ORGANISATIONAL BEHAVIOUR
UNIT – I
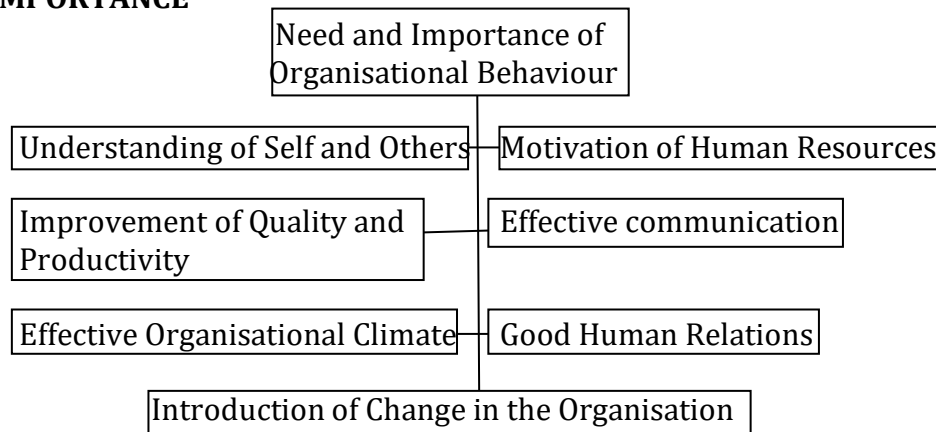## FOCUS AND PURPOSE OF ORGANISATIONAL BEHAVIOUR

MEANING

Organisational behaviour is the study and application of knowledge about how people – as individuals and as groups – act within organization.

DEFINITION

According to Fred Luthans, "Organisational behaviour is to understand, predict and controlling human behaviour at work".

According to Stephen Robbins, "Organisational behaviour is a field a study that investigates the impact that individuals, groups and structure have on behaviour in organizations for the purpose of applying such knowledge towards improving an organisation's effectiveness".
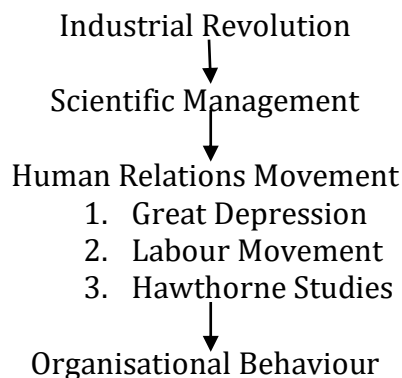
NEED AND IMPORTANCE

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              ┌─────────────────────────┐
              │ Need and Importance of  │
              │ Organisational Behaviour│
              └─────────────────────────┘
   ┌────────────────────────────┐  ┌────────────────────────────┐
   │ Understanding of Self and  │  │ Motivation of Human        │
   │ Others                     │  │ Resources                  │
   └────────────────────────────┘  └────────────────────────────┘
   ┌────────────────────────────┐  ┌────────────────────────────┐
   │ Improvement of Quality and │  │ Effective communication    │
   │ Productivity               │  │                            │
   └────────────────────────────┘  └────────────────────────────┘
   ┌────────────────────────────┐  ┌────────────────────────────┐
   │ Effective Organisational   │  │ Good Human Relations       │
   │ Climate                    │  │                            │
   └────────────────────────────┘  └────────────────────────────┘
        ┌──────────────────────────────────────────┐
        │ Introduction of Change in the Organisation│
        └──────────────────────────────────────────┘
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NATURE OF ORGANISATIONAL BEHAVIOUR
➢ Integral part of Management
➢ Inter-Disciplinary Approach
➢ Field of Study
➢ Analysis of Behaviour
➢ Goal-Oriented
➢ Human Tool
➢ Fulfilment of Employees' needs
➢ Oriented Towards Organisational objectives
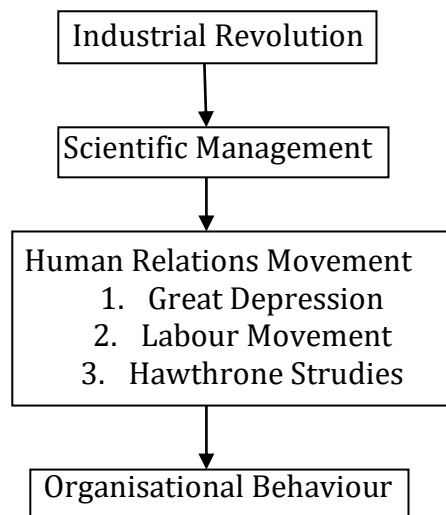
SCOPE OF ORGANISATIONAL BEHAVIOUR
• Skill Development
• Personal growth through insight into human behavior
• Enhancement of Organisational and individual effectiveness
• Sharpening and refining of common sense.

EVOLUTION OF ORGANISATIONAL BEHAVIOUR

Industrial Revolution
↓
Scientific Management
↓
Human Relations Movement
1. Great Depression
2. Labour Movement
3. Hawthorne Studies
↓
Organisational Behaviour

EVOLUTION OF OB

The historical development of organisational behaviour includes various phases which are as follows:

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┌─────────────────────────┐
│  Industrial Revolution  │
└─────────────────────────┘
             │
             ▼
┌─────────────────────────┐
│  Scientific Management  │
└─────────────────────────┘
             │
             ▼
┌─────────────────────────────┐
│  Human Relations Movement   │
│    1. Great Depression      │
│    2. Labour Movement       │
│    3. Hawthrone Strudies    │
└─────────────────────────────┘
             │
             ▼
┌─────────────────────────┐
│ Organisational Behaviour│
└─────────────────────────┘
```

1. **Industrial Revolution:**

Industrial revolution brought about materialism, discipline, monotony, boredom, job displacement, impersonality, work interdependence, and related behavioural phenomena. Robert Owen the father of personnel management, Andrew Ure, J.N.Tata were recognise the importance of people at work.

2. **Scientific Management:**

The Scientific Management school is primarily attributed to the ideas and works of Fredrick W.Taylor who is known as "Father of scientific Management". Workers should be scientifically selected with right attitudes for the job and ability and then properly trained to perform the work.

3. **Human Relations Movement**:

In this people were to be treated as human beings and not as machines, listening to their needs and problems and involving them in decision-making in matters relating to workers conditions.

Human Relation Assumptions:
1. Organisations are social system
2. They are motivated by many needs
3. Team work is essential for co-operation
4. Leadership should be modified
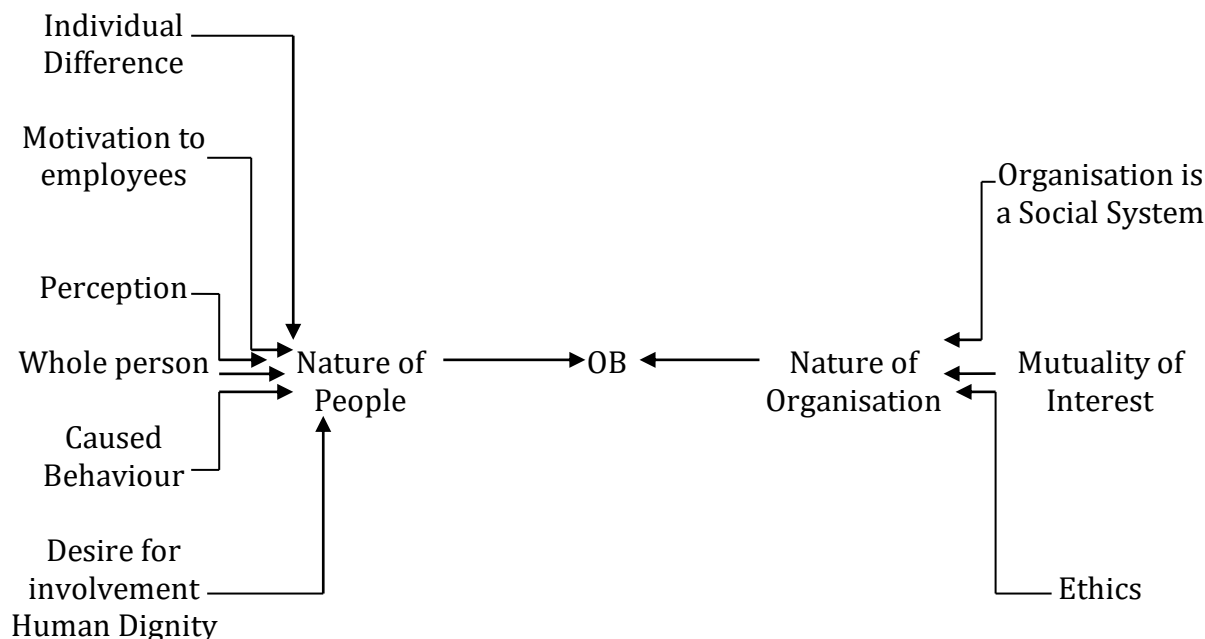5. Job satisfaction will lead to higher job

Contribution to Human relations:
1. Great Depression: The consequence of the depression were wide spread unemployment, decline of purchasing power, collapse of markets, and lowering of the standard of living of people.
2. Labour movement: Labour formed strong unions and this had the desired effect on management.
3. Hawthorne studies: Dominate the academic discussion on historical development.
4. **Organisational Behaviour**:

Human relations became more mature & research based, the new term that arose in describe it was 'Organisational Behaviour'. The positive Organisational Behaviour emphasises confidence, hope, optimism, and other positive attributes at work.

FUNDAMENTAL CONCEPTS OF OB

Individual Difference
Motivation to employees
Perception
Whole person
Caused Behaviour
Desire for involvement
Human Dignity
→ Nature of People → OB ← Nature of Organisation ←
Organisation is a Social System
Mutuality of Interest
Ethics

ORGANISATIONAL BEHAVIOUR PROCESSES

1. Individual Processes:

Individual behaviour is the foundation of organisational performance. Understanding individual behaviour, therefore is crucial for effective management. Each person is a physiological system composed of a number of sub-systems – digestive, nervous, circulatory and reproductive as well as attitudes, perception, learning capabilities, personality, needs, feelings, values

2. Interpersonal and Team processes:

People generally do not choose to live or work alone. Almost all our time is spent interacting with others. Team processes is must. Team members must be skilful in eliminating barriers to achieving their goals, solving problems, maintaining productive interaction among team members and overcoming obstacles to team effectiveness.

3. Organisational processes:

Individual enter organisations to work, earn money and pursue career goals. They do so through the organisation's culture which is the set of shared assumptions and understanding about how things really work, ie., which policies, practices, and norms are important in the organisation.

4. Change Processes

The management of change involves adapting an organisation to the demands of the environment and modifying the actual behaviour of employees. Six basic strategies for achieving change are:

1. People Approaches, 2. Cultural Approaches, 3. Technological approaches
4. Design Approaches, 5. Task approaches 6. Strategy Approaches.

DISCIPLINES CONTRIBUTING TO OB

1. Psychology
2. Medicine
3. Sociology
4. Social Psychology
5. Anthropology
6. Political Science
7. Engineering
8. Economics

ORGANISATIONAL BEHAVIOUR MODELS

1. Autocratic Model
2. Custodial Model
3. Supportive Model

4. Collegial Model

- **Autocratic Model**:

   Might is bright right is the motto of the theory. It depends upon power'
Employees are to follow their boss otherwise they are penalised. Main features
   a. Only Management decides right or wrong
   b. Obedient orientation and employees
   c. Useful approach

Merits	Demerits
Authority is delegated by right of command over people to whom is apples	There is no interaction between employee and the manager
Supervision is very close to obtain the required performance	In this model the communication is one way
Employees are motivated by physiological needs	Human cost is very high

- **Custodial Model:**

   To develop better employee relationsips so that insecurity and frustration
Could be dispelled(dismiss). Main features
   a. Employee dependence on the organisation.
   b. Emphasises rewards
   c. Promote employee satisfaction

Merits	Demerits
It is based on the economic resource of the organisation rather than on the personal dependence on the boss.	Unwillingness to do the right performance
Managerial orientation moved towards to pay for employees benefits	This model only emphasise on material reward and dependence on organisation

- **Supportive Model:**

   Leadership motivates the people to work and not the power of money .
Main features:
   a. Supports employee job performance
   b. Management's lifestyle reflects support
   c. Creates sense of participation
   d. Limited application

Merits	Demerits
It helps the employees to grow	It is less developed because employee need structure are often at lower level and their social condition are different
Helps in solving the problems of employees in achieving work	
The employees feel participation and work involvement	

- **Collegial Model:**

   The term relates to a body of persons having a common purpose. It is
based on the mutual contribution by employer and employees. Main features
   a. Creates Favourable working climate
   b. Foster teamwork
   c. Fulfilment of employees

Merits	Demerits
Employees feel responsible and give	It is used less because the rigid work

quality work to the organisation	environment made it difficult to develop
There is considerable job freedom	
More useful for unprogrammed work	

CHALLENGES AND OPPORTUNITIES FOR ORGANISATION BEHAVIOUR

- ➢ Globalisation of business
- ➢ Workforce diversity
- ➢ Changed Employee Expectations
- ➢ Increasing Quality consciousness
- ➢ Managing change
- ➢ Ethics and social responsibility

LIMITATIONS OF OB

- ❖ **Behavioural bias**:
  Overemphasising the employee satisfaction
  Overemphasising the production output
- ❖ **The Law of Diminishing Returns**
  Too much OB emphasis produce negative results
  Optimum desirable practice
  Does not apply to every human situation
  A system concept
- ❖ **Unethical manipulation of people**
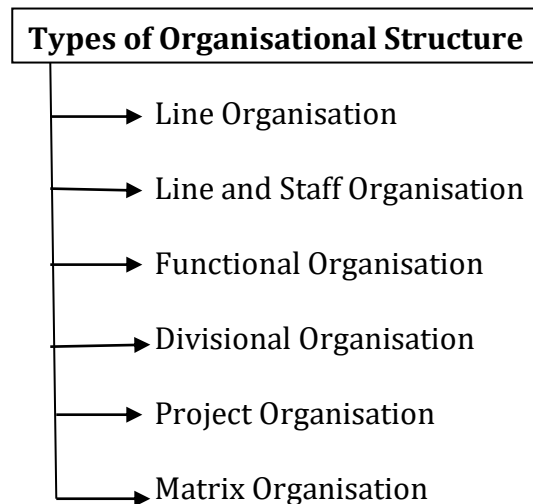 Misuse of OB knowledge and techniques
  Ignores ethical relationship

ORGANISATIONAL STRUCTURE

Organisation structure refers to the hierarchical arrangement of various positions in an enterprise. Organisational structure defines the formal relationship into managerial hierarchy.

According to Koontz and Donnel, "Organisation structure is the establishments of authority relationships with provision for coordination between them, both vertically and horizontally in the enterprise structure".
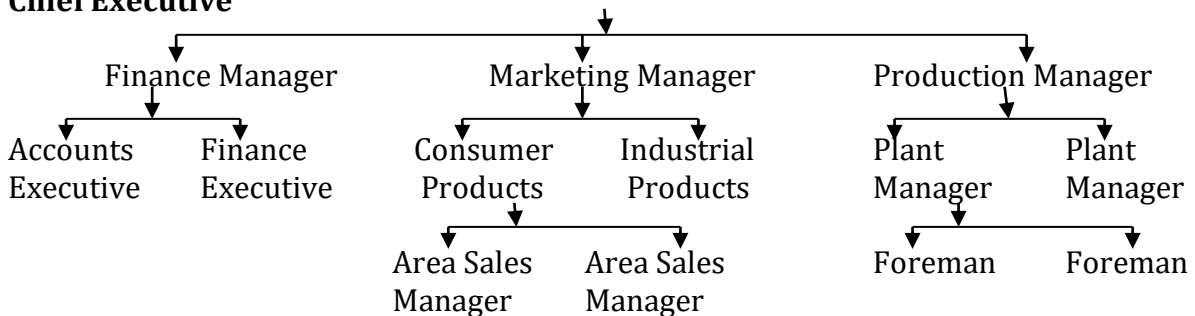
TYPES OF ORGANISATIONAL STRUCTURE

Types of Organisational Structure

→ Line Organisation

→ Line and Staff Organisation

→ Functional Organisation

→ Divisional Organisation

→ Project Organisation

→ Matrix Organisation

1. **Line Organisation / Military Organisation**:

A line organisation is one in which all managers have direct authority over their respective subordinates, through the chain of command. Authority flows directly from top to bottom through various managerial positions.
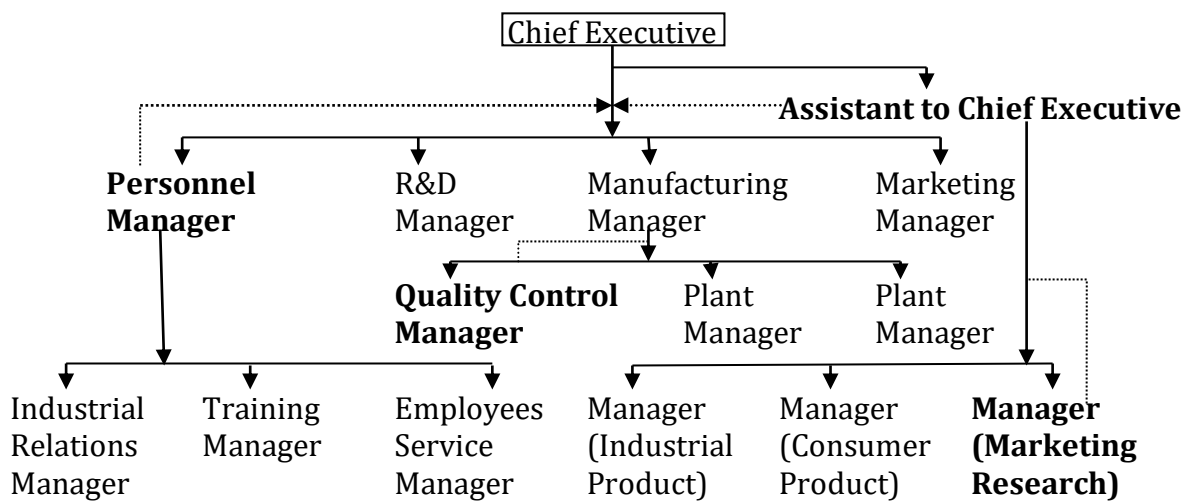
Chief Executive

Finance Manager	Marketing Manager	Production Manager

Accounts Executive	Finance Executive	Consumer Products	Industrial Products	Plant Manager	Plant Manager

Area Sales Manager   Area Sales Manager   Foreman   Foreman

2. **Line and Staff Organisation**

Line and staff organisation is a modification of line organisation and it is More complex than line organisation. The power of command always remains with the line executives and staff supervisors guide, advice and council the line executives. Personal Secretary to the Managing Director is a staff official.
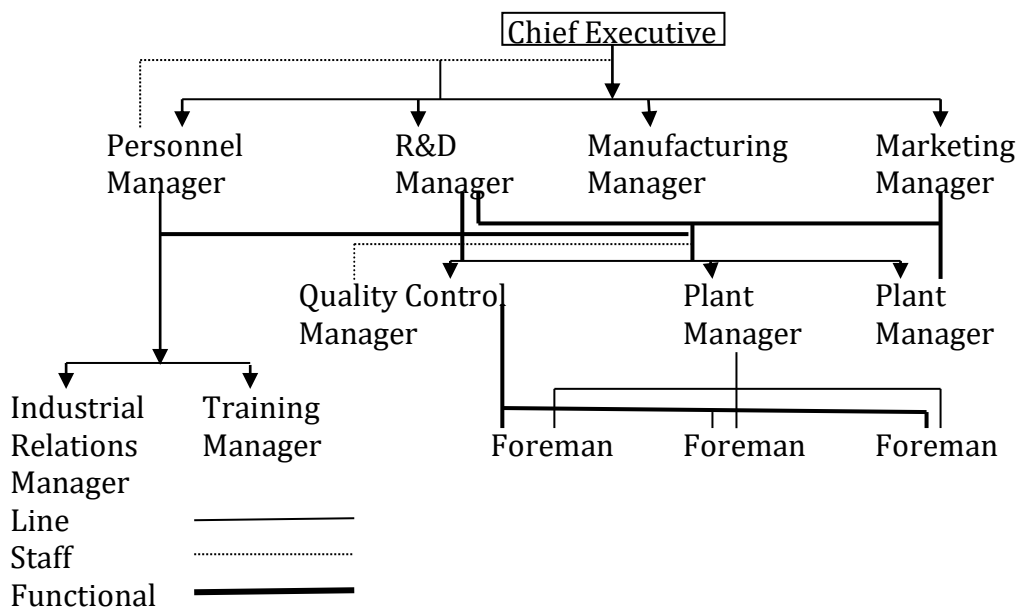
Specified Staff Positions in an Organisation include:
1. Assistant to Chief Executive
2. Quality Control Manager
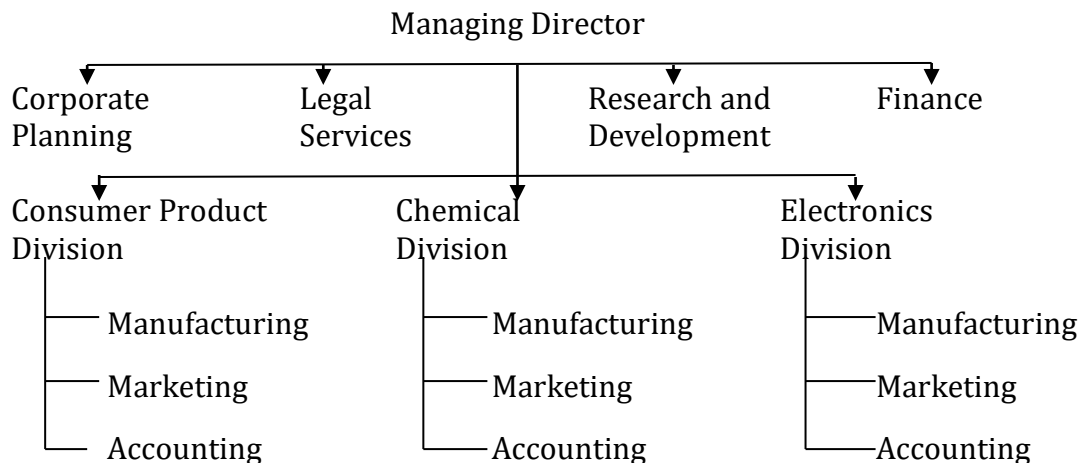3. Personnel Manger, and
4. Manager [Marketing Research]

