International Institute of Technology and Management, Murthal

UNIT – 1 (QUESTION BANK)

1. What is Organizational Behaviour? Discuss the challenges of OB.

2. Explain the field of OB. What is the study challenging?

3. What is meant by OB? Describe it's evolution as a subject of study.

4. What are various fields that have contributed to the field of OB? Explain their contribution.

5. What do you mean by OB? Explain its need, importance and scope.

6. Discuss the role of Organizational Behaviours for managers.

UNIT – 1 (NOTES)

1.1 Organizational Behavior: Definition, Importance, Nature, Model

Organizational behavior- it is made out of two words "organization" and "behavior."

What is an organization?

Organization as two or more individuals who are interacting with each other within a deliberately structured set up and working in an interdependent way to achieve some common objective/s. Organizations play a major role in our lives. We possibly cannot think of a single moment in our lives when we are not depending on organizations in some form or the other. Right from the public transport that you use to come to your institute, the institutes itself, the class you are attending at this moment, are all examples of organizations.

What is Behavior?

It is the behavior of the people working in an organization to achieve common goals or objectives. Organization comprises of people with different attitudes, cultures, beliefs, norms and values. So let us understand organizational behavior and what it exactly it means. "Organizational Behavior" cam be defined as the study of what people think, feel, and do in and around organizations. The study of Organizational Behavior facilitates the process of explaining,

understanding) predicting, maintaining, and changing employee behavior in an organizational setting. The value of organizational behavior is that: it isolates important aspects of the manager's job and offers specific perspective on the human side of management:

- People as organizations,
- People as resources,
- People as people

In other words, it involves the understanding, prediction and control of human behavior and factors affecting their performance and interaction among the organizational members. And because organizational behavior is concerned specifically with employment - related situations, you should not be surprised to find that it emphasizes behavior as related- to concerns such as jobs, work, absenteeism, employment turnover, productivity, human performance and management

Features of Organizational Behavior

Organizational Behavior is the study and application of knowledge about how people, individuals, and groups act in organizations. It does this by taking a system approach. That is, it interprets people-organization relationships in terms of the whole person, the whole group, the whole organization, and the whole social system. Its purpose is to build better relationships by achieving human objectives, organizational objectives, and social objectives.

Organizational Behavior is;
- A Separate Field of Study and not a Discipline Only.
- An Interdisciplinary Approach.
- Applied Science.
- Normative Science.
- A Humanistic and Optimistic Approach.
- A Total System Approach.

These 6 features or characteristics show the nature of Organizational Behavior that is the study of understanding and control behavior within the organization.

Objectives of Organizational Behavior

The organizations in which people work have an effect on their thoughts, feelings, and actions. These thoughts, feelings, and actions, in turn, affect the organization itself. Organizational behavior studies the mechanisms governing these interactions, seeking to identify and foster behaviors conducive to the survival and effectiveness of the organization.

1. Job Satisfaction.
2. Finding the Right People.
3. Organizational Culture.
4. Leadership and Conflict Resolution.
5. Understanding Employees Better.
6. Understand how to Develop Good Leaders.
7. Develop a Good Team.

Nature of Organizational Behavior (OB)

Organizational behavior is an applied behavioral science that is built on contributions from a number of behavioral disciplines such as psychology, sociology, social psychology, anthropology and economics.

Psychology

Psychology is the study of human behavior which tries to identify the characteristics of individuals and provides an understanding why an individual behaves in a particular way. This thus provides us with useful insight into areas such as human motivation, perceptual processes or personality characteristics.

Sociology

Sociology is the study of social behavior, relationships among social groups and societies, and the maintenance of social order. The main focus of attention is on the social system.

This helps us to appreciate the functioning of individuals within the organization which is essentially a socio-technical entity. Social psychology is the study of human behavior in the context of social situations. This essentially addresses the problem of understanding the typical behavioral patterns to be expected from an individual when he takes part in a group.

Anthropology

Anthropology is the science of mankind and the study of human behavior as a whole. The main focus of attention is on the cultural system, beliefs, customs, ideas and values within a group or society and the comparison of behavior among different cultures. In the context of today's organizational scenario. It is very important to appreciate the differences that exist among people coming from different cultural backgrounds as people are often found to work with others from the other side of the globe.

Economics

Any organization to survive and sustain must be aware of the economic viability of their effort. This applies even to the non-profit and voluntary organizations as well.

Political Science

Although frequently overlooked, the contributions of political scientists are significant to the understand arrangement in organizations. It studies individuals and groups within specific conditions concerning the power dynamics. Important topics under here include structuring of conflict, allocation of power and how people manipulate power for individual self-interest etc.

1.2 Scope of Organizational Behaviour and its Importance in Management

Organizational behaviour helps in understanding the various activities and activities of the people in the organization. It also helps in motivating them. People, the environment, technology and structure are the main four elements of organizational behaviour. The scope of this mixture is simply the scope of organizational behaviour. In a very broad sense, the role of organizational behaviour is to the extent it can control or influence the operation of an organization. Organizational Behaviour Organizations have a study of human behaviors at work. According to OB's scope, it involves the study of individuals, groups and organization structure. Organization is a union of individuals. Organizational behavior recognizes the causes and effects of human behavior and puts the light on complex human factors in the organization. Organization behavior is called social science because its main concerns are considered by people and their behavior. It is a field of study that integrates behavioral science like psychology, and anthropology to study human behavior in the field around the organizations. Organizational behavior is focused on five levels of analysis:

- person
- group
- the personality
- Attitude
- feeling

The scope of organizational behaviors integrates 3 concepts, respectively –

Individual behaviour

It is a study of personality, study, attitude, inspiration and job satisfaction of a person. In this study, we interact with others to study them and make their assumptions about them.

Example – In addition to the ones mentioned in Resume, a round of personal interview is organized to interact with the candidates to check their skills.

Inter-individual Behaviour

It is a study of people's leadership qualities, group mobility, group struggle, power and politics, as well as through communication between employees and their subordinates.

Example – A meeting to decide the list of new board members

Group Behaviour

Group behaviours study the structure of organization, formation of organization and effectiveness of the organization.

Example – strike, rally etc.

Organizational Behaviour

Understanding the relationship between an organization and its employees: The study of organizational behaviours helps a better understanding of the relationship between an organization and its employees, which helps in the development of better human resource strategies in improving the work environment, employee loyalty and increasing the overall value of human capital for the organization is.

Motivating employees: The knowledge of organizational behaviours aid managers understand and inspire their employees better. Managers with the study of organizational behaviour implement different motivational tools according to individual needs, resulting in better performance of the organization.

Improvement in industrial / labour relations: Organizational behaviours help in understanding the cause of a problem, predict its future course and regulates its results. As a result, the manager can maintain a better relationship with his employees by solving any problem in the bud.

Effective use of human resources: Knowledge of organizational behaviours helps managers manage their employees effectively and efficiently, motivates and induces them to higher efficiency and productivity through better understanding and analysis of human behaviours.

Predicting human behaviours: This is probably the most important reason for studying organizational behaviours in management. Knowledge of organizational behaviours prepares students to become better manager by becoming a student of human behaviours from management perspective and thereby contributing to organizational effectiveness and profitability.

1.3 Elements of OB

1. People/ Employee:

The employee is one of the very important parts of an organization. There is no alternative in an organization without employees/people. Organizations and employees are connected to each other and it will remain forever.

2. Structure:

This is the second step in organizational behavior. Actually, Structure means the formal relationship with on the job employee of an organization. There is created different types of position for doing work nicely in the organization. These positions or designations are Manager, Accountant, Administration, and general staff. These officers and staff have to connect structurally so that they can work efficiently and can play an important role in organizational development.

3. Technology:

Technology is a very important primary aspect of organizational structure in the modern age. Technology supplies essential resources and equipment to the employee for doing their work efficiently. Thus technology affects their activity. Employees are not able to finish their work with the bare hand. They build the buildings, prepare the design of the devices, determine

the working process, assemble the resources with the help of technology. Technology effects notably on the correlation of workers at the workplace.

4. Social System:

Everything around us is society and everyone in social lives together. The social system determines the organizational work environment and from which the organization can operate. As people cannot live alone just like an organization cannot run alone its job. The organization has to do its activity with the help of the employee.

1.4 Contributing Disciplines to the Organization Behavior Field

Organizational behavior is an applied behavioral science that is built on contributions from a number of behavioral disciplines. The predominant areas are psychology, sociology, social psychology, anthropology, and political science. Psychology contributions have been mainly at the individual or micro level of analysis, while the other four disciplines have contributed to our understanding of macro concepts such as group processes and organization. Psychology is the science that seeks to measure, explain, and sometimes change the behavior of humans and other animals. Psychologists concern themselves with studying and attempting to understand individual behavior. Those who have contributed and continue to add to the knowledge of OB are learning theorists, personality theorists, counseling psychologists, and, most important, industrial and organizational psychologists. There are some important disciplines in the organizational behavior field which developed it extensively. Due to an increase in organizational complexity, various types of knowledge are required and help in many ways.

Contributing disciplines to OB fields are;
  (i)   Psychology
  (ii)   Sociology
  (iii)   Social Psychology
  (iv)   Economics
  (v)   Anthropology

(vi)   Political sciences

Psychology

Psychology has perhaps the first influence on the field of organizational behavior because it is a science of behavior. A psychologist studies almost all aspects of behavior. Psychology deals with studying human behavior that seeks to explain and sometimes change the behavior of humans and other animals. Psychologists are primarily interested in predicting the behavior of individuals to a great extent by observing the dynamics of personal factors. Those who have contributed and continued to add to the knowledge of OB are teaching theorists, personality theorists, counseling psychologists and primary, industrial and organizational psychologists. Some of the numerous areas of interest within the disciplines of psychology are:

- General Psychology
- Experimental Psychology
- Clinical Psychology
- Consumer Psychology
- Personality and Social Psychology
- Industrial Psychology
- Counseling Psychology
- Educational Psychology
- Consulting Psychology

Understanding Psychological principles and its models help significantly in gaining the knowledge of determinants of individual behavior such as;

- the learning process,
- motivation techniques,
- personality determinants and development,
- perceptual process and its implications,
- training process,

- leadership effectiveness,

- job satisfaction,

- individual decision making,

- performance appraisal,

- attitude measurement,

- employee selection,

- job design and work stress.

Sociology

The major focus of sociologists is on studying the social systems in which individuals fill their roles. The focus is on group dynamics. They have made their greatest contribution to OB through their study of group behavior in organizations, particularly formal and sophisticated organizations. Sociological concepts, theories, models, and techniques help significantly to understand better the group dynamics, organizational culture, formal organization theory and structure, corporate technology, bureaucracy, communications, power, conflict, and intergroup behavior. Psychologists are primarily interested in focusing their attention on individual behavior. Most sociologists today identify the discipline by using one of the three statements:

- Sociology deals with human interaction arid this communication are the key influencing factor among people in social settings.
- Sociology is a study of plural behavior. Two or more interacting individuals constitute a plurality pattern of behavior
- Sociology is the systematic study of social systems.

