

# ORGANISATIONAL DYNAMICES

## UNIT -3

### LEADERSHIP :

According to George R. Terry "Leadership is the activity of influencing people to strive willingly for group objectives".

### CHARACTERISTICS OF LEADERSHIP:

An analysis of the above definitions of leadership reveals that it has the following characteristics.

1. **Leadership is a process of influence:** Leadership is a process whose important ingredient is the influence exercised by the leader on group members. A person is said to have an influence over others when they are willing to carry out his wishes and accept his advice, guidance and direction.
2. **Leadership is the function of stimulation:** Leadership is the function of motivating people to strive willingly to attain organizational objectives. Leaders are considered successful when they are able to subordinate interests of the employees to the general interests of the organization.
3. **Leadership gives an experience of helping attain the common objectives:** Under successful leadership, every person in the organization feels that his operation, however minor it may be, is vital to the attainment of organizational objectives.
4. **Employees must be satisfied with the type of leadership provided:** Only short-term productivity of employees can be increased by pressure and punishment. This approach is not in the long-term interests of the organization. Force generates counter-force which results in a decreased long-term productivity.
5. **Leadership is related to a situation:** When we talk of leadership, it is always related to a particular situation, at a given point of time and under a specific set of circumstances. That means leadership styles will be different under different circumstances.

### SIGNIFICANCE OF LEADERSHIP:

Leadership is of paramount importance in accomplishment of organizational objectives. "The fact that a leader can have an immense effect on the performance those under him has been noted for centuries that while some officers receive only grudging obedience, other is able to inspire their men to do the seemingly impossible and do it willingly.

- (i) **Determination of goals.** A leadership performs the creative function of laying down goals and policies for the followers. He acts as a guide in interpreting the goals and policies.
- (ii) **Organization of Activities:** A good leader divides organization activities among the employees in a systematic manner. The relationships between them are clearly laid down. This reduces the chances of conflict among them.
- (iii) **Representation of Workers:** The leader is a representative of his group. He takes initiative in all matters of interest to the group and attempts to fulfill the psychological needs of the subordinates.
- (iv) **Achieving Coordination:** A leader integrates the goals of the individuals with the organizational goals and creates a community of interests. He keeps himself informed about the working of the group and shares information with group for the coordination of its efforts.
- (v) **Providing Guidance:** A leader guides the subordinates towards the

achievement of organizational objectives. He is available for advice whenever a subordinate faces any problem.

- (vi) **Building Employees' Morale:** Good leadership is indispensable to high employee morale. The leader shapes the thinking and attitudes of the group. He develops good human relations and facilitates interactions between the members of the group. .
- (vii) **Facilitating change:** Dynamic leadership is the corner-stone of organizational change. An effective leader is able to overcome resistance to change on the part of workers and thus facilitate change.

## LEADERSHIP STYLE:

The word style refers to the way of doing something. Leadership style refers to leader's behavioral pattern which is reflected in his role as a leader. Leadership style is the result of his attitude, value system, personality and philosophy. It also depends upon the followers and the organizational climate prevailing in the organization. The different types of leadership styles are:

- ✓ Autocratic Leadership.
- ✓ Participative Leadership
- ✓ Free reins Leadership.

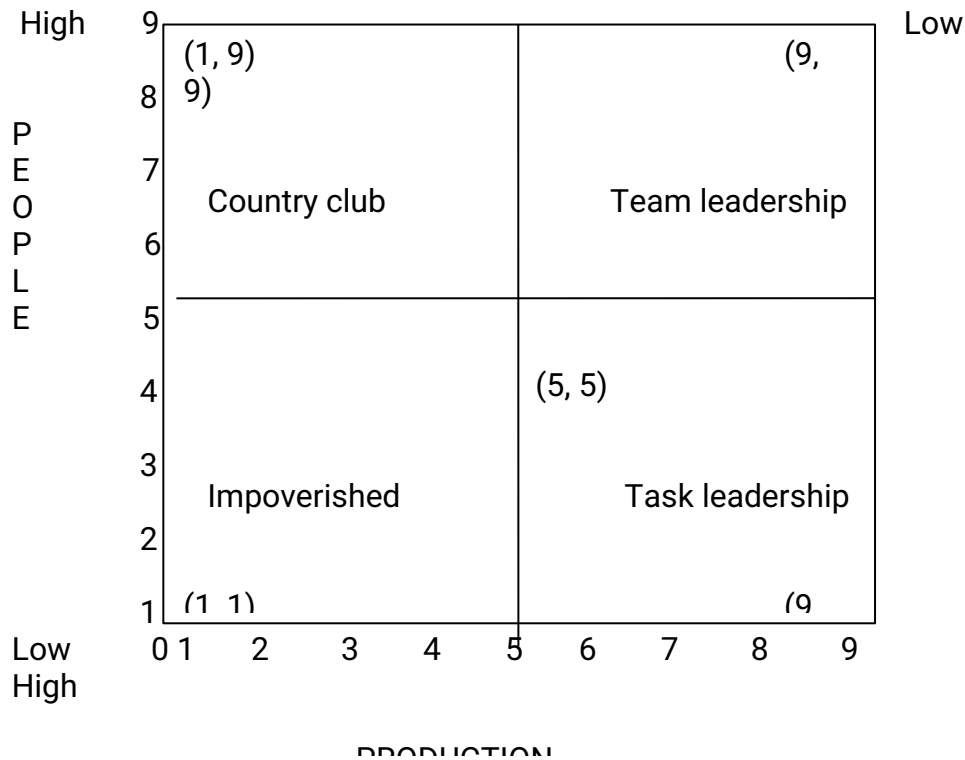
- (i) **Autocratic or Authoritarian Leader:** The autocratic leader gives orders which he insists shall be obeyed. He determines policies for the group with consulting them, and does not give detailed information about future plans, but simply tells the group what immediate steps they must take. He gives personal praise or criticism to each member on his own initiative and remains aloof from the group for the major part of the time.
- (ii) **Participate or Democratic Leader:** A democratic leader is one who gives orders after consulting the group, sees to it that policies are worked out in group discussions and with the acceptance of the group. He never asks people to do things without sketching out the long-term plans on which they are working. He makes it clear that praise or blame is a matter for the group and participates in the group as a member.
- (iii) **Free Rein or Laissez Faire Leader:** Such a leader does not lead, but leaves the group entirely to itself. He is represented by the Chairman of the board who does not manage, but leaves all responsibility for most of the work to his subordinates. The free rein leader depends largely upon the group to establish its own goals and work out its own problems. Group members work themselves and provide their own motivation. The manager exists as a contact man with outsiders to bring for his group the information and resources it needs to accomplish its job.