```
                        Chief Executive
                              │
                              ├──────────────► Assistant to Chief Executive
         ┌────────┬───────────┼───────────────┐
         ▼        ▼           ▼               ▼
     Personnel   R&D      Manufacturing   Marketing
     Manager    Manager     Manager        Manager
                        ┌──────┴──────┐
                        ▼             ▼        ▼
                  Quality Control   Plant    Plant
                     Manager       Manager  Manager
```

```
 Industrial    Training    Employees    Manager      Manager       Manager
 Relations     Manager     Service      (Industrial  (Consumer    (Marketing
 Manager                   Manager      Product)     Product)     Research)
```

3. Functional Organisation

It is a limited form of line authority given to functional experts over certain specialised activities under the normal supervision of managers belonging to other departments.

```
                        Chief Executive
         ┌────────┬───────────┬───────────────┐
         ▼        ▼           ▼               ▼
     Personnel   R&D      Manufacturing   Marketing
     Manager    Manager     Manager        Manager

                  Quality Control   Plant    Plant
                     Manager       Manager  Manager

 Industrial    Training
 Relations     Manager        Foreman   Foreman   Foreman
 Manager
```

Line   ──────────────
Staff   ··············
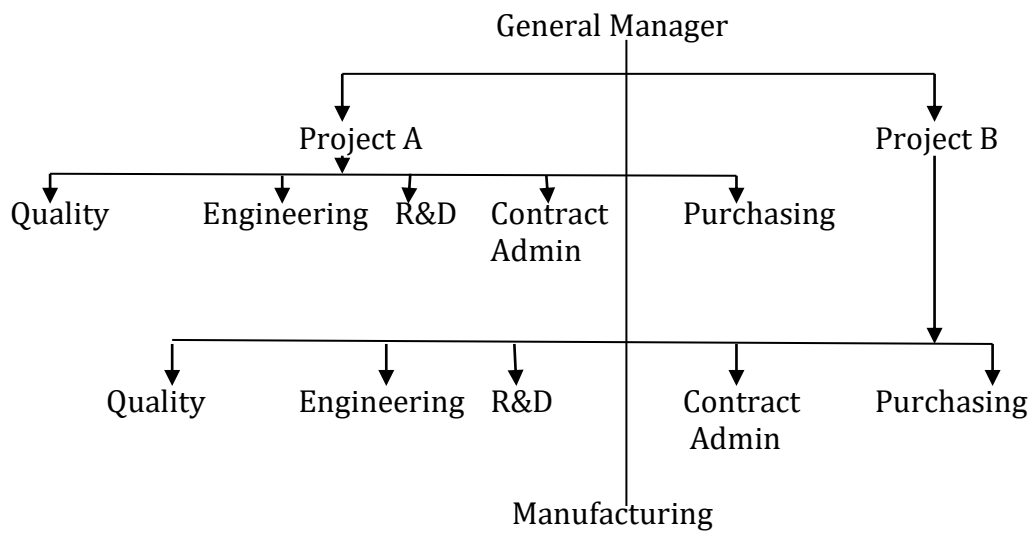Functional ━━━━━━━━━━━━━━

4. Divisional Structure

Divisional structure, also called profit decentralisation is built around business units. In this form, the organisation is divided into several fairly autonomous units.

```
                     Managing Director
      ┌──────────┬────────────┬──────────────────┬──────────┐
      ▼          ▼            ▼                  ▼          ▼
  Corporate    Legal      Research and        Finance
  Planning     Services   Development
      ┌──────────────────┬─────────────────────┐
      ▼                  ▼                     ▼
 Consumer Product    Chemical              Electronics
 Division            Division              Division

    ├── Manufacturing    ├── Manufacturing     ├── Manufacturing

    ├── Marketing        ├── Marketing         ├── Marketing

    └── Accounting       └── Accounting        └── Accounting
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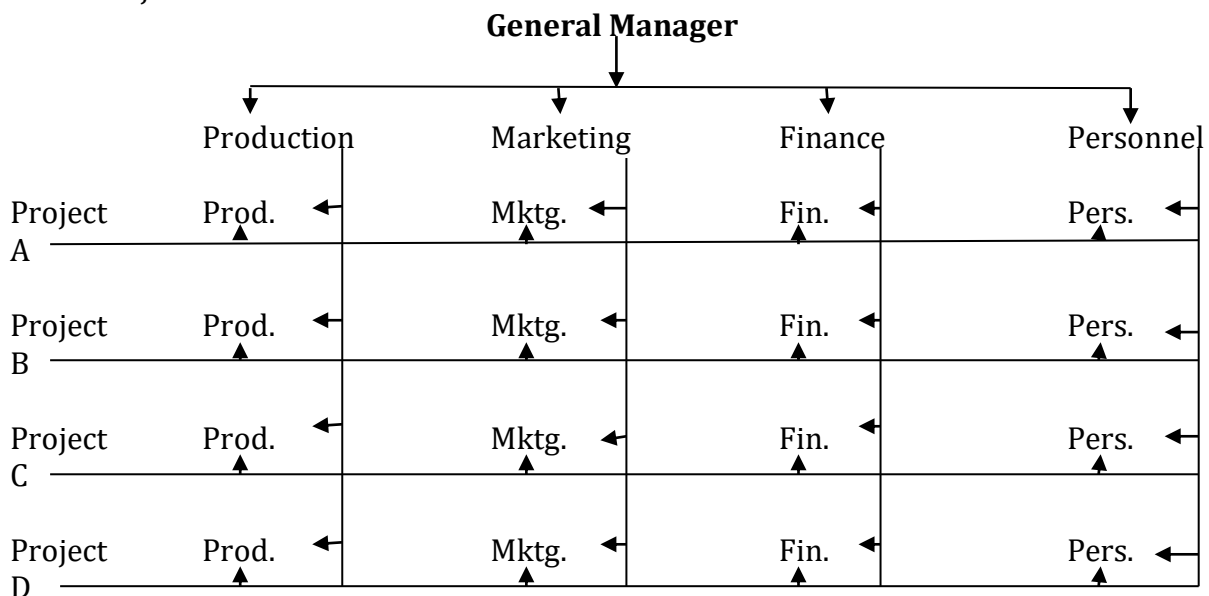
5. Project Organisation

A project organisation is composed of a core of functional departments, through its main units are specific programmes or projects.

```
                        General Manager
                 ┌──────────────┼──────────────┐
            Project A                        Project B
  ┌─────┬──────┬─────┬───────────┬──────────┐
Quality  Engineering  R&D  Contract      Purchasing
                           Admin
        ┌──────────┬──────────┬──────────────┬──────────────┐
     Quality    Engineering  R&D        Contract       Purchasing
                                         Admin
                        Manufacturing
```

6. Matrix Organisation

Matrix design is one of the latest types of organisational designs which have been developed to establish flexible structure to achieve a series of project objectives.

```
                        General Manager
        ┌──────────────┬──────────────┬──────────────┐
    Production      Marketing       Finance        Personnel

Project  Prod. ←     Mktg. ←        Fin. ←          Pers. ←
A

Project  Prod. ←     Mktg. ←        Fin. ←          Pers. ←
B

Project  Prod. ←     Mktg. ←        Fin. ←          Pers. ←
C

Project  Prod. ←     Mktg. ←        Fin. ←          Pers. ←
D
```

FORMATION OF ORGANISATIONAL STRUCTURE

- ➢ Determination of Organisational Goals and Identification of Related Activities
- ➢ Grouping of Activities
- ➢ Delegation of Authority

IMPORTANCE OF ORGANISATIONAL STRUCTURE

- Coordination
- Source of support and security
- Chain of Command
- Decision-making
- Efficiency

DIFFERENCES BETWEEN FORMAL AND INFORMAL ORGANISATION

Basis of Distinction	Formal Organisation	Informal Organisation
Meaning	It is an official structure of activities, roles and authority relationship	It is a system of social relations which emerges on its own in a

	executed by management for achieving organisational goals	natural manner within the formal organisation to meet the social and cultural needs of the members of the organisation
Formation	It is created deliberately	It emerges on its own as a result of social interactions among people
Purpose	It is created to achieve organisational goals	It emerges to meet the social and cultural needs of the members of the organisation
Rigidity versus Flexibility	It is more rigid	It is more flexibility
Structure	It has a clear and well-defined structure which is pyramid shaped	It does not have a clear and well defined structure
Use of Communication	It makes more use of formal communication	It makes more use of informal communication

GROUPS IN ORGANISATIONS

A group consists of two or more persons who interact with each other, consciously for the achievement of certain common objectives. Groups can make a manager's job easier because by forming a group, he need not explain the task to each and every individual.

According to Stephen Robbins, "A group may be defined as two or more individuals, interacting and interdependent, who have come together to achieve particular objectives".

NATURE
- o Two or more persons
- o Collective Identity
- o Interaction
- o Shared Goal Interest

TYPES OF GROUPS

Types of Groups

- —— 1. Primary and secondary
- —— 2. Membership & Reference
- —— 3. In and Out
- —— 4. Interest and Friendship
- —— 5. Formal and Informal
- —— 6. Temporary and Permanent
- —— 7. Nominal and Non-performing
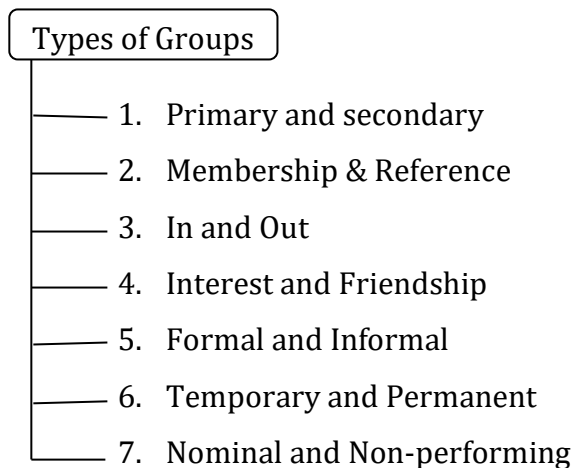
STAGES OF GROUP DEVELOPMENT
- ✓ Forming
- ✓ Storming
- ✓ Norming
- ✓ Performing
- ✓ Adjourning[delay]

THEORIES OF GROUPS

<center>**Theories of groups**</center>

Propinquity   Homan's Interaction   Balance   Exchange
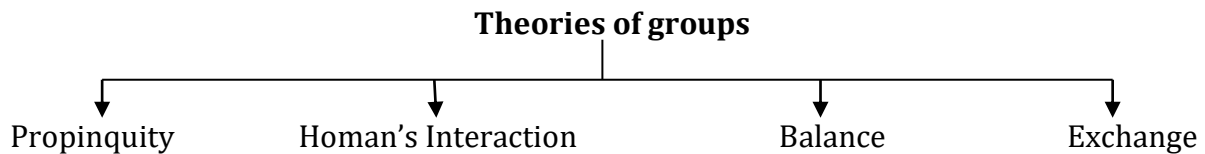
1. **Propinquity**: The term propinquity means nearness. The theory of propinquity states that individuals affiliate with one another because of geographical proximity. This theory appears to explain the group formation process based on nearness.
2. **Homan's Interaction**: Homan's theory is based on activities, interactions and sentiments. All these elements are directly related to one another. Homan states that "the more activities persons share, the more numerous will be their interaction and the stronger will be their shared activities and sentiments".
3. **Balance Theory**: Balance theory of group formation, propounded by Newcomb, has suggested similarity of attitudes towards relevant objects and goals as the basic for group formation.
4. **Exchange Theory**: Exchange theory states the outcome of interaction as a basis of group formation. The outcome of a relationship should be rewarding in order to have attraction among the persons of a group. This theory is known as Exchange theory of reward and cost outcomes.

GROUP BEHAVIOUR

Group behaviour in an organisation is quite complex. Group behaviour refers to the situations where people interact in large or small groups. The study of group behaviour is essential for an organisation to achieve its goals. Individual and group behaviour vary from each other. It realise from time to time.

Determinants of Group Behaviour
- ❖ External factors
- ❖ Group Member's resources
- ❖ Group structure
- ❖ Group Process
- ❖ Group Tasks
- ❖ Performance and Satisfaction

ADVANTAGES
- Performs complex task
- Generates new ideas
- Serves as liaison
- Serves as problem-solving mechanism
- Facilities complex Decision-Making
- Serves as vehicle of socialisation
- Acts as a agent

DISADVANTAGES
- Group think
- Diffusion of responsibility
- Potential for conflict
- Group polarisation
- Costly
- Time-consuming
- Leads to competition
- Lack of objective direction

GROUP DYNAMICS

Group dynamics refers to those forces operating or present in the group and which the behaviour of the members of the group. This study provide information to the managers about the way to control the behaviour of the members of the group.
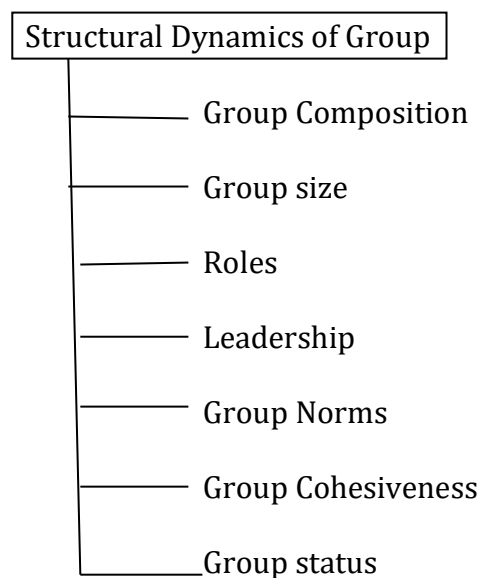
According to Kurt Lewin, "Group dynamics deal with internal nature of groups, how they are formed, what structure and processes they adopt, how they function and affect individual members, other group and the organisation".