A social system is an operational social unit that is structured to serve a purpose. It consists of two or more persons of different status with various roles playing a part in a pattern that is sustained by a physical and cultural base. When analyzing organizing as a social system, the following elements exist:

- People or actors

- Acts or Behavior

- Ends or Goals

- Norms, rules, or regulation controlling conduct or behavior

- Beliefs held by people as actors

- Status and status relationships

- Authority or power to influence other actors

- Role expectations, role performances, and role relationships.

Therefore, organizations are viewed by sociologies as consists of a variety of people with different roles, status, and degrees of authority. The organization attempts to achieve certain generalized and specific objectives. To attain some of the abstract ends such as the development of company loyalty, the organization's leaders appeal to the shared cultural base.

Social Psychology

It has been defined as the scientific investigation of how the thoughts, feelings, and behavior of individuals are influenced by the actual, imagined or implied the presence of others. It deals with how people are affected by other individuals who are physically present or who are imagined to be present or even whose presence is implied. In general, sociology focuses on how groups, organizations, social categories, and societies are organized, how they function, how they change. The unit of analysis is the group as a whole rather than the individuals who compose the group. Social Psychology deals with many of the same phenomena but seeks to explain whole individual human interaction and human cognition influences culture and is influenced by culture.

In reality, some forms of sociology are closely related to social psychology. Social Psychologists study an enormous range of topics including conformity, persuasion, power, influence, obedience, prejudice, discrimination, stereotyping, sexism and racism, small

groups, social categories, inter-group behavior, crowd behavior, social conflict, social change, decision making, etc Among them, the most important topics relevant to the organizational behavior field are behavioral change, attitude change, communication, group process, and group decision making. Social psychologists making significant contributions to measuring, understanding and improving attitudes, communication patterns in how groups can satisfy individual needs and group decision-making processes.

Anthropology

The main aim of anthropology is to acquire a better understanding of the relationship between the human being and the environment. Adaptations to surroundings constitute culture. The manner in which people view their surroundings is a part of the culture. Culture includes those ideas shared by groups of individuals and languages by which these ideas are communicated. In essence, culture is a system of learned behavior. Their work on culture and environment has helped us to understand differences in fundamental values, attitudes, and behavior among people in different countries and within different organizations. Much of our current understandings of organizational culture, environments, and differences between national cultures are the results of the work of anthropologists or those using their methodologies. The world is the laboratory of anthropologists, and human beings must be studied in the natural habitat. Understanding the importance of studying man in natural settings over time enables one to grasp the range of anthropology. Familiarity within some of the cultural differences of employees can lead to greater managerial objectivity and depth in the interpretation of behavior and performance. Anthropologists contribute to study some aspects of organizational settings – similar values, comparative attitudes, cross-cultural analysis between or among the employees.

Political Sciences

Contributions of political scientists are significant to the understanding of behavior in organizations. Political scientists study the behavior of individuals and groups within a political environment. They contribute to understanding the dynamics of power centers, structuring of conflict and conflict resolution tactics, allocation of power and how people manipulate

power for individual self-interest. In a business field, organizations wanted to attain supremacy in their field and indulge in politicking activities to gain maximum advantages by following certain tasks like Machiavellianism, coalition formation, malpractices, etc. The knowledge of political science can be utilized in the study the behavior of employees, executives at micro as well as macro level.

Economics

Economics contributes to organizational behavior to a great extent in designing the organizational structure. Transaction cost economics influence the organization and its structure. Transaction costs economics implies cost components to make an exchange on the market. This transaction cost economics examines the extent to which the organization structure and size of an organization varies in response to attempts to avoid market failures through minimizing production and transaction costs within the constraints of human and environmental factors. Costs of transactions include both costs of market transactions and internal coordination.

1.5 Challenges and opportunities of Organizational behaviour

Main challenges and opportunities of organizational behavior are;

1.   Improving Peoples' Skills.
2.   Improving Quality and Productivity.
3.   Total Quality Management (TQM).
4.   Managing Workforce Diversity.
5.   Responding to Globalization.
6.   Empowering People.
7.   Coping with Temporariness.
8.   Stimulating Innovation and Change.
9.   Emergence of E-Organization & E-Commerce.
10.   Improving Ethical Behavior.
11.   Improving Customer Service.
12.   Helping Employees Balance Work-Life Conflicts.

13. Flattening World.

1.6 Evolution of OB

The practice of management can definitely be traced back to ancient time say, during the era of building huge structures like pyramids in Egypt or temples in India or the churches, but the formal discipline of management as we find it today evolved only during the later part of nineteenth century. After completing this lesson, you will be able to learn the following;

- • Scientific management
- • Classical administration
- • The human relations approach
- • The systems approach
- • The contingency approach

Scientific Management Frederick Taylor (1865-1915)

Frederick Taylor (1865-1915) was among the first to argue that management should be based on the following principle instead of depending on more or less hazy ideas: Well-matched.

- • Clearly defined
- • Fixed principles

He pioneered the "scientific management'7 movement which suggested that systematic analysis could indicate "accurate" methods, standards and timings for each operation in an organization's activities. The duty of management was to select, train and help workers to perform their jobs properly. The responsibility, of workers was simply to accept the new methods and perform accordingly. The practical application of this approach was to break each job down into its smallest and simplest component pans or "motions". Each single motion in effect became a separate, specialized-job to be allocated -to a separate worker. Workers were selected and trained to perform such Jobs in the most efficient way possible,

eliminating all wasted motions or unnecessary physical movement. A summary of scientific management, in Taylor's own words, might be as follows.

(a) The man who is fit to work at any particular' trade is unable to understand the science of that trade without the kind help and co-operation of men of a totally different type of education.

(b) It is one of the principles of scientific management to ask men to do things in the right way, to learn something new, to change their ways in accordance with the science and in return to receive an increase of from 30% to 100% in pay.

Frederic Taylor's Five Principles of Management
- Develop a science for each element of an individual's work
- Scientifically select, train and develop the worker
- Heartily cooperate with the workers
- Divide work & responsibility equally between managers & workers
- Improve production efficiency through work studies, tools, economic incentives

Classical Administration Theory of Management

Henri Fayol (1941-1925) was a French industrialist who put forward and popularized the concept of the "universality of management principles." In other words, he advocated that all organizations could be structured and managed according to certain rational principles. Fayol himself recognized that applying such principles in practice was not simple: "Seldom do we have to apply the same principles twice in identical conditions; Contribution must be made for different changing circumstances." Among his principles of rational organization, however, were the following influential ideas.

Division of work— Dividing the work into small convenient components and giving each component to one employee. It encourages employees for continuous improvement in skills. The development of improvements in methods.

1. Authority- The right to give orders and the power to exact obedience.

2. Discipline- No slacking, bending of rules.

3. Unity of command— each employee has one and only one boss.

4. Unity of direction- A single mind generates a single plan and all play their part in that plan.

5. Subordination of individual interests— when at work, only work things should be pursued or thought about.

6. Remuneration— Employees receive fair payment for services, not what the company can gateway with.

7. Centralization— Consolidation of management functions.

8. Scalar chain (line of authority) — Formal chain of command running from top to bottom of the organization, like military.

9. Order— all materials and personnel have a prescribed place, and they must remain there.

10. Equity— Equality of treatment (but not necessarily identical treatment)

11. Personnel tenure— Limited turnover of personnel. Lifetime employment for good workers'

12. Initiative— Thinking out a plan and do what it takes to make it happen.

13. Esprit de corps— Harmony, cohesion among personnel.

UNIT – 2 (QUESTION BANK)

1. What are the various elements of learning? Can learned behaviour development forgotten?

2. What are the various factors which affect personality development of an individual?

3. Explain the mechanism of perception discuss the perceptual error which usually creep in appraising the performance of employee also suggest measures to avoid such error.

4. What is learning? Explain concept and theory of learning.

5. Define personality critically. Examine the Freudian stag of personality development.

6. Explain the following:

   (a) Perceptual error.   (b) Maslow's need hierarchy theory of motivation.

7. What is personality? Discuss the determinants of personality. Examine theory of personality.

8. Discuss perceptual process. Examine the concept, process and theory of perception.

UNIT – 2 (NOTES)

2.1 THE INDIVIDUAL PROCESSES

In management literature, it has been demonstrated that there are several basic psychological processes responsible for key aspects of people's behaviour in organizations. Personality is the exceptional and relatively stable pattern of behaviour, thoughts, and emotions shown by individuals. Briefly, personality refers to the lasting ways in which any one person is different from all others. Personality is used to describe people. Psychologists defined personality as strong pillar on which individual processes stand and is comparatively a blueprint of how person behave in organizational set-up. In fact, it explains our behavioural patterns by referring to our internal states. Personality is related with consistent patterns of behaviour, cognition, and emotion in individuals. The study of personality in organizations has generally focused on the relation of particular traits to employee performance. Personality is a vital individual trait, which explicates why several companies try to assess the personality traits of job applicants and employees. According to theorists, Personality is the

comparatively enduring pattern of thoughts, emotions, and behaviours that differentiate a person, along with the psychological processes behind those characteristics. It is the array of qualities that make people similar to or different from other people. It can assess an individual's personality by what he or she says and does, and people infer the person's internal states including thoughts and emotions-from these observable behaviours. In today's competitive business environment, huge organizations are recognizing more importance of personality when recruiting for candidates to fill job openings. Various traits such as openness, emotional stability, and agreeableness all predict that an individual will have less conflict, work better in teams, and have positive attitudes about his or her work. People with this type of personality should be placed in situations where they would be working with or leading others. Those who do not have these traits will have less motivation and be more negative when they are placed in these situations.

Positive interpersonal skills are a personality trait that greatly affects the workplace. Individuals who exhibit this trait generally enjoy working with other people, and they have the empathy and sensitivity that enables them to get along well with others. People with this trait are often placed in roles where they work with customers, manage employees, or mediate problems. Decision-making and independence are very much affected by personality. Personality qualities such as self-efficacy, conscientiousness, and pro-activity contribute to good decision-making under pressure and independence, while traits such as neuroticism and not being open do not. Managers can place individuals with these traits in suitable positions to do their best work. Placing individuals with certain characteristics in jobs that best suit them raises their levels of inspiration. It also affects their general job performance because they are comfortable on regular basis. This affects the overall efficiency of the workplace. There are several factors that influence the shaping of personality such as Heredity, Culture, Family Background, Our Experiences through Life and The People we interact with.

Theoretical structure of personality: Numerous theories are developed to explain personality that has immense influence in organizational set up.