## MANAGERIAL GRID

**Managerial grid:** One of the most widely known approaches of leadership styles is the managerial grid developed by Blake and Mouton. Managerial grid is also known as "Leadership grid". They emphasized that leadership style consists of factors of both task oriented and relation oriented behavior in varying degrees. The managerial grid reflects multi dimensional nature of leadership and helps in measuring relative concern of manager for people and task.

The managerial grid identifies various alternative combinations of both styles of concern for people and concern for production.

1. Impoverished leadership style (1, 1)
2. Team leadership (9, 9)
3. Middle of the road leadership (5, 5)
4. Task leadership (9, 1)
5. Country club leadership (1, 9)



- ✓ **Impoverished leadership style (1, 1):** This style refers to minimum concern on the part of leader for both productions as well people. The efforts of the leader towards works situation to take care of itself. This style is sometimes called “Laissez-Faire” management, because the leader abdicated his leadership role and leaves everything to the situation. The leader believes that use of minimum efforts is required to get work done and to sustain morale of the members. In this style, there is no guidance, no support for creativity and innovation. The leader avoids controversy and confrontation.
- ✓ **Team leadership (9, 9):** It refers to high concern for production and people. It is concerned as the effective management style. Because the style of leadership will in almost all situations results in improved performance, low absenteeism and turnover and high employee’s satisfaction. Such type of leader are successful in creating highly encouraging organizational climate of commitment and cooperation and building interpersonal relation based on mutual trust and respect.
- ✓ **Middle of the road leadership (5, 5):** It refers to equal concern for production and people. Such leaders believe that adequate level of organizational performance is possible through balancing the necessary to get work done by maintaining morale of the people at satisfactory level. It is sage style seeking balance between requirements of production and needs of the people.
- ✓ **Task leadership (9, 1):** It represents high concern for production and low concern for people. The leader places more emphasis on production targets and productivity and other factor like people’s needs, and satisfaction become secondary. The leader stressed on authority compliance. He arranges conditions of work in such a way that

human elements interfere to a minimum degree.

**Country club leadership (1, 9):** It refers to low concern for production but high concern for people. This style is anti-thesis of task leadership. Such leader believes in creating friendly inter-personal relation with people at work. He creates enthusiasm among them and motivates.

## Attitude

### Definition of Attitude:

According to Gordon Allport, "An attitude is a mental and neural state of readiness, organized through experience, exerting a directive or dynamic influence upon the individual's response to all objects and situations with which it is related."

### Nature of Attitude:

- Attitude are a complex combination of things we tend to call personality, beliefs, values, behaviors, and motivations.
- An attitude exists in every person's mind. It helps to define our identity, guide our actions, and influence how we judge people.
- Although the feeling and belief components of attitude are internal to a person, we can view a person's attitude from his or her resulting behavior.
- Attitude helps us define how we see situations, as well as define how we behave toward the situation or object.
- Attitude provides us with internal cognitions or beliefs and thoughts about people and objects.
- Attitude cause us to behave in a particular way toward an object or person.

### Definition of Job Satisfaction:

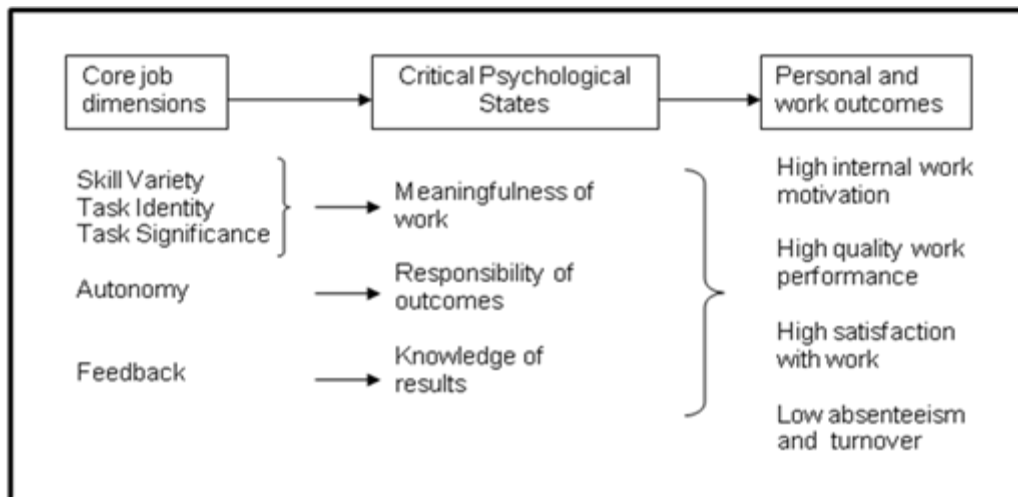
According to S.P. Robbins, "Job satisfaction refers to an individual's general attitude toward his or her job."

### Importance of job satisfaction:

- Lower Turnover.
- Higher Productivity
- Increased Customer Satisfaction.
- Employee Absenteeism.
- Helps to Earn Higher Revenues.
- Satisfied Employees Tend to Handle Pressure.
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### Job Characteristics Model

The Job Characteristics Model (JCM) explains that job satisfaction occurs when the work environment encourages intrinsically motivating characteristics. Five key job characteristics: skill variety, task identity, task significance, autonomy and feedback, influence three psychological states .Subsequently, the three psychosocial states then lead to a number of potential outcomes, including: job satisfaction.



### INTERPERSONAL BEHAVIOR :

Interpersonal behavior is the interaction between two or more persons. It is imperative to building and maintaining any type of relationship in our social world. However, when looking at interpersonal behavior in the workplace, things become a little more complicated. Interpersonal behavior affects the relationships between coworker and coworker, coworker and supervisor, and even worker and customer. Interpersonal relationships are important in career and job success. Positive relationships can lead to harmonious work achievement, overall happiness, and even success. Negative relationships can lead to poor work performance and can hinder problem solving and conflict resolution.

### Definitions of Organizational Conflict:

According to S. R. Robbins defines conflict as "a process in which an effort is purposefully made by a person or unit to block another that result in frustrating the attainment of others goals or furthering of his or her interests."

