

# ORGANIZATION BEHAVIOUR AND CHANGE MANAGEMENT

PGDHR-102

**BLOCK 1:  
INTRODUCTION TO  
ORGANIZATION  
BEHAVIOUR**

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# ORGANIZATION BEHAVIOUR AND CHANGE MANAGEMENT

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Knowledge Management and  
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## **ROLE OF SELF INSTRUCTIONAL MATERIAL IN DISTANCE LEARNING**

The need to plan effective instruction is imperative for a successful distance teaching repertoire. This is due to the fact that the instructional designer, the tutor, the author (s) and the student are often separated by distance and may never meet in person. This is an increasingly common scenario in distance education instruction. As much as possible, teaching by distance should stimulate the student's intellectual involvement and contain all the necessary learning instructional activities that are capable of guiding the student through the course objectives. Therefore, the course / self-instructional material are completely equipped with everything that the syllabus prescribes.

To ensure effective instruction, a number of instructional design ideas are used and these help students to acquire knowledge, intellectual skills, motor skills and necessary attitudinal changes. In this respect, students' assessment and course evaluation are incorporated in the text.

The nature of instructional activities used in distance education self-instructional materials depends on the domain of learning that they reinforce in the text, that is, the cognitive, psychomotor and affective. These are further interpreted in the acquisition of knowledge, intellectual skills and motor skills. Students may be encouraged to gain, apply and communicate (orally or in writing) the knowledge acquired. Intellectual-skills objectives may be met by designing instructions that make use of students' prior knowledge and experiences in the discourse as the foundation on which newly acquired knowledge is built.

The provision of exercises in the form of assignments, projects and tutorial feedback is necessary. Instructional activities that teach motor skills need to be graphically demonstrated and the correct practices provided during tutorials. Instructional activities for inculcating change in attitude and behavior should create interest and demonstrate need and benefits gained by adopting the required change. Information on the adoption and procedures for practice of new attitudes may then be introduced.

Teaching and learning at a distance eliminates interactive communication cues, such as pauses, intonation and gestures, associated with the face-to-face method of teaching. This is particularly so with the exclusive use of print media. Instructional activities built into the instructional repertoire provide this missing interaction between the student and the teacher. Therefore, the use of instructional activities to affect better distance teaching is not optional, but mandatory.

Our team of successful writers and authors has tried to reduce this.

Divide and to bring this Self Instructional Material as the best teaching and communication tool. Instructional activities are varied in order to assess the different facets of the domains of learning.

Distance education teaching repertoire involves extensive use of self-instructional materials, be they print or otherwise. These materials are designed to achieve certain pre-determined learning outcomes, namely goals and objectives that are contained in an instructional plan. Since the teaching process is affected over a distance, there is need to ensure that students actively participate in their learning by performing specific tasks that help them to understand the relevant concepts. Therefore, a set of exercises is built into the teaching repertoire in order to link what students and tutors do in the framework of the course outline. These could be in the form of students' assignments, a research project or a science practical exercise. Examples of instructional activities in distance education are too numerous to list. Instructional activities, when used in this context, help to motivate students, guide and measure students' performance (continuous assessment)



## **PREFACE**

We have put in lots of hard work to make this book as user-friendly as possible, but we have not sacrificed quality. Experts were involved in preparing the materials. However, concepts are explained in easy language for you. We have included many tables and examples for easy understanding.

We sincerely hope this book will help you in every way you expect.

All the best for your studies from our team!



# ORGANIZATION BEHAVIOUR AND CHANGE MANAGEMENT

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**PGDHR-102**

# **ORGANIZATION BEHAVIOUR AND CHANGE MANAGEMENT**

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## **BLOCK 1: INTRODUCTION TO ORGANIZATION BEHAVIOUR**

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# **BLOCK 1: INTRODUCTION TO ORGANIZATION BEHAVIOUR**

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## **Block Introduction**

The importance of study of organization behaviour can never be underestimated. As we all know that the objectives for which an organisation is formed can never be achieved without the team effort and for this it becomes further more important to have a study of this subject as it involves study of human behaviour in an organization.

This block discussed the two important points in two different units. Unit one of the block contains a detailed discussion on organization. It has discussed various aspects relating to the organization. In this unit we have discussed the need and process of the organization, later parts of the unit also discusses about the concept of organization. On the other hand unit two of the block contains a very detailed study on human behaviour and psychological factors. Every effort has been made to explain the topics in the simplest language so that the book remains simple and easy understandable to its readers.

## **Block Objective**

**After learning this block, you will be able to understand:**

- Organization and its concept.
- Concept of organization.
- Concept of organization behaviour.
- More about human factors.
- Various psychological factors.

## **Block Structure**

**Unit 1: Organisation**

**Unit 2: Human Behaviour and Psychological Factors**

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# UNIT 1: ORGANIZATION

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## Unit Structure

### 1.0 Learning Objectives

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1.2.1 Need for Organization

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### 1.3 Concept of Organisational Behaviour

1.3.1 Introduction

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### 1.7 Assignment

### 1.8 Activities

### 1.9 Case Study

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## 1.0 Learning Objectives

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**After learning this unit, you will be able to understand:**

- Definition and meaning of organization.
- Need and process of organization.
- About Organization Behaviour.

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## 1.1 Introduction

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Organizations make the foundation in all walks of life. It encompasses Government offices, banks, schools, colleges, hospital, factories, shops, institutes, political parties and so on. It plays an integral part in carrying out activities in each one of them. Organizing the institute is a basic function of management. It refers to the process involving the identification and grouping of activities to be performed as well as defining and establishing the authority-responsibility relationship. This enables people to work together in the most enterprising manner in achieving the organizational objectives.

In general, organizing an institute involves decision making. It also means making arrangements for manpower, materials, machines and money required by an enterprise for the attainment of its goals. In its operational sense, the term organizing means defining responsibilities of the employed people and the manner in which their activities are to be related. The final result of organizing is the creation of a structure of duties and responsibilities for various people in the organisation with different positions. It also involves grouping of employees and assigning them definite work according to the similarity, behaviour and interrelated nature of activities. In brief, organizing process results in the outcome called “organization”, consisting of a group of people working together for the achievement of one or more common objectives.

Organizations are basically social systems. Firstly, it is imperative to understand how organizations operate, in order to work in them or manage them. Organizations combine science and people technology and humanity. Techniques alone will not produce the desirable results. It is absolutely essential to have well qualified people to design and implement rules and regulations. But human behaviour in an organization is very much unpredictable because it stems out from differential needs and value systems of people. Human behaviour can be partially judged and understood in the light of behavioural science, management and other disciplines. There is no idealistic solution to organisational problems. Human relations at work can be considerable augmented by an increasing awareness and understanding. At the same time nurturing of skills will also significantly enhance human relations at workplace.

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## 1.2 Organization

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To have a proper understanding of the term 'Organization', we will consider few definitions by several authors.

Money and Reiley: "Organization is the form of every human association for the attainment of a common purpose".

Puffier and Sherwood: "Organization is the pattern of ways in which large numbers of people have intimate face to face contact with all others, are engaged in a variety of tasks, relate themselves to each other in conscious, systematic establishment and accomplishment of mutually agreed purposes".

The basic feature of any organization is the hierarchy of people working in it. Therefore, it distinguishes between the supervisor and the subordinate. All the organizations have an unwritten rule that the subordinate must follow the instructions given by the supervisor.

The field of the organizational behaviour does not depend on assumptions. On the contrary, it attempts to gather information regarding an issue in a scientific manner under controlled conditions. It uses verifiable information and interprets the findings. This in turn helps to gauge the behaviour of an individual or a group which can be then channelized in a desired manner. Admirable numbers of psychologists, social scientists and academicians have carried out research on various issues related to organisation behaviour. Employee performance and job satisfaction are two main determinants of accomplishment of individual and organizational goals.

Organisations have been set up to accomplish needs of the people. Considering the competitive world, today the organisations have to be growth-oriented. This can only be achieved through enhanced productivity with respect to quantity of product to be produced with zero error. Employee absenteeism and turnover has a negative impact on productivity. Frequently absent employees cease to contribute towards productivity and growth of the organization. Similarly employee turnover augments the cost of production.

Job satisfaction is another major factor to analyse performance of an individual. Satisfied workers are undoubtedly more productive workers who contribute towards building an appropriate work culture in an organisation. Organizations are composed of number of individuals working independently or collectively in teams. A collection of such teams make a department and number of such departments makes an organisation. It is a formal structure and all

departments have to function in a coordinated manner to achieve the organizational objective. It is therefore important for all employees to reflect a positive attitude towards their work. Individuals need to function in congenial atmosphere to accomplish assigned goals. It is also important for managers to develop an appropriate work culture to bind the team together.

Some of the significant factors which helps an organization to function properly includes use of authority, delegation of certain powers to subordinates, division of labour, efficient and effective communication, benchmarking, re-engineering, job re-design and empowerment. All these factors ensure proper functioning of an organization. This is not only applicable to manufacturing organizations but also to service and social organizations.

### 1.2.1 Need for Organisation

We need organization to primarily execute the management functions. Study of organization is absolutely necessarily because of the following reasons:

- a. It provides an ideal setting for the study of human behaviour. The study of organization leads to man's essential discoveries that are vital for the continued well-being of the institutes particularly and the society in general.
- b. Knowledge of organization helps managers to effectively run the organization and protect the environmental needs. It also guides them to motivate subordinates, manage conflicts and introduce behavioural changes.
- c. Organisations leave a mark in all the important phases of man's life. A person is born in an organization (hospitals, clinics etc.); he is educated in organizations (schools, colleges etc.) and works for a living in an organization (factories, office etc).

### 1.2.2 Process of Organising

'Organization' is chiefly the outcome of an organizing process. Organising is the process by which a supervisor establishes order in the system and creates a conducive environment for effective teamwork. Organizing involves the following interrelated steps:

- a. **Objectives:** Objectives are the base of every organization and therefore, each and every management essentially has to identify certain objectives before starting any activity.

- b. **Activities:** Recognizing and grouping of several activities is an important process in an organization. Individuals in a group can only put forward their efforts effectively if there is a proper division of the major activities. Each and every job must be properly classified and grouped.
- c. **Duty:** Each individual needs to be allotted with appropriate duties and responsibilities. After classifying and grouping the activities into various categories of jobs, it should be reasonably allotted to individuals according to their capabilities. Every individual should be given a specific job to do according to his ability with adequate responsibility to do the job allotted to him.
- d. **Relationship:** Many individuals work in an organization. Thus, it is the responsibility of management to build a strong base of relationships in the organisation and maintain authority as well.
- e. **Integration:** All groups of activities along with the designated employees must be properly integrated to ensure smooth functioning of the organization. This can be achieved through relationship of authority - horizontal, vertical or lateral.

The team spirit can be maintained through integrating different activities and processes within the team.

### Check your progress 1

1. The basic feature of any organization is the \_\_\_\_\_ of persons in it.
  - a. Hierarchy
  - b. team
2. Organizations have been set up to fulfill \_\_\_\_\_ of the people.
  - a. Needs
  - b. Food Requirement
3. Employee absenteeism and turnover has a \_\_\_\_\_ impact on productivity.
  - a. Negative
  - b. Positive

4. Every \_\_\_\_\_ essentially has to identify the objectives before starting any activity.
  - a. Management
  - b. individual
5. Each and every \_\_\_\_\_ must be properly classified and grouped.
  - a. Job
  - b. Person

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## **1.3 Concept of Organisation Behaviour**

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### **1.3.1 Introduction**

Each of us is a student of behaviour. All individuals must be aware that certain responsibilities require a particular behavioural pattern. With age and maturity individuals incorporate the learning and observations into their behavioural patterns. We expand our observations to include the behaviour of others. We develop generalizations that help us to predict and explain what people do and will do. How accurate are these generalizations? Some may represent extremely sophisticated appraisals of behaviour and prove highly effective in explaining and predicting the behaviour of others. Most of us also carry about with us a number of beliefs that frequently fail to explain why people do what they do. As a result, a systematic approach to the study of behaviour can improve an individual's explanatory and predictive abilities.

### **1.3.2 Importance of Organisation Behaviour**

Organisation Behaviour (OB) is a study involving the impact of individuals, group and structure on behaviour within the organization. This study is useful for the effective working of an organization. It is a study of what people do within an organization and how their behaviour affects the performance of an organisation. Organizational Behaviour is concerned mainly with employment related matters such as job, work, leaves, turnover, productivity, human performance and management.

Organizational Behaviour also includes the core topics like motivation, leader behaviour and power, interpersonal communication, group structure and



process, learning attitude, perception, conflicts, work design and work stress. Organizational Behaviour introduces you to a comprehensive set of concepts and theories. A lot of commonly accepted facts about human behaviour, which has developed over the years, have to be taken care of within an organisation. Few well known facts like, “you can teach an old dog new tricks” and two heads are better than one”, which are not necessarily true also makes sense.

Then one off-line objective of Organisational Behaviour is to replace popularly held notions. Organization Behaviour does offer challenges and opportunities for managers since it focuses on ways and means to improve productivity, minimize absenteeism, increase employee job satisfaction, etc. Organization Behaviour can offer managers guidance in creating an ethical work climate. This is because organizational behaviour can predict human behaviour.

### **1.3.3 Concept of Organization Behaviour**

Organizational Behaviour is field of study that investigates the impact that individuals, groups and structure have on behaviour within organization. It is the study and application of knowledge about how people act and react within organisations. It is a human tool for human benefit.

It applies broadly to the behaviour of people in all types of organizations, such as business, government, schools and services organizations. It addresses three determinants of behaviour in organisations: individuals, groups, and structure. OB is an applied field. In order to make organizations work more effectively it applies the knowledge gained about individuals and the effect of structure on behaviour. OB covers the core topics of motivation, leadership behaviour and power, interpersonal communication, group structure and process, learning, attitude development and perception, change process, conflict, job design and work stress. Before going into further details it is imperative to know the meanings of organization and management.

#### **Organization**

Organization as a purposeful system with several subsystems where individuals and activities are organized to achieve certain predetermined goals through division of labor and coordination of activities. Division of labor refers to how the work is equally divided among the employees according to their capabilities. Coordination refers to how all the various activities performed by the individuals are integrated to achieve the goals of the organization. The term organizing is used to denote one aspect of the managerial activities when the

supervisor or manager is preparing and scheduling the different tasks that require to be completed.

### **Management**

It refers to the functional process of accomplishing the goals of the organization through collective efforts. A manager is an individual who is given the responsibility for achieving the goals assigned to him or her as part of the overall goals of the organization. The hierarchical levels are well defined within the organization. The top management is primarily responsible for achieving the overall targets of the organization

Behaviour is generally predictable if we know how the person perceives the situation. To gauge what is important to the person requires a good understanding and rapport with the person. An observer can only see the behaviour as non-rational because he does not have the knowledge of the entire situation in the same way. However, a more systematic approach can improve the predictability. In certain situations intuitions can be best replaced by knowledge and a composed attitude.

The systematic approach consists of important suits and relationships and will provide a base for more accurate predictions of behaviour. Systematic approach in determining organisational behaviour works on basic concept that behaviour is not random. It projects the individual's belief, conception, perception, interests and outlook. Each individual is different who are placed in similar situations. Thus, they do not react in the same manner. However, there are some fundamental consistencies in each individual's behaviour, which can be identified and modified to find out the individual differences.

Systematic study means looking at relationships, attempting to attribute causes and effects and base our conclusions on scientific and verifiable evidences. This study is based on the data gathered under controlled conditions and interpreted in a rigorous manner. Systematic study replaces intuition. However, it is worth mentioning that things done in a random manner are necessarily incorrect. The objective of systematic approach is to move away from intuitive views of behaviour towards a systematic analysis

### **1.3.4 Contributing Fields of Organisational Behaviour**

#### **Psychology**

Psychology is an applied science, which attempts to explain human behaviour in a particular situation and predicts actions of individuals. Psychologists have been able to modify individual behaviour largely with the help of various studies. It has contributed towards various theories on learning, motivation, personality, training and development, theories on individual decision making, leadership, job satisfaction, performance appraisal, attitude, ego state, job design, work stress and conflict management. Studies of these theories can improve personal skills and bring change in attitude and develop a positive approach to organisational systems.

Various psychological tests are conducted within the organisations for various reasons. They include selection of employees, measuring personality attributes and aptitude. Various other dimensions of human personality are also measured. These instruments are scientific in nature and have been finalized after a great deal of research. The field of psychology is dynamic in nature and it continues to explore new areas applicable to the field of organisational behaviour. Contribution of psychology has enriched the organisational behaviour field.

#### **Sociology**

Science of Sociology studies the impact of culture on group behaviour. It has also contributed to a large extent to the field of group-dynamics, roles that individual plays in the organisation, communication, norms, status, power, conflict management, formal organisation theory, group processes and group decision-making.

#### **Political science**

Political science has contributed to the field of Organisational behaviour as well. Stability of government at national level is one major factor for promotion of international business, financial investments, expansion and employment. Various government rules and regulations play a very decisive role in growth of the organisation. All organisations have to abide by the law of the land and follow the rules and regulations of the government.

#### **Social psychology**

Working organisations are formal assembly of people who are assigned specific jobs and play a vital role in formulating human behaviour. It is a subject where concept of psychology and sociology are merged to achieve better and

rational human behaviour within the organisation. The field has contributed to manage change, group decision-making, communication and ability of people in the organisation to maintain social norms.

### **Anthropology**

It is a field of study relating to human activities in various cultural and environmental frameworks. It understands the difference in behavioural pattern based on value system of different cultures in various countries. The study is more relevant to organisational behaviour today due to globalisation, mergers and acquisitions of various industries. In the 21<sup>st</sup> century a situation has arrived wherein people from various cultures and countries have to work together in a particular industry.

Managers need to be aware of this situation. They need to deal with people from various cultural and ethnic backgrounds. Managers need to exercise adequate control and channelize behaviour in the desired direction without disheartening anyone.

Organizational behaviour has reaped benefit from various studies on comparative attitudes and cross-cultural transactions. Environmental studies conducted by the field of anthropology aims to understand organizational human behaviour so that acquisitions and mergers are smooth. Organizations are bound by its culture that is formed by people from various parts of the country or world.

### **Check your progress 2**

1. \_\_\_\_\_ is a study involving the impact of individuals, group and structure or behaviour within the organization.
  - a. Organizational Behaviour
  - b. Organization structure
2. Organizational Behaviour is concerned mainly with \_\_\_\_\_ related matters such as job, work, leaves, turnover, productivity, human performance and management.
  - a. Employment
  - b. Qualification

3. \_\_\_\_\_ as a purposeful system with several subsystems where individuals and activities are organized to achieve certain predetermined goals.
  - a. Organization
  - b. Company
4. The \_\_\_\_\_ approach consists of important suits and relationships and will provide a base for more accurate predictions of the behavior.
  - a. Systematic
  - b. Unsystematic

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## 1.4 Let Us Sum Up

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In this unit we have studied organisational behaviour in great detail. A detailed discussion on organisation, its objectives and the process of organisation has been done in this section.

In general, the process of organizing involves determining and arranging human power, materials, machines and money which is required by an enterprise for the attainment of its goals. In its operational sense, the term organizing means defining responsibilities of the employed people and the manner in which their activities are to be related.

We also studied that organisations are social systems and it is necessary to understand the operational processes in order to manage them. The field of the organisational behaviour does not depend upon deductions based on assumptions but rather attempts to gather scientific and verifiable information regarding an issue under controlled conditions. It uses information and interprets the findings so that the behaviour of an individual and group can be channelized as per the requirement. Large numbers of psychologists, social scientists and academicians has carried out various researches on various issues related to organisation behaviour. Employee's performance and job satisfaction are two important determinants to accomplish individual and organisational goals.

This unit is certainly going to be of great help for the students in understanding the basic concepts of organisation and organisational behaviour.

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## 1.5 Answers for Check Your Progress

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<b>Check your progress 1</b>
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Answers: (1-a), (2-a), (3-a), (4-a), (5-a)

<b>Check your progress 2</b>
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Answers: (1-a), (2-a), (3-a), (4-a)

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## 1.6 Glossary

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1. **Organisation** - It is the form of human association for the attainment of a common purpose.

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## 1.7 Assignment

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1. What is organisation? Explain the need and importance of organisational Behavior.

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## 1.8 Activities

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Explain in detail the contribution of disciplines to OB.

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## 1.9 Case Study

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What is organisation behaviour? Discuss

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## 1.10 Further Readings

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1. B. Narayan and Bharati Sharma, 1993; "Behavioural Science in Management" Omsons Publications, New Delhi.
2. Harlow/Hamke, 1975; Behaviour in Organisations Text, Readings and Cases, Little, Brown and Company.

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## **UNIT 2: HUMAN BEHAVIOUR AND PSYCHOLOGICAL FACTORS**

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### **Unit Structure**

- 2.0 Learning Objectives**
- 2.1 Introduction**
- 2.2 Human Behaviour**
- 2.3 Psychological Factors**
- 2.4 Let Us Sum Up**
- 2.5 Answers for Check Your Progress**
- 2.6 Glossary**
- 2.7 Assignment**
- 2.8 Activities**
- 2.9 Case Study**
- 2.10 Further Readings**

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### **2.0 Learning Objectives**

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**After learning this unit, you will be able to understand:**

- What human behaviour is?
- Why is it important to study human behaviour in organisation behaviour?
- Importance of studying psychological factors in an organisation.

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### **2.1 Introduction**

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In today's world it is essential to understand human behaviour as the existence of any organisation depends largely on its employees. It is difficult to work in an organisation without understanding the people. In order to understand human behaviour let us see how the perception of human being has changed from time to time.

All organizations are comprised of individuals with different personality, attitudes, values, perception, motives, aspirations and abilities. The main reason behind understanding human behaviour is that each individual are different. In the early studies, theories of organization and management treated people as though they were the same; scientific management was based on the similarities among workers, not the differences. In contrast, modern theories of human behaviour are based upon the differences among people and how those differences can affect the organization. Individual differences are many for example some employees are motivated to work and some are not. This can be due to several reasons, and can be known by further reading the unit.

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## 2.2 Human Behaviour

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Before we proceed to understand human behaviour, it is better to know what the term ‘behaviour’ means. Behaviour can be defined as a response/s which is observed directly/indirectly. Direct observation is possible by studying the responses of people in a work environment. Indirect observations include attitude of people in the course of decision making processes.

Human behaviour is very much unpredictable. In behaviour we cannot assume one set pattern. Lavitt classified behaviour as: (i) Caused behaviour, (ii) Motivated behaviour, (iii) Goal oriented behaviour.

From these observations it can be understood that human behaviour is a dependent factor. By understanding human behaviour one can predict, direct, change and control behaviours of other individuals in a group. There are generally four basic assumptions regarding nature of people: a) individual differences, b) the person as whole, c) caused behaviour (motivation) and d) value of the person (human dignity).

In an organisational set up it is essential for managers to understand behaviour as they are constantly interacting and communicating with people either verbally or in a written form. Understanding past behaviour is also important for developing effective human skills. It provides a framework for predicting behaviour as well. The managers also get a fair idea as to how behaviour is similar in certain circumstances and varies in changing environmental conditions.

Another very important skill which an effective manager or leader needs is the ability to direct, change and control behaviour. Managers need to realise that each individual unique by themselves and as a result there will differences of



opinion. Thus, each individual has to be treated separately. Each one of us has varied levels of intelligence and thus, everyone cannot be gauged equally. Accordingly, the intensity and the level of training will vary with each person. One person can take more time to get trained as compared to another. It is the duty of the supervisor to gauge the situation and treat people accordingly. Nobody should be humiliated. Every employee should be given with their due respect. This will ensure effective performance.

Dan's analyses the nature of people in terms of four assumptions.

### **1. Individual Differences**

Behaviour is the result of interaction between individual characteristics and the environment circumstances under which the behaviour occurs.

Each person has a unique combination of characteristic traits. Some of these characteristics are in born; others develop over time. The former can be termed as inherited characteristics and the latter can be defined as learned characteristics. Inherited characteristics are few and not that significant. Learned characteristics are very important. They develop with time. As people grow and interact with the surroundings, they tend to imbibe certain characteristics. Individual differences can be caused due to physical, environmental, personal, social and psychological factors.

'Environmental factors' incorporates a broader aspect such as economic conditions, social and cultural norms and political factors that can affect the individual's behaviour.

Personal factors include physical and personal attributes e.g. age, sex, race, education and abilities. Psychological factors are less observable. They are the mental characteristics and attributes of a person such as values, attitudes, personality and aptitudes that affect behaviour through complex psychological processes. We will study these aspects in detail in the subsequent units.

All aspects of the physical world that can be seen, heard, felt, smelled or touched are part of the physical environment of behaviour. The social environment of an individual includes relationships with family, friends, co-workers, supervisors and subordinates and membership in groups such as unions as well. The behaviour of others (as distinct from the individual's relationship with them) is also part of an individual's social environment. Any norms, rules, laws or reward systems that originate from other individuals or groups help to form an individual's social environment.

## 2. A Person As a Whole

When an employee works in an organisation, it is the responsibility of the organisation to take proper care of that person. This would help the person to concentrate on work and deliver desired results.

## 3. Caused Behaviour (Motivation)

People's behaviour is always need based. By fulfilling these needs he is positively motivated and that results in effective performance. So the management in the organisation has to take care of these needs in order to have an effective performance. It is the duty of the management to guide employees to attain the desired goal.

## 4. Value of the Person (Human Dignity)

Dignity is most important. People have to be treated with respect. Individuals cannot be treated like machines. Everyone should be treated equally. Through recognition and respect the management can enhance the value of a person in an organisation.

Development of skill is most important as far as the optimisation of performance is concerned. Managers and leaders must have necessary understanding in order to influence the behaviour of other people. It was felt that the managers require three levels of expertise to do the same. Firstly they have to understand the present as well the past to predict the future behaviour. In the next phases they will have to learn to direct, change and control behaviour.

### Check your progress 1

1. \_\_\_\_\_behaviour is very much unpredictable.
  - a. Human
  - b. organisation
2. In an organizational set up it is essential for \_\_\_\_\_to understand behaviour as they are constantly with people, interacting with them in terms of communication.
  - a. Managers
  - b. Employees

3. Understanding \_\_\_\_\_behaviour is important for developing effective human skills, and it also provides a framework for predicting behavior.
  - a. Past
  - b. Present
4. When an employee works in an\_\_\_\_\_, it takes care of that person by making him effective, as a worker and as a person.
  - a. Organisation
  - b. Company
5. If one accepts the fact that human skill development is \_\_\_\_\_then managers and leaders must have necessary understanding in order to influence the behaviour of other people.
  - a. Necessary
  - b. Not required

---

## 2.3 Psychological Factors

---

Early classical approaches made the assumptions that people are naturally lazy and self-serving, neutral or positive and self-motivated. In simpler terms they need to be pushed and controlled and kept under surveillance. They are never to be trusted to put in a good day's work by themselves. Economic rewards were the only rewards that were considered and close autocratic supervision was recommended.

Systems and contingency theorists viewed people as adaptable and felt that much of the human behaviour was a result of continuous learning. They also believed that human behaviour cannot be attributed to predisposition to be negative or positive. Likert, McGregor and Bennis who developed and extended the findings of human-relations theorists had a positive view of human nature. Employees were seen as striving for personal and social well-being. If left alone, they would work hard for the inherent satisfaction of a job well done. The emphasis was on democratic decision making and leadership. Jobs were challenging and allowed the individual employee to be creative.

## Models of Human Behaviour

**Psychoanalytic Model:** Freudian approach depends on conflict model of humans. By using clinical techniques of free association and psychotherapy Freud felt that behaviour is not always consciously explained. “Unconscious” is the major factor which guides the individuals’ behaviour. Freud felt that the individual’s behaviour depends on three factors: (i) Id, (ii) Ego and (iii) Super ego.

**Id:** Id means pleasure. To certain degree of having Id in an individual is constructive and necessary. But it may also lead to destructive tendencies like being aggressive and dominating. This kind of instinctive traits are more common in childhood. But once individuals develop and mature they learn to control the Id. But it is always unconscious. Throughout our life the ‘Id’ becomes important source of thinking and behaving.

**Ego:** Ego represents ‘conscious’ stage in one’s behaviour. Though Id comes in conflict with ego, the ego depends on the super ego.

**Superego:** It represents “conscience”. Generally an individual is not aware of the superego’s functioning. The conscience is dependent on two factors - cultural values and moral of a society. Superego’s development depends mostly on parent’s influence. As the child grows up he or she will automatically and unconsciously identify himself or herself with their parents’ value system and morals.

There is always a tussle between id, ego and superego. The degree and intensity of each of them varies from person to person. So the variations in individual’s behaviour can be better understood with the help of this model.

But the modern theories have severely criticised this theory as it is not based on any pragmatic facts. And thus, it cannot be totally accepted in. But the concept of “unconscious” is a significant contribution in understanding specific behaviour of humans.

**Existential Model:** This model is not scientifically based. It is based on literature and philosophy.

The existentialists believe that the depersonalising effects of this environment forces individuals to make their own destiny. So the individuals shape their own identity and make their “existence” meaningful and worthwhile to themselves.

This is even more relevant in today's urbanised world. Because people have become so materialistic and busy that they do not have time for traditional values and norms. For them these values and norms become impractical to follow. Existential model is especially true when you are employed in today's world.

Though this model is not scientific it can definitely be used in understanding human behaviour.

### **Internal vs. External Determinants of Behaviour**

Environment plays a major role in shaping behaviour and genetic endowment. Personality development is highly influenced by our historical heritage.

### **Personality vs. the Environment**

Both personality and situational variables must be taken into account in order to explain an individual's behaviour. But focusing on the environment is equally important. Perhaps it is more important than focusing on personality traits.

### **Cognition vs. the Environment**

To understand one's behaviour all we have to know is the individual's past responses to similar (stimulus) situations and the rewards or punishments that followed that response.

There are two models which come out of these approaches:

**Behaviouristic Model:** In this model the behaviour is dependent on two factors i.e. stimulus and response. Learning occurs with this kind of model. Pavlov and Watson with their research felt that behaviour can be best understood by stimulus and response.

Behaviourist model is represented as: S - R (Stimulus-Response)

**Cognitive Model:** S-OR-R. This model emphasises more on the positive and free-will factors of human beings and uses concepts such as expectancy, demand and incentive.

Tolman with his experiments found that the basis of learning is of 'expectancy' which is understood as one particular event leading to a particular consequence i.e. goal. Human behaviour is based on these goals.

The cognitive model is represented as:

S - O - R (Stimulus-Organism-Response model)

Both approaches consider learning and the environment to have a major impact on behaviour.

From these different approaches it can be said that:

Behaviour is caused by instincts, genetic background and personality traits that are formed at an early age. Change is very difficult for the individual and it limits its capacity severely.

Behaviour is mostly learned through our interactions with the environment. Present events are more important than past events. Even if there are limitations human beings are capable of withstanding great amount of change.

### Check your progress 2

1. Early classical approaches made the assumptions that \_\_\_\_\_are naturally lazy and self-serving.
  - a. People
  - b. organisation
2. \_\_\_\_\_were seen as striving for personal and social well-being.
  - a. Employees
  - b. Organisation
3. \_\_\_\_\_represents 'conscious' stage in one's behavior.
  - a. Ego
  - b. Personality
4. There is always \_\_\_\_\_between id, ego and superego.
  - a. Tussle
  - b. link
5. \_\_\_\_\_plays a major role in shaping behaviour and genetic endowment and personality development is influenced by our historical heritage.
  - a. Environment
  - b. organisation

---

## 2.4 Let Us Sum Up

---

In this unit we discussed human behaviour and the psychological factors that are considered to be important in the study of organisation behaviour in great detail. We have studied very important related issues.

We have studied under this unit that it is very essential to understand human behaviour in today's world as the existence of the organisation depends on its employees or individuals. All organisations are composed of individuals, with different personality, attitudes, values, perception, motives, aspirations and abilities.

We even studied about behaviour, which can be defined as a response/s which is observed directly or indirectly. Direct observation is possible by studying the responses of people in a working environment. Indirect observations are decision making processes and attitudes. Each person has a unique combination of characteristics. Some of these characteristics are in born; others develop over time. These can be classified as inherited and learned characteristics. Early classical approaches made the assumptions that people are naturally lazy and self-serving, neutral, or positive and self-motivated. In simpler terms they need to be motivated and controlled and kept under surveillance. They also believed that human beings can never to be trusted to put in a good day's work by themselves.

This unit is certainly going to be of great help for the students in understanding the concept of organisation behaviour.

---

## 2.5 Answers for Check Your Progress

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<b>Check your progress 1</b>
------------------------------

**Answers:** (1-a), (2-a), (3-a), (4-a), (5-a)

<b>Check your progress 2</b>
------------------------------

**Answers:** (1-a), (2-a), (3-a), (4-a), (5-a)

---

## 2.6 Glossary

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1. **Stimulus** - a thing or event that evokes a specific functional reaction in an organ or tissue.

---

## **2.7 Assignment**

---

Discuss the need of studying human behavior in an organisation

---

## **2.8 Activities**

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What do you understand by psychological factors?

---

## **2.9 Case Study**

---

Discuss the need of studying psychological factors in an organisation.

---

## **2.10 Further Readings**

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1. B. Narayan and Bharati Sharma, 1993; “Behavioural Science in Management” Omsons Publications, New Delhi.
2. Harlow/Hamke, 1975; Behaviour in Organisations Text, Readings and Cases, Little, Brown and Company.
3. Randolph, Black Bown, 1989; Managing Organisational Behaviour, Richard Irwin, Inc.
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5. Terrence R. Mitchell, 1982; ‘People in Organisations’, McGraw-Hill International Book Company.



---

## **Block Summary**

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In this block we have studied in detail about organisation and psychological factors and human behaviour in very detail. This block proved to be very helpful for the readers in understanding the basic concepts associated with organisation behaviour. The study of these basic concepts is really needed to understand the subject. While going through this block we studied two topics. Under unit 1 we studied in detail what exactly is an organisation, whereas under unit 2 we studied the topic Human Behaviour and Psychological Factors which has even been discussed in detail. The best effort has been to explain the topics the language of the book has been kept very simple in order to make it more understandable.

At the end of this block readers would have got the sufficient idea of the block and the topics that have been discussed under it.

---

## **Block Assignment**

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### **Short Answer Questions**

1. Organisation
2. Organisation behavior
3. Human behavior
4. Ego
5. Psychological factors

### **Long Answer Questions**

1. Need of organisation.
2. Process of organisation.
3. Discuss the organisation behavior and its concept.
4. What do you understand by human behavior and why its study is considered to be important in an organisation?

**Enrolment No.**

1. How many hours did you need for studying the units?

<b>Unit No</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
<b>Nos of Hrs</b>				

2. Please give your reactions to the following items based on your reading of the block:

Items	Excellent	Very Good	Good	Poor	Give specific example if any
Presentation Quality	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
Language and Style	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
Illustration used (Diagram, tables etc)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
Conceptual Clarity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
Check your progress Quest	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
Feed back to CYP Question	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____

3. Any Other Comments

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“

*Education is something  
which ought to be  
brought within  
the reach of every one.*

”

- Dr. B. R. Ambedkar



**Dr. Babasaheb Ambedkar Open University**  
'Jyotirmay Parisar', Opp. Shri Balaji Temple, Sarkhej-Gandhinagar Highway, Chharodi,  
Ahmedabad-382 481.

