps to overcome the resistance. Six approaches to dealing with resistance to change have been proposed:

Education and Communication: Education and communication are the first steps in overcoming resistance. Employees are educated about the change before its implementation in this approach. This helps them understand the logic of the change and its benefits. When resistance is based on inaccurate or incomplete information, this method is the best option.

Participation and Involvement: By inviting concerned employees to participate in the decision-making process, resistance to change can be significantly reduced.

a. Facilitation and Support:

This involves providing emotional, training and financial assistance to employees experiencing the hardships of change. Negotiation and Incentives:

This approach Provides for negotiation with concerned employees and offers incentives to make them agree to the change.

b. Manipulation and Co-optation:

This method consists of attempts to influence the employees and more especially, the opinion makers, through some special benefits or providing more attractive information or by withholding undesirable information.

c. Coercion:

This is the use of direct threats or physical force against the opposition. Threats could include being transferred, losing a promotion, being laid off, etc.

3. Managing Change

a. Environmental Influences:

The environment is an important factor in bringing about organizational change. When modifying, it must take the needs of the environment into account. The environmental complexities increase as the area of the organization's operations increases - local, regional, national and international. Further acceptance of change varies widely from place to place and from culture to culture. Additionally, the methods to be used for managing change vary from nation to nation.

b. Whole View of the Organization:

It is always necessary that managers should take the whole view of the organization while proposing change. A distorted perspective can harm the reform endeavour.

c. Top Management Support:

The success of any change effort is heavily reliant on top management support. Complaints can be made to top management about local/regional managers' change proposals. As a result, unless top management is informed in advance and their support is guaranteed, problems may arise and local/regional management may fail to implement the change.

d. Participation of Employees:

Employees or their representatives may be invited to participate in discussions about the proposed change. If they are involved in the design of the change, they are more likely to work with management to implement it.

e. Open Communication:

Open communication between management and employees is critical in managing change. Employees are likely to have certain concerns about the change, and unless

correct information is provided through an open communication system, the change efforts are likely to fail.

f. Incentives and Rewards:

Employees who are responsible for the successful implementation of the change should be recognised and appropriately rewarded. Employees who oppose the change from the start are sometimes given more weight than those who support it from the start. Employees who actively support the change and assist others in adjusting to changes deserve special recognition in the form of a news release; special consideration in performance appraisal; a pay raise or promotion, and so on.

11.6 Summary

The replacement of an existing system with a new system is referred to as organizational change. It may result in some opportunities, challenges, and difficulties. Internal and external forces both influence an organization's change process. A successful change process includes three steps: identifying the need for change, cultivating new behaviour, and feeling at ease with the new situation.

The change process is explained by Lewin's model and the Continuous process model.

- Organizational development is the systematic process of changing an organization's culture, systems, and behaviour to solve problems and achieve organizational objectives.
- The primary goals of organizational development are to increase organizational effectiveness and employee job satisfaction. The fundamental underlying values of organizational development include an emphasis on supportive and creative opportunities for growth, developing commitment, cooperation, and increasing employee participation.

11.7 Keywords

1. **Refreezing**: The process of making new behaviours relatively permanent and resistant to further change.

2. **Unfreezing**: The process by which individuals recognise the necessity of change.

3. **Organizational Development**: Organization development is the study and implementation of practices, systems, and techniques that affect organizational change, the goal of which is to modify an organization's performance and/or culture. The group's stakeholders often start the organisational reforms.

4. **Organizational change**: It is the process by which organizations move from their present state to some desired future state to increase their

effectiveness.

5. **Change**: Change is the transition from an outdated method to a more modern one.

11.8 Self-Assessment Questions

1. What is organizational change?
2. What do you mean by organizational development?
3. What are the characteristics of Organizational change?
4. What are the features of Organizational development?
5. What are the internal and external factors that affect organizational change?
6. What is the importance of organizational development?
7. Explain the change process according to the Kurt Lewin model?
8. What do you mean by resistance to change?
9. What are the different sources of resistance?
10. What are the methods to resist change?

11.9 Case study

Sobha Limited is a Real estate company. They have been working on an accounting software named Zero but not due to extended business they want to upgrade to SAP Ariba to maintain their accounting records. They have also provided the employees with training so that they can adapt to the change but a few employees are resistant to change as they want to follow the old accounting application.

Questions

What are ways through which the employee's resistance to change can be handled?

11.10.

References

1. https://online.maryville.edu/online-masters-degrees/management-and-leadership/resources/organizational-development-guide/
2. Gilbert: Principles of Management, McGraw Hill.
3. Kaul Vijay Kumar, Business Organization & - Management
Text and Cases, Pearson.
4. Kavita Singh: Organizational Behavior, Vikas Publication.

Unit 12

Implementing Changes

Learning Objectives

After studying this module, students will be able to:

1. Know the causes of stress.
2. Understand the consequences of stress.
3. Know about the various techniques for managing stress.
4. Know how to create a stress-free environment.

Structure of the Unit

12.1 Strategies of change

The final step in the change management process is to implement the changes. Companies across the world are investing heavily in changes and new projects, but many are dissatisfied with the results. One source of frustration for managers is that employees frequently resist change. Managers must understand why people resist change and use various techniques for collaborating with employees to effectively manage the implementation process. Change agents, whether internal or external, who provide advice and support for the introduction and management of change, will help the process develop more effectively.

Because they are independent, people from outside the organization are frequently assumed to be the best change agents. These assumptions can be beneficial, but only if they are made by people within the firm who are respected and trustworthy.

To get the best results from proposed changes, an appropriate implementation strategy must be followed. Change strategies can be divided into two categories:

i) **Evolutionary** - gradual, incremental, and narrowly focused

ii) **Revolutionary** - sudden, drastic, and organizational-wide

Managers who opt for an evolutionary strategy make small changes to the organization's strategy and structure. Managers who choose revolutionary strategies, on the other hand, make significant changes to organizational strategy and structure. Instead of making changes one at a time, they wait until all of them are needed and then make all of them at once.

The intervention of top management is required for revolutionary change, also known as top- down change. This entails massive disruption and uncertainty. This approach is preferred because it is the only way for an organization to overcome the inertia that threatens reorganization efforts.

In contrast to revolutionary change, evolutionary change is based on a bottom-up change strategy. The change is implemented in small steps, with all employees participating in decision-making and implementation. Top management also directs actions and ensures that they are consistent with overall corporate goals. This strategy, however, necessitates a longer period of implementation than top-down change.
Evolutionary change promotes organizational learning and enables the organization to respond to changing environmental conditions. The revolutionary strategy can be implemented using one of the three methods listed below:

i) Re-engineering:
Re-engineering is the process of rethinking and redesigning business processes to increase organizational effectiveness. The focus will be on business processes ratherthan organizational functions.

ii) Restructuring:
The second type of revolutionary change is restructuring. Restructuring consists of two basic steps:

- An organization reduces its level of differentiation and integration by eliminating divisions or departments
- An organization downsizes the number of its employees to reduce operating costs.
- Changes in the relationships between divisions or functions are common in restructuring.

iii) Innovation: Innovation is the process by which organizations use their skills and resources to create new goods and services, as well as new manufacturing and operating systems. The goal is to meet the needs of customers as best as possible. However, because the outcomes of research and development activities are frequently uncertain, innovation is also associated with a high level of risk.