### The Types Of Organizational Conflict :

#### Type # 1. Task Conflict:

Task conflict relates to the content and goal of the work. According to Graves, task conflict arises among members of team and affects the goals and tasks they are striving to achieve. It can be based on differences in vision, intention, and quality expectation.

#### Type # 2. Role Conflict:

Conflict surrounding roles and responsibilities are especially common during or immediately following organisational change, particularly restructurings. People may be unclear on who is responsible for which decisions and outputs.

#### Type # 3. Process Conflict:

This is related to how the work gets done. This form of conflict centres around, the process, procedures, steps or methods used to reach goal. One person might like to plan many steps ahead while others might like to dive in headfirst. These differences in approaches or processes can lead to communication break downs and ultimately conflict. Healthy differences in approaches to process will often lead to improved way of doing job.

#### Type # 4. Directional Conflict:

Directional conflict arises when organisations are forced to rethink their strategies and focus on shorter-term activities, as many did during the economic downturn. Employees may not know how to prioritise long-term versus short-term needs, or one department may work tactically while another remains strategic.

### **Type # 5. External Conflict:**

External conflict arises when pressures from customers or other stakeholders impact internal decisions. Recent economic challenges compelled organisations to adjust and adapt, for example, by lowering prices while providing enhanced customer service. Sales or customer service personnel advocating for customers' needs may have come into conflict with operations trying to meet internal goals.

### **Power:**

#### **Definition of power:**

According to Weber, "Power as the probability that one actor (individual or group) within a social relationship in a position to carry out his own will despite resistance, regardless of the basis on which this probability rests".

### **Five Forms of Power**

1. Coercive Power
2. Reward Power
3. Legitimate Power
4. Referent Power
5. Expert Power

#### **1. Coercive Power**

This form of power is based upon the idea of coercion. This means that someone is forced to do something against their will. According to French and Raven there are also other forms of power that can be used in a coercive manner such as withholding rewards or expertise or using referent power to threaten social exclusion.

#### **2. Reward Power**

This type of power involves the ability of individuals to delegate matters they do not wish to do to other people and to reward them for this. For managers in an organization it is a perceived possibility to value or reward their subordinates' good results in a positive manner.

#### **3. Legitimate Power**

This form of power gives the ability to link certain feelings of obligation or notion of responsibility to the management. Rewarding and punishing employees can be seen as a legitimate part of the formal or appointed leadership role. Most managers in organizations execute a certain degree of reward and punishment.

#### **4. Referent Power**

This form of power is about management based on the ability to administer to someone a sense of personal acceptance or approval.

#### **5. Expert Power**

This form of power is based on in-depth information, knowledge or expertise. These leaders are often highly intelligent and they trust in their power to fulfil several organizational roles and responsibilities.

## **Quality of work life (QWL):**

### **Meaning :**

Quality of work life (QWL) refers to the favourableness or unfavourableness of a job environment for the people working in an organisation. The period of scientific management which focused solely on specialisation and efficiency, has undergone a revolutionary change.

### **Definition:**

"The overriding purpose of QWL is to change the climate at work so that the human-technological-organisational interface leads to a better quality of work life."

-Luthans

## **Quality of Work Life (QWL)**

Quality of work life is a concept which talks about the overall focus on employee as a person rather than just the work done by him/her. Quality of Work Life is becoming an increasingly popular concept in recent times. It basically talks about the methods in which an organisation can ensure the holistic well-being of an employee instead of just focusing on work-related aspects.

## **Importance of quality of work life**

Quality of work life (QWL) is a fact that an individual's life can't be compartmentalised and any disturbance on the personal front will affect his/her professional life and vice-versa. A good work life balance is also what motivates an employee the most to perform well at his or job and also spend quality time with the family. Therefore, organisations have started to focus on the overall development and happiness of the employee for their motivation and reducing his/her stress levels without jeopardising the economic health of the company. A good time management schedule helps employees balance their work and personal life.

## **GROUP DYNAMICS**

### **Introduction:**

The individuals and groups constitute the human resource foundations of organizations. Groups are every where and are inevitable social fabric as all of us spend most of us live in social situations. A group consists of two or more persons who interact with each other, consciously for the achievement of certain common objectives. The number of the group is interdependent and is aware that they are part of a group. The numbers of the group are interdependent and are aware that they are part of group. They are influenced by each other.

### **Definition of group**

"A group consists of two or more persons who interact on the each other consciously for the achievement of certain common objectives. The members of the group are mutually inter-dependent and they are aware that they are part of a group"

\_\_Martin E.Shaw

"A group is any number of people who interact with one another, are psychologically aware of one another and perceive themselves to be a group"

\_\_Edgar schein

## **CHARACTERISTIC OF GROUPS:**

- ✓ **Interaction:** A very common characteristic of a group is mutual interaction between the members of the group. In a wider term, interaction is a communication. Such

- communication be oral or by gesture or by nodding the head.
- ✓ **Activities:** Almost all the group do one or more activities. Work group may be busy in activities on the work while in friendship groups one may talk each other
  - ✓ **Norms:** there are certain norms of the group that represents its culture or ethos. Every group has its own culture and a level of behavior by which it is recognized with in the society.
  - ✓ **Informal Leadership:** There must be an informal leader among the members of the group. It is nominated by members of the group taking into consideration the age, experience, technical knowledge, etc.
  - ✓ **Cohesion:** A group develops because it satisfies certain needs of its members. The more needs it satisfies, the more it attracts the members. This attraction or belonging may be called cohesiveness.
  - ✓ **Autonomy:** A group may be dependent or independent of other groups and, thus, have a different structure. When each member of a group has independent and different activities, the cohesiveness among members of the group will be less as compared to the group whose members are depends upon each other.
  - ✓ **Leadership Style:** The different styles of leadership influence the group cohesiveness differently. An effective leader keeps the members of the group close by helping them and satisfies their social needs.
  - ✓ **Outside Pressure:** Groups provide a sense of security for the individual members from pressures from other groups. The group members work together when they are threatened by a common danger.
  - ✓ **Management behavior:** The Behavior of management has a direct influence on the degree of cohesion that exists within a group. By creating competition among employees and by constantly comparing one employee with another, a manager may make close relations difficult.
  - ✓ **Gender of the Group:** Recent studies indicate that women are more cohesive than men. It should be assumed that women are less competitive and / or one more cooperative with people they as friends, colleagues, or team members.
  - ✓ **Common Elements:** Demographic and behavioral resemblance among the group members also contribute to higher state of cohesiveness.
  - ✓ **Satisfaction of Member's Needs:** If being a member of the group satisfies needs, they will have a strong desire to stay with the group.