# ORGANIZATION BEHAVIOUR AND CHANGE MANAGEMENT

PGDHR-102

**BLOCK 2:  
INTRODUCTION TO  
GROUP AND GROUP  
DYNAMICS**



**Dr. Babasaheb Ambedkar Open University  
Ahmedabad**

# ORGANIZATION BEHAVIOUR AND CHANGE MANAGEMENT

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Knowledge Management and  
Research Organization  
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## **ROLE OF SELF INSTRUCTIONAL MATERIAL IN DISTANCE LEARNING**

The need to plan effective instruction is imperative for a successful distance teaching repertoire. This is due to the fact that the instructional designer, the tutor, the author (s) and the student are often separated by distance and may never meet in person. This is an increasingly common scenario in distance education instruction. As much as possible, teaching by distance should stimulate the student's intellectual involvement and contain all the necessary learning instructional activities that are capable of guiding the student through the course objectives. Therefore, the course / self-instructional material are completely equipped with everything that the syllabus prescribes.

To ensure effective instruction, a number of instructional design ideas are used and these help students to acquire knowledge, intellectual skills, motor skills and necessary attitudinal changes. In this respect, students' assessment and course evaluation are incorporated in the text.

The nature of instructional activities used in distance education self-instructional materials depends on the domain of learning that they reinforce in the text, that is, the cognitive, psychomotor and affective. These are further interpreted in the acquisition of knowledge, intellectual skills and motor skills. Students may be encouraged to gain, apply and communicate (orally or in writing) the knowledge acquired. Intellectual-skills objectives may be met by designing instructions that make use of students' prior knowledge and experiences in the discourse as the foundation on which newly acquired knowledge is built.

The provision of exercises in the form of assignments, projects and tutorial feedback is necessary. Instructional activities that teach motor skills need to be graphically demonstrated and the correct practices provided during tutorials. Instructional activities for inculcating change in attitude and behavior should create interest and demonstrate need and benefits gained by adopting the required change. Information on the adoption and procedures for practice of new attitudes may then be introduced.

Teaching and learning at a distance eliminates interactive communication cues, such as pauses, intonation and gestures, associated with the face-to-face method of teaching. This is particularly so with the exclusive use of print media. Instructional activities built into the instructional repertoire provide this missing interaction between the student and the teacher. Therefore, the use of instructional activities to affect better distance teaching is not optional, but mandatory.

Our team of successful writers and authors has tried to reduce this.



Divide and to bring this Self Instructional Material as the best teaching and communication tool. Instructional activities are varied in order to assess the different facets of the domains of learning.

Distance education teaching repertoire involves extensive use of self-instructional materials, be they print or otherwise. These materials are designed to achieve certain pre-determined learning outcomes, namely goals and objectives that are contained in an instructional plan. Since the teaching process is affected over a distance, there is need to ensure that students actively participate in their learning by performing specific tasks that help them to understand the relevant concepts. Therefore, a set of exercises is built into the teaching repertoire in order to link what students and tutors do in the framework of the course outline. These could be in the form of students' assignments, a research project or a science practical exercise. Examples of instructional activities in distance education are too numerous to list. Instructional activities, when used in this context, help to motivate students, guide and measure students' performance (continuous assessment)



## **PREFACE**

We have put in lots of hard work to make this book as user-friendly as possible, but we have not sacrificed quality. Experts were involved in preparing the materials. However, concepts are explained in easy language for you. We have included many tables and examples for easy understanding.

We sincerely hope this book will help you in every way you expect.

All the best for your studies from our team!



# ORGANIZATION BEHAVIOUR AND CHANGE MANAGEMENT

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Introduction, Organization, Concept of Organizational Behaviour

#### **UNIT 2 HUMAN BEHAVIOUR AND PSYCHOLOGICAL FACTORS**

Introduction, Human Behaviour, Psychological Factors

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### **BLOCK 2: INTRODUCTION TO GROUP AND GROUP DYNAMICS**

#### **UNIT 1 GROUP**

Introduction, Group, Understanding Group Processes, Group Decision-making, Intergroup relations

#### **UNIT 2 GROUP DYNAMICS**

Objectives, Introduction, Group Dynamics, Group Roles, Group Norms, Group Cohesiveness, Creating Positive Group Dynamics, Problems in Group Dynamics

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**BLOCK 3: ORGANIZATION CULTURE AND BEHAVIOUR**

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**UNIT 2 CONFLICT MANAGEMENT AND CHANGE MANAGEMENT**

Introduction, Conflict Management, Change Management, Work Pressure



Dr. Babasaheb  
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**PGDHR-102**

# **ORGANIZATION BEHAVIOUR AND CHANGE MANAGEMENT**

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## **BLOCK 2: INTRODUCTION TO GROUP AND GROUP DYNAMICS**

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### **UNIT 1**

GROUP

02

### **UNIT 2**

GROUP DYNAMICS

28

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# **BLOCK 2: INTRODUCTION TO GROUP AND GROUP DYNAMICS**

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## **Block Introduction**

As already discussed, the importance of organisation behaviour can never be underestimated in any management course. The reason behind it is simple. In any organisation the goals have to be attained through a collective group effort. Thus, the study of organisation behaviour becomes related with group and group dynamics.

In this block efforts have been made to focus on group which are prevalent in an organisation. This section contains two units. The first unit covers the topic Group whereas the second unit discuss in details about Group dynamics. Best efforts have been made to keep the language of the book very simple in order to make it more understandable.

This block is certainly going to be of great help for the readers in understanding the basic concepts of organisation behaviour and group behaviour.

## **Block Objective**

**After learning this block, you will be able to understand:**

- Group and its concept
- Process of group and its importance
- Intergroup relationship
- Process of making group decision
- About group dynamics
- Importance of group

## **Block Structure**

**Unit 1: Group**

**Unit 2: Group Dynamics**

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# UNIT 1: GROUP

---

## Unit Structure

### 1.0 Learning Objectives

### 1.1 Introduction

### 1.2 Group

#### 1.2.1 Definition of Group

#### 1.2.2 Classification of Groups

#### 1.2.3 Reasons for Group Formation

#### 1.2.4 Importance of Groups

### 1.3 Understanding Group Processes

### 1.4 Group Decision-Making

#### 1.4.1 Factors Influencing Group Decision Making

### 1.5 Intergroup Relations

#### 1.5.1 Factors Effecting Intergroup Relations

### 1.6 Let Us Sum Up

### 1.7 Answers for Check Your Progress

### 1.8 Glossary

### 1.9 Assignment

### 1.10 Activities

### 1.11 Case Study

### 1.12 Further Readings

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## 1.0 Learning Objectives

---

**After learning this unit, you will be able to understand:**

- Basic group concepts.
- How groups work.
- The requirements to create effective Team.
- Contrast teams with groups.

- Specify ingredients of effective team.
- About types of teams.

---

## 1.1 Introduction

---

Teams and groups are two different concepts. A group is defined as two or more individuals, interacting and interdependent, who come together to achieve particular objectives. A work group is one that primarily interacts for sharing information and makes decisions to help each other with in one's area of responsibility. Usually such work groups are not engaged in collective work requiring joint efforts. Their performance as a group is a sum total of the contribution of each individual member.

Groups can be either formal or informal. Formal groups can be defined as people designated with specific work assignments by the organisation with to establish tasks and workgroups. In informal groups people are involved and engaged in activities that are stipulated by and directed towards organisational goals. Informal groups are alliances that are neither structured nor organisationally determined. These groups are natural formations for the work environment, which are created in response to the need for social communication.

It is possible to further sub-classify groups as command, task, interest or friendship groups. Command and task groups are dictated by the formal organisation, whereas interest and friendship groups are informal alliances.

---

## 1.2 Group

---

Hundreds of fish swimming together are called a school. A pack of foraging baboons is a troupe. Half dozen crows on a telephone wire is a murder. A gam is a group of whales. But what is a collection of human beings called? A group.

What would you include if you were asked to name all the groups in which you are a member of? Would you list your family? Your neighbourhood association? People who regularly log into a chat room on the Internet with you? Your political party associates? The handful of fellow students who often take the same classes' you do? Co-workers who go out for drinks after work once in a while? The people standing in line with you at the checkout counter of the supermarket? E



Each of these collections of people may seem unique; but each possesses one critical element that defines the group. The connections linking the individual members are most important. We understand intuitively that three persons seated in separate rooms working on unrelated tasks can hardly be considered a group, for they are not connected in any way to each other. However, if we create a connection among them, then these three individuals can be considered a rudimentary group.

For example, the members of a family who live in the same house are linked with each other by joint tasks. A shared living space, strong emotional bonds and genetic similarities also bind them together. People who work together are linked by the collaborative tasks that they must complete together. In many cases they can also become connected through a network of common friends. Even the people who are standing in a queue in a checkout counter are actually a group. They are briefly connected in a situation that demands cooperation, communication and patience. In all these examples, the members are linked together in a web of interpersonal relationships. Thus, a group is defined as two or more individuals who are connected to one another by social relationships.

### **Two or More Individuals**

A group may range in size from two members to thousands of members. Very small collectives such as dyads (two members) and triads (three members) are also groups. And so are large collections of people such as mobs, crowds and congregations. However, on an average most groups tend to be relatively small in size, ranging from two to seven members.

One researcher, after counting the number of people in 7405 informal, spontaneously formed groups found in public settings, reported an average group size of only 2.4. He also found that deliberately formed groups, such as those created in government or work settings, included an average of 2.3 members.

In many cases, larger groups also represent sets of interlocked smaller groups. Although groups come in all shapes and sizes they tend to “gravitate to the smallest size, two”. The size of a group influences its nature in many ways, for a group with only two or three members possesses many unique characteristics simply because it includes few members. The dyad is by definition the only group that dissolves when one member leaves and the only group that can never be broken down into subgroups. Very large collectives such as mobs, crowds, or congregations, also have their unique qualities. For example, in a very large group the chances for each member to be connected with other members become remote.

As groups increase in size, they tend to become more complex and more formally structured.

Individuals in any group need to be well networked to remain in a specific group. These connections or ties may include strong emotional bonds, like the links between the members of a family or a clique of close friends. The links which are relatively weak are easily broken with the passage of time or the occurrence of relationship-damaging events.

However, even weak links can create robust outcomes across a group of networked individuals. These relationships need not be connected to every person in the group. For example, it takes 6 one-to-one links to connect every member of a 4-person group. Thus, the links become A/B, A/C, A/D, B/C, B/D, and C/D. On the other hand, in a group involving 12 people we would need 66 links to connect every member to every other member. Hence, multiple ties between members in a group are indirect ones.

### **1.2.1 Definition of Group**

Definitions of group are as abundant as the research on groups. Groups can be defined in terms of perceptions, motivation, organization, interdependencies, and interactions. A simple and comprehensive definition has been offered by Marvin Shaw:

A group is two or more people who interact with one another in such a manner that each person influences the other members and get influenced by the others as well.

In this definition, the concept of interaction is the most essential part. Two people who are physically close to each other are not a group unless they interact and have some influence on each other. For example, people sitting in a bus do not constitute a group. However, if the bus gets punctured at an unknown place and the passengers pool their resources to tide through the crisis, they constitute a group. Co-workers may work side by side on related tasks, but if they do not interact they are not a group. The Physics Department in a University may be situated alongside the Management Department. However, for academic purpose, these individuals or students cannot form a group. Management students may form a group with students from the Commerce or Economics Departments. The presence of others may influence the performance of a group. An audience may stimulate the performance of actors or an evaluator may inhibit the employee's

behavior. However, neither the audience nor the supervisor can be considered part of the group unless interaction occurs.

It may be noted that in the above definition there is no mention of a goal of a group or the motivations of group members. This omission implies that members of a group may identify little or goal to achieve within a group. It is not bound by attainment of goals. Consider the example of a boy, who has joined the cricket club after winning the Ranji trophy. He would be more interested in joining India's international team and be less concerned about club team performance.

Infact, a club team will consist of individuals who are more inclined towards achieving prsonla goals than winning for the team. Since, the team members will interact with and influence one another, they can be considered a group. It is noteworthy that the quality of the interactions and the group's performance may be affected by the members' lack of interest in the group goal. But a goal does exist even if it is not so important to certain group members.

This definition of group also suggests limitation of group size. If the size of the group is so gigantic that the members are unable to interact or influenec each other, then this definition deos not hold true. The dynamics of large assemblies of people usually differ significantly from those of small groups. For example, assembly of people at the airport or railway station is not a group. In organisational settings such groups are irrelevant and in this lesson our discussion is confined to small groups, whose members interact and influence each other.

## 1.2.2 Classification of Groups

There is a wide difference in the nature and functions of groups that exist in the society as well as in the organisations. Broadly, groups may be categorized according to their degrees of formalization:

- a. formal or informal and
- b. permanence (relatively permanent or relatively temporary).

Table 1.2 shows how various types of groups can be classified according to these broad categories.

- a. Formal groups are established by the organisation to do its work and are usually included in the organisation chart. Formal groups include the command (or functional) group, which is relatively permanent and characterized by functional reporting relationships. Task group is created to

perform a specific task and is relatively temporary. In business organisations most employees work in command groups. They are typically specified on an official organization chart. For example, in a company, a manager X might be working as Regional Manager in the Marketing Department. He might be reporting to the Zonal Head.

**Classification of groups**

<b>Classification Scheme for Types of Groups</b>	<b>Relatively Permanent</b>	<b>Relatively Temporary</b>
Formal	Command Groups Quality Department Marketing Department Accounting Department	Task Groups Market Research team Training groups Committees Teams
Informal	Friendship Groups Friends who do many activities together (attend the theater, play games, travel)	Interest Groups

The Regional Manager might be in charge of Area Managers and Sales Representatives. His entire team would be known as a formal permanent group because it would have a unique place in the organisational structure of the company.

The authority, responsibility and communication channels of the group will be always well defined. If the Managing Director of the company plans to launch a new product and deposes X and his team to study the market potential of that product, then this group would cease as soon as the task is accomplished. I

In any organisation each and every department form “formal permanent” group. While the committees or task forces constituted for specific purpose will be the “formal temporary groups” in the organisation.

- b. Informal Groups are formed by their members themselves. They mostly consist of the friendship groups, which are relatively permanent. There may also be interest group, which is mainly formed for a short span of time.

Friendship groups arise from friendly relationships among members and the pleasure they get from being together. Interest groups are organised around a common activity or interest. But members may develop a strong bonding among themselves.

Continuing with the earlier example, Mr. X and the Personal Manager Mr. Y might be good friends because they come from the same state and speak in the same language. They meet every Sunday and also celebrate all festivals together. In such a case, their group would be an “informal permanent group”. If Mr. X and his rival Regional Manager Mr. Y have a common grudge against their Marketing Manager, they might lobby against him and report to the M.D in a negative manner. In this case, two rivals have joined for one common issue and as soon as it is resolved, they will pursue their self-interests. Such a group is known as “informal temporary” group. It is a short-lived group and ceases to exist when the informal interest is lost.

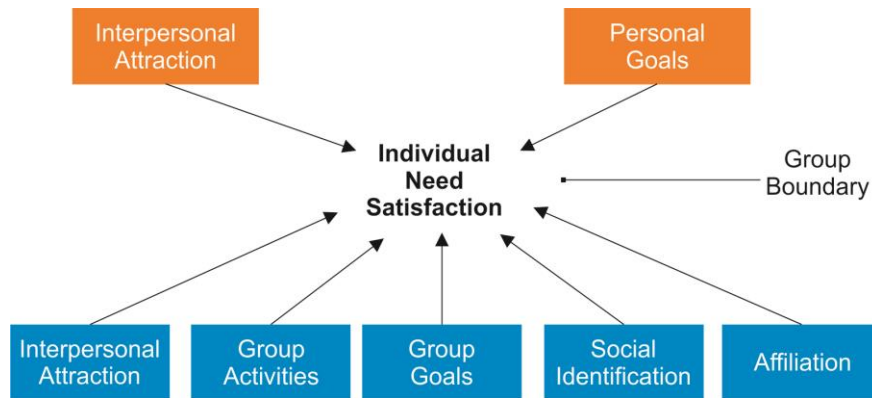
Although the distinction between friendship and interest groups can be hazy, the relative permanence of the association usually helps mark the difference. For example, the common interests and activities of a well-established friendship group may change over time, but the group stays together. Friendship and companionship are strong and durable ties. An interest group may break up if the members’ interests change.

### **1.2.3 Reasons for Group Formation**

The formal groups are formed because the managers anticipate that organisational goals can be better achieved if people work together in work groups. On the other hand, individuals may form an informal group or join an existing one for many reasons. The reasons for group formations can be classified into two categories:-

- a. Internal reasons
- b. External reasons

These reasons can be represented in the form of Figure 1.1 and are discussed in the following discussion.



**Fig 1.1 Sources of Need Satisfaction from Group Membership**

### **a. Internal Sources of Need Satisfaction**

Internal sources of individual need satisfaction fall into five social categories:

- (i) Interpersonal attraction
- (ii) The group's activities
- (iii) The group's goals
- (iv) Social identification
- (v) Social affiliation

#### **(i) Interpersonal Attraction**

People join or form a group because they are attracted to other people in the group. Several factors may influence interpersonal attraction, including location, physical attraction, perceived ability and similarities in attitudes, beliefs, sex, race, and personality.

A very common factor in interpersonal attraction is location or physical proximity. Proximity may mean nearby desks or offices or neighboring houses; it certainly is not unusual for people to form a group of co-workers or neighbours. Location not only provides a setting for interpersonal attraction but also can reinforce it manifold. Proximity increases the opportunity for interactions and in turn helps people discover new attractive characteristics in other members.

When people (who need to coordinate their work) have offices close by, informal groups may develop. This may result in more interaction and instill the feelings of closeness. This may lead to a better working relationship and coordination on the job front. For example, grouping may improve the

performance of executive teams. With more opportunities to interact in an informal group busy executives may better coordinate the operations of the organisation and thus, improve productivity.

**(ii) The Group's Activities**

The people who have common interests form groups to satisfy the same. For example, people who are interested in poetry or games would always interact with like minded people. Similarly, if people have strong concerns for the environment or community, they can form social service groups. By engaging in these activities, the members of the group are able to satisfy their quest for pursuing their interests, develop contacts and fulfill their social needs.

**(iii) The Group's Goals**

A third internal source of individual need satisfaction is the identification with group goals that calls for a commitment of time and effort. By identifying with the group goals, an individual is actually satisfying his own personal goals. Research has established that when the personal goals of people match with the organisational goals, they give their best performance. The best examples can be of the Indian cricket team, where it is observed that when players concentrate on their individual performance, the team suffers. When they prioritise the performance of the team, they reap better results.

**(iv) Social Identification**

An individual may join a group to attain a social identity as well. Work, friendship and interest groups may all offer a person a distinctive social identity. For example, when a new member is introduced to a group, other existing members often greet the person by name and then say something about him or her. They try to give the newcomer a social identity within the group. By joining a group, people can also share their happiness and sufferings. At the time of crisis, the group members come at rescue. Human beings are social elements. Thus individuals need friends to exchange their views and make productive use of their time.

**(v) Social Affiliation**

A final internal source of individual need satisfaction is the need for affiliation or companionship. Group membership may provide the foundation for a person's social identity. The group's goals and activities may be largely irrelevant in satisfying the need for affiliation.

Affiliation at an individual level and is not much affected by the formal positions, roles and objectives that individuals hold in an organisation. It is the emotional aspect of an individual, which is reflected in the form of belongingness to others. This gives a feeling that one is not alone at times of need and makes one contented and emotionally secure.

#### **b. External Sources of Need Satisfaction**

People may also join groups for reasons that are external to the group. Such reasons may include interpersonal attraction between people outside the group or the pursuit of goals other than those of the group. Although this may sound contradictory, several examples exist to support it.

##### **(i) Interpersonal Attraction**

By interpersonal attraction to people outside the group, we mean that a person may be able to gain access to certain people only by affiliation with a group. For example, people become members of clubs or social organisations with a view to develop contacts in the society. Such an exercise fulfils their social needs and gives them a kind of social recognition, which fulfils their esteem needs.

##### **(ii) Personal Goals**

Individuals join the groups to satisfy their personal goals as well. In some cases that might not be satisfied by staying within the group. For example, a manager has a passion for flying and joins a local flying club for a sortie every Sunday. Similarly, people seek their personal satisfaction by engaging themselves in community projects or social service etc.

It needs to be mentioned that people do not join groups for selfless or philanthropic reasons. They join them to give the image of being well connected. Membership of certain clubs in the city are prestigious and people join them. It may so happen that the individual might not have any interest in the activities of the club. Hence, the personal goals of people can vary significantly.

### **1.2.4 Importance of Groups**

We cannot study behavior in organisations without attempting to understand the behavior of people in group settings. Groups are everywhere in our society. Most people belong to several groups—a family, bowling team, church group, fraternity or union, work group at the office, friends in the neighbourhood and many more. Some groups are formally established in a work or social



organisations; others are more loosely knit associations of people. In order to understand the behavior of people in organisations, we must understand the forces that affect individuals as well as the ways individuals affect the organisation. The behavior of an individual affects others in the group as well as gets affected by the other members of the group.

From a managerial perspective, the work group primary means an association by which managers coordinate with individuals' behavior to achieve the organisational goals. Managers direct the activities of individuals as well as direct and coordinate interactions within groups. For example, the manager's efforts to boost sales-persons' performance is said to have both individual and group effects. Therefore, the manager must pay attention to both the individual and the group in trying to increase employee's performance. The behaviour of an individual is the key to the group's success or failure. The manager must be aware of the individual needs and interpersonal dynamics to manage groups effectively and efficiently.

### **Check your progress 1**

1. A \_\_\_\_\_ can range in size from two members to thousands of members.
  - a. Group
  - b. association
2. \_\_\_\_\_ groups are established by the organization to do its work and usually are included in the organization chart.
  - a. Formal
  - b. informal
3. \_\_\_\_\_ consist of the friendship group, which is relatively permanent.
  - a. Informal
  - b. Formal
4. \_\_\_\_\_ attraction probably is the most obvious reason for group formation.
  - a. Interpersonal
  - b. Official

5. A very common factor in \_\_\_\_\_ attraction is location, or physical proximity.
- a. Interpersonal
  - b. formal

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### 1.3 Understanding Group Processes

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Almost all groups are structured into specific roles. People change roles and move in and out of certain groups. Groups are dynamic in terms of their structure and membership.

People join groups for all sorts of reasons. But in many cases individuals basically look for companionship. People may also form groups to get things done that they cannot do on their own, e.g. therapy groups, work groups and professional organisations. We also tend to identify with large groups (social categories) that we belong to – national or ethnic groups, political parties, religions and so on and so forth.

Research on group formation generally examines the process, not the reasons behind them. One view states that joining a group is a matter of establishing bonds of attraction to the group, primarily its goals and members. So a group is a collection of people who are attracted towards each other in such a way so as to form a cohesive entity. This approach has been used extensively to study the cohesiveness of military groups, organizational units and sports teams.

Another perspective, based on social comparison theory, is that we generally affiliate with groups with similar situations. The main purpose remains obtaining support and consensus for our own perceptions, opinions and attitudes.

A third approach rests on social identity theory. According to this framework, group formation involves a process of defining group members as distinct from other groups. We categorize ourselves in terms of our group's defining features– e.g. 'we are psychology students, we are studying a useful subject'. This process describes and evaluates who we are and how we are is responsible for group phenomena.

## **Synergy**

Synergy refers to the cumulative effect of two or more substances which is different from the summation of those substances. It connotes the creation of a whole which is greater than the sum of the individual parts. For example, synergy is obtained when  $2 + 2$  is not merely 4, but can be made to add up to more than 4. For example, three engineers are given with the tasks of solving a problem. The ideas generated jointly by these three engineers will always be richer and more creative than generated individually without any interaction among them.

The ideas generated jointly will be better because the three now jointly and creatively explore several different alternatives, discuss the pros and cons and develop integrated thoughts which are more innovative. Thus, arriving at a much more powerful and well etched out solutions than what they would have achieved individually.

The group has developed synergy by merely interacting with each other and using their combined wisdom to generate integrated solutions. This is called positive synergy. Social loafing represents a negative synergy where the whole is less than the sum of the parts where individuals are likely to reduce their effort due to diffusion of responsibility.

**Social Facilitation Effect:** The mere presence of others also affects the performance of an individual. It is said that the presence of others tend to improve performance when the tasks are relatively simple and well rehearsed. This Positive effect is termed as Social Facilitation Effect.

**Social inhibition effect:** This leads to a detrimental effect which occurs when an individual is asked to perform a complex task with which he or she is unfamiliar with or in which he or she is not skilled. This creates inhibitions.

### **Group Cohesion:**

Cohesion refers to the level of unity among the members in the group and is reflected in the members' agreement to follow the norms of the group, feelings of attraction towards each other and eagerness to be co-members of the group. Attraction, cohesion and conforming to norms are all entangled.

The more the members get attracted towards each other within the group, the greater will be the group cohesion. The greater the cohesion, the greater will be the chances of influencing and persuading other members of the group.

The greater the conformity with the group, the greater the identification of the members and thus, the greater the group cohesion. Cohesive groups work

together to achieve the group goals. They can be considered as valuable assets to the organisation if the group's goals coincide with the organisation's goals.

**Factors increasing Cohesiveness:** The following factors can facilitate to increase the cohesiveness of the work group.

1. **Agreement on Group Goals:** If the group agrees on the purpose and direction of its activities, this will serve to bind the group together and structure interaction patterns towards successful goal accomplishment.
2. **Frequency of Interaction:** When group members have the opportunity to interact with each other frequently, the probability for developing closeness will increase. Managers can create such opportunities. He or she can frequently invite group members for formal and informal meetings and provide a common platform for the members to get in touch with each other.
3. **Personal Attractiveness:** On the basis of mutual trust and support members within a group can be attracted towards each other. Personal attraction also helps the members to overcome the obstacles to attain the goals of the group or organisation. It also enhances personal growth and development.
4. **Inter-group Competition:** Competition with other groups, both written and external to the organisation is a mechanism that acts in a positive way to bring groups together for attaining a common purpose.
5. **Favorable Evaluation:** The recognition of the management always elevates members in the eye of fellow group members as well as other groups. Superlative performances need to be recognized and appreciated by the management. Favorable and well deserved recognition and evaluation help group members feel proud about being a member of the group.
6. **Group Size:** As the size of the group increases, the frequency of interaction decreases. This decreases the probability to develop cohesiveness. Past studies have shown that groups of four to six members provide the best opportunity for interaction.
7. **Pleasant experiences within the group:** When group members are attracted towards each other or there is a full trust and cooperation, interaction may become a pleasant experience resulting in high level of cohesiveness in the group.
8. **Lack of Domination:** Domination does not ensure cohesiveness. When one or few members dominate others in the group, cohesiveness cannot develop adequately. Such behaviour can create smaller groups within a group or identify individual members as isolates or deviates.

9. **Gender of Members:** It is reported that women tend to have greater cohesion than men. Women are more emotional than men and in most cases they are good in maintaining relationships.
10. **Previous Success:** A previous success story can bind people as well. Thus, if a group has a history of success or good performance that creates a lot of inquisitiveness among people and attract them join the group. Successful organisations find it easier to attract and hire new employees than unsuccessful ones.
11. **Humor:** Humor has been linked to increased cohesion in several studies. It is observed that the greater the cohesion, the greater the influence of the group over the behavior of members and subsequently the group performance. A group comprises individuals who are united together through strong personal relationships. This enhances cohesiveness and augments group performance. The major difference between high cohesive and low cohesive groups would be how closely members conformed to the group norms. Further, the group performance would be influenced not only by cohesion, but by the level of group norm.

### Check your progress 2

1. Almost all groups are structured into \_\_\_\_\_ roles.
  - a. Specific
  - b. general
2. \_\_\_\_\_ refers to the cumulative effect of two or more substances which is different from the individual summation of those substances.
  - a. Synergy
  - b. energy
3. \_\_\_\_\_ refers to the extent of unity in the group and is reflected in the members' conformity to the norms of the group.
  - a. Cohesion
  - b. commitment
4. When one or few members dominate the group, cohesiveness \_\_\_\_\_ adequately develop.
  - a. Cannot
  - b. Can

5. If a group has a history of \_\_\_\_\_, it builds an esprit de corps that attracts and unites members.
- a. Success
  - b. failure

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## 1.4 Group Decision-Making

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Groups offer excellent techniques for the decision making process. They offer a pool for information gathering. If a group is composed of individuals with diverse backgrounds, the alternatives generated should be more extensive and the analysis will be more critical.

### Strengths of Group Decision-making:

The following aspects identified the main advantages that groups offer over individuals in the making of decisions.

1. **More information and knowledge:** By aggregating the resources from several individuals, group brings more input into the decision making process.
2. **Increased diversity of views:** Group brings heterogeneity to the decision making process. This opens up the opportunity for more approaches and alternatives to be considered.
3. **Increased acceptance of a solution:** The group acceptance facilitates higher satisfaction among those employees required to implement it.
4. **Increased legitimacy:** The group decision making process is consistent with demographic ideals and therefore, may be perceived as being more legitimate than decisions made by an individual.

### Weakness of group decision making:

Some of the main disadvantages are:

1. **Time-consuming:** It takes time to assemble a group.
2. **Pressures to conform:** The desire by group members to be accepted and considered as an asset to the group can result in squashing any over disagreement, thus encouraging conformity among viewpoints.

3. **Domination by the few:** Few people will try to dominate the group discussion. If such people are happened to be mediocre, the overall effectiveness of the group will suffer.
4. **Ambiguous responsibility:** In a group decision, the responsibility of any single member is reduced.

### 1.4.1 Factors Influencing Group Decision Making

The process of group decision making is influenced by several factors, as listed below:

1. Physical factors
  2. Group size and composition
  3. Power relations in groups
  4. Group polarization
  5. Group participation
1. **Physical factors:** The physical aspects of group meetings must be conducive to conduct discussions with conference rooms, IT gadgets, tables, chairs and other necessary equipments available. In an in-appropriate working environment group members can find it difficult to concentrate in the problem-solving process. However, these can easily be avoided. The advancement in IT has helped in the process of group decision-making.
  2. **Group size and composition:** The size of the group greatly influences the group decision-making process. Larger the size, the more complex is the decision making process. Too many people might contribute diverse ideas and may not reach to a consensus easily. In addition to size, heterogeneity of a group also makes this process more complex. Individuals coming from diverse backgrounds, knowledge, educational backgrounds and skills might react differently. This can be considered as the hinderence in the process of decision making. It is easier to reach a consensus in a group, which comprises of homogenous members.
  3. **Power relations are interest in every group:** Individuals with more status or power may have a particularly strong influence on the group's decision. Other members may believe these higher-status individuals have superior insight; they might also feel that the higher-status members have more influence on reward allocation or may have some coercive power that they

can exercise in the future. Depending on how they are handled these people can either assist or impede the decision-making process of the group.

4. **Group Polarization:** Members' attitude and opinion with respect to an issue or a solution may change during the group discussion. This tendency is termed as group polarization. This is influenced by several factors such as persuasiveness of few members, rigid stand taken by some individuals and vested interests as well. Polarization can greatly affect a group's decision-making process. If group members are known to lean toward a particular decision before a discussion, it may be expected that their post-decision position will be even more extreme. Understanding this phenomenon may be useful for one who seeks to affect their decision.
5. **Group participation:** Employee participation can influence the group decision making process. Early management theories, such as those of the scientific management school, advocated a clear separation between the duties of managers and workers. Management was to make the decisions and employees were to implement them. Other approaches have urged that employees should be allowed to participate in the decision-making to to motivate them and also to augment their involvement. Numerous research studies have shown that employees who are in responsible and challenging positions may find the decision-making process to be motivating and enriching. Other employees, such a new joinees or subordinates may regard such participation as a waste of time or a burden. Property designed organisational structures encourage group participation and make the decision making process easier.

### Check your progress 3

1. \_\_\_\_\_offer excellent techniques for performing many of the steps in the decision making process.
  - a. Groups
  - b. Association
2. By aggregating the resources of several \_\_\_\_\_the group brings more input into the decision process.
  - a. individuals,
  - b. groups



3. A major issue in group \_\_\_\_\_ is the degree to which employees should participate in the process.
  - a. decision making
  - b. planning
4. Members' attitude and opinion with respect to an issue or a solution may change during the group \_\_\_\_\_.
  - a. Discussion
  - b. planning
5. \_\_\_\_\_ with more status or power may have a particularly strong influence on the group's decision.
  - a. Individuals
  - b. groups

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## 1.5 Intergroup Relations

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Understanding inter-group relations is important for two reasons:

Firstly it is through the interaction and performance of various groups that the goals and objectives of the organisations can be accomplished. Therefore, it is important for managers to understand the influence of inter-group behaviour and to improve their skills in diagnosing and evaluating inter-group processes. Secondly, the discussion of inter-group behavior will serve as a foundation for our discussion of the larger structure or design of the organisation as a whole.

### 1.5.1 Factors Effecting Intergroup Relations

#### **Pooled Interdependence:**

When two or more groups combine their inputs together to form an organisational goal, it is termed as pooled interdependence. Other things remaining constant, coordination requirements between or among groups linked by pooled interdependence are less than sequential or reciprocal interdependence. For example, the resources of various departments in hospital such as blood bank, anaesthesia, nursing, pharmacist, house keeping, surgical section etc are utilized to treat a patient. Similarly while manufacturing a new product, research,

development, engineering, and marketing functions are interdependent in a pooled manner.

### **Sequential Interdependence:**

When one group's output is used by another group as input it is termed as sequential interdependence. For example, in an assembly line the output of one department is input for another department. Similarly, in product development, there are a number of sequential interdependence between research and development and engineering departments.

The inputs for the development engineering work are the output of the research function. With sequential interdependence, there exists an element of potential uncertainty. The input element is dependent on the output element for accurate and timely data and information. Readjustment must be made when an output element performs improperly or fails to meet the expectation of the input element.

If the research function does not interact frequently with the development function or if data is inaccurately transferred or delayed, the performance of the development engineering function will be hampered. Proper planning and effective communication between the concerned departments are necessary to coordinate their tasks.

### **Reciprocal Interdependence:**

Where groups exchange inputs and outputs in order to complete their business activity, it is following reciprocal interdependence. For example, the manufacturing and maintenance departments of a plant are mutually interdependent. The manufacturing department cannot function unless the machines are properly serviced by the maintenance department.

The maintenance department will not be able to prioritize its servicing activities unless the production department indicates which machines are most problematic ones. The production department needs to also provide an appropriate schedule for maintenance as the department cannot function during that period.

Constant dialogue, mutual adjustment and cooperation are the most crucial factors for the two groups to function effectively and achieve the overall goals. Managers need to understand as one progress from pooled to reciprocal interdependence it requires greater interaction. Then, managing groups become more challenging.

As we move advancing from pooled interdependence to sequential interdependence and finally to reciprocal interdependence, it becomes clear that the each group is co-related. Which means, the activities of one group is somehow or the other dependent on the other. The success of inter-group performance largely depends on how group members are controlled and coordinated.

**Task Uncertainty:**

The nature of task varies from being specific to highly uncertain. Processing information is mandatory in case of those jobs where uncertainty exists at the higher level. Tasks with low uncertainty tend to be more standardized. Further, groups that do low risk tasks do not have to interact much with other groups.

On the contrary, groups undertaking tasks with high levels of uncertainty often face problems that require customized responses. This leads to a need for more and systematic information. For example, marketing research professionals are required to interact with more people than people who work in the manufacturing department. They actively communicate with other departments such as marketing, sales, product design, advertising etc. .

The degree of task uncertainty varies with two factors such as i) task clarity and ii) the task environment.

