ANNAI WOMEN'S COLLEGE, KARUR ORGANISATIONAL BEHAVIOUR (16CCBB7)



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ANNAI WOMEN'S COLLEGE

(ARTS AND SCIENCE)

(Affiliated to Bharathidasan University)

DEPARTMENT OF BUSINESS ADMINISTRATION COURSE MATERIAL

SUBJECT: ORGANISATIONAL BEHAVIOUR

CLASS : II-BBA

<u>UNIT – I</u>

Organization:

Definition:

According to, Louis Allen, "Organization is the process of identifying and grouping work to be performed, defining and delegating responsibility and authority and establishing relationships for the purpose of enabling people to work most effectively together in accomplishing objectives."

- ➤ Organization When two or more individual are interacting with each other within a deliberately structured set up and working in an independent way to achieve goals and objective or Organization is an institution.
- **Behaviour** Behaviour is a way how people react to certain situation.

Organizational Behaviour:

<u>Meaning</u>: Organizational behavior can be defined as it is an interdisciplinary subject which covers the study of workers or employees related behavior inside a organization.

Definition:

- ✓ According to Keith Davis quoted as "Organizational Behavior is the study and application of knowledge about how people act within organization."
- ✓ Fred Luthans "Organisational behaviour is directly concerned with the understanding, production and control of human behaviour in organisations."

NATURE AND SCOPE (FEATURES) OF ORGANIZATIONAL BEHAVIOUR

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

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

2. An Interdisciplinary Approach

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

3. An Applied Science

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

4. A Normative Science

Organizational Behaviour is a normative science also. While the positive science discusses only cause effect relationship, O.B. prescribes how the findings of applied researches can be applied to socially accepted organizational goals. Thus, O.B. deals with what is accepted by individuals and society engaged in an organization. Yes, it is not that O.B. is not normative at all. In fact, O.B. is normative as well that is well underscored by the proliferation of management theories.

5. A Humanistic and Optimistic Approach

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

6. A Total System Approach

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

SCOPE OF ORGANIZATIONAL BEHAVIOUR

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

1. People

The people constitute the internal social system of the organization. They consist of individuals and groups. Groups may be large or small, formal or informal, official or unofficial. They are dynamic. They form, change and disband. Human organization changes everyday. Today, it is not the same as it was yesterday. It may change further in the coming days. People are living, thinking and feeling being who created the organization and try to achieve the objectives and goals. Thus, organizations exist to serve the people and not the people exist to serve the organization.

2. Structure

Structure defines the sole relationship of people in an organization. Different people in an organization are given different roles and they have certain relationship with others. It leads to division of labour so that people can perform their duties or work to accomplish the organizational goal. Thus, everybody cannot be an accountant or a clerk. Work is complex and different duties are to be performed by different people. Some may be accountant, others may be managers, clerks,

peons or workers. All are so related to each other to accomplish the goal in a co-ordinated manner. Thus, structure relates to power and duties. One has the authority and others have a duty to obey him.

3. Technology

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

4. Social System

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

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

LEVELS OF ANALYSIS IN OB:

✓ Individual Level :

Individual Level In individual level, organizational behavior involves the study of learning, perception, creativity, motivation, personality, turnover, task performance, cooperative behavior, deviant behavior, ethics, and cognition. At this level of analysis, organizational behavior draws heavily upon psychology, engineering, and medicine. A study of organizational behavior at the

individual level of analysis might focus on the impact of different types of overhead lighting on such factors as productivity and absenteeism.

✓ Group Level:

Group Level At the group level of analysis, organizational behavior involves the study of group dynamics, intra- and inter group conflict and cohesion, leadership, power, norms, interpersonal communication, networks, and roles. At this level of analysis, organizational behavior draws upon the sociological and socio-psychological sciences A study of how different personality types correspond to different leadership styles and levels of results operates at the group level of analysis.

✓ Organizational Level :

Organizational Level At the organization level of analysis, organizational behavior involves the study of topics, such as, organizational culture, organizational structure, cultural diversity, inter-organizational cooperation and conflict, change, technology, and external environmental forces. At this level of analysis, organizational behavior draws upon anthropology and political science. The study on organizational cultures, by William Ouchi's classic Theory Z: How American Business Can Meet the Japanese Challenge (1981) is example of organizational behavior conducted at the organization level of analysis.

MODELS OF ORGANISATIONAL BEHAVIOUR

The five models of organizational behaviour are the:

- ✓ autocratic model,
- ✓ custodial model,
- ✓ supportive model,
- ✓ collegial model and
- ✓ system model.

❖ Autocratic model

Autocratic model is the model that depends upon strength, power and formal authority.In an autocratic organisation, the people (management/owners) who manage the tasks in an

organisation have formal authority for controlling the employees who work under them. These lower-level employees have little control over the work function. Their ideas and innovations are not generally welcomed, as the key decisions are made at the top management level.

The guiding principle behind this model is that management/owners have enormous business expertise, and the average employee has relatively low levels of skill and needs to be fully directed and guided. This type of autocratic management system was common in factories in the industrial revolution era.

One of the more significant problems associated with the autocratic model is that the management team is required to micromanage the staff – where they have to watch all the details and make every single decision. Clearly, in a more modern-day organisation, where highly paid specialists are employed an autocratic system becomes impractical and highly inefficient.

Custodial model

The custodial model is based around the concept of providing economic security for employees – through wages and other benefits – that will create employee loyalty and motivation.

In some countries, many professional companies provide health benefits, corporate cars, financial packaging of salary, and so on – these are incentives designed to attract and retain quality staff.

The underlying theory for the organisation is that they will have a greater skilled workforce, more motivated employees, and have a competitive advantage through employee knowledge and expertise.

Supportive model

Unlike the two earlier approaches, the supportive model is focused around aspiring leadership. It is not based upon control and authority (the autocratic model) or upon incentives (the custodial model), but instead tries to motivate staff through the manager-employee relationship and how employees are treated on a day-to-day basis.

Quite opposite to the autocratic model, this approach states that employees are self-motivated and have value and insight to contribute to the organisation, beyond just their day-to-day role.

The intent of this model is to motivate employees through a positive workplace where their ideas are encouraged and often adapted. Therefore, the employees have some form of "buy-in" to the organisation and its direction.

Collegial model

The collegial model is based around teamwork – everybody working as colleagues (hence the name of the model). The overall environment and corporate culture need to be aligned to this model, where everybody is actively participating – is not about status and job titles – everybody is encouraged to work together to build a better organisation.

The collegial model is quite effective in organisations that need to find new approaches – marketing teams, research and development, technology/software – indeed anywhere the competitive landscape is constantly changing and ideas and innovation are key competitive success factors.

❖ System model

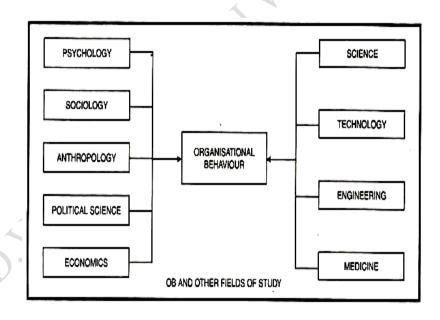
The final organisational model is referred to as the system model. This is the most contemporary model of the five models discussed in this article. In the system model, the organisation looks at the overall structure and team environment, and considers that individuals have different goals, talents and potential.

The intent of the system model is to try and balance the goals of the individual with the goals of the organisation. Individuals obviously want good remuneration, job security, but also want to work in a positive work environment where the organisation adds value to the community and/or its customers.

The system of model should be an overall partnership of managers and employees with a common goal, and where everybody feels that they have a stake in the organisation.

	Autocratic	Custodial	Supportive	Collegial
Basis of Model	Power	Economic sources	Leadership	Partnership
Managerial orientation	Authority	Money	Support	Teamwork
Employee orientation	Obedience	Security and benefits	Job performance	Responsible behaviour
Employee Psychological result	Dependence on boss	Dependence on organization	Participation	Self- discipline
Employee needs met	Subsistence	Security	Status and recognition	Self- actualization
Performance result	Minimum	Passive co- operation	Awakened drives	Moderate enthusiasm

OTHER SIMILAR FIELDS OF STUDY:



> Psychology:

The term 'psychology' is derived from the Greek World 'Psyche' which means 'soul' or 'spirit'. Organisational behaviour studies human behaviour which is concerned mainly

with the psychology of the people. Psychology, especially, industrial or organisational psychology is the greatest contributor to the field of organisational behaviour. Psychologists study behaviour and industrial or organisational psychologists deal specifically with the behaviour of people in organisational settings.

> Sociology:

Sociology also has a major impact on the study of organisational behaviour. Sociology makes use of scientific methods in accumulating knowledge about the social behaviour of the groups. Sociologists study social systems such as a family, an occupational class, a mob or an organisation. It specifically studies, social groups, social behaviour, society, customs, institutions, social classes, status, social mobility, prestige.

> Anthropology:

Anthropology is concerned with the interactions between people and their environment, especially their cultural environment. Culture is a major influence on the structure of organisations as well as on the behaviour of people within organisations. 'Anthropo' is a Greek word which means 'man' and 'logy' means 'Science'

> Political Science:

In recent times, political science has also started interesting the organisational behaviourists. Political Science is usually, thought of as the study of political systems. But political scientists are interested in how and why people acquire power, political behaviour, decision making, conflict, the behaviour of interest groups and coalition formation. These are also major areas of interest in organisational behaviour.

Political parties and Government directly intervene in many activities of the organisation. Specific principles of political science are observed in organisational behaviour for delegation of authority and responsibility, conflict resolution and stress management.

> Economics:

Economists study the production, distribution and consumption of goods and services. Students of organisational behaviour share the economist's interest in such areas as labour market dynamics, productivity, human resource planning and forecasting, and cost benefit analysis.

The economic conditions of a country have long lasting impact on organizational behavior. If psychological and economic expectations of employee are met, they are satisfied and become high performers. Economic systems include financial, commercial and industrial activities which have greater influences on the behaviour of the people. The consumption pattern in society monitors the behaviour of employees. Consumption oriented society witnesses a different employee behaviour from that of a production oriented society.

> Science:

Science is systematized knowledge. The scientific methods attempt to produce information that is objective in the sense that it is certifiable and independent of a person's opinions or preferences. Scientific method is the backbone of organisational behaviour. Organisational behaviour is based on the systematized study of facts, behaviour, their relationships and predictions.

> Technology:

The level of technological development affects the behaviour of the employees. Modern age is the age of computerization. It has come within the framework of the model of organisational behaviour. The study of technological development is becoming essential for understanding the organisational behaviour, because people are influenced by the technological development. Human behaviour relations and environments develop as a result of technological innovations.

Technology changes consumer behaviour, production activities, distribution and storage activities. To cope up with the technological development people have to become educated and/or technically skilled. They should have to be responsibility conscious and development oriented. Unskilled or irresponsible will have no place in the modern innovative age. Thus, technological development leads to effective work behaviour, improved organisational culture and helpful work environment.

> Engineering:

Engineering also influences the study of organisational behaviour. Some topics are common to engineering as well as organisational behaviour e.g. work measurement, productivity measurement, work flow analysis, work design, job design and labour relations. In fact, organisational behaviour is dependent on engineering for these technical jobs.

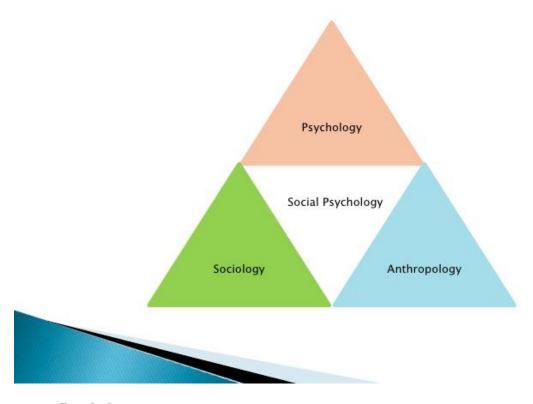
> *Medicine*:

Nowadays, medicine has also come in connection with the study of human behaviour at work. Stress is becoming a very common problem in the organisations as well as in the people working in the organisations. Research shows that controlling the causes and consequences of stress in and out of organisational settings, is important for the well being of the individual as well as the organisations. Medicine helps in the control of stress as well as stress related problems.