## GROUP DYNAMICS:

The word dynamics comes from a Greek word meaning 'Force'. The term group dynamics refers to the forces operating in groups. The investigation of group dynamics consists of a study of these forces and the conditions modifying them. The practical application of group dynamics consists of the utilization of knowledge about these forces for the achievement of some purpose.

**Group dynamics** may be defined as the social process by which people interact face to face in small groups. Thus, it is concerned with the dynamic inter-action of individuals in a face to face relationship.

## FEATURES OF GROUP DYNAMICS:

1. **Perception:** Group Dynamics as defined by perception implies that every member of the group is aware of his respective relationship with others. The group consists of organisms or agents. The members or agents are engaged in interaction with one another. They have face to face meetings. They develop some impression or perception about each other and give their reactions to each other.
2. **Motivation:** Members join groups because they expect that the group will solve their problems. They want progress and promotion which are achieved through group



performance. The pressures and problems are jointly met by them. Group norms emerge to guide individual behavior.

3. **Group Goals:** Group Goals are targets towards which input, process and output are directed. Group goal is the essential component of group information, although it is not the only condition for forming a group. A goal is used for motivating the employees. The path goal relationship produces a higher responsibility for attaining the goals.
4. **Group Organization:** Group is an organization which is composed of different organs to attain certain objectives. A group has the structural elements of an effective organization. A socio-psychological group is evolved wherein two or more individuals are interrelated. It has a set standard of relationship among its members.
5. **Interdependency:** The main feature of a group is the members' interdependence. The members of a group may have a common goal but they may not be a part of the group because they are not interdependent. Individuals waiting for their turn at a bus stop have the common goal of travel but they do not constitute a group because the individuals are not interdependent.
6. **Interaction:** Members of a group must interact with each other. If they are interdependent but do not interact, the group's goals are not achieved. Members have an interpersonal problem-solving mode. If any problem arises, the interaction of all the members is needed to solve the problem.
7. **Entitativity:** A group has its own identity. It has similarity and proximity. It is felt and realized but cannot be seen. The collection of individual experiences becomes the guidelines for the members. The uniform, office and people become the symbol of a group.

#### **GROUP COHESIVENESS:**

The cohesiveness is an important factor that influences group effectiveness. Group cohesiveness refers to the degree to which group members form a strong collective unit reflecting a feeling of oneness. In other words, it refers to the extent to which members of a group are united and not together. It is the spirit of closeness.

According to **Rabbines**, group cohesiveness as "the degree to which group members are attracted to each other and share common goals. The more members are attracted to each other, the more the group goals align with individual goals and the greater the group cohesiveness".

#### **FACTORS DETERMINING GROUP COHESIVENESS:**

- ✓ **Status of the group:** Other things remaining same, people generally feel loyalty towards a high status group than towards a low status group. They are more conscious to conform to the norms of the group from which they want to escape.
- ✓ **Size of the group:** The effective group is relatively small. Small groups are more closely knitted than large ones. When the group is small its members have constant face to face contacts.
- ✓ **Nature of the group:** Heterogeneous groups are often less effective in promoting their own interests than groups whose members are alike on such factors as age, education, status, experience, background, etc., are better when the task or goal requires mutual cooperation and conflict free behavior.
- ✓ **Communication:** Groups, whose members are located close together and can interact frequently and easily, are likely to be more cohesive and effective than those at greater distance. Such groups tend to develop their own language and symbols and codes to communicate with group members.
- ✓ **Location of the group:** Location of the group plays an important role to enhance cohesiveness. Particularly, isolation from other groups of workers tends to build high

cohesiveness.

- ✓ **Autonomy:** A group may be dependent or independent of other groups and, thus, have a different structure. When each member of a group has independent and different activities, the cohesiveness among members of the group will be less as compared to the group whose members are dependent upon each other.
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## DIFFERENT TYPES OF GROUPS:

Broadly groups are classified into formal and informal groups:

1. Formal groups
2. Informal groups

**1. Formal groups:** Formal groups are deliberately structured to sub serve organizational interest. They are formed to accomplish the specific functions and organizations goals. There functions and goals are related to overall organizational goal. They serve as means to formal ends. They are shown on the organizational chart. Groups are empowered with the authority by the institution. Authority is always delegated to the position and not to the person.

## DIFFERENT TYPES OF FORMAL GROUPS:

- ✓ **Permanent and temporary formal groups:** Permanent formal groups are formed by the organization on the permanent basis and more or less exist till the organization exists. Board of directors, departmental units, staff groups, standing committees is some of the examples of formal groups.
- ✓ **Command groups:** The authority structure forms and determines the boundaries of divisions, departments and sections within the organization and these departments or sections or divisions are known as command groups.
- ✓ **Functional groups:** Functional groups are those groups whose primary task is to carry on the operations. In many cases, the functional groups may be congruent with the authority groups.
- ✓ Functional groups can be again classified into team, task and technological groups. The distinction between these groups involves the method role allocation and role fulfillment.
- ✓ **Team group** is specified and no fixed role to its individual. The general role of the group is set and the members of the group are allocated the roles according to the needs of the goal.
- ✓ **Task group** specifies a fixed job for each of its members and lays down the job

description. Thus, roles of the members are not interchangeable and if superior does so, it is not without much personal resistance and friction between superior and the member.

- ✓ **Technological group** is something different. Here the roles are assigned by the management. The position of the job is fixed and the method is laid down and the speed of work is fixed by some device.
- ✓ **Status group:** Status groups involve the member of the same status in an organization. The term is ambiguous in the sense that it includes a number of different ranking of positions which are frequently inconsistent with each other.

**2. Informal groups:** The members of the formal groups are asked to perform the functions which are necessary for him considering his role status in the organization. But as men can be engaged to work as a whole and not in parts, there are number of needs which cannot be satisfied through formal groups.