The other classification of change strategies is based on the methods typically used to persuade employees to accept the changes. These techniques are as follows:

i) Force Coercion Strategy:

In this strategy, employees are induced or forced to accept the change through the use of rewards or punishments. This strategy's effects last as long as the rewards or punishments are effective.

ii) Rational Persuasion Strategy:

Using special knowledge, empirical support, or rational arguments, this strategy attempts to persuade employees to accept the change. This strategy is also referred to as the empirical-rational strategy. When this strategy is successful, it produces a longer and more internalized acceptance than the force coercion strategy.

iii) Shared Power Strategy:

Inviting employees to participate in decision-making regarding the proposed change is part of this strategy. This strategy is also known as the normative re-educative approach, and it aims to develop directions and support for change through participation and empowerment. This strategy is long-lasting and helps to internalize change.

12.2 Building Effective Organization

An effective organization uses its resources in a way that maximises its ability to create value. In another words, an organization is effective if it can:

• Obtain scarce and valuable skills and resources from outside the organization. (Effectiveness of external resources).

• Coordinate resources creatively with employees' skills to innovate products and adapt to changing customer needs. (Effectiveness of internal systems).

• Convert skills and resources into finished goods and services efficiently (technical effectiveness)

i) Effectiveness of External Resources:

The organization's control over the external environment. The ability of an organization to influence stakeholders' perceptions in its favour and to receive a positive evaluation from external stakeholders is critical to its survival. The effectiveness of an organization's environmental control is measured using indicators such as stock price, profitability, return on investment, and so on, which allow shareholders to judge how well the management controls its environment.

ii) Internal System Effectiveness:

The effectiveness of an organization is also determined by how well the organization functions. It should have a structure and a culture that allow for adaptability and quick responses to changing environmental conditions. The organization should be adaptable to accelerate decision-making and rapidly innovate production services. Employee cohesion and motivation will have a direct impact on an organization's ability to respond to its environment.

iii) Technical Effectiveness:

This refers to how well an organization can convert its skills and resources into finished goods and services. Productivity and efficiency are used to assess technical effectiveness. Increased production without an increase in cost or a decrease in cost per unit is an example of technical effectiveness. Productivity measures the efficiency of a company's manufacturing operations. Employee attitudes and motivation, as well as their willingness to collaborate, all play a role in influencing productivity and efficiency.

A company may be effective in one area but not in another. The existence of the effectiveness of all three components - external resources, internal systems, and technical matters - ensures the overall effectiveness of an organization. Managers must take steps to improve their effectiveness in all three of these tasks. Failure of the organization in any of these areas will result in an ineffective organization.

12.3 Factors in building an effective organization

The following are some of the factors to consider when developing an effective organization. Sensitivity Training is a technique for changing behaviour that involves unstructured group interaction. Employees are gathered in a free and open environment. They talk among themselves and thus learn by serving and participating.

Survey Feedback: This method entails using questionnaires to identify discrepancies between members' perceptions, arranging a discussion among members about their perceptions, and suggesting remedies.

Process Consultation: In this method, an outside consultant is hired to help the organization perceive, comprehend, and respond to process events. This enables managers to take corrective action to improve the situation.

Team Building: To complete work tasks, modern organizations are increasingly relying on teams. High interaction in group activities is used in team building to increase trust and openness among team members. The goal is to improve member efforts, which will result in improved team performance.

Inter-Group Development: This method aims to change different groups' attitudes and perceptions of one another. Each group meets independently to create lists of its own and other groups' perceptions. The groups then exchange their lists, after which they discuss the similarities and differences. As a result, an attempt is made to reconcile the differences and progress to the stage of integration. This improves the relationships between the groups.

Innovation: Innovation is a new idea used to launch or improve a product, process, or service. The organization's effectiveness is heavily reliant on its ability to innovate. Innovativeness can be developed in all management functional areas.

Putting Together a Learning Organization: A learning organization has developed the ability to adapt and change continuously and learn in the same way that individuals do. A company can adopt a culture of continual learning through:

• establishing a change, innovation, and continuous improvement strategy;

• redesigning the organizational structure to facilitate continuous learning by all departments and employees; and

• Reshaping the organization's culture to accommodate continuous learning.

12.4Role of managers in implementing change

Change is defined as an effort that consists of actual physical changes in operations as well as the stimulation of painful emotional changes in the workplace, ranging from what is safe and familiar to making changes. Employees lose their sense of comfort, competence, status, and financial security, which causes them to resist change. Employees must be constantly aware of proposed changes because they are the ones who make them happen. Managers, on the other hand, must recognise ongoing feedback and interact with employees, as well as apply such a concept of dynamic stability for an organization to move forward and achieve a successful outcome in implementing change. When a change is proposed in the workplace, employees perceive it as a threat to their jobs.

This threat perception causes an internal disequilibrium, which frequently results in some immediate reactions to restore the previous state of balance. As a result, change management necessitates an understanding of the organizational context as well as the ability to act and mobilise resources to promote change. Furthermore, rapid changes have a quick, almost always traumatic effect, resulting in high resistance. Managers' roles in change implementation include organising employees and assigning tasks related to change implementation.

A leader is defined as someone with the authority or power to organise and control a group of people for a specific task or purpose. The leader has a clear vision for the organization's well- being and future development. Leadership is the ability of a leader to lead his team or group.

Studies show that charismatic leadership and trust in senior management are critical for effective change and are strongly related to changes in behavioural implementation, monitoring, management level, and departmental relationships. Managers are critical for change. Managers' spirit, skills, values, and managerial abilities are all important factors in their ability to guide others to embrace change.

12.5 Implementation of changes in public sector organizations

Changes in the public sector are less difficult than those in the private sector. Changes in the private sector can be as complex and geographically diverse. The unique thing about the public sector is that the change occurs in a "fishbowl" and change agents are neither "big nor aggressive fish in the bowl".

Change is more than just persuading employees to change; it is also an exercise in negotiation and compromise. The literature on public management demonstrates the importance of determining the need for change by communicating with as many actors and participants as possible in a continuous exchange process. In public sector organizations, the size and power of the informal organization may change dramatically.

Police forces, military organizations, and churches are examples of organizations where informal organizations and core values and norms shape the organization and how it carries out its mission. The Canadian Navy was told to change the colour of their blue uniforms, which were the Navy's traditional colour for dark green, demonstrating the difficulty of change in such organizations. There was a strong resistance to change in the hearts of Navy personnel. Navy personnel have never given up their desire to wear blue uniforms, which are also the colour of the rest of the world. When the opportunity to return to blue arose, it arose with dazzling speed and enthusiasm.

Denhardt and Denhardt describe how local government managers have verified the need for change by "listening and learning" and then communicating these needs to build support for change. Changes that are consistent with organizational culture can be enthusiastically accepted and quickly implemented. Military organizations can quickly adapt to a wide range of challenges, such as fighting forest fires or participating in various wars.Organizational culture reinforces the abrupt and dramatic shift in direction. Indeed, it is the force of culture that drives such change and allows it to happen so quickly. Changes that threaten culture, on the other hand, are extremely difficult to implement. Kemp, Funk, and Eadie, for example, concluded that the successful implementation of new programmes is dependent on senior management's ability to disseminate information to change employees about the importance of change. When implementing organizational change, the role of leadership is widely regarded as critical. Senior management or the person leading the change coalition is frequently the focus of attention. Furthermore, senior management support is critical for change initiatives. While senior management is frequently emphasised at the start of change, direct supervisors play an important role in implementing change. Public organizations operate in a relatively complex environment, characterised by a large number of stakeholders with hazy ideas and frequently contradictory goals, as well as a high level of scrutiny and reliance on external political influences.