CHARATERISTICS OF GROUP DYNAMICS

- Perception
- Motivation
- Group goals
- Group organisation
- Interdependency
- Interaction
- Entity

STRUCTRAL DYNAMICS OF GROUPS

The group must have structure just like an organisation has structure. The structure of a work group has to be deducted from its various components and how they work.

Structural Dynamics of Group

- Group Composition
- Group size
- Roles
- Leadership
- Group Norms
- Group Cohesiveness
- Group status

GROUP DECISION

Group decision-making is defined as a decision situation in which there is more than one individual involved. The group members have their own attitudes and motivations, recognise the existence of a common problem, and attempt to reach a collective decision.

According to George R.Terry, "Decision-making is the selection based on certain criteria from two or more alternatives".

NATURE OF GROUP DECISION-MAKING

- There is active interaction
- It is related to situation
- There is joint responsibility
- There is a common issue
- There may be conflicting opinions

GROUP DECISION-MAKING PROCESS

Problem Identification

↓

Problem diagnosis

↓

Solution Generation

↓

Solution Evaluation

↓

Framing a Decision

↓

Follow-up Actions

GROUP DECISION-MAKING TECHNIQUES

Group Decision-making Techniques
—— Interacting Groups
—— Brainstorming
—— Nominal Group Technique
—— Electronic Meeting
—— Delphi Technique
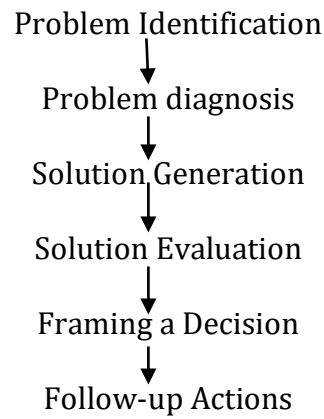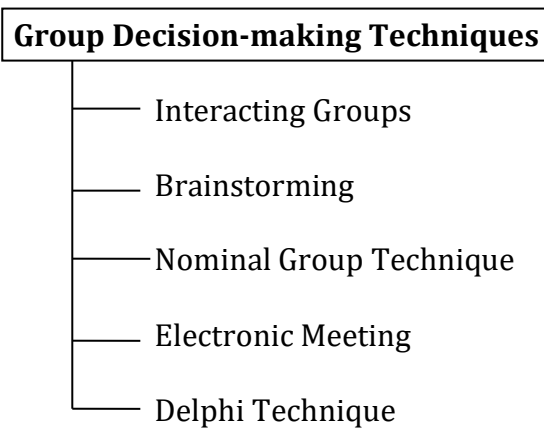
ADVANTAGES
- Pooling of Knowledge and information
- Satisfaction and communication
- Personnel Development
- More Risk Taking
- Different Perspectives

DISADVANTAGES
- ❖ Time-consuming and costly
- ❖ Individual Domination
- ❖ Problem of Responsibility
- ❖ Groupthink
- ❖ Goal Displacement

TEAM

Team is a small group with members in regular contact. When groups do operating tasks they do as a team and try to develop a cooperative circumstance known as team work.

According to Katzenbach and Smith, "Team is defined as a small number of people with complementary skills who are committed to a common purpose, performance goals, and approach for which they hold themselves mutually accountable".

NATURE OF TEAM

Nature of Team

Group of People ——————— Basic Units of Performance

Represents set of values ——————— Energised by Challenges

Outperform Individuals ——————— Flexible & Responsive to change

Deep sense of commitment ——— Interdependence

Positive Synergy
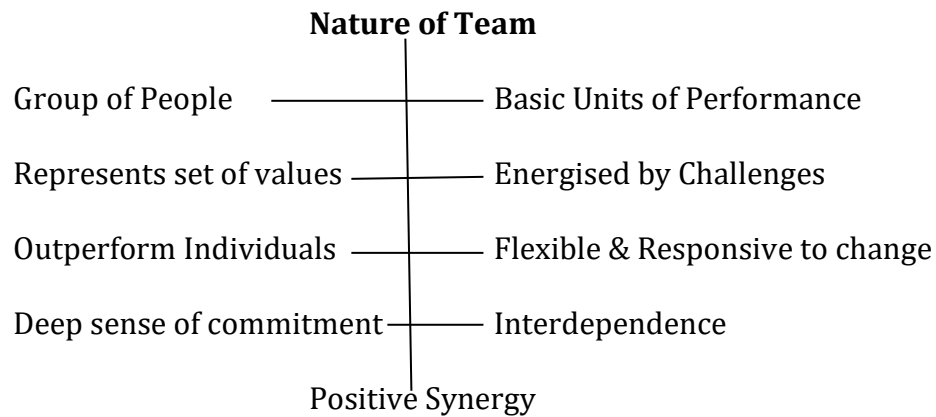
TYPES

1. Problem-solving Teams: Problem solving teams are formed in order to solve a specific problem, arising in functioning of organisation or from changing environment
2. Self-Managed Teams or Autonomous work group: Self managing teams operate with participation decision-making, shared tasks, and responsibility for many of the managerial duties performed by supervisors in more traditional settings.
3. Cross-functional Teams: Cross-functional teams are made up of employees from about the same hierarchical level, but from different work areas, who come together to accomplish a task.
4. Virtual Teams: A virtual team – also known as Geographically Dispersed Team(GDP) is a group of individuals who work across time, space, and or with links strengthened by webs of communication technology.

DEVELOPING TEAM

Underdeveloped or forming stage

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Experimental or Storming stage

↓

Consolidating or Norming stage

↓

Maturity or Performing stage
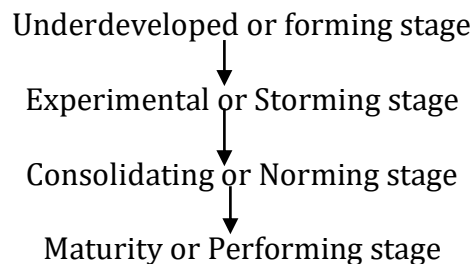
TEAM EFFECTIVENESS

- ✓ Clear purpose
- ✓ Informality
- ✓ Participation
- ✓ Listening
- ✓ Civilised disagreement
- ✓ Consensus decisions
- ✓ Open communication
- ✓ Clear roles and work assignments
- ✓ Shared Leadership
- ✓ External Relations
- ✓ Style Diversity
- ✓ Self-Assessment

TEAM BUILDING

Team building can be defined as the process of planning and encouraging working practices that are effective and which minimise the difficulties that obstruct[block] the team's competence[ability] and resourcefulness.

According to Lusier, "Team building is an organisational development technique used to assist work group operate more efficiently and effectively".

Benefits of Team Building:
- Improve relationships
- Increases employees' motivation
- Increases morale and ease conflicts
- Facilitates exchange of ideas
- Increases employee satisfaction
- Improves communication
- Provides organisational flexibility
- Enhances commitment to goals
- Expands job skills
- Provides higher levels of productivity

Limitations of Team Building
- Possibility of group think
- Focuses only on workgroup
- Complicated exercise
- Requires a huge time commitment

Guidelines for Team Building
- Emphasise common interests and values
- Use symbols to develop identification with the group
- Encourage and facilitate social interaction
- Tell people about group activities and achievements
- Conduct process analysis sessions
- Increase incentives for mutual cooperation

TEAM COMMUNICATION

Team communication is basically a verbal or non verbal message that is sent and received within a team for the purpose of mutual understanding and acceptance. Effective team communication works to reduce the confusion and misunderstanding of the members.

Goals of Team Communication
- To disseminate ideas
- To avoid duplicate work
- To eliminate confusion
- To monitor progress
- To provide feedback
- To take efficient action
- To encourage input

LIMITATION IN TEAM
- Unequal participation
- Not team players
- Limiting creativity
- Longer process
- Inherent[natural] conflict

DIFFERENCES BETWEEN TEAM AND GROUP

| Basis of differences	Team	Groups
Suitability	A team work best for long-	Groups are great for short-

	term projects	term output
Sharing	Team frequently comes together for discussion	Group comes together to share information
Accountability/Responsibility	In a team there is individual and mutual accountability of each team members	Group there is an individual responsibility
Focuses	Teams are more focused on team goals	Group focus on individual goals
Definition	Team defines individual roles, responsibilities and tasks to help team to do its share and rotate them	Group defines individual roles, responsibilities and tasks
Concern	Team concern with outcomes of everyone	Group concern with one's own outcome
Head	Team leader	Manager
Members	7-12 members	2-4 members
Formation	Difficult to form	Easy to form

COMMUNICATION

Organisational communication provides the basis for understanding virtually every process that occurs in organisation. Communication is a vital[very important] management component[part] to any organisation. It is a two-way process concerned with sharing and understanding of information.

COMMUNICATION PROCESS:

Sender ⟶ Encoding ⟶ Channel ⟶ Receiver ⟶ Decoding
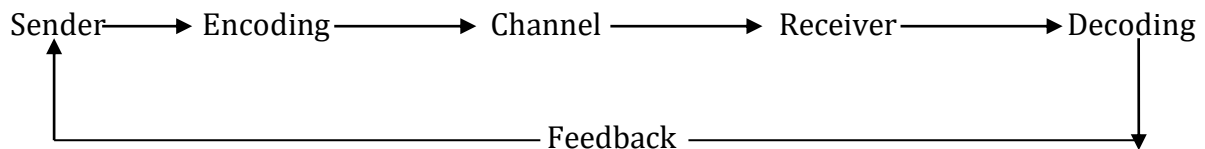
Feedback

FUNCTIONS OF COMMUNICATION
  ➢ Information sharing
  ➢ Feedback
  ➢ Influence people
  ➢ Gate keeping
  ➢ Coordination and regulation of production activities
  ➢ Socialization
  ➢ Innovation
  ➢ Necessary for sound decisions
  ➢ Greater scope of managerial influence

BARRIERS OF EFFECTIVE COMMUNICATION
  • Semantic barriers
  • Emotional barriers
  • Physical barriers
  • Organizational barriers
  • Personal barriers

WAYS OF OVERCOMING BARRIERS
- o Maintaining similarity
- o Empathy[understanding]
- o Working hypothesis
- o Be patient
- o Written word

METHODS OF IMPROVING COMMUNICATION
1. **Methods of Improving the efficiency of Interpersonal communication**:
   A. Misperception
   B. Selective evaluation of others
   C. Selective evaluation of self
   D. Selective Interaction
   E. Response Evocation[suggestion]
2. **Methods of improving organisational communication**
   a. Encourage open feedback
   b. Another mechanism for soliciting feedback is corporate hotlines
   c. Use simple language
   d. Avoid overload
   e. Be a good listener

LEADERSHIP

Leadership is the process of influencing the behaviour of others to work willingly for achieving predetermined goals. Leadership changes potential into reality. A leader is a person who leads or guides or one who is in-charge or command others who has influence or power, especially of a political nature.

According to Alan Keith, "Leadership is ultimately about creating a way for people to contribute to making something extraordinary happen".

NATURE OF LEADERSHIP
- Leadership is a process of influence
- Leadership is related to situation
- Leadership is the function of stimulation
- Leadership gives an experience of helping and attaining the common objectives
- Employees must be satisfied with the type of leadership provided
- There must be followers
- Working relationship between leader and followers
- Community of interests

BASIC QUALITIES OF LEADERSHIP
- Ability to inspire others
- Problem-solving skills
- Emotional maturity
- Ability to understand human behaviour
- Willingness to take risks
- Dedication to organisational goals
- Intelligence
- Sound physique
- Foresight and vision
- Responsibility
- Leader should be trustworthy
- Leader should be confident on his view point
- Must do thing in systematic manner
- Significant level of tolerance
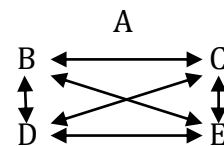- Must be focused
- Committed to excellence

LEADERSHIP STYLES
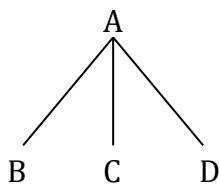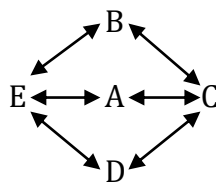
Autocratic   Participative   Free Rein

1. **Autocratic /Dictatorial Leadership style:**
    The autocratic leader gives orders, which must be obeyed by the subordinates. He determines policies for the group without consulting them, and does not give detailed information about future plans, but simply tells the group what immediate

steps they must take. Under this style all decision making power is centralised in the leader. Autocratic leadership may be negative because followers are uninformed, insecure and afraid of leader's authority.

ADVANTAGES:
- Facilitates fast Decision-making
- Increased Productivity
- Reduces stress
- Helpful in training new employees
- Improved logistics of operations

DISADVANTAGES:
3. Discourages follower's development
4. Increases leader's workload
5. Induces fear and resentment[dislike
6. Increases dependency on leader
7. Leads to frustration[disturbance]
8. Exploit[with use of] people

2. Democratic/participative Leadership style:
   Participative leadership style decentralises managerial authority. The leader's decision is taken after consultation with his followers and after their participation in the decision making process. The democratic leadership style, which is also participative by nature, is popular among the leader because it is people centred.

ADVANTAGES:
- Increases acceptance of management's ideas
- Effective utilisation of follower's knowledge
- Increase follower's commitment
- Fosters professional competence
- Reduction of friction and office politics
- Reduced employee turnover
- High quality work

DISADVANTAGES
o Leads to misinterpretation about leader
o It is time-consuming
o Creates lack of responsibility
o Results in danger of pseudo[imitation] participation

3. Free rein or Laissez Faire Leadership style:
   A free-rein leader does not lead, but leaves the group entirely to itself. Group members work themselves and provide their own motivation. Free-rein leadership ignores the manager's contribution approximately in the same way as the autocratic leadership ignores that of the group.

ADVANTAGES:
- Provides freedom of direction
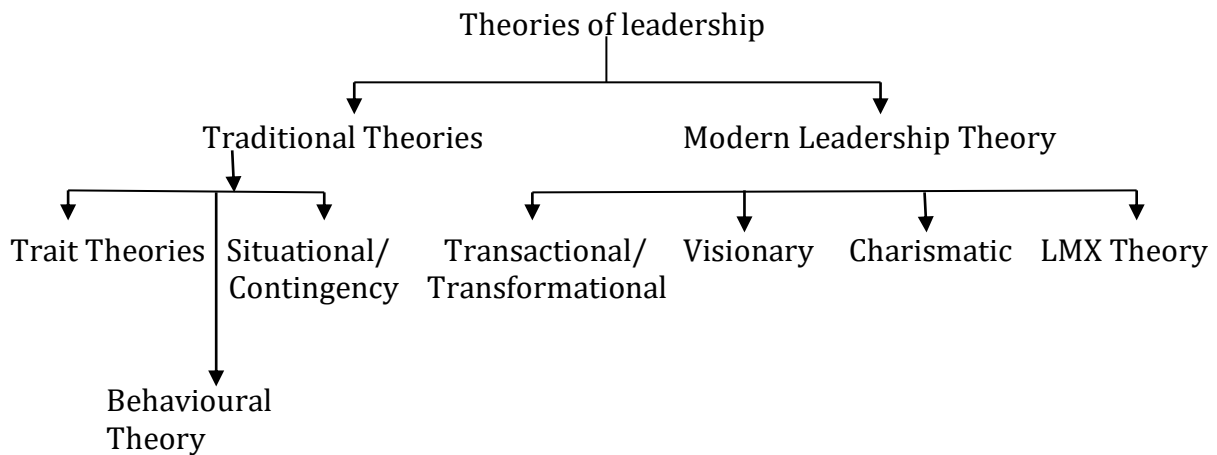- Reduces work for leader
- Motivates team

DISADVANTAGES
- Increased stress levels for employees
- Results in lack of ownership

- Leads to lack of direction
- Leads to conflict among followers

THEORIES OF LEADERSHIP

Leadership models help us to understand what makes leaders act the way they do.

Theories of leadership

├── Traditional Theories
│   ├── Trait Theories
│   ├── Situational/ Contingency
│   ├── Behavioural Theory
│
└── Modern Leadership Theory
    ├── Transactional/ Transformational
    ├── Visionary
    ├── Charismatic
    └── LMX Theory

1. **Traditional Theories**

   Interest in leadership increased during the early part of the twentieth century. Early leadership theories focused on what qualities distinguished between leaders and followers, while subsequent theories looked at other variables such as situation factors and skill levels.

   a. **Trait Theories**:

   It is a traditional approach to the theory of leadership. According to these theories, it is thought that a leader has specific trait of mind and intelligence. Some of the important traits of an effective leader are discussed below:

   i. Intelligence
   ii. Physical features
   iii. Inner motivation drive
   iv. Maturity
   v. Vision and Foresight
   vi. Acceptance of responsibility
   vii. Open-mind and adaptability
   viii. Self-confidence
   ix. Human relations attitude
   x. Fairness of objectives

   b. **Ghiselli's personal traits:**

   Edwin Ghiselli's has conducted extensive research on the relationship between personality and motivational traits and leadership effectiveness. His findings suggest that the following personality traits range from being important to unimportant in relation to leadership success.