#### **DIFFERENT TYPES OF INFORMAL GROUPS:**

- ✓ **Friendship kinship group:** This kind of group involves close personalities as friends or relatives who are well known to each other beforehand. Mostly these groups are found in pairs and are useful in spreading influence and information.
- ✓ **Cliques:** These groups consist of colleagues and companions who normally observe certain norms and standards. They are closely intimate to each other. The number of members tends to be smaller say five or six.
- ✓ **Vertical clique:** Such cliques consist of people working in the same department irrespective of their rank difference. Such groups develop because of earlier acquaintance of people or the dependence of superior upon his subordinates for some formal purpose.
- ✓ **Horizontal clique:** This group consists of people of more or less same rank and working more or less in the same area. Such groups are formed coming across organization boundaries.
- ✓ **Sub-clique:** The group consists of some members of a clique inside the organization along with some other person outside the clique.
- ✓ **Isolates:** Actually this is not a group. An individual who is not the member of any group is called isolates. Such isolates do not participate in any social activity organized by the group.

#### **DECISION MAKING IN GROUP:**

Group decision making is the use of group of persons in the process of decision making. In group decision making problem is discussed in a detailed manner and various alternative solutions are developed. This enables to arrive at a desirable solution by consensus method.

**Robbins** has defined group making decision as “thinking, understanding and judging through coordinated action to arrive at the best possible, outcome for problem solving”.

According to Haynes and Massie “decision making is a process of selection from a set of alternative courses of action which is thought to fulfill the objective of the decision problem more satisfactorily than other”.

#### **GROUP DECISION MAKING PROCESS:**

1. Identification of problem
2. Diagnosing the problem
3. Discovering the alternatives
4. Evaluating alternatives
5. Selection of the best alternatives course of action

## 6. Implementation and follow up

- ✓ **Identification of problem:** The decision making process begins with the recognition or identification of a problem that requires a decision. The problem may arise due to gap between present and desired state of affairs. The threats and opportunities created by environmental changes may also create decision problems. At this stage, a manager should identify and define the real problem. A problem well defined is half solved.
- ✓ **Diagnosing the problem:** Diagnosing the real problem implies analyzing it in terms of its elements, its magnitude, its urgency, its courses and its relation with other problems. In order to diagnose the problem correctly, a manager must obtain all pertinent facts and analyze them carefully.
- ✓ **Discovering alternatives:** The next step is the search for the various possible alternatives. An executive should not jump on the first feasible alternative to solve the problem quickly. The courses of action open to decision maker are not always evident. A decision maker has to use his ingenuity and creativity to spot and inter-relate them.
- ✓ **Evaluation of alternatives:** Once the alternatives are discovered, the next stage is to evaluate or screen each feasible alternative. Evaluation is proves of measuring the positive and negative consequences of each alternative. Management must balance the costs against possible benefits.
- ✓ **Selection of best alternatives:** After evaluation, the optimum alternative is selected. Optimum alternative is the alternative that will maximize the results under given conditions. Choice of the best alternative is the most critical point in decision making.
- ✓ **Implementation and follow up:** once a decision is made, it needs to be implemented. Implementation involves several steps: the decision should be communicated to those responsible for its implementation. Acceptance of the decision should be obtained. Procedures and time sequence should be established for implementation.

## TECHNIQUES OF GROUP DECISION MAKING:

1. Brainstorming
  2. Nominal group technique
  3. Delphi technique
  4. Fish bowling
  5. Consensus making
- ✓ **Brainstorming:** Brainstorming technique involves a group of people, usually between five and ten, sitting around a table, generating ideas in the form of free association. The primary focus of the brainstorming technique is more on generation of ideas, rather than on evaluation of ideas, the idea being that if a large number of ideas can be generated, then it is likely that there will be a unique and creative solution among them.
  - ✓ **Nominal group technique:** Is used when high degree of innovation and idea generation is requires. The members have no discussion before a decision. It is similar to brainstorming. The members develop solutions independently, often writing them on cards. The ideas are shared with others in a structured format.
  - ✓ **Delphi technique:** It was originally developed by Rand Corporation as a method to systematically gather judgments of experts for use in developing forecasts. It is designed for groups that do not meet face to face. Generally the type of problems handled by this technique is not specific in nature or related to a particular situation at a give time.
  - ✓ **Fish bowling:** The technique of fish bowling is another variation of brainstorming, but is more structured and focused technique. In this technique, the decision making

group of experts is seated around a circle with a single chair in the center of the circle. One member of the group or the group leader is invited to sit in the center and give his opinion or views about the problem and his proposition of a solution. The other group members can ask him questions but there is no irrelevant discussion or cross talk.

- ✓ **Consensus mapping technique:** It is used for consolidating the results from several task force or projected groups and is used for problems that are multi dimensional have interconnected elements. This technique begins after a task group has developed and evaluated a list of ideas. The consensus mapping tries to pool the ideas generated by several task group to arrive at a decision. The facilitators in courage participants to search clusters and categories of ideas.

## TEAM BUILDING

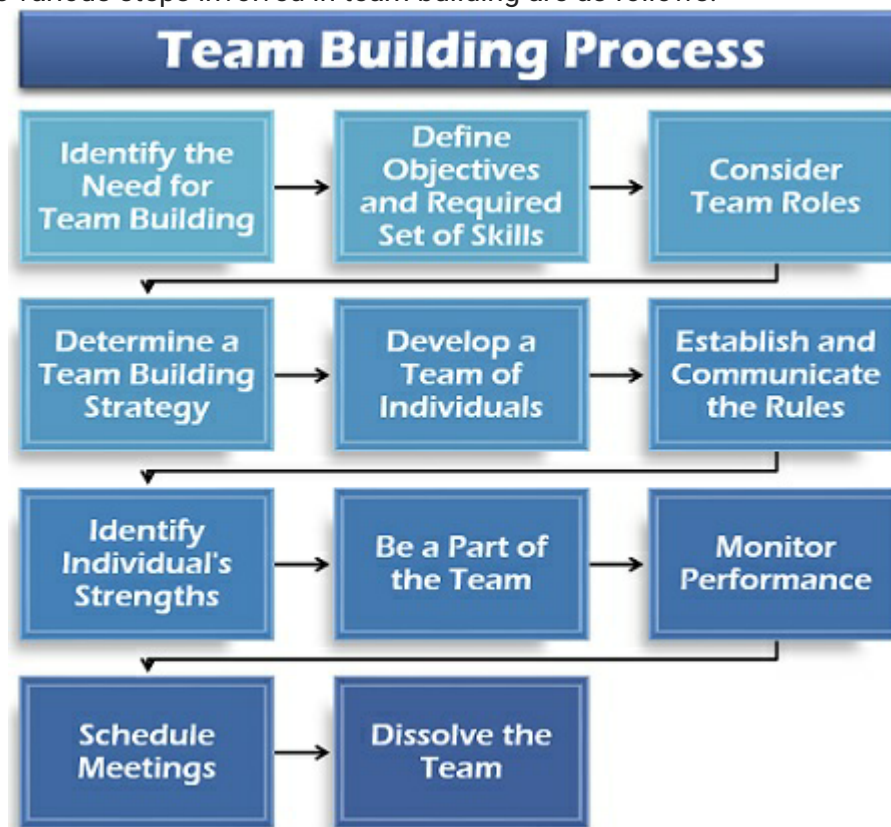
### Definition:

Team building is a management technique used for improving the efficiency and performance of the workgroups through various activities. It involves a lot of skills, analysis and observation for forming a strong and capable team. The whole sole motive here is to achieve the organization vision and objectives.