Because of their complexity, organizational change processes in the public sector are chaotic. Public organizations are frequently described as bureaucratic. While some recent studies have highlighted that centralization is a key feature of public organizations, a high level of formalization can be seen as a definition of bureaucracy. When the operations of a public organization are largely based on rules and procedures, there is little need for transformative leadership that aims to instill trust in others, values, and attitudes in employees.

12.6 Summary

➢ Managers must understand why people resist change and use various techniques for collaborating with employees to effectively manage the implementation process. Change agents, whether internal or external, who provide advice and support for the introduction and management of change, will help the process develop more effectively.

➢ The intervention of top management is required for revolutionary change, also known as top-down change. This entails massive disruption and uncertainty. This approach is preferred because it is the only way for an organization to overcome the inertia that threatens reorganization efforts.

➢ Re-engineering: Re-engineering is the process of rethinking and redesigning business processes to increase organizational effectiveness. The focus will be on business processes rather than organizational functions.

➢ Innovation: Innovation is the process by which organizations use their skills and resources to create new goods and services, as well as new manufacturing and operating systems.

1. The organization's control over the external environment. The ability of an organization to influence stakeholders' perceptions in its favour and to receive a positive evaluation from external stakeholders is critical to its survival.The effectiveness of an organization is also determined by how well the
2. Organization functions. It should have a structure and a culture that allow for adaptability and quick responses to changing environmental conditions.

12.7 Keywords

1. **Planned change:** It is the deliberate design and implementation of structural innovation,a new policy or goal, or a change in operating philosophy, climate or style.

2. **Group:** The interaction between two or more people in a way that each person influencesand is influenced by the other person.
3. **Coercion:** The use of force or direct threats against those who resist
4. **Change agent:** A person in charge of leading a change initiative is a change agent.
5. **Coercive power:** The extent to which a person can punish physically or psychologically.

12.8 Self-Assessment Questions

1 What are the final steps in the change management process?
2 Why do employees resist change?
3 What do you mean by change strategies?
4 What are the two categories of change strategies?
5 Explain the process of Innovation.
6 What are the methods and techniques used to persuade employees to accept the change?
7 What are the factors in building an effective organization?
8 What is the role of a manager in implementing change?
9 How can we implement change in the public sector?
10 Explain the process of Re-engineering?

12.9 Case Study

Coal Pvt ltd company have asked their employees to undergo training conducted by the company. The company believes that this will increase productivity. They have also increased the production level and have made 3 different shifts in the factory. Earlier the company used to work only in morning hours. Employee attitudes and motivation, as well as their willingness to collaborate, all play a role in influencing productivity and efficiency. Extra training will require extra office hours which is not acceptable to the employees. But the company assures that this training will enhance skills and their remuneration will be increased. Any employee who doesn't agree with the rotational shift will have to leave the company.

Questions

Which strategy is used by the management to implement the change?

12.10. References

1 Gilbert: Principles of Management, McGraw Hill.

2 Kaul Vijay Kumar, Business Organization & Management - Text and Cases, Pearson.

3 Kavita Singh: Organizational Behavior, Vikas Publication.

Unit 13

Job Stress and Its Management

Learning Objectives

After studying this module, students will be able to:

1. Know the causes of stress.
2. Understand the consequences of stress.
3. Know about the various techniques for managing stress.
4. Know how to create a stress-free environment.

Structure of the Unit

13.1 Introduction to Stress

Stress causes physical suffering as well as psychological problems. Stress is a common phenomenon. Everyone, at some point or another, feels stressed. In the process of hitting milestones and putting in long hours, employees go through stress. Potential tension arrives with encounters with a limitation that prevents them from achieving their demands and desires. Stress is a by-product of anxiety and eventually causes job burnout. In actuality, people are typically to blame for stress. However, organizations also contribute to individual stress.

An uncomfortable state known as stress is felt by the individual. The most common manifestation of stress is a loss of emotional stability. When a person has a biological condition, it is typically obvious. Age, lifestyle, time restraints, and job type all have good relationships with stress. Different professions are more prone to stress than others. In contrast to teachers, bankers, and operating people, drivers of vehicles, doctors, lawyers, and managers are more prone to experience stress. When aspirations are not met in the conventional, expected ways, people become stressed. This is a result of the limitations imposed by nature on individuals.

Stress levels increase proportionately to the strength of a desire and the level of uncertainty around the fulfilment of a goal. Stress is brought on by a variety of factors, including employees working longer hours, picking up the slack for fired co-workers, adhering to tighter deadlines, and reducing spending.

13.1.1 Major Definition of stress

In the words of **Fred Luthans**, stress is defined as an adaptive response to an external situation that results in physical, psychological, and/or behavioural deviations for organizational participants. **Ivancevich and Matteson** define stress as the individual's interaction with the environment. It is an adaptive response, mediated by individual characteristics and psychological processes that are a consequence of any external action, situation or event that places special physical or psychological demands upon a person. As **Schuler** defines, stress is a dynamic condition in which an individual is confronted with an opportunity, constraint, or demand related to what they desire and for which the outcome is perceived to be uncertain but important.

13.2 Causes of stress

Stress is a medical disease as well as an unbalanced psychological state. Potential stress is a biological system aberration that an individual experiences. Actual stress is caused by potential stress that is tempered by personal, organizational, and environmental factors. Stressors are the elements that turn prospective stress into actual stress. Therefore, pressures can be both internal and to an organization and external. The Individual, group, and organizational variables all contribute to intra-organizational stress. Additional organizational elements relate to the organization's environment. Individual factors and organizational elements make up the intra- organizational stressors.

1. **Organizational Factors:**

   A company is a collection of assets, objectives, plans, and regulations. Organizations develop structure, procedures, and working environments to get individuals to work. Numerous factors contribute to the stressful environment that exists in modern workplaces. Employee stress is caused by shifting environmental dynamics, globalisation, and organizational changes like mergers and acquisitions. Employee stress is also a result of several internal organizational variables. Poor working conditions, tense labour-management relationships, contentious resource allocations, co-worker behaviour, organizational design and policies, unfavourable boss leadership styles, misunderstandings in organizational communication, bureaucratic controls, ineffective motivation, job dissatisfaction, and less emphasis on seniority and merit are a few of them.

i) **Working Conditions:**

Stress and working circumstances go hand in hand. Employees who work in unfavourable settings are more stressed. Crowded work environments, dust, heat, noise, contaminated air, strong odour from harmful chemicals, radiation, inadequate ventilation, unsafe and dangerous conditions, lack of privacy, etc. are some of the elements that increase stress.

ii) **Organizational Tasks:**

The aims and objectives are met via organizational tasks. Tasks which are poorly planned cause more stress. Task interdependence, task expectations, task autonomy, and task overload are a few possible causes of stress in organizations. For instance, more coordination is needed when tasks are interdependent. Regardless of their willingness, this demands workers to adapt to their co-workers, supervisors, and subordinates. Independent of caste, creed, gender, religious, or political differences, they are encouraged to collaborate and exchange ideas with others. Greater levels of stress are caused by a lack of adjustment and inadequate tolerance for others.

iii) **Administrative Policies and Strategies:**

Stress among employees is correlated with specific organizational administrative practices. Some of the causes of stress in organizations include job rotation, downsizing, competitive pressure, unjust pay structures, inflexible rules, and confusing policies.

iv) **Organizational Structure and Design:**

As was already mentioned, the organizational structure is created to make it easier for people to interact and realise organizational objectives. Organizational stress can be greatly increased by certain design elements like specialisation, centralization, line and staff interactions, range of control, and organizational communication. For instance, a larger management scope requires the executive to oversee a sizable number of subordinates. This could lead to more stress. Similarly, ongoing staff and line disputes create difficulties for workers to overcome. Stress is brought about by an inability to resolve conflicts.