**Task Clarity:**

It gauges the degree to which the requirements and responsibilities of the group are understood by the members. Generally task clarity refers to the extent the rules, procedures and policies are applied and understood by groups to direct and co-ordinate the everyday activities. For example, in manufacturing industry, a standardized product in assembly line needs to have task clarity (such as quality, quantity, equipment maintenance etc.) to meet the goals. On the other hand, in research and development department, a high degree of creativity and innovation are required in day to day operations. Rules and procedures are generally not that important. One can observe the differences of task clarity in these two extremes of job situations.

**Task Environment:**

These are either internal or external factors. They are relevant and significantly affect the level of the performance of a group. For example, the manufacturing department mostly depends on maintenance, quality control, purchase and finance departments to meet the set goals. They also interact with

external elements to the parent organisation such as raw material suppliers, transportation and marketing, legal professionals etc.

Task uncertainty also varies with two factors such as i) the number of different elements, units, or groups and ii) the stable-dynamic nature of the environment.

### **Time and Goal Orientation:**

Two particular work orientations can influence inter-group performance: i) time orientation, and ii) goal orientation.

#### **Time Orientation:**

It is the time span required to obtain information or results relating to the performance of a task. For example, in our product development illustration, manufacturing and marketing managers deal with situations or problems that provide rapid feedback about results. The manufacturing manager is concerned with hourly quality control and productivity data, whereas the marketing manager may focus his attention on weekly or bimonthly reports of sales volume. The research scientist tends to have longer-range project which may likely to get results only after a year or two.

#### **Goal Orientation:**

It focuses on the particular set of task objectives or goals that are of major concern to individuals in organization. To be effective, managers should focus on goals and objectives that are directly related to their work. Production manager's focus should be on cost of raw materials, processing and storage costs and quality of finished products. However, the marketing manager would rather concentrate on increasing sales volume and revenue, market share and penetration and customer satisfaction. The research scientist's goals involve developing new product or translating knowledge into potential market applications.

The different goal orientation provides a basis for establishing criteria for evaluating the performance of the particular group. It is expected that the primary criteria for judging the performance in a production department would be quality, quantity and costs considerations (techno-economic); the criteria would be sales volume and market share for the marketing department (market); and it would be the number of new products and contribution to scientific knowledge for the research and development (science) department.

### **Inter-group Performance:**

The major elements of interdependence, task uncertainty, time and goal orientation establish three requirements that influence the quality of inter-group performance.

1. **The type of inter-dependence:** The type of inter-dependence between the units or groups influence the nature of the interaction. Requirements for interaction refer not only to the frequency and quality of interaction required for task accomplishment, but also to the number of levels or individuals in each group that are required to interact with counterparts in others groups. Interaction requires increased inter-dependence which slowly graduates from pooled to sequential to reciprocal inter-dependence.
2. **The degree of task uncertainty:** The degree of task uncertainty is inherent in one or more of the interacting groups. It influences the degree of information flow and such requirements that are necessary for task accomplishment. Information flow requirements are the amount of information that must be processed between interacting groups. For example, in R & D work, the high level of uncertainty expect to have a great amount of information to flow between these units during the pilot plant or product refinement stage of development.
3. **Time and goal orientation:** Time and goal orientation introduces the concepts of differentiation and integration. Differentiation is the degree to which organisational units differ from one another with time (short term to long term) and goal orientation (techno-economic, market or science). On the other hand, integration deals with the degree of collaboration, cooperation and mutual trust and understanding required and achieved between the various interacting organisational groups. In the early stages of the group development process, there was a high degree of differentiation between the research unit and the marketing unit because of the differences in time orientation (long term vs. short term) and goal orientation (science vs. market).

#### **Check your progress 4**

1. When two or more groups are combining their inputs together to form an organizational goal, it is following\_\_\_\_\_.
  - a. pooled interdependence
  - b. pooled independence

2. When one group's output is used by another group as input, it is called as \_\_\_\_\_ interdependence.
  - a. Sequential
  - b. Reciprocal
3. Where groups exchange inputs and outputs in order to complete their business activity, it is following \_\_\_\_\_ interdependence.
  - a. Reciprocal
  - b. Sequential
4. Task \_\_\_\_\_ is the degree to which the requirements and responsibilities in the group are clearly stated and understood.
  - a. Clarity
  - b. environment
5. Task \_\_\_\_\_ are the factors which, either internal or external, are relevant or significantly affect the level of the performance of a group.
  - a. Environment
  - b. clarity

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## 1.6 Let Us Sum Up

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In this block we discussed almost every aspect of group associated with an organisation. Teams and groups are two different things.

A group is defined as consisting of two or more individuals who interact with each other and who are interdependent. Groups can be either formal or informal. There is a wide difference in the nature and functions of groups that exist in the society as well as in the organizations. Broadly, groups may be categorized according to their degrees of formalization (formal or informal) and permanence. Formal groups are established by the organization to do its work and usually are included in the organization chart; informal groups are formed by the members of formal group. They consist of the friendship group, which is relatively permanent, and the interest group, which may be shorter lived.

So at the end of this unit the readers would now be much familiar with group and understood various aspects relating to group.

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## 1.7 Answers for Check Your Progress

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**Check your progress 1**

**Answers:** (1-a), (2-a), (3-a), (4-a), (5-a)

**Check your progress 2**

**Answers:** (1-a), (2-a), (3-a), (4-a), (5-a)

**Check your progress 3**

**Answers:** (1-a), (2-a), (3-a), (4-a), (5-a)

**Check your progress 4**

**Answers:** (1-a), (2-a), (3-a), (4-a), (5-a)

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## 1.8 Glossary

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1. **Groups** - Groups can be defined in terms of perceptions, motivation, organization, interdependencies, and interactions.
2. **Synergy** - Synergy refers to the cumulative effect of two or more substances which is different from the individual summation of those substances.
3. **Cohesion** - refers to the extent of unity in the group and is reflected in the members' conformity to the norms of the group, feelings of attraction for each other, and wanting to be co-members of the group.

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## 1.9 Assignment

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Explain what a group is? Also give its definition

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## 1.10 Activities

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Give the classification of group.

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## 1.11 Case Study

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Write a note on group decision making.

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## 1.12 Further Readings

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## **UNIT 2:      GROUP    DYNAMICS**

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### **Unit Structure**

#### **2.0 Learning Objectives**

#### **2.1 Introduction**

#### **2.2 Group Dynamics**

##### 2.2.1 Types of Groups

##### 2.2.2 Stages of Group Development

##### 2.2.3 The Punctuated-Equilibrium Model

##### 2.2.4 Social Loafing

##### 2.2.5 Collective Efficacy

#### **2.3 Group Roles**

#### **2.4 Group Norms**

##### 2.4.1 Types of Norms

##### 2.4.2 Development of Norms

#### **2.5 Group Cohesiveness**

#### **2.6 Creating Positive Group Dynamics**

#### **2.7 Problems in Group Dynamics**

#### **2.8 Let Us Sum Up**

#### **2.9 Answers for Check Your Progress**

#### **2.10 Glossary**

#### **2.11 Assignment**

#### **2.12 Activities**

#### **2.13 Case Study**

#### **2.14 Further Readings**

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## 2.0 Learning Objectives

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**After learning this unit, you will be able to understand:**

- Group dynamics
- Group roles
- Group norms
- About group cohesiveness
- Problems in group dynamics

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## 2.1 Introduction

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Group dynamics deal with the attitudes and behavioural patterns of a group. Group dynamics are concerned about the formation of a group, their structure and processes to be followed in their functioning. Thus, it centers on the interactions and forces operating between groups.

Group dynamics is a system of behaviours and psychological processes occurring within a social group (intra-group dynamics) or between social groups (inter-group dynamics). The study of group dynamics can be very useful in understanding decision-making behaviour, tracking the spread of diseases in society, creating effective therapy techniques and following the emergence and popularity of new ideas and technologies. Group dynamics are at the core of understanding racism, sexism and other forms of social prejudice and discrimination. These applications of the field are studied in psychology, sociology, anthropology, political science, epidemiology, education, social work, business and communication studies.

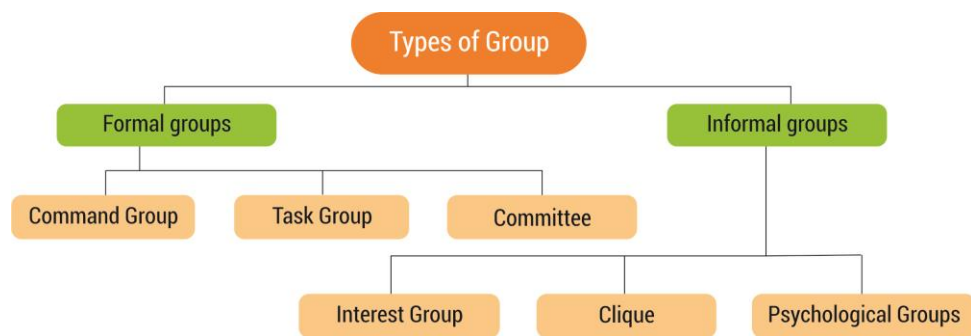
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## 2.2 Group Dynamics

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Group dynamics is concerned with interaction and forces between group members in a social situation. Concept of group dynamics was first evolved by Kurt Lewin in 1930s who viewed the concept from the perspective of internal nature of group, why they form, how they form, the structure of group, how they function and its effect on other group members, other groups and the organisations. Following concepts are relevant for the study of group dynamic.

## 2.2.1 Types of Groups



**Fig 2.1 Types of Groups**

**Formal Group:** Formal group is a designated work group defined by the organisational structure. It is a collection of employees who work together to contribute towards the achievement of organisational objective. For example, aircrew. Formal groups are formed based on the work and human resources required by skill, knowledge and experience to achieve organisational task. In a manufacturing unit, the organizational task is sub divided into groups and teams. Each group is composed of various members based on the requirement of the human resource. The members of the group report to a designated leader. They interact with each other on official level.

**Informal Group:** Informal groups are not formally organized in the work system with any set target. On the other hand, informal groups develop on their own, randomly at workplaces because of common interests and mutual appreciation. For example, few members of production department, body manufacturing department, HR department members and few individual from finance department may form a friendship group. This development takes place because of the interaction they have with each other during the official work or during leisure time. Members from one department or different departments can form informal groups.

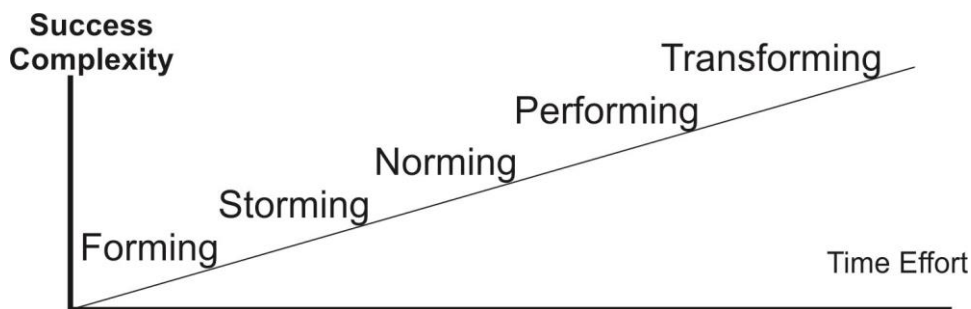
The followings are the features of such groups:-

- (a) Informal groups are formed by various members themselves. It has no official sanctity.
- (b) These groups are formed based on commonality of culture, religious function, liking for each other and common interests.
- (c) Their contribution for the success of formal group is immense if properly handled by official authority.

- (d) These groups evolve their own structure, elect their own leaders and have followers. They work based on group norms, social norms and code of conduct.
- (e) They represent the human side of an organization.
- (f) The group exists without any rigid rules. Their common interest binds them together.

### 2.2.2 Stages of Group Development

Forming, Storming, Norming and Performing



**Fig 2.2 Stages of Group development**

American organisational psychologist Bruce Tuckman presented a robust model in 1965 that is still widely used today. Based on his observations of group behavior in a variety of settings, he proposed a four-stage map of group evolution, also known as the forming-storming-norming-performing model. Later he enhanced the model by adding a fifth and final stage, the adjourning phase.

Interestingly enough, just as human beings moves through developmental stages such as childhood, adolescence and adulthood, so does a group. Although, through a shorter period of time. According to this theory, in order to successfully facilitate a group, the leader needs to move through various leadership styles over time.

Generally, this is accomplished by certain factors. Firstly, one has to be more directive while serving as a coach. Later, transforming into a delegator as the group matures with the ability to consume more power. While research has not confirmed that this is descriptive of how groups progress, knowing and following these steps can help groups be more effective. For example, groups that do not go through the storming phase early on will often return to this stage towards the end of the process to address unresolved issues.

Another example of the validity of the group development model involves groups that take the time to get to know each other socially in the forming stage. When this occurs, groups tend to handle future challenges better because the individuals have an understanding of each other's needs and requirements.

**Forming:** In the forming stage, a group comes together for the first time ever. The members may already know each other or they may be total strangers. In either case, there is a level of formality, some anxiety and a degree of guardedness as group members are not sure what is going to happen next.

“Will I be accepted? What will my role be? Who has the power here?” These are some of the questions participants think about during this stage of group formation. Because of the large amount of uncertainty, members tend to be polite, consciously avoid conflict and observant. They should try to figure out the “rules of the game” without being too vulnerable.

At this point, they may also be quite excited and optimistic about the task at hand, perhaps experiencing a level of pride at being chosen to join a particular group. At this stage, group members try to achieve several goals. However, this may not necessarily be a conscious decision. First, they try to get to know each other. Often this can be easily accomplished by finding some common interests. Members also begin to explore group boundaries to determine what will be considered acceptable behavior.

“Can I interrupt? Can I leave when I feel like it?” The initial trial phase may also involve testing the appointed leader or understanding if a leader emerges from the group. At this point, group members are also discovering how the group will work and who will be responsible for each task. This stage is often characterized by abstract discussions about issues to be addressed by the group; those who like to get moving can become impatient with this part of the process. This phase is usually short in duration, perhaps a meeting or two.

**Storming:** Once group members feel sufficiently safe and integrated, they tend to enter into the storming phase. Participants tend to shed social facades and become more authentic, normal and argumentative. Group members start influencing and interacting with others. They often draw out their territories by differentiating themselves from the other group members. Discussions can become heated as participants raise contending points of view and values or argue over how tasks should be done and who should be assigned with specific tasks.

It is not unusual for group members to become defensive, competitive or jealous. They may even take sides or begin to form cliques within the group.

Questioning and resisting direction from the leader is also quite common. “Why should I have to do this? Who designed this project in the first place? Why do I have to listen to you?” Although little seems to get accomplished at this stage, group members remain more authentic as they express their deeper thoughts and feelings. What they are really exploring is “Can I truly be me, have power, and be accepted?” During this chaotic stage, a great deal of creative energy that was previously buried is released and available for use but it takes skill to move the group from storming to norming stage. In many cases, the group gets stuck in the storming phase.

Once the group members discover that they can be authentic and that the group is capable of handling differences without dissolving, they are ready to enter the next stage i.e. norming.

**Norming:** “We survived!” is the common sentiment at the norming stage. Group members often feel elated at this point and they become much more committed to each other and the group’s goal. Feeling energized by knowing that they can handle the “tough stuff.” All group members are now ready to get to work. Now participants find it easy to establish their own ground rules (or norms). Group members find them to be more cohesive and cooperative. Eventually they define their operating procedures and goals. The group tends to make big decisions, while subgroups or individuals handle the smaller decisions.

Hopefully, at this point the group is more open and respectful toward each other. Members ask each other for both help and feedback. They may even begin to form friendships and share more personal information with each other. At this point, the leader should become more of a facilitator by stepping back and letting the group as a whole take more responsibility for its goal. Since the group’s energy is running high, this is an ideal time to host a social or team-building event.

**Performing:** Stimulated by a sense of shared vision and a feeling of unity, the group is now ready to go into high gear. Members are more interdependent, individuality and differences are respected and group members feel themselves to be part of a greater entity.

At the performing stage, participants are not only getting the work done but they also pay greater attention to how they are doing it. They ask questions like, “Do our operating procedures best support productivity and quality assurance? Do we have suitable means for addressing differences that arise so we can preempt destructive conflicts? Are we relating to and communicating with each other in

ways that enhance group dynamics and help us achieve our goals? How can I further develop as a person to become more effective?" By now, the group has matured to become more competent, autonomous and insightful. Group leaders can finally move into coaching roles and help members grow in skill and leadership.

**Adjourning:** Just as groups form, so do they end? For example, many groups or teams formed in a business context are project oriented and therefore are temporary in nature. Alternatively, a working group may dissolve due to an organisational restructuring. Just as when we graduate from school or leave home for the first time. These endings can be bitter-sweet where the group members have a mixed feeling of victory, grief and insecurity about what is coming next.

For those who like routine life and bond closely with fellow group members, this transition can be particularly challenging. Group leaders and members alike should be sensitive enough to handle these endings respectfully and compassionately. An ideal way to close a group is to set aside time to debrief ("How did it all go? What did we learn?"), acknowledge each other and celebrate a job well done.

### 2.2.3 The Punctuated-Equilibrium Model

As you may have noted, the five-stage model we have just reviewed is a linear process. According to the model, a group progresses to the performing stage through an ongoing, smooth-sailing situation until the group dissolves. In reality, subsequent researchers, most notably Joy H. Karriker, have found that the life of a group is much more dynamic and cyclical in nature.

For example, a group may operate in the performing stage for several months. Then, because of a disruption, such as a competing emerging technology that changes the rules of the game or the introduction of a new CEO, the group may move back into the storming phase. Ideally, any regression in the linear group progression will ultimately result in a higher level of functioning.

Proponents of this cyclical model draw from behavioral scientist Connie Gersick's study of punctuated equilibrium. The concept of punctuated equilibrium was first proposed in 1972 by paleontologists Niles Eldredge and Stephen Jay Gould, who both believed that evolution occurred in rapid, radical spurts rather than gradually over time. Identifying numerous examples of this pattern in social behavior, Gersick found that the concept applied to organizational change. She proposed that groups remain fairly static, maintaining a certain equilibrium for

long periods of time. Change during these periods is incremental, largely due to the resistance to change that arises when systems take root and processes become institutionalized.

In this model, revolutionary change occurs in brief, punctuated bursts, generally catalyzed by a crisis that breaks through the systemic inertia and shakes up the deep organizational structures in place. At this point, the organization or group has the opportunity to learn and create new structures that are better aligned with current realities.

Whether the group does this is not guaranteed. In sum, in Gersick's model, groups can repeatedly cycle through the storming and performing stages, with revolutionary change taking place during short transitional windows. For organizations and groups who understand that disruption, conflict, and chaos are inevitable in the life of a social system, these disruptions represent opportunities for innovation and creativity.

#### **2.2.4 Social Loafing**

Social loafing refers to the tendency of individuals to put in less effort when working in a group context. This phenomenon, also known as the Ringelmann effect, was first noted by French agricultural engineer Max Ringelmann in 1913. In one study, he had people pull on a rope individually and in groups. He found that as the number of people pulling increased, the group's total pulling force was less than the individual efforts had been when measured alone.

Why do people work less hard when they are working with other people? Observations show that as the size of the group grows, this effect increases as well. The social loafing tendency is less a matter of being lazy and more a matter of perceiving that one will receive neither one's fair share of rewards if the group is successful nor the blame if the group fails. Rationales for this behaviour include, "My own effort will have little effect on the outcome," "Others aren't pulling their weight, so why should I?" or "I don't have much to contribute, but no one will notice anyway." This is a consistent effect across a great number of group tasks and countries. Research also shows that perceptions of fairness are related to less social loafing. Therefore, teams that are deemed as more fair should also see less social loafing.



## 2.2.5 Collective Efficacy

Collective efficacy refers to a group's perception of its ability to successfully perform well. Collective efficacy is influenced by a number of factors, including watching others ("that group did it and we're better than them"), verbal persuasion ("we can do this"), and how a person feels ("this is a good group"). Research shows that a group's collective efficacy is related to its performance. In addition, this relationship is higher when task interdependence (the degree an individual's task is linked to someone else's work) is high rather than low.

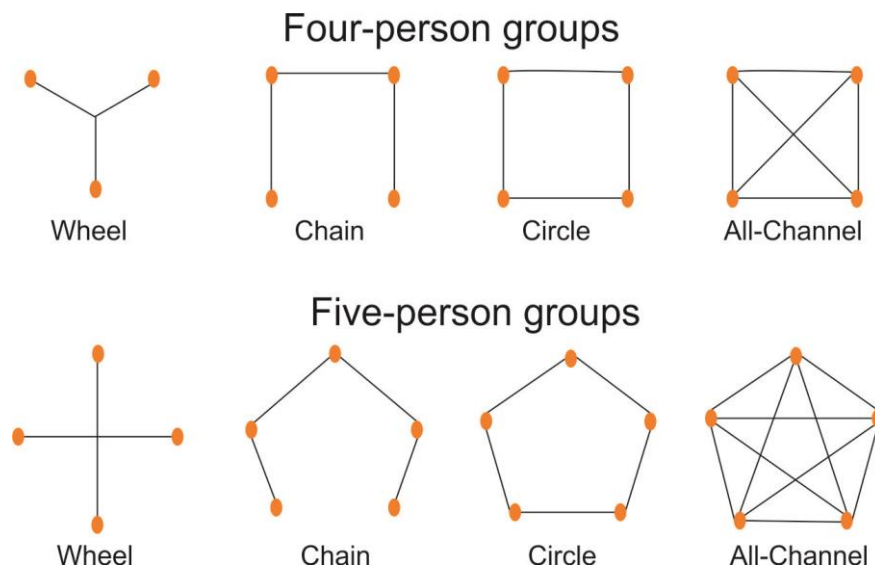
### Check your progress 1

1. A \_\_\_\_\_ is a collection of individuals who interact with each other such that one person's actions have an impact on the others.
  - a. Group
  - b. company
2. In the \_\_\_\_\_ stage, the group comes together for the first time.
  - a. Forming
  - b. Completion
3. Once group members feel sufficiently safe and included, they tend to enter the \_\_\_\_\_ phase.
  - a. Storming
  - b. norming
4. "We survived!" is the common sentiment at the \_\_\_\_\_ stage.
  - a. Norming
  - b. storming
5. Social \_\_\_\_\_ refers to the tendency of individuals to put in less effort when working in a group context.
  - a. Loafing
  - b. norming

## 2.3 Group Roles

Almost all groups are internally structured into roles. These prescribe different activities that exist in relation to one another to facilitate overall group functioning. In addition to task-specific roles, there are also general roles that describe each member's position in the life of the group (e.g. newcomer, old-timer). Rites of passage such as initiation rites often mark movement between generic roles, which are characterized by varying degrees of mutual commitment between member and group. Roles can be very real in their consequences.

In the famous Stanford Prison Study (Zimbardo et al., 1982), researchers randomly assigned students to play the roles of prisoners or guards in a simulated prison set-up. The 'prison' was located in the basement of the psychology department at Stanford University. Before the study began, all participants were carefully screened to ensure they were psychologically stable. Zimbardo and his team planned to run the study for two weeks, while observing the participants. In fact, they had to terminate it after six days because the participants were conforming so extremely to their roles. The guards harassed, humiliated and intimidated the prisoners, of ten quite brutally, and the prisoners increasingly showed signs of individual and group disintegration, including severe emotional disturbance and some psychosomatic problems. The importance of this classic study was shown recently by the appalling treatment of Iraqi prisoners recorded inside Abu Ghraib jail in 2003. Roles also define functions within a group, and the different parts of the group normally need to communicate with one another. Research on communication networks focuses on centralization as the critical factor seen in figure below.



**Fig 2.3 Group Roles**

More centralized networks have a hub person or group that regulates communication flow, whereas less centralized networks allow free communication among all roles. Centralized networks work well for simple tasks (they liberate peripheral members to perform their role) but not for more complex tasks – the hub becomes overwhelmed, delays and mis-communications occur, frustration and stress increase, and peripheral members feel loss of autonomy.

### **Check your progress 2**

1. Almost all groups are \_\_\_\_\_structured into roles.
  - a. Internally
  - b. externally
2. The importance of Standford prision classic study was shown recently by the appalling treatment of Iraqi prisoners recorded inside Abu Ghraib jail in\_\_\_\_\_.
  - a. 2003
  - b. 2013

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## **2.4 Group Norms**

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“Group Norms are set of beliefs, feelings and attitude commonly shared by group members. These are also referred to as rules of standards of behaviour that apply to group members”. These are prescriptions of behaviour accepted and determined by the group. As per the Handbook of Industrial and Organizational Psychology, the Norm is defined as “acceptable standards of behaviour that are shared by the group members.”

All groups have established norms i.e. norms tell members what they ‘ought’ and ‘ought not’ to do a thing under certain circumstances. From an individual stand point, they tell what is expected of them in certain situations. When agreed to and accepted by the group, norms act as a means of influencing the behaviour of group members with a minimum of external control. Norms differ among groups, communities and societies but all have them.

A study conduct by P.C.De La Porte showed that the group norms that are favourable to the organisation were — organisational pride, team work, honesty,

security, planning and customer relations. The norms about profitability and supervision were unfavourable to the organisation (De La Porte, PC) 2. Behaviour of an individual as a group member must be acceptable to all the members; this will give an individual “Good standing” and recognition in the group. If norms are violated by an individual, corrective measures such as strokes are applied. In case the individual continue with his behaviour contrary to the group norms he will be totally neglected by other members. He can even loose the membership of the group by way of total ignorance by other members of the group and thereby loosing status in the group.

### 2.4.1 Types of Norms

Norms may differ from organisation to organisation. Nature of work and the location may also bring changes in norms. Following norms are generally found and practiced by all the organisations.

- (a) **Performance Norms:** Performance standard is set by the individual worker and approved by the superiors. These are general norms, industry standards prevailing in a particular type of industry and restricted to geographical limits. All the individuals are expected to fulfill their task within the stipulated time. If some worker is slow and cannot cope up with the work load then he or she is assisted by other group members. On the contrary, if some worker produces more than what is required to do is reprimand by the group members. The individual is discouraged to produce more than the upper limits set by the organisation so that management does not raise their expectations.
- (b) **Appearance Norms:** Appearance norms are related to dress code and code of conduct in the organisation. In a reputed organisation it is mandatory to follow the dress code during work, specific functions or for a party. In every case wearing proper attire is essential. In defence services such norms are in built in the organisational culture. As regards to the code of conduct, an individual is expected to be loyal and display total dedication to the organisation he serves. Workers are not expected to report about fellow workers to the superiors. In the same way members are not expected to divulge company secrets to any other organisation, no matter how much tension prevail between workers and management. Group norms area very powerful tool for high productivity and maintenance of peaceful relationship among the fellow workers.

- (c) **Behaviour Norms:** Guidelines for general behaviour are issued by the management so that all the employees conduct themselves in an identical manner. These guidelines may cover various aspects related to the work. This may include time management, punctuality, salutation, showing respect to the views of other members. All individuals serving an organisation need to show a professional attitude. These norms eventually take the form of the organisation culture and are very useful for bringing down the conflict or stress level among the group members

### 2.4.2 Development of Norms

Norms are developed over a long period of time. They ought to have sufficient time for it to be formalized and called as norms that can not be violated by group members. Explicit statement made by group members like “when going gets tough the tough gets going”. This may ultimately be a norm and members of a group would work overtime and utilize their full potential to resolve a critical situation and complete a job.

Critical events in the group’s history may also be called as norm. For example a member of a blood donation camp may be required by another group member when injured at work.

Primary refers to the first (initial) behaviour by one of the group members like ‘wishing smooth working on a turbine’ which has now become a norm. Every member greets all the fellow members before starting the days work. Past experience is also important in forming group norm, where a member brings with him good ideas from other organisation like having lunch together.

#### **Check your progress 3**

1. Group \_\_\_\_\_ are set of beliefs, feelings, and attitude commonly shared by group members.
  - a. Norms
  - b. principles
2. \_\_\_\_\_ may differ from organization to organization, nature of work and the location.
  - a. Norms
  - b. principles

3. Norms are developed over a \_\_\_\_\_ period of time.
  - a. Long
  - b. short
4. If norms are violated by an individual, corrective measures such as \_\_\_\_\_ are applied.
  - a. strokes
  - b. principles
5. \_\_\_\_\_ standard is set by the individual worker and approved by the superiors.
  - a. Performance
  - b. actual

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## 2.5 Group Cohesiveness

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Cohesion can be thought of as a kind of social glue. It refers to the degree of solidarity within the group. Cohesive groups are those in which members are attached to each other and act as one unit. Generally speaking, the more cohesive a group is, the more productive it will be and the more rewarding the experience will be for the group's members.

Members of cohesive groups tend to have the following characteristics: They have a collective identity; they experience a moral bond and a desire to remain part of the group; they share a sense of purpose, working together on a meaningful task or cause; and they establish a structured pattern of communication.

The fundamental factors affecting group cohesion include the following:

**Similarity** - The more similar the group members are in terms of age, sex, education, skills, attitudes, values, and beliefs the more likely the group will bond.

**Stability** - The longer a group stays together, the more cohesive it becomes.

**Size** - Smaller groups tend to have higher levels of cohesion as the members get more opportunity to interact with each other.

**Support** - When group members receive coaching and are encouraged to support their fellow team members, group identity strengthens.

**Satisfaction** - Cohesion is correlated with how pleased group members are with each other's performance, behavior, and conformity to group norms.

As you might imagine, there are many benefits in creating a cohesive group. Members are generally more personally satisfied and feel greater self-confidence and self-esteem when in a group. The sense of belonging brings them even closer. For many, membership in such a group can be a buffer against stress, which can improve their mental and physical well-being.

Cohesion ensures regularity. Since members are united in the group, they tend to regularly attend and actively participate in the group. They also show eagerness to take more responsibility in the group's functioning. In addition, members can draw on the strength of the group to persevere through challenging situations that might otherwise be too hard to tackle alone.

Can a Group Have Too Much Cohesion?

Keep in mind that groups can have too much cohesion. Because members can come to value belonging over all else, an internal pressure to conform may arise, causing some members to modify their behaviour to adhere to group norms. Members may become conflict avoidant, focusing more on trying to please each other so as not to be disliked.

In some cases, members might restrict themselves to maintain the party line. As such, there is a superficial sense of harmony and less diversity of thought. Having less tolerance for deviants, who threaten the group's static identity, cohesive groups will often excommunicate members who dare to disagree. Members attempting to make a change may even be criticized or undermined by other members, who perceive this as a threat to the status quo. The painful possibility of being marginalized can keep many members in line with the majority.

The more strongly members identify with the group; there lies a possibility of considering outsiders as inferior or enemies in extreme cases. This can lead to increased insularity. This form of prejudice can have a downward spiral effect. The group which is not getting corrective feedback from within its own members tend to confine. It becomes sensitive from inputs and feedback. And thus, it misses out the cross-fertilization of ideas from other groups. In such an environment, groups can easily adopt extreme ideas that will not be challenged. As problems are ignored and failures are blamed on external factors, denial increases.

Sometimes groups make disastrous decisions with limited often biased information. At times lack of internal or external opposition also helps them taking such decisions. Groupthink is a group pressure phenomenon that increases the risk of the group making flawed decisions. This syndrome allows reductions in mental efficiency, reality testing and moral judgment. Groupthink is mostly observed in highly cohesive groups.

Cohesive groups can go skewed in much milder ways. For example, group members can value their social interactions so much that they have fun together but spend little time on accomplishing their assigned task. Or a group's goal may begin to diverge from the larger organization's goal and those trying to uphold the organization's goal may be ostracized (e.g. teasing the class "brain" for doing well in school).

In addition, research shows that cohesion leads to acceptance of group norms. Groups with high task commitment do well. But imagine a group where the norms are to work as little as possible? As you might imagine, these groups get little accomplished and can actually work together against the organization's goals. Figure

Groups with high cohesion and high task commitment tend to be the most effective.

#### **Check your progress 4**

1. \_\_\_\_\_ groups are those in which members are attached to each other and act as one unit.
  - a. Cohesive
  - b. Collision
2. The groups \_\_\_\_\_ have too much cohesion.
  - a. Can
  - b. Cannot
3. \_\_\_\_\_ may become conflict avoidant, focusing more on trying to please each other so as not to be ostracized.
  - a. Members
  - b. Directors



4. As such, there is a superficial sense of harmony and less diversity of \_\_\_\_\_.
  - a. thought.
  - b. principles
5. Members attempting to make a change may even be criticized or undermined by other members, who perceive this as a \_\_\_\_\_ to the status quo.
  - a. Threat
  - b. patience

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## 2.6 Creating Positive Group Dynamics

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There are many techniques to assist the facilitator in group dynamics. The following are just a few of the more common and frequently used techniques available to the facilitator. Be creative and adaptive. Different situations require different techniques. With experience will come an understanding of how they affect group dynamics and when is the best time to use them.

### **Equalizing Participation**

The facilitator is responsible for the fair distribution of attention during meetings. Facilitators call the attention of the group to one speaker at a time. The grammar school method is the most common technique for choosing the next speaker. The facilitator recognizes each person in the order in which hands are raised. Often, inequities occur because the attention is dominated by an individual or class of individuals. This may occur because of socialized behavioural problems such as racism or sexism. Internal dynamics such as experience, seniority, fear, shyness, disrespect, ignorance of the process etc may also lead to inequities.

Inequities can be corrected in many creative ways. For example, if men are speaking more often than women, the facilitator can suggest a pause after each speaker, the women counting to five before speaking, the men counting to ten. In controversial situations, the facilitator can request that three speakers speak for the proposal and three speak against it. If the group would like to avoid having the facilitator select who speaks next, the group can self-select by asking the last speaker to pass an object to the next. These are only a handful of the many possible problems and solutions that exist. Be creative. Invent your own.

### **Listing**

To help the discussion flow more smoothly those who want to speak can silently signal the facilitator. The facilitator may list his name among those who wish to speak.

### **Stacking**

If many people want to speak at the same time it is useful to ask all those who would like to speak to raise their hands. Then the facilitator may list their names and allow them to speak in order. This would help to maintain discipline.

### **Pacing**

Maintaining the flow or pace of the meeting is the responsibility of the facilitator. That highly depends on the atmosphere prevailing in the group. To counter a tense situation the facilitator may choose techniques which encourage balance and cooperation. If the meeting is going slowly and people are becoming restless, it is advisable to rearrange the agenda.

### **Checking the Process**

If the flow of the meeting is breaking down or if one person or small group seems to be dominating, anyone can raise a question on the technique being used and suggest an alternative.

### **Silence**

If the pace is too fast, if energies and tensions are high, people are speaking out of turn or interrupting one another, it is appropriate for anyone to suggest a moment of silence to calm down and refocus on constructive energy.

### **Taking a Break**

In the heat of discussion, people are usually resistant to interruptions and do not agree to take a break. But a good facilitator knows and manages to take a five minute break to release all the frustrations. This would ensure more fruitful discussions in the upcoming hours and can add more value to the debate.

### **Call for Consensus**

Any member who is requested to speak by the facilitator can call for a test for consensus. To do this, the facilitator asks if there are any unresolved concerns, which remain unaddressed.

### **Summarizing**

The facilitator might choose to focus on what has been discussed during the sessions by summarizing. The summary might be made by the facilitator, the note taker or anyone else appropriate. This pre-empts a common problem, in which the discussion becomes circular and one after another, speakers repeat each other.

### **Reformulating the Proposal**

After a long discussion, sometimes it happens that the proposal becomes modified without any formal decision. The facilitator needs to recognize this and take time to reformulate the proposal with the new information, modifications and deletions. Then the proposal is presented to the group so that everyone can be clear about what is being considered. Again, this might be done by the facilitator, the note taker or anyone else.