Traits Theory: It is important in theoretical framework of personality. It viewed personality as revolving around attempts to identify and label permanent characteristics that describe an individual's behaviour. Different characteristics or traits include shyness, aggressiveness, submissiveness, laziness, ambition, loyalty, and timidity. Allport's theory of personality highlights the exceptionality of the individual and the internal cognitive and motivational processes that influence behaviour for example, intelligence, temperament, habits, skills, attitudes, and traits. Allport (1937) thinks that personality is biologically determined at birth, and shaped by a person's environmental experiences. Cattell differentiated between surface traits, which are observable patterns of behaviour, and source traits, which he viewed as underlying, internal traits responsible for our overt behaviour. He viewed the source traits as more important. Source traits can be identified only by means of computer analysis of all the collected data. Cattell also distinguishes between general traits those possessed by all and specific traits those typical of only one person.

Cognitive Theory of Personality

Cognitive theory emphasizes individual's thoughts as the determinate of his or her emotions and behaviours and therefore personality. Many cognitive theorists consider that without these thought processes, we could have no emotions and no behaviour and would therefore not function. Thoughts always come before any feeling and before any action. The cognitive perspective of personality is the idea that people are who they are because of the way they think, including how information is attended to, perceived, analysed, interpreted, encoded and retrieved. People tend to have habitual thinking patterns which are characterized as personality. Person's personality, then, would be his characteristic cognitive patterns. The cognitive viewpoint is that personality is a person's mental organization. In order to cope with all the information people receive from the world, including sensory information, they need to cope with, integrate and organise all the information in the world.

Humanistic Theory

The humanistic viewpoint focuses on the positive image of what it means to be human. Human nature is visualized as basically good, and humanistic theorists focus on methods that

allow fulfilment of potential. Abraham Maslow proposed that an individual is motivated by a hierarchy of needs. Basic needs must be met before higher ones can be satisfied. Arranged in order from lowest to highest (in a hierarchy), the needs are physiological (satisfaction of hunger and thirst), safety (security), belongingness and love (being loved, avoiding loneliness), esteem (achievement, recognition, self-esteem), self-actualization (realization of one's full potential). Maslow also believed that the achievement of self-actualization is often marked by peak experiences, feelings of incredible peace and happiness in the course of life activities.

Psychodynamic Theory

It was proposed by Sigmund Freud, founder of psychoanalysis, in his theory, there are 3 elements of personality that are id is driven by internal and basic drives and needs, which are typically instinctual such as hunger, thirst, and the drive for sex, or libido. Due to the instinctual quality of the id, it is impulsive and often unaware of implications of actions. Ego works to balance both the id and superego by working to achieve the id's drive in the most realistic ways. It is driven by the reality principle. Super ego is driven by the morality principle in connection with the morality of higher thought and action. Personality development depends on the interplay of instinct and environment during the first five years of life. Parental behaviour is crucial to normal and abnormal development. Personality and mental health problems in adulthood can usually be traced back to the first five years.

Social Learning Theories of Personality

Social learning theory is rooted in the behaviourist concept of human behaviour which is determined by learning particularly as shaped by reinforcement in the form of rewards or punishment. Social learning theory combines cognitive learning theory which posits that learning is influenced by psychological factors and behavioural learning theory which assumes that learning is based on responses to environmental stimuli. Psychologists concur that environmental factors interact with genetic factors to form personality. Some psychologists have developed theories that focus these genetic influences on personality. Hans Eysenck considers that genetics are the prime determinate of personality, although he thinks conditioning also plays major role in personality development. According to Eysenck,

personality traits are hierarchical, with a few basic traits giving rise to a large array of more superficial traits. Genetically determined differences in physiological functioning make some people more vulnerable to behavioural conditioning. Eysenck proposes that introverted people have higher levels of physiological arousal, which allows them to be conditioned by environmental stimuli more easily. Because of this, such people develop more inhibitions, which make them more shy and uneasy in social situations.

2.2 ATTITUDE: DEFINITION, NATURE AND CHARACTERISTICS

An attitude is a positive; negative or mixed evaluation of an object that is expressed at some level of intensity. It is an expression of a favorable or unfavorable evaluation of a person, place, thing or event. These are fundamental determinants of our perceptions of, and actions toward all aspects of our social environment.

Attitudes involve a complex organization of evaluative beliefs, feelings, and tendencies toward certain actions.

Definition of Attitude

Attitude is manner, disposition, feeling and position with regard to a person or thing, tendency or orientation especially in the mind. According to Gordon All port, "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." Frank Freeman said, "An attitude is a dispositional readiness to respond to certain institutions, persons or objects in a consistent manner which has been learned and has become one's typical mode of response." Thurstone said, "An attitude denotes the sum total of man's inclinations and feelings, prejudice or bias, preconceived notions, ideas, fears, threats, and other any specific topic." Anastasi defined attitude as, "A tendency to react favorably or unfavorably towards a designated class of stimuli, such as a national or racial group, a custom or an institution."

Characteristics of Attitude

Attitude can be described as a tendency to react positively or negatively to a person or circumstances. Thus the two main elements of attitude are this tendency or predisposition and the direction of this predisposition. It has been defined as a mental state of readiness; organize to through experience which exerts a directive or dynamic influence on the responses. These can also be explicit and implicit. Explicit attitudes are those that we are consciously aware of and that clearly influence our behaviors and beliefs. Implicit attitudes are unconscious, but still, have an effect on our beliefs and behaviors. As said by psychologists Thomas which imposes limits as a level attitude trend is positive and negative, associated with the object of psychology.

Characteristics of Attitude are;

1. Attitudes are the complex combination of things we tend to call personality, beliefs, values, behaviors, and motivations.
2. It can fall anywhere along a continuum from very favorable to very unfavorable.
3. All people, irrespective of their status or intelligence, hold attitudes.
4. An attitude exists in every person's mind. It helps to define our identity, guide our actions, and influence how we judge people.
5. 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.
6. Attitude helps us define how we see situations, as well as define how we behave toward the situation or object.
7. It provides us with internal cognitions or beliefs and thoughts about people and objects.
8. It can also be explicit and implicit. Explicit attitude is those that we are consciously aware of an implicit attitude is unconscious, but still, have an effect on our behaviors.
9. Attitudes cause us to behave in a particular way toward an object or person.
10. An attitude is a summary of a person's past experience; thus, an attitude is grounded in direct experience predicts future behavior more accurately.

11.   It includes certain aspects of the personality as interests, appreciation and social conduct.

12.   It indicates the sum total of a man's inclinations and feelings.

13.   An attitude is a point of view, substantiated or otherwise, true or false which one holds towards an idea, object or person.

14.   It has aspects such as direction, intensity, generality or specificity.

15.   It refers to one's readiness for doing Work.

16.   It may be positive or negative and may be affected by age, position, and education.

Components of Attitudes

Cognitive Component

The cognitive component of attitudes refers to the beliefs, thoughts, and attributes that we would associate with an object. It is the opinion or belief segment of an attitude. It refers to that part of attitude which is related in general knowledge of a person.

Typically these come to light in generalities or stereotypes, such as 'all babies are cute', 'smoking is harmful to health' etc.

Affective Component

Affective component is the emotional or feeling segment of an attitude. It is related to the statement which affects another person. It deals with feelings or emotions that are brought to the surface about something, such as fear or hate. Using the above example, someone might have the attitude that they love all babies because they are cute or that they hate smoking because it is harmful to health.

Behavioral Component

Behavior component of an attitude consists of a person's tendencies to behave in a particular way toward an object. It refers to that part of attitude which reflects the intention of a person in the short-run or long run. Using the above example, the behavioral attitude maybe- 'I cannot wait to kiss the baby', or 'we better keep those smokers out of the library, etc.

Types of Attitudes

Job Satisfaction

A person with a high level of job satisfaction holds positive attitudes about the job, while a person who is dissatisfied with his or her job holds a negative attitude about the job. A person having a negative attitude shows a personality disposition that is inclined to experience nervousness, tension, upset, distress, etc. whereas those with a positive attitude will feel happy themselves, others and their work. Generally, it is deemed a high level of job satisfaction means positive attitudes towards the job and vice versa. When people speak of employee attitudes, more often than not they mean job satisfaction. In fact, the two are frequently used interchangeably.

Job Involvement

Job involvement refers to the degree with which an individual identifies psychologically with his or her job and perceives his or her perceived performance level important to self-worth. High levels of job involvement are related to fewer absences and lower resignation rates. However, it seems to more consistently predict turnover than absenteeism, according to as much as 16 percent of the variance in the former.

Organizational Commitment

The last job-attitude refers to organizational commitment. It is understood as one's identification with his or her organization and feels proud of being its employee. It is defined as a state in which an employee identifies with a particular organization and, its goals, and wishes to maintain membership in the organization. Different studies demonstrate that an individual's level of organizational commitment is a better indicator of turnover than the far more frequently used job satisfaction predictor, explaining as much as 34 percent of the variance.

Basically, turnover and absenteeism are low when employees have an organizational commitment.

2.3 VALUES AND TYPES OF VALUES

Generally, value has been taken to mean moral ideas, general conceptions or orientations towards the world or sometimes simply interests, attitudes, preferences, needs, sentiments and dispositions. But sociologists use this term in a more precise sense to mean "the generalized end which has the connotations of rightness, goodness or inherent desirability". It is important and lasting beliefs or ideals shared by the members of a culture about what is good or bad and desirable or undesirable.

Values Definition – What is Values?

Values defined in Organizational Behavior as the collective conceptions of what is considered good, desirable, and proper or bad, undesirable, and improper in a culture. According to R.K. Mukherjee, "Values are socially approved desires and goals that are internalized through the process of conditioning, learning or socialization and that become subjective preferences, standards, and aspirations". According to Zaleznik and David, "Values are the ideas in the mind of men compared to norms in that they specify how people should behave. Values also attach degrees of goodness to activities and relationships"

Characteristics of Value

The characteristics of values are:

- These are extremely practical, and valuation requires not just techniques but also an understanding of the strategic context.
- These can provide standards of competence and morality.
- These can go beyond specific situations or persons.
- Personal values can be influenced by culture, tradition, and a combination of internal and external factors.
- These are relatively permanent.
- These are more central to the core of a person.
- Most of our core values are learned early in life from family, friends, neighborhood school, the mass print, visual media and other sources within the society.
- Values are loaded with effective thoughts about ideas, objects, behavior, etc.

- They contain a judgmental element in that they carry an individual's ideas as to what is right, good, or desirable.

- Values can differ from culture to culture and even person to person.

- Values play a significant role in the integration and fulfillment of man's basic impulses and desire stably and consistently appropriate for his living.

- They are generic experiences in social action made up of both individual and social responses and attitudes.

- They build up societies, integrate social relations.

- They mold the ideal dimensions of personality and depth of culture.

- They influence people's behavior and serve as criteria for evaluating the actions of others.

- They have a great role to play in the conduct of social life. They help in creating norms to guide day-to-day behavior.

2.4 PERCEPTION AND ITS IMPORTANCE

Perception is the organization, identification, and interpretation of sensory information in order to represent and understand the environment. Perception is a subjective, active and creative process through which we assign meaning to sensory information to understand ourselves and others. It can be defined as our recognition and interpretation of sensory information. It also includes how we respond to the information. It is the process by which an organism detects and interprets information from the external world by means of the sensory receptors. It is our sensory experience of the world around us and involves both the recognition of environmental stimuli and actions in response to these stimuli. Through the perceptual process, we gain information about the properties and elements of the environment that are critical to our survival. Perception not only creates our experience of the world around us; it allows us to act within our environment.