Thus, it can be concluded that organisational behaviour has an interdisciplinary focus. It draws from a variety of other fields and attempts to describe behaviour as opposed to prescribing how behaviour can be changed in consistent and predictable ways.



Contributing Disciplines to the OB Field



Psychology

Psychology is the science that attempts to measure, explain, and at times change the behavior of humans and other animals. Early industrial/organizational psychologists were concerned with problems of fatigue, boredom, and other factors relevant to working conditions that could

disrupt/ impede efficient work performance. More recently, their contributions have been expanded to include learning, perception, personality, emotions, training, leadership effectiveness, needs and motivational forces, job satisfaction, decision making processes, performance appraisals, attitude measurement, employee selection techniques, work design, and job stress.

Sociology

Sociologists study the social system in which individuals fill their roles; that is, sociology studies people in relation to their fellow human beings. Their significant contribution to OB is through their study of group behavior in organizations, particularly formal and complex organizations.

Social Psychology

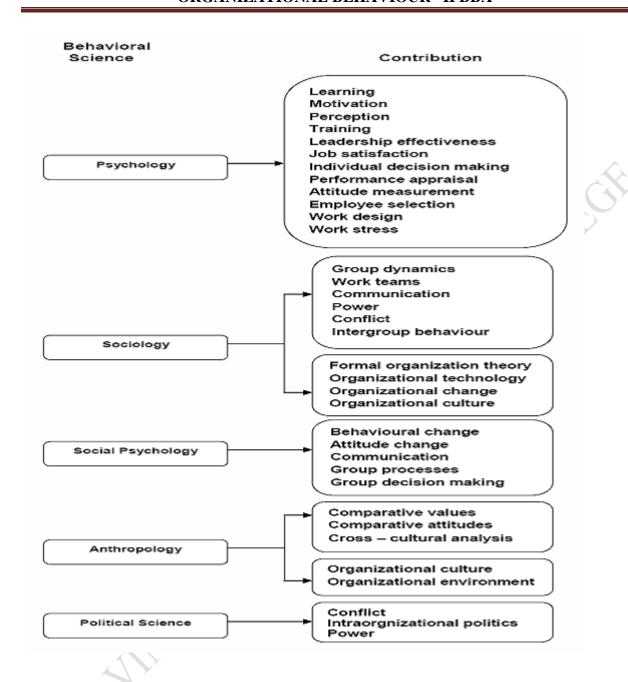
Social psychology blends the concepts of psychology and sociology. It focuses on the influence of people on one another. The major challenge deals with the issue of how to implement it and how to reduce barriers to its acceptance.

Anthropology

Anthropology is the study of societies to learn about human beings and their activities. Anthropologists work on cultures and environments; for example, they have aided in understanding differences in fundamental values, attitudes, and behavior among people in different countries and within different organizations.

Political Science

Political science studies the behavior of individuals and groups within a political environment. It focuses on areas, such as, conflict, intra-organizational politics and power.



INDIVIDUAL BEHAVIOUR:

Individual behavior can be **defined** as how an**individual** behaves at work. A person's **behavior** is influenced by the following factors – Attitude. Perception. Personality.

FACTORS AFFECTING:

Some of the factors affecting Individual Behavior in an organization are as follows:

I. Personal Factors:

The personal factors which influence the individual behaviour can be classified into two categories:

1. Physical Characteristics:

Some of these characteristics are related to height, skin, complexion, vision, shape and size of nose, weight etc. All these have an impact on the performance of the individuals. It is sometimes said that the eyes betray the character of a person. Similarly certain ideas about the behaviour can be formed on the basis of whether the person is fat, tall or slim.

Tall and slim people are expected to dress well and behave in a sophisticated manner and fat people are supposed to be of a jolly nature. Whether there is a correlation between body structure and behaviour or not has not been scientifically proven. Even if there is a correlation between these two, it is very difficult to understand which the independent variable is and which is dependent variable.

2. Age:

Age is considered to be an inherited characteristic because it is determined by the date of birth. The relationship between age and job performance is an issue of increasing performance. Psychologically, younger people are expected to be more energetic, innovative, adventurous, ambitious and risk taking. Whereas old people are supposed to be conservative, set in their own ways and less adaptable. Though it is incorrect to generalize all old people as unadoptable, physiologically, performance depends on age.

Performance declines with advancement of age because older people have less stamina, memory etc. Younger people are likely to change jobs to avail better job opportunities, but as one grows old, the chances of his quitting job are less. There is a relationship between age and absenteeism also. Older people tend to absent more from their jobs due to unavoidable reasons e.g. poor health.

Whereas younger people absent themselves from job due to avoidable reasons e.g. going for a vacation. In the organisations which are subject to dramatic changes due to latest innovations, the older people get less job satisfaction as they start feeling obsolete as compared to their younger colleagues. Though there is no clear cut demarcation between young age and old age but according to Lehman the peak of creative ability is among people between the ages 30 and 40.

3. Gender:

Being a male or female is genetic in nature and it is considered to be an inherited feature. Whether women perform as well as in jobs as men do, is an issue which has initiated lot of debates, misconceptions and opinions. The traditional view was that man is tougher than woman or women are highly emotional than men. But these are some stereotyped baseless assumptions. Research has proved that there are few if any, important differences between man and woman that will affect their job performance.

4. Religion:

Though there are no scientific studies to prove it and we cannot generalize it, but religion and religion based cultures play an important role in determining some aspects of individual behaviour, especially those aspects which concern morals, ethics and a code of conduct. The religion and culture also determine attitudes towards work and towards financial incentives.

People who are highly religious are supposed to have high moral values e.g. they are honest, they do not tell lies or talk ill of others, they are supposed to be contended. But there is another side of the picture also. Though there are no evidences but it has been observed that sometimes people who are highly dishonest and immoral are more religious as compared to the others.

5. Marital Status:

There are not enough studies to draw any conclusion as to whether there is any relationship between marital status and job performance. Research has consistently indicated that as marriage imposes increased responsibilities, to have a steady job becomes more valuable and important. Married employees have fewer absences, less turnover and more job satisfaction as compared to unmarried workers. But no research has so far identified the causes for this.

6. Experience:

The next biographical characteristic is tenure or experience. The impact of seniority on job performance is an issue which is subject to a lot of misconceptions and speculations. Work experience is considered to be a good indicator of employee productivity. Research indicates that there is a positive relationship between seniority and job performance. Moreover studies also indicate a negative relationship between seniority and absenteeism.

Employee turnover is also considered to be negatively related to seniority. But in considering this relationship, past experience i.e. experience of the employee on the previous job is also to be considered. Research indicates that experience and satisfaction are positively related. Here we have to distinguish between chronological age and seniority of the employee. Seniority experience is a better indicator of job satisfaction than the chronological age of the person.

7. Intelligence:

Generally, it is considered that intelligence is an inherited quality. Some people are born intelligent or in other words intelligent parents produce intelligent children. But practical experience has shown that sometimes very intelligent parents have less intelligent children and sometimes average parents have very intelligent children.

Moreover intelligence can be enhanced with efforts, hard work, proper environment and motivation. Anyway, whether it is an inherited trait or acquired trait this factor affects the behaviour of the people. Intelligent people are generally not adamant and stubborn, rather they are considered to be stable and predictable.

8. Ability:

Ability refers to the capacity or capability of an individual to perform the various tasks in a job. Ability is the criterion used to determine what a person can do.

9. Personality:

By personality we don't mean the physical appearance of a person. Psychologists are not concerned with a smart person, with a smiling face and a charming personality. They consider personality as a dynamic concept describing the growth and development of a person's whole psychological system. Rather than looking at parts of the person, personality looks at some aggregate whole that is greater than the sum of the parts.

Personality generally refers to personal traits such as dominance, aggressiveness, persistence and other qualities reflected through a person's behaviour. Some personality traits like physical built and intelligence are biological in nature but most traits like patience, open mindedness, extrovertness etc. can be learned.

An individual's personality determines the types of activities that he or she is suited for. According to Tedeschi and Lindskold, people who are open minded seem to work out better in bargaining agreements than people who are narrow minded. Similarly people who are extroverts and outgoing are more likely to be successful as managers than those who are introverts.

10. Perception:

Perception is the viewpoint by which one interprets a situation. In other words, "perception is the process by which information enters our minds and is interpreted in order to give some sensible meaning to the world around us. Psychology says that different people see and sense the same thing in different ways. For example, if a new manager perceives an employee to be a job shirker, he will give him less important jobs, even though that employee is a very able person. Sometimes, we tend to lose good relatives and friends because we change our perceptions about them.

II. Environmental Factors:

The external environment is known to have a considerable impact on a person's behaviour.

A brief description of the external factors follows:

1. Economic Factors.

The behaviour of an individual is affected to a large extent by the economic environment.

2. Socio-cultural Factors:

The social environment of an individual includes his relationship with family members, friends, colleagues, supervisors and subordinates. The behaviour of other people not with the individual, but in general, is also a part of his social environment. Similarly, every individual has a cultural background, which shapes his values and beliefs. Work ethics achievement need, effort-reward expectations and values are important cultural factors having impact on the individual behaviour.

3. Political Factors

Political environment of the country will affect the individual behaviour not directly, but through several other factors. In a politically stable country there will be a steady level of employment (both in quantity and quality) and high level of capital investment. Whereas companies are reluctant to invest large sums of money in a politically instable country.

The political ideology of a country affects the individual behaviour through the relative freedom available to its citizens. A country can have a controlled society or less controlled society. The relative freedom available to the individuals can affect their career choice, job design and performance.

4. Legal Environment.

Rules and laws are formalized and written standards of behaviour. Both rules and laws are strictly enforced by the legal system. Laws relate to all the members of the society e.g. Murder is a crime which is illegal and punishable by law and applies to all the people within the system. Observing the IIII. Organisational Factors:

Individual behaviour is influenced by a wide variety of organisational systems and resources.

III. Organisational Factors:

These organisational factors are as explained below:

1. Physical Facilities:

The physical environment at a work place is the arrangement of people and things so that is has a positive influence on people. Some of the factors which influence individual behaviour are noise level, heat, light, ventilation, cleanliness, nature of job, office furnishing, number of people working at a given place etc.

2. Organisation Structure and Design:

These are concerned with the way in which different departments in the organisation are set up. What is the reporting system? How are the lines of communication established among different levels in the organisation. The behaviour and performance of the individual is influenced by where that person fits into the organisational hierarchy.

3. Leadership:

The system of leadership is established by the management to provide direction, assistance, advice and coaching to individuals. The human behaviour is influenced to a large extent by the behaviour of the superiors or leaders. Behaviour of the leaders is more important than their qualities.

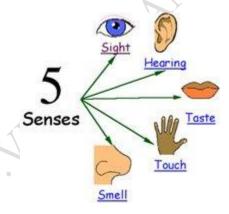
4. Reward System:

The behaviour and performance of the individuals is also influenced by the reward system established by the organisation to compensate their employee

PERCEPTION

Meaning:

- Perception is an intellectual process of transforming sensory stimuli to meaningful information. It is the process of interpreting something that we see or hear in our mind and use it later to judge and give a verdict on a situation, person, group etc.
- Perception means perceiving, i.e., giving meaning to the environment around us. It can be
 defined as a process which involves seeing, receiving, selecting, organising, interpreting
 and giving meaning to the environment. Sensation is the response of physical sensory organ

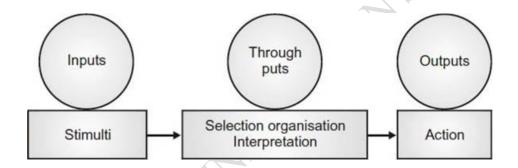


It can be divided into six types –

- **Of sound** The ability to receive sound by identifying vibrations.
- Of speech The competence of interpreting and understanding the sounds of language heard.

- Touch Identifying objects through patterns of its surface by touching it.
- **Taste** The ability to receive flavor of substances by tasting it through sensory organs known as taste buds.
- Other senses They approve perception through body, like balance, acceleration, pain, time, sensation felt in throat and lungs etc.
- Of the social world It permits people to understand other individuals and groups of their social world. Example Priya goes to a restaurant and likes their customer service, so she will perceive that it is a good place to hang out and will recommend it to her friends, who may or may not like it. Priya's perception about the restaurant is good.