### **Stepping Out of Role**

If the facilitator wants to become involved in the discussion and has strong feelings about a particular agenda item, he can step out of the role and participate in the discussion, allowing another member to facilitate during that time.

### **Passing the Clipboard**

Sometimes information needs to be collected during the meeting. To save time, circulate a clipboard to collect this information. Once collected, it can be entered into the written record and/or presented to the group by the facilitator.

### **Polling (Straw Polls)**

The usefulness of polling within consensus is primarily clarification of the relative importance of several issues. It is an especially useful technique when the facilitator is confused or uncertain about the status of a proposal and wants some clarity to be able to suggest what might be the next process technique.

Polls are not decisions; they are non-binding referenda. Too often, straw polls are used when the issues are completely clear and the majority wants to intimidate the minority into submission by showing overwhelming support, rather than to discuss the issues and resolve the concerns. Clear and simple questions are the best. Polls that involve three or more choices can be especially manipulative. Use with discretion.

### **Censoring**

(This technique and the next are somewhat different from the others. They may not be appropriate for some groups.) If someone speaks out of turn

consistently, the facilitator warns the individual at least twice and if the interruptions do not stop, the facilitator will declare that person censored.

This means those people will not be permitted to speak for this agenda item. If the interrupting behaviour has been exhibited over several agenda items, then the censoring could be for a longer period of time. This technique is meant to be used at the discretion of the facilitator. If the facilitator censors someone and others in the meeting raise disapproval, it is better for the facilitator to step down from the role and let someone else facilitate, rather than get into a discussion about the ability and judgment of the facilitator.

Such disruptive behaviour makes facilitation very difficult. It is disrespectful. Voicing of disapproval about a censoring indicates lack of confidence in the facilitation rather than support for the disruptive behaviour.

### **Expulsion**

If an individual still acts very disruptively the facilitator may confront the behaviour. He can ask the person to explain the reasons for such behaviour, and request the person to behave in the best interest of the group. He can explain that his actions are keeping in mind the goals and principles of the group. If the person is unable to answer these questions or if the answers indicate disagreement with the common purpose, then the facilitator can ask the individual to withdraw from the meeting.

### **Group Discussion Techniques**

It is often assumed that the best form of group discussion is in which only one person speaks at a time. This is true for some discussions. But, sometimes, other techniques of group discussion can be more productive and efficient than whole group discussion. The following are some of the more common and frequently used techniques. These could be suggested by anyone at the meeting. Therefore, it is a good idea if everyone is familiar with these techniques. Again, be creative and adaptive. Different situations require different techniques.

### **Identification**

It is good to address each other by name. One way to learn names is to draw a seating plan and as people go around and introduce themselves, write their names on it. Later, refer to the plan and address people by their names. In large groups, name tags can be helpful. Also, when people speak, it is useful for them to identify themselves so all can gradually be familiar with each other's names.

## **Whole Group**

The value of whole group discussion is the evolution of a group idea. A group idea is not simply the sum of individual ideas, but the result of the interaction of ideas during the discussion. The entire group discussions can be unstructured and productive. It can also be very structured, using various facilitation techniques to focus it. Often, whole group discussion does not produce maximum participation or a diversity of ideas. During whole group discussion, fewer people get to speak and at times, the attitude of the group can be dominated by an idea, a mood or a handful of people.

## **Small Group**

Breaking large groups into smaller units can be very useful. These small groups can be diads or triads or even larger. They can be selected randomly or self-selected. If used well, in a relatively short amount of time all participants have the opportunity to share their own point of view. Be sure to set clear time limits and select a note taker for each group. When the larger group reconvenes, the note takers relate the major points and concerns of their group. Sometimes, note takers can be requested to add only new ideas or concerns and not repeat something already covered in another report. It is also helpful for the scribe to write these reports so all can see the cumulative result and be sure every idea and concern gets on the list.

## **Brainstorming**

This is a very useful technique when ideas need to be solicited from the whole group. The normal rule of waiting to speak until the facilitator recognizes you is suspended and everyone is encouraged to call out ideas to be written by the scribe for all to see. It is helpful if the atmosphere created is one in which all ideas, no matter how unusual or incomplete are appropriate and welcomed. This is a situation in which suggestions can be used as catalysts with ideas building one upon the next, generating very creative possibilities. Avoid evaluating each other's ideas during this time.

## **Go-rounds**

This is a simple technique that encourages participation. The facilitator states a question and then goes around the room inviting everyone to answer briefly. This is not an open discussion. This is an opportunity to individually respond to specific questions, not to comment on each other's responses or make unrelated remarks.

## **Fishbowl**

The fishbowl is a special form of small group discussion. Several members representing differing points of view meet in an inner circle to discuss the issue while everyone else forms an outer circle and listens.

At the end of a predetermined time, the whole group reconvenes and evaluates the fishbowl discussion. An interesting variation: first, put all the men in the fishbowl, then all the women, and they discuss the same topics.

## **Active Listening**

If the group is having a hard time understanding a point of view, someone might help by active listening. Listen to the speaker, then repeat back what was heard and ask the speaker if this accurately reflects what was meant.

## **Caucusing**

A caucus might be useful to help a multifaceted conflict become clearer by unifying similar perspectives or defining specific points of departure without the focus of the whole group. It might be that only some people attend a caucus, or it might be that all are expected to participate in a caucus. The difference between caucuses and small groups is that caucuses are composed of people with similar viewpoints whereas small group discussions are more useful if they are made up of people with diverse viewpoints or even a random selection of people.

### **Check your progress 5**

1. There are many techniques to assist the facilitator in \_\_\_\_\_.
  - a. group dynamics
  - b. group principles
2. Different situations require different \_\_\_\_\_.
  - a. Techniques
  - b. principles
3. After a long discussion, it sometimes happens that the \_\_\_\_\_ becomes modified without any formal decision.
  - a. Proposal
  - b. request

4. \_\_\_\_\_ is a very useful technique when ideas need to be solicited from the whole group.
  - a. Brain storming
  - b. Fishbowl
5. If the group is having a hard time understanding a point of view, someone might help by\_\_\_\_\_.
  - a. active listening
  - b. brain storming

---

## 2.7 Problems in Group Dynamics

---

There are many problems that hinder good group dynamics. We don't usually have the luxury of picking who we are going to work with on a team; dealing with different personalities and personal agendas are common challenges in working within a team. Other common challenges like, poor leadership, bad communications, and lack of focus can be helped or eliminated by establishing team roles as mentioned above.

The first challenge that hinders good group dynamics is poor leadership. There are a few things an individual can do if the poor team leadership is your boss or someone with authoritative power is in charge of your team. First, be supportive, if your boss trusts you and you are supportive, you may be able to influence decisions by suggesting alternatives. If the poor leader did not assign a devil's advocate, suggest it during a team meeting and why you think it would be beneficial. Once the devil's advocate is in place, coach him or her to bring up alternatives. Once alternatives are out in the open and debated, the poor leader may see that the new idea is better.

Bad communications is a quick way for a team to be unproductive and ineffective. By using a scribe and lessons learned tracker to document team meetings and activities a team can easily be kept up to date and in the loop. An effective team leader can assign tasks and hold people accountable for their contributions, which can prevent social loafing and incite good communications.

Lack of focus can make a team just a group of individuals. Keeping the team focused takes constant effort. A good leader can keep teams focused and on task by assigning roles and enforcing accountability. A good method to keep

teams focused is by using an agenda and distributing it prior to the meeting. An agenda can get people on the same page and will encourage them to prepare based on the topics under discussion.

Groupthink, dominate personalities and social loafing are all challenges you will face when working with a team. The key to combating these challenges are to be able to identify when they are taking place.

Groupthink is simply going along with the team on a decision because that seems to be the consensus and they want to avoid conflict. Having a strong devil's advocate will help reduce the chances of groupthink.

Dominating personalities are difficult to deal with. Sticking to an agenda, establishing protocols during meetings and having an effective leader can be used to combat strong personalities.

Social loafing is someone that is putting forth less effort as a member of a group than they would as an individual. Again, leadership and holding people accountable is a great tool to deal with social loafing.

### **Check your progress 6**

1. The \_\_\_\_\_ challenge that hinders good group dynamics is poor leadership.
  - a. First
  - b. last
2. \_\_\_\_\_ communications is a quick way for a team to be unproductive and ineffective.
  - a. Bad
  - b. good
3. Lack of \_\_\_\_\_ can make a team just a group of individuals.
  - a. Focus
  - b. patience



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## 2.8 Let Us Sum Up

---

In this unit we focussed on group dynamics and we studied in very detail about it. We studied that Group dynamics deals with the attitudes and behavioural patterns of a group. Group dynamics concern how groups are formed, what is their structure and which processes are followed in their functioning. Group dynamics is concerned with interaction and forces between group members in a social situation. Almost all groups are internally structured into roles. These prescribe different activities that exist in relation to one another to facilitate overall group functioning. On the other hand Cohesion can be thought of as a kind of social glue. It refers to the degree of camaraderie within the group. Cohesive groups are those in which members are attached to each other and act as one unit.

So under this unit we have gone through the topic in very detail and this piece of information is really going to be of great help for them.

---

## 2.9 Answers for Check Your Progress

---

**Check your progress 1**

**Answers:** (1-a), (2-a), (3-a), (4-a), (5-a)

**Check your progress 2**

**Answers:** (1-a), (2-a)

**Check your progress 3**

**Answers:** (1-a), (2-a), (3-a), (4-a), (5-a)

**Check your progress 4**

**Answers:** (1-a), (2-a), (3-a), (4-a), (5-a)

**Check your progress 5**

**Answers:** (1-a), (2-a), (3-a), (4-a), (5-a)

**Check your progress 6**

**Answers:** (1-a), (2-a), (3-a)

---

## 2.10 Glossary

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1. **Social loafing** - refers to the tendency of individuals to put in less effort when working in a group context.
2. **Collective efficacy** - refers to a group's perception of its ability to successfully perform well.

---

## 2.11 Assignment

---

What do you understand by Group Dynamics? Explain in brief.

---

## 2.12 Activities

---

Write a detailed note on Group norms.

---

## 2.13 Case Study

---

Cohesiveness is the degree of closeness that the members feel with the group". In the light of the above statement explain cohesiveness and factors contributing to it.

---

## 2.14 Further Readings

---

1. Group Processes: Dynamics Within and Between Groups (Paperback) by Rupert Brown, Publisher: Blackwell Publishers; 2nd Rev Edition.
2. Introduction to Group Dynamics (Hardcover), by Malcolm Knowles, Hulda Knowles, Publisher: Cambridge Book Company; Revised edition.
3. An Introduction to Group Dynamics (Hardcover) by Donelson R. Forsyth, Publisher: Thomson Brooks/Cole.
4. Group dynamics: research and theory (Unknown Binding) by Dorwin Cartwright, Publisher: Row, Peterson; 2d. Ed edition.
5. Organizational Behavior (10th Edition) (Hardcover) by Stephen P. Robbins, Publisher: Prentice Hall; 10 edition.

---

## **Block Summary**

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In this block we have gone through the topics of group and group dynamics in very detail. The block was further divided into two units .The first unit covered the topic Group and has been discussed in very detail, whereas the second unit covered the topic Group dynamics which has even been discussed in detail. Every effort has been made to explain the topics, the language of the book has been kept very simple in order to make it more understandable.

Further we discussed under 1 Group, Understanding Group Processes, Group Decision-making, Intergroup relations. Where as under unit 2 Group Dynamics, Group Roles, Group Norms, Group Cohesiveness, Creating Positive Group Dynamics, Problems in Group Dynamics were discussed in very detail.

This peice of information is going to be of great help for the students in understanding the concepts of group and group dynamics.

---

## **Block Assignment**

---

### **Short Answer Questions**

1. Pooled interdependence
2. Group decision making
3. Group roles
4. Collective efficacy
5. Social loafing

### **Long Answer Questions**

1. Write a note on intergroup relations.
2. Why is it important to form a group.
3. Discuss the various stages of group development.

**Enrolment No.**

1. How many hours did you need for studying the units?

Unit No	1	2	3	4
Nos of Hrs				

2. Please give your reactions to the following items based on your reading of the block:

Items	Excellent	Very Good	Good	Poor	Give specific example if any
Presentation Quality	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
Language and Style	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
Illustration used (Diagram, tables etc)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
Conceptual Clarity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
Check your progress Quest	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
Feed back to CYP Question	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____

3. Any Other Comments

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“

*Education is something  
which ought to be  
brought within  
the reach of every one.*

”

- Dr. B. R. Ambedkar



**Dr. Babasaheb Ambedkar Open University**  
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Ahmedabad-382 481.

# ORGANIZATION BEHAVIOUR AND CHANGE MANAGEMENT

PGDHR-102

## BLOCK 3: ORGANIZATION CULTURE AND BEHAVIOUR

Dr. Babasaheb Ambedkar Open University  
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# ORGANIZATION BEHAVIOUR AND CHANGE MANAGEMENT

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Knowledge Management and  
Research Organization  
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## **ROLE OF SELF INSTRUCTIONAL MATERIAL IN DISTANCE LEARNING**

The need to plan effective instruction is imperative for a successful distance teaching repertoire. This is due to the fact that the instructional designer, the tutor, the author (s) and the student are often separated by distance and may never meet in person. This is an increasingly common scenario in distance education instruction. As much as possible, teaching by distance should stimulate the student's intellectual involvement and contain all the necessary learning instructional activities that are capable of guiding the student through the course objectives. Therefore, the course / self-instructional material are completely equipped with everything that the syllabus prescribes.

To ensure effective instruction, a number of instructional design ideas are used and these help students to acquire knowledge, intellectual skills, motor skills and necessary attitudinal changes. In this respect, students' assessment and course evaluation are incorporated in the text.

The nature of instructional activities used in distance education self-instructional materials depends on the domain of learning that they reinforce in the text, that is, the cognitive, psychomotor and affective. These are further interpreted in the acquisition of knowledge, intellectual skills and motor skills. Students may be encouraged to gain, apply and communicate (orally or in writing) the knowledge acquired. Intellectual-skills objectives may be met by designing instructions that make use of students' prior knowledge and experiences in the discourse as the foundation on which newly acquired knowledge is built.

The provision of exercises in the form of assignments, projects and tutorial feedback is necessary. Instructional activities that teach motor skills need to be graphically demonstrated and the correct practices provided during tutorials. Instructional activities for inculcating change in attitude and behavior should create interest and demonstrate need and benefits gained by adopting the required change. Information on the adoption and procedures for practice of new attitudes may then be introduced.

Teaching and learning at a distance eliminates interactive communication cues, such as pauses, intonation and gestures, associated with the face-to-face method of teaching. This is particularly so with the exclusive use of print media. Instructional activities built into the instructional repertoire provide this missing interaction between the student and the teacher. Therefore, the use of instructional activities to affect better distance teaching is not optional, but mandatory.

Our team of successful writers and authors has tried to reduce this.

Divide and to bring this Self Instructional Material as the best teaching and communication tool. Instructional activities are varied in order to assess the different facets of the domains of learning.

Distance education teaching repertoire involves extensive use of self-instructional materials, be they print or otherwise. These materials are designed to achieve certain pre-determined learning outcomes, namely goals and objectives that are contained in an instructional plan. Since the teaching process is affected over a distance, there is need to ensure that students actively participate in their learning by performing specific tasks that help them to understand the relevant concepts. Therefore, a set of exercises is built into the teaching repertoire in order to link what students and tutors do in the framework of the course outline. These could be in the form of students' assignments, a research project or a science practical exercise. Examples of instructional activities in distance education are too numerous to list. Instructional activities, when used in this context, help to motivate students, guide and measure students' performance (continuous assessment)



## **PREFACE**

We have put in lots of hard work to make this book as user-friendly as possible, but we have not sacrificed quality. Experts were involved in preparing the materials. However, concepts are explained in easy language for you. We have included many tables and examples for easy understanding.

We sincerely hope this book will help you in every way you expect.

All the best for your studies from our team!



# ORGANIZATION BEHAVIOUR AND CHANGE MANAGEMENT

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---

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**UNIT 2 CONFLICT MANAGEMENT AND CHANGE MANAGEMENT**

Introduction, Conflict Management, Change Management, Work Pressure



Dr. Babasaheb  
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**PGDHR-102**

# **ORGANIZATION BEHAVIOUR AND CHANGE MANAGEMENT**

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## **BLOCK 3: ORGANIZATION CULTURE AND BEHAVIOUR**

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# **BLOCK 3: ORGANIZATION CULTURE AND BEHAVIOUR**

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## **Block Introduction**

The importance of organisation behaviour in today's world has already been discussed in the earlier blocks. It is especially significant for management students.

In this block the entire content has been divided into two units. The first unit covers the topic Basics of Organisational Culture and Behaviour in detail whereas the second unit covers the topic of Organisational Design. The language of the book is kept simple in order to make it more understandable. The various topics covered under Unit One are General Introduction to the topic, Organisational Climate Organisation culture, Organisational behaviour, Organisational Commitment.

Unit Two covers the topics of Organisational Design-Four Building Blocks-Division of work, Departmentalisation, Hierarchy and Co-ordination and various organisational structures and their effects on human behaviour.

These informations are going to be of great help for the students in understanding the basic concepts of this subject.

## **Block Objective**

**After learning this block, you will be able to understand:**

- Culture in an Organization
- Role and functions played by culture
- About the various levels of culture that prevail in an organisation
- The climate in Organisation
- about organisational commitment
- Organizational Design –Building Blocks
- more about the Division of work
- Hierarchy and Co-ordination in an organisation



## **Block Structure**

**Unit 1: Basics of Organization Culture and Behaviour**

**Unit 2: Organizational Design**

---

# **UNIT 1:      BASICS OF ORGANIZATION                   CULTURE AND BEHAVIOUR**

---

## **Unit Structure**

- 1.0 Learning Objectives**
- 1.1 Introduction**
- 1.2 Organization Culture**
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- 1.4 Organizational Behaviour**
- 1.5 Organizational Commitment**
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- 1.9 Assignment**
- 1.10 Activities**
- 1.11 Case Study**
- 1.12 Further Readings**

---

## **1.0      Learning Objectives**

---

**After learning this unit, you will be able to understand:**

- Organization culture and its functions
- Levels of Culture
- Organisational climate
- Organisationalbehavior
- Organizational commitment

---

## 1.1 Introduction

---

Organisational culture is not inborn. It has to be invented and later developed over a period of time. It enables employees to perform within the framework of the organisation's culture. Environment plays a dominant role in developing the culture and so does demographic factors. That is why we generally refer to Japanese culture or Indian culture. It is therefore environment specific in nature.

Studies reveal that the organisation's culture is informal in nature and relates to shared way of living. It is a common binding factor in the organisation. Organisation culture help develop professionalism among its employees. Value system is the corner stone of the organisation culture. It promotes standardisation in various systems and sub-systems. This reduces role conflict to a great extent. Once the culture is developed, it virtually becomes a people's organisation from a functional point of view that promotes risk-taking among managerial cadre and generates novel ideas. It promotes communication that improves productivity and job satisfaction.

India is a multi-religious, multi-lingual multi-cultural society. Organisation culture promotes equality and work culture. The corporate culture "consists of norms, values and unwritten rules of conduct of an organisation as well as management styles, priorities, belief and interpersonal behaviours that prevail. Together they create climate that influences how well people communicate, plan and make decisions."

---

## 1.2 Organisation Culture

---

Organisational culture originates from the founders of the organisation based on value system held by them. It is further passed on, down the line. Organisational culture is also a function of the nature of work and goals of the organisation. It is visible from the organisational structure. Centralized command and control, strict hierarchy and fixed communication are indicative of formal culture with little freedom of action and with scant attention to innovation and creativity. While decentralized work culture will promote autonomy that will lead to greater job satisfaction. Peters and Waterman state, "Without exception, the dominance and coherence of culture proved to be an essential quality of the excellent companies. Moreover, the stronger the culture and more it was directed towards the market place, the less need was there for policy manuals, organization

charts and detailed procedures and rules. In these companies, people, way down the lines know what they are supposed to do in most situations because the handful of guiding values is crystal clear.

### **Functions of Organisation Culture**

- (a) It gives members an organisational identity Sharing norms, values and perceptions gives people a sense of togetherness that helps promote a feeling of common purpose. Culture provides shared pattern of cognitive perceptions or understanding about the values or beliefs held by the organisation. This enables the organisational members how to think and behave as expected of them.
- (b) It facilitates collective commitment. The common purpose that grows out of shared culture tends to elicit strong commitment from all those who accept the culture as their own. It provides shared – pattern of feelings to the organisational members to make them know what they are expected to value and feel.
- (c) It promotes systems stability. By encouraging a shared sense of identity and commitment, culture encourages lasting integration and cooperation among the members of an organisation. It enhances social stability by holding the organisational members together and by providing them appropriate standards for which the members should stand for.
- (d) It shapes behaviour by helping members make sense of their surroundings. An organisation culture serves as a source of shared meaning that explains why things occur the way they do. Organisational culture is not fully visible but felt. Visible level culture reflects the value shared by organisational members.
- (e) It provides a boundary. Culture distinguishes one organisation from the other. Such boundary – defining helps identify members and non-members of the organisation. Culture facilitates the generation of commitment to something larger than an individual's self-interest. It serves as a control mechanism that guides and shapes the attitude and behaviour of members of the organisation.
- (f) It helps organisational members stick to conformity and expected mode of behaviour. Culture ensures that everyone thinks and behaves in a prescribed manner.

## Levels of Culture

According to Edgar Schein, there are three levels of culture, these are discussed in the succeeding paragraphs.

- (a) **Observable artifacts of culture:** These are the symbols of culture in the physical and social work environment. These are visible and most accessible. They include organisational heroes. As mentioned earlier, organisational culture originates from the top management and their leadership styles. These leaders become the role model. Employees would like to imitate their behaviour, work ethics and represent what an organisation stands for. Modelled behaviour is a powerful tool and organisation should continuously learn. They should re-inforce organisational value system. Rites and rituals are recurring activities that are used at special times to influence the behaviour and understanding of organisational members. For example, showcasing colours during the oath ceremony in the defence services. Colours remind soldiers of the excellent work done by their predecessors and the sacrifices they have made. Presentations of certificates and convocation ceremony in the university. Rituals are systems of rites like departmental song, colours and company picnic or retirement dinners. “Cultural symbols are an object, act, or event that serves to transmit cultural meaning”. Corporate uniform, tie, buttonsets are the examples. Saga is a heroic account of accomplishments. Sagas are important because they are being used to tell new members the real mission of the organisation. They also enumerate how the organisation operates and how individual can fit into the organisational settings. A saga of courage and sacrifices in the regimental history is a good example of organisational culture. It communicates organisational culture. Certain dress logo can reflect its value and orientation. Many people wear buttons on the uniform suggesting that they are members of golf club or rotary club thus reflecting a sense of value. Some of the material artifacts are reserve parking, air conditioned office, luxury automobiles given to senior members of the organisation. These carry with it the value system prevailing in an organisation.
- (b) **Shared values.** In the earlier chapter we have studied two types of values, i.e. terminal values that reflect end state of existence and instrumental values. Instrumental values are the means to achieve terminal values. Being hard working (instrumental value) may lead to achieve solace (Terminal value). Shared value resides at the very heart of the organisational culture. It

helps turn routine activities into valuable, important actions, tie the corporation with important value of society, which may provide a very distinctive source of competitive advantage. Employees should be taken into confidence and good work done by them should be recognized. This would help workers to get motivated to work harder for the organisation. Values should be linked with work. A person should feel that he is producing an umbrella that keeps health of the society. He is not merely working for material gain but for good of society. Organizations should therefore develop a “dominant and coherent set of shared values” so that individual behaves in a graduated manner in line with the organisational philosophy.

- (c) **Common Assumptions.** Common assumptions are fallout of shared value system and observable artifacts of culture. Employees, over a period of time form within themselves a common culture. In Bajaj Automobiles, everybody comes in time to the plant. Punctuality is therefore a common assumption that is embedded in their organizational culture. In Maruti Udhog, safety is accorded a high priority. Workershealth and safety in plant therefore is assumed a common assumption. The cultural artifacts develop cohesiveness that leads to operational productivity. Indians believes in truth and non-violence. Therefore it is a common assumption of our national culture.

### Check your progress 1

1. \_\_\_\_\_ is also a function of the nature of work and goals of the organization.
  - a. Organizational culture
  - b. Organisational structure
2. While \_\_\_\_\_ work culture will promote autonomy that will lead to greater job satisfaction.
  - a. Decentralized
  - b. Centralized
3. \_\_\_\_\_ would like to copy their behaviour, work ethics and represent what an organization stands for.
  - a. Employees
  - b. Management

4. Common \_\_\_\_\_ are fallout of shared value system and observable artifacts of culture.
  - a. Assumptions
  - b. Culture
5. \_\_\_\_\_ value resides at the very heart of the organizational culture.
  - a. Shared
  - b. Personal

---

### **1.3 Organisational Climate**

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According to Bowditch and Buono “Organisational culture is with the nature of belief and expectations about organisational life, while climate is an indicator of whether those beliefs and expectations are being fulfilled.” Employees in the organisation keep studying the management philosophy and various actions they take to deal with organisational factors that are of a routine nature. These include the following:

- (a) Selection Process of the employees.
- (b) Leadership style and approach to solve problems of the employees.
- (c) Wage administration.
- (d) Attitude to implement change and incorporate latest technology.
- (e) Job description.
- (f) Organizational structure and frequency to modify the same based on need.
- (g) Performance evaluation.
- (h) Promotion policy and its implementation.
- (i) Efforts involved in promoting creativity and innovations.
- (j) Availability of resources for research and development.
- (k) Organisational values and promotion of culture.

### Check your progress 2

1. Organisational \_\_\_\_\_ is with the nature of belief and expectations about organisational life.
  - a. culture
  - b. climate
2. Organisation \_\_\_\_\_ is an indicator of whether those beliefs and expectations are being fulfilled.
  - a. Climate
  - b. culture

---

## 1.4 Organisational behaviour

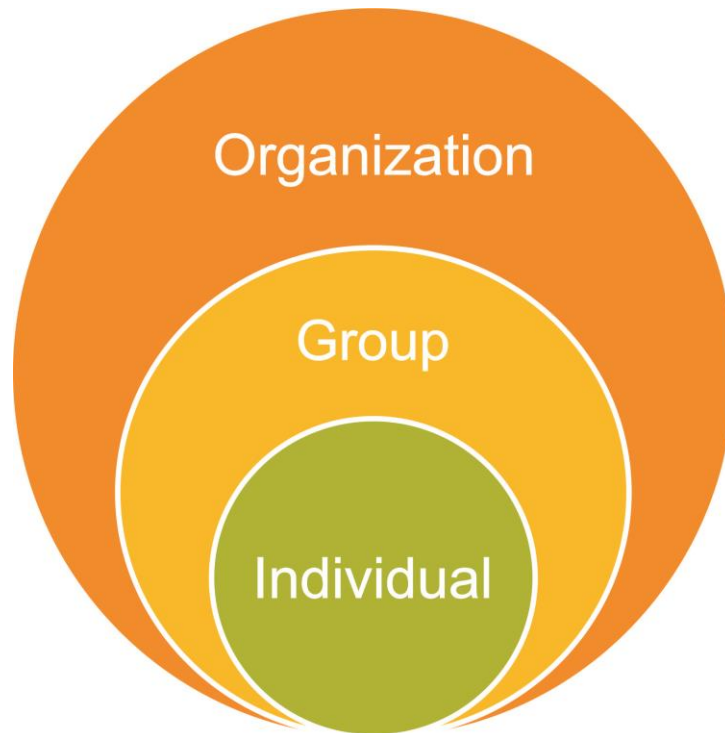
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“Organisational behaviour is a field of study that investigates the impact that individuals, groups and organisational structure have on behaviour within the organisation, for the purpose of applying such knowledge towards improving an organisational effectiveness”.

Organisational behaviour (OB) is defined as the systematic study and application of knowledge about how individuals and groups act within the organisations where they work. As you will see throughout this book, definitions are important. They are important because they tell us what something is as well as what it is not. For example, we will not be addressing childhood development in this course—that concept is often covered in psychology—but we might draw on research about twins raised apart to understand whether job attitudes are affected by genetics.

OB draws from other disciplines to create a unique field. While going through this book you will most likely recognize OB’s roots in other disciplines. For example, when we review topics such as personality and motivation, we will again review studies from the field of psychology. The topic of team processes relies heavily on the field of sociology. In the chapter relating to decision making, you will come across the influence of economics. The study of power and its influence in an organisation borrow heavily from political sciences. Even medical science contributes to the field of organizational behaviour, particularly to the study of stress and its effects on individuals.





**Fig 1.1 Organizational Behaviour**

OB spans topics related from the individual to the organisation.

OB matters at three critical levels. It matters because it is all about things you care about. OB can help you become a more engaged organisational member. Getting a great job and socializing lower the stress level to a great extent. It also helps in making more effective decisions. Employers do bother and take care about OB. A recent survey conducted by the National Association of Colleges and Employers (NACE) enquired employers which skills are the most important for them when evaluating job candidates. The topic of OB topped the list. The followings were the top five personal qualities/skills:

1. Communication skills (verbal and written)
2. Honesty/integrity
3. Interpersonal skills (relates well to others)
4. Motivation/initiative
5. Strong work ethic

### Check your progress 3

1. \_\_\_\_\_ is defined as the systematic study and application of knowledge about how individuals and groups act within the organisations where they work.
  - a. Organisational behavior
  - b. Organisational commitment
2. The topic of team processes relies heavily on the field of \_\_\_\_\_.
  - a. sociology
  - b. Hierarchy
3. Organisational behaviour can help you become a \_\_\_\_\_ engaged organisational member.
  - a. More
  - b. less

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## 1.5 Organisational Commitment

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Organisational commitment is defined as-

- (a) A strong desire to remain member of a particular organization
- (b) Willingness to exert high level of efforts on behalf of the organisation, and
- (c) A definite belief in and acceptance of value and goals of the organisation.

In other words, employees display an attitude of belonging to the organisation, a sense of “MY” organization. They continue to do so even after they leave the organisation. Of late a concept of organisational citizenship is used. It indicates a sense of belonging to a particular organisation as if you were citizen of that organisation, but it depends as to the contribution made by organisation to have developed such feelings.

Organisational commitment is the emotional attachment people have toward the company they work for. There is a high degree of overlap between job satisfaction and organisational commitment, because things that make us happy with our job often make us more committed to the company as well. Companies believe that these attitudes are worth tracking because they are often associated

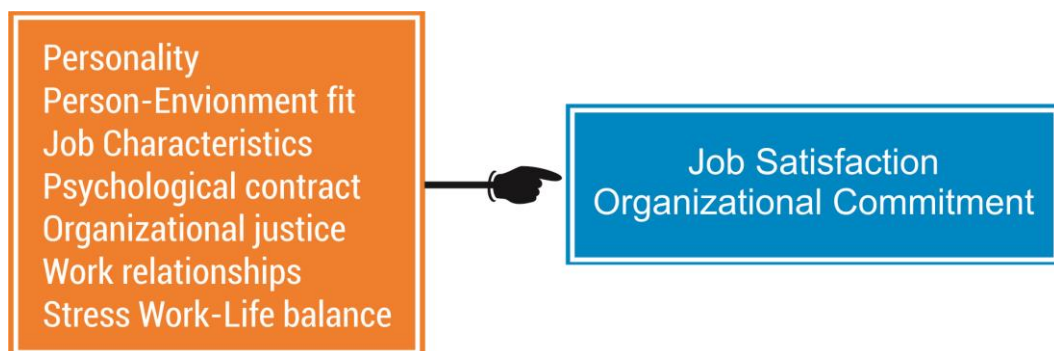
with important outcomes such as performance, helping others, absenteeism, and turnover.

How strong is the attitude-behavior link? First of all, it depends on the attitude in question. Your attitudes toward your colleagues may influence whether you actually help them on a project or not. But they may not be a good forecaster of whether you will quit your job.

Secondly, it is worth noting that attitudes are more strongly related to intentions to behave in a certain way, rather than actual behaviors. When you are dissatisfied with your job, you may have the intention to leave it. Whether you will actually leave is a different story! Your decision will depend on many factors, such as availability of alternative jobs in the market, your employability in a different company and sacrifices you have to make while changing jobs. In other words, while attitudes give us hints about how a person might behave, it is important to remember that behavior is also strongly influenced by situational constraints.

### What Causes Positive Work Attitudes?

What makes you satisfied with your job and develop commitment to your company? Research shows that people pay attention to several aspects of their work environment. It includes how they are treated, the relationships they form with colleagues and managers and the actual work they perform. We will now summarize the factors that show consistent relations with job satisfaction and organizational commitment.



**Fig 1.2 Factors Contributing to Job Satisfaction and Organizational Commitment**

### Personality

Can assessing the work environment fully explain how satisfied we are on the job? Interestingly, some experts have shown that job satisfaction is not purely environmental and is partially due to our personality. Some people have a

disposition to be happy in life and at work regardless of environmental factors. It seems that people who have a positive affective disposition (those who have a tendency to experience positive moods more often than negative moods) tend to be more satisfied with their jobs and more committed to their companies. On the contrary, people who have a negative disposition tend to be less satisfied and less committed.

People who can see the glass as half full will always notice good things in their work environment while those with the opposite character will find more things to complain about. In addition to our affective disposition, people who have a neurotic personality (those who are moody, temperamental, critical of themselves and others) are less satisfied with their job, while those who are emotionally more stable tend to be more satisfied.

Other traits such as conscientiousness, self-esteem, locus of control, and extraversion are also related to positive work attitudes. These people are more successful in finding jobs and companies that will make them happy and build better relationships at work, which would increase their satisfaction and commitment. They simply see their environment as more positive under all circumstances.

### **Job Characteristics**

The presence of certain characteristics on the job seems to make employees more satisfied and more committed. Using a variety of skills, having autonomy at work, receiving feedback on the job and performing a significant task are some job characteristics that are related to satisfaction and commitment. However, the presence of these factors is not important for everyone. Some people have a high growth need. They expect their jobs to help them build new skills and improve as an employee. These people tend to be more satisfied when their jobs have these characteristics.

### **Psychological Contract**

With a new job people tend to come on board with a set of expectations. They have an understanding of their responsibilities and rights. In other words, they have a psychological contract with the company. A psychological contract is an unwritten understanding about what the employee will bring to the work environment and what the company will provide in exchange. When people do not get what they expect, they feel like betrayed. It can be considered as a psychological contract breach which leads to low job satisfaction and lessens commitment. Suppose, before being hired you are told that company is very

family friendly and you are expected to work for 48 hours a week. After a while, if you realize that they expect employees to work 70 hours a week that creates a sense of betrayal among employees. You are likely to experience a breach in your psychological contract and will be dissatisfied. The companies should be providing a realistic job preview to the prospective employees to prevent such problems.

### **Organizational Justice**

A strong influence over our satisfaction level depends on how fairly we are treated. People pay attention to the fairness of company policies and procedures, treatment from supervisors and the rewards they receive from the company.

### **Relationships at Work**

Two strong predictors of our happiness at work and commitment to the company are our relationships with co workers and managers. The people we interact most have much influence on our mind and work as well. The degree of compassion, our level of social acceptance in our work group and whether we are being treated with respect are few on the most important factors which determines the level of happiness at work.

Research also shows that our relationship with our manager is closely related with job satisfaction. The relationship with our manager also influences the organisational commitment. When our manager and upper management listen to us, care about us and value our opinions, then we tend to feel good at work. Even small actions may show employees that the management cares about them. For example, Hotel Carlton in San Francisco was recently taken over by a new management group. One of the small things the new management did created dramatic results. In response to an employee attitude survey, they replaced the old vacuum cleaners that the housekeepers were using and established a policy of replacing them every year. This simple act of listening to employee problems and taking action went a long way to making employees feel that the management cares about them.