1. Perception is very important in understanding human behavior because every person perceives the world and approaches life problems differently. Whatever we see or feel is not necessarily the same as it really is. When we buy something, it is not because it is the best, but because we take it to be the best.

2. If people behave on the basis of their perception, we can predict their behavior in the changed circumstances by understanding their present perception of the environment. One person may be viewing the facts in one way which may be different from the facts as seen by another viewer.

3. With the help of perception, the needs of various people can be determined, because people's perception is influenced by their needs.

4. Perception is very important for the manager who wants to avoid making errors when dealing with people and events in the work setting. This problem is made more complicated by the fact that different people perceive the same situation differently. In order to deal with the subordinates effectively, the managers must understand their perceptions properly.

5. Perception can be important because it offers more than objective output; it ingests an observation and manufactures an altered reality enriched with previous experiences.

6. Perception builds character (not necessarily good or bad character) that defines different roles individuals fall into the clown, the hypocrite, the self-righteous, the victim, etc..

7. It is vitally important if we want to get along with others to try to see things from their perspective or walk in their shoes for a while. If we walk in their shoes we will gain a new perspective about things and in that understand the other and also can love and help the other more appropriately. Thus, for understanding human behavior, it is very important to understand their perception, that is, how they perceive the different situations.

2.5 PROCESS AND APPLICATIONS

O.B. can be the behaviour of the members of the organization towards each other, toward the organization, towards the customers or clients and toward the society at large. Human behaviour is often caused. Psychologists have taken it as axiomatic that a cause must priced its effect. For example, a Professor, who enters the classroom after having a hot exchange and quarrel with his subordinate, may reveal bitterness to his students in the class. Similarly

when a manager comes to office after quarreling with his wife in the morning, may possible exhibit unpleasant behaviour like rebuking for pretty things to his subordinates. In sum and substance, O.B. is the behaviour of people with each other in an organizational framework. It follows cause-effects process and affects both interpersonal relations and managerial effectiveness in the organization.

Models of Organizational Behaviour

Organizational behavior is the study and application of knowledge about how people, individuals and groups act in organizations. It does this by taking a system approach. That is, it interprets people-organization relationships in terms of the whole person, whole group, whole organization and whole social system. Its purpose is to build better relationships by achieving human objectives, organizational objectives and social objectives. It can be defined as the understanding, prediction and management of human behavior in organizations. OB is related to other disciplines like Organizations Theory, Organization Development and Personnel/Human Resources Management.

A systematic approach to the study of behavior will bring to light important facts and relationships that provide the basis for more accurate understanding, prediction and control of behavior. It is important to know how a person perceives a situation to predict his behavior. An overall model of organizational behavior can be developed on the basis of three theoretical frameworks. They are the cognitive, behavioristic and social learning frameworks. The cognitive approach gives more credit to people than the other approaches and is based on the expectancy, demand and incentive concepts.

2.6 DETERMINANTS IN OB

There are three major factors that affect OB. The working environment being the base for all three factors, they are also known as the determinants of OB. The three determinants are –

- People
- Structure
- Technology

People

An organization consists of people with different traits, personality, skills, qualities, interests, background, beliefs, values and intelligence. In order to maintain a healthy environment, all the employees should be treated equally and be judged according to their work and other aspects that affects the firm. Example − A company offers campus placement to trainees from different states like Orissa, Haryana, Arunachal Pradesh and many more. However, during and after training, all trainees are examined only on the basis of their performance in the tasks assigned.

Organizational Structure

Structure is the layout design of an organization. It is the construction and arrangement of relationships, strategies according to the organizational goal. Example − Organizational structure defines the relation of a manager with employees and co-workers.

Technology

Technology can be defined as the implementation of scientific knowledge for practical usage. It also provides the resources required by the people that affect their work and task performance in the right direction. Example − Introduction of SAP, big data and other software in the market determines individual and organizational performance.

2.7 THEORIES AND APPLICATIONS IN OB

Many workplace research studies may not hold insights that shock or even surprise you, but who can resist reading them for what they might offer when a small business depends on dedicated employees? There are several lessons to glean from this finding, not least that an organization has to be the right fit for an employee, and vice versa. Think of the time and aggravation you could spare yourself if you could accelerate this realization. Maybe you could - if you assess the five most common models of organizational behavior alongside the so-called Big Five personality traits.

Theories May Hold More Insight Than You Think

If you studied organizational behavior in college, then you have a leg up on the learning curve that all small-business owners face when they begin to hire people to work alongside them. Some of these people will flourish and become invaluable members of your team, "the lifers" you'll want to keep. Unless you or the candidate possess mystic powers, there is no way to foresee the future and where those lifers may be. *Will you be happy with the quality of this person's work?* At the least, understanding organizational behavior theories can alert you to some warning signs that many business owners who made bad hiring decisions say they should have heeded sooner. Three Influences Shape Behavior Organizational behavior isn't some lofty, esoteric notion. It's simply the way people behave in groups. In this context, "the group" is your small business. How employees choose to act in the workplace usually depends on three influences:

- **Leadership,** beginning with the type of organization you choose to create. The five models presented here ought to get you thinking about the model that is most in sync with both your personality and your approach to employee relations.
- **The intrinsic pulls of power, authority and politics,** are factors that flow from leadership. This massive umbrella of ideals also includes your mission, organizational values, rules and ethical standards.
- **Personality,** that beguiling factor that helps explain why one withdrawn employee prefers nose-to-computer-screen interactions while a chatterbox can't seem to pull himself away from lunchroom bull sessions.

Five Models Await Your Selection

Your first "executive decision" comes in the form of choosing an organizational model that suits you and your small business. The adjectives alone provide a clue as to what they stand for:

- Autocratic model
- Collegial model

- Custodial model
- Supportive model
- System model

The Autocratic Model Puts Bosses Squarely in Charge

Guiding principle: This formal management style puts power, authority and decision-making in the hands of the owners and managers.

Rationale: Upper management types possess the skills and knowledge employees need to succeed.

Behavioral consequences: The model flourishes in factories, where employees are directed and guided to the point of being micromanaged. Whether it's practical in a less industrialized and more skilled environment is a fair subject of debate.

Guiding principle: The Collegiate model pivots on teamwork and the notion that employees working together to solve problems will help build a stronger organization.

Rationale: Empowering employees will practically guarantee that participation and innovation will flourish, especially if the owner/manager solidifies the team by serving as the "coach."

Behavioral consequences: You might call the collegial model the model of choice of tech firms, research and development companies and anyone else who must maintain a competitive advantage in the marketplace. It tends to fire up employees' competitive instincts.

Guiding principle: The Custodial model seeks to engender employee loyalty by providing highly competitive salaries and benefits packages and dangling perks and other incentives like plump carrots on a stick.

Rationale: Lures not only accomplish the first goal of attracting top employees but helps to retain them too.

Behavioral consequences: Even the research is conflicted about whether financial incentives are enough to spark and maintain employee *motivation.* In other words, employees may stick around because the benefits are "too good" to forgo. But this doesn't mean they're happy about it or their jobs.

Guiding principle: This model emphasizes the encouraging role of the owner/manager, who solicits and listens to employees' ideas and suggestions.

Rationale: Once employees' contributions are validated, they should feel a greater sense of happiness and contentment on the job. Because they begin to think of themselves as *necessary* to an organization, they often become "the lifers."

Behavioral consequences: The supportive model often overshadows the custodial model in workplace research, which often shows that, given a choice between getting a pay raise or getting a compliment from the boss, most employees prefer the recognition.

System Model Strikes a Balance

Guiding principle: The System model strives to achieve a balance between the goals of the organization and the goals of the employees.

Rationale: Forging a partnership of ideals between managers and employees builds the strongest organization of all.

Behavioral consequences: As the most progressive of the five models, the System model also tilts toward adding value to an organization's customers and the community in which it resides, thereby sealing the circle of contentment among employees.

2.8 LEARNING, FACTORS AFFECTING LEARNING AND ITS THEORIES

Learning can be defined as the permanent change in behavior due to direct and indirect experience. It means change in behavior, attitude due to education and training, practice and experience. It is completed by acquisition of knowledge and skills, which are relatively permanent.

Nature of Learning

Nature of learning means the characteristic features of learning. Learning involves change; it may or may not guarantee improvement. It should be permanent in nature, that is learning is for lifelong. The change in behavior is the result of experience, practice and training. Learning is reflected through behavior.

Factors Affecting Learning

Learning is based upon some key factors that decide what changes will be caused by this experience. The key elements or the major factors that affect learning are motivation, practice, environment, and mental group. Coming back to these factors let us have a look on these factors –

- **Motivation** – The encouragement, the support one gets to complete a task, to achieve a goal is known as motivation. It is a very important aspect of learning as it acts gives us a positive energy to complete a task. **Example** – The coach motivated the players to win the match.
- **Practice** – We all know that "Practice makes us perfect". In order to be a perfectionist or at least complete the task, it is very important to practice what we have learnt. **Example** – We can be a programmer only when we execute the codes we have written.
- **Environment** – We learn from our surroundings, we learn from the people around us. They are of two types of environment – internal and external. **Example** – A child when at home learns from the family which is an internal environment, but when sent to school it is an external environment.

- **Mental group** – It describes our thinking by the group of people we chose to hang out with. In simple words, we make a group of those people with whom we connect. It can be for a social cause where people with the same mentality work in the same direction. **Example** – A group of readers, travelers, etc.

These are the main factors that influence what a person learns, these are the root level for our behavior and everything we do is connected to what we learn.

How Learning Occurs?

Learning can be understood clearly with the help of some theories that will explain our behavior. Some of the remarkable theories are –

- Classical Conditioning Theory
- Operant Conditioning Theory
- Social Learning Theory
- Cognitive Learning Theory

Classical Conditioning Theory

The classical conditioning occurs when a conditioned stimulus is coupled with an unconditioned stimulus. Usually, the conditioned stimulus (CS) is an impartial stimulus like the sound of a tuning fork, the unconditioned stimulus (US) is biologically effective like the taste of food and the unconditioned response (UR) to the unconditioned stimulus is an unlearned reflex response like salivation or sweating. After this coupling process is repeated (for example, some learning may already occur after a single coupling), an individual shows a conditioned response (CR) to the conditioned stimulus, when the conditioned stimulus is presented alone. The conditioned response is mostly similar to the unconditioned response, but unlike the unconditioned response, it must be acquired through experience and is nearly impermanent.