PERCEPTUAL PROCESS



Perceptual process are the different stages of perception we go through. The different stages are

- Receiving
- Selecting
- Organizing
- Interpreting

Receiving

Receiving is the first and most important stage in the process of perception. It is the initial stage in which a person collects all information and receives the information through the sense organs.

Selecting

Selecting is the second stage in the process. Here a person doesn't receive the data randomly but selectively. A person selects some information out of all in accordance with his interest or needs. The selection of data is dominated by various external and internal factors.

- External factors The factors that influence the perception of an individual externally are intensity, size, contrast, movement, repetition, familiarity, and novelty.
- **Internal factors** The factors that influence the perception of an individual internally are psychological requirements, learning, background, experience, self-acceptance, and interest.

Organizing

Keeping things in order or say in a synchronized way is organizing. In order to make sense of the data received, it is important to organize them.

We can organize the data by –

- Grouping them on the basis of their similarity, proximity, closure, continuity.
- Establishing a figure ground is the basic process in perception. Here by figure we mean what is kept as main focus and by ground we mean background stimuli, which are not given attention.
- Perceptual constancy that is the tendency to stabilize perception so that contextual changes don't affect them.

Interpreting

Finally, we have the process of interpreting which means forming an idea about a particular object depending upon the need or interest. Interpretation means that the information we have sensed and organized, is finally given a meaning by turning it into something that can be categorized. It includes stereotyping, halo effect etc..

FACTORS INFLUENCING PERCEPTUAL PROCESS

External Factors:

- **1. Size :** Bigger size attracts the attention of the perceiver
- **2. Intensity :** A loud sound, strong odor or bright light is noticed more as compared to a soft sound, weak odour or dimlight.
- **3. Repetition :** A repeated external stimulus is more attention getting than a single one. Advertisers use this principle.
- **4. Novelty and Familiarity :** A novel or a familiar external situation can serve as attention getter.
- **5. Contrast :** It is a kind of uniqueness which can be used for attention getting. Letters of bold types, persons dressed differently than others, etc., get more attention.
- **6. Motion :** A moving object draws more attention as compared to a stationary object. Advertisers use this principle.

Internal Factors

Self-concept: The way a person views the world depends a great deal on the concept or image he has about himself. The concept plays an internal role in perceptual selectivity.

Beliefs: A person's beliefs have profound influence on his perception. Thus, a fact is conceived not on what it is but what a person believes it to be.

Expectations: These affect what a person perceives. A technical manager may expect ignorance about the technical features of a product from non-technical people.

Inner Needs: The need is a feeling of tension or discomfort, when one thinks he is missing something. People with different needs experience different stimuli. According to Freud, wishful thinking is the means by which the Id attempts to achieve tension reduction

Factors influencing perception:

Perception is our sensory experience of the world around us and involves both the recognition of environmental stimuli and action in response to these stimuli. Through the perceptual process, we gain information about properties and elements of the environment that are critical to our survival. A number of factors operate to shape and sometimes distort perception These factors can reside:

- **1. Characteristics of the Perceiver:** Several characteristics of the perceiver can affect perception. When an individual looks at a target and attempts to interpret what he or she stands for, that interpretation is heavily influenced by personal characteristics of the individual perceiver. The major characteristics of the perceiver influencing perception are:
- a) Attitudes: The perceiver's attitudes affect perception. For example, Mr. X is interviewing candidates for a very important position in his organization a position that requires negotiating contracts with suppliers, most of whom are male. Mr. X may feel that women are not capable of holding their own in tough negotiations. This attitude with doubtless affect his perceptions of the female candidates he interviews.
- b) Moods: Moods can have a strong influence on the way we perceive someone. We think differently when we are happy than we do when we are depressed. In addition, we remember information that is consistent with our mood state better than information that is inconsistent with our mood state. When in a positive mood, we form more positive impressions of other. When in a negative mood, we tend to evaluate others unfavourably.
- c) Motives: Unsatisfied needs or motives stimulate individuals and may exert a strong influence on their perceptions. For example, in an organizational context, a boss who is insecure perceives a sub ordinate's efforts to do an outstanding job as a threat to his or her own position. Personal insecurity can be translated into the perception that others are out to "get my job", regardless of the intention of the subordinates.
- d) Self Concept: Another factor that can affect social perception is the perceivers self-concept. An individual with a positive self-concept tends to notice positive attributes in another person. In contrast, a negative self-concept can lead a perceiver to pick out negative traits in another person. Greater understanding of self allows us to have more accurate perceptions of others.
- e) Interest: The focus of our attention appears to be influenced by our interests. Because our individual interests differ considerably, what one person notices in a situation can differ from what other perceive. For example, the supervisor who has just been reprimanded by his boss for coming late is more likely to notice his colleagues coming late tomorrow than he did last week.
- f) Cognitive structure: Cognitive structure, an individual's pattern of thinking, also affects perception. Some people have a tendency to perceive physical traits, such as height, weight, and

appearance, more readily. Cognitive complexity allows a person to perceive multiple characteristics of another person rather than attending to just a few traits.

- *g) Expectations:* Finally, expectations can distort your perceptions in that you will see what you expect to see. The research findings of the study conducted by Sheldon S Zalking and Timothy W Costello on some specific characteristics of the perceiver reveal
 - i) Knowing oneself makes it easier to see others accurately.
- ii) One's own characteristics affect the characteristics one is likely to see in other.
- iii) People who accept themselves are more likely to be able to see favourableaspects of other people.
- iv) Accuracy in perceiving others is not a single skill. These four characteristics greatly influence how a person perceives other int he environmental situation.
- 2) Characteristics of the Target: Characteristics in the target that is being observed can affect what is perceived. Physical appearance pals a big role in our perception of others. Extremely attractive or unattractive individuals are more likely to be noticed in a group than ordinary looking individuals. Motions, sound, size and other attributes of a target shape the way we see it. Verbal Communication from targets also affects our perception of them. Nonverbal communication conveys a great deal of information about the target. The perceiver deciphers eye contact, facial expressions, body movements, and posture all in a attempt to form an impression of the target.
- 3) Characteristics of the Situation: The situation in which the interaction between the perceiver and the target takes place, has an influence on the perceiver's impression of the target. The strength of the situational cues also affects social perception. Some situations provide strong cues as to appropriate behaviour. In this situation, we assume that + i.e individual's behaviours can be accounted for by the situation, and that it may not reflect the individual's disposition.

INDIVIDUAL BEHAVIOUR:

MEANING:

- •Individual behaviour means some concrete action by a person.
- •It means how an individual behaves, reacts or responds in a given environment.
- •The behaviour of an individual is influenced by various factors.
- •Individual behaviour is the function of person, environment and organization

FOUNDATIONS OF INDIVIDUAL BEHAVIOR

Managers need to know individual behavior (actions) in the context of an organization. Four of the utmost important elements of individual behavior are: biographical characteristics, ability,personality,andlearning.

BIOGRAPHICAL CHARACTERISTICS: Out of many physical or personal characteristics, some are especially significant and can be traced from employees' curriculum vitae (CVs) and personal

1. AGE: Age of an employee has a significant impact and performance. It is envisaged that younger people are more energetic, skilful and talented than older people. The belief is true but this is not always true because in many cases, older people are highly skilled, regularly updating skills, well-experienced, persistent, and even physically and mentally their 2. SEX/ GENDER: Do males perform better then females? The research reveals, no. Females do not perform less then males, if they are equally trained or having similar capabilities. 3. MARTIAL STATUS: The scientific studies undercover that married people are more responsible, persistent in nature and undergo less absence and turnover and are more satisfied from iobs because them their marriages cause to accept new responsibilities. **4. NUMBER OF DEPENDANTS:** The greater the children or other dependants a person has, the lesser is the concentration on work. It has been observed in most cases, that many times, employees especially females with huge children or other persons, such as relatives as dependants make leaves and hospitalization needs of their dependants. care of the schooling **5. TENURE:** Switching jobs or companies is not a big deal/ problem, rather it may be a result of serious need to leave a problematic company or to avail a better opportunity. But the persons that

show greater stay (of years) on a job show their persistent nature and an indication of their satisfactory performance.

ABILITY

Ability is the capacity to perform a work or action. A lawyer has the ability to defend legal suits in the court. A swimmer has the ability to swim in the oceans.

PERSONALITY

Personality is a set of distinct characteristics of an individual. Some people tend to be emotional, others intellectual, bold or timid, hesitant or confident, reserved or social, etc. Personality is shaped from heredity and culture and environment, which lead to personality traits.

LEARNING

Learning is defined as many permanent change in behavior as a result of observation and experience. The student who learns their courses and soon after exams, forget the courses is not learning. From OB point of view, learning is permanent and it changes behavior. For example, a typist can type fifty words a minute, after training, he can type eighty five words a minute, is learning. Some of the theories of learning are depicted below:

FACTORS INFLUENCING INDIVIDUAL BEHAVIOR

The way an individual addresses a situation single-handedly or say in a group is influenced by many factors. The key factors influencing an individual's attitude in personal as well as social life are –

- Abilities
- Gender
- Race and culture
- Attribution
- Perception
- Attitude

Let's take a quick look over these major elements that imprint a person's behavior inside and outside of the organization.

Abilities

Abilities are the traits a person learns from the environment around as well as the traits a person is gifted with by birth. These traits are broadly classified as –

- Intellectual abilities
- Physical abilities
- Self-awareness abilities

In order to understand how these affect a person's behavior, we need to know what these abilities are.

- **Intellectual abilities** It personifies a person's intelligence, verbal and analytical reasoning abilities, memory as well as verbal comprehension.
- **Physical abilities** It personifies a person's physical strength, stamina, body coordination as well as motor skills.
- **Self-awareness abilities** It symbolizes how a person feels about the task, while a manager's perception of his abilities decides the kind of work that needs to be allotted to an individual.

Thus the psychological, physical, self-assurance traits owned by a person defines the behavior of a person in social and personal life.

Gender

Research proves that men and women both stand equal in terms of job performance and mental abilities; however, society still emphasizes differences between the two genders. Absenteeism is one area in an organization where differences are found as women are considered to be the primary caregiver for children. A factor that might influence work allocation and evaluation in an organization is the manager's perception and personal values.

Race & Culture

Race is a group of people sharing similar physical features. It is used to define types of persons according to perceived traits. For example – Indian, African. On the other hand, culture can be defined as the traits, ideas, customs and traditions one follows either as a person or in a group. For example – Celebrating a festival.

Race & culture have always exerted an important influence both at the workplace as well as in the society. The common mistakes such as attributing behavior and stereotyping according to individual's race & culture basically influences an individual's behavior.

In today's diverse work culture, the management as well as staff should learn and accept different cultures, values, and common protocols to create more comfortable corporate culture.

Perception

Perception is an intellectual process of transforming sensory stimuli into meaningful information. It is the process of interpreting something that we see or hear in our mind and use it later to judge and give a verdict on a situation, person, group, etc.

It can be divided into six types namely –

- **Of sound** The ability to receive sound by identifying vibrations.
- Of speech The competence of interpreting and understanding the sounds of language heard.
- **Touch** Identifying objects through patterns of its surface by touching it.
- Taste The ability to detect flavor of substances by tasting it through sensory organs known as taste buds.
- Other senses Other senses include balance, acceleration, pain, time, sensation felt in throat and lungs etc.
- Of the social world It permits people to understand other individuals and groups of their social world.

For example – Priya goes to a restaurant and likes their customer service, so she will perceive that it is a good place to hang out and will recommend it to her friends, who may or may not like it. However, Priya's perception about the restaurant remains good.

Attribution

Attribution is the course of observing behavior followed by determining its cause based on individual's personality or situation. Attribution framework uses the following three criteria –

- Consensus The extent to which people in the same situation might react similarly.
- **Distinctiveness** The extent to which a person's behavior can be associated to situations or personality.
- **Consistency** The frequency measurement of the observed behavior, that is, how often does this behavior occur.

Attitude

Attitude is the abstract learnt reaction or say response of a person's entire cognitive process over a time span.