v) **Organization Process and Styles:**

Organizational goals are met through a variety of organizational methods. The realisation of organizational objectives is the goal of the communication process, control process, decision-making process, promotion process, performance appraisal process, etc. The range of employees' functioning is constrained by these procedures. Employee relations get strained as a result of improperly designed organizational processes. Demotivation and work unhappiness may also result from them. Employees experience stress as a result of having to adjust to the processes.

vi) **Organizational Leadership:**

A sound organizational climate and culture must be created by top management using the right management techniques. Tensions, fear, and anxiety should not exist in the environment supplied. An environment of direction and pressure to meet goals are created by an authoritarian leadership style. They operate under strict rules and impersonal connections. Employees have increased work stress as a result. A democratic leadership style, on the other hand, promotes a pleasant and welcoming environment, the ability to participate in decision-making, non-financial motivation, and flexibility. The staff are less stressed as a result. Employees who work under authoritarian leadership styles, therefore, face more stress than those who operate under democratic leadership types.

vii) **Organizational Life Cycle:**

Four organizational life cycle phases are experienced by every organization. They are maturation, decrease, growth, and birth. The organization's structure and design change frequently during each of these stages. Additionally, to adapt to the various stages of the life cycle, humans undergo metamorphosis. Employees experience work stress in this process. For instance, confusing policies and designs might lead to stress during the early phases of organizational birth. Employees go through stress throughout the expansion stage since they can't satisfy competing needs. Stress is brought on during a downturn by downsizing, retrenchment, loss of financial benefits, and shifting organizational structures.

viii) **Group Dynamics:**

In organizations, groups are everywhere. Humans have an innate need, and when people react naturally, groups form. There are formal groups and informal groups in organizations. While there are informal groups at many organizational levels, official groups take the shape of committees. Groups can result in both productive and dysfunctional outcomes. They offer a sense of fulfillment and social support, which helps to reduce stress. At the same time, they start to cause stress themselves. Stress is brought on by a lack of cohesion, a lack of social support, a lack of acceptance by the group, and conflicting aims.

2. **Extra-Organizational Factors Environmental Factors:**

Environmental variables add more organizational complexity. However, they cause people's jobs to be stressful. Both internal and external variables are listed here. The majority of internal environmental aspects are connected to the objectives, management techniques, organizational structure, workflow, and design of organizations. In the part before, they are covered. External environmental elements relate to the organization's overall environment. Political, economic, technological, legal, ecological, governmental, social, cultural, and ethical factors all come into play. Following are some claims that describe how the environment affects stress:

i) Legislation is passed by the Parliament based on the political party's ideology that is currently in power. Uncertainty in the political landscape results from the new political party's adoption of new laws and regulations. Employees are forced to change to the new legal system as a result. The result is tension.

ii) The economic environment includes things like inflation, supply and demand, and income levels. Changes in these characteristics might necessitate greater effort or a better plan of action to adapt to the surroundings. When the staff members struggle to adapt to new circumstances, stress results. For instance, a rise in inflation puts stress on employees by putting pressure on their pay levels.

iii) New production techniques and approaches for managing organizational duties are brought by technological advancements. For employees to properly perform their tasks, they must acquire new skills. The stress caused by not being able to keep up with new technologies affects the workers. For instance, when bank management opted to introduce computers, bank staff experienced stress.

iv) A complicated web of laws and regulations that are designed to manage corporate operations makes up the legal environment. Organizations are obligated to abide by the law; otherwise, they risk prosecution. There are practical issues with putting the legal framework into effect. Employees who can't follow the rules and laws properly find themselves in a tough scenario.The government, time and again, is enacting legislation to protect the ecological environment in the country. Organizations are compelled to adapt to the legislative framework protecting the ecological environment. To protect the ecological balance is a cause for potential stress.

v) Laws are being passed by the government to safeguard the nation's ecological ecosystem. The legal system defending the ecological environment forces organizations to adapt. Potential stress arises from maintaining ecological balance.

vi) Government administration is made up of the institutions and administrative tools that carry out the laws, rules, and other directives of the government. Executives may experience stress as a result of the administrative machinery's cumbersome procedures.

vii) The social, cultural, and ethical context can make people feel stressed. Social variables affect how employees live their lives. Employee stress is decreased by specific social security measures including health insurance, public amenities, and social networks. Potential sources of stress include sociological aspects like ethnicity, sex, socioeconomic class, gender, and others, as well as cultural elements like beliefs, practices, and traditions.

13.3 Consequences of stress

Stress affects an individual psychologically, and it spreads through bodily malfunction or biochemical alterations. However, not all stress is bad. Additionally, stress has advantageous effects. Eustress is the term for stress that is a good thing. The word, which is derived from Greek, signifies pleasant stress. The body's biological and metabolic rates increase with mild stress. The increase in metabolism causes the body's glands to secrete more hormones that will fuel the inner drive for success. Deep intentions, minor tensions, inner urges, fire, and a restless mood are all sources of motivation for achieving goals. Stress also aids in a person's development. In its moderate version, it improves work output, inspires greatness, and gives the motivation to put in extra effort and deliver superior results.

Stress benefits those who undertake professional-oriented tasks, jobs requiring innovation, challenge, interpersonal communications, and some managerial jobs since it results in better performances. Jobs requiring physical exertion, however, do not profit from stress. As previously mentioned, minor stress improves job performance. It wakes up the body and makes it more reactive. As a result, people work faster and more effectively. This phenomenon is illustrated by

the inverted-U connection. Higher productivity, a more favourable response to the aim, the development of proper perception in decision-making, increased motivation and performance, increased flexibility to change, and improved job performance are some good outcomes. For instance, a worker under mild stress from repetitiveness on the job discovers innovative ways to complete tasks. Thus, stress promotes creativity in employees.

1. **Physiological Consequences:**

   The biological system of a person is impacted by stress. Increased blood pressure, a higher risk of heart disease, cancer, ulcers, arthritis, sweating, dry mouth, hot flashes, and other physical symptoms are only a few examples of obvious signs of stress. The body's metabolism speeds up during physical strain. This causes internal glands to malfunction, which then causes a problem in the body. Increased heart rate, faster breathing, and headaches are some symptoms of this. Biological disease results from this. Mental health issues are also caused by physical stress. Physical stress and physiological diseases are connected. Stress and physical diseases, however, do not necessarily correlate well. This is due to the complexity of physical stress symptoms and the lack of an accurate way to quantify how stress affects bodily problems.

2. **Psychological Consequences**:

   Biological consequences and psychological effects are connected. Although invisible, they have an impact on how well employees do their jobs. The human brain is put under pressure by psychological stress. This is reflected in specific psychological symptoms such as hostility, aggression, moodiness, anxiety, melancholy, nervousness, annoyance, tension, boredom, and poor attention. Procrastination is caused by tensions, anxieties, and emotions. Interpersonal violence, miscommunication, poor interpersonal communication, and a lack of interpersonal attractiveness are all results of psychological stress. Aggressive behaviour, such as sabotage, a rise in interpersonal complaints, poor job performance, a decrease in self-esteem, an increase in resentment, a lack of attention at work, and an increase in unhappiness are examples of this. Psychological stress causes harshness in behaviour and may cause the superior executive to adopt an authoritarian leadership style.