Operant Conditioning Theory

Operant conditioning theory is also known as instrumental conditioning. This theory is a learning process in which behavior is sensitive to, or controlled by its outcomes. Let's take

an example of a child. A child may learn to open a box to get the candy inside, or learn to avoid touching a hot stove. In comparison, the classical conditioning develops a relationship between a stimulus and a behavior. The example can be further elaborated as the child may learn to salivate at the sight of candy, or to tremble at the sight of an angry parent. In the 20th century, the study of animal learning was commanded by the analysis of these two sorts of learning, and they are still at the core of behavior analysis.

Social Learning Theory

The key assumptions of social learning theory are as follows –

- Learning is not exactly behavioral, instead it is a cognitive process that takes place in a social context.
- Learning can occur by observing a behavior and by observing the outcomes of the behavior (known as vicarious reinforcement).
- Learning includes observation, extraction of information from those observations, and making decisions regarding the performance of the behavior (known as observational learning or modeling). Thus, learning can occur beyond an observable change in behavior.
- Reinforcement plays an important role in learning but is not completely responsible for learning.
- The learner is not a passive receiver of information. Understanding, environment, and behavior all mutually influence each other.

Cognitive Learning Theory

Cognition defines a person's ideas, thoughts, knowledge, interpretation, understanding about himself and environment. This theory considers learning as the outcome of deliberate thinking on a problem or situation based upon known facts and responding in an objective and more oriented manner. It perceives that a person learns the meaning of various objects and events and also learns the response depending upon the meaning assigned to the stimuli. This theory debates that the learner forms a cognitive structure in memory which stores organized information about the various events that occurs.

Learning & Organizational Behavior

An individual's behavior in an organization is directly or indirectly affected by learning.

Example − Employee skill, manager's attitude are all learned.

Behavior can be improved by following the listed tips −

- Reducing absenteeism by rewarding employees for their fair attendance.

- Improving employee discipline by dealing with employee's undesirable behavior, drinking at workplace, stealing, coming late, etc. by taking appropriate actions like oral reprimands, written warnings and suspension.

- Developing training programs more often so as to grab the trainees' attention, provide required motivational properties.

UNIT – 3 (QUESTION BANK)

1. What do you mean by motivation? Discuss concept and theory of motivation.

2. What is group? Discuss the stages of group development.

3. What is team? How can be created an effective team?

4. Write short note on following:

      (a) Group dynamic   (b) Group conflict

6. Team and teamwork explain.

6. Explain the concept of group. Discuss type of group.

7. How a group can be developed? What are the various applications to development of group?

UNIT – 3 (NOTES)

3.1 Team Processes: Motivation – Concept

Motivation in Organizational Behavior

Motivation is one of three key performance elements. In fact, research suggests that performance is a function of ability, motivation and opportunity:

Performance = Function {Ability × Motivation × Opportunity}

Ability refers to a person's or a team's ability to perform a task. Opportunity refers to the timing and situation around the task. For instance, if a hospital sets out to be known for successful heart transplants, it must have a team of surgeons that are skilled in performing transplants (ability), and there must be adequate space and equipment to perform transplants, as well as patients who need them (opportunity). Managers have little influence over ability, and they can only somewhat influence opportunity. Motivation is one of the most

researched topics in organizational behavior, because a manager's ability to influence employee motivation can directly affect an organization's bottom line.

Motivation results when an individual interacts with a situation. It's a state of mind where the individual determines the level of desire, interest and energy that will translate into action.

Motivation = Intensity + direction + persistence of effort

Let's take that definition a little further. Intensity refers to how hard a person tries to achieve his or her goal. Danny clearly enjoys reading and does a lot of it—his intensity for reading is high, but his intensity around history is low.

A person's motivation changes from situation to situation and over time. Perhaps Danny's motivation to read his text books will change if he finds he's about to be expelled. Or maybe as the semester continues, he'll find he's more interested in history than he originally thought, and those textbooks will become easier to read. He'll then alter his intensity (reading more history), his direction (focusing on school and setting comic books aside), and he will persist in efforts to learn the material. Motivation will have changed.

In addition to individual attitudes, motivation also considers a person's needs. Needs are based on personality, values and relate to things that a person desires. In Danny's case, he values and desires the entertainment of reading a comic book more than he values and desires good grades. Over time, he may risk losing a scholarship because of bad grades. Basic needs, like paying for his dorm room and a meal plan, might be threatened if that scholarship money were to go away. He needs to stay in school and graduate, so his values and desires may shift and cause him to read his textbooks. So, there seems to be two factors at play in motivation in an individual. One is a behavioural aspect, the intensity + direction + persistence part that a person brings to the table, that's existing inside him or her. There is also a factor that people are motivated to fill their needs—food, shelter, and more complex needs, too. It's easy to see how motivation is a very individual thing.

3.2 Theories of Motivation in Management

Businesses with unmotivated employees often face low productivity and high turnover rates. Multiple theories help explain how workers are motivated and provide suggestions for how to increase motivation in the workplace. Understanding which theory best fits your employees may help improve your small business by increasing employee retention rates and improving worker productivity.

1. Maslow's Need Hierarchy Theory:

The best-known theory of motivation is probably Abraham Maslow's hierarchy of needs theory. He proposed that people are motivated by a predictable five-step hierarchy of needs. According to Maslow, most individuals are not consciously aware of these needs; yet we all supposedly proceed up the hierarchy of needs, one level at a time.

Maslow put the following important propositions about human behaviour:

1. Man is a wanting being – Maslow says that man is a wanting animal and his needs are never fully satisfied. "He always wants and wants more. But what he wants depends upon what he already has". His needs continue to emerge from birth to death. Although his particular need may be satisfied, needs in general cannot be.

2. A hierarchy of needs – Human needs differ in importance and can, therefore, be arranged in a series of levels—a hierarchy or pyramid. Some needs are more important than the others.

3. Emergence of needs – An individual's needs at a particular level on the hierarchy emerge only when the lower-level needs are reasonably well-satisfied.

4. Progression of needs – Maslow says that once a person has moved from a lower level of needs to a higher level, the lower-level needs assume a less important role.

5. Deprivation and domination – Needs do not have to be 100 percent satisfied, before higher needs emerge. They only have to be satisfied enough, "satisfied". People accept a sufficient, not necessarily a maximum or optimum, level of satisfaction. Hence, needs may become temporarily dominant again as a result or deprivation.

According to Maslow, only needs that have not been satisfied exert any considerable force on what a man does.

6. Gratification and activation – Maslow says that only unsatisfied needs motivate behaviour. A satisfied need is not a motivator of behaviour. Also, as soon as the needs of one level are satisfied, the needs of higher level are emerged and become active demanding gratification. Once a certain need is satisfied, it ceases to be a motivating factor.

7. Physiological needs are the highest priority – At the lowest level of the hierarchy and at the starting point for motivation are physiological needs. These are the needs that must be satisfied on priority basis, because they are very essential to maintain life. These are more finite than the higher level needs (ego, esteem or social needs).

8. Self-fulfilment can never be achieved – At the apex of the hierarchy is the need for self-actualization, which is very difficult to satisfy. These are the individual's needs for realizing one's own potentialities, for self- fulfillment, for self-development.

2. Motivation—Hygiene Theory:

During the 1950s, Frederick Herzberg proposed a theory of employee motivation based on satisfaction. He conducted a research study by having interviews with 200 engineers and accountants working in eleven different firms in U.S.A. Herzberg concluded that two separate factors influenced motivation. These two classes of factors were associated with employee satisfaction and dissatisfaction. Hence, his concept has come to be called Herzberg's two-factor theory.

Hygiene Factors:

These factors include working conditions, job security, salary, supervision, company policy etc. These are extrinsic to the job and environment centred. These factors are called "dissatisfiers" or hygiene factors as they are essential for the mental health of employees. These are also called maintenance factors, because they are necessary to maintain a reasonable level of satisfaction. If they exist in a work environment, they yield no dissatisfaction. But their existence does not motivate employees. These factors are not

strongly motivating; however, their lack of existence would result in dissatisfaction. These are job context factors.

3.3 Group behaviour – concept

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

Types of Groups

There are two types of groups an individual forms. They are formal groups and informal groups. Let us know about these two groups.

Formal Groups

These are the type of work groups created by the organization and have designated work assignments and rooted tasks. The behavior of such groups is directed toward achieving organizational goals. These can be further classified into two sub-groups –

- **Command group** – It is a group consisting of individuals who report directly to the manager.
- **Interest group** – It is a group formed by individuals working together to achieve a specific objective. **Example** – A group of workers working on a project and reporting to the same manager is considered as a command group. A group of friends chilling out together is considered as interest group or say members of a club.

Informal Groups

These groups are formed with friendships and common interests. These can be further classified into two sub-groups –

- **Task group** – Those working together to finish a job or task is known as task group.
- **Friendship group** – Those brought together because of their shared interests or common characteristics is known as friendship group.

Why Do People Join Groups

There is no particular reason answering why individuals join groups. Group helps individual to feel stronger, have fewer self-doubts, and be more contrary to threats. The following points help us understand the need of joining a group by individuals –

- **Security mirrors strength in numbers**. Status pinpoints a prestige that comes from belonging to a specific group. Inclusion in a group is considered as important because it provides recognition and status.
- **Self-esteem transmits people's feelings of self-worth**. Membership can sometimes raise feelings of self-esteem like being accepted into a highly valued group.
- **Affiliation with groups can meet one's social needs**. Work groups significantly contribute to meet the need for friendships and social relations.
- **Groups represent power**. What mostly cannot be achieved individually becomes possible with group effort. Power might be aimed to protect themselves from unreasonable demands. Informal groups provide options for individuals to practice power.
- **People may join a group for goal achievement**. Sometimes it takes more than one person to accomplish a particular task.

Group Roles

The concept of roles is applicable to all employees within an organization as well as to their life outside the organization. A role is a set of expected behavior patterns attributed to the one who occupies the position demanded by the social unit. Individuals play multiple roles at the same time. Employees attempt to understand what kind of behavior is expected from them. An individual when presented by divergent role expectations experiences role conflict. Group roles are divided into three types –

- Task-oriented Roles
- Relationship-oriented Roles
- Individual Roles

Task-oriented Roles

Roles allotted to individuals according to their work and eligibility is known as task-oriented roles. Task-oriented roles can broadly divide individuals into six categories initiator, informer, clarifier, summarizer, reality tester and information seekers or providers respectively.

- **Initiator** – The one who proposes, suggests, defines.
- **Informer** – The one who offers facts, expresses feelings, gives opinions.
- **Clarifier** – The one who interprets, defines, clarifies everything.
- **Summarizer** – The one who links, restates, concludes, summarizes.
- **Reality Tester** – The one who provides critical analysis.
- **Information seekers or providers** – The one who gives information and data.

These roles present the work performed by different individuals according to their marked designation.

3.4 Group Development

The Group Development means, forming the association of people to work as a group and direct their actions towards the accomplishment of a common goal. The jobs of each group member are interdependent and hence the performance of one will affect the entire group's performance. It is often called as a team building or team development. The most famous and a well-known model of group development was proposed by Bruce Tuckman, that included four stages Viz, forming, storming, norming, performing and later the fifth stage adjourning was added to this model.