### Team Building Process:

Team building is not a one-time act. It is a step by step process which aims at bringing a desirable change in the organization. Teams are usually formed for a particular task or project and are mostly for the short term.

The various steps involved in team building are as follows:



### Identify the Need for Team Building

The manager has first to analyze the requirement of a team for completing a particular task. It should find out the purpose of the work to be performed, required skills for the job and its complexity before forming a team.

### **Define Objectives and Required Set of Skills**

Next comes the chalking down of the organizational objectives and the skills needed to fulfil it.

### **Consider Team Roles**

The manager considers the various aspects, i.e. the interactions among the individuals, their roles and responsibilities, strengths and weaknesses, composition and suitability of the possible team members.

### **Determine a Team Building Strategy**

The manager has to understand the operational framework well to ensure an effective team building. He must himself be assured of the objectives, roles, responsibilities, duration, availability of resources, training, the flow of information, feedback and building trust in the team.

### **Develop a Team of Individuals**

At this stage, the individuals are collected to form a team together. Each member is made familiar with his roles and responsibilities within the team.

### **Establish and Communicate the Rules**

The rules regarding the reporting of team members, meeting schedules, and decision making within the team are discussed. The individuals are encouraged to ask questions and give their views to develop open and healthy communication in the team.

### **Identify Individual's Strengths**

Various team-building exercises are conducted to bring out the strengths of the individuals. It also helps in familiarizing the team members with each other's strengths and weakness.

### **Be a Part of the Team**

At this point, the manager needs to get involved with the team as a member and not as a boss. Making the individuals realize their importance in the team and treating each member equally is necessary. The team members should see their manager as their team leader, mentor and role model.

### **Monitor Performance**

Next step is checking the productivity and performance of the team as a whole. It involves finding out loopholes and the reasons for it. This step is necessary to improve the team's performance and productivity in the long run.

### **Schedule Meetings**

One of the most crucial steps is to hold purposeful meetings from time to time to discuss team performance, task-related problems and discuss the future course of action.

### **Dissolve the Team**

Lastly, the manager needs to evaluate the results and reward the individuals on their contribution and achievement. Finally, the team is dispersed on the fulfilment of the objective for which it was formed.

## **ADVANTAGES OF TEAM BUILDING**



**DISADVANTAGES OF TEAM BUILDING:**



**UNIT - 5**

**ORGANIZATIONAL CHANGE**

An organization is an open system, which means that it is in a constant interaction and interdependent relationship with its environment. Any change in its external environment, such as changes in consumer tastes and preferences, competition, economic policies of the government, etc, make it imperative for an organization to make changes in its internal system.

The term change refers to any alteration which occurs in the overall work environment of an organization. It is to be emphasized that change is the law of nature.

Nothing is permanent except change.

**Meaning:** Change refers to any alternation that occurs in total work environment. Generally people are accustomed to a well established way of life and any variation in or deviation from that life may be called a change. Change may be very simple just like to shift the location of an office or it may be a more complex technological change which may even threaten the very existence of some people in the organization.

#### **LEVELS OF CHANGE:**

- 1. Individual level change**
- 2. Group level changes**
- 3. Organizational level**

**Individual level change:** The individual level change is noticed in such developments as changes in a job assignment, physical mobility to different location, or the change in maturity of a person which occurs overtime. It is to denote that changes at the individual level will seldom have significant implications for the total organization.

**Group level changes:** Many organizational changes have their impact at the group level. This is due to the fact that most activities in organizations are organized on a group basis. The groups could be formal group like departments, or informal work groups.

**Organizational level:** The change at organization level involves major programmes that affect both individuals and groups. Decisions regarding these changes are generally made by corporate management and are seldom implemented by only a single executive.

#### **TYPES OF CHANGES:**

- 1. Changes in knowledge, information and techniques**
- 2. Change in the scope of management**
- 3. Change in environment**
- 4. Changes in the issues and problems before managers**
- 5. Changes in management practices**

- ✓ **Changes in knowledge, information and techniques:** The profession of management has its deep roots in the engineering problems of production. The technique aspect of the management field is advancing greatly. Now a great deal of research is also being conducted in various institutions of the world on behavioral science.
- ✓ **Change in the scope of management:** The writing of early management thinkers was primarily concerned with technical problems and their solutions. But with the passage of time it was found that the process of management has universal application.
- ✓ **Change in environment:** The world is changing fast. Population changes have become extremely important for the managers. Other changes can be viewed as changes in consumers, factors of production, social conditions, political conditions and economic trends.
- ✓ **Changes in the issues and problems before managers:** There has been a great change both in magnitude and number in the problems before present day managers. These changes are caused by the emergence of large scale organizations and the separation of management from ownership.
- ✓ **Changes in management practices:** This includes new concepts and practice like total quality management system concepts like bench marking, reengineering, empowerment.

#### **THE PROCESS AND MODEL OF ORGANIZATIONAL CHANGE:**



Change in organization is brought about by people. The change in an organization can be initiated at the individual level, or organizational level. Organizational change takes place through a slow unfolding process or through cataclysmic events overturning status quo arrangements.