3. **Behavioural Consequences:**

The behaviour of employees is impacted by stress. Individuals that are sensitive to stress exhibit inappropriate behaviour. One of the behavioural changes seen in stressed-out workers is a shift in eating habits. Other behavioural changes include sleep disorders, increased smoking, drunkenness, fidgeting, and aloofness. Anxiety, apathy, despair, and emotional disorders can all result from stress. As a result, people behave impulsively, and aggressively, and have many disagreements with others. Some of the behavioural effects include underrating, overeating, drug misuse, and insomnia. The following are some ideas about how stress affects behaviour

1. **Perception:**

People who are under stress become tense and anxious. As a result, their knowledge declines significantly. When employees have perceptual distortions, it may negatively impact their ability to make decisions, comprehend others, communicate with others, and operate in groups. They become insufferable under stress. All of these result in an increase in interpersonal disputes.

2. **Attitudes:**

An ongoing tense workplace leaves the personnel with some lasting bad impressions. Their ability to function at work is negatively impacted by these lasting impressions. For instance, a worker purposely lowers his output by adopting a bad attitude about his job, superiors, working circumstances, the organizational climate, and culture Additionally, he loses motivation and becomes demoralised.

3. **Learning:**

Organizational employees are always picking up new skills and methods. Employees must continually adapt and learn new skills to properly do their jobs. Those under stress find it difficult to pick things up quickly.

4. **Organizational Consequences:**

Stress has a detrimental effect on how well work is performed. Organizations struggle with subpar performance and other detrimental effects. As an example, consider the following:

a. **Absenteeism:**

Stress-exposed workers were shown to be drug and alcohol addicts. They typically avoid employment as a result. This causes employment discontinuity and hurts how other employees perform.

b. **Turnover:**

Stress and turnover have some correlations. An employee who is under constant stress starts to feel disgusted and frustrated. They are therefore inclined to switch employment.

c. **Decision-Making**:

The view of managers is distorted by excessive stress. Their ability to make decisions is negatively impacted by this. As a result, under pressure, executives make unreasonable decisions. Loss of resources and prestige for the organization result from this.

d. **Disturbed Customer Relationships:**

Employees that are under a lot of stress become irritable, lose emotional control, and have lower emotional tolerance. They are more likely to get into disputes owing to misconceptions because of intolerance. Relationships are strained by employees' impatient behaviour while they are interacting with customers and the general public. Salespeople, bank staff, and public relations professionals, for example, must be more emotionally stable. Customers engaging with them otherwise will encounter difficulties while dealing with the business. Additionally, this leaves a bad impression on the organization's corporate image.

13.4 Techniques of Managing Stress

The role of stress management in contemporary organizations has increased. Individuals are more interested in stress reduction than organizations. Preventing stress is preferable to trying to cure it, as the adage goes, "prevention is better than cure." This is due to the detrimental effects of stress once it has been experienced. Although employees have a negative sense of stress, moderate quantities of stress must be introduced for improved performance. What should the permissible amounts of stress be, one could wonder? Furthermore, there is a significant disconnect between stress management as it is practised and as it is taught. For instance, practising yoga in the morning and working out are both thought to be very good stress- reduction techniques. How many people, though, truly forgo a good night's rest in exchange for yoga and exercise? People turn to yoga when they are having issues. Otherwise, many believe that using allopathic medication is simpler than practising yoga and working out. Stress is a result of individual and organizational stressors, with more detrimental effects at these levels. It requires management on both an individual and organizational level. Individual management strategies are more widely used than organizational management strategies.

Personal Administration People automatically take responsibility for their actions and seek out strategies for managing their stress. People are more interested in staying healthy. Health clinics are opening up more frequently, and people are becoming more aware of their health.

1) Time Management:

Stress management and time management go hand in hand. Greater levels of stress are primarily caused by improper and inadequate time management. Time is used improperly and insufficiently, which causes anxiety.

The time management guidelines listed below can aid in reducing stress.

- Listing everyday tasks in a logical order and identifying them.
- Classifying the day's tasks according to priority and urgency.
- Making an organised schedule of events. Examining and comprehending the daily routine andrequirements of the position.
- Appropriately allocating time to various activities depending on time requirements.
- Giving little duties to subordinates so that you can use your time more efficiently.
- Deterring unauthorized guests.
- Prioritizing undone tasks on tomorrow's list.

2) Physical Management:

Management of stress involves being aware of one's own physical and biological makeup. Understanding one's physiological state involves looking at inherited traits, lifestyle choices, such as smoking and drinking, and physical ailments. By controlling physiological relaxation, stress can be overcome. Exercise is a very effective way to reduce tension and stress. When the body is physically fit, oxygen is properly inhaled and blood circulation rises. This encourages healthy glandular secretions, and the blood supply to every region of the body keeps every organ functioning. As a result, stress resistance becomes stronger. Exercises might be either proactive or reactive. Non-competitive physical activities including walking, jogging, swimming, cycling, aerobics, and playing games enhance cardiac capacity significantly, offer mental relief from work stresses, and increase the body's ability to handle stress. Heart attacks, high blood pressure, and diabetes are less likely.

3) Psychological Management:

Psychological tensions are the main cause of most stress. As a result, it is argued that controlling psychological processes results in efficient stress management. Some of the psychological management strategies include the ones listed below.

i) Relaxation:

Mental stresses can be efficiently reduced through relaxation techniques including biofeedback, hypnosis, and meditation. Deep breaths are taken while sitting motionless on the ground while chanting a mantra during meditation. This induces profound calm in the mind. The muscles and psyche are relaxed by this method. Significant adjustments are made to the heart rate, blood pressure, lung capacity, and other bodily biological organs. Some relaxation techniques used to relieve stress include Transcendental Meditation, Soul Management, Atma Yoga, Antahkarana, Silent Sitting Pose, Shavasana, Bhavathetha Meditation, and praying to God.

ii) Behavioural Self-control:

Behavior issues can also cause stress. Stress levels can be reduced by using adequate self-control when interacting with others. Self-examination increases a person's awareness of themselves. Similarly, to this, behavioural self-control is enabled through understanding the causes and effects of one's behaviour. By cultivating proper perception, practising good listening, maintaining a calm and tension-free mind, and adopting a positive outlook, among other behavioural self-control techniques, stress can be reduced.

iii) Cognitive Therapy:

It is a clinical psychology technique. To relieve stress and anxiety, cognitive therapy entails understanding one's feelings. In this method, the process of self-observation is used to help people identify the factors contributing to their stress. For instance, if an employee starts to feel unqualified to do a new position, counseling is offered to help him gain the confidence to handle all new jobs. Thus, cognitive therapy helps to have a beneficial effect on mental fulfillment. People who receive cognitive therapy can practise self-control to reduce stress.

iv) Yogic Management:

Yoga has recently become a popular method for reducing stress. Asana, Pranayama, Mudra, and Kriya are all a part of yoga practice. Numerous yoga asanas help to relax the muscles, lower blood pressure, control asthma, relieve neurological issues, increase lung capacity, improve blood flow, and ease tension and strain. Padahastasana, vajra asana, Sashenka asana, camel asana, lotus asana, crocodile asana, Carvana asana, and shava asana are a fewasanas that can reduce stress.

V) Social Management:

Creating effective social networks requires assembling groups of people who can generate confidence and are good listeners. This strengthens people's social support. Developing a free exchange of ideas, opinions, and unpleasant experiences, fostering confidence in social support, and encouraging informal groups to share information without restraints all reduce tensions and stress. Some of the social networks that boost social support and lower stress levels are social clubs, recreation clubs, friendship clubs, casual gatherings, birthday parties, and family.

vi) Self-awareness Management:

Similar to a self-audit or personal audit is self-awareness. Managers must have a fair and open understanding of who they are. They ought to promote open communication and be ready to listen to others, especially when they have flaws. Being conscious of oneself is challenging because people struggle to accept their flaws.