   Very Importance
   1. Decisiveness
   2. Intellectual capacity
   3. Job achievement orientation
   4. Self actualisation feelings
   5. Self confidence
   6. Management ability

   Moderately Important
   1. Affinity for working class
   2. Drive and initiative
   3. Need for a lot of money
   4. Need for job security and

5. Personal maturity
   Almost no importance
   Masculinity[male] versus femininity[female]

2. **Behavioural Theories**
   The behavioural theorists contend that a leader's style is oriented toward either an employee-centred or a job-centred emphasis.
   a. **Employee-centred**: In the employee-centred orientation, the leader emphasises developing friendly, open relationships with employees and is very sensitive to their personal and social needs.
   b. **Job-centred**: A job-centred orientation is one in which the leader emphasises getting the job done by planning, organising, delegating, making-decision, evaluating performance, and exercising close management control.

3. **Situation/Contingency Theories:**
   Contingency or situational theory advocates that leadership is strongly affected by the situation from which a leader emerges and in which he works. This leader is a means of achieving the goals of the group and the members. He recognises the needs of the situation and then acts accordingly.
   a. Leadership effectiveness model
   b. Hersey and Blanchard's situational leadership
   c. Path-Goal Theory

Modern Leadership Theory:
Contemporary approaches to leadership seek to address the inherent limitations in traditional leadership theories by providing holistic view of leadership.

1. **Transactional and transformational leadership:**
   Transactional leaders guide or motivate their followers in the direction of established goal by clarifying role and task requirements.
   Transformation leaders inspires followers to transcend their own self-interests for the good of the organisation, and who is capable of having a profound and extraordinary effect on his or her followers.

2. **Visionary Leadership:**
   It is described as going beyond charisma [personality] with the ability to create and articulate a realistic, credible, attractive vision of the future for an organisation or organisational unit that grows out of and improves on the present.

3. **Charismatic Leadership:**
   This theory can be traced back to ancient time. A leader has some charisma which acts as influences. Charismatic leaders are those who inspire followers and have a major impact on their organisations through their personal vision and energy

4. **Leader-member exchange[LMX]:**
   The leader-member exchange theory occupies a unique position among leadership theories because of its focus on the dyadic relationship between leader and follower. Leaders and followers develop dyadic relationships and leaders treat each follower differently, resulting in tow group of followers – an in-group and an out-group.
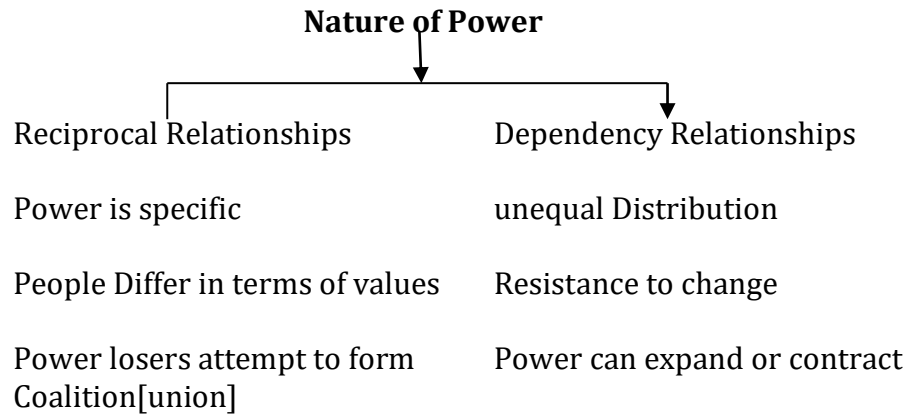
POWER
The term "Power" may be defined as the capacity to exert influence over others. The essence of power is control over the behaviour of others. Power is the degree of influence an individual or group has in decision-making, without being authorised by the organisation to do so.
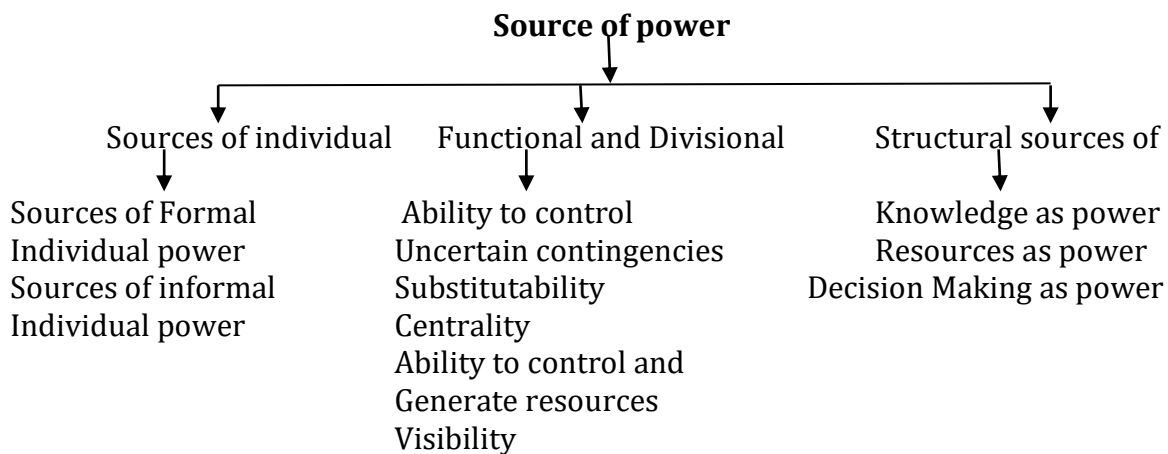According to Stephen P.Robbings, "Power is defined as the ability to influence and control anything that is value of other".

According to Max Weber, "Power is the probability that one actor within the relationship will be in a position to carry out his own will despite resistance".

NATURE OF POWER:

Nature of Power

Reciprocal Relationships	Dependency Relationships
Power is specific	unequal Distribution
People Differ in terms of values	Resistance to change
Power losers attempt to form Coalition[union]	Power can expand or contract

SOURCE OF POWER

Source of power

Sources of individual	Functional and Divisional	Structural sources of
Sources of Formal Individual power Sources of informal Individual power	Ability to control Uncertain contingencies Substitutability Centrality Ability to control and Generate resources Visibility	Knowledge as power Resources as power Decision Making as power

POWER CENTRES:
Power centre is a person who is in close vicinity of higher management and whom management trusts and takes feedback from. It is very important to understand the actual people who are powerful in the company.

Ways to use power centres
- ✓ Destabilise[weaken/threaten]
- ✓ Communicate
- ✓ Defuse resistance
- ✓ Be deliberate
- ✓ Dominate sequence
- ✓ Create definitive systems

Precautions while dealing with power centres
- ❖ Indentify and select more than one power centre
- ❖ Selectively disclose the things
- ❖ Make them feel important
- ❖ Never criticise the company or boss
- ❖ Maintain relations

POLITICS
Politics relates to the way a person is able to get power over others and the way in which he uses power over others. It is a method of operating in order to influence the behaviour of others.

According to Stephen Robbins, " Politics in organisation are those activities that are not required as part of one's formal role in the organisation, but that influence, or attempt to influence, the distribution of advantages and disadvantages within the organisation".

NATURE OF POLITICS:
1. Politics behaviour involves some kind of power either directly or indirectly
2. Politics involve the management of influence to obtain ends not sanctioned by the formal organisation
3. Politics involves behaviour that is self-serving
4. Politics takes place when an individual recognises that achievement of his goals is influenced by the behaviour of others.
5. All self-serving behaviour which do not involve use of power or threat of use of power cannot be termed as politics
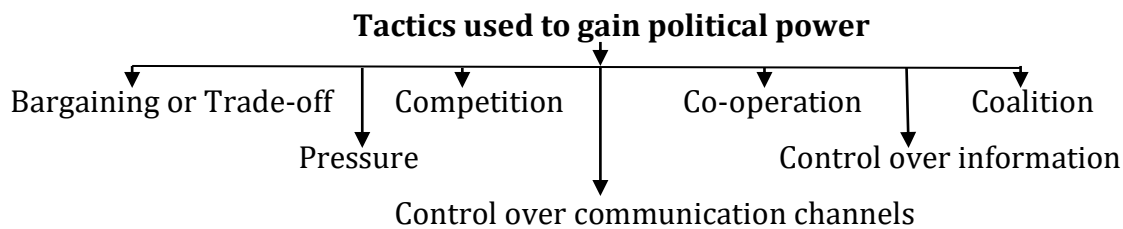
LEVELS OF POLITICAL ACTION
1. Individual level
2. Coalition[union] level
3. Network level

POWER AND POLITICS

Power is defined as "the ability to influence others" and corporate politics is "the carrying-out of activities not prescribed by policies for the purpose of influencing the distribution within the organisation".

TATICS USED TO GAIN POLITICAL POWER

Tactics used to gain political power

Bargaining or Trade-off | Competition | Co-operation | Coalition

Pressure | Control over information

Control over communication channels

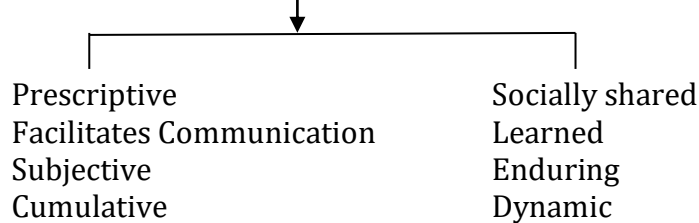**DYNAMICS OF ORGANISATIONAL BEHAVIOUR**
ORGANISATIONAL CULTURE

Organisational culture is the accumulated tradition of the organisational functioning. It is based on certain values, norms and positive attitudes of an organisation.

According to O'Reilly, "Organisational culture is the set of assumptions, beliefs, values, and norms that are shared by an organisation's members".
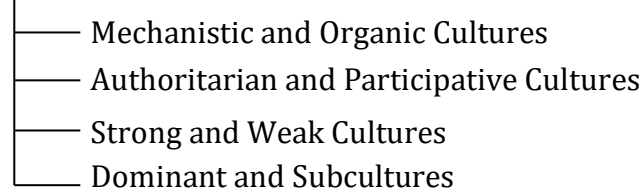
CHARACTERISTICS:
Characteristics of Organisation Culture

Prescriptive	Socially shared
Facilitates Communication	Learned
Subjective	Enduring
Cumulative	Dynamic

TYPES:
Types of Organisational Culture
- Mechanistic and Organic Cultures
- Authoritarian and Participative Cultures
- Strong and Weak Cultures
- Dominant and Subcultures

1. **Mechanistic and Organic Cultures**:

In Mechanistic **Cultures** authority is thought of as flowing down from the top of the organisation down to the lower levels and communication flows through prescribed channels.

Contrast is the Organic culture. Formal hierarchies of authority, departmental boundaries, formal rules and regulations, and prescribed channels of communications are frowned upon.

2. **Authoritarian and Participative culture**:

In the **authoritarian culture**, power is concentrated on the leader and obedience to orders and discipline is stressed.

Participative cultures tend to emerge where most organisational members are professionals or see themselves as equals.

3. **Strong and weak Cultures:**

A **strong culture** will have a significant influence on employee behaviour manifesting in reduced turnover, lower absenteeism, increased cohesiveness, and positive attitudes.
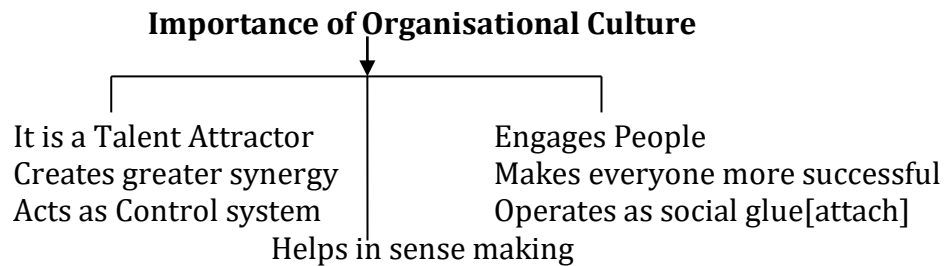
A **weak culture** is characterised by the presence of several sub-cultures, sharing of few values and behavioural norms by employees, and existence of few sacred traditions.
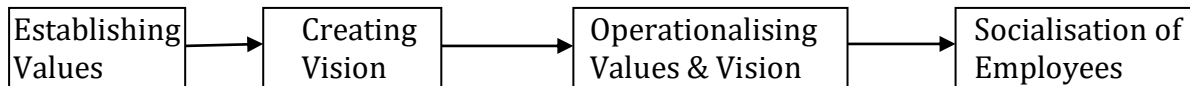
4. **Dominant and Subcultures:**

Dominant culture denotes the core values which are shared by majority of the employees in the organisation it is the macro-cultural perspective that presents the organisation's personality.

Sub-cultures are denoted by units/departments/geographic separations. Subcultures can be distinctive because of the age, class, location and gender of the members
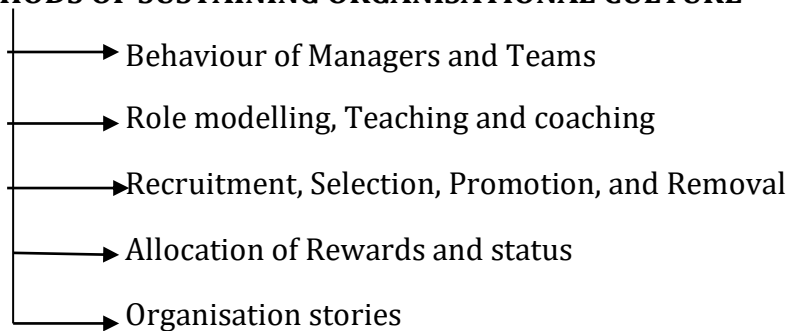
IMPORTANCE OF ORGANISATIONAL CULTURE

Importance of Organisational Culture

It is a Talent Attractor	Engages People
Creates greater synergy	Makes everyone more successful
Acts as Control system	Operates as social glue[attach]

Helps in sense making

PROCESS OF CREATING ORGANISATIONAL CULTURE

Establishing Values → Creating Vision → Operationalising Values & Vision → Socialisation of Employees

METHODS OF SUSTAINING ORGANISATIONAL CULTURE

→ Behaviour of Managers and Teams

→ Role modelling, Teaching and coaching

→ Recruitment, Selection, Promotion, and Removal

→ Allocation of Rewards and status

→ Organisation stories

ORGANISATIONAL CLIMATE

Organisational Climate is very important factor to be consider in studying and analysing organisations because it has a profound influence on the outlook, well-being and attitudes of organisational members and thus, on their total performance.

COMPONENTS:
- Members' concern
- Interpersonal relationships
- Degree of control
- Individual freedom
- Type of structure
- Management orientation
- Reward system
- Risk-taking
- Conflict Management
- Degree of trust

IMPORTANCE OF ORGANISATIONAL CLIMATE
- Increased employee performance
- Develop strong relationship
- Determinant of success or failure
- Managers can get there work done easily
- Develops confidence
- Resource conservation
- Social benefit
- Reduces turnover
- Develops a sense of attachment with organisation
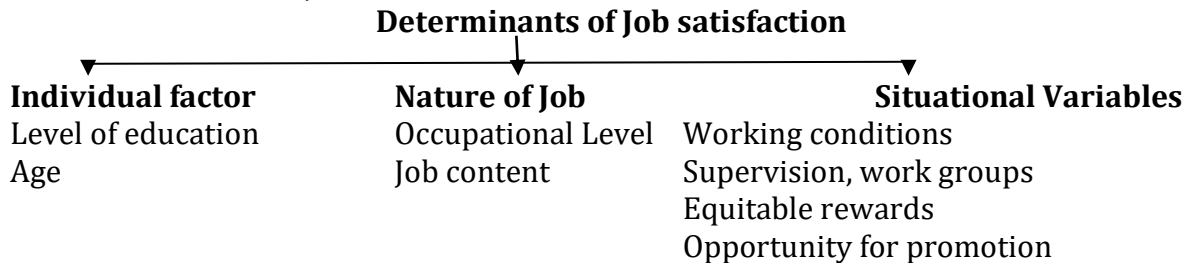- Develops healthy organisation

JOB SATISFACTION

Job satisfaction refers to the general attitude or feelings of an individual towards his job.

According to Smith, "Job satisfaction is an employee's judgement of how well his job has satisfied his various needs".

According to Locke, "Job satisfaction is a pleasurable state resulting from the appraisal of one's job or job experiences".

DETERMINANTS OF JOB SATISFACTION

Determinants of Job satisfaction

Individual factor	Nature of Job	Situational Variables
Level of education	Occupational Level	Working conditions
Age	Job content	Supervision, work groups
		Equitable rewards
		Opportunity for promotion

Significance of Job satisfaction:

1. Improves Job performance
2. Builds positive Organisational citizenship Behaviour
3. Increases customer satisfaction
4. Work absenteeism
5. Reduces turnover

ORGANISATIONAL CHANGE

Change refers to any alteration that occurs in total environment. Organisational changes are the changes of attitude, natures and interest of employees, technological and environmental changes related to an organisation and changes in rules and regulations affecting the organisation.

According to Organisation Development and Research Organisation, "Organisational change is the implementation of new procedures and technologies intended to realign an organisation with the changing demands of its business environment or to capitalise on business opportunities".