1. **Individual change and organizational change**
2. **Evolutionary change and revolutionary change**
3. **Reactive and proactive changes**

- ✓ **Individual change and organizational change:** The individual change is behavioral, determined by individual characteristics of members such as knowledge, attitudes, beliefs, needs, expectations, etc. A total change in an organization can be carried out by changing behavior of individual members through participative educative strategy.
- ✓ **Evolutionary change and revolutionary change:** An organization can be compared with any other open system organism; it can be described in terms of its birth, growth, maturity, senility, decline, entropy or death. Any organization, like other organism, passes through these stages and in the process changes itself from one form to another form. In each stage there are some critical concerns and key issues which consequences the concerns are not met with satisfaction.
- ✓ **Reactive and proactive changes:** The differences between reactive and proactive change corresponds, by way of analogy, to that between reflexive behavior and purposive behavior. An individual responds reflexively to a sudden intense light by eye-blinking or papillary contraction. This is an immediate, automatic response without any thought. A purposive response to the same stimulus would mean devising a plan to shield the eyes or removing the light.

#### **CAUSES FOR ORGANIZATIONAL CHANGE:**

**1. External factors:** In modern high-tech industrial society organization is considered as an open adoptive system which interacts with external environment on a regular basis. The following are some external factors:

- ✓ **Socio-cultural factors:** It includes changing cultural values and norms, social objectives, pattern of education, population dynamics, social traditions and customs, etc.
- ✓ **Economic factors:** It includes economic conditions of the country to which the organization belongs. Economic factors include market dynamics like demand, competition, and price mechanism, buying capacity, distribution of income and availability of various resources.
- ✓ **Political and legal factors:** It includes political system, ideology of the ruling party, political stability, morality and values.
- ✓ **Technological factors:** It includes new technology of production, innovation of new process and product, growing emphasis on research and development work.
- ✓ **Work environment factors:** It includes customers, suppliers, community and the society.

#### **2. Internal factors:**

- Top management and its policy and corporate policy.
- Retirement, promotion, resignation and transfer of key executives of the organization.
- Changes in the perception, attitudes, feelings, beliefs and expectations of the

- employees within the organization.
- Changes in the work schedule, allocation of duties, job-conditions, duty hours and composition of work group.

### PROCESS OF PLANNED CHANGE:

- ✓ **Change in the mission or objective:** The organization may be forced to change its objectives either by dropping some of them or adding some new one, due to rapidly changing environment.
- ✓ **Structural change:** The structural change implies redistribution of authority and responsibility among the members. It also includes rearranging of its internal system.
- ✓ **Technological change:** These changes are related to products being produced and process being used in the organization.
- ✓ **People oriented change:** Organization is a man made system, and is operated by people. To get better results and higher performance, some desirable changes are made in their working behavior and morale.

### RESISTANCE TO CHANGE:

Resistance to change involves employees behavior designed to discredit, delay or prevent the changes introduced for the development of an organization. They resist because they are afraid of their job security, working conditions, status, regression and other factors. The perceived threat may be real or imaginary.

- ✓ **Fear of economic loss:** People resist change when they perceive that they will lose some economic benefits. Fear of technological unemployment. Fear of reduced working hours and consequently reduced monetary benefits. Fear of demotion and consequently less pay. Fear of speed up and reduced incentive wages.
- ✓ **Obsolescence of skills:** Change may render the existing knowledge and skills obsolete. Old skills and techniques may become useless.
- ✓ **Status quo:** Perhaps the biggest and most sound reason for resistance to change is the status quo. People attach great importance to the status quo or existing position.
- ✓ **Ego defensiveness:** Sometimes change may be ego-deflating sometimes people resist change because it hurts their ego.
- ✓ **Social displacement;** Introduction of change often caused social displacement of people by breaking informal groups and relationships.
- ✓ **Fear of unknown:** Change presents unknown which causes anxiety. Change causes uncertainty and risk during the transition period.
- ✓ **Group pressure:** At times the members of a group oppose the change because the group to which they belong is not in favor of change.
- ✓ **Rigid organizational structure:** some organization structure has in built mechanism for resistance to change. Lack of adequate facility in the structure of organization may also become a source of resistance.
- ✓ **Threat of power and control:** When people at the top consider change as a potential threat to their position and influence, they resist it.

### ORGANIZATIONAL DEVELOPMENT:

Organizational development is a systematic and practical approach to launching and diffusing change in organizations. Simply stated, OD is an attempt to improve the overall organizational efficiency and effectiveness. It is basically a long range programme, not a one shot deal, attempting to change the behavioral attitudes and performance of the organization.

Burke has defined organizational development as a planned process of change in an

organizations culture through the utilization of behavioral science technology research and theory.

### FEATURES OF ORGANIZATIONAL DEVELOPMENT:

- ✓ **Long range effort:** Organizational development is not designed to solve short term temporary isolated problems. OD is basically a long term approach meant to evaluate the organization to a higher level of functioning by improving the performance and satisfaction of its member.
- ✓ **Broad based:** OD is a comprehensive strategy for organizational improvement. It is a planned attempt to bring about organization wide change.
- ✓ **Systems view:** It is based on open, adaptive systems concepts. It utilizes the open adaptive system concept. It recognizes that organizations structure and human beings working in it are mutually interdependence.
- ✓ **Dynamic process:** It recognizes that organizational objective change and, therefore, the methods of altering them should also change.
- ✓ **Research based:** OD involves surveys, data collection, evaluation and decision making.

### PROCESS OF ORGANIZATIONAL DEVELOPMENT:

- ✓ **Problem identification:** The problem may be identified in terms of the reasons due to which the organization is not able to achieve its objectives. Low productivity, low employee turnover, declining market share etc.
- ✓ **Initial diagnosis:** Collection and analysis of data are necessary. Observation, questionnaire and interviews may be used to collect the necessary data. Experience and judgment are equally important.
- ✓ **Planning change strategy:** At this stage an action plan is prepared. The plan involves the overall goals for organization development, determining the approach for implementing the change.
- ✓ **Intervention:** Intervention constitutes the action phase in OD process because it makes things happen.
- ✓ **Evaluation of feedback:** Continuous monitoring is necessary to evaluate the results of the organization development programme.

### STRESS MANAGEMENT:

Stress is the pressure people feel while at work and in private life. Stress at work is inevitable because of the thought process required in the job performance. Private life is full of anxieties and personal pressure. But stress becomes very harmful when it is seriously realized by the mind and heart. Then, it becomes painful and creates many physical and psychological problems which are reflected in the day to day life of organizational performances.

**Meaning:** Stress has been defined by different authors differently. Stress is a dynamic condition in which a person is faced with constraint and strains. Stress is the discomfort of an individual. Emotional disequilibrium is stress.