Three steps are involved in self-awareness management.

Stage I: Recognize, comprehend, and analyse one's abilities, talents, constraints, and flaws. Encourage feedback from co-workers, classmates, supervisors, friends, family members, and other social groups during

Stage II. This calls for an uninhibited, patient hearing.

Stage III: Create a self-improvement programme to strengthen your abilities and capacities to overcome obstacles methodically. Participate in self-management training programmes to build a personality that will benefit your overall development.

vii) Interpersonal Management:

Interpersonal communication is one of the most effective stress management strategies. Interpersonal knowledge, interpersonal attraction, and interpersonal communication all help us better comprehend how others behave. The majority of organizational stressors are brought on by miscommunication, workplace politics, isolating oneself from others, and tolerating unreliable opinions. Therefore, keeping lines of communication open and appreciating appropriate feedback facilitates the growth of interpersonal understanding.

Techniques like Transactional Analysis, the Johari Window, and the Grid aid in the growth of interpersonal understanding and, as a result, stress alleviation.

13.4 Organizational Management

Human resources are essential resources in contemporary organizations. The organization's structure and design, the administration's policies, plans, and procedures, as well as managerial tactics and strategies, are to blame for the majority of organizational stresses. Therefore, organizations are interested in identifying and removing organizational stressors as much as they can. The following stress management approaches are adopted by organizations.

1) **Selection and Placement Policy:**

Employee personality traits and stress are highly correlated. Thus, reducing the likelihood of stress in people by choosing staff with the right personalities for the tasks. For instance, substantial travel is required for a sales position rather than experience. When executing the work, a candidate with a terrible attitude toward travel is likely to feel higher stress. Therefore, the organization should adhere to correct hiring and selection procedures to avoid stress.

2) **Goal Setting:**

Stress in people is brought on by unclear goals, inadequate perceptions of goals, difficult goals, and unreachable goals. To increase motivation, lessen frustration, and clarify goals, organizations should adopt a strategy of participation in goal setting. Management by Objectives (MBO) is a useful technique for setting goals that lower stress.

3) **Job Enrichment and Job Design:**

Employee motivation comes from job enrichment. It improves aspects of the job including accountability, recognition, and the chance for promotion, growth, and self-esteem. Regular, unstructured, and poorly designed occupations make people more stressed out. Redesigning a job gives you greater accountability, purposeful work, autonomy, and feedback. As a result, there is more control over daily tasks and less reliance on others. Therefore, job redesign and job enrichment offer a practical means of lowering stress.

4) **Role Clarity:**

Role ambiguity, position overlap, lack of role clarity, and role conflict are all factors that contribute to organizational stress. Employees that are given clear role definitions arebetter able to comprehend and evaluate their interpersonal and organizational roles. Role compatibility and the likelihood of role conflict are increased as a result. The individuals' stress is reduced as a result. Counselling and negotiation can be utilized to settle interpersonal role conflict wherever it occurs to prevent unpleasant situations.

5) **Communication and Counselling:**

Potential modifiers of organizational stress include communication barriers. Formal communication in organizations can lead to a variety of interpersonal communication issues. Therefore, rethinking the formal routes of communication might enhance comprehension and subsequently lessen stress brought on by communication bottlenecks. Counselling is the free and impartial exchange of ideas and viewpoints. Its purpose is to help employees cope with stressful situations by sharing their problems. Advice, comfort, communication, letting go of emotional tensions, clearer thinking, and reorientation are all components of counselling. Counselling methods include non-directive, participative, and direct methods.

6) **Career Planning and Development:**

In general, workers are free to design their professions. Organizations, however, also focus on employee development. The goal of employee development is to improve personality traits and skill sets in preparation for managing positions in the future. When an employee's expectations for their career within an organization are not met and when they receive a promotion without having acquired the necessary abilities, stress results. Organizations are less interested in employees' career planning. Employee stress insignificantly reduced by creating proper career goals, educational programmes, development programmes, and organizational development plans.

7) **Democratic Leadership:**

Democratic leaders encourage participation in decision-making and instill trust in their subordinates. They foster a kind, welcoming, and encouraging environment. Employees feel content, motivated, and psychologically dedicated to achieving goals in such an environment. Additionally, there is open communication, disagreements are minimised, and coordination is enhanced. Employees can use this to reduce stress and encourage productive work environments.

8) **Organization Climate:**

The primary cause of occupational stress is organizational design. Stress is increased by bureaucratic, directive, unclear administration and a hostile work environment. Stress reduction is guaranteed by a supportive organizational environment and culture, which are characterised by sound administrative policies, effective organizational communication, and participatory culture.

9) **Wellness Programmes:**

Wellness programmes are managed by the management and center on the physical and mental health of the workforce. To educate the staff about the risks of smoking, alcoholism, and drug misuse, conferences, seminars, and counselling sessions are conducted as part of these programmes. They encourage people to adopt a positive outlook on improving their diet, combating obesity, engaging in regular physical activity, and fostering positive character. These programmes, however, are only effective when the individual demonstrates a personal commitment to maintaining good physical and mental health. Organizations merely catalyse programmes that encourage stress reduction.

10) Quality of Work Life:

In recent years, the idea has gained more and more acceptance. This method entails enhancing the working environment as well as other internal and external components of the workplace. Additionally, offering decent housing options, comfortable living conditions, social and recreational amenities, as well as training and development opportunities for staff members for the overall development of human resources in the organization, will improve the quality of life at work.

13.5 Creating a stress-free environment

Stress can be both good and bad. You already know that mild to moderate stress promotes positive behaviour in the workplace and is beneficial to the health of the organization. However, the adverse effects of stress usually outweigh the advantageous ones. Therefore, it is commonly acknowledged that reducing stress is an important issue for both management and individuals.

Always prioritise personal responsibility over organizational duty. This is due to the maxim that states each individual is solely responsible for ensuring their health. Perhaps organizations can contribute to the creation of specific stress-reduction programmes. Bringing up the distinction between theoretical and practical stress management is not out of place in this context.

Stressors and Related Techniques		
Individual stressors	**Stress Management**	**Organizational Stressors**
Family troubles clarification	Family Counselling and role demands	Job redesign and clarification
Economic problems	Increased earning potential	Inconsistent organization structure, process and functions
Personality characteristics	Personality Development	Square peg in a round hole Redesign recruitment and selection policy
Unable to cope with time demands	Time management and goal ambiguity	Goal feedback
Aloofness and support	Promote informal membership group	Corporate policies Develop a sound organizational culture
Suffering Lack of from self- esteem and recognition	Physical conditions	Redesign organizational climate
	Economic problems	Restructure pay and promotion

13.6 Summary

- For both individuals and the companies that employ them, work stress is asignificant problem. The purpose of this report is to raise awareness of workplace stress's pervasiveness and to provide information on its harmful effects.
- Stress may quickly become ingrained in a workplace, which could have several negative effects on the company. There is no easy cure for the organization in situations when such a culture has emerged. Adopting a stress management culture

in the workplace that requires the "buy-in" of management and staff will help the business avoid the negative effects of stress on the organization.

➢ The best strategy to manage work stress combines organizational tactics with individual tactics. In today's organizations, stress management has taken on the utmost significance. Techniques for managing an individual are always preferable to those for managing an organization. Time management, physical management, psychological management, yogic management, social management, self- awareness management, and interpersonal management are some examples of individual tactics. However, it is impossible to minimise the contribution that organizations provide to stress management.