Stages of Group Development

1. **Forming:** At this stage, the formation of a new group begins, wherein the members come together and get to know each other through the interactions. Here the individuals are excited and anxious to know about the scope of the task and the ways to approach it.

Generally, the individuals come with a desire to get accepted by others and avoid controversy or conflicts.

2. **Storming:** Once the forming stage is over, the individuals will start interacting with each other in the context of the task to be achieved. The conflict and competition among the group members will be highest at this stage.

   The most dominant group members come in the front while the confrontational members remain silent and continue to be in the security or calm stage (forming). The issues related to the leadership, responsibility, strategies, rules, authority, evaluation, reward system, etc. arises at the storming stage.

3. **Norming:** Once the role of every member is cleared along with the authority and responsibility of each, the team members start settling in a group. Here, everybody works cohesively towards the target and appreciate each other's experience and skills.

4. **Performing:** At this stage, synergy gets created between the team members, where everyone works towards the accomplishment of a goal. This stage is characterized by flexibility and interdependence. The team members know each other so well that they can handle any complex problem that comes before the team.

   Also, the roles and responsibilities of member changes according to the situation frequently, because at this stage everyone is equally a task-oriented and people-oriented and thus can perform efficiently.

5. **Adjourning:** This is the last stage of group development, where the group is terminated, and the group members are separated from each other. Every group is created for a purpose, and once the purpose is fulfilled the group is adjourned.

3.5 Group dynamics in organizational behaviour

A group is defined as a number of individuals who come together to achieve a particular task or goal. Group dynamics refers to the attitudinal and behavioural characteristics of a group. Group dynamics concerns organizational success because it consists of various groups and a lot depends on how groups form, how they configuration and process, and most importantly how they function. Group dynamics are pertinent in both formal and informal groups of all types. In an organizational setting, groups are a very common organizational entity and the

study of groups and group dynamics is an important area of study in organizational behavior. There are several theories on why groups develop.

The classic theory, developed by George Homans, advocates that group development is based on activities, interactions, and feelings. What it means is when individuals share common activities; they will have more interaction and will develop attitudes which could be positive or negative toward each other. The major element in this theory is what kinds of interaction are shared by the individuals involved in the group.

Social exchange theory offers an alternative explanation for group development. According to this theory, individuals form relationships based on the implied expectation of mutually beneficial exchanges based on trust and felt obligation towards each other. Thus, an insight that in relationships exchange of thoughts and ideas is positive and essential if individuals are to be attracted to and affiliate with a group.

Social identity theory suggests that individuals get a sense of identity and self-esteem based upon their membership in outstanding groups. The nature of the group may be demographically based, culturally suitable, or organizationally based. Individuals are motivated to belong to and contribute to identical as their character groups because of the sense of belongingness and self-worth membership in the group imparts.

Forming: This is the first stage**.** In this stage lot groups form temporarily; this stage is characterized by some puzzlement and lot of uncertainty. The group is not sure about their major goals. Leadership matters here a lot. Thus, forming is a direction period when members get to know one another and share expectations about the group. Members learn the purpose of the group as well as the rules to be followed. If the forming stage is rushed trust and openness cannot be developed. Individuals are often confused during this stage because roles are not clear and leadership matters to bring in a feeling of settlement. If the group is formed on basis of weak leadership, the group is far from being formed.

Storming: This stage is called storming because in this stage, the group is likely to see the highest level of incongruity and conflicts. Members in the group challenge group goals and struggle for power. Individuals often compete for the leadership position during this stage of development. This can be a positive experience for all groups if members can get organized through resolution. Members often voice concern and criticism in this stage. If members are not able to determine the conflict, then the group will often split up or continue in existence but will remain unproductive and never advance to the further stages.

Norming: This stage is categorized by the identification of individual differences and shared expectations. If in this stage the group members begin to develop a feeling of group unity and identity the group's existence strengthens. They experience cooperative efforts which begin to yield results. In this stage usually responsibilities are divided among members and the group decides on evaluating progress. Roles and responsibilities are passed on to members in the group in norming stage.

Performance: Performance of group occurs when the group matures and attains a feeling of cohesiveness. During this stage of development, individuals accept one another and conflicts are resolved through group discussions. Members of the group make decisions through a sensible process that is focused on relevant goals rather than emotional issues.

Adjourning: This stage is not is not experienced by all groups, because it is characterized by the performance discharged by the group. Some groups stay relatively permanent. There are reasons why groups disband; they differ from group to group. Some common reasons are the achievement of the tasks or individuals deciding to go their own ways. Members of the group often experience feelings of conclusion and sorrow as they prepare to leave the group. The reasons could be rational or irrational.

3.6 Team and Types of Teams

Organizations use different types of teams in different ways to accomplish their objectives. Some teams have a very simple and specific focus, and others face complex issues with organization-wide ramifications. We can look at teams and classify them in a variety of ways.

Let's first take a look at them based on their task complexity and team member fluidity. Task complexity is the extent to which a task is intricate and consists of different, interrelated parts. Membership fluidity is the extent to which membership within a team is stable. Low membership fluidity would mean that people are often entering into and leaving the team, and high membership fluidity means they are quite stable, not changing often at all.

Simple Work Teams

Simple work teams have low task complexity and low team fluidity. Their goal is simple problem solving, and often they are a group that supports day-to-day activities, dealing with issues that require input from more than one person or to generate commitment from employees. Usually these are people from a same team or department, so they generally have a similar focus and tend to work together relatively easily.

Administrative Teams

An administrative team has high task complexity but low team membership fluidity, meaning that the problems the team deals with are complex but people stream in and out of the group. The goal of an administrative team is to problem solve and then "sell" their ideas to the rest of the organization. Their focus could be internal, external, or both, and the team members are usually management level. An example of an administrative team might be a relocation committee that's dedicated to relocating a plant to a new area. Members of the team might flow in and out, but the complexity of the task is rather high and not at all part of their regular routine. Management level members work for a finite period of time to accomplish the strategic objective of moving the plant—all its machinery, all its people, and so on—to a new address.

Cross-Departmental Teams

A cross-departmental team tends to have a low complexity level but a high team membership fluidity, meaning that the work is fairly simple but the teams are committed and fairly unchanging. Their goal is integration in structure and setting ground rules, and their focus is internal and very specific. A cross-departmental task force is an example of this type of team. Perhaps an organization is installing a new system that will manage all their data, both at the

main office and at their plants, in an entirely different way. The task force might come together from different areas of the organization to identify the types of data their departments generate and how that data will be transferred over to the new system, how people will be trained to use the new system and even how change around the system will be managed.

Process Teams

Process teams deal with high complexity tasks and have high team member fluidity, meaning people are assigned to the team and stay. These folks are creative problem solvers and deal with implementation. Their focus is strategic and broad. Process teams do not have departmental affiliation and function independently to undertake broad, organizational-level process improvements. For instance, the department store Mervyn's, the now defunct discount department store chain, had a SWAT team that rushes in to solve a store's critical issues. They were deployed at any time, whenever they're needed. They even attempt to solve organizational-wide issues like flexitime and insurance.

Self-Managed Teams

Self-managed teams (SMTs) are a commonly used process team used in organizations. Self-managed teams are process teams of employees who have full managerial control over their own work. Volvo is known for having abandoned their typical assembly line structure for one that included only self-managed teams. The teams were charged with assembling their large part of the car, but they could decide how to do it and who was going to work on what parts. The results included significant improvements in product quality and employee satisfaction.

3.7 Creating Effective Teams

We've learned a little about how teams differ from groups and really "take it to the next level" as far as productivity, and we've learned about the types of teams we might find in the workplace. Now that we know all that . . . let's build one!

Let's say that we've determined that team work is preferable to individual work for the project we need to accomplish. We don't want to solve the wrong problem by creating an effective team to do something a single employee could do better! And we want to understand what an effective team actually means to us . . . in this case, we're going to call a team "effective" based on objective measurement of the team's productivity- a manager's assessment of their performance and member satisfaction.

Knowing that a team is the way we want to go, we're going to take a look at four different areas and take them one at a time.

- Context
- Composition
- Work design
- Process

Context

If you're going to create an effective team, you need first to think about context—that is, all the things that surround the team that aren't actually your team. Contextually speaking, the things that seem to matter most too effective teambuilding are:

- Adequate resources
- Leadership and structure
- Trust
- Performance evaluation and reward systems

Of all of those items, it appears that adequate resources are the item that most impacts a team's ability to do its work. Lack of resources impedes the team's ability to do their work, so it's imperative that organizations support their team with the right amount of funding and tools for the job.

Team members should always agree on the work that is to be done and who is doing it, so leadership and structure are important parts of context. Team members should all contribute equally and share the workload, they should determine schedules, any training needed and so on. If they are a self-managed team, they can agree by whatever means they determined decisions might be made, and move on to next steps. Teams don't have to have leaders, but if they do, they should be careful not to obstruct progress and expect great things from this team.

Composition

The atmosphere around the team (the context), we need to take a look at the members actually making up the team, and talk about them in terms of their roles, diversity, and the size of the team. When determining composition, a manager should consider the:

- Abilities of the members of the team.
- Personalities of team members.
- Roles that will be allocated.
- Diversity of team members.
- Size of the team.

Team Abilities

While we talked before about how the sum of the team is greater than its parts, an assessment of team members' abilities will help a manager determine what can be accomplished by the team. In order for the team to be successful, they'll need to have three different skills among them—technical expertise, problem-solving skills, and decision-making skills. A good balance of the three is an imperative—too much of one and not enough of another will lower a team's performance. It also helps if the team members have good interpersonal skills.

Team Personalities

Where personalities of team members are concerned, teams perform well if there is a "higher than mean" level of traits like agreeableness and conscientiousness, extraversion and emotional stability. Interestingly, studies have shown that it's more important for the "higher than mean" measurement to include people who all have tendencies toward those characteristics. For instance, having one person on the team who's very conscientious and one who is not may adversely affect the performance of the team, while two people who are more conscientious than average will enhance the team's performance.

Team Roles

Members of a team should be selected with an eye toward filling all the roles that need to be allocated. There are about nine different roles needed on a team and, while members can fill more than one of these roles, members should be matched to those team role demands. Those roles are:

- **The Plant.** Creative, imaginative. Solves problems.
- **The Resource Investigator.** Communicative. Explores opportunities and develops contacts.
- **The Coordinator.** Clarifies goals, and promotes decision-making.
- **The Shaper.** Dynamic, challenging, thrives on pressure. Overcomes obstacles.
- **The Monitor-Evaluator.** Strategic and discerning. Sees all options and judges accurately.
- **The Teamworker.** Co-operative and perceptive. Listens, builds, averts conflict.
- **The Implementer.** Conservative and efficient. Turns ideas into practical actions.
- **The Completer/Finisher.** Conscientious. Searches out errors, meets deadlines.
- **The Specialist.** Self-starting and dedicated. Provides knowledge/skills in rare supply.