UNIT-II

PERSONALITY

<u>Meaning</u>: The word personality is derived from a Greek word "persona" which means "to speak through." It is the combination of an individual thoughts, characteristics, behaviors, attitude, idea

Meaning

- · Latin word persona
- -the mask worn by the actors while playing their role in the drama
- PERSONALITY
- P Perception capacity
- E Emotional maturity
- · R responsiveness to the situation
- S Sociability
- O Originality
- N Neutrality
- A Appearance (external)
- L Leadership feeling
- I Integrated
- T Tendency
- Y Young (in thinking)

DEFINITION OF PERSONALITY

- Macionis define as "It is the constant pattern of thinking, feeling and acting."
- Ogburn and Nimkoff define it as the totality of sentiments, attitudes, idea, habits, skills and behaviors of an individual."

TYPES OF PERSONALITY

1. Extrovert Personality

This type has the tendency to live mostly outside the like to live with others. Those individuals are highly socialized and have contact with outside people in the society. They want to join other groups who are more in number. These type of people are drivers, excessive drinkers, smokers, robbers, thieves, wicked persons etc. The extrovert is a friendly person who is quick to establish relationships with others. Extroverts are gregarious and display a high level of social engagement. They enjoy being with people and like to be in the company of large groups. Extroverts are active and tend to get involved in many activities. At the opposite end of the spectrum, people with low levels of extroversion feel a greater desire for privacy, avoid large group situations and generally live a more leisurely life.

2. Introvert Personality

Introvert is opposite to extrovert. Those people are always live alone in their rooms and do not want to go outside. They have their own imaginary world. They are teachers, scientists, thinkers and philosophers.

3. Ambivert Personality

Between extrovert and introvert personalities there is a third one type called ambivert. People belonging to this type enjoy both the groups and attend them. They have middle mind and want to live in both parties. Sometimes they join outside people but sometimes they live in their own rooms.

4. Agreeable Personality

The agreeable person can cooperate well with other people by putting aside personal needs while getting along with peers. These people trust others and rely on their integrity, character and abilities. Often the agreeable personality feels the need to help other people, and can derive fulfillment by offering support.

5. Conscientious Personality

Conscientious people exude confidence and feel capable of accomplishing goals. They may be overachievers who want to be viewed as successful.

6. Cautious Personality

Cautious people will look at problems from every angle before acting or making a decision, while those who are not cautious often act or speak before they think things through.

7. Self-Conscious Personality

Self-conscious people are highly sensitive to what others think and say about them. They dislike criticism and are sensitive to rejection, while those who are not all that self-conscious are not bothered by being judged by other people.

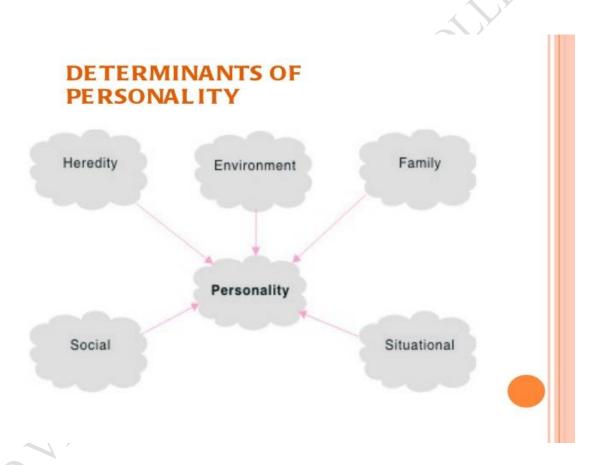
8. Adventurous Personality

People with an adventurous personality seek out new experiences and dislike routine. They may be unafraid to challenge authority and conventions, while those who are less adventurous may have traditional values and prefer security over adventurousness. Those with an adventurous personality enjoy having power and may be more amenable to taking risks.

Personality Development Tips

- 1. Should be a better listener
- 2. Good conversation
- 3. Be positive in outlook and attitude
- 4. More reading and building interest
- 5. Should be a good courteous
- 6. Interaction with new people
- 7. Helpful to other people
- 8. Give respect if you want respect
- 9. Confident about yourself

DETERMINANTS OF PERSONALITY:



1. Heredity: Human behaviour is partly affected by heredity. The parent's qualities are passed on to the children through the molecular structure of genes located in the chromosomes. In our day to day life, so many times we use the term "Like father like son" as "Like Mother like daughter".

- **2. Environment :** All personality traits are not determined by heredity. Environment also plays a very important role in the development of personality of a person. Environment comprises of culture, family, social and situational factors.
 - (a) **Culture**: Culture is sum total of learned believes, values and customs. Cultural factors determine now a person acts whether independently or dependently. Culture establishes norms, attitudes and values that are passed along from generation to generation.
 - (b) **Family:** Families influence the behaviour of a person especially in the early stages. The nature of such influence will depend upon the following factors:
 - (i) Socio-economic level of the family
 - (ii) Family size, (iii) Birth order, (iv) Race, (v) Religion
 - (vi) Parent's educational level and Geographic location.
 - (c) **Social:** Socialization is a process by which an infant acquires customary and acceptable behaviour. Social life has a considerable impact on the individual's behaviour. A man is known by the company he keeps. Social groups influence the behaviour of the individuals.
 - (d) **Situational**: Situational factors also play a very important role in determining the personality of a person. Life is a collection of experiences. Some of the events and experiences can serve as important determinants of his personality.

PERSONALITY THEORIES

TRAITS THEORY: The traditional approach of understanding personality was to identify and describe personality in terms of traits. In other words, it viewed personality as revolving around attempts to identify and label permanent characteristics that describe an individual's behavior. Popular characteristics or traits include shyness, aggressiveness, submissiveness, laziness, ambition, loyalty, and timidity. This distinctiveness, when they are exhibited in a large number of situations, are called personality traits. The more consistent the characteristic and the more

frequently it occurs in diverse situations, the more important that trait is in describing the individual.

FREUDIAN STAGES OR PSYCHOANALYTICAL THEORY:

Sigmund Freud's Psychoanalytical theory of personality has been based primarily on his concept of unconscious nature of personality. It is based on the notion that man is motivated more by unseen forces than by conscious and rational thoughts. Freud noted that his patient's behaviour could not always be consciously explained. It was a clinical finding which led him to conclude that the major force which motivates a human being is his unconscious framework. This framework includes three conflicting psychoanalytic concepts the Id, the ego and the super ego.

Their brief description is as follows:

- (i) The ID: ID is the foundation of the unconscious behaviour and is the base of libido drives. In simple words Id is the sources of psychic energy and seeks immediate satisfaction of biological or instinctual needs. These needs include sexual pleasure and other biological pleasures. Id has animalistic instincts of aggression, power and domination. It demands immediate pleasure at whatever cost. As an individual matures he learns to control the Id, but even then it remains a driving force throughout life and an important source of thinking and behaviour.
- (ii) The EGO: The Ego is associated with the realities of life. Just as the Id is the unconscious part of human personality. Ego is the conscious and logical part because it is concerned about the realities of external environment. The ego of a person keeps the Id in check whenever it demands immediate pleasure. With its logic and intellect, ego controls the Id so that the pleasures unconsciously demanded by the human beings are granted at an appropriate time and place and in an appropriate manner.
- (iii) The Super EGO: The Super Ego is the higher level force to restrain the Id and is described as the conscious of a person. The super ego represents the norms of the individual, his family and the society and is an ethical constraint on the behaviour. The conscious of a person is continuously telling him what is right and what is wrong. A person may not be aware of the working of the super

ego, because conscious is developed by the cultural values inculcated in a person by the norms of society.

What is A Group?

Every organization is a group unto itself. A group refers to two or more people who share a common meaning and evaluation of themselves and come together to achieve common goals. In other words, a group is a collection of people who interact with one another; accept rights and obligations as members and who share a common identity.

DEFINITIONS

A group may be defined as a number of individuals who join together to achieve a goal. People join groups to achieve goals that cannot be achieved by them alone.

Johnson & Johnson (2006)

What is Group Dynamics?

Group dynamics deals with the attitudes and behavioral patterns of a group. Group dynamics concern how groups are formed, what is their structure and which processes are followed in their functioning. Thus, it is concerned with the interactions and forces operating between groups.

Group dynamics is relevant to groups of all kinds – both formal and informal. If the UPA government has set up Group of Ministers for every governance issue, the Supreme Court of India has 27 Group of Judges committees overseeing all manner of non-judicial work in the apex court. In an organizational setting, the term groups are a very common and the study of groups and group dynamics is an important area of study.

Characteristics of a Group:

The factors that characterize a group are:

Collection of people: Two or more individuals come together. They are motivated to join together. Groups operate in a social situation. Members perceive themselves as a group. They have collective identity. They are a unified unit.

Interaction and interdependence: Individuals interact with each other. Interaction affects the feelings and actions of group members. Members are interdependent on each other.

Similar Interests: Group members share similar interests. They have common norms and values. They have collective identity.

Common goals: Groups achieve particular goals that are common to all member . They carry out task to achieve goals.

Role differentiation: The role of individual group members vary. Their contributions also vary.

REASON FOR FORMATION OF GROUP

Group formation has certain objectives. The purpose behind group formation may be task achievement, problem-solving, proximity or other socio-psychological requirements. Group formation is based on activities, interactions and sentiments.

1. Task accomplishment:

The basic purpose of group formation is the achievement of certain objectives through task performance.

Individuals come closer in order to understand the tasks and decide on the procedures of performance.

In any organization, task accomplishment is the reason for which different groups such as an engineering group; marketing group, foreman's group and personnel group are formed for achievement of the organizations' goals.

2. Problem Solving:

When people foresee or face certain problems, they unite to solve the problems. Unity has strength.

A group provides strength to members who are willing to challenge any problem. Group behaviour gives more strength to come down heavily on problems.

3. Proximity:

People form groups because of proximity and attraction towards each other. The group formation theory is based on propinquity, which means that individuals affiliate because of spatial or geographical proximity.

They interact frequently with each other on many topics, because this interactive communication is rewarding.

4. Socio-psychological Factors:

Sentiments and action-uniformities bring people closer. They also form groups for safety, security and People cooperate with members of the group on social as well as economic grounds to reach satisfactory levels.

People form groups basically for activities, interaction and due to sentiments. People living in proximity frequently discuss their problems.

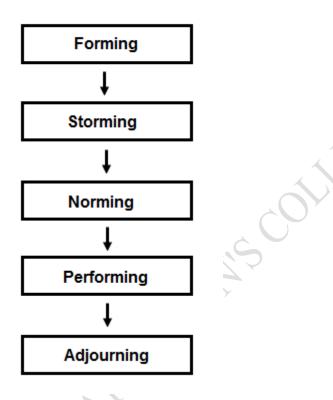
They try to reduce their tensions and achieve satisfaction. Individuals interest each other only when they have common attitudes and sentiments.

People with diverse attitudes form groups under certain compulsions to meet unexpected problems.

Employees form unions to ensure the safety and security of jobs. Outside the factory, they form groups for religious, social, cultural and political activities.

social achievements.

Stages of group development



Forming

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



Storming

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



Norming

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



Performing

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



Adjourning

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



GROUP NORMS

Unspoken and often unwritten set of informal rules that govern individual behaviors in a group. Group norms vary based on the group and issues important to the group. Without group norms, individuals would have no understanding of how to act in social situations.

Definition

"Group norms are the informal rules that groups adopt to regulate and regularise group members' behaviour" – Feldman

CHARACTERISTICS OF GROUP NORMS:

- 1. The **norms** are based on social values.
- 2. **Norms** are social rules which define correct and acceptable behaviour in a society or a group to which people are expected to confirm.
- 3. They prescribe the way the people should behave in particular situations.
- 4. They determine, guide, control and also predict human behaviour.

Types of Group Norms:

1.Behaviour Norms

These are rules and guidelines defining the day-to-day behavior of people at work. This behavior pattern may include punctuality as a habit, completing any given assignments within the required time framework, not losing temper, showing respect for other member's opinions, not monopolizing the conversation and so on. Certain professionalism is expected from all members and this professionalism is predictable form of behavior.

2.Work Norms

Work norms regulate the performance and productivity of individual members. An overly ambitious worker who produces more is considered as much a deviate from the norms as a worker who is an under producer. Work norms usually put an acceptable level of productivity, within reasonable tolerances so that comparatively poor performers can also be accommodated and that they do not become a burden on their peers.

Workers performing below the lower acceptable level are generally Informally reprimanded and encouraged to produce more. On the other hand, rate-busters who perform above the upper acceptable limit set by the group are also ostracized for encouraging the <u>management</u> to raise its expectations.