### **Stress**

Not surprisingly, the amount of stress present in our job is also related to our satisfaction and commitment. For example, experiencing role ambiguity (vagueness in relation to what our responsibilities are), role conflict (facing contradictory demands at work), organizational politics and worrying about the security of our job are all major factors that make people dissatisfied. On the other hand, not all stress is negative. Some of them actually make us happier! For

example, working under time pressure and having a high degree of responsibility are stressful, but they can also be perceived as challenges and tend to be related to high levels of satisfaction.

### **Work–Life Balance**

In the 1950s, people’s work was all-consuming. Employees went to work, worked long hours, and the rest of the family accepted that work came first. As society changed, the concept of always putting work first became outdated. In modern times, more employees expect to lead a balanced life. Work-life balance has become the most important factor. Organisations must encourage its employees to pursue hobbies and spend adequate time with their families. The notion of work–family conflict is one cause of job dissatisfaction. These conflicts can be particularly stressful for women during pregnancy and after giving birth to a child, but men can also struggle with it as well.

#### **Check your progress 4**

1. Organisational \_\_\_\_\_ is the emotional attachment people have toward the company they work for.
  - a. Commitment
  - b. climate
2. Research shows that \_\_\_\_\_ pay attention to several aspects of their work environment, including how they are treated, the relationships they form with colleagues and managers, and the actual work they perform.
  - a. employees
  - b. employers
3. Some people have a disposition to be happy in life and at work regardless of \_\_\_\_\_.
  - a. environmental factors
  - b. other factors
4. After accepting a job, people come to work with a set of \_\_\_\_\_.
  - a. Expectations
  - b. Salaries

5. Not surprisingly, the amount of \_\_\_\_\_ present in our job is related to our satisfaction and commitment.

- a. Stress
- b. work

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## 1.6 Let Us Sum Up

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In this block we have studied in very detail about organisation culture and organisation design in very detail.

Under this unit we studied that organizational culture originates from the founders of the organization based on value system held by them. It is further passed on, down the line. Organizational culture is also a function of the nature of work and goals of the organization. It is visible from the organizational structure. Organizational culture is with the nature of belief and expectations about organizational life, while climate is an indicator of whether those beliefs and expectations are being fulfilled.

Organizational behaviour is defined as the systematic study and application of knowledge about how individuals and groups act within the organizations where they work. Organizational commitment is the emotional attachment people have toward the company they work for. There is a high degree of overlap between job satisfaction and organizational commitment, because things that make us happy with our job often make us more committed to the company as well.

So by now the readers would have got sufficient idea of what exactly is organisation culture and its importance.

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## 1.7 Answers for Check Your Progress

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**Check your progress 1**

**Answers:** (1-a), (2-a), (3-a), (4-a), (5-a)

**Check your progress 2**

**Answers:** (1-a), (2-a)

**Check your progress 3**

**Answers:** (1-a), (2-a), (3-a)

**Check your progress 4**

**Answers:** (1-a), (2-a), (3-a), (4-a), (5-a)

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## **1.8 Glossary**

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1. **Culture** - It is a way of life of a group of people--the behaviors, beliefs, values, and symbols that they accept, generally without thinking about them, and that are passed along by communication and imitation from one generation to the next.

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## **1.9 Assignment**

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1. Explain organisation culture and discuss its functions.
2. Discuss the various levels of culture.

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## **1.10 Activities**

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Write a note on organisational climate

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## **1.11 Case Study**

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What do you understand by organisation behaviour?

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## **1.12 Further Readings**

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1. B. Narayan and Bharati Sharma, 1993; "Behavioural Science in Management" OmsonsPublications, New Delhi.
2. Harlow/Hamke, 1975; Behaviour in Organisations Text, Readings and Cases, Little, Brown and Company.



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## **UNIT 2: ORGANIZATIONAL DESIGN**

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### **Unit Structure**

#### **2.0 Learning Objectives**

#### **2.1 Introduction**

#### **2.2 Organizational Design –Six Building Blocks**

#### **2.3 Division of Work**

#### **2.4 Departmentalization**

#### **2.5 Hierarchy and Co-ordination**

#### **2.6 Various Organizational Structures and their Effects on Human Behaviour**

#### **2.7 Let Us Sum Up**

#### **2.8 Answers for Check Your Progress**

#### **2.9 Glossary**

#### **2.10 Assignment**

#### **2.11 Activities**

#### **2.12 Case Study**

#### **2.13 Further Readings**

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### **2.0 Learning Objectives**

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**After learning this unit, you will be able to understand:**

- Organizational Design –Building Blocks
- Division of work
- Departmentalization
- Hierarchy and Co-ordination
- Organizational Structures and their effects on human Behaviour

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## 2.1 Introduction

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An organisation structure does have significant effect on its employees. It is very difficult to generalise to link organisational structure to employee performance and satisfaction. For example, some employees are most productive and satisfied when work task are standardized - in mechanistic structures. Work specialization contributes to higher employee productivity but it is at the cost of reduced job satisfaction.

But such a statement does not surface individual differences and type of job tasks the employees do. On the other hand there are persons who prefer the routine and repetitiveness of highly specialized jobs. Some employees want work that makes less intellectual demands and provides security. In fact it is difficult to support with full evidence any relationship between span of control and employee performance, through large span might lead to higher employee performance due to provision of more distant supervision and more opportunities to perform. The contrast of such evidence lies in the individual differences. Therefore, no particular conclusion can be made.

By and large, there is a link between job satisfaction and centralization. Participative decision making is positively related to job satisfaction but individual differences do surface. The decentralization of satisfaction is the strongest with low self-esteem employees, because of lack of confidence in their abilities.

In short, to maximize employee performance and satisfaction, one has to pay attention to individual differences such as personality, experience and the work tasks. In fact, the organizational structure gets affected due to the influence of the national culture also. One should keep in mind that people do not select employers at random, they are attracted to organizations that suite their personal characteristics. For example: job candidate preferring predictability are likely to seek out and take employment in mechanists structure while those who want autonomy end up in an organic structure.

Today, we are in the world of uncertainty, competition, globalisation and high technology inclusive of computer advancement and communication technology. Therefore, there is a possibility that the world may move towards electronically configured organic organisation. Technology allows organisations to stay close to the customer to settle jobs where cost are lower and take decisions rapidly. It is because of this that individuals may prefer to stay in organisations where decisions can be at the lower level of management. This type of quick

decision-making at lower levels may result in increasing profitability. In India, however the technology revolution may not transform the organisation structure at a fast rate, probably because decision-making may be quick, information exchange may also be precise and fast but the individual concepts and actions may not undergo competitive change. Even emphasis on speed thus has its own limits. The organization, be it bureaucratic or virtual, also has its own limitations. In India, the change is taking place in the organizational structure; but is at a slow rate.

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## **2.2 Organisational Design –Six Building Blocks**

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Organisation Design is a formal, guided process for integrating the people, information and technology of an organisation. It is used to match the form of the organisation as closely as possible to the purpose(s) the organisation seeks to achieve. Through the design process, organisations act to improve the probability that the collective efforts of members will be successful.

Typically, design is approached as an internal change under the guidance of an external facilitator. Managers and members work together to define the needs of the organisation then create systems to meet those needs most effectively. The facilitator assures that a systematic process is followed and encourages creative thinking.

Organisation design begins with the creation of a strategy — a set of decision guidelines by which members will choose appropriate actions. The strategy is derived from clear, concise statements of purpose and vision and from the organisation's basic philosophy. Strategy unifies the intent of the organisation and focuses members toward actions designed to accomplish desired outcomes. The strategy encourages actions that support the purpose and discourages those that do not.

Creating a strategy is planning, not organising. To organise we must connect people with each other in meaningful and purposeful ways. Further, we must connect people with the information and technology necessary for them to be successful. Organisation structure defines the formal relationships among people and specifies both their roles and their responsibilities. Administrative systems govern the organisation through guidelines, procedures and policies. Information and technology define the process (es) through which members achieve outcomes. Each element must support each of the others and together they must support the organization's purpose.

Let's explore six key components of organizational structure using some visual examples.

- 1) Chain of Command
- 2) Span of Control
- 3) Centralization
- 4) Specialization
- 5) Formalization
- 6) Departmentalization

### 1) Chain of Command

One of the most basic elements of an organisational structure, chain of command is exactly what it sounds like: an unbroken line of authority that extends from the top of the organisation (e.g. a CEO) all the way down to the bottom. Chain of command clarifies who reports to whom within the organisation.

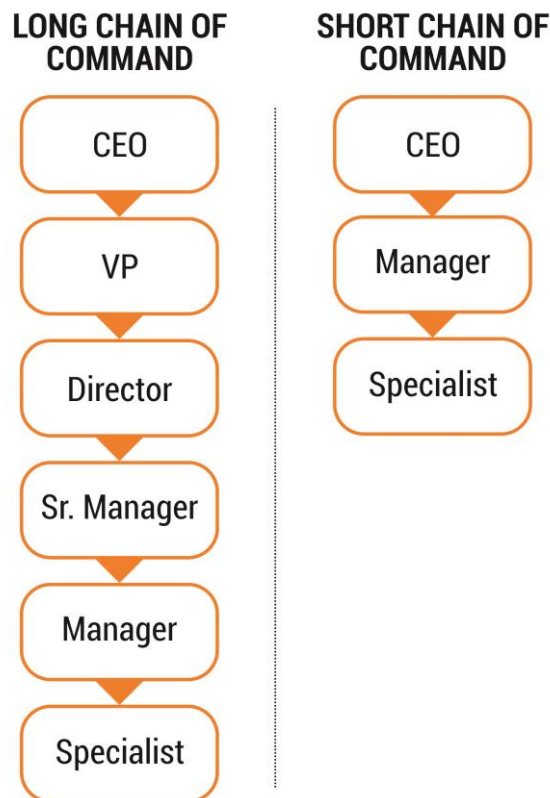


Fig 2.1 Chain of Command

## 2) Span of Control

The concept of “span of control” also known as management ratio, refers to the number of subordinates controlled directly by a superior. It is a particularly important concept for small business owners to understand because small businesses often get into trouble when the founder ends up with too wide a span of control. Span of control is a topic taught in management schools and widely employed in large organizations like the military, government agencies, and educational institutions.

Span of control is simply the number of staff that report to a manager. Some companies also have an ideal span of control, which is the number of reports they feel a manager can effectively manage. In this case, if a manager has fewer reports than the ideal, they may feel he or she is not being effectively used, while if he or she is handling more they may feel that the manager is over-stretched and the reports will not receive enough direction.

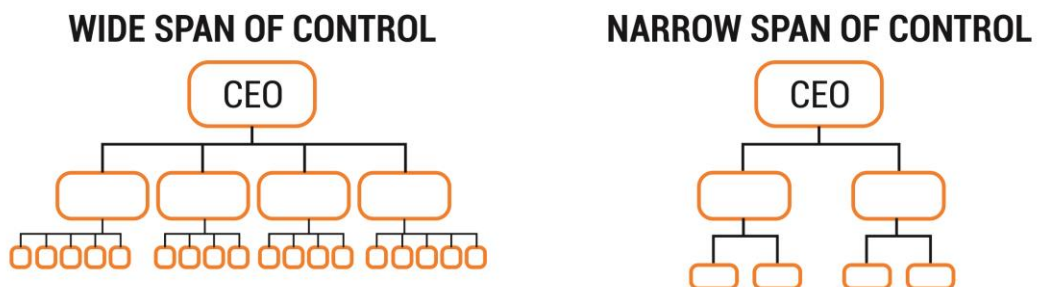


Fig 2.2 Span of Control

## 3) Centralization

Who makes the decisions in an organisation? If decision-making power is concentrated at a single point, the organisational structure is centralized. If decision-making power is spread out, the structure is decentralized.

While a decentralized structure promotes a more democratic decision-making process, it can also slow down the decision-making process, making it harder for organisations to operate efficiently.

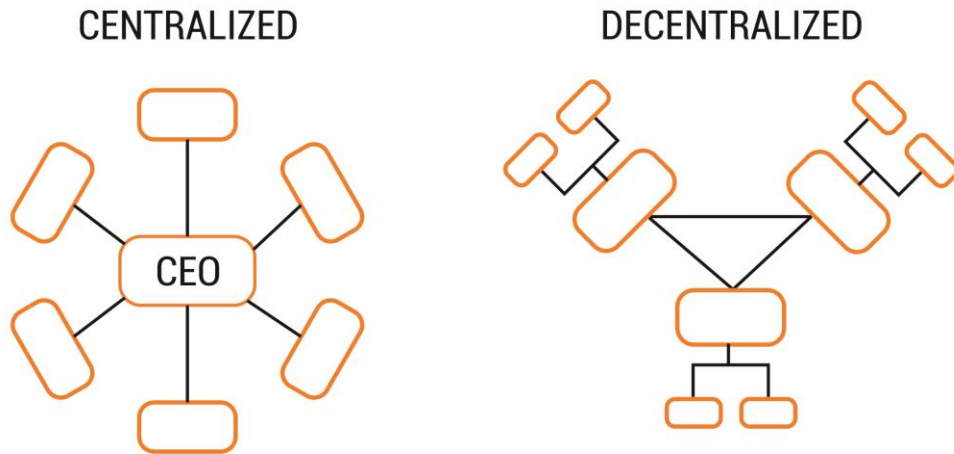


Fig 2.3 Centralization

#### 4) Specialization

Also known as division of labor, specialization is the degree to which activities or tasks in an organization are broken down and divided into individual jobs.

High specialization can be beneficial for an organization, as it allows employees to become “masters” in specific areas; increasing their productivity as a result.

However, low specialization allows for more flexibility, as employees can more easily tackle a broader array of tasks (as opposed to being specialized for a single task).

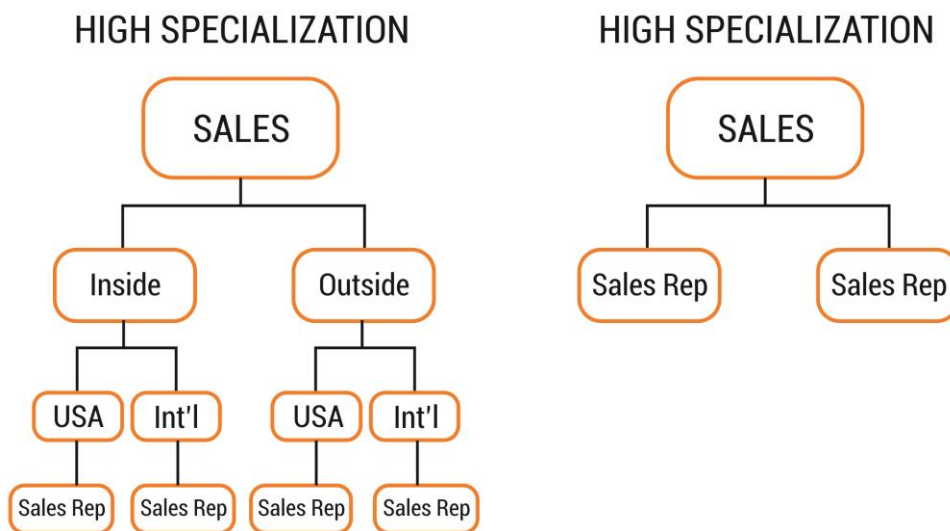


Fig 2.4 Specialization

## 5) Formalization

Similar to specialization, formalization deals with how jobs are structured within an organization. The key differentiator here is that formalization also takes into account the degree to which an employee's tasks and activities are governed by rules, procedures, and other mechanisms.

A formal organizational structure seeks to separate the individual from the role or position. The role or position stays the same irrespective of the person who is holding it. An informal organization, on the other hand, places more value on the individual. It allows for the evolution of a role or position based on an individual's preferences, skill set etc. In such cases the team or department also becomes important.

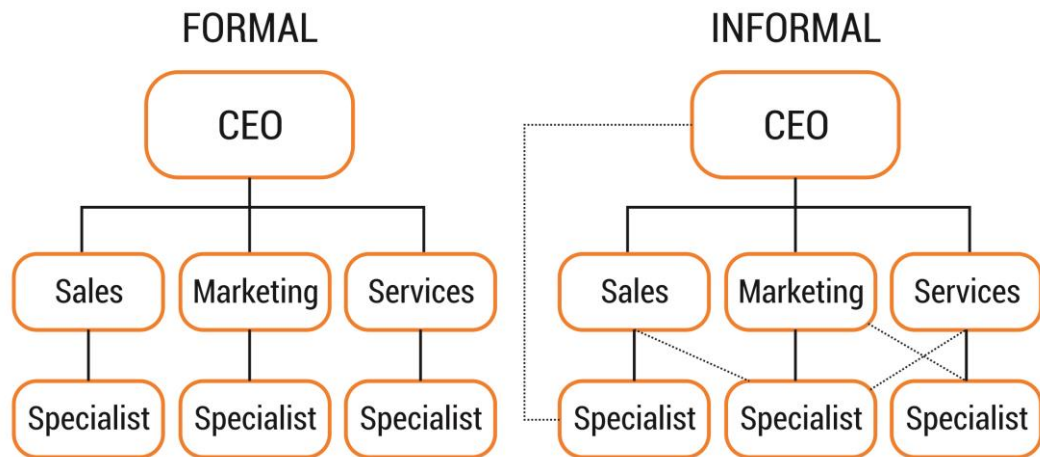


Fig 2.5 Formalization

## 6) Departmentalization

Departmentalization refers to the process of grouping jobs together in order to coordinate common activities and tasks.

If an organization has rigid departmentalization, each department or team becomes highly autonomous and there are little (or no) interaction between different teams. In contrast, loose departmentalization entails that teams have more freedom to interact and collaborate.

It's worth noting that the way in which an organization departmentalizes is often used as a proxy for the overall type of organizational structure that organization has. For example, an organization that departmentalizes by function (i.e. marketing, sales, services), is said to have a functional organizational structure.

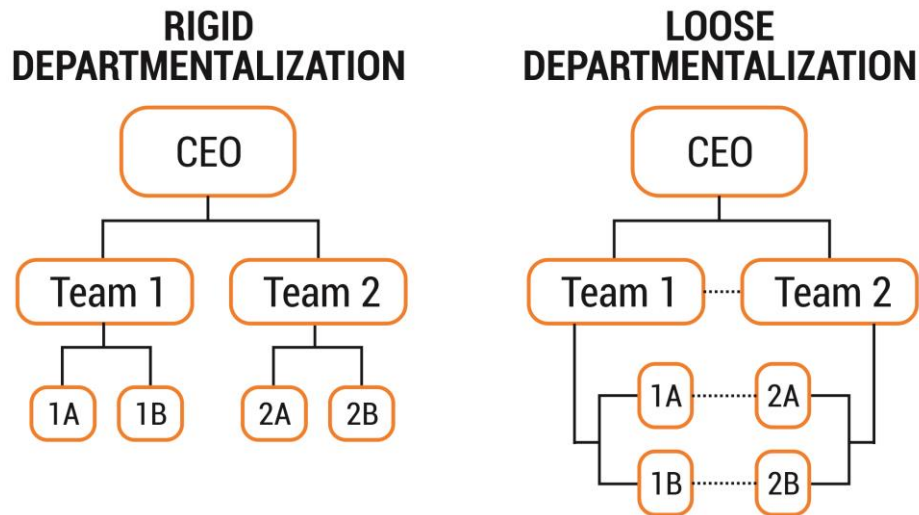


Fig 2.6 Departmentalization

### Check your progress 1

1. \_\_\_\_\_ begins with the creation of a strategy.
  - a. Organization design
  - b. Organizational structure
2. Creating a \_\_\_\_\_ is planning, not organizing.
  - a. Strategy
  - b. plan
3. \_\_\_\_\_ is an unbroken line of authority that extends from the top of the organization.
  - a. Chain of Command
  - b. Strategy
4. \_\_\_\_\_ is the degree to which activities or tasks in an organization is broken down and divided into individual jobs.
  - a. Specialization
  - b. Chain of command



5. A \_\_\_\_\_ organizational structure seeks to separate the individual from the role or position, as the role or position stays the same regardless of who's holding it.
- Formal
  - informal

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## 2.3 Division of Work

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Division of work refers to the practice of dividing a job, task, assignment or contract into smaller tasks. A division of work may also include a schedule or set of deadlines for the subtasks. Within large organizations, subtasks are often distributed to functional areas such as operations, finance, production or marketing. They may also be assigned to individuals.

If we consider the work of building a bridge, we can divide the work into different tasks (such as designing the bridge, arranging money for building it, procuring raw materials etc.) with deadlines to finish each task so that subsequent dependent tasks can proceed to meet the overall deadline for the project. These tasks are then given to their functional areas of the organization responsible for building the bridge. For example, the finance department will arrange money flow and the architects and engineers will produce drawings.

In contrast to division of work, division of labour is the specialization of individual workers' or organizations' skills, through education, training and practice. This specialization may last throughout one's career or the life of an organization and certainly incorporates many projects, tasks or contracts that an organization or individual may engage in. In fact, a significant shift in a worker's skills (his specialization within a division of labour) is often referred to as a "career change". In contrast, a new division of work is generally initiated for each new project or contract in an organization and seldomly encompasses a worker's entire career or an organization's lifespan. Division of labour is often associated with industrial assembly lines. It may also include the organization of labour and skills within a town, city, business organization, country or an economic region.

**Check your progress 2**

1. Division of \_\_\_\_\_ refers to the practice of dividing a job.
  - a. Work
  - b. labour
2. Division of \_\_\_\_\_ is often associated with industrial assembly lines.
  - a. Labour
  - b. work

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## 2.4 Departmentalization

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After the jobs are divided through work specialization they can be grouped together so that common tasks are coordinated. The basis of job grouping is called departmentalization. The most common way for grouping the activities is by the functions they perform. Functional departmentalization definitely helps achieving the economics of scale by placing people with common skills and orientation into common units. For example, the plant can be organized by separating accounting, engineering, personnel and material, technical and manufacturing specialist into common departments.

Task can also be departmentalized according to type of product the organization manufactures such as different products manufactured by an organization can be placed under the authority that has the total responsibility for that product. This type actually increases the accountability for product performances since all activities related to a specific product are under the direction of a single authority. For example, a public sector undertaking, manufacturing life saving drugs can appoint separate authority responsible for running their products in global market. The examples o such products include penicillin, streptomycin, ampicillin, gentamicin as well as formulated products.

Lately, such services have entered in a big way in the industrial setup. In such cases each service can be autonomously grouped in the third way for departmentalization on the basis of territory/ geography. Sales or marketing function is one such example. Various small factories at different territories enterprise also fall in such categories. For example, a consumer manufacturing company may have factories of the same product at different geographic location in a country or in the global territory. Recently, departmentalization has been used

for particular type of customer. This is very much true in large corporations like Microsoft, where software developers form a homogenous group. A good organization may use all the forms of departmentalization, particularly when it is a major global player.

### **Check your progress 3**

1. The basis of job grouping is called \_\_\_\_\_.
  - a. Departmentalization
  - b. Division of work
2. Task can also be departmentalized according to type of \_\_\_\_\_ the organization manufactures.
  - a. Product
  - b. person
3. A \_\_\_\_\_ organization may use all the forms of departmentalization, particularly when it is a major global player.
  - a. Good
  - b. Bad

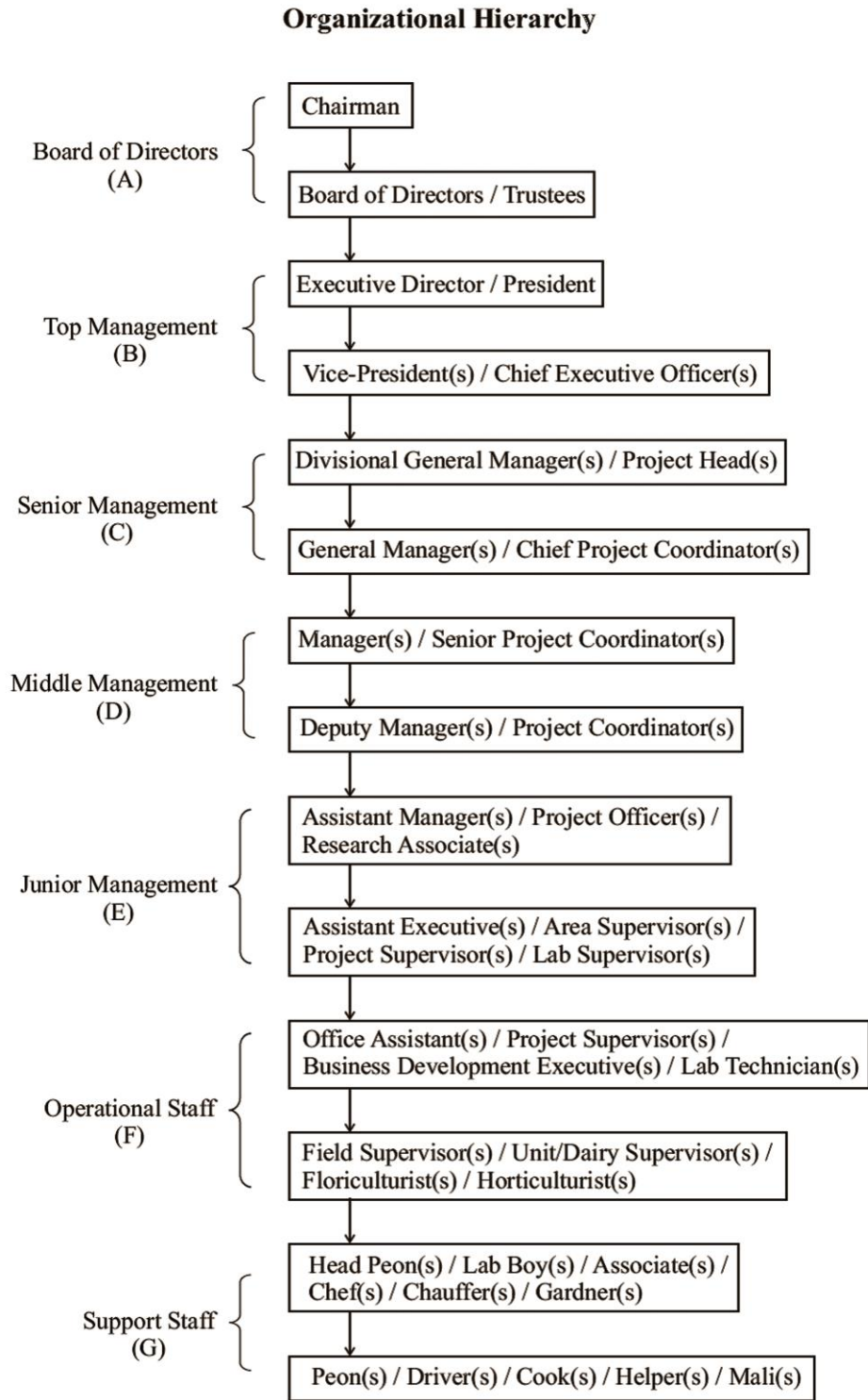
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## **2.5 Hierarchy and Co-ordination**

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A hierarchy (sometimes abbreviated HR) can link entities either directly or indirectly and either vertically or diagonally. The only direct link in a hierarchy is the immediate superior. Although a system that is largely hierarchical can also incorporate alternative hierarchies.

Indirect hierarchical links can extend “vertically” upwards or downwards via multiple links in the same direction following a path. All parts of the hierarchy which are not linked vertically to one another nevertheless can be “horizontally” linked through a path by traveling up the hierarchy to find a common direct or indirect superior. This is akin to two co-workers or colleagues; each reports to a common superior, but they have the same relative amount of authority.



**Fig 2.7 Organizational Hierarchy**

Keeping the size of the organization constant, tall structures have several layers of management between frontline employees and the top level. Flat structures consist of few layers. A closely related concept is span of control or the number of employees reporting to a single manager. In tall structures, span of

control tends to be smaller, resulting in greater opportunities for managers to supervise and monitor employee activities.

On the other hand, flat structures involve a wider span of control. In such a structure, managers will be relatively unable to provide close supervision, leading to greater levels of freedom of action for each employee. Research indicates that flat organizations provide greater need satisfaction for employees and greater levels of self-actualization. Companies such as the IKEA Group, the Swedish furniture manufacturer and retailer are successfully using flat structures to build an employee mentality of job involvement and ownership.

At the same time, there may be some challenges associated with flat structures. In flat structures, employees will not have many opportunities to receive supervision and guidance from the manager, making it necessary for the employees to be self-reliant. In fact, research shows that when managers supervise a large number of employees, which is more likely to happen in flat structures, employees experience greater levels of role ambiguity. This may be a disadvantage for employees who need closer guidance from their managers. Moreover, in a flat structure, advancement opportunities will be more limited, because there are fewer management layers.

Finally, while employees report that flat structures are better at satisfying their higher order needs such as self-actualization, they also report that tall structures are better at satisfying security needs of employees. Because tall structures are typical of large and well-established companies, it is possible that when working in such organizations, employees feel a greater sense of job security.

### **Coordination**

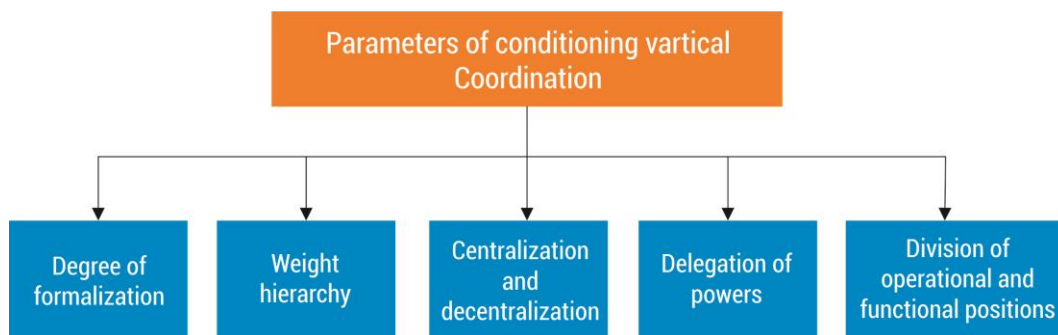
The interface between the two sides of business organization are ensured through the coordination function of management. Actions taken by managers that the content management process stages are its functions and all functions that form the content management process. Specialized foreign literature there is widely accepted delineation of these functions or a consensus on their numbers. In our country management literature devoted management process following five functions: forecasting, organization, training, coordination and control.

Concerning attribute management and coordination function, it is meant to ensure the activities of the firm adapt to conditions in each stage of its evolution. At the same time, coordination is achieved by synchronizing the actions of managers, the decisions taken at various hierarchical echelons, the action taken by

employees from different structural compartments to achieve efficient projected goals. Exercise of coordination function is therefore, necessary as a result of the strong influence that the company has within and outside the organization, due to mutations caused by the turbulent nature of the environment.

The top management is required to harmonize the conduct of actions of employee is they perceive any threat internally. External challenges can be curbed through formal organization or reorganization proceedings in the favour of the dynamics of the company or of its divisions in response to changing environmental requirements. Addressed by the links between formal and informal organization, coordination can be examined both vertically and horizontally.

Vertical coordination, aimed at linking activities at higher levels and lower average levels for the achievement of company objectives. The main parameters which determine the effective exercise of vertical coordination are - degree of formalization, hierarchical weighting, centralization and decentralization, delegation of powers and division of operational and functional positions.



**Fig 2.8 Parameters of conditioning vertical coordination**

Formalization is the extent to which words company policies, tactics, rules, job descriptions and other official documents, describing explicit operational directions to be taken in certain situations. In this view, formalizing the way towards vertical coordination handle the expected behaviours of employees. Thus, policies plot limits deployment of strategic actions, procedures and rules define subsets of actions and describe the steps to be followed for solving specific problems, descriptions of items and features detailing the tasks and duties conferred upon persons occupying those positions or functions.

Typically the degree of formalization increases with increasing firm size. It is reduced for smaller businesses (with up to 10 employees) who work exclusively sometimes informally (with little documentation describing the specific procedures and rules) and higher for corporations facing multiplication problem interdependence of employees and departments. Although the main mobile

formalization organizational structure is related to increase in functionality by clarifying and logical ordering of activities. Such initiatives have often been degenerated into excessive formalism. In such cases, written regulations, rigid and detailed binding supplies issued attitude of passivity, lack of initiative, obedience. Bureaucracy is excessive in these circumstances formalization product.

The degree of centralization of authority reflects the concentration of the upper echelons of the organizational structure. Structural problems caused by his parameter is related to regulation report centralization-decentralization as a way of sharing decision-making power within the firm.

Both centralization and decentralization has some advantages. Thus, a high degree of centralization facilitates effective coordination of efforts. Resources Company prevents excessive independence of structural subunits which is reflected negatively on the overall implementation strategy. It provides horizontal and vertical integration decisions and promotes leadership by concentrating power levels Top of the management.

In addition, decentralization may also be preferred because of its advantages such as job enrichment subordinates at the lower levels, encouraging initiative and creativity, efficient use of time managers, increasing the operability of the decisions, avoid overcrowding managers at higher levels. Although the degree of centralization / decentralization varies from one firm to another in relation to its specific developments to performance management that have marked the last two decades tend to tilt the balance in favour of decentralization. Infact, most companies today are characterized by a degree of decentralization resulting from factors such as firm size and complexity increase their activities, the geographical dispersion of territorial subunits, unprecedented technological complexity of research and production processes, environmental turbulence etc.

Delegation of powers is another parameter of vertical coordination involving the transfer of responsibility and authority for the decisions of a managerial level to another immediately below. Unlike decentralization which standing downward movement of tasks and powers, the delegation is temporary, covering a period set by managers and subordinates. Addressed by some authors as a distinct method of management, delegation facilitates vertical coordination exercise by relieving managers of the task solving problems of marginal importance.

Meanwhile, the delegation may be circumscribed parameters informal organization in that its use promotes development of special relations between

managers and subordinates are grafted on the psychological foundation of mutual trust. Operational position means a job or function constituting the organizational structure invested with authority and responsibility necessary to achieve the major objectives of the company. Functional position is associated with a job or function designed to provide specialized knowledge and support operational work.

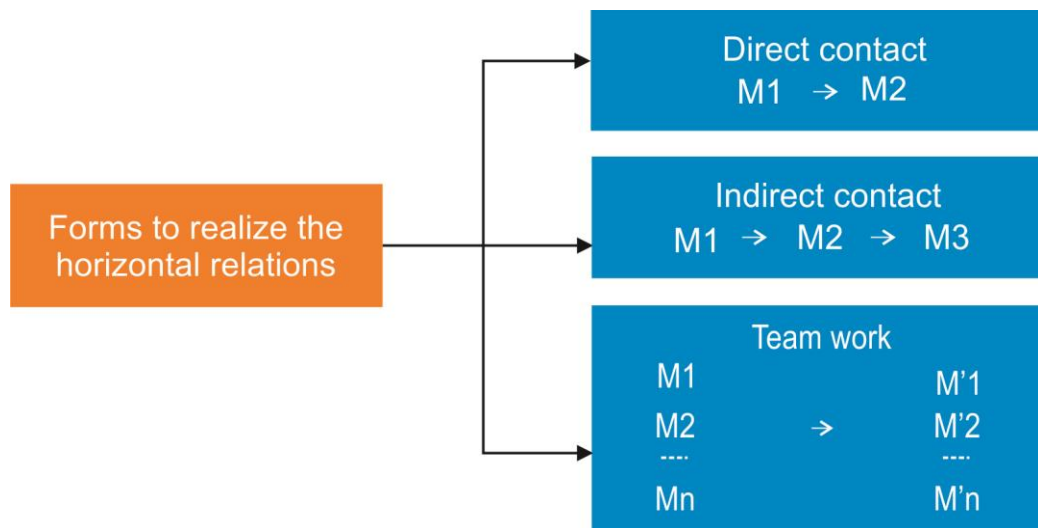
Circumscribes the functional positions of activities do not directly contribute to the aim of activity, but the existence and the way they conduct the proper functioning of the entire company. Operational or functional positions and departments differ in relation to company type analyzed. For example, manufacturing firm productive departments are considered operational, while the sales and procurement are functional departments. For a company operating a commercial activity, the roles are almost reversed: sales and supply are invested with authority operational departments. Among the departments with functional role in any company are listed: human resources, legal, marketing, environmental protection.