➢ Organizations are important in the stress management process. Organizations employ strategies including proper hiring practices, job enrichment and design, goal-setting, communication and counselling, role clarity, career planning and development, democratic leadership, organizational climate, and wellness initiatives.

➢ Analysing the stressors is necessary to create a stress-free atmosphere. It seeks to alter the employees' mentality. It should be kept in mind, nevertheless, that stress management techniques used in practice are not as reliable as those used in theory. This is true since the majority of strategies demand giving up personal comfort. But stress needs to be handled correctly.

13.7 Keywords

1. **Anxiety:** A state of psychological disturbance.
2. **Job enrichment:** Re-designing the jobs to provide more responsibility, recognition andself-esteem.
3. **Relaxation:** Meditation to take deep relaxation of the human mind.
4. **Stress:** An internal experience, which creates physiological and psychological disorders.
5. **Stressors:** Factors that convert the potential stress into actual stress.

13.8 Self-Assessment Questions

1. What is stress?
2. What is the difference between Stress and Anxiety?
3. What are the organizational factors that cause stress?
4. What are the extra-organizational factors that cause stress?
5. Explain the Physiological Consequences of stress.
6. Explain the Psychological Consequences of stress.
7. Explain the Behavioural Consequences of stress.

8. Explain the Organizational Consequences of stress.
9. How can you find the organizational stressors and how to remove them?
10. How can you create a stress-free environment?
11. What are the various techniques that an Individual uses to reduce stress?

13.9 Case study

Gaurav is working in a Private limited company. He is forced to work extra hours in an organization. Instead of that, he is paid extra remuneration but due to this, his health is getting affected. His family also complains that his absence is not acceptable and that he should equally contribute his time at home. Due to this Gaurav is facing anxiety.

What is the situation Gaurav is going through?

What steps can be taken by the company to solve the issue?

13.10 References

1. file:///C:/Users/Administrator/Downloads/Unit-9.pdf
2. https://www.researchgate.net/publication/323393909_Managing_Stress_at_Workplace
3. https://globaljournals.org/GJMBR_Volume16/1-Management-of-Stress-at-Workplace.pdf
4. https://www.who.int/news-room/questions-and-answers/item/stress#:~:text=Stress%20can%20be%20defined%20as,experiences%20stress%20to%20some%20degree.
5. Kaul Vijay Kumar, Business Organization & Management - Text and Cases,Pearson.
6. Kavita Singh: Organizational Behaviour, Vikas Publication

Unit 14

Work-life Balance

Learning Objectives

After studying this module, students will be able to:

1. Know the Concept of Work-life balance
2. Understand the consequences of poor work-life balance
3. Know how to improve work-life balance
4. Understand the advantages of work-life balance for employees and employers

Structure of the Unit

14.1 Concept of Work-life balance

The trade-off between time spent at work and time spent on non-work activities is known as work-life balance. This term refers to the competing schedules of work and personal time. Many aspects of work have a significant impact on one's personal life, and vice versa. In today's fast- paced technological world, it is extremely difficult for employees to maintain a healthy work-life balance. Employees can be connected to their work not only at work, but also at home, on vacation, while travelling, and in other personal or non-work settings.

Work-life balance in the workplace provides a healthy and productive environment in which employees are not mentally or physically drained. A good work-life balance can be seen in an employee's mood or productivity at work. This balance extends into the individual's personal life. When work stays at work, a person can concentrate on the personal aspects of her or his life at home. Employees' personal lives should not interfere with their work to achieve a good work-life balance. A bad work-life balance occurs when one's personal life hurts the workplace, which can affect working relationships or performance.

14.1.1 What is work-life balance in the workplace?

Work-life balance in the workplace is critical for increased output and healthy living. Work-life balance is an organizational concept that enables employees to successfully divide their time and energy between work and other important aspects of their lives.

Many businesses that encourage a healthy work-life balance for their workers use specific tactics to achieve this aim to lower turnover rates. In the workplace, many firms try to "do more with less." This indicates that employers value production over hours worked. It would be considered a desirable work-life balance attribute that the organization can promote and instill in other employees throughout the company if individuals can complete their work efficiently by carrying out the task in a different way and in less time than anticipated.

The Midwest-based construction materials business Lafarge has been successful in boosting employee work-life balance while also increasing productivity and profit levels. To achieve its work-life balance objectives, the corporation opted to outsource to a programme run by specialists in the area. To train and prepare the leadership for the necessary changes in the organization, the third-party first entered the corporation. Thethird-party company then held webinars and workshops for the remaining rank-and-file Lafarge employees throughout the working day to further inform them about work-life balance strategies. The outcomes of this case study were overwhelmingly favourable and significantly enhanced Lafarge's present work-life balance.

14.2 Determinants of work-life balance

Most people don't just do their jobs for the money; they do them because they are vital to their life's fulfillment. Researchers connect this to the daily structure, social identity, and expectations that come with professional roles. The elements that affect work-life balance include both those that a person may change and those that require organizational initiative.

Some people are content to put in long hours at work to further their careers, while others are content if their family is given priority. Aligning both is still a major concern for many. The absence of balance may help identify it more clearly. In any situation, interference or conflict results when the desired type of balance is not reached.

1. **Individual factors** -

Individuals' attitudes toward work can influence them; they may be overachievers, perfectionists, or compulsive workers, all of whom are stereotyped as workaholics who spend more time than necessary, sacrificing other activities. Overworked people work long hours even when they are not required to but are dissatisfied with the results. Other important factors in determining work- life balance include the worker's health, personality type, and level of resilience, as well as the stage of career and period of life, and gender.

2. **Organizational factors**-

Work-life balance is influenced by organizational measures that include the work

demanded in terms of time spent at work and any intensity or pressure. Furthermore, the work culture is determined by the organization. Long commutes, inflexible hours, demanding managers, incompetent co-workers, and incompetent managers all contribute to this problem. This issue has been exacerbated by connectivity. Remote workers are frequently required to be reachable by
their employers, even if these interruptions occur outside of commitment hours or during family time.

3. **Home as a source of imbalance**

Work is ill-defined because life outside of the workplace includes other types of work. This is true for all home-based or family-run businesses, but it has become a unique pandemic problem. Many people at home are expected to be online or available for longer periods than previously. The demands of home and its culture are seen as determinants of work-life balance when it comes to tasks done as unpaid but necessary labour. Role-related expectations, for example, are essential, as is the presence of dependent children or older adults. Women may be implicitly expected to handle domestic issues after work hours.

14.3 Consequences of poor work-life balance

Poor satisfaction, mental stress, unproductivity, and problematic behaviour at work or home may result from such an imbalance, which may affect either work colleagues or family members.

Even if work hours are reduced, if work obligations are not reduced, time spent at home may be overshadowed by constant work-related thoughts and pressure. Workplace stressors can lead to job exhaustion and poor health, which can impact personal relationship satisfaction.

Chronic stress is linked to a weakened immune response, which leads to more minor illnesses, muscle aches, and headaches; they are also more likely to suffer from strokes and heart attacks. They are also more likely to have a stroke or a heart attack.

Anxiety and irritability are found to be up to 75% more common in this group. Such problems can lead to long-term depression, sadness, and drug or alcohol abuse. Furthermore, if organizational loyalty is prioritised over family responsibilities and expectations, family satisfaction and withdrawal from family roles are likely.

It is critical to comprehend how these issues are linked to lower productivity. This is accomplished through low employee morale, burnout, and high employee turnover. Less stressed employees also spend less on healthcare.