GROUP BEHAVIOUR

Meaning:-

A group can be defined as two or more interacting and interdependent individuals who come together to achieve particular objectives. A group behavior can be stated as a course of action a group takes as a family. For example: Strike.

Group behaviour refers to the situation where people interact inlarge or small groups. The study of group behaviour is essential for an organization to achieve its goals.

REASONS FOR GROUP FORMATION IN AN ORGANISATION

(A) From Members Point of View:

1. Companionship:

The need for relationship with other people is one of the strongest and most constant of human drives. Relationships give an individual, who earlier felt lonely and miserable, recognition and his work life pleasant and comfortable. Many research studies have indicated that the employees who have no opportunity for social contacts find their work unsatisfying and this lack of satisfaction often reflects itself in low productivity and high rate of absenteeism and turnover.

2. Identity:

We try to understand ourselves through the behaviour of others towards us. If others praise us, we feel we are great. Groups provide many others who will laugh, praise or admire us. Workers get more identified in small groups and so small groups tend to enjoy high morale as compared to large groups.

3. Information:

The informal group to which a member belongs is a source of communication or information to him. A piece of information available to one member will nearly reach all the members in a short span of time. An individual comes to know about what is happening in an organisation even if he has been on leave or is otherwise away.

The group may develop a special code or language for speedy communication. The groups help reduce many of the psychological barriers to communication. Sometimes the group will amend, amplify and interpret the news, once it is released. Thus, each person gets a larger, more detailed and meaningful but at times, a distorted and erroneous picture of what is going on in the organisation.

4. Security:

Perhaps, the strongest reason for group formation is the people's need for security. By joining a group, a person can reduce his insecurity; he feels stronger, has lesser self doubts and is more resistant to threats. A person always derives reassurance from interacting with others and being part of a group. The group protects its members from the arbitrary policies and orders of the formal organisations and provides a psychological buffer between the individual and the organisation. This often explains the concept of unions.

5. Esteem:

Membership in a prestigious group is a source of enhanced self esteem. The members will feel good about themselves by virtue of the group's power, prestige and social standing. They will get opportunities for recognition and praise that are not available outside the group.

6. Sense of Belongingness:

It is an emotional need for friendship, love, affection and affiliation. Most people have strong need for being with others who can understand, support and help them when they are in need and render them moral and emotional support in time of difficulty. The concept of family and

friends fulfill this need. When people are new to an organisation, they are eager to find friends with which they can check their perception of new and uncertain environment.

7. Outlet for Frustrations:

An individual may be faced with several problems relating to his family life and work life. At times, he feels tremendous stress in life and gets frustrated. If he shares his feelings and anxieties with someone, his tension is released to a great extent. The social relations provide an important outlet for frustration. Informal groups serve as safety valves and help release frustrations, thus avoiding any mental or physical breakdown of the individual. Organisations which don't have the informal groups sometimes rely on the expensive system of employee counselling in which outsiders hear employees' problems and advise them accordingly.

8. Perpetuation of Cultural Values:

Common cultural background brings people together and is a strong cementing force. People, sharing a common culture, are able to maintain their cultural identity and even propagate their culture. A group with a particular cultural value often takes up activities which help perpetuate those values. This, even gives, psychological satisfaction to members.

9. Generation of New Ideas:

Informal groups are a breeding ground for new ideas as they provide a supportive environment in which the members can engage themselves in creative thinking. Quality circles in Japan are an important example in this regard. Under quality circles, workers meet periodically and discuss problems relating to quality and come out with new ideas to solve the problems.

10. Self Evaluation:

Groups help the members in evaluating themselves as against others. By employing any yard stick, an individual can judge himself against other members of the group. This will help him

in having a realistic self assessment and encourage him to acquire the plus point of others or inculcate a competitive spirit. The group also provides acceptable ways of compensating for an individual's deficiencies.

11. Job Satisfaction:

Many jobs which appear superficially dull and routine are made interesting by the group and spontaneity is encouraged and protected by the group. Certain jobs can be done by the isolated workers, but working as a group often results in higher motivation to the workers.

(B) From Organization's Point of View:

Informal group satisfies some of the social and psychological needs of its members on the one hand, and on the other hand, it can also prove useful from the organization's point of view. In fact, the findings of many social researchers suggest that informal groups are essential for the organisational stability. Such a group can prove useful in the following ways:

1. Lightening of Responsibility:

A cooperate group can always be entrusted with some responsibility which will lighten the manager's mental burden to some extent.

2. Filling the Gaps:

An enlightened group can also fill in gaps in management's abilities. Sometimes, a subordinate who has knowledge in the area can help the superior, who does not have adequate grasp over the problem.

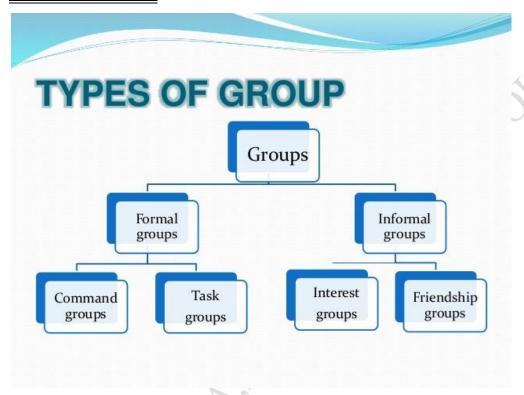
3. Restraining the Authority:

A group also helps to keep checks and balances on the manager's excessive use of authority. A manager is not allowed to cross his limits or bounds.

4. Proper and Careful Planning:

A manager will be very careful in planning and other jobs for the fear of the presence of the group.

TYPES OF GROUPS



There can be different types of groups that might exist, the most common way of distinguishing between groups is to categorizing the groups into formal or informal groups.

- ❖ Formal groups are deliberately created by the organization in order to help the organizational members achieve some of the important the organizational goals.
- ❖ Informal groups, in contrast, develop rather spontaneously among an organization's members without any direction from the organizational authorities.

There are various types of **formal groups** that are found in an organization. These are:

1. Command group which is determined by the organizational chart depicting the approved formal connections between individuals in an organization. Examples of command group are Director and the faculty members in a business school, school principal and teachers, production manager and supervisors, etc.

- 2. Task groups, comprising some individuals with special interest or expertise, are created by the organizational authorities to work together in order to complete a specific task. Task groups are often not restricted to the organizational hierarchy and can be cross functional in nature. Examples of task group might be people working on a particular project.
- **3. Standing committee** is a permanent committee in an organization to deal with some specific types of problems that may arise more or less on a regular basis. Examples of standing committees include the standing committee in a university to discuss various academic and administrative issues.
- **4.Task force / ad hoc committee**, in contrast, is a temporary committee formed by organizational members from across various functional areas for a special purpose.

 Meetings can also come under this category.

Various types of informal groups are:

- **1.Interest groups** are formed when a group of employees band together to seek some common objectives, like protesting some organizational policy or joining the union to achieve a higher amount of bonus.
- **2.Friendship groups** develop among the organizational members when they share some common interest like participating in some sports activities or staging the office drama, etc.
- **3.Reference groups** are the groups, with which individuals identify and compare themselves. These could be within the organization when a middle level executive compares himself with the higher level executive and longs for the perks and benefits enjoyed by the latter. The reference group might exist outside the organization as well when an individual compares himself with his batch mates working in other organizations or an ideal group of people he likes to become.

GROUP COHESIVENESS

Cohesion can be more specifically defined as the tendency for a group to be in unity while working towards a goal or to satisfy the emotional needs of its members

Group cohesiveness can be defined as a group session where in which, group of people connects them with the help of similar interest and program. Moreover, it is a process where a group of people for a group or a team consider their similar interest and ability.

IMPORTANT FACTORS OF GROUP COHESIVENESS:

To understand the importance of group cohesiveness, one should well understand the group cohesiveness definition and cohesiveness meaning. Therefore, with this additional info about group cohesiveness one can have a better clarity on it.

1. Equal mindset:

As people join some group with a thinking that they can be a part of that particular group as they share a similar kind of interest, then they definitely should go ahead with their decision and join such team or a group.

2. Communication:

As it is explained earlier that communication between the team and its team members is very much necessary. If there is any sort of mis-communication between the team and its members, then it is quite clear to everyone that there will be all sorts of doubts between the team members.

3. Trust:

Sometimes trust holds all the main activity between people, whether it is a company, organization and the team. And that is why all the people who are in connection with the team or a group need to maintain a positive trust on their team and their decision. Therefore, it is very much necessary to understand all the factors of trust in the team and their decision and moreover handling all the facts relating to that.

ADVANTAGES OF GROUP COHESIVENESS:

All the factors and study elements relating to the group cohesive behavior is a cover up for all sorts of benefits of group cohesiveness. Therefore, these advantages or benefits can clear out all the fogs surrounded and can show a ray of sunshine.

1. Motivational elements:

As it is explained earlier that all the elements which help a person to join or to be part of the group are the motivational elements which can be bought from the members of the team and moreover these members can create some sort differentiation between their improvement and courage in terms of their motivating behavior.

2. Better cooperation:

If it is a group of members who share similar interest and attraction as compared to each other, then it is quite clear that all the things which can be delivered with the help of group cohesiveness behavior can definitely produce better cooperation between the team and their members. Therefore, because of group cohesive behavior the group can embrace better cooperation with their rest of the team members.

3. Time saving:

A work or a task allotted to a group of persons instead of work allotted to an individual, can definitely approach a positive side of the work. For instance, when it comes to an individual person, then the person might take a little longer time to solve the issues, but when it comes to group of people, then the solution can be better and quicker as compared to the individual doing the work.

4. Improves communication:

As it is a task of a group or a team, then the team leader might be aware of all the consequences of work assigned to a person. And because of the group cohesiveness, the whole team can experience some sort of change in their communication levels. These communication levels create a difference in their personal and professional life as usual. Moreover, it also provides good confidence to all the members of the team.

DISADVANTAGES OF GROUP COHESIVENESS:

Most parts of the study material with the subject line group cohesiveness can clear all the doubts among its readers and with their team. Therefore, it is necessary to know more about the disadvantages of group cohesiveness, and then these disadvantages can help a group of people with all the growth and success of their daily work.

1. Low level of productivity:

Most of the time, working in a group can not favor a company or an organization with the help of their own group, and that is because all the teams own their own thinking. And in this case of production a group cohesiveness brings it down to a low level because most of the team members available in the team are from the same field of work. Moreover, it is a fast moving generation and that is why it's necessary to understand the, low level of productivity among the team members.

2. Lack of creativity:

As most of the members of the team share a single and simple interest and eventually this type of similar interest can deliver same sort of results each and every time. Therefore, because of group cohesive behavior the company can lack behind with their creative elements. Moreover, all the elements in the group cohesiveness provide a lower level of creativity among their group or a team.

3. Lack of innovation:

It is quite similar to the topic that one can understand better. At most of the time people involved in a group can come up with a low level of innovation and that eventually lacks creativity in their field of work. Therefore, it is necessary to understand all the things within this group cohesiveness. Moreover, this creates a lack of innovation among their members.

4. Domination:

The domination can be experienced because of the team leaders of each and every group. Most of the these type of group leader domination can never benefit the company, moreover, it can damage the unity of the group. Therefore, all the team leaders need to understand that if they need and want their team members work according to their direction, then they need to treat as equals in the group.

Finally the bottom line is that at the end of the discussion about group cohesiveness, a person can understand all the definition, factors, importance, advantages or benefits and disadvantages or cons of the study material stated above about group cohesiveness. Therefore, it is advisable to all the interested people that if anyone need to know more about the group cohesiveness, then they can follow and read all the above mentioned discussion and find all the answers to their questions.

GROUP DECISION MAKING:

Definition:

The **Group Decision Making** is the collective activity wherein several persons interact simultaneously to find out the solution to a given statement of a problem. In other words, group decision making is a participatory process wherein multiple individuals work together to analyze the problem and find out the optimum solution out of the available set of alternatives.