NATURE OF ORGANISATIONAL CHANGE

❖ Change is a continuous process
❖ Change affects whole organisation
❖ Change is perceptual and Behavioural
❖ Change affects individuals in the multiple roles
❖ Change is natural
❖ Change may be planned or unplanned
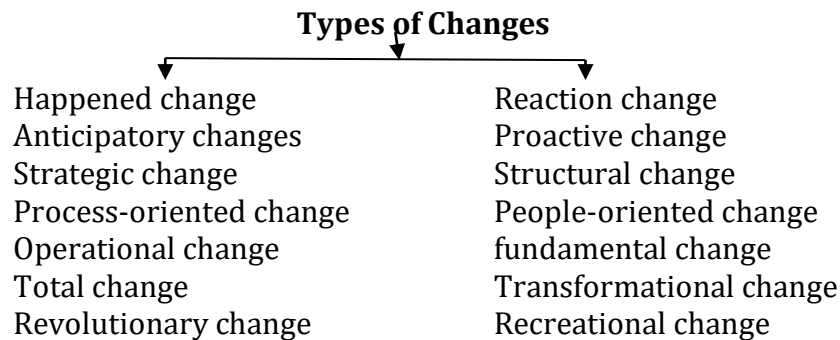❖ Change may be transformational
❖ Initiation of change efforts

IMPORTANCE OF ORGANISATIONAL CHANGE

1. **Changes in environment**
   a. Economic and market changes
   b. Technological change
   c. Legal/Political changes
   d. Resources availability changes – money, materials and human resources
2. **Changes managerial level - human resources**
   a. Promotion of junior level managers to higher level
   b. Dismissal or lay-off from the job of the managers
   c. Resignation or turnover of managers from company service.
3. **Deficiency in present organisation**
   a. Duplication of work
   b. Working procedure
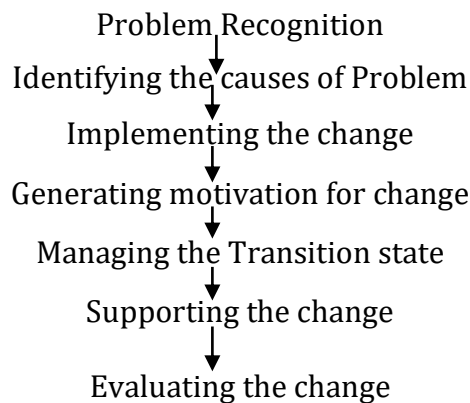   c. Barriers in communication process

4. Check the growth of inflexibility
   a. Employee goal change
   b. Work/job technology changes
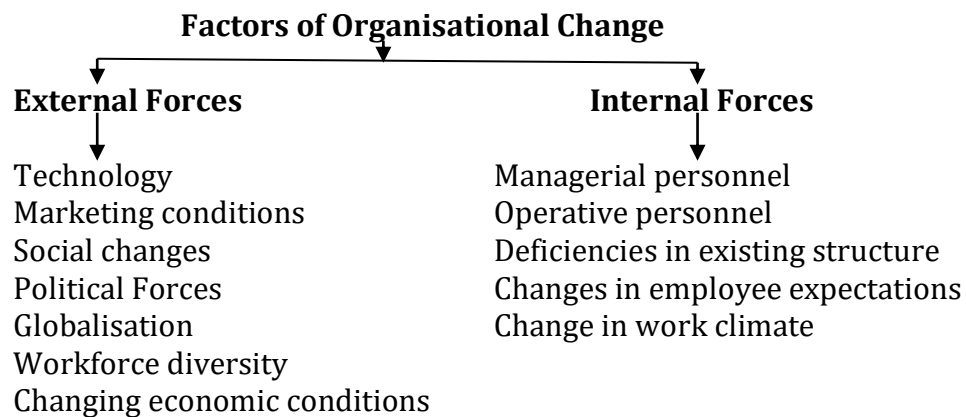   c. Organisational structure, climate and goal change

TYPES OF CHANGES

Types of Changes

Happened change	Reaction change
Anticipatory changes	Proactive change
Strategic change	Structural change
Process-oriented change	People-oriented change
Operational change	fundamental change
Total change	Transformational change
Revolutionary change	Recreational change

ORGANISATIONAL CHANGE PROCESS

Problem Recognition

↓

Identifying the causes of Problem

↓

Implementing the change

↓

Generating motivation for change

↓

Managing the Transition state

↓

Supporting the change

↓

Evaluating the change

FORCES OF ORGANISATIONAL CHANGE

Factors of Organisational Change

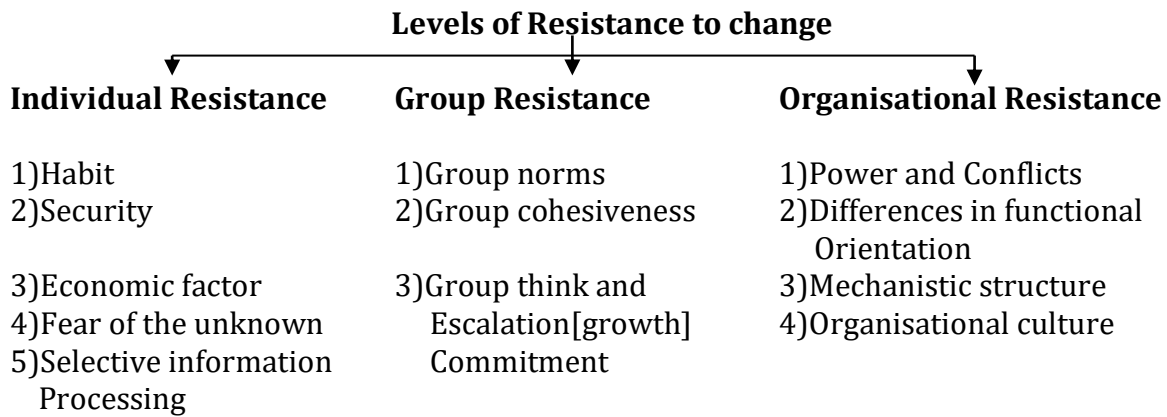| **External Forces**	**Internal Forces**
Technology	Managerial personnel
Marketing conditions	Operative personnel
Social changes	Deficiencies in existing structure
Political Forces	Changes in employee expectations
Globalisation	Change in work climate
Workforce diversity	
Changing economic conditions	

RESISTANCE TO CHANGE

Resistance to change involves employees' behaviour designed to discredit, delay or prevent the change introduced for the development of an organisation. They resist because they are afraid of their job security, working conditions, status, regression and other factors.

According to Lines, "Resistance to change can be defined as behaviours that are acted out by change recipients in order to slow down or terminate an intended organisational change".

LEVELS OF RESISTANCE TO CHANGE

Levels of Resistance to change

Individual Resistance	Group Resistance	Organisational Resistance
1)Habit	1)Group norms	1)Power and Conflicts
2)Security	2)Group cohesiveness	2)Differences in functional Orientation
3)Economic factor	3)Group think and Escalation[growth] Commitment	3)Mechanistic structure
4)Fear of the unknown		4)Organisational culture
5)Selective information Processing		

DEALING WITH RESISTANCE TO CHANGE
- ✓ Participation and involvement
- ✓ Communication and education
- ✓ Leadership
- ✓ Negotiation and agreement
- ✓ Willingness for the sake of the group
- ✓ Timing of change
- ✓ Selecting people with accept change

MANAGING CHANGE

Change Management is the process of developing a planned approach to change in an organisation. Change Management is the process of developing a planned approach to change in an organisation.

According to Gabler, "Change management is the strategy of planned and systematic change, which is achieved by the influence of the organisational structure, corporate culture and individual behaviour, under the greatest possible participation of the employees".

LEADING THE CHANGE PROCESS:

Leading change is one of the most important and difficult leadership responsibilities. To effectively lead change, one must recognise that the phenomenon of "change" does not need managing as much as do the people involved with it.

1. Align individual priorities with organisational goals
2. Learn to live with Ambiguity[doubt]
3. Understand the leadership style First
4. Change what one can change – oneself
5. Influence what one cannot change – others
6. Become an early adopter
7. Create a community of peers
8. Help other employees cope with change
9. Encourage communication among peers
10. Believe in the change and speak up

Guidelines for facilitating change
1. **Unfreezing the system**
   a. Creating dissonance[conflict]
   b. Sharing information
   c. Creating contacts with the external world
   d. Enlisting top management support
   e. Reward for change efforts
2. **Facilitating the movement**
   a. Establishing clear goals
   b. Involving people in change

    c. Focusing on the total system
    d. Developing support systems
3. **Re-establishing the equilibrium**
    a. Rewarding /celebrating desired behaviour
    b. Planning for incremental success
    c. Creating social bonds
    d. Institutionalising the change

CHALLENGES IN CHANGE MANAGEMENT

❖ **Perceptual barriers**
    a. Problem recognition
    b. Too narrow scope of the problem
    c. Information overload
    d. Misjudgements

❖ **Emotional Barriers**
    a. Risk-Aversion
    b. Lack of ability to process incomplete
    c. Preference to evaluate existing ideas instead of generating new ideas
    d. Not taking time for thinking

❖ **Cultural Barriers**
    a. More focus than imagination
    b. Problem-solving is seen as a serious matter
    c. Reasons and intuition
    d. Tradition and change

❖ **Environmental Barriers**
    a. Lack of support
    b. Lack of ability to accept criticism
    c. Managers who always know the answer

❖ **Cognitive Barriers**
    a. Use of wrong terminology
    b. Sticking to strategies
    c. Lack of complete and correct information

STRESS

Work-related stress is a pattern of reactions that occurs when workers are presented with work demands that are not matched to their knowledge, skills or abilities and which challenge their ability to cope.

According Beehr and Newman, "Stress is a condition arising from the interaction of people and their jobs and characterised by changes within people that force them to deviate from their normal functioning".

NATURE OF STRESS

➢ Stress is not simply anxiety or nervous tension
➢ Stress is not be always due to overwork
➢ Stress need not always be damaging
➢ Stress cannot be avoided
➢ Body has a limited capacity to respond
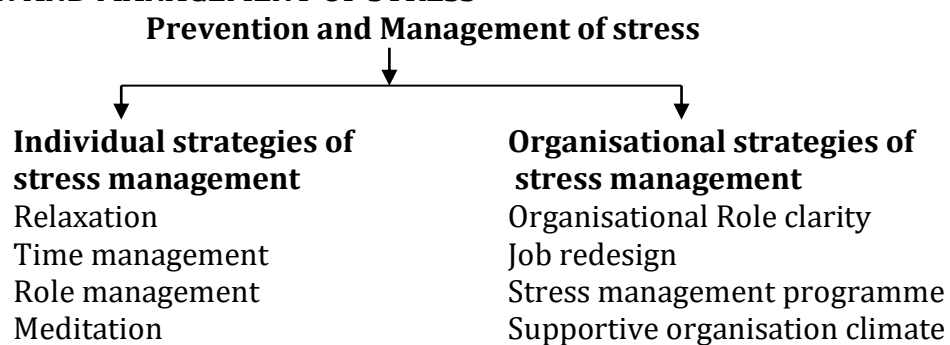
WORK STRESSORS/CAUSES OF STRESS

Stressors are the factors causing stress.
1. **Individual Level stressors**
    a. Personality type
    b. Career development
    c. Life change
    d. Role perceptions

2. **Group Level Stressors**
   a. Lack of group cohesiveness
   b. Lack of social support
   c. Inter and Intra-Group Relationships
   d. Sexual harassment
   e. Physical violence
3. **Organisational Level Stressors**
   a. Task Demands
   b. Role demands
   c. Inter-personal relationships at work
   d. Organisational structure and climate
   e. Organisational leadership
   f. Group pressures
4. **Extra Organisational Stressors**
   a. Phenomenal Rate of change
   b. Family
   c. Relocation
   d. Life's changes
   e. Sociological variables

PREVENTION AND MANAGEMENT OF STRESS

Prevention and Management of stress

Individual strategies of stress management	Organisational strategies of stress management
Relaxation	Organisational Role clarity
Time management	Job redesign
Role management	Stress management programme
Meditation	Supportive organisation climate

BALANCING WORK AND LIFE/WORK-LIFE BALANCE

Work-life balance is the term used to describe those practices at workplace that acknowledge and aim to support the needs of employees in achieving a balance between the demands of their family life and work-lives.

According to Work Foundation, "Work-life balance is about individuals having a measure of control over when, where and how they work, leading them to be able to enjoy an optimal quality of life".

OPTIONS OF WORK-LIFE BALANCE
➢ Flexitime
➢ Compressed workweek
➢ Job sharing
➢ Flexible Compensation
➢ Telecommuting
➢ Part-time work
➢ Modified Retirement

ADVANTAGES OF WORK-LIFE BALANCE
• Develop loyalty and commitment
• Increases productivity
• Reduces Absenteeism
• Reduces staff turnover
• Encourages employee participation
• Helps in attraction and retention of employees

DISADVANTAGES OF WORK-LIFE BALANCE
- Lack of Time
- Inequality organisation
- More Flexibility
- Change of policies

GUIDELINES FOR IMPROVING WORK-LIFE BALANCE
- ❖ Indentify employee's needs
- ❖ Focus on organisational culture
- ❖ Improve personal and organisational Efficiency
- ❖ Set-up work life policies
- ❖ Inform and train managers
- ❖ Communicate the policies and benefits
- ❖ Evaluate work-life balance success
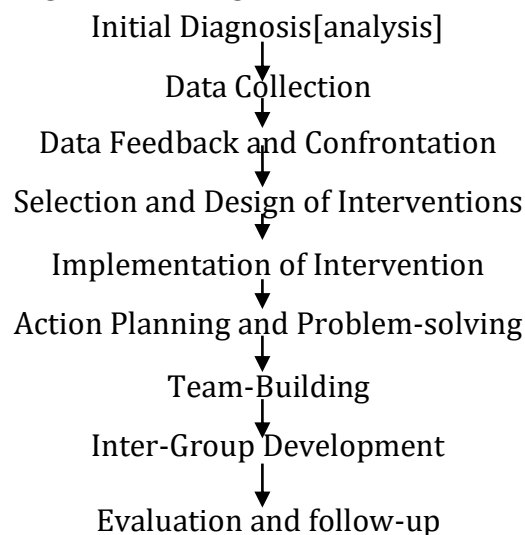
ORGANISATIONAL DEVELOPMENT (OD)

Organisation development is a body of knowledge and practice that enhances organisational performance and individual development. Organisation development is the process of bringing change in the entire aspects of the organisation.

According to Lippitt G.L., " Organisational Development is the strengthening of those human processes in organisation, which improve the functioning of the organic systems, so as to achieve its objectives".

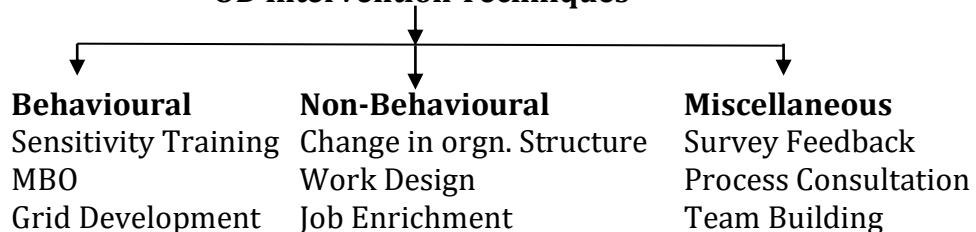**CHARACTERISTICS OF ORGANISATIONAL DEVELOPMENT**
1. OD is a planned strategy to bring about organisational change
2. OD programs include an emphasis on ways to improve and enhance performance
3. OD relies on a set of humanistic values about people and organisations
4. OD always involves a collaborative approach to change
5. OD represents a systems approach
6. OD is based upon scientific approaches to increase organisation effectiveness

PROCESS OF ORGANISATIONAL DEVELOPMENT

Initial Diagnosis[analysis]
↓
Data Collection
↓
Data Feedback and Confrontation
↓
Selection and Design of Interventions
↓
Implementation of Intervention
↓
Action Planning and Problem-solving
↓
Team-Building
↓
Inter-Group Development
↓
Evaluation and follow-up

ORGANISATION DEVELOPMENT TECHNIQUES:

OD Intervention Techniques

Behavioural	Non-Behavioural	Miscellaneous
Sensitivity Training	Change in orgn. Structure	Survey Feedback
MBO	Work Design	Process Consultation
Grid Development	Job Enrichment	Team Building

SIGNIFICANCE OF ORGANISATIONAL DEVELOPMENT
- ❖ Provides Recognition
- ❖ Boost developmental activity
- ❖ Increase Effectiveness
- ❖ Competitive Environment
- ❖ Enhance Employee power
- ❖ Defines company's strategy
- ❖ Defines company's structure
- ❖ Identification of functional areas
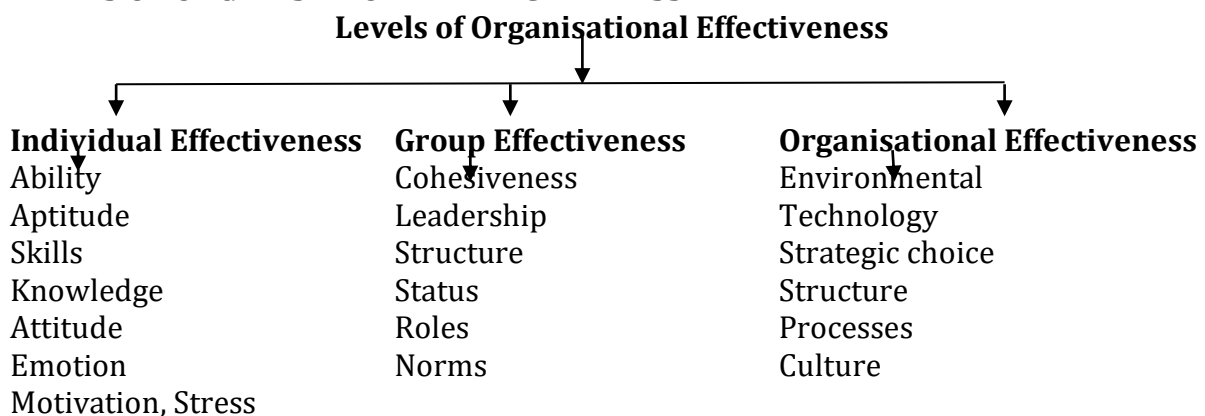- ❖ Appraisal
- ❖ Helps in analysis

LIMITATION
- ✓ Based on behavioural science concepts
- ✓ Requires Initiators
- ✓ Requires consideration of circumstances
- ✓ Other limitations
  a. Time consuming
  b. Substantial expense
  c. Delayed pay-off period
  d. Possible failure
  e. Possible invasion of privacy
  f. Possible psychological harm
  g. Emphasis on group process rather than performance
  h. Difficulty in evaluation

ORGANISATIONAL EFFECTIVENESS
Organisational effectiveness is the extent to which an organisation achieves its goals with the given resources and means. An organisation is said to be effective if it is able to achieve its goals.