UNIT – 4 (QUESTION BANK)

1. Job stress can have physiological, psychological and behavioural effects. Explain.

2. What do you mean by organizational change? Why do people resist change in an organisational setting? How can a manager handle better change in his organisation?

3. Why does organisation need formal structure? Describe essential features of a good organization Structure.

4. How does Lewin's three step model of change deal with resistance to change?

5. Explain the following:

　　(a) Organisational culture.　　　(b) Element of organization Structure

6. What do you mean by stress? What are the sources of stress?

7. Explain the term stress? What are the consequences of stress? How can be managing stress?

8. What do you by Organisational change? Write down Lewin's three step model of change.

9. What is the concept of Organisational change?　Discuss resistance to change of Organisational structure.

UNIT – 4 (NOTES)

4.1 Elements of Organizational Structure

A strategic, carefully planned organizational structure helps a business run effectively and efficiently. An ineffective structure can cause significant problems for a company, including lost profits, rapid employee turnover and loss in productivity. Management experts use the six basic elements of organizational structure to devise the right plan for a specific company. These elements are: departmentalization, chain of command, span of control, centralization or decentralization, work specialization and the degree of formalization. Each of these elements affects how workers engage with each other, management and their jobs in order to achieve the employer's goals.

Departmentalization

Departmentalization refers to how the organizational structure groups the company's functions, offices and teams. Those individual groups are typically referred to as departments. Departments are usually sorted on the basis of the kinds of tasks the workers in each department perform, but this is not the only way to create a company's departmental breakdown. You could also divide the business into groups based on product or brand lines, geographic locations or even customer needs.

Chain of Command

Most organizations, from businesses to nonprofits to the military, utilize a chain of command. This helps eliminate inefficiencies by having each employee report to a single manager, instead of to several bosses. In the corporate context, this type of chain of command is reflected in the organizational structure and affects job descriptions as well as office hierarchies. Managers assign tasks, communicate expectations and deadlines to employees, and provide motivation on a one-to-many basis. When employees encounter obstacles or problems, they report back to the appropriate manager. When necessary, the manager is then responsible for taking the concern or issue up the chain of command to the next level, and so forth. This chain of authority or command streamlines corporate operations and communications for a more efficient and productive business.

Span of Control

An organization's span of control defines how many employees each manager is responsible for within the company. There is no single type of span of control that's ideal for all companies or even for all businesses in a specific industry. The optimal span will depend on a number of factors, including the size of the workforce, how the company is divided into departments and even the company's specific business goals and strategies.

Centralization and Decentralization

Organizational structures also rest somewhere on a spectrum of centralization. Generally, more conservative corporate entities adopt a centralized structure. In this design, C-level

managers make all the decisions, management designs a plan for execution and front-line employees carry out that plan. C-level officers are generally those at the uppermost level of the organizational chart, such as the chief executive officer, chief operating officer and chief marketing officer.

Centralizing authority in a business means that middle management typically is left with little to no input about the goals the company sets. This system is typical in larger corporate organizations, as well as at companies in more conservative industries. On the other hand, a company could adopt a more decentralized approach. A decentralized system allows all levels of management the opportunity to give input on big-vision goals and objectives. Larger, company-wide decisions are still generally reserved to C-level officers, but departmental managers enjoy a greater degree of latitude in how their teams operate.

Work Specialization

In any business, employees at all levels typically are given a description of their duties and the expectations that come with their positions. In larger companies, job descriptions are generally formally adopted in writing. This approach helps ensure that the company's specific workforce needs are met, without any unnecessary duplication of effort. Work specialization ensures that all employees have specific duties that they are expected to perform based on each employee's work experience, education and skills. This prevents an expectation that employees will perform tasks for which they have no previous experience or training and to keep them from performing beneath their capacities.

Formalization

Finally, organizational structures implement some degree of formalization. This element outlines inter-organizational relationships. Formalization is the element that determines the company's procedures, rules and guidelines as adopted by management. Formalization also determines company culture aspects, such as whether employees have to sign in and out upon arriving and exiting the office, how many breaks workers can take and how long

those breaks can be, how and when employees can use company computers and how workers at all levels are expected to dress for work.

4.2 Organizational Behavior – Change

Organizational change can be defined as the alteration in structure, technology or people in an organization or behavior by an organization. Here we need to note that change in organizational culture is different from change in an organization. A new method or style or new rule is implemented here. An organizational change occurs due to two major factors namely –

- **External factor** − External factors are those factors that are present outside the firm but force the firm to change or implement a new law, rule etc. For example, all banks are bound to follow the rules laid down by the RBI.
- **Internal factor** − Internal factors are those factors that are caused or introduced inside an organization that forces a change. For example, no smoking in the workplace.

Kurt Lewin's Force Field Analysis

Kurt Lewin, is a noted organizational theorist, who proposed the force field analysis for organizational change. In this theory, he has prioritized two factors for change in an organization, namely –

- **Driving force** − Driving force can be defined as an organizational force that makes a change with respect to structure, people and technology. In short, it drives the organization from one culture to another.
- **Restoring force** − Restoring force is the force which changes the culture from the existing state to the old state. It indicates a backward motion while the driving force indicates a forward motion.

Importance of Organizational Change

There is a need of change in an organization because there is always a hope for further development, and in order to survive in a competitive market, the organization needs to be updated with changes. However, we have listed some reasons to explain why changes are deliberately made and carefully planned by the organization before implementation.

- It improves the means to satisfy the economic requirements of people.
- It enhances the profitability of organization.
- It promotes employee satisfaction and well-being.

Planned Change

We can define planned change as any kind of alteration or modification which is done in advance and differently for improvement.

The Need for Planned Change

Planned change takes places in an organization when there is a demand for change due to two types of forces. These forces are grouped into internal sources and external sources.

Internal forces that lead to a planned change in an organization include obsolescence of production and service, new market opportunities, new strategic direction, increasing workforce diversity, and shift in socio-cultural values. External forces that lead to a planned change in an organization include regulators, competitors, market force, customers, and technology. Each of these forces can create pressing demand for change in small or big, public or private, business or non-business organizations.

Process of Planned Change

Once the management decides to implement some changes in the organization, it needs to be done carefully as it is a very sensitive issue. It is very important for all the employees to adapt to change. According to Kurt Lewin, the planned organizational change is implemented in three different stages. They are –

- **Unfreezing** – In this stage, the organization studies if the change is required or not, what and why is the change necessary. Considering the entire situation, the organization decides for appropriate change. Thus a plan and strategy is formulated as required.

- **Changing** – In this stage, the organization executes the plan and program for change. For this purpose, proper precautions are taken in order to maintain cooperation and coordination between the employees and management, avoiding miscommunication or disputes. Adequate supervision and control is arranged as needed.

- **Refreezing** – This is the final stage, in order to bring organizational change. By way of supervision, the organization tries to evaluate the effectiveness of change. Collecting all this information, the management interprets whether to continue or replace change by some other alternatives or to make further minor changes.

Types of Planned Change

On the basis of a company's requirement planned change is classified into three types. They are –

- Change in structure
- Change in technology
- Change in people

Change in Structure

We say that the planned change required is change in structure when development is required in these following areas –

- Change in management
- New management
- Change in position or location
- Change in objective, rules, regulations etc.
- Launching new branches

Change in Technology

We say that the planned change required is change in technology when development is required in these following areas –

- Need of office automation

- Installing new hardware and software

- Executing new working procedures

- New methods in production function

- Producing new products and devices

- New training, research and development program

Change in People

We say that the planned change required is change in people when development is required in these following areas –

- New candidate requirement

- Promotion or demotion

- Transfer to other location

- Suspension or dismissal

- Deputation

- Training and development

4.3 Resistance to Change in an Organization's Structure

Organizational culture and structure change is inevitable due to the constant change in technology, customer and markets, social and political pressures, as well as demographic characteristics. Resistance to change is an emotional and behavioral response by the affected employees to actual or imagined threats to an established work routine. Organizations must manage change and subsequent resistance to survive.

Fear of Failure

Intimidating structural and cultural changes on the worker can cause them to doubt their capabilities. This kind of self- doubt wears out self-confidence and undermines personal growth and development. The employees may oppose such changes without considering the potential benefits of the proposed changes, as a result. Low output might be realized before the employees finally adapt and learn to live with the changes.

Loss of Status

Structural and cultural changes that threaten to alter powerful positions or eliminate jobs generally trigger strong resistance. Corporate restructuring and reorganization may involve elimination of managerial jobs. Middle managers will resist restructuring and any other program that reduces their authority and the status they already enjoy in the organization.

Non-Reinforcing Reward System

Individuals resist when they do not foresee positive rewards for changing their work routines. Employees expect a positive improvement in their work in order to readily accept change. An employee is unlikely to support a change that is perceived as longer work hours and increased pressure to perform.

Incongruent Group Dynamics

Groups develop and enforce conformity to a set of norms that guide the members' behavior. However, conformity to existing group norms may discourage employees from accepting

organizational change. Group norms that conflict with the desired changes need modification, while the structural and cultural norms that work to improve the organization need promotion.

Breaking Routines

People are creatures of habit and find it hard to abandon behavioral routines that the organization considers no longer appropriate. They like comfort zones by continuing routine role patterns. People hence resist structural and cultural changes that force them out of comfort zones and require investing more time and energy learning new role patterns.

4.4 Managing Resistance to Change

Resistance to change is the action taken by individuals and groups when they perceive that a change that is occurring as a threat to them. Key words here are 'perceive' and 'threat'. The threat need not be real or large for resistance to occur. In its usual description it refers to change within organizations, although it also is found elsewhere in other forms. Resistance is the equivalent of objections in sales and disagreement in general discussions.

1. CHANGE - Change is alteration of status quo. "To alter; to make different; to cause to pass from one state to another; as, to change the position, character, or appearance of a thing; to change the countenance." When you introduce a change to the organization, you are ultimately going to be impacting one or more of the following four parts of how the organization operates: 1. Processes 2. Systems 3. Organization structure 4. Job roles

2. RESISTENCE TO CHANGE - Change is always beneficial and difficult to implement. It is important for Change to occur continually, for adjusting dynamic forces. Resistance to change will be on two main reasons: ¬Social change ¬ Change in human relationship with technical change.

3. FACTORS OF RESISTENCE TO CHANGE -

1. Insecurity: Changes caused due to change in new technology, new procedure, new system causes uncertainty in job which creates employees anxiousness which leads insecurity in job.

2. Lack of communication: If change is not properly communicated to workers it can lead to resistance, a sense of participation helps to reduce in such resistance.

3. Rapidity and extent of change: If changes are minor the resistance also will be minimal. However if the changes are major such as restructuring of organization, the resistance will be highly visible. Similarly slower changes in process result in slower resistance and vice-verse.

4. Group Resistance: Individuals resist to changes if the group he belongs resist it because an individual Is supposed to comply group norms and codes in support to group attitudes (e.g: trade unions).

5. Emotional Turmoil: Individuals may resist changes due to past experience where changes doesn't had positive result and this may also due to misunderstanding, lack of confidence or trust, its important can be misinterpreted.