Techniques for Group Decision Making Process:

i. Brainstorming:

This technique involves a group of people, usually between five and ten, sitting around a table, generating ideas in the form of free association. The primary focus is on generation of ideas rather them on evaluation of ideas.

ii. Nominal Group Technique (NGT):

Nominal group technique is similar to brainstorming except that the approach is more structured. Members form the group in name only and operate independently, generating ideas for solving the problem on their own, in silence and in writing. Members do not interact with each other so that strong personality domination is avoided. It encourages individual creativity.

iii. Delphi Technique:

This technique is the modification of the nominal group technique, except that it involves obtaining the opinions of experts physically separated from each other and unknown to each other. This insulates group members from the undue influence of others. Generally, the types of problems handled by this technique are not specific in nature or related to a particular situation at a given time. For example, the technique could be used to understand the problems that could be created in the event of a war.

iv. Didactic interaction:

This technique is applicable only in certain situations, but is an excellent method when such a situation exists. The type of problem should be such that it results in a yes-no solution. For example, the decision may be to buy or not to buy, to merge or not to merge, to expand or not to expand and so on. Such a decision requires an extensive and exhaustive discussion and investigation since a wrong decision can have serious consequences.

UNIT - III

LEADERSHIP

Meaning:

- ✓ Leadership is a process by which an executive can direct, guide and influence the behavior and work of others towards accomplishment of specific goals in a given situation. Leadership is the ability of a manager to induce the subordinates to work with confidence and zeal.
- ✓ Leadership is the potential to influence behaviour of others. It is also defined as the capacity to influence a group towards the realization of a goal. Leaders are required to develop future visions, and to motivate the organizational members to want to achieve the visions.

<u>Definition</u>: According to Keith Davis, "Leadership is the ability to persuade others to seek defined objectives enthusiastically. It is the human factor which binds a group together and motivates it towards goals."

IMPORTANCE OF LEADERSHIP: Leadership is an important function of management which helps to maximize efficiency and to achieve organizational goals. The following points justify the importance of leadership in a concern.

- 1. **Initiates action-** Leader is a person who starts the work by communicating the policies and plans to the subordinates from where the work actually starts.
- Motivation- A leader proves to be playing an incentive role in the concern's working. He motivates the employees with economic and non-economic rewards and thereby gets the work from the subordinates.
- 3. **Providing guidance-** A leader has to not only supervise but also play a guiding role for the subordinates. Guidance here means instructing the subordinates the way they have to perform their work effectively and efficiently.
- 4. **Creating confidence-** Confidence is an important factor which can be achieved through expressing the work efforts to the subordinates, explaining them clearly their role and

- giving them guidelines to achieve the goals effectively. It is also important to hear the employees with regards to their complaints and problems.
- 5. **Building morale-** Morale denotes willing co-operation of the employees towards their work and getting them into confidence and winning their trust. A leader can be a morale booster by achieving full co-operation so that they perform with best of their abilities as they work to achieve goals.
- 6. **Co-ordination-** Co-ordination can be achieved through reconciling personal interests with organizational goals. This synchronization can be achieved through proper and effective co-ordination which should be primary motive of a leader.

LEADERSHIP FUNCTIONS:

- **1. Setting Goals:** A leader is expected to perform creative function of laying out goals and policies to persuade the subordinates to work with zeal and confidence.
- **2. Organizing:** The second function of a leader is to create and shape the organization on scientific lines by assigning roles appropriate to individual abilities with the view to make its various components to operate sensitively towards the achievement of enterprise goals.
- **3. Initiating Action:** The next function of a leader is to take the initiative in all matters of interest to the group. He should not depend upon others for decision and judgment. He should float new ideas and his decisions should reflect original thinking.
- **4. Co-Ordination:** A leader has to reconcile the interests of the individual members of the group with that of the organization. He has to ensure voluntary co-operation from the group in realizing the common objectives.
- **5. Direction and Motivation:** It is the primary function of a leader to guide and direct his group and motivate people to do their best in the achievement of desired goals, he should build up confidence and zeal in the work group.
- **6. Link between Management and Workers:** A leader works as a necessary link between the management and the workers. He interprets the policies and programmes of the management to his subordinates and represents the subordinates' interests before the management. He can prove effective only when he can act as the true guardian of the interests of his subordinates.

QUALITIES OF A GOOD LEADER:

- 1. Good personality, Emotional stability.
- 3. Sound education and professional competence.
- 4. Initiatives and creative thinking, Sense of purpose and responsibility.
- 6. Ability to guide and teach, Good understanding and sound judgment.
- 8. Communicating skill, Sociable, Objective and flexible approach.
- 9. Honesty and integrity of character.
- 10. Self confidence, diligence and industry, Courage to accept responsibility

LEADERSHIP STYLES

1. Autocratic Leadership

Autocratic leadership style is centered on the boss. In this leadership the leader holds all authority and responsibility. In this leadership, leaders make decisions on their own without consulting subordinates. They reach decisions, communicate them to subordinates and expect prompt implementation. Autocratic work environment does normally have little or no flexibility.

In this kind of leadership, guidelines, procedures and policies are all natural additions of an autocratic leader. Statistically, there are very few situations that can actually support autocratic leadership.

Some of the leaders that support this kind of leadership include: Albert J Dunlap (Sunbeam Corporation) and Donald Trump (Trump Organization) among others.

2. Democratic Leadership

In this leadership style, subordinates are involved in making decisions. Unlike autocratic, this headship is centered on subordinates' contributions. The democratic leader holds final responsibility, but he or she is known to delegate authority to other people, who determine work projects.

The most unique feature of this leadership is that communication is active upward and downward. With respect to statistics, democratic leadership is one of the most preferred leadership, and it entails the following: fairness, competence, creativity, courage, intelligence and honesty.

3. Laissez-faire Leadership

Laissez-faire leadership gives authority to employees. According to azcentral, departments or subordinates are allowed to work as they choose with minimal or no interference. According to research, this kind of leadership has been consistently found to be the least satisfying and least effective management style.

POWER

Power refers to the possession of authority and influence over others. Power is a tool that, depending on how it's used, can lead to either positive or negative outcomes in an organization. They identified five sources of power, namely: coercive, referent, legitimate, expert and reward power.

Sources and Types of Power in Organizations

Legitimate Power

Legitimate power is also known as positional power. It's derived from the position a person holds in an organization's hierarchy. Job descriptions, for example, require junior workers to report to managers and give managers the power to assign duties to their juniors. For positional power to be exercised effectively, the person wielding it must be deemed to have earned it legitimately. An example of legitimate power is that held by a company's CEO.

Expert power

Knowledge is power. Expert power is derived from possessing knowledge or expertise in a particular area. Such people are highly valued by organizations for their problem solving skills. People who have expert power perform critical tasks and are therefore deemed indispensable. The opinions, ideas and decisions of people with expert power are held in high regard by other employees and hence greatly influence their actions. Possession of expert power is normally a

stepping stone to other sources of power such as legitimate power. For example, a person who holds expert power can be promoted to senior management, thereby giving him legitimate power.

Referent Power

Referent power is derived from the interpersonal relationships that a person cultivates with other people in the organization. People possess reference power when others respect and like them. Referent power arises from charisma, as the charismatic person influences others via the admiration, respect and trust others have for her. Referent power is also derived from personal connections that a person has with key people in the organization's hierarchy, such as the CEO. It's the perception of the personal relationships that she has that generates her power over others.

Coercive Power

Coercive power is derived from a person's ability to influence others via threats, punishments or sanctions. A junior staff member may work late to meet a deadline to avoid disciplinary action from his boss. Coercive power is, therefore, a person's ability to punish, fire or reprimand another employee. Coercive power helps control the behavior of employees by ensuring that they adhere to the organization's policies and norms.

Reward Power

Reward power arises from the ability of a person to influence the allocation of incentives in an organization. These incentives include salary increments, positive appraisals and promotions. In an organization, people who wield reward power tend to influence the actions of other employees. Reward power, if used well, greatly motivates employees. But if it's applied through favoritism, reward power can greatly demoralize employees and diminish their output.

POLITICS

Meaning: Organization politics can be defined as the accomplishment of the individual motives and upholding of individual interest over the organizational interest, without regard to the impact on the organization. Although politics is generally regarded as negative and undesirable, but

politics may be both sometimes good for the organization. Politics is inevitable in any organization.

Definition: According to Farrell and Peterson "Politics is defined as those activities that are not required as a part of one's formal role in the organization, but that influence, or attempt to influence the distribution of advantages and disadvantages within the organization."

Organizational politics is the process of using an informal network to gain power and accomplish tasks to meet a person's wants or needs. Organizational politics may be a positive practice when the greater good of the company is affected. However, it can also be negative when people promote self-interests.

ADVANTAGES OF ORGANIZATIONAL POLITICS

- 1. **Motivating employees**: Due to the presence of organizational politics, employees may be motivated with the hope that their interest would not be hampered.
- 2. **Resisting indiscipline**: Indiscipline from the employees side may be resisted with the help of organizational politics.
- 3. **Increased productivity**: For the sake of increasing productivity level, employees may be involved with organizational politics.
- 4. **Influencing employees**: At the presence of political influence, employees may be convinced about the plans and goals of the organization
- 5. **Gaining dignity and recognition**: Employer or management might give dignity and recognition to the employees' hopes and aspiration.
- 6. **Successful bargaining**: Successful bargaining may take place in the presence or organizational politics and democratic system.
- 7. **Using group effort**: Organizational politics can use group effort successfully for achieving goals of any enterprise.
- 8. **Selection of suitable leader**: If organizational politics works well, suitable candidates as well as leaders may be selected and organization can run well.

DISADVANTAGES OF POLITICS ON ORGANIZATION AND EMPLOYEES:

1. Decrease in overall productivity

- Politics lowers the output of an individual and eventually affects the productivity of the organization.
- Common observation says that individuals who play politics at the workplace pay less attention to their work.
- They are more interested in leg pulling and back biting. They spend most of their times criticizing their fellow workers.
- As a result of politics at the workplace, employees fail to achieve targets within the stipulated time frame. Work gets delayed in such an organization.

2. Affects Concentration

- Individuals find it difficult to concentrate on their work. They are more interested in spoiling the other person's image in front of the superiors.
- An individual involved in politics is bound to make more mistakes as his focus is somewhere else.

3. Spoils the Ambience

- Politics leads to a negative environment at the workplace.
- It spoils the relationships amongst individuals. An individual playing politics at the organization is disliked by all.

4. Changes the Attitude of employees

- Politics changes the attitude of the employees.
- Even the serious employees lose interest in work and attend office just for the sake of it.
- Internal politics do not allow employees to give their hundred percent at work.
- No matter how much hard work an employee puts in, it goes unnoticed in a politically driven organization.

5.Demotivated employees

- A non performer can be the apple of his boss's eye simply due to politics, thus demotivating the performers.
- Discussions are essential at the workplace to extract the best out of employees.
 Evaluating the pros and cons of an idea always helps in the long run. Employees playing politics always look for an opportunity to tarnish the image of the fellow workers.
- Employees feel demotivated when they are not rewarded suitably or someone
 who has not worked hard gets the benefits due to mere politics.

5. Increases Stress

- It is rightly said that problems evaporate if discussed. Individuals find it difficult to confide in any of their fellow workers due to the fear of secrets getting leaked.
- Politics increases the stress level of the employees. Individuals are not machines
 who can work continuously for 8-9 hours without talking to others. It is important
 to have friends at the workplace who help you when needed.
- Individuals fail to trust each other.

6. Wrong Information

- Employees indulged in politics manipulate information and it is never passed on in its desired form.
- Superiors get a wrong picture of what is actually happening in the organization.
- A wrong person walks away with the credit in an organization where employees are indulged in politics.

DISTINCTION BETWEEN POWER AND POLITICS

<u>POWER</u>	<u>POLITICS</u>
1. The potential ability to influence	1. Influence by individuals may serve
behavior, to change the course of events, to	personal interests without regard to their
overcome resistance, and to get people to do	effect on the organization itself.
things that they would not otherwise do.	
2. Power is necessary in an organization	2. Office politics creates morality among
because it helps managers fulfill their	the employees with the increased delegation
leadership responsibilities.	of concerned authority. It motivates the
	employee to work. It also increases the
	confident level of the employees.
3. a) The individuals can misuse the power	3. a) When the politics and gossips go on
in the organization that would affect the	around the organization, individuals find it
overall performance of the organization, and	difficult to concentrate on their assigned
is considered as the main disadvantage of	work. They are more interested in spoiling
power.	the image of others in front of the senior.
b) The managers are free to promote illegal	b) Office politics increases stress that is
or unethical actions in the organization.	cause of wrong information. If he/she has to
	maintain secrets then their stress level
	increases when the secret about this politics
	is leaked.