According to Price, "Organisational effectiveness is the degree of achievement of multiple goals".

LEVELS OF ORGANISATIONAL EFFECTIVENESS

Levels of Organisational Effectiveness

Individual Effectiveness	Group Effectiveness	Organisational Effectiveness
Ability	Cohesiveness	Environmental
Aptitude	Leadership	Technology
Skills	Structure	Strategic choice
Knowledge	Status	Structure
Attitude	Roles	Processes
Emotion	Norms	Culture
Motivation, Stress		

INDICATORS OF ORGANISATIONAL EFFECTIVENESS
1. Innovation
2. Results
3. Productivity
4. Absence
5. Fiscal Indicators
6. Perceptions of Corporate Performance

GENDER DIVERSITY AT WORKPLACE
Gender diversity in the workplace is the equal treatment and acceptance of both males and females in an organisation. Gender diversity means the proportion of males to females in the workplace. Gender diversity in the workplace is a tendency to have an equal, or at least close to equal, number of employees of both genders.

DEVELOPING GENDER-SENSITIVE WORKPLACE
- ➢ Committee for handling gender complaints
- ➢ Relaxation of working Hours for women
- ➢ Hostile work Environment
- ➢ Ensuring Women participation
- ➢ Gender Development programmes

WAYS TO BUILD A GENDER-BALANCED ORGANISATION
- Define diversity
- Ensure alignment
- Put the plan into action
- Maintain a culture of diversity

BENEFITS OF GENDER DIVERSITY AT WORKPLACE
- o Equality at work
- o Satisfaction at workplace
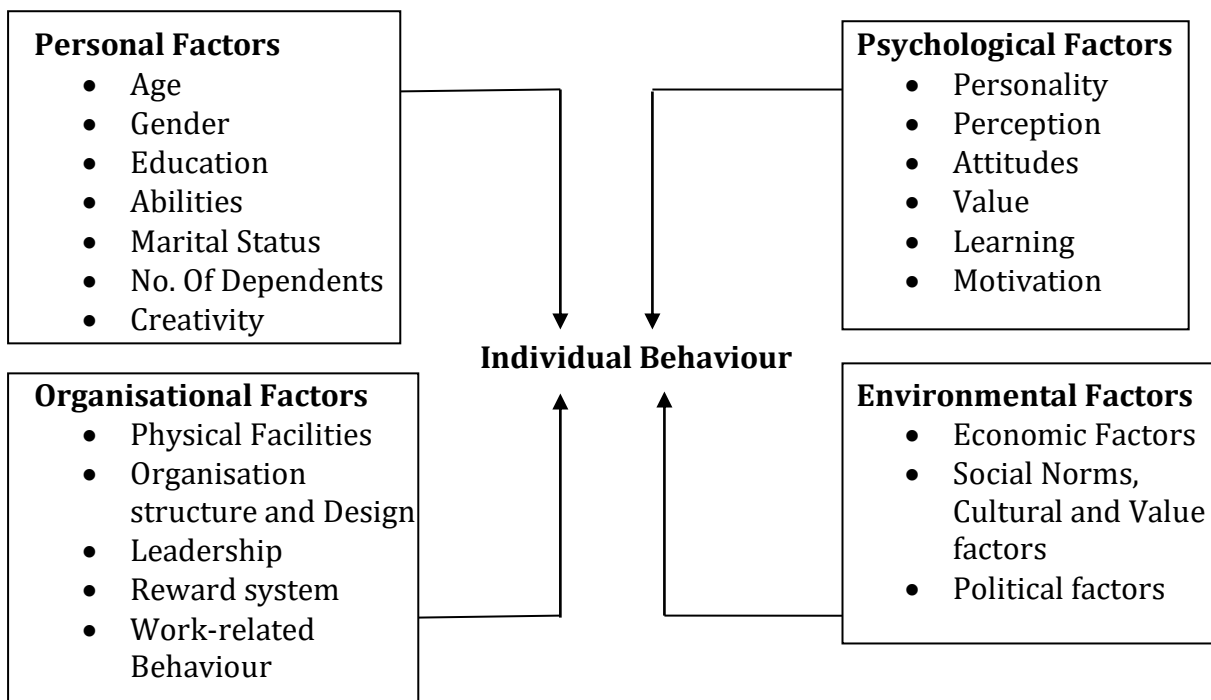- o Dignity at work policy
- o Motivation

UNIT II
INDIVIDUAL BEHAVIOUR

Individual's Behaviour is viewed as being driven by the meanings they give to various situations or the way they see things and therefore behave. Individual behaviour is complex and every individual is different from another. The challenge of an effective organisation is in successfully matching the task, the manager and the subordinate.

NATURE OF INDIVIDUAL BEHAVIOUR

- Field of study and not a discipline

- Applied science

- Humanistic and optimistic

- Inter-Disciplinary approach

- Normative and value-centred

- Oriented towards organisational objectives

FOUNDATIONS OF INDIVIDUAL BEHAVIOUR

Personal Factors
- Age
- Gender
- Education
- Abilities
- Marital Status
- No. Of Dependents
- Creativity

Psychological Factors
- Personality
- Perception
- Attitudes
- Value
- Learning
- Motivation

Individual Behaviour

Organisational Factors
- Physical Facilities
- Organisation structure and Design
- Leadership
- Reward system
- Work-related Behaviour

Environmental Factors
- Economic Factors
- Social Norms, Cultural and Value factors
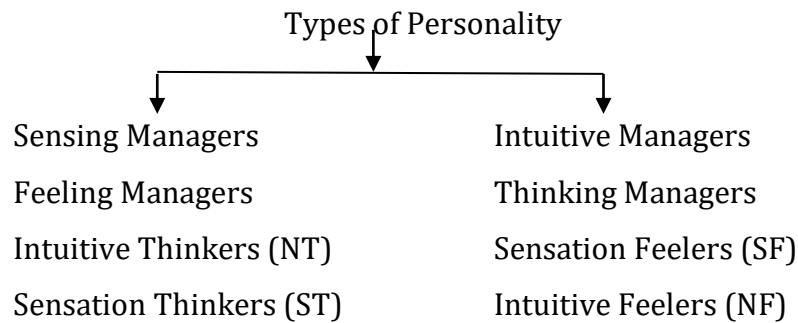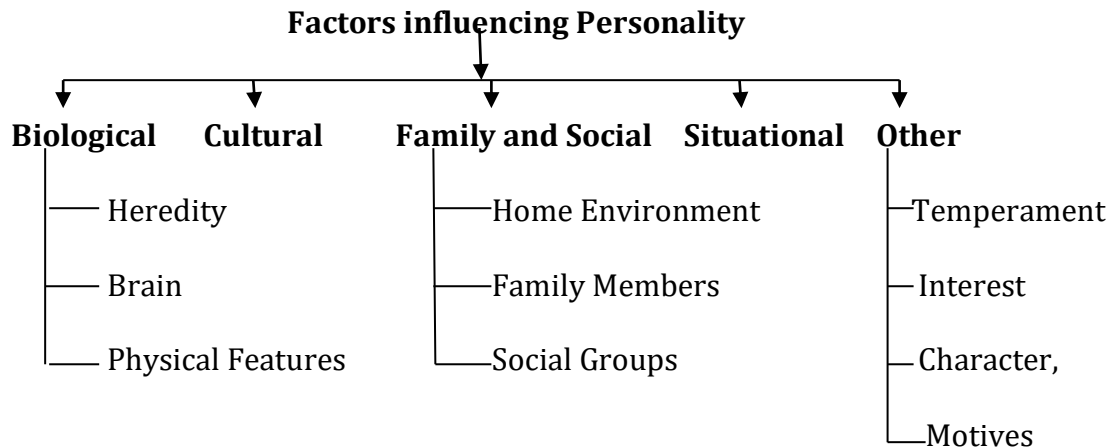- Political factors

PERSONALITY

The Term personality has been derived from Latin word "Personare" which means "to speak through". Personality is used in terms of influencing others through external appearance.

According to Schiffman and Kanuk, "Personality can be defined as those inner psychological characteristics that both determine and reflect how a person responds to his or her environment".
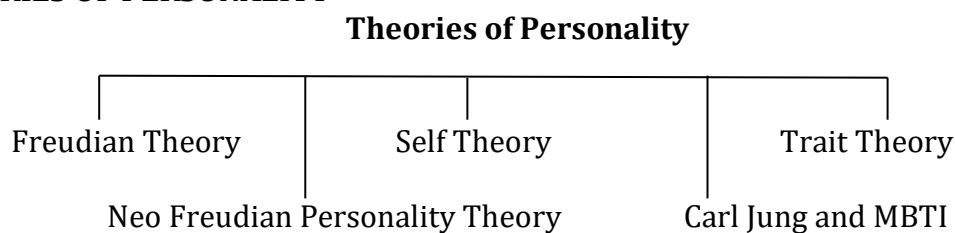
TYPES OF PERSONALITY

Types of Personality

Sensing Managers	Intuitive Managers
Feeling Managers	Thinking Managers
Intuitive Thinkers (NT)	Sensation Feelers (SF)
Sensation Thinkers (ST)	Intuitive Feelers (NF)

FACTORS INFLUENCING PERSONALITY

Factors influencing Personality

Biological | **Cultural** | **Family and Social** | **Situational** | **Other**

Biological
- Heredity
- Brain
- Physical Features

Family and Social
- Home Environment
- Family Members
- Social Groups

Other
- Temperament
- Interest
- Character,
- Motives

THEORIES OF PERSONALITY

Theories of Personality

Freudian Theory | Self Theory | Trait Theory

Neo Freudian Personality Theory | Carl Jung and MBTI

1. Freudian Theory:
Freud, the father of psychoanalytic theory, proposed that individual's personality is the product of a struggle among three interacting forces – the id, the ego, and the superego.

2. Neo Freudian Personality Theory:
According to this Neo-Freudian's social relationships played a vital role in the formation and development of personality. Its concerned with the individual's efforts to reduce tensions, such as anxiety[worry].

3. Self Theory
Self theory, termed as field theory, emphasises the totality and interrelatedness of all behaviours. This approach treats the organism as a whole to a greater degree than do any of the other theoretical formulation. The four factors are
1. Self-Image
2. Ideal-Self
3. Looking Glass-Self
4. Real-Self

4.Trait Theory:
Trait theorists are concerned with the construction of personality test that pinpoint individual differences in terms of specific traits. Trait theorists advocated that personality tests will indicate the individual differences in terms of specific traits. Big Five Traits model:

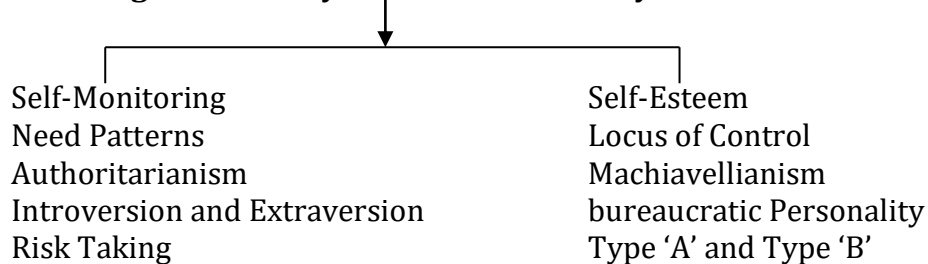| Core Traits	Descriptive characteristics of High scorers
1. Extraversion	Sociable, outgoing, talkative, assertive[confident], gregarious[expressive]
2. Agreeableness	Cooperative, warm, caring, good-natured, trusting
3. Conscientiousness	Dependable, hardworking, organised, self-disciplined, responsible
4. Emotional stability	Calm, secure, happy, unworried
5. Openness to experience	Curious[interest], intellectual, creative, cultured, artistically[Creatively] sensitive, flexible, imaginative

5.Carl Jung and MBTI:

One approach to applying personality theory in organisations is the Jungian approach. Jung suggested that human similarities and differences could be understood by combining preferences. We prefer and choose one way of doing things over another.

The MBTI model
1. Understanding and developing yourself
2. Understanding and developing others
3. Understanding what motivates others
4. Understanding other's strengths and weakness
5. Allocating and agreeing tasks and project responsibilities

ORGANISATIONALLY RELEVANT PERSONALITY TRAITS

Organisationally Relevant Personality Traits

Self-Monitoring	Self-Esteem
Need Patterns	Locus of Control
Authoritarianism	Machiavellianism
Introversion and Extraversion	bureaucratic Personality
Risk Taking	Type 'A' and Type 'B'

LEARNING

Learning is an important psychological process determining human behaviour. It is a continuous process and it occurs all the time. Learning may be defined as the sum total of behavioural changes resulting from experience at training.

According to Sanford, "Learning is a relatively enduring change in behaviour bought about as consequence of experience".

According to Martyn Sloman, "Learning is the process by which a person constructs knowledge, skills and capabilities".
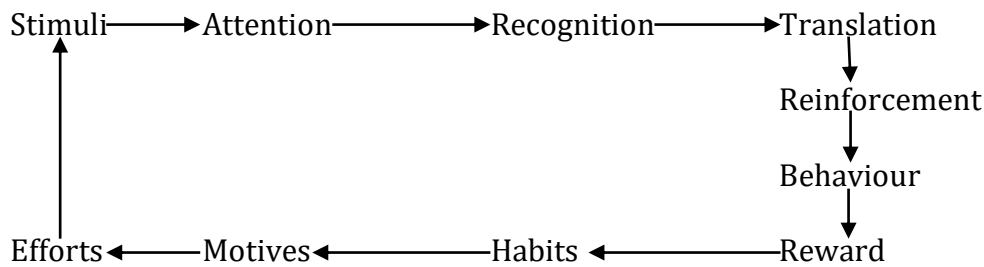
CHARACTERISTICS OF LEARNING:
- Learning is growth
- Learning is adjustment
- Learning is organising experience
- Learning involves acquisition of knowledge and skills
- Learning is a process of conditioning
- Learning involves change
- Learning is continuous
- Learning is Transferable

TYPES OF LEARNERS
➢ **Divergers:** Who learn by observing and feeling and have the ability to view concrete situations from different angles. They do well in generating ideas.
➢ **Assimilators**: Who learn by observing and thinking and are able to understand a wide range of information and put it in a concise and logical form.

- ➢ **Convergers**: Who learn by doing and thinking, tend to focus on solutions by seeking out practical use of information.
- ➢ **Accommodators**: Who learn by doing and feeling and tend to rely more heavily on people for information while making decisions.

LEARNING PROCESS

Stimuli ⟶ Attention ⟶ Recognition ⟶ Translation

Translation ⟶ Reinforcement ⟶ Behaviour ⟶ Reward

Efforts ⟵ Motives ⟵ Habits ⟵ Reward

Stimuli ⟵ Efforts

LEARNING THEORIES:

1. Connectionist Learning Theory:
The theory minimises the importance of reinforcement to learning. Reinforcement is employed in conjunction with two fundamentally different methods of learning connections Classical ad Operant conditioning.

a. Classical Conditioning:
In classical conditioning theory an individual responds to some stimulus[incentives/motivation]that would not ordinarily produce such a response.

b. Operant Conditioning:
Operant conditioning is a type of conditioning in which desired voluntary behaviour leads to a reward or prevents a punishment. People learn to behave to get something they want or to avoid something they don't want.

2. Observational Learning/Social Learning Theory:
Observational learning, also called social learning theory, occurs when an observer's behaviour changes after viewing the behaviour of a mode. Social learning involves several processes are
   a. Attention Processes
   b. Retention Processes
   c. Motor Reproduction Process
   d. Reinforcement Processes
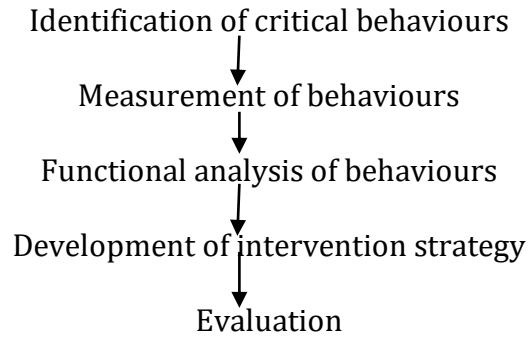
3. Cognitive Learning Theory:
Instead of viewing learning as the development of connections between stimuli and responses, cognitive theorists stress the importance of perception, problem solving, and insight. Cognitive learning can range from very simple information acquisition to complex, creative problem solving

ORGANISATIONAL BEHAVIOUR MODIFICATION

Organisational behaviour modification represents the application of reinforcement[strengthening] theory to individuals in the work setting. OB modification can be applied for motivating the employees and also for enhancing organisational effectiveness.

According to Stephen P.Robbins, "OB modification is a program where managers identify performance-related employee behaviours and then implement an intervention strategy to strengthen desirable behaviours and weaken undesirable behaviours".