6. Loss of Power and Control: Sometimes Changes can reduce power or authority of individuals, group or unit such losses create resistance. Downsizing of department also create loss of influence for some people.

4. MANAGING RESISTANCE TO CHANGE –

1. Participation and Involvement: Participation ensures commitment in implication of changes. Secondly, participation will be easier when individual recognizes his personal benefit to be gained from change

2. Communication and Education: If information is inaccurate and not adequate then it is necessary to educate employees through training classes, meetings and conferences changes must be communicated clearly without doubt in these meetings.

3. Leadership: A leader with stronger influence and have command from the members to exert emotional pressure on its followers to bring about the change.

4. Negotiation and Agreement: Negotiation is a technique used to balance the point of difference within parties. Such negotiation happened in bargaining with Labor Unions. In such case individual or group end up in losers as a result of change where individual or group have considerable power to resist.

5. Willingness of The Sake of the Group: Some individuals may be willing to accept changes when group belonging to willing to accept the change.

6. Timing of Change: Timing of introduction of change can have a considerable impact on resistance. Management must be careful in choosing the time when organizational climate is highly favourable to change.

4.5 Kurt Lewin's Change Model

Kurt Lewin developed a change model involving three steps: unfreezing, changing and refreezing. The model represents a very simple and practical model for understanding the change process. For Lewin, the process of change entails creating the perception that a change is needed, then moving toward the new, desired level of behavior and finally, solidifying that new behavior as the norm. The model is still widely used and serves as the basis for many modern change models.

Unfreezing

Before you can cook a meal that has been frozen, you need to defrost or thaw it out. The same can be said of change. Before a change can be implemented, it must go through the initial step of unfreezing. Because many people will naturally resist change, the goal during the unfreezing stage is to create an awareness of how the status quo, or current level of acceptability, is hindering the organization in some way. Old behaviors, ways of thinking, processes, people and organizational structures must all be carefully examined to show employees how necessary a change is for the organization to create or maintain a competitive advantage in the marketplace. Communication is especially important during the unfreezing

stage so that employees can become informed about the imminent change, the logic behind it and how it will benefit each employee. The idea is that the more we know about a change and the more we feel it is necessary and urgent, the more motivated we are

to accept the change.

Changing

Now that the people are 'unfrozen' they can begin to move. Lewin recognized that change is a process where the organization must transition or move into this new state of being. This changing step, also referred to as 'transitioning' or 'moving,' is marked by the implementation of the change. This is when the change becomes real. It's also, consequently, the time that most people struggle with the new reality. It is a time marked with uncertainty and fear, making it the hardest step to overcome. During the changing step people begin to learn the new behaviors, processes and ways of thinking. The more prepared they are for this step, the easier it is to complete. For this reason, education, communication, support and time are critical for employees as they become familiar with the change. Again, change is a process that must be carefully planned and executed. Throughout this process, employees should be reminded of the reasons for the change and how it will benefit them once fully implemented.

Refreezing

Lewin called the final stage of his change model freezing, but many refer to it as refreezing to symbolize the act of reinforcing, stabilizing and solidifying the new state after the change. The changes made to organizational processes, goals, structure, offerings or people are accepted and refrozen as the new norm or status quo. Lewin found the refreezing step to be especially important to ensure that people do not revert back to their old ways of thinking or doing prior to the implementation of the change. Efforts must be made to guarantee the change is not lost; rather, it needs to be cemented into the organization's culture and maintained as the acceptable way of thinking or doing. Positive rewards and acknowledgment of individualized efforts are often used to reinforce the new state because it is believed that positively reinforced behavior will likely be repeated.

4.6 Stress – sources

A group of individuals about what their biggest stressors are, they're likely to give you these four answers:

- Money
- Work
- Family responsibilities
- Health concerns

In most surveys on stress and its causes, these four responses have been at the top of the list for quite a long time, and I'm sure you weren't surprised to read them. But managers should take pause when they realize that all four of these are either directly or indirectly impacted by the workplace. Still, there are so many differences among individuals and their stressors. Why is one person's mind-crippling stress another person's biggest motivation and challenge? We're going to attempt to answer this by looking at the three sources of stress—individual, organizational, and environmental—and then add in the concept of human perception in an attempt to understand this conundrum.

Individual Factors

Let's start at the top. The first of three sources of stress is individual. Individuals might experience stressful commutes to work, or a stressful couple of weeks helping at a work event, but those kinds of temporary, individual stresses are not what we're looking at here. We're looking for a deeper, longer-term stress. Family stress—marriages that are ending, issues with children, an ailing parent—these are stressful situations that an employee really can't leave at home when he or she comes to work. Financial stress, like the inability to pay bills or an unexpected new demand on a person's cash flow might also be an issue that disturbs an employee's time at work. Finally, an individual's own personality might actually contribute to his or her stress. People's dispositions—how they perceive things as negative or positive—can be a factor in each person's stress as well.

Organizational Factors

There's a plethora of organizational sources of stress.

- **Task or role demands:** these are factors related to a person's role at work, including the design of a person's job or working conditions. A stressful task demand might be a detailed, weekly presentation to the company's senior team. A stressful role demand might be where a person is expected to achieve more in a set amount of time than is possible.

- **Interpersonal demands:** these are stressors created by co-workers. Perhaps an employee is experiencing ongoing conflict with a co-worker he or she is expected to collaborate closely with. Or maybe employees are experiencing a lack of social support in their roles.

- **Organizational structure:** this refers to the level of differentiation within an organization, the degree of rules and regulations, and where decisions are made. If employees are unable to participate in decisions that affect them, they may experience stress.

- **Organizational leadership:** this refers to the organization's style of leadership, particularly the managerial style of its senior executives. Leaders can create an environment of tension, fear and anxiety and can exert unrealistic pressure and control. If employees are afraid they'll be fired for not living up to leadership's standards, this can definitely be a source of stress.

- **Organizational life stage:** an organization goes through a cycle of stages (birth, growth, maturity, decline). For employees, the birth and decline of an organization can be particularly stressful, as those stages tend to be filled with heavy workloads and a level of uncertainty about the future.

Environmental Factors

Finally, there are environmental sources of stress. The economy may be in a downturn, creating uncertainty for job futures and bank accounts. There may be political unrest or change creating stress. Finally, technology can cause stress, as new developments are constantly making employee skills obsolete, and workers fear they'll be replaced by a machine that can do the same. Employees are also often expected to stay connected to the workplace 24/7 because technology allows it. It's important to understand that these stressors are

additive. In other words, stress builds up, and new elements add to a person's stress level. So a single element of stress might not seem important in itself, but when added to other stresses the worker is experiencing, it can, as the old adage says, be the straw that broke the camel's back.

Individual Differences

Those are the sources of stress, but differences within an individual determine whether that stress will be positive or negative. Those individual differences include;

- **Perception.** This is what moderates the individual's relationship to the stressor. For instance, one person might see a potential layoff as a stressful situation, while another person might see that same layoff as an opportunity for a nice severance package and the opportunity to start a new business.
- **Job Experience.** Because stress is associated with turnover, it would stand to reason that those employees with a long tenure are the most stress-resistant of the bunch.
- **Social Support.** Co-workers, especially those who are caring or considered to be friends, can help protect a fellow employee against the effects of stress.
- **Belief in locus of control.** Those who have a high internal locus of control (those that believe they are in control of their own fate) are, unsurprisingly, not as affected by stress as those who feel they are not in control.
- **Self-efficacy.** Self-efficacy is an individual's belief that he or she can complete a task. Research shows that employees who have strong levels of self-efficacy are more resistant to the effects of stress.
- **Hostility.** Some employees carry around a high level of hostility as a part of their personalities, and they're often suspicious and distrustful of their co-workers. These personality traits make a person more susceptible to stress.

If those potential sources of stress sneak through the individual difference filters and manifest themselves as stress, they will appear in a variety of physiological, psychological and behavioral symptoms. We reviewed the physiological symptoms when we talked about the

definition of stress. Add to that psychological symptoms, like tension and anxiety, but also job dissatisfaction and boredom, and behavioral symptoms, like turnover and absenteeism, and you can see how stress can become an organizational problem.

4.7 Consequences of Stress in Organisational Behaviour

The three consequences of stress are explained below:

1. *Performance and Health benefits of stress:* The stress response is not inherently bad or destructive. Performance and health benefits of stress indicate that stress leads to improved performance up to an optimum point. Beyond the optimum point, further stress and arousal have a detrimental effect on performance. Therefore, healthy amounts of eustress are desirable to improve performance by arousing a person to action. The stress response does provide momentary strength and physical force for brief periods, thus providing a basis for peak performance. The various individual and organizational forms of distress often associated with the word stress are the result of prolonged activation of the stress response, mismanagement of the energy induced by the response, or unique vulnerabilities in a person.

2. *Individual Distress:* In general, individual distress usually takes one of the three basic forms -

   a.   Physiological symptoms

   b.   Psychological symptoms and

   c.   Behavioural symptoms.

   a. *Physiological Symptoms:* A number of medical illnesses have a stress-related component. The most significant medical illnesses of this form are heart disease and strokes, backaches, peptic ulcers, and headaches. Most of the early concern with stress was directed at physiological symptoms. This was primarily because specialists in the health and medical sciences researched the topic. The link between stress and particular physiological symptoms is not clear. There is no clear evidence that stress is a direct causal agent.

b. **Psychological Symptoms:** The most common types of psychological distress are depression, burnout, and psychogenic disorders. In the early stages, depression and burnout result in decline in efficiency; diminished interest in work; fatigue; and an exhausted run-down feeling. Psychogenic disorders are physical disorders with a genesis (beginning) in the psyche (mind). For example, the intense stress of public speaking may result in a psychogenic speech disorder; that is, the person is under so much stress that the mind literally will not allow speech to occur.

c. **Behavioural Symptoms:** Behavioural problems are the third form of individual distress. These problems include violence, substance abuse of various kinds and accidents. Behaviourally related stress symptoms include changes in productivity, absence and turnover as well as changes in eating habits, increased smoking or consumption of alcohol, rapid speech, fidgeting and sleep disorders.

Accidents, both on and off the job, are another behavioural form of distress that can sometimes be traced to work-related stressors. For example, an unresolved problem at work may continue to preoccupy or distract an employee driving home and result in the employee having an automobile accident.

3. **Organizational Distress:** The University of Michigan studies on organizational stress identified a variety of indirect costs of mismanaged stress for the organization, such as low morale, dissatisfaction, breakdowns in communication and disruption of working relationships. The problems caused by organizational distress are: -

    a. **Participation problems:** Participation problems are the costs associated with absenteeism, tardiness, strikes and work stoppages and turnover.

    b. **Performance decrements:** Performance decrements are the costs resulting from poor quality or low quality of production, grievances and unscheduled machine downtime and repair.

    c. **Compensation awards:** Compensation awards are a third organizational cost resulting from court awards for job distress.