14.3.1 The Negative Effects of Work-life Conflict -

Long work hours and high-stress jobs not only make it difficult for employees to balance work and family life, but they are also associated with health risks such as increased smoking and alcohol consumption, weight gain, and depression. Work-life conflict has been linked to a variety of physical and mental health consequences.

According to Duxbury and Higgins' 2007 study, women are more likely than men to report high levels of role overload and caregiver strain. This is because women devote more hours per week than men to non-work activities such as childcare and elder care,and they are more likely to have primary responsibility for unpaid labour such as domestic work. In addition, other studies show that women receive less spousal support for their careers than their male counterparts.

Work-life balance issues hurt family life. According to a 2007 study conducted by Duxbury and Higgins, one in every four Canadians reports that their work responsibilities interfere with their ability to fulfil their responsibilities at home. Employees, particularly the younger generation, are beginning to demand changes from their employers in response to long hours, the expectation of constant connectivity, and the increasing pressures of globalization. Furthermore, the elderly employee segment is working longer hours than in the past and is demanding different work arrangements to accommodate their lifestyle needs.

14.4 Ways to improve work-life balance

There are specific guidelines for maintaining a proper work-life balance, some of which are as follows:

1. **Creating a work leisure plan** -

Where an individual must schedule his tasks and divide his time so that he can devote adequate time to his work and career development goals while also making time for leisure and personal development. Employees also use a compressed workweek schedule to achieve balance.

2. **Omitting time- and energy-wasting tasks** -

People should exercise caution and refrain from time- and energy-consuming unnecessary hobbies that don't contribute to their professional or personal lives.

A worker who uses effective time management will experience less stress.

1. **Outsourcing and Delegating work** -

Delegate or outsource time-consuming tasks to others. It serves two purposes: first, the work is completed, and second, the person can focus on other things that are more aligned with their skills and knowledge and may be less stressful. It also aids in the development of other employees.

2. **Set enough time for relaxation** -

Relaxation improves work-life balance by increasing productivity on the professional or work front while also providing ample opportunity to develop the life side of the balance.

3. **Prioritizing work -**

Employees frequently do not prioritise work and end up doing a lot of work at the last minute. Better planning can help employees save unnecessary time delays, which they can then use for personal work.

14.5 Areas upon which work-life balance has an impact

The term "Work-Life Balance" first appeared in the early 1980s, in response to a significant increase in the number of working women professionals with children in vulnerable age groups who relied on them. Maintaining a work-life balance has become increasingly important among employees, and management has recognised its importance in the current environment. Work- life balance will be one of the most hotly debated topics in boardrooms in the future, and it will be a major source of concern for management and HR professionals.

Work-Life balance refers to the effective management of or striking a balance between remunerated work and personal or social responsibilities that an individual is expected to fulfil a great deal of the world. Work-life issues can have an impact on the following areas in terms of opportunities and concerns:

1. **Impact on Profitability and Growth**:

   Strenuous efforts to meet profitability and growth goals lead to stress among staff members and disrupt their capacity to maintain a healthy work- life balance. A well- thought-out and well-executed work-life balance approach may significantly reduce actual and perceived work pressure, which will favourably boost employee productivity and aid in a favourable return on investment.

2. **Employee Participation at Work and Customer Service Quality:**

   An unbalanced work-life balance would negatively impact employees' fullengagement at work and the calibre of services provided to consumers. On the other hand, if the staff members believe that the management values their contributions or their presence and that the company is dedicated to supporting their success on both a personal and professional level, then the quality of service will be dependable and consistent.

3. **Talent Acquisition Strategy and Related Challenges**:

   The increased composition of baby boomers and a relatively young pool of working professionals have raised their expectations for a positive work-life culture. It is expected that along with their work responsibilities they need to attend to the personal as well as social responsibilities. In the current scenario, issues with work-life balance are regarded as the primary causes of a high rate of employee turnover, which unquestionably imposes a cost on the organization. According to research, Johnson & Johnson was able to reduce absenteeism by nearly 50% by implementing flexible work options and employee welfare policies.

4. **Rising Costs of Health Care and Medications**:

As the level of work pressure and expectations increases, a large percentage of employees' face lifestyle-related diseases and major health problems. Because of the rising cost of healthcare and the drastic decrease in the employee productivity ratio, this has become a serious source of concern for organizations. Such concerns have compelled management to prioritise work-life balance and create a healthier workplace by implementing several developmental initiatives. Work-life initiatives are no longer an option for management in the current climate. It is because employees expect management to be supportive and concerned about their work-life issues. HR now has the additional responsibility of implementing a variety of initiatives to make their organization an appealing place to work for employees.

14.6 Advantages of work-life balance for employees and employers

1. **Advantages of work-life balance for Employees -**

A good work/life balance can help employees feel more in control of their working lives, which can lead to:

- Increased productivity
- Lower absenteeism
- A happier, less stressed workforce
- Improvements in employee health and well-being
- A better opinion of you as a potential employer.

2. **Advantages of work-life balance for Employers -**

The advantages of a work-life balance initiative are not limited to the workforce. Work-life flexibility practices can also help you to:

- Better teamwork and communication
- Improved morale
- Increased engagement and commitment levels
- Less negative organizational stress
- Lower staff turnover and recruitment costs
- Establish yourself as a company that people want to work for.

14.7 Summary

- Work-life balance in the workplace provides a healthy and productive environment in which employees are not mentally or physically drained
- The elements that affect work-life balance include both those that a person may change and those that require organizational initiative.

- Individuals' attitudes toward work can influence them; they may be overachievers, perfectionists, or compulsive workers, all of whom are stereotyped as workaholics who spend more time than necessary, sacrificing other activities.

Ways to improve work-life - Creating a work leisure plan, leaving out activities that waste time and energy, Outsourcing and Delegating work, setting enough time for relaxation and setting enough time for relaxation.

14.8 Keywords

1. **Work-life balance** -The balance between work and personal life is referred to as the work-life interface. Many aspects of one's personal life can intersect with work including family, leisure, and health. Work and personal life can interact in both directions; for example, work might interfere with personal life, and vice versa.
2. **Conflict** - a fight or an argument
3. **Initiative** - a formal move was done to address an issue or improve a circumstance
4. **Resilience** - An individual's ability to withstand adversity, bounce back and grow better, whatever be the downturns
5. **Anxiety** - A feeling of worry or unease is known as anxiety.

14.9 Self-Assessment Questions

1. Explain the concept of work-life balance.
2. What is work-life balance in the workplace?
3. What are the determinants of work-life balance?
4. Explain the consequences of poor work-life balance.
5. What are the ways to improve work-life balance?
6. What are the areas upon which work-life balance has an impact?
7. Explain the term Rising Costs of Healthcare and Medications.
8. What are the advantages of work-life balance for employees?
9. What are the advantages of work-life balance for employers?
10. Impact on Profitability and Growth?

14.10 Case study

Rohan is working in a software development company. They include part-time work, dependency leave, job sharing and health care facilities. A special study allowance is provided to him to increase his knowledge. Due to this Rohan is faithful to his company and associated with it for a long time.

What will be the outcome of the facility provided by the company?

What steps should a company take to give personal and professional security to its employees? Is Rohan having a perfect work-life balance?

14.11. References/Reference Reading

1. https://www.mbaknol.com/human-resource-management/work-life-balance/
2. https://www.news-medical.net/health/Importance-of-a-Work-Life-Balance.aspx
3. Koontz & Heinz Weihrich: Essential of Management, McGraw Hill.
4. Luthans Fred: Organizational Behavior, Tata McGraw Hill.