Horizontal coordination is intended to harmonize activities in hierarchical levels similar or close, but belonging to different departments. According to Jay R. Galbraith, frequency of use increases the extent of multiplication of horizontal links information processing requirements relating to production. By facilitating the transfer of information between organizational subunits positioned on the same levels, horizontal coordination mechanisms supplement the actions of specific vertical coordination traditional pyramid hierarchy. Four major directions are known to promote horizontal coordination- buffer resources, information systems, horizontal relations (cooperation) and managers Coordinators. Resources buffer facilitates the adaptation to internal and external environmental conditions and initiate change. Firms often use resources like buffer surplus staff, extra time, the stock or additional equipment to minimize the efforts required for their distribution among organizational subunits and allocation processes to ensure flexibility.

One of the secondary functions of information systems is closely linked to facilitate horizontal coordination of business components. Thus, some functional parameters of the information system confer a high degree of flexibility progressive organizational structure by reducing the number of compartments and hierarchical levels and simplify the organizational relations. In other words, building a solid information system built around an efficient information communication is the major premises timely intelligence and coordination of efforts of employees. Horizontal relations facilitate aligning employees to the



same hierarchical level. This is to cope with the sharing of complex problems without the involvement of superiors. Since their development and deployment of hierarchical lines ease the bridges between departments, offices, departments, workshops, horizontal relations are sometimes called “bridge relations”. The main ways of realizing the horizontal relations are - direct contact made between mid-level managers or lower in order to coordinate activities and resolve complex tasks; indirect connection through the liaison agency role exercised by a manager who handle effective communication and continuous coordination between departments performing common; task forces and interdepartmental work teams are groups set up a temporary rule to make recommendations on a topic or solve a specific problem.



**Fig 2.9 Forms to realize the horizontal relations**

The best known type of inter-branch group currently used is called quality circles. In essence, a quality circle meets a group of people in the composition of different organizational departments who meet regularly to identify and solve problems related to quality, productivity, working conditions, etc. what employees face in their work.

Success of quality circles enjoyed in Japanese companies is closely linked predecisional nature of these meetings. They are often evidenced in the formulation of solutions that are sometimes implemented to improve the average level of managerial echelons(s sections and workshops). If the positive impact of quality circles on improving the organization is clearly formal, literature mentions a number of other organizational forms experienced by Japanese firms to facilitate horizontal coordination. A series of small informal groups that have different names and modes of operation taking into account have the objectives concerned. Coordination of activities involving several functional departments and / or

operational managers is subject coordinators. In relation to specific work performed, they are called project managers, product managers or brand managers.

#### **Check your progress 4**

1. A \_\_\_\_\_ can link entities either directly or indirectly, and either vertically or diagonally.
  - a. Hierarchy
  - b. person
2. The interface between the two sides of business organization is ensured through the \_\_\_\_\_ function of management.
  - a. Coordination
  - b. hierarchy
3. Concerning attribute management and coordination function, it is meant to ensure the activities of the firm adapt to conditions in each stage of its \_\_\_\_\_.
  - a. Evolution
  - b. coordination
4. \_\_\_\_\_ coordination, aimed at linking activities at higher levels and lower average levels for the achievement of company objectives.
  - a. Vertical
  - b. horizontal
5. \_\_\_\_\_ coordination is intended to harmonize activities in hierarchical levels similar or close, but belonging to different departments.
  - a. Horizontal
  - b. vertical

---

## 2.6 Various Organizational Structures and Their Effects on Human Behaviour

---

Organizational structure is the grouping of people to accomplish work. It establishes relationships among a business's managers and workers, giving them authority to carry out responsibilities. Different kinds of basic configurations exist, and a small-business owner chooses one over another by the effect a structure is likely to have on work activities. Grouping people together in a certain way elicits or prevents specific behaviors, so knowing how each structure shapes employee behavior helps the small-business owner choose the one that produces the best work culture for accomplishing her strategic goals.

### **Functional**

"Mechanistic" describes the outcome of the functional structure. It is characterized by a top-down power hierarchy with decision-making authority pushed up as high as is practically possible. Many rules exist to keep things running according to a predictable order. People work together according to function – sales people work together on sales. For example -- and employees perform standardized, narrow jobs. This coupled with rules and management control, means employees color within the lines, becoming proficient and efficient at their jobs but exhibiting little creativity. The structure inhibits initiative and produces followers. The military uses the functional structure, as do most small businesses.

### **Team**

The team structure produces a much liberal workplace. This organic structure adapts as needed by using fluid employee teams that take charge of company goals and projects. Authority is decentralized, pushed down to employees, who respond by exhibiting initiative, creativity and enthusiasm. Accordingly, it has fewer managers -- perhaps only the owner, who oversees all the teams. Jobs aren't standardized and this affects morale. Satisfaction increases as job specialization decreases. Of course, decreasing specialization decreases efficiency, as well. Creative industries may use the team structure to good effect.

### **Divisional**

When a company has dissimilar client categories, product lines or locations, it makes sense to divide employees into groups dedicated to a single concern. Doing this naturally decentralizes power, as each division has power over its

particular concern. Indeed, each division operates as a small business unit, and managers respond by learning to behave like leaders.

### **Matrix**

The divisional structure creates unavoidable redundancy; each division must have its own equipment, for instance. A company may instead combine the functional and divisional structures in the matrix structure. The functional structure is permanent. Divisional managers then pull employees from across different functional areas to work in teams on divisional projects. This matrix gains some of the team model's flexibility, retains some of the functional structure's efficiency, while responding to different market concerns. There's a built-in potential for conflict, though. Divisional and functional managers can become territorial and competitive and employees may dislike being caught between and answering to two bosses.

### **Other Conflicts**

Both the divisional and functional structures segregate employee groups, which can lead to insular behavior. Employees in different departments may become indifferent -- even hostile -- to the concerns of other areas, putting their own well-being first, even ahead of the company's. Disobliging behavior results and inter-departmental coordination suffers. The team structure, meanwhile, lives and dies on the ability of team members to rise to challenges. They must be trained to thrive, not only in their own respective fields of functional expertise, but in areas such as communication, problem solving and diversity.

#### **Check your progress 5**

1. \_\_\_\_\_ is the grouping of people to accomplish work.
  - a. Organizational structure
  - b. Hierarchy
2. When a company has disparate client categories, product lines or locations, it makes sense to divide \_\_\_\_\_ into groups dedicated to a single concern.
  - a. Employees
  - b. departments

---

## 2.7 Let Us Sum Up

---

In this unit we have discussed in organization design in very detail. We have studied that it is a formal, guided process for integrating the people, information and technology of an organization.

Organisation design is used to match the form of the organization as closely as possible to the purpose(s) the organization seeks to achieve. Through the design process, organizations act to improve the probability that the collective efforts of members will be successful. We have even studied about the division of work refers to the practice of dividing a job, task, assignment, or contract into smaller tasks. Organizational structure is the grouping of people to accomplish work. It establishes relationships among a business's managers and workers, giving them authority to carry out responsibilities. Different kinds of basic configurations exist, and a small-business owner chooses one over another by the effect a structure is likely to have on work activities.

After going through this unit the readers would have got the sufficient idea about organisation design in a very simple and understandable language.

---

## 2.8 Answers for Check Your Progress

---

**Check your progress 1**

**Answers:** (1-a), (2-a), (3-a), (4-a), (5-a)

**Check your progress 2**

**Answers:** (1-a), (2-a)

**Check your progress 3**

**Answers:** (1-a), (2-a), (3-a)

**Check your progress 4**

**Answers:** (1-a), (2-a), (3-a), (4-a), (5-a)

**Check your progress 5**

**Answers:** (1-a), (2-a)

---

## 2.9 Glossary

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1. **Coordination** - the organization of the different elements of a complex body or activity so as to enable them to work together effectively.

---

## 2.10 Assignment

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Write a note on organisational design

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## 2.11 Activities

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1. Explain division of work.
2. Explain departmentalisation

---

## 2.12 Case Study

---

Discuss the various organisational structures and its effects on human behaviour

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## 2.13 Further Readings

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1. B. Narayan and Bharati Sharma, 1993; "Behavioural Science in Management" OmsonsPublications, New Delhi.
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3. Randolph, Black Bown, 1989; Managing OrganisationalBehaviour, Richard Irwin, Inc.
4. Stephen P. Robbins, 1985; Organisational Behaviour, Concepts, Controversies and Applications, Prentice Hall of India Private Limited, New Delhi.
5. Terrence R. Mitchell, 1982; 'People in Organisations', McGraw-Hill International Book Company

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## **Block Summary**

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At the end of this block we have got sufficient information on two most important aspects of the subject. The block was divided into two units .The first unit covered the topic Basics of Organization Culture and Behaviour and has been discussed in very detail. The culture of any organisation is very much responsible in its functioning and very much responsible in the attainment of its objectives, whereas the second unit covered the topic Organizational Design, organisational design is done in order to facilitate proper function and working of the organisation, so that its operation goes very smooth. Here in the second unit it has even been discussed in detail. Every effort has been made to explain the topics; he has kept the language of the book very simple in order to make it more understandable.

This block is certainly going to be of great help for the students in understanding the basics of the topics discussed above.

---

## **Block Assignment**

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### **Short Answer Questions**

1. Discuss organization culture in brief.
2. Briefly discuss the difference between the organisational culture and organisational climate.
3. Write a short note on Division of work.
4. Write a short note on organisational design.

### **Long Answer Questions**

1. Write a brief note on Organisational commitment.
2. Write down a note on hierarchy.



**Enrolment No.**

1. How many hours did you need for studying the units?

<b>Unit No</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
<b>Nos of Hrs</b>				

2. Please give your reactions to the following items based on your reading of the block:

<b>Items</b>	<b>Excellent</b>	<b>Very Good</b>	<b>Good</b>	<b>Poor</b>	<b>Give specific example if any</b>
<b>Presentation Quality</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____ _____
<b>Language and Style</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____ _____
<b>Illustration used (Diagram, tables etc)</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____ _____
<b>Conceptual Clarity</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____ _____
<b>Check your progress Quest</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____ _____
<b>Feed back to CYP Question</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____ _____

3. Any Other Comments

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“

*Education is something  
which ought to be  
brought within  
the reach of every one.*

”

- Dr. B. R. Ambedkar



**Dr. Babasaheb Ambedkar Open University**  
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Ahmedabad-382 481.

# ORGANIZATION BEHAVIOUR AND CHANGE MANAGEMENT

PGDHR-102

**BLOCK 4:  
MOTIVATION, LEADERSHIP,  
CONFLICT AND CHANGE  
MANAGEMENT**



**Dr. Babasaheb Ambedkar Open University  
Ahmedabad**

# ORGANIZATION BEHAVIOUR AND CHANGE MANAGEMENT

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Knowledge Management and  
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Pune



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## **ROLE OF SELF INSTRUCTIONAL MATERIAL IN DISTANCE LEARNING**

The need to plan effective instruction is imperative for a successful distance teaching repertoire. This is due to the fact that the instructional designer, the tutor, the author (s) and the student are often separated by distance and may never meet in person. This is an increasingly common scenario in distance education instruction. As much as possible, teaching by distance should stimulate the student's intellectual involvement and contain all the necessary learning instructional activities that are capable of guiding the student through the course objectives. Therefore, the course / self-instructional material are completely equipped with everything that the syllabus prescribes.

To ensure effective instruction, a number of instructional design ideas are used and these help students to acquire knowledge, intellectual skills, motor skills and necessary attitudinal changes. In this respect, students' assessment and course evaluation are incorporated in the text.

The nature of instructional activities used in distance education self-instructional materials depends on the domain of learning that they reinforce in the text, that is, the cognitive, psychomotor and affective. These are further interpreted in the acquisition of knowledge, intellectual skills and motor skills. Students may be encouraged to gain, apply and communicate (orally or in writing) the knowledge acquired. Intellectual-skills objectives may be met by designing instructions that make use of students' prior knowledge and experiences in the discourse as the foundation on which newly acquired knowledge is built.

The provision of exercises in the form of assignments, projects and tutorial feedback is necessary. Instructional activities that teach motor skills need to be graphically demonstrated and the correct practices provided during tutorials. Instructional activities for inculcating change in attitude and behavior should create interest and demonstrate need and benefits gained by adopting the required change. Information on the adoption and procedures for practice of new attitudes may then be introduced.

Teaching and learning at a distance eliminates interactive communication cues, such as pauses, intonation and gestures, associated with the face-to-face method of teaching. This is particularly so with the exclusive use of print media. Instructional activities built into the instructional repertoire provide this missing interaction between the student and the teacher. Therefore, the use of instructional activities to affect better distance teaching is not optional, but mandatory.

Our team of successful writers and authors has tried to reduce this.

Divide and to bring this Self Instructional Material as the best teaching and communication tool. Instructional activities are varied in order to assess the different facets of the domains of learning.

Distance education teaching repertoire involves extensive use of self-instructional materials, be they print or otherwise. These materials are designed to achieve certain pre-determined learning outcomes, namely goals and objectives that are contained in an instructional plan. Since the teaching process is affected over a distance, there is need to ensure that students actively participate in their learning by performing specific tasks that help them to understand the relevant concepts. Therefore, a set of exercises is built into the teaching repertoire in order to link what students and tutors do in the framework of the course outline. These could be in the form of students' assignments, a research project or a science practical exercise. Examples of instructional activities in distance education are too numerous to list. Instructional activities, when used in this context, help to motivate students, guide and measure students' performance (continuous assessment)



## **PREFACE**

We have put in lots of hard work to make this book as user-friendly as possible, but we have not sacrificed quality. Experts were involved in preparing the materials. However, concepts are explained in easy language for you. We have included many tables and examples for easy understanding.

We sincerely hope this book will help you in every way you expect.

All the best for your studies from our team!





# ORGANIZATION BEHAVIOUR AND CHANGE MANAGEMENT

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**BLOCK 4: MOTIVATION, LEADERSHIP, CONFLICT AND CHANGE MANAGEMENT**

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Introduction, Motivation, Theories of Motivation, Leadership, Leadership Process

**UNIT 2 CONFLICT MANAGEMENT AND CHANGE MANAGEMENT**

Introduction, Conflict Management, Change Management, Work Pressure

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Dr. Babasaheb  
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**PGDHR-102**

# **ORGANIZATION BEHAVIOUR AND CHANGE MANAGEMENT**

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## **BLOCK 4: MOTIVATION, LEADERSHIP, CONFLICT AND CHANGE MANAGEMENT**

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MOTIVATION AND LEADERSHIP

03

### **UNIT 2**

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# **BLOCK 4: MOTIVATION, LEADERSHIP, CONFLICT AND CHANGE MANAGEMENT**

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## **Block Introduction**

We already discussed the importance of organization behaviour in today's world. It becomes further more important for the students of management to study this subject in detail.

In this block the whole content has been divided into two units .The first unit covers the topic Motivation and Leadership and the second unit covers the topic Conflict Management and Change Management. The contributor of the book has tried his best to explain the topics and intentionally kept the language very simple in order to make it understandable.

In the first unit we will be studying few of the most important subject such as motivation and leadership, Motivation, Theories of Motivation, Leadership, Leadership Process whereas in the second we will be the topics such as Conflict Management, Change Management and Work Pressure have been discussed in detail.

This unit will certainly be of great help for the readers in understanding the concepts of the topics which are one of the most important topics of this subject.

## **Block Objective**

**After learning this block, you will be able to understand:**

- The process of motivation
- Theories of motivation
- About leadership and its concept
- More about behaviour theories.
- Understand conflict.
- What give rise to conflict
- Methods to resolve conflict

Motivation,  
Leadership, Conflict  
and Change  
Management

## **Block Structure**

**Unit 1: Motivation and Leadership**

**Unit 2: Conflict Management and Change Management**

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# **UNIT 1: MOTIVATION AND LEADERSHIP**

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## **Unit Structure**

### **1.0 Learning Objectives**

### **1.1 Introduction**

### **1.2 Motivation**

1.2.1 Definition of Motivation

1.2.2 Characteristics of Motivation

1.2.3 Types of Motivation

1.2.4 Importance of Motivation

### **1.3 Theories of Motivation**

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1.3.4 Attribution Theory

1.3.5 Equity Theory

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### **1.7 Answers for Check Your Progress**

### **1.8 Glossary**

### **1.9 Assignment**

### **1.10 Activities**

### **1.11 Case Study**

### **1.12 Further Readings**

---

## 1.0 Learning Objectives

---

**After learning this unit, you will be able to understand:**

- The motivation process
- Maslow's needs hierarchy
- Differentiate motivations from hygiene factors
- Ways in which motivation can be increased.
- How the contemporary theories of motivation complement each other.
- The concept of leadership.
- The conclusions of traits and behaviour theories
- Fiedler's contingency model and path goal theory.
- The various leadership styles described in managerial grid.

---

## 1.1 Introduction

---

It is essential to increase overall efficiency of human beings to improve performance of an organization. While machines, processes, technology of high order can be made available to the individuals, but high productivity can only be achieved if workers are highly skilled and adequately motivated. Motivation perhaps is a single most important factor of the study of organizational behaviour that concerns each and every executive today.

Definition: Motivation is defined as “inner burning passion caused by need, wants and desire which propels an individual to exert his physical and mental energy to achieve desired objectives”.

Leadership is another important aspect of studying human behaviour in an organization. It is the leader who creates working environment. The success of an organization depends upon the efficiency of the leader. It is the attributes, positive approach and the ability to solve problems that make a person leader. Leader should be able to even turn a negative situation in favour of the organization. At the critical time of financial recession, when layoffs are the order of the day, there exists no or poor demand for products and services.

In this situation leader should not lose his balance but turn the situation in his favour. He should be able to evolve techniques and lead the organization to win-win strategy.

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## 1.2 Motivation

---

Organizations are made of people. Organizations have to be concerned with what need's to be done to achieve sustained levels of performance through people. This necessitates assigning close attention to ensure how individual can best be motivated through such means as incentives, rewards, leadership and the work they do and organizational context within which they carry out the work.

The objective of developing an appropriate motivational atmosphere is to ensure that the people in the organization are adequately motivated to deliver performance in accordance with the expectations of the management. Various models suggest that motivation is initiated by the conscious or unconscious recognition of unsatisfied needs. This need will lead to the desire for achieving something that satisfies the needs.

Goals are established and behaviour pathway is selected which will achieve the goal. If the goal is achieved, the need will be satisfied and the goal directed behaviour is likely to be expected for satisfying the same needs later.

Motivation is a process, which accounts for an individual's intensity, direction and persistency of efforts towards attaining a goal. This is one of the most frequently researched topics in Organizational Behaviour. We can call motivation as a fluid subject and therefore there is a necessity to motivate employees continuously with more innovative ways time an on. Therefore, history tells us development of several motivation theories. Perhaps each one of them has a background or and environment in which it has been successful under the circumstances.

### 1.2.1 Definition of Motivation

Scot defined motivation as “a process of stimulating people to action to accomplish desired goals”. Mc Farland has defined “motivation as the way in which urges, drives, desires, aspirations, strivings needs direct, control or explain the behaviour of human beings”.

The Encyclopedia of Management: Motivation refers to degree of readiness or an organism to pursue some designated goals and implies the determination of the nature and locus of the forces, including the degree of readiness.

Memoria: “A willingness to expend energy to achieve a goal or reward. It is a force that activates dormant energies and sets in motion the action of the people.



It is the function that kindles a burning passion for action among the human beings of an organization”.

The author defines “motivation as inner burning passion caused by needs, wants and desires that propels an individual to exert physical and mental energy to achieve desired objective”.

### 1.2.2 Characterstics of Motivation

- (a) **Motivation is a psychological phenomenon.** It is the inner desire of an individual to accomplish something more. The very deficiency forces him to undertake certain amount of work. More is the individual motivated better the performance and organization relations.
- (b) **Motivation is a continuous process.** Since need is a continuous phenomenon if one need is satisfied the other need emerges and so does individual propels to work and thus the continuous chain is created.
- (c) **Motivation is caused due to anticipated perceived value from an action.** Perceived value is the probability or the expectancy. Therefore  $\text{motivation} = \text{valance (value)} \times \text{expectancy}$ .
- (d) **There are unsatisfied needs.** A person remains disturbed till they are satisfied. This disturbance or tension causes disequilibria in human behaviour. More the motivation level, the higher will be efforts to get over the tension and in the process job accomplishment would take place.
- (e) **Individual is motivated by positive motivation.** It refers to incentives offered by the organization to achieve efficiency. Incentive can be monetary like increase in pay, allowances, and payment of bonus. Payment for additional or overtime work. It can be non-monetary like issuing of certificates for excellence, awards, recognition, status, job enrichment, competitions, and the like. Monetary rewards prevent individuals from getting demotivated or they do not motivate so to say. However non-monetary awards motivates individual as it is related to the inner/psychological aspects.

### 1.2.3 Types of Motivation

#### **Intrinsic Motivation:**

It refers to self-generated factors that influence people to behave in a particular way or to move in a particular direction. These factors include responsibility, freedom to act, scope to use and develop skills and abilities, interesting and challenging work, opportunities for advancement etc.

#### **Extrinsic Motivation:**

Efforts made by others to motivate people. This may be e.g.: reward, punishment, appreciation etc.

### 1.2.4 Importance of Motivation

- (a) **High level of performance:** It is the duty of every manager to ensure that the employees have a high degree of motivation. He should offer monetary and non-monetary incentives. Highly motivated workers would be regular for work, and have a sense of belonging for the organization. Quality of product will be improved, wastage will be minimum and there will be increase in productivity, and performance level will be high.
- (b) **Low employee turnover and absenteeism:** Low employee turnover and absenteeism is caused due to low level of motivation on the part of managers. When dissatisfaction is increased employees do not enjoy the work assigned to them. Therefore, there is a tendency of absenteeism. The workers hunt for an alternative job and leave the organization whenever they get an opportunity. High level of absenteeism causes low level of production, wastages, poor quality and disruption in production schedules. Increased low turnover is disastrous for any organization as it puts strain on financial position of the organization due to additional recruitment, selection, training and development. Motivation is therefore a very important management tool to achieve organizational excellence.
- (c) **Acceptance of organization change:** Management must continuously scan the external and the internal environment. There has been a great impact of. Social change and technology evolution on the motivation level of employees. Social change increases aspirations of workers and put an additional demand on the organization, which must be considered positively so that conducive working environment is created. Technical innovation, better working conditions, better R and D facilities, encouragement to

employees and existence of better personal policies should be part of any organization. This will facilitate retention of employees. Management must ensure that the changes are introduced in the organization and its benefits explained to the employees so that there is no resistance to change and organizational growth is achieved. Re-engineering, empowerment, job enrichment, job rotation, introduction of new technology and processes will go a long way to boost employee morale and achieve high degree of motivation.

- (d) **Organizational image:** Employees are the mirrors of any organization. Managers must lay down high performance standards coupled with high monetary and nonmonetary rewards. Training and development programmes should be regularly organized and employee skill improved. It will have a positive impact on the employees and the image of the organization will be improved. It will also increase employee turnover and a better employee will look forward to join the organization. High organizational image will contribute towards brand image of the product and services the organization is marketing.

### Check your progress 1

1. Organizations are made of \_\_\_\_\_.
  - a. People
  - b. Animals
2. \_\_\_\_\_ are established and behaviour pathway is selected which will achieve the goal.
  - a. Goals
  - b. Name
3. \_\_\_\_\_ as the way in which urges, drives, desires, aspirations, strivings needs direct, control or explain the behaviour of human beings.
  - a. Motivation
  - b. Conflict
4. \_\_\_\_\_ are the mirrors of any organization.
  - a. Employees
  - b. Employers

5. \_\_\_\_\_ must continuously scan the external and the internal environment.
- a. Management
  - b. Employee

---

## 1.3 Theories of Motivation

---

### 1.3.1 Expectancy Theory

It was put forth by Vroom (1964). It can be described as follows: “Whenever an individual chooses between alternatives which involve uncertain outcomes, it seems clear that his behaviour is affected not only my preferences among the outcomes but also my the degree to which he believes these outcomes to be possible. Expectancy is defined as a momentary belief concerning the likelihood that a particular act will be followed by a particular outcome.

The strength of expectations may be traced in past experiences. The theory proposes that, motivation is likely only when a clearly perceived and usable relationship exists between performance and outcome and the outcome is seen as a means of satisfying needs. This explains why extrinsic motivation (e.g. bonus) work only if the link between efforts and rewards is clear and the value of the reward is worth the effort put in. It also explains why intrinsic motivations can be more purposeful than extrinsic motivation.

Victor Vroom’s expectancy theory is one such most widely accepted theory of motivation currently in use. This has the strength of a tendency to act in a certain manner, which depends upon the strength of an attractiveness of that outcome to the individual. In other words, theory says that, an employee will be motivated to exert high level of effort when he believes that efforts will lead to a good performance appraisal. And this will lead to organizational rewards in many ways, which in turn will satisfy the personal goals of the employees. The employee’s expectation is in the form of promotion, an increment in salary or a certificate or incentive. Etc. The theory, therefore, concentrates on three types of relationships.

- i. Efforts performance relationship: - The individual presides the probability that exerting a particular amount of efforts leads to performance.
- ii. Performance reward relationship: - The individual’s degree of belief that performing at a particular level will lead to reaching a desired outcome.

- iii. Rewards personal goals relationship: - This is the degree to which the organizational rewards satisfy individual goals or need and the attractiveness of those potential rewards for the individuals.

Expectancy theory explains or rather helps to explain why some workers are not motivated on their jobs and restrict themselves to minimum and necessary work. To summaries, the key to expectancy theory understands of the individual goals as well as the linkage between his efforts and performance and the performance and rewards and lastly between the rewards and individual goals satisfaction. However, the theory definitely recognizes that, there is no particular principle for explaining everyone's motivation. As far as the effectiveness of this theory is concerned, it has been validated with high degree of priority probably because every individual's goal satisfaction cannot be understood, realized clearly. Perhaps there are no recognized methods that may surface the truth. More so the organization's policy also may not suit this theory, particularly where seniority comes as a rule.

### **1.3.2 Maslow's Hierarchy of Needs**

This theory is one of the most famous hypothesizing that within every human being there exists 5 needs in a hierarchical structure. These needs are

- i. Physiological: This includes hunger, sex, shelter, thrust and a few bodily needs.
- ii. Safety: This includes protection from physical and emotional harm as well as security.
- iii. Social: This includes acceptance, belongings, affection as well as friendship.
- iv. Esteem: This includes the internal esteem factors such as autonomy, achievement and self-respect. Similarly the external esteem factors include status, recognition and attention to physiological need.
- v. Self-actualization: This means drive to become what one is capable of becoming. This, therefore, includes self-fulfilment, growth and achievement of one's potentiality. Maslow's hierarchy of needs can be shown diagrammatically in the form of pyramid with base as physiological needs and ending with self-actualization at the top as shown below.



**Fig 1.1 Maslow's theory of needs**

The author of the theory separated these 5 needs in two categories, namely lower order needs that are satisfied externally, which include physiological and safety needs; and the high order needs which are satisfied internally incorporating social esteem and self-actualization needs. Though Maslow's theory received recognition vary widely from, managers, there is a criticism that the organizations did not either follow or support the need structures asproposed by Maslow. Perhaps this might be due to stringent organizational policies in the pastor the recognition by the organizations about the importance of this theory.

His theory, based on needs suggested a need hierarchy that apply to people. He says that an individual's needs involve physiological needs, safety needs, social needs, esteem needs and self actualization. The theory states that when a lover need is satisfied, the higher level need becomes dominant and the individual's attention is turned to satisfying higher level. He used to say that, Man is a wanting animal and only unsatisfied needs can motivate behaviours and the dominant need is the prime motivator of behaviour. The main implication of Maslow's Theory is that higher order needs for esteem and self fulfilment provide greater impetus to motivation. They also grow in strength when they are satisfied. On the contracrty, the lower needs decline in strength on satisfaction. To summarize, we learn that, there is organization to understand the needs of people at various levels and appropriately provide motivational inputs suitable to their requirements.

### **1.3.3 Herzberg's Two Factor Model**

In 1957, Herzberg suggested a two-factor model based on the study of accountants and engineers. His observations were as below:

Employee's requirements can be divided into two groups. The one group that includes salary, working conditions etc, which if not satisfied creates dissatisfaction, though do not lead to explicit motivation. On the other hand, there are factors such as rewards, advancement, self-actualization, esteem, social, security, physiological career progression etc, which always give positive satisfaction. His theory has been heavily criticized by many. His model provides an overall picture of the factors that generally satisfy the employee and those which positively motivate the employees.

#### **Herzberg's two-factor theory**

This is also known as motivation-hygiene theory. Herzberg was a psychologist and he believed that, an individual's relation to work is basic and ones attitude towards work can determine success or failure. He got the response for his questionnaire answered several employees. His intention was to identify what the employee's wanted from their job. He also expected from them the situation in which they felt exceptionally good or bad about their jobs. This resulted into certain characteristics constantly related to job satisfaction and others to job desertification.

Concerning Ffctors that lead to extreme dissatisfaction were organizational policies and administration, type of supervision and the relation with supervisor, work environment and salary. These are followed by comparatively low influencing factors like status, personal relationship etc.

Alternatively, the factors relating to high satisfaction included similarly in order of importance achievements, recognition, work involvement, responsibility as well as advancement and growth. Out of the total, 69% of factors contributing to dissatisfaction were hygienic in nature. And 19% factors contributing to job satisfaction were hygienic in nature, the remaining factors in both the categories were respectively 31% and 81% and were motivating factors. Herzberg argued that the response strongly indicated that opposite of satisfaction is not dissatisfaction because removing dissatisfaction characterizing does not necessarily make the job satisfying.

Therefore, his conclusion was that, job satisfaction factors are separate and distinct from those that lead to job dissatisfaction. And therefore, elimination of factors for job dissatisfaction by managers may not necessarily help or create

motivation. And therefore, conditions around the job such as supervision quality, pay, company policies, physical working condition, relations with other and jobs security are called hygiene factors. In the present context, many of these factors have depleted to a great extent. Similarly, the other side of the two factor theory also is becoming mild and therefore this theory may not carry as much vantage as it did during the twentieth century.

The criticism on this theory perhaps as indicated below may also be one of the factors for curtailing its importance at present. It is as indicated below.

- i. Herzberg procedure is limited by his methodology because people generally take credit when things go well and blame failure on extrinsic environment.
- ii. No quantitative satisfaction asserting an employee may dislike a part of his job yet he thinks it is acceptable.
- iii. The theory ignores situational factors and is said to be not in line with the early research.
- iv. His theory does not give high profile of reliability because special efforts are to be made by the researchers in interpretation of the responses.
- v. Herzberg assumed a relationship between satisfaction and productivity but he looked only at satisfaction and not productivity in research methodology he adopted.

### **1.3.4 Attribution Theory**

It is concerned with how we explain our performance after we have invested considerable effort and motivation in a particular task. Four types of explanations may be used to account for either success or failure - ability, effort, task, difficulty or luck e.g. if success or failure is explained in terms of efforts and then high motivation may follow. On the other hand, if failure to achieve the level of performance is explained in terms of task difficulty or bad luck, the results may be a loss of motivation. Incorrect attribution may be the result of inadequate feedback, communication, appraisal and guidance. Attribution errors can create many problems in work situation.

This has the relevance to application of perception concept to organizational behaviour. Our perceptions of people differ from those of inanimate objects such as machines, buildings etc. because we are able to make inferences about the actions of people unlike about inanimate objects. It is imperative that, non-living



objects are subjected to laws of nature and they do not have beliefs, motives or intentions but people do have.

The attribution theory proposes to develop explanation of the ways in which we judge people differently depending upon what meaning we attribute to a given behaviour. The theory suggests that, on observing an individual's behaviour, we try to determine whether it was internally or externally caused. That strength of mind largely depends upon:

- i. Consensus
- ii. Consistency and
- iii. Distinctiveness

Internally caused behaviours are those that are under the personal control of the individual. Externally caused behaviours are seen as resulting from outside cause. When everyone experiences a similar situation and responds in the same way, it means the behaviour reflects consensus. Consistency of a person lies in the response which is the same way over different times. The more consistent the behaviour as well as the more is the consensus, the more is the observer inclined to attribute both to the internal causes. Uniqueness means whether an individual displays different behaviours in different situations. The observer gives the behaviour an external or internal attribution depending upon whether the behaviour is usual or unusual.

The attributional theory incorporated what are known as errors or biases that distort attributions. The tendency to underestimate the influence of external factors and overestimate the influence of internal factors when making judgments about the behaviour of others results in causing fundamental attribution errors.

Similarly, the tendency of an individual to attribute their own success to internal factors while casting the blame for failures on external factors results in self-serving biasness. This theory was developed in the developed countries of the West and therefore they may not be perhaps accepted in the other parts of the world due to the traditions with which the people are governed in the remaining atmosphere. This theory can perhaps be connected to perceptions.

The factors that influence perceptions are of three categories, namely;

- i. Factors in the perceiver: These are attitudes, expectations, experience, interest and motives.
- ii. Factors in the target: They are proximity, motion, novelty, similarity, size, etc.

iii. Factors situationally: Social setting, time and work setting.

All these interlinked have to contribute to the attribution theory positively.

### 1.3.5 Equity Theory

It is concerned with the perceptions people have about how they are being treated as compared with others. To be dealt with equitably is to be treated fairly in comparison with another group of people or a relevant other person. This theory attempts to say that, people will be more motivated if they are treated equitably and demotivated if they are treated inequitably.

There are two forms of equity. Distributive equity is concerned with the fairness with which people will feel they are rewarded in accordance with their contributions and incomparison with others. On the other hand, procedural equity is concerned with the perception employees have about the fairness with which organization procedures in areas such as performance appraisal promotion and discipline are being operated.

In 1990, identified five factors that contributed to perception of procedural fairness were identified. They are:

- Adequate consideration of an employee's view point.
- Suppression of personal bias towards the employee.
- Applying criteria consistently across employee.
- Providing early feedback to employees concerning the outcome of decisions.
- Providing employees with an adequate explanation of the decision made.

#### **Check your progress 2**

1. The author of \_\_\_\_\_ theory separated these 5 needs in two categories.
  - a. Maslow's
  - b. Herzberg's

2. \_\_\_\_\_ in 1957 suggested a two-factor model based on the study of accountants and engineers.
  - a. Herzberg
  - b. Maslow
3. \_\_\_\_\_ is concerned with how we explain our performance after we have invested considerable effort and motivation in a particular task.
  - a. Attribution Theory
  - b. Herzberg theory
4. \_\_\_\_\_ theory is concerned with the perceptions people have about how they are being treated as compared with others.
  - a. Equity
  - b. Attribution
5. The \_\_\_\_\_ of expectations may be traced on past experiences.
  - a. Strength
  - b. weakness

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## 1.4 Leadership

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Leadership is an indispensable attribute for the functioning of the family, group, society, business, government or any other organization. Since planning, executing, reviewing and controlling are the functions connected with every organization, they require a vital force in the form of a leader to design, execute, co-ordinate and control all these functions to help achieve the desired objective with efficiency.