UNIT-IV

Definition of Authority:

Authority is the formal right to do the work. Henry Fayol defined the authority as "the right to give orders and the power to exact obedience. Authority gives the management the power to enforce obedience. It is the power to give orders and make sure that these orders are obeyed."

Characteristics of Authority:

1. Basis of Getting Things Done:

Authority provides the basis of getting things done in the organisation. It refers to the right to affect the behaviour of others in the organisation with a view to performing certain activities to accomplish the defined objectives.

2. Legitimacy:

Authority is accepted as it has certain legitimacy about it, that is to say it implies a right to secure performance from others. Such right may be legal or formal, or it may be supported by tradition. Custom or accepted standards of authenticity. The right of a manager to affect the behaviour of his subordinates is given to him by virtue of his position or office in the organisation.

3. Decision-Making:

It is a prerequisite of authority. The manager can command his subordinates to act or abstain from acting in a particular manner only when he has made decisions as regards the course of activities to be performed by them

4. Subjectivity in Implementation:

Though authority has an element of objectivity about it, its exercise is significantly influenced by subjective factors, such as the personality of the manager who is empowered to use it, as also of the subordinate or group of subordinates with reference to whom it is to be exercise

Types of Authority:

Basically the following types of authority are given below:

- 1. Legal Authority.
- 2. Traditional or Formal or top-down Authority.
- 3. Acceptance or Bottom-up Authority.
- 4. Charismatic Authority.
- 5. Competence or personal Authority.

1. Legal Authority:

The authority is based upon the rank of the person in the organisation and such authority may be given by law or by social norms, rules and regulations protected by law. For example, law has granted a place officer, the authority to arrest anyone who has committed a crime.

2. Traditional Authority:

Traditional authority has flowed from the top of the organisation to the bottom, from the owners or stockholders to the board of directors to the president to the vice-presidents to middle managers to supervisors to workers. this traditional top-down flow of legitimate authority, with referent, expert, coercive and reward power also influencing the acceptance of formal authority.

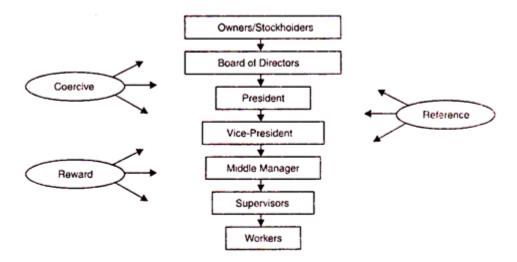


FIGURE 1: TRADITIONAL VIEW OF AUTHORITY

3. Acceptance Theory of Authority:

The acceptance theory of authority presents a contrast to the traditional formal view of authority. According to the acceptance theory, authority in the ultimate analysis depends on the acceptance or consent of the people who are managed (subordinates) rather than legitimacy, or any legal, social or cultural norms.

- . The communication is fully understood.
- b. At the time of decision, the employee believes the directive is consistent with the objectives of the organisation.

- c. At the time of decision, the employees believe the command is compatible with personal interests and objectives.
- d. The employees believe he or she is physically and mentally capable of complying with the communication

4. Charismatic Authority:

Charismatic Authority rests on personal charisma of a leader who commands respect of his followers on the basis of his personality and his personal traits such as intelligence and integrity. This is especially true of religious and political leaders. The followers become highly attached to the leader partly because the leader's goals seem to be consistent with their own needs.

A charismatic leader is a forceful orator and generally has hypnotic effect on his followers who accept his command and authority. For example, President John. F. Kennedy of America was known to have such a Charisma and hold on people that many succeeding presidential candidates tried to imitate his style.

Some organisational leaders are also known to be charismatic and responsible for the success of their organisations.

5. Competency Theory of Authority:

This is also known as "technical authority" and is implicit in person's special knowledge or skill. For example, when doctor advises you to rest, you accept his "order" because you respect his knowledge and his skills as a doctor. Again, this order will not get results unless you accept and obey and in that sense it rests on acceptance theory of authority.

MORALE:

Meaning:

Morale represents the attitudes of individuals and groups in an organisation towards their work environment. Morale is an indicator of the attitude of employees towards their jobs, superiors and their organisational environment. It is a collection of the employees' attitude, feelings and sentiments.

Definition:

William Spriegal has defined morale as the co-operative attitude or mental health of a number of people who are related to each other on some basis

Importance of Morale in an organisation

1. Overall satisfaction:

The other name of morale is satisfaction, which relates to needs of the individual, his job, his colleagues, supervisors and so on. So a condition of high moral means overall satisfaction, peace, harmony and stability.

2. Productivity:

Morale increases productivity in two ways - directly through inducing more effort and indirectly, by removing some of the handicaps like employee grievance, absenteeism, turnover and the like.

3. Discipline:

Where morale is high, there is practically no problem of indiscipline.

4. Ease of management:

High morale also reduces the need for supervision. Motivated workers themselves take the initiative to work harder and better.

5. Better company image:

If morale can be maintained at a high level for a long period, it will create a good image in the public mind about the company. While employees themselves may publicize its policies, working conditions and so, on absence of disputers and general atmosphere of harmony produce a favourable impact on suppliers, customers and the neighboring community.

MEASUREMENT OF MORALE:

Measuring the morale of the workers to find out whether it is increasing or diminishing is a very difficult task. However, there are certain tests which can be employed successfully in this connection. They are

- 1. <u>Productivity Level</u>: If the overall productivity of an organization is increasing, it can be taken as a symbol of high morale. But there are certain limitations to this criterion also. It is quite possible that the output may increase even under conditions of low morale, or irrespective of high morale output may not increase. This is because, high productivity is not necessarily a function of job satisfaction or morale.
- 2. <u>Employees' Attitude towards Organization</u>: Employees' attitude towards the organization can also be taken as a criterion to measure employee morale. This can be determined in any of the following ways:

- i. <u>Absenteeism</u>: Greater absenteeism is generally a sign of **low employee morale**. But there are certain exceptions to it. They are genuine cases of absenteeism like sickness, death of relatives, etc.
- ii. <u>Number of Accidents:</u> Low morale usually leads to more accidents. In case of high morale, employees are conscious of responsibilities. Hence, the number of accidents is reduced
- iii. <u>Grievances</u>: If insignificant issues are raised to the status of grievances and the number is large, it is a sign of low morale. Absence of complaints and grievances reflect upon the **high morale of the employees**.
- 3. <u>Morale Surveys</u>: Morale can be measured by conducting surveys directly. In this method, expression of opinions is collected in the form of printed questionnaire. Members of the organization are asked to express their opinions regarding specific operations on a printed form. Some questions are of objective type and the employee is required to tick the correct answer. Some other questions give freedom to employees to write whatever they feel like.
- 4. **Personal Observation**: Another method of measuring employee morale is personal observation. If the manager systematically, and consciously observes his subordinates, he could appraise the level of morale. Of course, it is very difficult to decide how far from normal the behavior must be to indicate significant change in morale.

Personal observation tool is not used frequently to measure the employees morale because the executives are often overburdened with the work that they do not have the time to look at the employees. The serious shortcoming of this method is that if the manager is not keen on observation, his calculations will go wrong.

5. **Some Morale Indicators**: Often, management resorts to identify some morale indicators and rely on them in measuring employee morale. Some of the examples of morale indicators are: <u>labour turnover</u>, productivity, quality records, exit interview, medical records, waste and scrap, absenteeism, and tardiness, etc. Of them, absenteeism and labour turnover are the predominantly used indicators. When employee turnover is high it is generally inferred that morale is low and vice versa. Similarly, when productivity is high generally it is considered that morale is high.

STEPS TO IMPROVE MORALE IN AN ORGANISATION

Employee morale is directly tied to productivity – the more stressed and dissatisfied employees are the more productivity will plunge. On the contrary, happy employees mean more gets done in a healthy, fruitful work environment. So what are the best ways to boost employee morale?

1. Realize that the first step begins with the employer. To recognize the value of your employees is key. Many business have the attitude that employees are a 'dime a dozen'. If one leaves, another can be found to take their place without much trouble on their part. While this maybe true to some extent, the cost of advertising, interviewing and training the new employee can be prohibitive.

- **2.Let people know they are appreciated.** Simply stating a few words of thanks or sincere admiration for a job well done will help increase morale among employees.
- **3.Provide employee perks such as casual Friday, free lunches, and cash bonuses or gift certificates.** Sponsor social events such as a softball team, barbecues for employees and their families, or office picnics.
- **4.Offer bonuses, whether financial incentives, company cars, or other prizes.** This gives employees a goal to work towards and can create enthusiasm which is often contagious among employees. Open the lines of communication with employees to find out what kind of things or programs would get them motivated. This will also help them feel like they are an important, contributing factor of the company.
- **5.Understand that the work environment can greatly affect employee morale.** A dreary office lacking light and color can cause depression and a lack of motivation. Brighten up the space with a soothing paint job, green plants, and tasteful artwork.
- **6.Encourage communication between employees and management.** Doing so will allow employees to feel comfortable to voice their opinions and make suggestions to improve conditions and work.
- 7. Revise the company mission statement to include all employees and departments to ensure each employee feels as though they are an integral part of the company's future.
- **8.Be loyal to your employees.** If business starts to decline, find ways to keep employees without cut backs or lay offs. Be sure to offer promotions and pay raises to those who deserve it. **9.Have fun!** You don't have to dress in a clown's costume, but you can promote a feeling of happiness and satisfaction in the workplace. Go out and talk to your employees. Smile. Recognize what they do, for without them, you wouldn't have a business to start with.

Morale in an Organisation:

A company's work force is one of its greatest resources. Without employees, companies would not be able to implement strategies or realize growth. It's important for employers to take care of their work force and foster high morale so that they can keep their organizations running smoothly. Morale is the spirit of an organization, and it manifests either positively or negatively among employees, teams and entire departments.

Good Morale

Morale is a way of describing how people feel about their jobs, employers and companies, and those feelings are tied to the behaviors and attitudes that employees exhibit in the workplace. When employees have good morale, they feel committed to their employers, loyal to their jobs and motivated to be productive. They work harder, produce more, meet deadlines and give it their all.

Low Morale

Business management advice, low morale takes a toll on employee performance and productivity. Employees become less motivated to work, less committed to their employers, exhibit an attitude of indifference and are absent more often. Companies pay the consequences of low morale, as less work gets done and time and money are wasted.

Measuring Morale

Measuring employee morale lets employers diagnose and treat any morale issues before they become more problematic. Employee-satisfaction surveys capture information about a company's strengths and weaknesses, as judged by its very own employees. Questions are formulated to find out if employees are happy, if they like their jobs and what improvements they think should be made in the workplace.

Sources of Low Morale

As a manager you must identify the key issues that could be causing low morale in your organization. For example, If employees feel like there aren't opportunities for career advancement in the organization, they can become discouraged to the point of wanting to look for positions.

Solutions

Finding a solution to the cause of your company's low morale is essential if you want to maintain your workforce. If you suspect that lack of professional growth opportunities is causing low morale, find out how many promotions were given to employees over the past year. If the number is low, look for ways to promote qualified seasoned employees.

UNIT-V

MOTIVATION:

Meaning:

Motivation is an important factor which encourages persons to give their best performance and help in reaching enterprise goals. A strong positive motivation will enable the increased output of employees but a negative motivation will reduce their performance. A key element in personnel management is motivation.

DEFINITION:

Motivation means a process of stimulating people to action to accomplish desired goals." — William G. Scott

Nature and feature of motivation:

Inducing employees to work harder for achieving common goals .The motivation function of management. As a function of management, the main features of motivation are as follows.

1) Component of directing:

Motivating is an important component of directing functions of management. It is the responsibility of the managers to motive their subordinated to get all things done.

2) **Psychological aspect:**

Motivation is a psychological aspect of management. It is the internal feeling which arises from the need and desires of a person. Motivation generates from within an individual. It starts and keeps individual at work

3) Goals directed:

Motivation generates goals-directed behavior. Feeling of need by the persons causes him to behave in such a way that he/she tries to satisfy himself. Human needs influence behaviroues to achieve desired goals.