PROCESS OF OB MODIFICATION

Identification of critical behaviours

↓

Measurement of behaviours

↓

Functional analysis of behaviours

↓

Development of intervention strategy

↓

Evaluation

OB MODIFICATION STRATEGIES
- Organisational Culture
- Emotional Labour
- Professional Ethos[culture]
- Positive Reinforcement

SIGNIFICATION OB MODIFICATION
- It deals with observed behaviour
- Behaviour modification presents a set of tools by which people can learn new behaviour
- It provides managers various tools for effectively controlling
- It is comparatively easy to understand.

LIMITATIONS OB MODIFICATION
- It restrict freedom of choice of behaviour
- It is based on the assumption that individual behaviour is controlled by his environment
- It is an exercise in over simplification
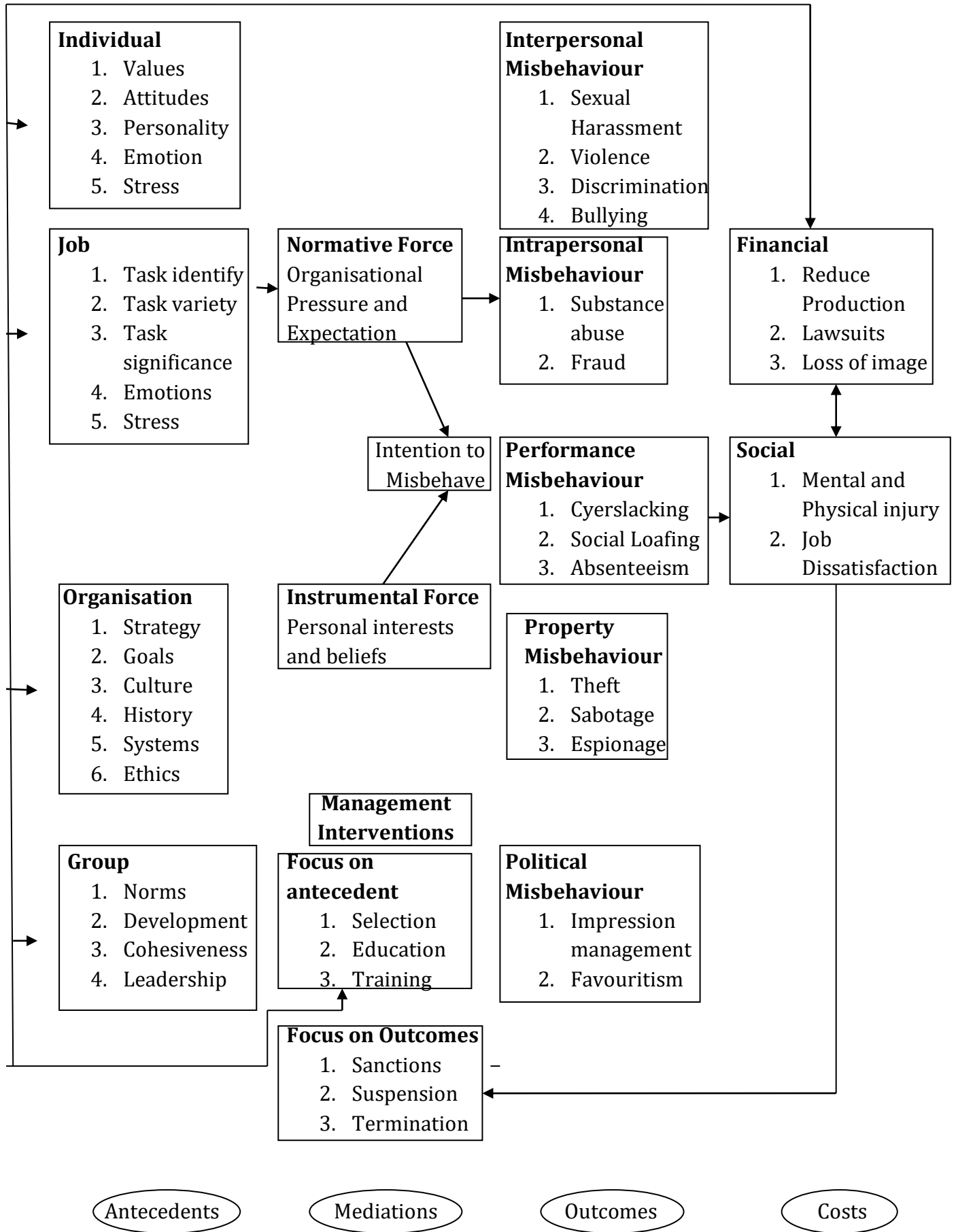- It ignores the internal causes of behaviour

ORGANISATIONAL MISBEHAVIOUR

It is commonly accepted that organisations expect employees to do a number of things at work, these expectations are not always met and fulfilled. When this happens, they are said to misbehave.

TYPES OF ORGANISATIONAL MISBEHAVIOUR:

Sexual Harassment[irritation/trouble]

Bullying [maltreatment]

Incivility [bad manners / lack of respect]

Fraud

Substance abuse[neglect] at work

Cyber slacking

Sabotage[damage]

MANAGEMENT INTERVENTION IN ORGANISATIONAL MISBEHAVIOUR

Individual
1. Values
2. Attitudes
3. Personality
4. Emotion
5. Stress

Interpersonal Misbehaviour
1. Sexual Harassment
2. Violence
3. Discrimination
4. Bullying

Job
1. Task identify
2. Task variety
3. Task significance
4. Emotions
5. Stress

Normative Force
Organisational Pressure and Expectation

Intrapersonal Misbehaviour
1. Substance abuse
2. Fraud

Financial
1. Reduce Production
2. Lawsuits
3. Loss of image

Intention to Misbehave

Performance Misbehaviour
1. Cyerslacking
2. Social Loafing
3. Absenteeism

Social
1. Mental and Physical injury
2. Job Dissatisfaction

Organisation
1. Strategy
2. Goals
3. Culture
4. History
5. Systems
6. Ethics

Instrumental Force
Personal interests and beliefs

Property Misbehaviour
1. Theft
2. Sabotage
3. Espionage

Management Interventions

Focus on antecedent
1. Selection
2. Education
3. Training

Group
1. Norms
2. Development
3. Cohesiveness
4. Leadership

Political Misbehaviour
1. Impression management
2. Favouritism

Focus on Outcomes
1. Sanctions
2. Suspension
3. Termination

Antecedents   Mediations   Outcomes   Costs

EMOTIONS

Emotion is one of the most controversial topics in studying human behaviour, a source a intense discussion and disagreement from the earliest philosophers and other thinkers to the present day.

According to crow and Crow, "An emotion is an affective experience that accompanies generalised inner adjustment and mental and physiological stirred-up states in the individual and at shows itself in his overt[clear] behaviour".

TYPES OF EMOTION
1. **Positive Human Emotions**
   a. Love
   b. Appreciation
   c. Happiness
   d. Hope
   e. Enthusiasm[interest]
   f. Optimistic[positive thoughts]
2. **Negative Human Emotions**
   a. Fear
   b. Anger
   c. Guilt[Blame]
   d. Depression
   e. Pride[superiority]
   f. Jealousy
   g. Frustration[irritation]
   h. Envy[desire]

DETERMINANTS OF EMOTIONS
- Personality
- Day of the week and time of the day
- Weather
- Stress
- Social activities
- Exercise
- Age
- Gender

EMOTIONAL LABOUR
Emotional Labour is an employee's expression of organisationally desired emotions during interpersonal transaction at work.

According to Morris and Feldman, "Emotional labour is the effort, planning, and control needed to express organisationally desired emotions during interpersonal transactions".

EMOTIONAL INTELLIGENCE
Emotional Intelligence is the ability to command respect by building relationships or the ability to get along with the people and situations. Understanding of emotional intelligence can help managers in knowing employees moods and emotions, for this it is necessary to understand the level of emotional intelligence.

NATURE OF EMOTIONAL INTELLIGENCE
- ✓ Self-Awareness
- ✓ Self-Management
- ✓ Motivation
- ✓ Empathy
- ✓ Social Skills

THEORIES OF EMOTIONAL INTELLIGENCE
1. Ability – based Model: The ability to perceive emotion, integrate emotion to facilitate thought, understand emotions, and to regulate emotions to promote personal growth".

2. **Mixed Models of EI**: Models that mix together emotional intelligence qualities with other personality traits unrelated to either emotion or intelligence are often referred to as mixed models of emotional intelligence.
3. **Trait EI Model:** It proposed a conceptual distinction between the ability based model and a trait based model of EI. Trait EI refers to a collection of behavioural dispositions and self-perceptions concerning one's ability to recognise, process, and utilise emotion-laden information.

SIGNIFICANCE OF EMOTIONAL INTELLIGENCE
- Improves relationships
- Improves communication with others
- Better empathy skills
- Acting with integrity
- Respect from others
- Improved career prospects
- Manage change more confidently
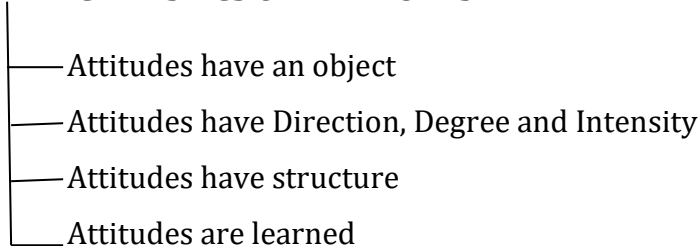
LIMITATIONS OF EMOTIONAL INTELLIGENCE
- EI is too vague a concept
- EI can not be measured
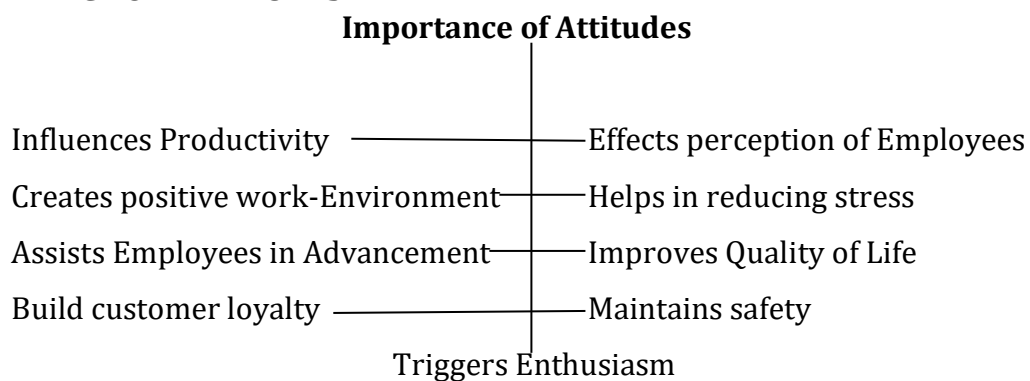- Validity of EI is suspect

ATTITUDES
Attitude is a state of mind of an individual towards something.   It may be defined as a tendency to feel and behave in a particular way towards objects, people or events.
According to Bemm, "Attitudes are likes and dislikes".

CHARACTERISTICS OF ATTITUDES:

Attitudes have an object

Attitudes have Direction, Degree and Intensity

Attitudes have structure

Attitudes are learned

IMPORTANCE OF ATTITUDES

Importance of Attitudes

Influences Productivity ——————— Effects perception of Employees

Creates positive work-Environment——— Helps in reducing stress

Assists Employees in Advancement——— Improves Quality of Life

Build customer loyalty ——————— Maintains safety
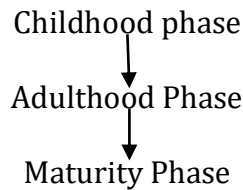
Triggers Enthusiasm

COMPONENTS OF ATTITUDES
- Cognitive[intelligence] Component
- Affective Component
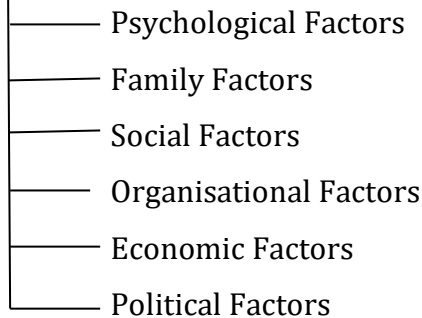- Behavioural Component

ATTITUDE FORMATION:

Attitude formation is the process by which an individual develops a favourable or unfavourable evaluation of an object, i.e., attitude formation is based on experience that lead a person to hold a specific attitude.
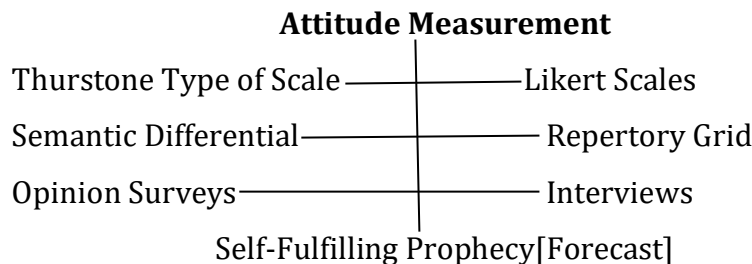
PROCESS OF ATTITUDE FORMATION

Childhood phase

↓

Adulthood Phase

↓

Maturity Phase

FACTORS INFLUENCING ATTITUDE FORMATION

- Psychological Factors
- Family Factors
- Social Factors
- Organisational Factors
- Economic Factors
- Political Factors

ATTITUDES MEASUREMENT

Attitude Measurement

Thurstone Type of Scale ——————— Likert Scales

Semantic Differential ——————— Repertory Grid

Opinion Surveys ——————— Interviews

Self-Fulfilling Prophecy[Forecast]

CHANGING ATTITUDE

Once formed, attitudes have tendency to persist and are very difficult to change. The main difficulty in changing attitudes is resistance on the part of people to change. To be more specific, attitudes can be changed by changing any one or more of the following factors:

1. Change in ideas and beliefs
2. Change in feelings or emotions
3. Change in situation
4. Change in behaviour

BARRIERS TO CHANGING ATTITUDES

- ✓ Prior commitment
- ✓ Inadequate information
- ✓ Lack of choice
- ✓ Lack of choice
- ✓ Lack of Trust
- ✓ Unequal status in outcomes
- ✓ Lack of institutional support

OVERCOMING BARRIERS TO ATTITUDINAL CHANGE

- ♦ Making available new information
- ♦ Using Fear
- ♦ Removing discrepancy[disagreement]
- ♦ Impact exerted[apply] by friends or peers
- ♦ Co-opting approach
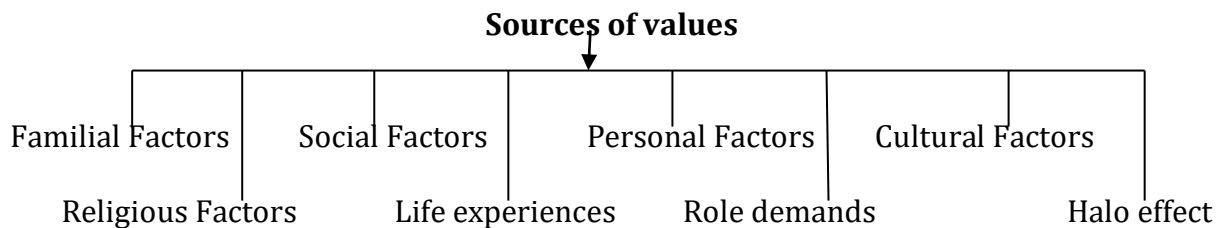- ♦ Removing discrepancies

VALUES

A Value system is viewed as a relatively permanent perceptual framework which influences the nature of an individual's behaviour. A value may be defined as a concept of a desirable, an internalised standard of evaluation a person possesses.

According to Milton Rokeach, "Values are global beliefs that guide actions and judgements across a variety of situation".