The human relations movement of 1940's and 1950's gave further credibility to the concept of leadership indispensability to business and government. Since then, a lot of research has been undertaken in the area of leadership, which is still considered to incomplete because each piece of empirical research highlights hitherto less known aspects of leadership. The concept of leadership has undergone change over the period. Up to 1930, leadership was considered to be something of the nature of personal traits - a characteristic of the people, which was the monopoly of only few persons. The advocates of this theory held the view that their characteristics or traits are inborn. Hence, the concept of "born leadership" or the concept of "leaders are born not made"

became popular. Later on others held the view that these traits may be acquired. Leadership is regarding coping with change. Leaders always develop a vision for future and there by establish direction. Thereafter, they communicate their vision to their disciples and inspire them to overcome the obstacles.

Precisely, leadership is defined as ability to influence a group towards achieving the desired goals. Organizations do need strong leadership as well as strong management for the real effectiveness in their achieving of objectives. In today's dynamic world, we need creative leadership with dominating vision for future and effective skill in inspiring organizations and the employees to achieve their objectives.

### 1.4.1 Types of Leaders

Leaders may be classified under the following heads:

- i. **Intellectual leaders:** They are the leaders by intellect. Such persons are recognized as leaders on the basis of intellectual work of great importance and relevance done by them for the good of the people. Their contribution enriches the branch of knowledge to which they belong. Many Nobel laureates have done commendable work, which has been instrumental in reducing human suffering and increasing welfare of humanity. Whether they were scientists, doctors, engineers, poets or philosophers - all have made significant contribution to the good of humanity. This gave them the status of intellectual leaders. Others are recognized without being the Nobel Laureates. They may be Ruskin, Carlyle, Keats or Duiker.
- ii. **Institutional leaders:** They are the leaders by position. Generally, the head of a particular institution is recognized as a leader e.g. the Imam of Jama Masjid or the Head of Bohra communities are the instances of institutional leadership.
- iii. **Democratic leaders:** They are the leader's by majority. Whosoever is designated as a leader by the majority is declared as the leader? Once the majority gives its verdict in favour of the personal others-even those opposing him will soon accept him as their leader and sink all their differences to give him wholehearted support. Democratic leaders have to operate with much difficulty. They get obedience by persuasion rather than force, fear, status or power. Such leaders have to respect Leadership feeling and sentiments of their followers and involve them in the decision making process as far as possible. Participation not only makes the leader strong

enough to implement every decision with success but he obtains 3 additional advantages. Firstly, he may be sure that his subordinates will not ditch him at the last moment by deserting him. With the cross fertilization of ideas, the leader more often corrects himself in addition to giving satisfaction to his subordinate of participation in decision making process.

Secondly, the democratic leader prevents the situation of becoming the victim of his own follies by remaining in his own ivory tower. When he has an open mind to discuss every problem and to seek rational solution with the help of his colleagues and subordinates, each one of them will provide his most considered opinion that may prove to be useful to the leader as well as the group he is commanding. When the members do not have the power to express their views they may hold back every such advice which they feel is correct and useful to the group or the enterprise with the result that they may even get some pleasure by seeing the leader becoming victim of his own follies. Thirdly, the danger of collapse after the departure of the leader is minimized to a great extent.

- iv. Autocratic leaders:** They are the authoritarian leaders. They are the leaders by authority. The authoritarian leader directs his subordinates to perform the necessary task in accordance with the dictates given to them. There is practically no scope for influencing the action of the leader by the subordinates. The leader will use all means to exact obedience from his subordinates. He may go to the extent of using force, intimidation and threat to force the subordinates to execute the task as desired by him. The authoritarian leader generates a fear among the subordinates either on the basis of his imposing personality or makes free use of “rule of thumb” which tolerates no deviation. Whatever action he takes he considers it perfect. He will not abide by his subordinates’ suggestions much less intervention. More often, the leader will get credit for what has been accomplished by the group and will pass all criticism to the subordinate’s in the event of any failure on his part. In such a state, there exists a climate of distrusts, dissonance and distrust and even ill will between the superior and subordinates. Such a climate is not conducive either to the harmony of relationship or the achievement of the group’s object with efficiency.
- v. Persuasive leaders:** They are the leaders by personality. Such leaders fall in the category of alluring leadership, developed by Weber. The charismatic leaders also attract authority because of “devotion to the specific and exceptional sanctity, heroism or the exemplary character of an individual

person and of the normative patterns or order revealed or ordained by him”. The charismatic leader attracts followers on the basis of the qualities of persuasiveness he possesses. It will be relevant to mention that, the real leadership cannot be established merely on the basis of the charismatic qualities of the leader. More often it is the other driving force, which persuades the followers to believe that the leader possesses the charismatic qualities because by telling this, both are benefited. To be more specific, it may be stated that the great business leaders such as Henry Ford, John D. Rockfall and Chrysler said to possess the charismatic qualities, commanded allegiance from many able followers not merely on the basis of presort qualities but more importantly of the latent authority of the big business they owned.

- vi. **Creative or Innovative leaders:** They are accepted as leaders on the basis of the contribution made by them in their branch of knowledge. Their contribution is generally of great relevance to human upliftment whether they are scientists, engineers, architects or business experts. Some of them get official recognition in the form of national or international honor bestowed on them in the form of Nobel Price or such other prizes given by internationally or nationally recognized institutes.

### 1.4.2 Leadership Styles

Leadership style is different from the personality trait of the leader. Though the leadership behaviour will be influenced by the personality trait of the leader, it will be more conditioned by the situations obtaining around him. We may call these situations as external environment in organizational setting. The important components of situational dynamics are

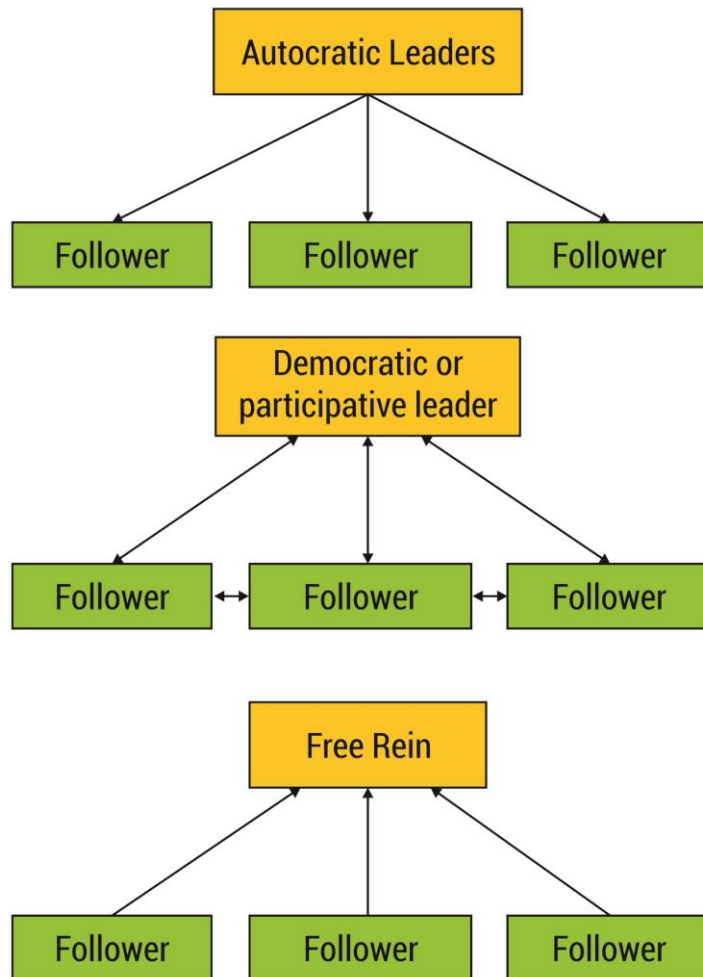
- i. Organization
- ii. Superiors
- iii. Job demands
- iv. Other situational variables not categorized in the scheme of setting,
- v. Followers or subordinates
- vi. Associates

All these situational factors and the personality trait of a leader determine his style of functioning, which is known as leadership style. Leadership style may

be defined as the reliable and consistent behavioural pattern of the leader when he is working with and through other people as visualized by these people. The consistency of behavioural pattern will depend on the responsive behaviour of the group in a given situation. Leadership styles may be classified under three heads:

- i. Leader centered or autocratic:** The tyrannical style is characterized by centralization of authority in the leader regarding decision-making. The leader more often makes decision and announces them. Sometimes, he presents tentative decisions, which may not be changed. Certain leaders give even detailed explanation for taking a decision, whereas a few do not feel the necessity of giving such explanation. Some scholars characterize the autocratic style as benevolent and authoritative. The benevolent element will take into account the limitations of man and work situations whereas the exploitation may even cause hardship to subordinates.

A few leaders may adopt an advice-giving style. They may consult the subordinates in respect of the problems and take their suggestions before announcing their decision. The characteristic feature of autocratic style is that, there is little or no participation of subordinates in decision-making. The leader may even go to the extent of using force or depriving subordinates of their legitimate right of expression on work matters and genuine grievances and problems originating from implementing that decision. He is only interested in the obedience of his orders even at the expense of individual or group harmony or solidarity.



**Fig 1.2 Flows of Communication and Influence.**

The results of this style of functioning can sometimes be disastrous. They are reflected in anger, absenteeism and lower turnover rate among employees. When the level of discontentment reaches its pinnacle, it may result in group disobedience to ignite conflict between labour and management resulting in strike. In spite of these considerations, the autocratic style is justified on the following grounds.

- a. There may be very little time for participation and every delay may violate the very object proposed to be achieved.
- b. Participation is fraught with danger of leaking out information of a confidential nature; for instance, some moderator of a question paper may not directly associate some of his subordinates with the work of moderating a question paper of the university.



- c. Sometimes style, by its very nature, invite lot of reaction from the subordinates, because men by nature want to be consulted by their superiors before they take any decision on matters relating to them. This is a psychological urge which has got to be satisfied in one form or the other. Under such circumstances, the leadership style should be such that the subordinates get psychological satisfaction of participation even though they may not possess the ability to contribute anything.
- ii. **Group centered or democratic:** The democratic style is premised on the basic principle of participation of subordinates in decision- making process. It is not necessary that the leader makes every subordinate a party to a decision but, by and large, a process is evolved in which the decision-making instinct of the subordinates is satisfied. In other words, there is free flow of communication between the superior and subordinates before any final decision is taken in the matter.

The manager or the leader may adopt any out of many methods of participation by the subordinates. Sometimes the problem is openly discussed among all the members of the group with or without the presence of the leader. The leader under such a system shall have to bring about a sort of general consensus on specific issues. This may be an extreme form of democratic style in which the formation of a consensus to accommodate every shade of thinking is quite an ascending task for the manager. To ward off such a contingency, the manager defines the limits and then asks the group to take decisions. There are greater chances of crystallization of issues to avoid inappropriate discussion and thus, to arrive at meaningful decision. Though the manager may be criticized on the ground of curtailing the freedom of expression of the subordinates, such limits are placed with the intention of channelising discussion towards right direction. The style is designed to enlist participation of subordinates. In the event of difference of opinion between the superior and subordinates, the superior will persuade and even convince his subordinates to his line of action on the basis of his ability, competence and leadership qualities rather than force, status or power enjoyed by him. This style has direction of leadership and liberty of expression and participation of democracy.

The leader channelises the discussion towards fruitful and meaningful direction. He stops when discussion gets drifted or encourages subordinates to express their view independently in the forthright manner, if required.

Democratic style does not imply a complete anarchy or the absence of rule of law. The participation of subordinates under this style is sought with the purpose of leadership thrashing out issues and taking meaningful decisions on specific issues. The subordinates have the capacity to contribute effectively which is systematically exploited by the effective and competent leader to help him take correct decision. Further, it encourages co-operative spirit and even the development of subordinates for doing their jobs better. It proves to be motivational as well as it fulfills the basic urge of participation. The democratic style is based on McGregor's Theory "Y" which envisages the following principles:

- a. The fountainhead of authority is not only the position which the leader is occupying but also more importantly the power bestowed by the group to lead. If the group refuses to be led by him, what will be the fate of such power or position?
  - b. People are basically self directed and creative at work if properly motivated. In other words, the subordinates have the needed competence to give their advice at least on many issues if not on all issues. We cannot scratch out their work experience, their training and their ability to apply theory into practice, which many leaders may not be possessing. So the criticism of democratic style is unfounded. In fact, it is the democratic style, which has been generally preferred and practiced by leaders in every type of organization.
- iii. Individual centered or free rein laissez-faire:** The laissez-faire style may be stated as the system of least interference by the leader. He depends largely on the group and its members to establish their own goals and take the decisions. It implies absence of formal leadership. The leader assumes a passive role as one of subordinate with the abdication of formal leadership role, the function leadership, whatever existing, may be informal or evolving. This style is generally not practical unless practiced in a small group of a fairly intelligent and experienced people. A manager cannot adopt a particular leadership style. Indiscreetly though democratic style is considered to be generally accepted. Sometimes, he has to adopt autocratic and rarely laissez faire also. But the choice of style may generally depend on organizational setting on the one hand and the style and expectations of leaders, followers, supervisors and organizations on the other.

- a. The leadership style is determined by the organizational setting comprising supervisor's followers, associates, job demands, organization and other situational variables.
- b. Styles and expectations of superior and subordinates: Whereas style is the consistent behaviour pattern, expectation may be defined as perceptions of appropriate behaviour for one's own role or position or one's perceptions of the roles of others within the organization. Accordingly, there are leaders, followers, supervisors, associates, organization's styles and expectations.
- c. Skill, personality and the value system of the leader and the subordinates.

Today effective managers must develop trusting relationship with their follower's because organizations are becoming less and less stable and predictable. In the changing world atmosphere the organizations are bound to look for managers who can exhibit transformational leadership qualities. This requires precise vision and the charisma to carry out these visions successfully. The managers must remember that their followers also have in their mind certain attributes by which they accept their leadership. They include smartness, personal touch and verbally skilful attitude. The leadership managers must also accept that beyond focusing on their own leadership qualities they should also care for investing in leadership training and thus, focusing on leadership selection.

### **Check your progress 3**

1. \_\_\_\_\_ is indispensable for the functioning of the family, group, society, business, government or any other organization.
  - a. Leadership
  - b. Motivation
2. \_\_\_\_\_ leaders are recognized as leaders on the basis of intellectual work of great importance and relevance done by them for the good of the people.
  - a. Intellectual
  - b. Bold
3. The Imam of Jama Masjid is the instances of \_\_\_\_\_ leadership.
  - a. Institutional

- b. Intellectual
- 4. Whosoever is designated as a leader by the majority is declared as the leader, they are known as \_\_\_\_\_leaders?
  - a. Democratic
  - b. Institutional
- 5. The \_\_\_\_\_leader directs his subordinates to perform the requisite task in accordance with the dictates given to them.
  - a. Authoritarian
  - b. Institutional

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## 1.5 Leadership Process

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The leadership role often changes significantly in a High Performance organization. This is true for executives and supervisors alike. All too often, leaders consider changes to High Performance as a technique or program which others must implement, but fail to realize the extent to which they must be personally involved and change themselves.

Since High Performance is a way of thinking about and managing the business. The transformation process begins by helping senior leadership define not only what they should be doing in the organization but also how they should go about doing it.

The Leadership Process includes five essential steps:

### 1. Leadership Orientation And Commitment

Leadership orientation and commitment is normally a one to two-day orientation session in which key leaders from the organization learn about High Performance. In this session participants go through an organization simulation to experience the difference between traditional and High Performance work systems. As they learn and discuss principles of High Performance, they will learn about the transformation process, explore the level of trust within the organization, and identify change needs driving their organization.

### 2. Assessment Of The Business And Organization

The purpose of this step is to complete a comprehensive assessment of the organization, creating a common understanding of the current state of the

business. Key leadership, with a cross-section of people from the organization, analyzes a business case study to learn how to use the Transformation Model as a framework for organization analysis. Then, applying the Transformation Model to their own organization, they systematically analyze seven key elements: current results; the business environment; the current strategy; current core processes, current structure; and synchronization and development systems.

Following their analysis, they summarize key issues to address and identify organization strengths, weaknesses, and alignment issues. Armed with all-inclusive assessment data, they can develop a list of change initiatives for improving the organization positively affecting High Performance. The assessment process can be modularized into half-day sessions spread over a nine to ten week period, or it can be accomplished more quickly in a single three-day session. This step often surfaces significant problems within the organization, creating a sense of direction and momentum for needed changes. Every participant will come away from this dynamic session with a greater sense of responsibility, know-how and enthusiasm for making the business succeed.

### **3. Development of Strategy and Vision**

In step three, key leaders develop and/or adjust the business strategy and direction of the organization. During this process they review their strategy and vision based on current business realities, refocusing and redefining their strategy to fit marketplace and competitive demands. Specifically they will accomplish the following during the process:

- Understand the demands of the current business environment;

- Forecast the future business situation

- Clarify a mission that motivates and inspires

- Identify the principles by which people will conduct themselves

- Define future customers and how they will deliver value to them

- Identify core competencies needed to succeed in the long run

- Create a long-term business focus and identify anchors that distinguish them from competitors

- Set short-term performance goals

- Identify performance initiatives and establish a master plan to implement the strategy

The strategy development process often requires several in-depth exploration and discussion sessions which may be accomplished over a period of weeks or months, depending on the size, motivation, and complexity of the organization. Clearly, the process must be tailored to the individual needs of each organization. We are confident that senior leadership will emerge from the strategy development sessions being very clear about their strategy and united in their commitment to implement it throughout the organization.

#### **4. Chartering the Change Process**

During this step, senior leadership determines the need for organization redesign to address organization weaknesses and alignment issues identified during assessment. They create a design charter, outlining the expected outcomes and the scope and parameters of the redesign process. They assign resources, establish time frames, and identify a design team to participate in and guide in-depth process analysis and redesign of the organization as necessary. They also determine the scope of the development process, identifying leadership training, employee orientation, team development, technical skills development, interpersonal skills development, and other projected training and development needs. These plans are factored in with strategic initiatives and change opportunities identified during strategy development and assessment to create an overall change plan. The charter is then shared with employees to communicate the need for change and explain how the transformation process will work throughout the organization.

#### **5. Integrated Management Of Business Performance.**

Management of business performance, especially in today's complex and rapidly changing environment, can be extremely challenging. Consequently, management behavior can be short-term and crisis-oriented. Managers and supervisors alike often react to demands which seem urgent; but may only be symptoms of deeper causes related to flawed processes or systems. A further problem is that work may be segmented into functional areas, promoting poor communication, turf battles, lack of problem ownership, and general inefficiency. In step five, Integrated Management of Business Performance, leaders develop a common plan and establish management processes to proactively manage the short and long-term performance of the business. One of the first tasks here is to help leaders begin to work as a team as they share responsibility for the overall management of the enterprise.

During assessment, the organization identified key results areas and current performance in those areas. During strategy development, the leaders identified ideal key results areas, how they will measure them, and what their goals are. Armed with this data, the leadership team outlines a process for how they will monitor, track, and integrate performance throughout the organization on an ongoing basis, including common initiatives, clear expectations and consistent performance metrics. This may lead them into discussion or readjustment of recognition, reward, or performance management systems as well.

#### **Check your progress 4**

1. The \_\_\_\_\_ role often changes significantly in a High Performance organization.
  - a. Leadership
  - b. Management
2. \_\_\_\_\_ orientation and commitment is normally a one to two-day orientation session in which key leaders from the organization learn about High Performance.
  - a. Leadership
  - b. Motivation
3. Under development of \_\_\_\_\_ key leaders develop and/or adjust the business strategy and direction of the organization.
  - a. Strategy
  - b. Institutional
4. During chartering the change process, \_\_\_\_\_ leadership determines the need for organization redesign to address organization weaknesses and alignment issues identified during assessment.
  - a. Senior
  - b. junior

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## 1.6 Let Us Sum Up

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In this unit we have discussed few of the very important points which are needed in the proper functioning of an organisation.

Motivation is one of the important elements. Motivation is the inner burning passion caused by need, wants and desire which propels an individual to exert his physical and mental energy to achieve desired objectives. Unless there is a motivation amongst the employees it becomes tough for the organisation to achieve its goals and objectives. Leadership is one such another important aspects of studies of human behaviour in organization. In an organisation a leader plays a very important role .It is the leader who creates working environment. The success of an organization depends upon the efficiency of the leader. It is the attributes, positive approach and the ability to solve problems that make a person leader. In this detailed discussion we discussed the various characteristics and theories of motivation .We even made a detailed discussion on various types of leaders and the process of leadership.

This will be of great help for the readers in understanding the concept and importance of motivation and leadership in attainment of organisational goals and objectives.

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## 1.7 Answers for Check Your Progress

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<b>Check your progress 1</b>
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**Answers:** (1-a), (2-a), (3-a), (4-a), (5-a)

<b>Check your progress 2</b>
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**Answers:** (1-a), (2-a), (3-a), (4-a), (5-a)

<b>Check your progress 3</b>
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**Answers:** (1-a), (2-a), (3-a), (4-a), (5-a)

<b>Check your progress 4</b>
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**Answers:** (1-a), (2-a), (3-a), (4-a)



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## 1.8 Glossary

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1. **Assessment** - to judge, to evaluate
2. **Commitment** - determination, promise

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## 1.9 Assignment

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Explain motivation and discuss its characteristics.

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## 1.10 Activities

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Discuss the kinds of leaders

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## 1.11 Case Study

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Mr. Aadvik Mazumdar is the Chief Executive of a medium- sized pharmaceutical firm in Calcutta. He holds a Ph.D in Pharmacy. However, he has not been involved in research and development of new products for two decades. Though turnover is not a problem for the company,

Mr. Mazumdar and his senior colleagues noticed that the workers on hourly basis are not working upto their full potential. It is well known fact that they filled their days with unnecessary and unproductive activities and worked only for the sake of a pay cheque.

In the recent past the situation has become quite alarming as the organization began to crumble under the weight of uneconomical effort. The situation demanded immediate managerial attention and prompt remedial measures. Mr. Mazumdar knew very well that the only way to progress and prosper is to motivate workers to peak performance through various incentive plans.

One fine morning, Mr. Mazumdar contacted the Personnel Manager and enquired: “What is the problem with the workers on hourly basis? The wage bill shows that we pay them the highest in the industry. Our working conditions are fine. Our fringe benefits are excellent. Still these workers are not motivated. What do they require really?” The Personnel Manager gave the following reply: “I have already informed you a number of times, that money, working conditions and benefits are not enough. Other things are equally important. One of workers in

that group recently gave me a clue as to why more and more workers are joining the bandwagon of ‘non-performers’. He felt bad that hard work and efficiency go unobserved and un-rewarded in our organization. Our promotion and benefit plans are tied to length of service. Even the lazy workers, accordingly, enjoy all the benefits in the organization, which, infact according to workers, should go only to those who work hard.”

Mr. Mazumdar then wanted the Personnel Manager to look into the problem more closely and find out a solution to the problem of workers on hourly basis.

Answer the following questions

- Q. 1 Explain the motivational problem in this case by relating to Herzberg’s theory.
- Q. 2 What would be your response to Mr. Mazumdar statement, if you were the Personnel Manager of the Company?
- Q. 3 If you were the manager, how would you motivate the employees so that they work better.

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## **1.12 Further Readings**

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- 1. Organizational Behavior – by Stephen Robins – Prentice Hall Publications
- 2. Organizational Behavior – by K. Ashwathappa – Himalaya Publishing
- 3. Organizational Behavior – by L. M. Prasad – Sultan Chand Publications
- 4. Organizational Behavior – by Suja Nair – Sultan Chand Publications

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## **UNIT 2: CONFLICT MANAGEMENT AND CHANGE MANAGEMENT**

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### **Unit Structure**

#### **2.0 Learning Objectives**

#### **2.1 Introduction**

#### **2.2 Conflict Management**

##### 2.2.1 Classes of Conflict

#### **2.3 Change Management**

##### 2.3.1 Importance of Change

##### 2.3.2 Introduction to Change Management

##### 2.3.3 Characteristics of Effective Change Programme

##### 2.3.4 Key Factors in Effective Change Management

#### **2.4 Work Pressure**

##### 2.4.1 What is Work Pressure?

##### 2.4.2 Causes of Work Stress

##### 2.4.3 The Effects of Work Stress Caused by Work Pressure

##### 2.4.4 Prevention of Work Stress

##### 2.4.5 Solving Work Stress Problems

#### **2.5 Let Us Sum Up**

#### **2.6 Answers for Check Your Progress**

#### **2.7 Glossary**

#### **2.8 Assignment**

#### **2.9 Activities**

#### **2.10 Case Study**

#### **2.11 Further Readings**

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## 2.0 Learning Objectives

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**After learning this unit, you will be able to understand:**

- Definition of conflict
- Differentiate between Individual and organizational conflict
- The reasons for conflict
- Various techniques to resolve conflict.

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## 2.1 Introduction

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To study the dynamics of organizational behaviour, study of conflict management deserves attention. In present corporate environment conflict has become very common phenomenon. Conflict is bad as it has adverse effects on the individual performance. If conflict is beyond control it takes a destructive dimension. When employees do not cope up with the conflict situation, there is an increased absenteeism and exit of employees. It can be so disastrous that can lead to demise of an organization. American Firm Sheppard and Associates perished due to high degree of conflict. On the other hand it has been opined that conflict is good for the organization as it produces new ideas, increases competitive spirit, cohesiveness in the team and instills an atmosphere of brotherhood in the organization. This is only possible if ideas are properly channelised and there is proper delegation of authority, empowerment and autonomy in functioning.

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## 2.2 Conflict Management

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Conflict can be defined (Thomas K.A.) As the “process that begins when one party perceives that another party has negatively affected something that the first party cares about.” Conflict must be perceived by either of the parties. Stiff opposition due to incompatibility of organizational goals characterizes it. Conflict can also be caused due to difference about interpretation of facts or issues involved. Conflict takes an ugly turn and takes a form of violence due to disagreement based on behavioural expectations. It could be covert or overt and can be seen when one observes violent acts of individual in organizations. Austin et al defines conflict “as a disagreement between two or more individuals or groups, with each individual or group trying to gain acceptance of its views or objective over others.”

Conflict has been defined by writers in different ways. Conflict may, however, be defined as a situation in which there is a breakdown in decision making owing to irrational and / or incompatible stand taken by one or all parties concerned with decision-making.

### **Characteristics of Conflict**

- i. Conflict leads to disruption or impairing the work of the organization.
- ii. Conflict is the function of opposite views held by the parties to dispute. Even a rational stand by one party becomes incompatible to the irrational stand taken by another party. The situation becomes all the more vulnerable, when both parties stick to their respective irrational stand.
- iii. Breakdown in decision-making is consequence of incompatibility in the behaviour of the parties to a certain situation existing in the organization.

### **2.2.1 Classes of Conflict**

There may be three main classes of conflict phenomena

- i. Individual conflict i.e. conflict in individual decision-making.
- ii. Organizational conflict i .e. individual or group conflict within an organization. This may also be called intra-organizational conflict and
- iii. Inter-organizational conflict i.e. conflict between the two organizations.

#### **1. Individual conflict:**

Conflict arises within an individual wherever his drives and motives are blocked or he is confronted with competing roles and goals and he is unable to take decisions. Conflict in the individual is caused by:

- a. **Unacceptability:** An individual knows different alternatives. He knows the pattern of preference. In other words, he knows the probability of each alternative. Since the preferred alternative is not good and satisfactory to him; he is unable to accept it. Unacceptability is subjective because the alternative unacceptable to one may be acceptable to another. It is relevant to state that, when conflict is perceived, it-could be reduced by generating motivation. When the alternative is unacceptable to the individual, he will search for new alternatives. His search for acceptable alternative continues. In spite of

best of efforts if he comes across with an acceptable alternative, he may have to revise the basis of unacceptability.

- b. **Incomparability:** The individual knows the probability of distribution of the alternatives but he is unable to take decision because the outcomes are incomparable. When the results are not comparable, no decision could be taken. Similarly, an individual is also unable to make proper comparison of the alternatives. Comparison requires clarity, technique of comparison including assigning weights to different components, rationality in attitude

And behaviour and the competence to perform the task. The procedure of comparison depends also on the clarity and decisiveness of the individual regarding the minimum standard of achievement. If the individual has a indecisive attitude without much clarity as to the expectancy, he will not be able to make comparison. The state of incomparability causes lot of tension and conflict to the individual.

- c. **Uncertainty:** Uncertainty is about the alternative to the environments operating within and without the organization. If the environments could be properly predicted, the behaviour of the people regarding acceptability of the alternative and efficiency of the alternative in such situation could be ascertained with certainty. In a state of uncertainty, the individual feels frustrated which is ultimately reflected in conflict. The element of uncertainty may be reduced with the quantum of past experience in decision situation. Further, lesser the complexity in the decision situation more the likelihood of reduction in uncertainty. Individual conflict arises due to:

**i. Frustration**

When motivated drives of an individual are blocked before reaching the goal, it causes frustration. Frustration may be stated as the highest level of dissatisfaction, which generates conflict in the individual. The blocks which hinder the course of reaching the goal may either be overt (outward or physical) or covert (inward, mental or socio psychological). Frustration leads to defence mechanism which has been broadly classified under four heads:

- a. Aggression
- b. Withdrawal
- c. Fixation
- d. Compromise

**ii. Goal conflict**

When an individual is unable to take decision about the goal to be achieved either due to positive and negative features existing in the goals or the existence of two or more competing goals, it causes lot of conflict in the individual. In the context three types of goal conflicts have been identified as:

- a. **Approach:** It is a situation, which arises when an individual approaches two or more positive but equally exclusive goals. He cannot make choice as to which one is better of the two. For instance, a person has two equally attractive jobs. It is a difficult task to make a choice by the person. This problem could be solved with the help of Leon Festinger's well-known theory of "cognitive dissonance". Dissonance means psychological discomfort or conflict. The individual may reduce dissonance by cognition of a job which is decidedly better than the other. Once he is convinced that job is the right choice, he would avoid all evidence to argument, which may go to change his opinion.
- b. **Approach avoidance conflict:** It is a situation in which a single goal has both the positive as well as negative characteristics. He is motivated to approach the goal because of the positive characteristics, but simultaneously impelled to avoid it because of the negative characteristics. In this approach the conflict is at the maximum when the approach avoidance curves meet each other. The decision could be taken to resolve the conflict by looking at the gradients of avoidance and approach elements. If the gradient of any of them is steeper beyond the equilibrium point "K", it means the other one will be over it. Hence the goal is accepted because the approach gradient having positive elements is less steep and is above the avoidance gradient having negative element. the goal is avoided because beyond equilibrium the gradient of approach is steeper than the avoidance. In other words, avoidance out weights approach, hence the goal is rejected.

- c. **Avoidance:** Avoidance is a situation in which the individual is motivated to avoid two or more independent goals having negative elements. It is more like the approach- approach but with a difference. Usually if both the goals are negative it is comparatively easier to resolve conflict by avoiding both of them. On the other hand, in certain situations, the person cannot avoid both the goals. In such a situation, the goal having comparatively lesser negative element may be retained and the other abandoned.

### iii. **Role conflict**

Every individual plays a number of roles in social and organizational situation. In social settings, he plays the role of a father, a son, a husband, a brother, a neighbor etc. There ought to be variation in these roles, which are different from one another. A conflict arises when his individual expectations are different from others while playing the role e.g. a person playing the role of a father expects that his son should be obedient, respectful and submissive. But, when he plays the role of a son in relation to his father, his expectations are entirely different. He wants to be assertive, independent and choosy in obeying or not obeying the command of his father. This originates role conflict. When a person is playing a role and the expectations are different by others, role conflict arises. Role conflict depends on:

- a. Awareness of role conflict
- b. Acceptance of conflicting job pressures
- c. Ability to tolerate stress
- d. General personality make up

Role conflict may be resolved, apart from the factors enumerated above, by an individual by playing the role according to conviction and the norms of justice and fairplay. He will play the role in accordance with standardized and objective pattern of expectation in relation to himself and by others.

## 2. **Organisational Conflict:**

It may be discussed under two heads.

### a. **Interpersonal conflict**

Organization is composed of individuals and groups operating at different levels. The conflict arises between individual and individual that



has been described as “Johari Windows” by Joseph Luft and Harry Inghan. The “Johari Window” has the following four cells:



**Fig 2.1 Interpersonal conflict**

The intersection among individuals depends to a large extent on the four cells. Under the open self, the person knows about himself and others. In this state, the individual knows about the reaction of the other while dealing with him. He is obvious about himself. Hence, the problems of ambiguity, incomparability and unacceptability could be avoided. Hidden self is a situation in which the person knows about himself but does not know about the other. The other has kept his feelings, attitudes and reactions hidden with the result that the potential of interpersonal conflict augments. Blind self is a situation in which the person knows about the other but does not know about himself. As a result, the person may unintentionally, by his acts and expression of views, cause irritation to the other person. This may ultimately lead to interpersonal conflict. Undiscovered self is a neither highly vulnerable situation in which the person neither knows about himself nor about the other. Hence, the chances of interpersonal conflict are the highest.

#### Resolution of Interpersonal conflict

Following strategies have been identified by Alan C. Filley, Robert J. House and Steven Kerr and are described as:

- a. Lose - lose: “Lose - lose” is that approach in which both the parties lose. One of the common forms of strategy is the compromise decision in which both parties leave their stand and relent to a commonly acceptable formula. The next situation may be that, one party may be paid off to leave his stand. The other approach may be the use of an outsider, the arbitrator, to settle the dispute between the parties. Finally, he may resolve the conflict within prescribed rules and procedures in which both may be required to lose. Lose - lose strategies is based on the premise that some sort of compromise could be struck in which both leave the

stands taken by them so that one is not a victor and the other the vanquished.

- b. Win-lose: "Win lose" is the strategy that creates a highly competitive type of situation. In this situation, both the parties try to marshal all forces to register a win against his opponent. In this race, rationality is side tracked and emotions dominate. Emotions are so surcharged that the parties to the conflict may go to any extent to secure victory over the opponent. This type of strategy is more prevalent in superior-subordinate relationship, line staff conflict and union management relations.
- c. Win - win: "Win – win" is the strategy, which is like "I am OK and you are OK". It is based on rationality of thinking and maturity in behaviour on the part of the conflicting parties. It may take the functional aspect of win - lose strategy. In this strategy, the needs of both the parties are met and both feel satisfied. Win win decision strategies are associated with better judgements, favourable organization experience and more favourable bargains". This strategy may be stated as the ideal, and should be strived by management in resolving interpersonal conflict.

#### **b. Inter-Group conflict**

It may be stated in the sense of organizational conflict. Causes for inter-group

Conflict may be summarized under four heads:

- i. Absence of joint decision-making
- ii. Difference in goals
- iii. Difference in perception and
- iv. Difference in goals as well as perception

Organization comprises of diverse groups. Each group will put its urgency for having maximum share in the limited resources and press for the acceptance of its own time schedule for the performance of a task. If the wishes of a group in respect of resource and schedule are accepted, justice cannot be done to other groups, which will ultimately lead to organizational ineffectiveness. Joint decision-making is the only solution to resolve the conflict.