4) **Continuous process**:

Motivation is a continuous process. Where a particular need is satisfaction, a new needs is seen. It is the result of an interaction between human needs and the incentives offer to satisfy them.

5) **Integrated:**

A person is either motivated or not. He cannot be partly motivated. Each individual in an organization is a self contained separate unit. All their needs are interrelated and influence their behavior in different ways.

6) **Positive or negative**:

Motivation may b positive or negative. Positive motivation means inspiring people to work better by providing rewards and incentives. Negative motivation means forcing people to work by punishing them.

7) Complex and Dynamic process:

Motivation is a complex and dynamic process. Individuals differ in their needs and wants. Different individuals work to fulfill their own needs. They satisfy their need in different ways. Moreover, human need change from time to time

Significance/Importance of Motivation:

Motivation is an integral part of the process of direction.

While directing his subordinate, a manager must create and sustain in them the desire to work for the specified objectives:

1. High Efficiency:

A good motivational system releases the immense untapped reservoirs of physical and mental capabilities. A number of studies have shown that motivation plays a crucial role in determining the level of performance. "Poorly motivated people can nullify the soundest organisation." said Allen.

By satisfying human needs motivation helps in increasing productivity. Better utilisation of resources lowers cost of operations. Motivation is always goal directed. Therefore, higher the level of motivation, greater is the degree of goal accomplishment.

2. Better Image:

A firm that provides opportunities for financial and personal advancement has a better image in the employment market. People prefer to work for an enterprise because of opportunity for development, and sympathetic outlook. This helps in attracting qualified personnel and simplifies the staffing function.

3. Facilitates Change:

Effective motivation helps to overcome resistance to change and negative attitude on the part of employees like restriction of output. Satisfied workers take interest in new organisational goals and are more receptive to changes that management wants to introduce in order to improve efficiency of operations.

4. Human Relations:

Effective motivation creates job satisfaction which results in cordial relations between employer and employees. Industrial disputes, labour absenteeism and turnover are reduced with consequent benefits. Motivation helps to solve the central problem of management, i.e., effective use of human resources. Without motivation the workers may not put their best efforts and may seek satisfaction of their needs outside the organisation.

The success of any organisation depends upon the optimum utilisation of resources. The utilisation of physical resources depends upon the ability to work and the willingness to work of the employees. In practice, ability is not the problem but necessary will to work is lacking. Motivation is the main tool for building such a will. It is for this reason that Rensis Likert said, "Motivation is the core of management." It is the key to management in action.

Process of Motivation

Following are the basic phases of the process of motivation.

1. Need Identification

In the first phase of the process of motivation is the employee feels certain need that is unsatisfied & hence he identifies that need. Then the unfulfilled need stimulates the employee to search certain goal by creating tension in him. This tension acts as driving force for the accomplishment of the set goals which can satisfy the tension creating need.

2. Exploring Ways to Fulfill the Need

In this phase of the process of motivation, different alternative ways are explored that can satisfy the unsatisfied need that is identified in the first phase. In fact the unsatisfied need stimulates the thought processes of the employee that direct him to adopt a certain course of action.

3. Selecting Goals

In the third phase of the process of motivation, the goals are selected on the basis of identifying needs and alternative course of action.

4.Performance of Employee

In the fourth phase of <u>Motivation Process</u>, the identified need stimulates the employees perform in a certain way that has already been considered by him. So the employee performs certain course of action to the satisfaction of unsatisfied need.

5.Rewards/Punishments as Consequences of Performance:

If the consequences of the particular course of action followed by an employee are in the form of rewards, then the employee would be motivated to perform the same level of efforts for acquisition of similar rewards in future. Whereas when the anticipated results of the actions of an employee lack the rewards, then he would not be willing to repeat his behavior in the future.

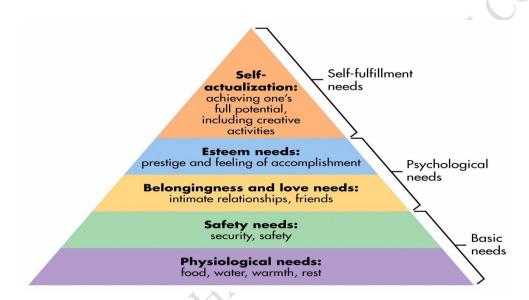
6.Reassessment of Need

When an employee feels satisfaction for his certain unsatisfied need through the rewards of a certain line of action, then he again reassesses any further unsatisfied need and resultantly the whole process is repeated again.

Motivation Theories:

1. Maslow's Need Hierarchy Theory:

It is probably safe to say that the most well-known theory of motivation is Maslow's need hierarchy theory Maslow's theory is based on the human needs. Drawing chiefly on his clinical experience, he classified all human needs into a hierarchical manner from the lower to the higher order. The hierarchy is made up of 5 levels



- 1. **Physiological** these needs must be met in order for a person to survive, such as food, water and shelter.
- 2. **Safety** including personal and financial security and health and wellbeing.
- 3. **Love/belonging** the need for friendships, relationships and family.
- 4. **Esteem** the need to feel confident and be respected by others.
- 5. **Self-actualisation** the desire to achieve everything you possibly can and become the most that you can be.

1. Physiological Needs:

hese needs are basic to human life and, hence, include food, clothing, shelter, air, water and necessities of life. These needs relate to the survival and maintenance of human life. They exert

tremendous influence on human behaviour. These needs are to be met first at least partly before higher level needs emerge. Once physiological needs are satisfied, they no longer motivate the man.

2. Safety Needs:

After satisfying the physiological needs, the next needs felt are called safety and security needs. These needs find expression in such desires as economic security and protection from physical dangers. Meeting these needs requires more money and, hence, the individual is prompted to work more. Like physiological needs, these become inactive once they are satisfied.

3. Social Needs:

Man is a social being. He is, therefore, interested in social interaction, companionship, belongingness, etc. It is this socialising and belongingness why individuals prefer to work in groups and especially older people go to work.

4. Esteem Needs:

These needs refer to self-esteem and self-respect. They include such needs which indicate self-confidence, achievement, competence, knowledge and independence. The fulfillment of esteem needs leads to self-confidence, strength and capability of being useful in the organisation. However, inability to fulfill these needs results in feeling like inferiority, weakness and helplessness.

5. Self-Actualisation Needs:

This level represents the culmination of all the lower, intermediate, and higher needs of human beings. In other words, the final step under the need hierarchy model is the need for self-actualization. This refers to fulfillment.

2. The McGregor Theory X and Theory Y

In 1960, <u>Douglas McGregor</u> developed a leadership theory (McGregor Theory X and Theory Y) about organization and management in which he represented two opposing perceptions about people. He referred to these two perceptions as Theory X and Theory Y. <u>Douglas McGregor</u> then arrived at the conclusion that the style of leadership depends on the manager's perception of people.

Theory X:

According to McGregor, organizations with a Theory X approach tend to have several tiers of managers and supervisors to oversee and direct workers. Authority is rarely delegated, and control remains firmly centralized. Managers are more authoritarian and actively intervene to get things done.

Although Theory X management has largely fallen out of fashion in recent times, big organizations may find that adopting it is unavoidable due to the sheer number of people that they employ and the tight deadlines that they have to meet.

This style of management assumes that workers:

- Dislike their work.
- Avoid responsibility and need constant direction.
- Have to be controlled, forced and threatened to deliver work.
- Need to be supervised at every step.
- Have no incentive to work or ambition, and therefore need to be enticed by rewards to achieve goals.

Theory Y:

Theory Y managers have an optimistic, positive opinion of their people, and they use a decentralized, participative management style. This encourages a more **collaborative**, **trust-based** relationship between managers and their team members.

This style of management assumes that workers are:

- Happy to work on their own initiative.
- More involved in decision making.
- Self-motivated to complete their tasks.
- Enjoy **taking ownership** of their work.
- Seek and accept responsibility, and need little direction.
- View work as fulfilling and challenging.
- Solve problems creatively and imaginatively.

JOB STRESS

Definition: According to Westman, "Job stress arises when demands exceed abilities, while job-related strains are reactions or outcomes resulting from the experience of stress."

Meaning: Job stress relates to a serious physiological condition that causes adverse mental and physical reactions to the body as a result of excessive workplace obligations.

DIFFERENT KINDS OF STRESSORS:

Two kinds are eustress and distress. There is a difference between eustress, which is a term for positive stress, and distress, which refers to negative stress. In daily life, we often use the term "stress" to describe negative situations. This leads many people to believe that all stress is bad for you, which is not true. Eustress, or positive stress, has the following characteristics:

- Motivates, focuses energy
- Is short-term
- Is perceived as within our coping abilities
- Feels exciting
- Improves performance

In contrast, Distress, or negative stress, has the following characteristics:

- Causes anxiety or concern
- Can be short- or long-term
- Is perceived as outside of our coping abilities
- Feels unpleasant
- Decreases performance
- Can lead to mental and physical problems

It is somewhat hard to categorize stressors into objective lists of those that cause eustress and those that cause distress, because different people will have different reactions to particular situations. However, by generalizing, we can compile a list of stressors that are typically experienced as negative or positive to most people, most of the time.

Examples of negative personal stressors include:

- The death of a spouse
- Filing for divorce
- Losing contact with loved ones
- The death of a family member
- Hospitalization (oneself or a family member)
- Injury or illness (oneself or a family member)
- Being abused or neglected
- Separation from a spouse or committed relationship partner
- Conflict in interpersonal relationships
- Bankruptcy/Money Problems
- Unemployment
- Sleep problems
- Children's problems at school
- Legal problems

Examples of positive personal stressors include:

- Receiving a promotion or raise at work
- Starting a new job
- Marriage
- Buying a home
- Having a child
- Moving
- Taking a vacation
- Holiday seasons
- Retiring
- Taking educational classes or learning a new hobby

Work and employment concerns such as those listed below are also frequent causes of distress:

- Excessive job demands
- Job insecurity
- Conflicts with teammates and supervisors

- Inadequate authority necessary to carry out tasks
- Lack of training necessary to do the job
- Making presentations in front of colleagues or clients
- Unproductive and time-consuming meetings
- Commuting and travel schedules

COMMON CAUSES OF STRESS AT WORK

It's important to recognise the common causes of stress at work so that you can take steps to reduce stress levels where possible. Some common causes of stress include:

- Excessively **high workloads**, with unrealistic deadlines making people feel rushed, under pressure and overwhelmed.
- **Insufficient workloads**, making people feel that their skills are being underused.
- A lack of control over work activities.
- A lack of interpersonal support or poor working relationships leading to a sense of isolation.
- People being asked to do a job for which they have insufficient experience or training.
- Difficulty settling into a new promotion, both in terms of meeting the new role's requirements and adapting to possible changes in relationships with colleagues.
- Concerns about job security, lack of career opportunities, or level of pay.
- Bullying or harassment.
- A **blame culture** within your business where people are afraid to get things wrong or to admit to making mistakes.
- Weak or ineffective management which leaves employees feeling they don't have a sense
 of direction. Or over-management, which can leave employees feeling undervalued and
 affect their self-esteem.
- Multiple reporting lines for employees, with each manager asking for their work to be prioritised.
- Failure to keep employees informed about significant changes to the business, causing them uncertainty about their future.

• A **poor physical working environment**, eg excessive heat, cold or noise, inadequate lighting, uncomfortable seating, malfunctioning equipment, etc.

COPING STRATEGIES:

Here are seven ways to deal with stress:

- 1. **Keep a positive attitude** sometimes the way you think about things can make all of the difference. Your attitude can help offset difficult situations.
- 2. Accept that there are events you cannot control when you know there are times when you have given all that you can to a situation, it allows you to expend energy where it can be more effective.
- 3. **Learn to relax** purposeful relaxation, such as deep breathing, muscle relaxation and meditation is essential in training your body to relax. Relaxation should be a part of your daily regimen.
- 4. **Be active regularly** being active also helps your body more easily fight stress because it is fit.
- 5. **Eat well-balanced meals** staying on track with healthy eating habits is a great way to manage stress.
- 6. **Rest and sleep** your body needs time to recover from stressful events, so sleep is an important part of caring for yourself.
- 7. **Find your stressors and effective ways to cope with them** remember that you can learn to control stress because stress comes from how you respond to stressful events.

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