CHARACTERISTICS OF VALUES

- ➢ Part of culture
- ➢ Learned Responses
- ➢ Inculcated
- ➢ Social Phenomenon
- ➢ Gratifying Responses
- ➢ Adaptive process

SOURCES OF VALUES

Sources of values

Familial Factors	Social Factors	Personal Factors	Cultural Factors
Religious Factors	Life experiences	Role demands	Halo effect

TYPES OF VALUES

1. Terminal Values
2. Instrumental values

Terminal values ("ends")	Instrumental Values ("means')
Comfortable life	Ambition
Happiness: satisfaction in life	Courage
Peace and harmony in the world	Honesty
Prosperity; wealth	Helpfulness
Sense of Accomplishment	Independence

CLASSIFICATION OF VALUES

- ➢ Human values
- ➢ Social values
- ➢ Business values
- ➢ Community values
- ➢ Family values
- ➢ Professional values
- ➢ National values
- ➢ Secular values
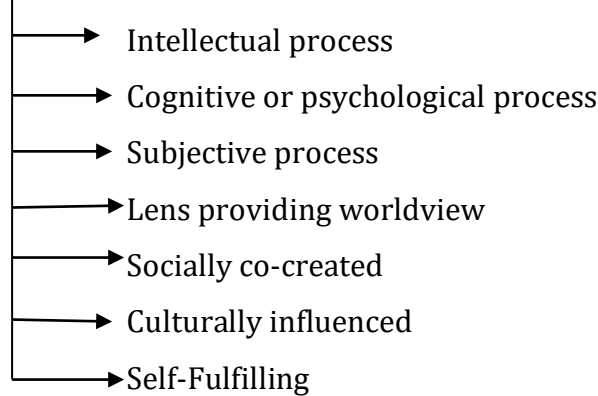- ➢ Spiritual values

IMPORTANCE OF VALUES

- ✓ Values effect individual's thoughts and action
- ✓ Values influences employee's motivation
- ✓ Values relate to belief system
- ✓ Values form core of identity
- ✓ Values works as unifying force
- ✓ Values influence attitude and behaviour
- ✓ Values creates credibility
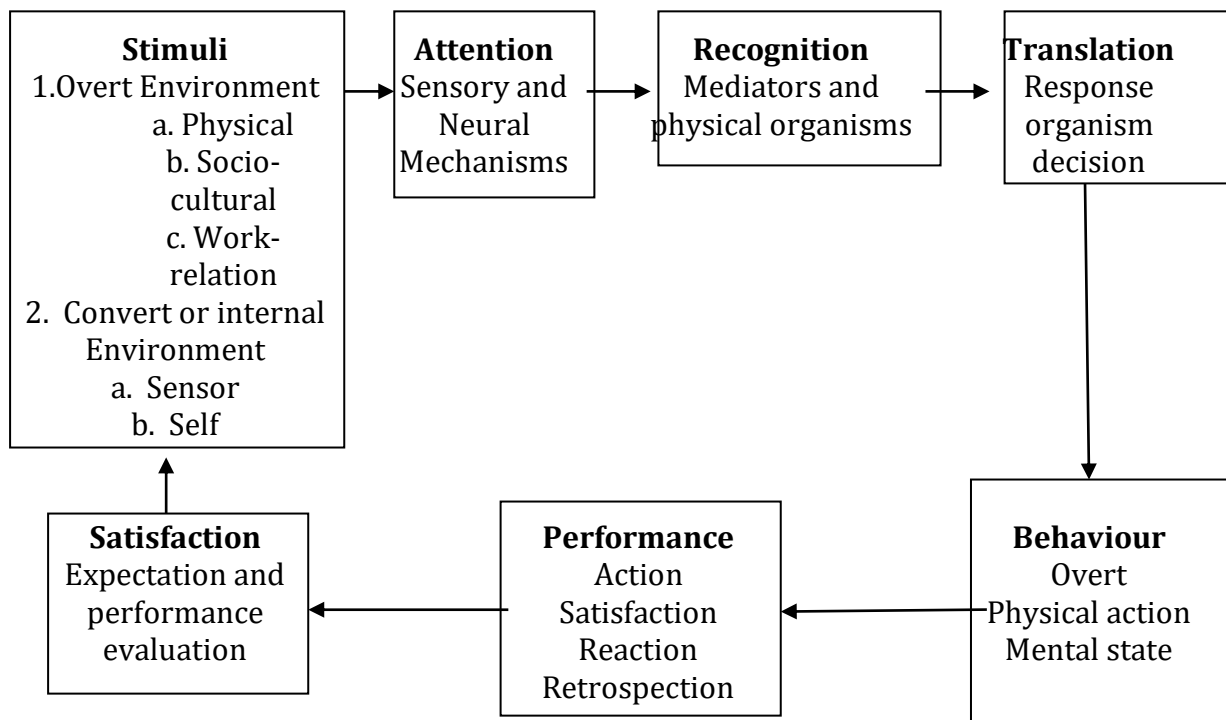- ✓ Values provides guidelines for decision-making and conflict resolution

PERCEPTIONS

Perception can be defined as a process by which individuals select, organise, and interpret their sensory impressions, so as to give meaning to their environment. People's behaviour is influenced by their perception of reality, rather than the actual reality.

According to Joseph Reitz, "perception includes all those processes by which an individual receives information about the environment – seeing, hearing, feeling, tasting and smelling".
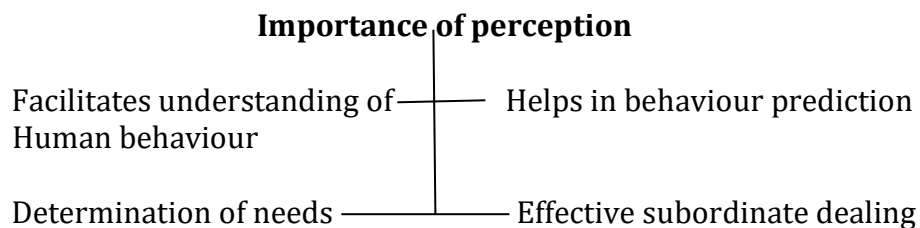
CHARACTERISTICS OF PERCEPTION

- Intellectual process
- Cognitive or psychological process
- Subjective process
- Lens providing worldview
- Socially co-created
- Culturally influenced
- Self-Fulfilling

COMPONENTS OF PERCEPTION

Stimuli
1. Overt Environment
   a. Physical
   b. Socio-cultural
   c. Work-relation
2. Convert or internal Environment
   a. Sensor
   b. Self

→ **Attention**
Sensory and Neural Mechanisms

→ **Recognition**
Mediators and physical organisms

→ **Translation**
Response organism decision

↓

Behaviour
Overt
Physical action
Mental state

←

Performance
Action
Satisfaction
Reaction
Retrospection

←

Satisfaction
Expectation and performance evaluation

↑

IMPORTANCE OF PERCEPTION

Importance of perception

Facilitates understanding of Human behaviour — Helps in behaviour prediction

Determination of needs — Effective subordinate dealing

FACTORS INFLUENCING PERCEPTION
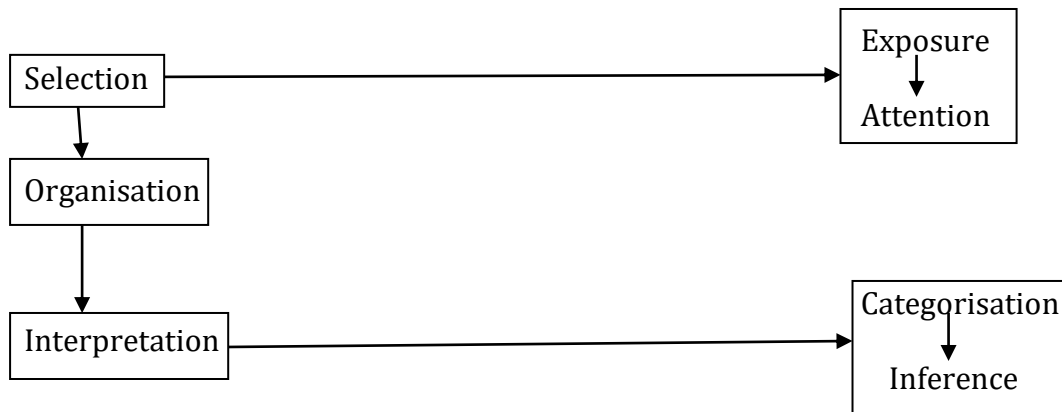1. **Characteristics of the Perceiver(Internal factors)**
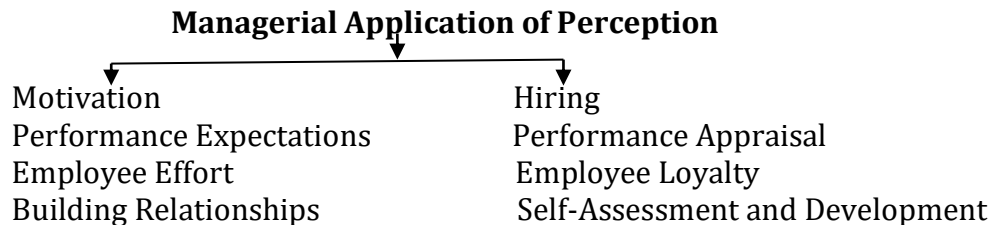   a. Needs and motives
   b. Self Concept
   c. Beliefs

     d. Past Experience
     e. Current psychological state
     f. Expectations
2. **Characteristics of the target or perceived (External Factors)**
     a. Size
     b. Intensity
     c. Frequency
     d. Status
     e. Contrast
3. **Characteristics of the situation**

PERCEPTUAL PROCESS

Perception is a process consists of several sub-processes. One can take an input-throughput-output approach to understand the dynamic of the perceptual process.

```
┌─────────────┐                          ┌──────────────┐
│  Selection  │ ───────────────────────> │   Exposure   │
└─────────────┘                          │      ↓       │
       │                                 │  Attention   │
       ↓                                 └──────────────┘
┌─────────────┐
│Organisation │
└─────────────┘
       │
       ↓
┌──────────────┐                         ┌────────────────┐
│Interpretation│ ──────────────────────> │ Categorisation │
└──────────────┘                         │       ↓        │
                                         │   Inference    │
                                         └────────────────┘
```

MANAGERIAL APPLICATIONS OF PERCEPTION

Managerial Application of Perception

Motivation	Hiring
Performance Expectations	Performance Appraisal
Employee Effort	Employee Loyalty
Building Relationships	Self-Assessment and Development

MANAGERIAL APPLICATIONS OF PERCEPTION
1. Motivation
2. Hiring
3. Performance Expectations
4. Performance Appraisal
5. Employee Effort
6. Employee Loyalty
7. Building Relationships
8. Self-Assessment and Development

IMPRESSION MANAGEMENT

Impression Management is a process people use to control the perceptions or impressions about themselves, a bit like personal branding. Common self-presentation methods include authentic, ideal or tactical styles of impression management.

According to Schelenher, "Impression management is defined as the conscious or unconscious attempt to control images that are projected in real or imagined social interactions".

Purpose of Impression Management
   a. Strategic Motives
      i)   Self-Promotion
      ii)   Exemplification
      iii) Ingratiation
      iv)   Intimidation
      v)   Supplication
   b. Expressive

Tactics of Impression Management
   1. Ingratiation
   2. Intimidation[pressure]
   3. Self-Promotion
   4. Exemplification
   5. Supplication[request]

MOTIVATION

Motivation is derived from the word motive. Motive refers to the needs, wants, drives, impulses within individuals.   Motivation can be described as the driving force within individuals that propels them to action.

According to S.P.Robbins, "Motivation is the willingness to exert high levels of effort towards organisational goals, conditioned by the effort and ability to satisfy some individual need".

NATURE OF MOTIVATION
   ➢ Motivation is a psychological concept
   ➢ Motivation is a continuous process
   ➢ Motivation is dynamic and situational
   ➢ Motivation is not easily observed phenomenon
   ➢ Motivation is a goal-oriented process
   ➢ Motivation is influenced by social and cultural norms
   ➢ Entire individual is motivated
   ➢ Goals lead to motivation

IMPORTANCE OF MOTIVATION
   ❖ Motivation sets in motion the action of people
   ❖ Motivation improves the efficiency of work performance
   ❖ Ensures achievement of organisational goals
   ❖ Motivation creates friendly and supportive relationship
   ❖ Motivation leads to the stability in the workforce
   ❖ Acceptance of Organisational changes

TYPES OF MOTIVATION
   1. **Positive *Versus* Negative Motivation**
      a. Positive Motivation: Positive motivation involves identifying employee potentialities and makes him realise the possible result by achieving his potentialities.
      b. Negative Motivation: Negative motivation, fear of consequences of doing something or not doing something keeps the worker in the desired direction.st utility.
   2. **Rational Versus Emotional Motivation**
      a. Rational Motivation: Traditionally the term rationality is associated with persons who carefully weigh the pros and cons of all the alternatives and then choose the one that gives them the greatest utility.
      b. Emotional Motivation: As against this emotional motive are those goals, which are selected on the basis of emotion's involvement.

3. **Primary Motivation Versus Secondary Motivation**
   a. Primary Motivation: Primary motivations are basically related to human needs for psychological satisfaction.
   b. Secondary Motivation: Secondary motives is learned and realised as a result of development . Secondary motives do not remain secondary in a developed organisation, rather that become essential for moving the activities of educated people.
4. **Intrinsic Motivation Versus Extrinsic Motivation**:
   a. Intrinsic Motivation: It refers to motivation that comes from inside of an individual rather than from any external or outside rewards, such as money or grades.
   b. Extrinsic Motivation: It refers to motivation that comes from outside an individual. Extrinsic motivation entails a feeling of compulsion to do things for an external source to achieve an outcome that satisfies usually lower-order needs like money or survive.
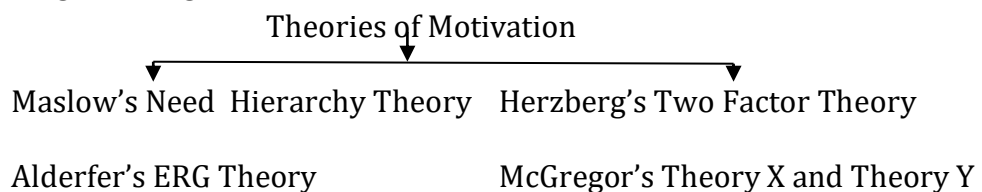5. **Financial and Non-Financial Motivation/incentives:**
   a. Financial or Pecuniary Incentives: These are monetary in natures as they involve flow of money from the organisation to its staff.
   b. Non-pecuniary Incentives: Non pecuniary incentives do not involve much financial commitments on the part of the organisation.

EFFECT OF MOTIVATION ON WORK BEHAVIOUR
   Motivation is a term in organisational behaviour which leads the employee inside the organisation to attain the specific goals and objectives.
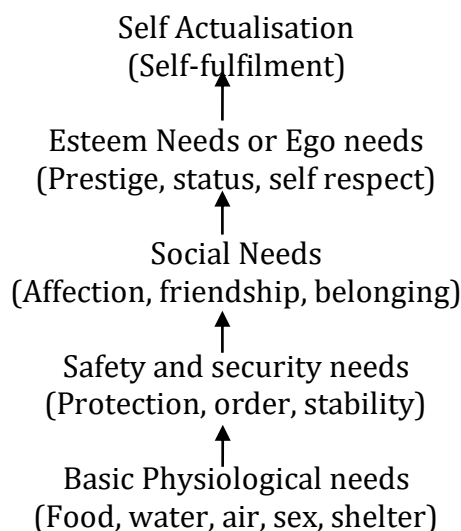   ❖ Job satisfaction through motivation and job performance
   ❖ Job satisfaction through motivation and Organisational Citizenship Behaviour
   ❖ Job satisfaction through motivation and customer satisfaction
   ❖ Job satisfaction through motivation and absenteeism
   ❖ Job satisfaction through motivation and turnover

THEORIES OF MOTIVATION:

Theories of Motivation

Maslow's Need Hierarchy Theory   Herzberg's Two Factor Theory

Alderfer's ERG Theory   McGregor's Theory X and Theory Y

1. **Maslow's Need Hierarchy Theory**:
   Basic needs are important for survival whereas acquired needs are not so Important . A.H.Maslow solved this problem and presented a theory on priority order of needs. Some important prepositions of Maslow's need Priority model are as under.

Self Actualisation
(Self-fulfilment)
↑
Esteem Needs or Ego needs
(Prestige, status, self respect)
↑
Social Needs
(Affection, friendship, belonging)
↑
Safety and security needs
(Protection, order, stability)
↑
Basic Physiological needs
(Food, water, air, sex, shelter)

Maslow suggested the following points:
1. There are five levels of needs
2. All these needs are arranged in a hierarchy
3. A satisfied need is no longer a need
4. Once one level of need is satisfied, the next level of need will emerge as the depressed needs seeking to be satisfied
5. The physiological and security needs are finite but the needs of higher order are infinite

2. **Herzberg's Two factor Theory/Motivation Hygiene Theory**

Herzberg in the late fifties developed a motivation theory known as motivation hygiene theory or two-factor theory of motivation. He conducted a study and interviewed some 200 engineers and accountants and asked them to think of a time when they felt good at their jobs and a time when they felt bad at their job and then to describe the condition which led to such feelings. The theory were classified by into two categories.
   a. **Motivational Factors**: These factor are related to the nature of work and are intrinsic to the job itself.
   b. **Hygiene Factors/Maintenance Factors**: Hygiene factors do not motivate people. They produce no growth but prevent loss.

3. **Alderfer's ERG Theory:**

The most popular extension and refinement of Maslow's theory of needs is the one proposed by Alderfer. Alderfer argued that the need categories could be grouped into three more general classes:
   a. **Existence**: These are needs related to human existence and are comparable to Maslow's physiological needs and certain of his safety needs.
   b. **Relatedness:** These are needs that involve interpersonal relationships in the workplace. Relatedness needs are similar to Maslow's belongingness needs and certain of his safety and esteem/ego needs.
   c. **Growth**: These are needs associated with the development of the human potential. Included in this category are needs corresponding to Maslow's Self-esteem and self-actualisation needs.

4. **McGregor's Theory X and Theory Y**

Douglas McGregor proposed two distinct views of human beings, one Basically negative, labelled Theory X, and the other basically positive, labelled Theory Y, after viewing the way in which managers dealt with employees.

Assumptions of Theory X
1. Employees inherently dislike work and, whenever possible, will attempt to avoid it
2. Since employees dislike work, they must be coerced, controlled, or threatened with punishment to achieve goals
3. Employees will avoid responsibilities and seek formal direction whenever possible.
4. Most workers place security above all other factors associated with work and will display little ambition

Assumptions of Theory Y
1. Employees can view work as being as natural as rest or play
2. People will exercise self-direction and self-control if they are committed to the objectives
3. The average person can learn to accept, even seek, responsibility
4. The ability to make innovative decisions is widely dispersed throughout the population.

Distinction between X and Y Theories

Basis of Distinction	X Theory	Y Theory
Attitude towards work	Most people have an inherent dislike for work	Given proper environment, most people would willingly accept responsibility and go in for self-direction
Acceptance of Responsibility	Most people are not ambitious, averse to accepting responsibility and prefer to be directed by others	With proper motivation, most people would willingly accept responsibility and go in for self-direction
Creativity	Most people lack creativity in resolving organisation problem	Creativity is not the monopoly of a few and in a right environment people can be made to display this trait on a wide scale.
Motivation	Only satisfaction of physiological and safety needs will motivate workers	Satisfaction of physiological and safety needs is not the only source of motivation
Control	Close, often coercive, control is the only means to achieve organisational objectives	With proper motivation, people may be self-directed and creative.
Leadership	Theory X emphasis Autocratic leadership	Theory Y emphasises democratic and supportive leadership