### STAGES OF STRESS:

- ✓ **Alarm:** The first stage of stress is alarm wherein the stress mobilizes the internal stress system. Many physiological and chemical reactions are observed during the alarm stage.
- ✓ **Resistance:** If the alarm stage is not prevented, resistance develops. The body organs become resistant but it paves the ways for the development of other

stressors.

- ✓ **Exhaustion:** Resistance or resistant stress creates exhaustion. The immunity of the body is reduced. Individuals feel fatigue and inability. Exhaustion develops moodiness, negative emotions and helplessness.

### CAUSES OF STRESS:

- ✓ **Environmental factors:** Environmental factors are as much contributory as the organizational factors to stress. Law and order problems create tension in the minds of employees. Technological uncertainties have a diverse impact on the people. Social pressures on the employees are commonly observed in the form of dissatisfaction. The outside forces have a tremendous impact on the employees.
- ✓ **Organizational factors:** Organizational factors such as management labor relations, working conditions, resource allocations, role of trade unions, behavior of co-workers, etc. are important factors which cause stress to the physiology and psychology of employees. Organizational policies and working procedures are not the least influential factors of an organization.
- ✓ **Group factors:** An organization includes group and individuals who influence each other and are influenced by the other. They cause stress and reduce it as well. Lack of group cohesiveness, lack of social support and group conflicts are potential causes of stress. Lack of togetherness is stress producing.
- ✓ **Individual factors:** Individual factors such as personal characteristics, life changes and role perceptions create stress in different forms at different levels.

### EFFECTS OF STRESS:

- ✓ **Physiological effects:** The impact of stress is mostly visible on one's body. Stress affects metabolism, increases heart beats and breathing rates, causes headache and high blood pressure. These symptoms do not directly influence an individual's performance on his job.
- ✓ **Psychological effects:** Stress affects the body as well as the mind of a person. Physical and mental health is adversely affected by stress. It has been observed that physical problems due to stress are possible only through mental tension.
- ✓ **Behavioral impact:** The impacts of stress have an ultimate impact on the behavior of people, although it has a direct impact on the mind and body. A distressed mind and disease prone body cannot have proper behavior. A sound mind and healthy body behaves properly.

### ORGANIZATIONAL EFFECTIVENESS:

Organizational effectiveness has been defined by various authorities such as, according to Georgopolous and Tannenbaum it is the extent, to which an organization, given certain resources and means, achieves its objectives without placing undue stress on its members. According to Mott it is the ability of an organization to mobilize its centers to power for action- production and adaptation.

According to Barnard it is the condition of an organization, in which specific desired ends are attained.

Organizational effectiveness means the ability of an organization to obtain resources, use them efficiently to attain specific goals, satisfying at the same time, interests of all stakeholders.

According to Dr. V.V.S. Sarma, organizational effectiveness can be defined as the ability of an organization to mobilize its center of power for action, production and adoption.

#### **APPROACHES OF ORGANIZATIONAL EFFECTIVENESS:**

- ✓ **Goal attainment approach:** The goal attainment approach is the most commonly used basis for approval of organizational effectiveness. According to Etzioni, a goal is an image of a future state of affairs, in other words, a goal represents the future state of affairs which an organization wants to achieve. Goal attainment is probably the most widely used criterion of organizational effectiveness.  
In the words of Chester J. Barnard effectiveness is the accomplishment of recognized objectives of co-operative effort. The degree of accomplishment indicates the degree of effectiveness.
- ✓ **Systems resource approach:** The system approach is based on the open system as applied to social organizations. An organization is a system and is a part of the environmental supra system. The systems view considers the nature of interaction between the organization and the environment to determine effectiveness. A systems approach to organizational effectiveness implies that organizations are made up of interrelated and interacting elements. The effectiveness of total system is dependent on the performance of all its subparts.
- ✓ **Strategic constituency approach;** The strategic constituency approach is much similar to the systems approach with an important difference that instead of taking into consideration the entire environment it concerns itself with only those systems or subsystems of the environment which are strategic in nature, which vitally affect the survival of the organization.
- ✓ **Behavioral approach:** The behavior of organizational members determines the nature of organizations response to the environmental demands. According to behavioral approach, the extent to which individual and organizational goals are integrated affects the degree of organizational effectiveness.

#### **EMPLOYEE COUNSELLING:**

Robinson said that, "the term counselling covers all types of two person situations in which one person, the client is helped to adjust more effectively to himself and his environment".

#### **Main Characteristics of Employee Counselling are:**

- (a) Service offered to employees.
- (b) Service is conducted in organisation.
- (c) Focus is on problems faced by employees.
- (d) Objective of counselling is problem solution.
- (e) Employee counselling serves all concerned.
- (f) Employee counselling is a continuous process.
- (g) Role of counsellor is important in counselling.

#### **Importance of Employees Counselling:**

1. It provides employees with an atmosphere where they can share and discuss their tensions, conflicts, concerns, and problems with their supervisors.
2. It is a process of helping employees to realise their full potential by making them understand their strengths and weaknesses.
3. Counselling provides employees with the reassurance and courage to face the problems confidently.
4. Releasing emotional tension is an important function of counselling. Release of tension may not solve the entire problem but it removes mental blocks to the solution.

5. Counselling sessions also help employees to get an opportunity to understand the business environment and set realistic goals for further improvements.

### **Types Of Employee Counselling:**

#### **Type # 1. Performance Counselling:**

If the performance of an employee starts declining at the workplace, the need for performance counselling arises. The counsellor should try to identify the underlying causes behind the employee's poor performance. The reasons could be office stress, unachievable deadlines, problems in interpersonal relations with other employees, etc. After recognizing the problem, the counsellor can advise about how to deal with it.

#### **Type # 2. Disciplinary Counselling:**

This type of counselling takes place when an employee's behaviour falls short of the standards expected. An employee may suddenly start picking up fights, become irritable, be absent from work for long, etc. The counsellor should interview the employee and confront him about his behavioural problems.

#### **Type # 3. Personal Counselling:**

Workplace problems are not the only problems that employees face; personal and family problems also affect their performance. Families and friends are integral parts of any human being's life; tension in a worker's personal life affects his work performance adversely.

#### **Type # 4. Stress Management in Workplace:**

Working in the modern job environment is very stressful with so many deadlines to meet and targets to achieve. Employees may become anxious and tense due to their high pressure workload. This not only affects their productivity on the job, but also their mental health.