The conflicting parties may sit together and discuss their own needs in the overall organizational perspective. Difference in goals arises due to following considerations:

- i. Elements, which affect the commonality within the organizationsuch as heterogeneity in groups.
- ii. Factors that affect the clarity and consistency of reward structure
- iii. Factors which affect comparability of reward structure.

Differences in perception causing inter group conflict arise as a result of -

- i. Members having different sources of information
- ii. Different techniques of processing the information
- iii. Different time horizons
- iv. Difference in goals

Resolutions of Inter Group conflict

- i. Solving the conflict through intervention and noninterventionapproaches.
- ii. Reducing negative consequences of conflict,
- iii. Preventing inter-group conflict.

The conflict may be solved by resorting to intervention and non - intervention approaches.

The non - intervention approach is that approach in which administrators and managers donot intervene an account of two reasons –

They are uncertain about the possible consequences and

They do not want that conflict to exist in the organization. Therefore, they ignore the group conflict at the beginning. When this does not work, it is appropriate that the parties to conflict confront themselves and resolve the conflict without the management. The process adopted by the parties to the conflict may fall under four majorcategories:

- i. **Problem solving:**

It may be successful through the agreement on a common goal. Once the goal is agreed to, the alternatives could be worked out with reference to the agreed goal. When the common goal is not agreed, the parties may be convinced to adopt such flexible group sub-goals that they could be changed for achieving larger organizational objectives.

**ii. Persuasion:**

“Persuasion and appeals to reason are abandoned in favor of compromise, threats, bluffs, gamesmanship and “side payments”. In the event of failure of persuasion, bargaining may be resorted to.

**iii. Bargaining:**

Bargaining may be stated as the process of give and take between the parties to conflict. Both parties agree to give in exchange for taking something. Sometimes, threats help in striking a bargain, e.g. students threat to boycott examinations and lead to strike the bargain of postponement of examination.

**iv. Politics:**

When both the parties take rigid attitude towards their respective goals and even outside interference is not able to alert win lose strategy, then the only alternative may be lose - lose. This is politics. In labour management conflict, when a strike takes place or a lockout is resorted to, the management loses profit and the labour wages. The intervention sometimes becomes inevitable for the management. The intervention

Strategies may be of three types: -

- a. Dealing with the symptoms of conflict.
- b. Attempting to settle the conflict and
- c. Seeking to eliminate the sources of conflict.

Dealing with symptoms involves two methods –

- a. Smoothing over it. Conflicting parties may be given rewards or incentives to control conflict and avoid open clashes and
- b. Repressing conflict or the use of coercive power. It means that the parties to the conflict may be given so much work that they do not have time to fight each other:

The negative consequences of the conflict may be reduced by

- a. Increasing inter-group contacts.
- b. Promoting contacts and negotiations between leaders.
- c. Propaganda.
- d. Distraction

All these tactics are instructively appealing but are relatively ineffective.

Inter-group conflicts could be prevented by establishing clear, operational goals of the organization. These goals will take away group's energy from conflict towards achievement of these goals. In the process they will develop mutual co-operation. They may also be prevented through better communications and interactions between the groups. In this process, there ought to be rotation of members in the group so that they could experience the problems themselves and take suitable steps to prevent them. Healthy

Competition among groups may also prevent conflict.

### 3. **Interorganisational conflict:**

Inter-organizational conflict takes place between two dependent organizations. Conflict can take place between government organization, unions and the operating industry. Government organizations function to ensure that minimum standards are followed by the organizations. Managers must try and reduce inter-organizational conflicts by adopting

Positive approach and by following strictly, the rules and regulations laid down by the government agencies. Conflict can also take place between seller and buyer organizations.

#### **Check your progress 1**

1. \_\_\_\_\_ can be defined as the “process that begins when one party perceives that another party has negatively affected something that the first party cares about.
  - a. Conflict
  - b. Dispute
2. \_\_\_\_\_ was given by Joseph Luft and Harry Inghan.
  - a. Johari Windows
  - b. Windows 8
3. \_\_\_\_\_ conflict takes place between two dependent organizations.
  - a. Inter-organizational
  - b. Intra- organizational

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## 2.3 Change Management

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Change is one of the most critical aspects of effective management. Change is the coping process of moving from the present state to a desired state that individuals, groups and organizations undertake in response to dynamic internal and external factors that alter current realities.

Fortune magazine first published its list of America's top 500 companies in 1956. Sadly, fewer than 30 companies from the top 100 on the original list remain today. The other 70 plus have disappeared through dissolution, merger, or downsizing. Survival, even for the most successful companies, cannot be taken for granted. In many sectors of the economy, organizations must have the capacity to adapt quickly in order to survive. Often the speed and complexity of change severely test the capabilities of managers and employees to adapt quickly and effectively. When organizations fail to change, the cost of failure may be quite high.

Organizations which emphasise on bureaucratic systems are increasingly becoming ineffective in nature. Organizations with rigid hierarchies, high degree of functional specialization, narrow and limited job descriptions, inflexible rules and procedures and impersonal management can't respond adequately to demands for change. Organizations need designs that are flexible and adaptive. They also need systems that both require and allow greater commitment and use of talent on the part of employees and managers.

### 2.3.1 Importance of Change

Change will not fade away or dissipate. Technology, an ever-expanding list of applications and the spontaneous combustion of creative thoughts will maintain their ever-accelerating drive onwards. Managers, and the enterprises they serve, be the public or private, service or manufacturing, will continue to be judged by their ability to effectively and efficiently manage change. Unfortunately for the managers of the early twenty-first century, their ability to handle complex change situations will be judged over ever decreasing time scales.

The pace of change has increased dramatically; mankind wandered the plant on foot or in horseback for century's before the invention of the wheel and its subsequent 'technological convergence' with the ox and horse. In other 'short' century man has flown a heavier-than-air aeroplane, piloted spacecraft, and walked on the moon. Satellites orbit the earth, the internal combustion engine has

dominated transport and some would say society moves; robots are a reality and state-of-the-art manufacturing facilities resemble scenes from science fiction movies; your neighbour or competitor, technologically speaking, could be on the other side of the planet; and bio-technology is the science of the future.

Businesses and managers are now faced with highly dynamic and ever more complex operating environments. Technologies and products along with the industries they support and serve are converging. Is the media company in broadcasting, telecommunication, publishing or data processing– on indeed all of them? Is the supermaker chain in general retail, or is it a provider of financial services? Is the television set merely a receiving device for broadcasting messages or is it part of an integrated multimedia communication package? Is the airline a provider of transport or the seller of wines, spirit and fancy goods, or an agent of car hire and accommodation?

As industries and products converge, along with the markets they serve, there is a growing realization that a holistic approach to the marketing of goods and services is required, thus simplifying the purchasing decisions. Strategic challenges, designed to maximize the ‘added value’ throughout a supply chain, while seeking to minimize costs of supply, are fast becoming the competitive weapons of the future. Control and exploitation of the supply chain make good commercial sense in a severely competitive global market. The packaging of what were once discrete products (or services) into what are effectively ‘consumer solutions’ will continue for the foreseeable future.

Producers no longer simply manufacture vehicles, they now distribute them through sophisticated dealer networks offering attractive servicing arrangements, and provide a range of financing options, many of which are linked to a variety of insurance packages. Utility enterprises now offer far more than their original core service. This combined with the general ability to replicate both ‘hard’ and ‘soft’ innovations within ever diminishing time scales, places and creative and effective management of change well towards the top of the core competencies required by any public or private enterprises.

How can we manage change in such a fast moving environment, without losing control of the organization and existing core competencies? As expected, there are no easy answers and certainly no blueprints detailing the best practices. Designing, evaluating and implementing successful change strategies largely depend upon the quality of the management team, in particular the team’s ability to design the organization in such a way as to facilitate the change process in a responsive and progressive manner.

### **2.3.2 Introduction to Change Management**

Just like conflict, change is inevitable in the life of an organisation. Change heralds new opportunities and poses formidable challenges. Organisations that learn and cope with change will thrive and flourish and others which fail to do so will be wiped out. Under these circumstances, it becomes imperative to discuss the various change models used by experts in the field of organisational change and management.

### **2.3.3 Characteristics of Effective Change Programme**

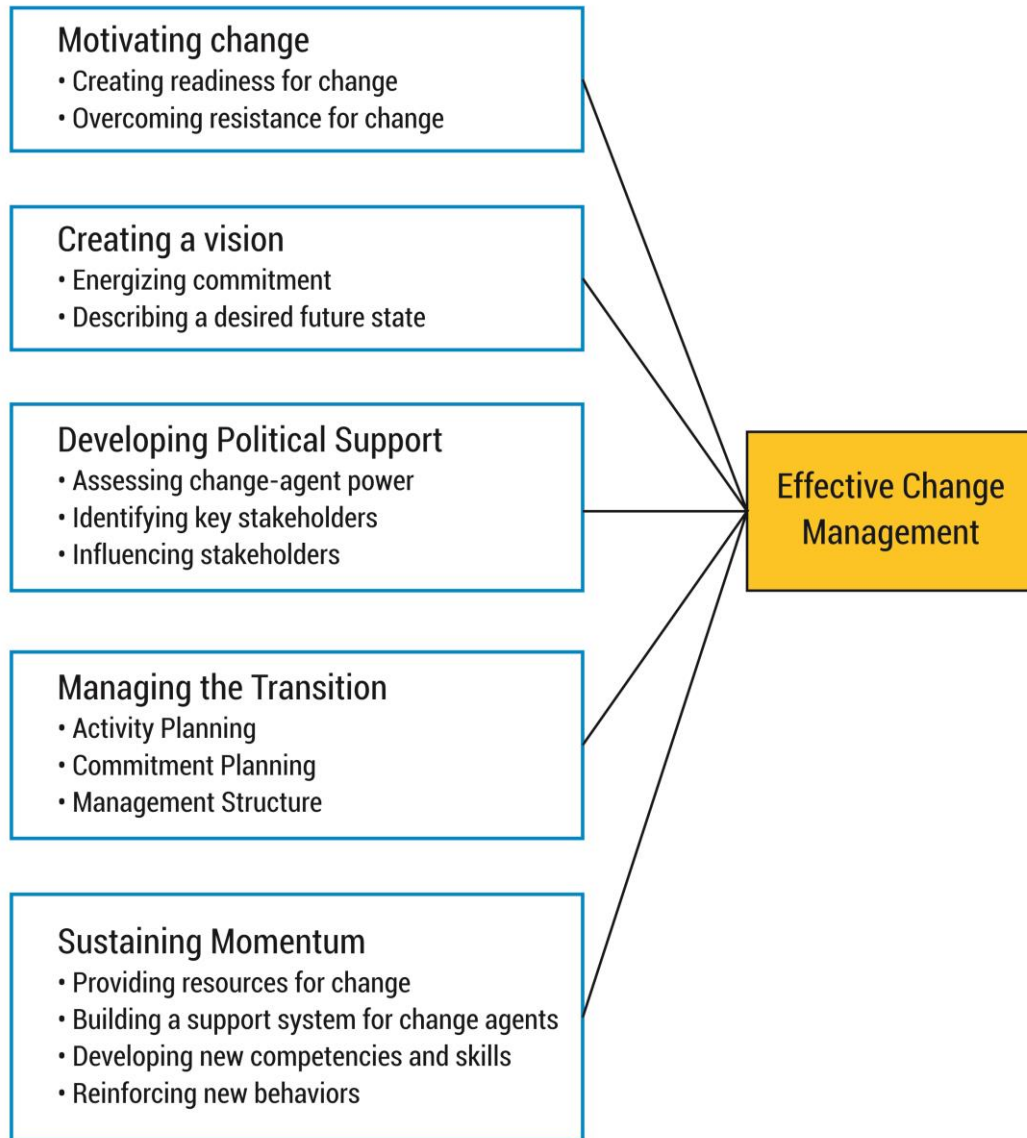
Distinguishing between change that inevitably happens to all organisations and change that is planned by members of an organisation is important. Our focus is primarily on intentional, goal-oriented, organisational, decisive attempts by managers and employees to improve the functioning of teams, departments, divisions or an entire organisation in some important way.

Effective planned change efforts are often characterised by some common characteristics. For example, effective change programme may involve:

- Motivating change by creating a readiness for the change among employees and attempting to overcome resistance to change
- Creating a shared vision of the desired future state of the organisation
- Developing political support for the needed changes
- Managing the transition from the current state to the desired future state and
- Sustaining momentum for change so that it will be carried to its completion.

The initiatives required to address each of these aspects of a change programme are summarised





**Fig 2.2 Initiatives Contributing To Effective Change Management**

Similarly, the conditions necessary for successfully carrying out effective change programmes include the following:

- The organisation's members themselves must be ready to act as the key sources of energy for change.
- Key members of the organisation must recognise the need for change and be attracted by the potentially positive outcomes of the change programme.
- A willingness to change norms and procedures must exist.

In brief, change must come from within the organisation. People must be aware of the need for change, believe in the potential value of the changes proposed, and be willing to change their behaviours in order to make the team, department, or the organisation effective. In the absence of these beliefs and

behaviours, effective organisational change may be problematic. In addition, effective change must rely on a contingency perspective- that is open to trying different things at different times.

### **2.3.4 Key Factors in Effective Change Management**

For effective change management there are ten factors which must be effectively managed. By ensuring that these factors have been considered, prior to initializing change, the problem owner and the associated change agent will be in a position to confidently manage the process of transition from that which is inadequate to that which is desired?

#### **1. Change is all-pervasive**

Any process of change is likely to have an impact greater than the sum of its parts. A holistic view must be taken to ensure that the full environmental impact is understood. When you consider making change in your organisation; from buying a new coffee machine to providing ESOPs, look at change in terms of its impact on the organisation as a whole; forget the part, look at the whole picture.

#### **2. Effective change needs active senior management support**

Whether you believe in top-down or a bottom-up approach to change in organisation, one thing is vital; there is need and desire for senior management to be seen to support the change process. Without the support of senior management, these things will be missing. First, the change will lack vision. Those who can look forward, supply vision. In most organisations, it is senior managers' responsibility to look forward, examine changes in the environment, and determine the future state of the business.

Second, you will need effective allies. Senior management backing for the change process is crucial to recruiting the required level of support to instigate change at all levels. Coming from the production department, with a desire to change the levels of customer satisfaction and awareness, you will need help from marketing. Senior management support for change process will assist you in gaining this help. It will allow you or the change project to cross the functional boundaries that often impede change. Third, you will lack power. When the visible problem owner or the change agents talk, it is senior management that is really speaking out. Senior management support guarantees that the problem owner 'speaks softly but carries abig stick.

Work on achieving senior management support from the outset. Talk out the ideas you have for change with your boss or his or her boss. The sooner there is senior management awareness of the need and desirability; the sooner things will begin to change.

### **3. Change is a multi-disciplinary activity**

Most successful change projects accomplish their objectives via the project team. No one person is a change island. Recognition of the multi-disciplinary nature of change goes a long way in beginning the sequence of realising of transformation. Problem owners are identified because of their association with the change. Change agents are recruited because of their expertise in facilitating change through its various stages. Their expertise may be based on people's skills, technological know-how, or their experience of system analysis.

When placed in charge of a change project, or when contemplating change in organisations, get yourself a team. The successful management of change, which is all pervasive, will necessitate a multi-disciplinary approach. One individual may not have the ability to deal with all aspects of change management that are likely to occur over the life-time of the project.

### **4. Change is All about People, Pure and Simple**

People are the most important asset: people want and need to grow, and personal growth is the engine that drives organisation performance. Therefore, when contemplating change, involve the people in the process from the outset. Through active participation you accomplish two things you gain commitment and ownership of the change process by all; and those experiencing the change will not need to be pushed but will begin to drive change themselves.

Change management is about people management. When managing change, you manage people. Remember the basics:

- i. Openness
- ii. Communication
- iii. Involvement

### **5. Change is About Success**

Faced with competitive environments, which are growing in terms of both magnitude and ferocity, organisations must be flexible enough to rise to 'the challenges of today and tomorrow'. Creating an organisational culture which is receptive to change should provide a competitive edge that will last the test of time. You may choose to stand still and be complacent, but you can be sure that

your competitors, both current and future, will be striving towards greater efficiency and effectiveness.

Make your change project a mission, a way of life. However, watch how you do it. Going forth stringly where no organisation has gone before, discovering new planets, and seeking out new life forms is all very well, but you need focus. The challenges created by looking too far ahead may be beyond the organisation's current capabilities. On the other hand, dinosaur organisations become extinct because they fail to adapt to their environment. Set goals for success that can be accomplished and are seen to be deliverable. Perhaps, going on a five-year irrepudiatable mission is not an answer; a look round the corner may be all that is needed to guarantee success.

## **6. Change is a Perceptual Process**

How do we explain change that was successful? How do we explain change that never seemed to get going? How can we explain the change project that started off well but seemed to fade away after a couple of years? The answers seem to lie in the attention and resources devoted to managing change as a perceptual process.

Change is about identifying triggers, seeking vision, recruiting converts to the visions, and maintaining and renewing the need for change on an ongoing basis. The effective management of change demands management action on all these fronts. You have to be able to identify what is triggering off change. This has to be expressed and clarified and communicated throughout the organisation to gain understanding.

There is also some need for vision as to how the triggers will affect the future of the organisation. In this sense, there is a need to define what the future is, in terms of the challenges being faced and the future make-up of the organisation. Having set a vision, there is a need to manage change by making your people share that vision. Most successful change programmes work on the basis of persuading people that this is the right way to go, by detailing the structure. Finally, watch the triggers.

Change that fades away does so because circumstances alter; those involved at the start move on, and the trigger becomes unclear in the minds of those left to carry on. The systems intervention model deals with the dynamic change environment by incorporating, in the design, iterative processes where you can step back and reappraise your position in the light of environmental changes.

Perceptual change is what it says; you never get to the end; something else always comes along to impact the business in a new way.

### **7. Effective changes require competent change agents**

One of those needs of successful change management relates to the required skills, knowledge and position of change agents. Analysis of the change situation will determine the appropriate management team in terms of their attributes. It will not, however, ensure that the change agents have the necessary competencies to effectively contribute to the process of change. To be fully effective, the change agents must have certain capabilities, over and above their functional skills and knowledge.

The competencies of change agent relate to being able to communicate with people involved in the change situation. The change agent, therefore, needs to feel comfortable in dealing with interpersonal relationships, coping with conflict and ambiguity and the 1001 different emotions that humans can display as a result of the change process itself. Change can upset people; they can also become overjoyed, be overenthusiastic or indeed shy away from it. The change agent has to be able to facilitate those involved through the process by taking their feelings and emotions into account, getting them to address how these emotions relate to change itself, and steering the organisation forward.

Many organisations have begun to address the management of change within their own organisations as a perceptual process. The competencies of the change agent are being directly dealt with by instigating training programmes to provide them with the necessary staff skilled in the techniques associated with organisation development. Technical skills, such as system diagramming, network analysis and charring in general, can be readily taught and acquired.

However, people skills are the more important and often the more difficult competencies to acquire. If you are a theory X person, you are hardly likely to be able to develop good change management skills. You do not appreciate the enormity of change. The basis of change management rests with the assumptions you make about people in organisations. Make the wrong assumption and the management of change goes the wrong path.

### **8. In terms of methodology, there is no one best way**

All which is advised, is that don't take a singular approach. In essence, there is no one best way. What works for one change situation may not be appropriate to another? For example, in takeover situations, the cultures of the organisations involved may be seemingly incompatible and may require adjustment. The

obvious approach is to adopt an organisation development methodology. However, such an approach will take time and will not bring about immediate improvement in performance. It may be better to start to set the ball rolling by adopting an intervention strategy in the short form. This could provide a quick-win example, whilst over the medium to long term an organisation development cycle could be set in motion to accomplish the required objectives of change.

### **9. Change is about ownership**

We refer back to people. What makes change happen? When it works beautifully, what causes this? The answers seem to rest with attaining ownership of the change process itself. In terms of problem owner, the change agents, and those being affected by change, there is a need to feel ownership.

The management team must feel that they are responsible for the successful implementation of the change. This responsibility is best discharged through a desire to succeed rather than survive. What we are concerned with here is a movement from control to commitment. When people are being coerced or manoeuvred into change situations by threat or crisis, the result is at best indifference or at worst resistance. When people feel ownership of the change process, and feel that it offers opportunity, they are committed to its satisfactory accomplishment. Get ownership by getting involvement; get involvement by openness and communication; get people to live the change.

### **10. Change is about fun, challenge, and opportunity**

When faced with a challenge, most individuals respond positively. The psychologists would argue that it brings out the best in people. On the other hand, when faced with a crisis, people can go one of two ways - they can emerge as strong individuals to meet that crisis or they can become cowering wrecks under its enormity.

#### **Check your progress 2**

1. Just like \_\_\_\_\_, change is inevitable in the life of an organisation.
  - a. Conflict
  - b. Organisation

2. Faced with competitive environments, which are growing in terms of both magnitude and ferocity, \_\_\_\_\_ must be flexible enough to rise to ‘the challenges of today and tomorrow’.
  - a. Organisations
  - b. Conflict
3. \_\_\_\_\_ is about identifying triggers, seeking vision, recruiting converts to the visions, and maintaining and renewing the need for change on an ongoing basis.
  - a. Change
  - b. conflict
4. The \_\_\_\_\_ must feel that they are responsible for the successful implementation of the change.
  - a. management team
  - b. Organisation

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## 2.4 Work Pressure

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Work pressure is recognised world-wide as a major challenge to workers’ health and the healthiness of their organizations (see for example, ILO 1986; 1992). Work pressure often leads to work stress. Workers who are stressed are also more likely to be unhealthy, poorly motivated, less productive and less safe at work. Their organizations are less likely to be successful in a competitive market.

Stresses can be brought about by pressures at home and at work. Employers cannot usually protect workers from stress arising outside of work, but they can protect them from stress that arises through work. Stresses at work can be a real problem to the organization as well as for its workers. Good management and good work organization are the best forms of stress prevention. If employees are already stressed, their managers should be aware of it and know how to help.

### 2.4.1 What is Work Pressure?

Work-related stress is the response people may have when presented with work demands and pressures that are not matched to their knowledge and abilities and which challenge their ability to cope. Stress occurs in a wide range of work circumstances but is often made worse when employees feel they have little

support from supervisors and colleagues and where they have little control over work or how they can cope with its demands and pressures.

There is often confusion between pressure or challenge and stress and sometimes it is used to excuse bad management practice. Pressure at the workplace is unavoidable due to the demands of the modern work environment. Pressure perceived as acceptable by an individual, may even keep workers alert, motivated, able to work and learn, depending on the available resources and personal characteristics. However, when that pressure becomes excessive or otherwise unmanageable it leads to stress. Stress can damage your workers' health and your business performance. Stress results from a mismatch between the demands and pressures on the person, on the one hand, and their knowledge and abilities, on the other. It challenges their ability to cope with work. This includes not only situations where the pressures of work exceed the worker's ability to cope but also where the worker's knowledge and abilities are not sufficiently utilised and that is a problem for them.

A healthy job is likely to be one where the pressures on employees are appropriate in relation to their abilities and resources, to the amount of control they have over their work and to the support they receive from people who matter to them. As defined by the World Health Organisation (WHO, 1986), health is not merely the absence of disease or infirmity but a positive state of complete physical, mental and social well-being.

A healthy working environment is a one in which there is not only an absence of harmful conditions but an abundance of health promoting ones. These may include continuous assessment of risks to health, the provision of appropriate information and training on health issues and the availability of health promoting organizational support practices and structures. A healthy work environment is one in which staff have made health and health promotion a priority and part of their working lives.





Fig 2.3 work pressure

## 2.4.2 Causes of Work Stress

Poor work organization. The way in which we design jobs and work systems and the way we manage them is directly related to work stress. Excessive and otherwise unmanageable demands and pressures can be caused by poor work design, poor management and unsatisfactory working conditions. Similarly, these things can result in workers not receiving sufficient support from others or not having enough control over their work and its pressures.

Research findings show that the most stressful type of work is that which values excessive demands and pressures that are not matched to workers' knowledge and abilities, where there is little opportunity to exercise any choice or control and where there is little support from others. The more the demands and pressures of work are matched to the knowledge and abilities of workers, the less likely they are to experience work stress. The more support workers receive from others at work, or in relation to work, the less likely they are to experience work stress.

The more control workers have over their work and the way they do it and the more they participate in decisions that concern their jobs, the less likely they are to experience work stress. Most of the causes of work stress concern the way work is designed and the way in which organizations are managed. Because these aspects of work have the potential for causing harm, they are called 'stress-related hazards'. The literature on stress generally recognizes nine categories of stress-related hazards and these are listed in Table I. One should keep in mind, though, that some of these hazards may not be universal or may not be considered harmful in specific cultures.

**Work Content:**

**Job Content**

- Monotonous, under-stimulating, meaningless tasks
- Lack of variety
- Unpleasant tasks
- Aversive tasks

**Workload and Work pace**

- Having too much or too little to do
- Working under time pressures

**Working Hours**

- Strict and inflexible working schedules
- Long and unsocial hours
- Unpredictable working hours
- Badly designed shift systems

**Participation and Control**

- Lack of participation in decision making
- Lack of control (for example, over work methods, work pace, working hours and the work environment)

**Work Context: Career Development, Status and Pay**

- Job insecurity
- Lack of promotion prospects
- Under-promotion or over-promotion
- Work of 'low social value'
- Piece rate payments schemes
- Unclear or unfair performance evaluation systems
- Being over-skilled or under-skilled for the job

### **Role in the Organization**

- Unclear role
- Conflicting roles within the same job
- Responsibility for people
- Continuously dealing with other people and their
- problems

### **Interpersonal Relationships**

- Inadequate, inconsiderate or unsupportive

### **Supervision**

- Poor relationships with co-workers
- Bullying, harassment and violence
- Isolated or solitary work
- No agreed procedures for dealing with problems
- or complaints

### **Organizational Culture**

- Poor communication
- Poor leadership
- Lack of clarity about organizational objectives and structure

### **Home-Work Interface**

- Conflicting demands of work and home
- Lack of support for domestic problems at work
- Lack of support for work problems at home

## **2.4.3 The effects of Work Stress Caused by work pressure**

### **a. The effect of work stress on individual**

Stress affects different people in different ways. The experience of work stress can cause unusual and dysfunctional behaviour at work and contribute to poor physical and mental health. In extreme cases, long-term stress or traumatic events at work may lead to psychological problems and be conducive to

psychiatric disorders resulting in absence from work and preventing the worker from being able to work again. When under stress, people find it difficult to maintain a healthy balance between work and personal life. At the same time, they may engage in unhealthy activities, such as smoking drinking and abusing drugs. Stress may also affect the immune system, impairing people's ability to fight infections.

When affected by work stress people may:

- become increasingly distressed and irritable
- become unable to relax or concentrate
- have difficulty thinking logically and making decisions
- enjoy their work less and feel less committed to it
- feel tired, depressed, anxious
- have difficulty sleeping
- experience serious physical problems, such as:
  - heart disease,
  - disorders of the digestive system,
  - increases in blood pressure, headaches,
  - musculo-skeletal disorders (such as low back pain and upper limb disorders)

**b. The effect of work stress on organisation**

If key staff or a large number of workers are affected, work stress may challenge the healthiness and performance of their organization. Unhealthy organizations do not get the best from their workers and this may affect not only their performance in the increasingly competitive market but eventually even their survival.

Work stress is thought to affect organizations by:

- increasing absenteeism
- decreasing commitment to work
- increasing staff turn-over
- impairing performance and productivity
- increasing unsafe working practices and accident rates

- increasing complaints from clients and customers
- adversely affecting staff recruitment
- increasing liability to legal claims and actions by stressed workers
- damaging the organization's image both among its workers and externally

#### 2.4.4 Prevention of Work Stress

There are a number of ways by which the risk of work stress can be reduced. These include:

- primary prevention, reducing stress through
- ergonomics
- work and environmental design
- organizational and management development
- secondary prevention, reducing stress through
- worker education and training
- tertiary prevention, reducing the impact of stress by
- developing more sensitive and responsive management systems and enhanced occupational health provision

The organization itself is a creator of different types of risk. Tertiary prevention in organizations places an emphasis on the provision of responsive and efficient occupational health services. Contemporary work stress management should, therefore, encompass tertiary prevention.

A good employer designs and manages work in a way that avoids common risk factors for stress and prevents as much as possible foreseeable problems.

<b>Well-designed work should include:</b>	
Clear organizational	Employees should be provided with clear
Structure	information about the structure, purpose and
Practices	practices of the organization.

Appropriate selection,	Each employee's skills, knowledge and abilities
Training and staff	should be matched as much as possible to the
Development	needs of each job.
	Candidates for each job should be assessed against that job's requirements.
	Where necessary, suitable training should be provided.
	Effective supervision and guidance is important and can help protect staff from stress.
Job descriptions	A job description will depend on an understanding of the policy, objectives and strategy of the organization, on the purpose and organization of work and on the way performance will be measured.
Job descriptions	It is important that an employee's manager and
have to be clear	other key staff are aware of the relevant details of the job and make sure that demands are appropriate.
	The better employees understand their job, the more they will be able to direct the appropriate efforts towards doing it well.
Communication	Managers should talk to their staff, listen to them and make it clear that they have been heard.
	Communication of work expectations should be comprehensible, consistent with the job

	description and complete.
	Commitments made to staff should be clear and
	Should be kept.
Social environment	A reasonable level of socializing and teamwork is often productive as it can help increase commitment to work and to the work group.

In an existing workplace it may be far from reasonable to expect all these factors to be present or introduced where they are absent. It might therefore be better to identify any mismatch between demands and pressures, on the one hand, and workers knowledge and abilities, on the other, set priorities for change and manage the change towards risk reduction.



**Fig 2.4 Work stress**

## 2.4.5 Solving Work Stress Problems

There are various strategies to solve work stress problems.

### Work Redesign

The best strategies for work redesign focus on demands, knowledge and abilities, support and control and include:

- Changing the demands of work (e.g. by changing the way the job is done or the working environment, sharing the workload differently).
- Ensure that employees have or develop the appropriate knowledge and abilities to perform their jobs effectively (e.g. by selecting and training them properly and by reviewing their progress regularly).
- Improve employees' control over the way they do their work (e.g. introduce flexi-time, job-sharing, more consultation about working practices).
- Increase the amount and quality of support they receive (e.g. introduce 'people management' training schemes for supervisors, allow interaction among employees, and encourage cooperation and teamwork).

### Stress Management Training

- Ask employees to attend classes on relaxation, time management, assertiveness training or exercise.

#### Ergonomics and Environmental Design

- Improve equipment used at work and physical working conditions.
- #### Management Development.
- Improve managers' attitudes towards dealing with work stress, their knowledge and understanding of it and their skills to deal with the issue as effectively as possible.

### Organizational Development

- Implement better work systems and management systems. Develop a more friendly and supportive culture.

There are basically three ways by which employers can detect problems early and prevent them from becoming serious. These are presented below.

Early detection and prevention of work stress-related problems:



- Regularly monitoring staff satisfaction and health.
- Making sure staff knows whom to talk to about problems.
- Knowing where to refer employees to for professional help when they appear to be experiencing real difficulties. Small businesses would perhaps refer in the first instance to their employees' General Practitioner. Larger businesses may have access to their own occupational health service or Employee Assistance Programme.

It is essential that you take steps to confirm the effectiveness of the measures you have taken to correct work stress. You should follow up your findings after a suitable period and compare them with your earlier findings and interpretation at the time of the initial assessment.

Your method of follow-up should be recorded and explained. If necessary, you may have to revise your approach to work stress problems.

### **Check your progress 3**

1. When that \_\_\_\_\_ becomes excessive or otherwise unmanageable it leads to stress.
  - a. Work pressure
  - b. Work responsibility
2. \_\_\_\_\_ work organization, which is the way we design jobs and work systems, and the way we manage them, can cause work stress.
  - a. Poor
  - b. efficient
3. The experience of \_\_\_\_\_ can cause unusual and dysfunctional behaviour at work and contribute to poor physical and mental health.
  - a. work stress
  - b. Work pressure
4. A good \_\_\_\_\_ designs and manages work in a way that avoids common risk factors for stress and prevents as much as possible foreseeable problems.
  - a. Employer
  - b. Employee
  - c.

5. In extreme cases, \_\_\_\_\_ or traumatic events at work may lead to psychological problems.
- a. long-term stress
  - b. short term stress

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## 2.5 Let Us Sum Up

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In this Unit we made a detailed discussion on conflict. Conflict can be understood as a situation in which there is a breakdown in decision making owing to irrational and / or incompatible stand taken by one or all parties concerned with decision-making. Further we even discussed the characters classes of conflict.

Further we even made a detailed discussion on change. Change is the coping process of moving from the present state to a desired state that individuals, groups and organizations undertake in response to dynamic internal and external factors that alter current realities. Just like conflict, change is inevitable in the life of an organisation. Change heralds new opportunities and poses formidable challenges.

After going through this detailed unit you would have got sufficient exposure to the topics discussed.

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## 2.6 Answers for Check Your Progress

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**Check your progress 1**

**Answers:** (1-a), (2-a), (3-a)

**Check your progress 2**

**Answers:** (1-a), (2-a), (3-a), (4-a)

**Check your progress 3**

**Answers:** (1-a), (2-a), (3-a), (4-a), (5-a)

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## **2.7 Glossary**

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1. **Stress** - Stress is simply a reaction to a stimulus that disturbs our physical or mental equilibrium.

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## **2.8 Assignment**

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What do you understand by conflict and why does it arise?

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## **2.9 Activities**

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What is a change and why does it occurs?

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## **2.10 Case Study**

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Why is it important to manage conflict in an organisation?

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## **2.11 Further Readings**

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1. Organizational Behavior – by Stephen Robins – Prentice Hall Publications
2. Organizational Behavior – by K. Ashwathappa – Himalaya Publishing
3. Organizational Behavior – by L. M. Prasad – Sultan Chand Publications
4. Organizational Behavior – by Suja Nair – Sultan Chand Publications

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## **Block Summary**

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In this block we have discussed few of the very important topics of organisation behaviour. In this block we discussed the motivation as well as leadership. Motivation is the art of boosting energy in a person so that he works to attain the organizational goal. On the other hand Leadership refers to the process of influencing others; it follows enthusiastically towards realization of shared goals. Influence is a two- way process. The leader influences and is influenced by followers. Among the theories of leadership, the most discussed theory is traits theory. According to this theory a successful leader is said to possess biological, psychological and social qualities. Next are the behaviour theories which focus on what the leaders do while influencing the behaviour of sub- ordinates. Contingency theories and the path goal model stress on the fact that leadership effectiveness depends on situations.

This block proved to be of great help for the readers understanding the topics of the subject which are considered to be very important not only for the curriculum but for an organisation in its effective functioning.

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## **Block Assignment**

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### **Short Answer Questions**

1. Motivation
2. Leadership
3. Conflict
4. Change
5. Change management

### **Long Answer Questions**

1. Discuss motivation and its need in an organisation.
2. Discuss the role of a leader in the attainment of objectives in an organisation.
3. Discuss how you will manage stress in your organisation?

**Enrolment No.**

1. How many hours did you need for studying the units?

Unit No	1	2	3	4
Nos of Hrs				

2. Please give your reactions to the following items based on your reading of the block:

Items	Excellent	Very Good	Good	Poor	Give specific example if any
Presentation Quality	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
Language and Style	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
Illustration used (Diagram, tables etc)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
Conceptual Clarity	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
Check your progress Quest	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____
Feed back to CYP Question	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	_____

3. Any Other Comments

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“

*Education is something  
which ought to be  
brought within  
the reach of every one.*

”

- Dr. B. R. Ambedkar



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