

**Centre for Distance & Online Education  
(CDOE)**

**BACHELOR OF COMMERCE**

**BCOM 205**

**ORGANISATIONAL BEHAVIOUR**



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<b>Subject: Management Concepts and Organizational Behaviour</b>	
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<b>Lesson No. 1</b>	

## **ORGANISATIONAL BEHAVIOUR; CONCEPT, DETERMINANTS, CHALLENGES, OPPORTUNITIES AND CONTRIBUTING DISCIPLINES TO OB**

### **STRUCTURE**

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## **1.0 LEARNING OBJECTIVES**

After going through this lesson, you should be able to:

- Define the meaning of Organizational Behavior and state its nature and scope.
- Explain the basic approaches to Organizational Behavior.
- Describe the contributing disciplines to Organizational Behavior.
- List out the challenges and opportunities for Organizational Behavior.
- Make an analysis of models of Organizational Behavior.

## **1.1 INTRODUCTION**

The success of every organization depends upon the efficiency and effectiveness of the management and the effectiveness of the management depends primarily on its human skills and how well it understands the needs and desires of the people. Organizational behavior actually refers to the behavior of the people in the organizations because organizations themselves do not behave. It is an accepted fact that an organization can develop only when its people are developed. Organizational behavior is a field of study that investigates the impact that individuals, group and structure have on behavior within organizations. It covers three determinants of behavior within organizations – individuals, group and structure. It is an applied field because it applies the knowledge gained about individuals, and the effect of structure on behavior, in order to make organizations work more effectively. Organizational behavior is an academic discipline concerned with describing, understanding, predicting and controlling human behavior in an organizational environment.

The importance and scope of Organizational Behavior and their study is growing rapidly due to changing cultural, ethical and business environment of Organization. Manager should concentrate on employee's nature, reaction and response to different situations of organization which are becoming an important part in today's scenario. The present day changing conditions like fast paced organizational change, fast changing technology, shorter life cycles for products work force diversity, declining loyalty, skill deficiencies increased demand for flexibility, continuous improving quality of people in organizations. Organizations have been described as groups of people who interact to accomplish shared objectives. The study of organizational behavior and its connected subjects help us to understand what people think, feel and do in organizational settings. Organizational behavior is the study of how people behave both individually and within informal and formal groups. Every organization's



performance is ultimately dependent on the motivational levels of its human resources and the willingness and ability of people to work harmoniously and effectively towards the accomplishment of shared goals. In this discipline, we will explore and examine the interrelationships of individual personality and work, the characteristics of organizations and their environments and the challenges presented by the ever-changing combination of these factors. Organizational Behavior helps to understand different activities and actions of people in organization. It also helps to motivate them. People, Environment, Technology and structure are the main four elements of organizational behavior. Simply the scope of this mix is the scope of Organizational Behavior.

## **1.2 CONCEPTS OF ORGANIZATIONAL BEHAVIOUR**

### **1.2.1 DEFINITION OF ORGANIZATIONAL BEHAVIOUR**

Organizational Behavior is concerned with the study of human behavior at work. It is the field of study that investigates the impact that individuals, groups and structure have on behavior within organization. It is the study and application of knowledge about how people act within organizations. It is a human tool for human benefit. It applies broadly to the behavior of people in all types of organizations, such as business, government, schools and services organizations. It covers three determinants of behavior in organizations: individuals, groups, and structure. OB is an applied field. It applies the knowledge gained about individuals, and the effect of structure on behavior, in order to make organizations work more effectively. OB covers the core topics of motivation, leadership behavior and power, interpersonal communication, group structure and process, learning, attitude development and perception, change process, conflict, job design and work stress.

Organizational Behavior is the study of human behavior in the workplace, the interaction between people and the organization, and the organization itself. Keith Davis and John Newstrom (1985) has defined O.B. as "the study and application of knowledge how people act or behave within organization. It is a human tool for human benefit. It applies broadly to the behavior of people in all types of organizations such as business, government, schools and service organizations." In the opinion of Robbins, "O.B. is a field of study that investigates the impact that individuals, groups and structure have on behavior within organizations for the purpose of applying such knowledge towards improving an organization's effectiveness".



Organizational behavior in the words of Keith Davis may be defined as "Organizational behavior is the study and application of knowledge about human behavior in organizations as it relates to other system elements, such as structure, technology and the external social system. To sum up, O.B. is concerned with the study of how and what people act in organizations and also how their acts affect the performance of the organization. It also applies the knowledge gained about individuals, groups and the effect of structure on human behavior in order to make organizations work more effectively.

Organizational behavior is a field of study that investigates the impact that individuals, groups and structure have on behavior within organizations, for the purpose of applying such knowledge toward improving an organization's effectiveness. An organization is a collection of people who work together to achieve a wide variety of goals, both goals of the various individuals in the organization and goals of the organization as a whole. Organizations exist to provide goods and services that people want. These goods and services are the products of the behaviors of workers. Organizational behavior is the study of the many factors that have an impact on how individuals and groups respond to and act in organizations and how organizations manage their environments. Although many people assume that understanding human behavior in organizations is intuitive, many commonly held beliefs about behavior in organizations, such as the idea that a "happy worker is a productive worker," are either entirely false or true only in specific situations. The study of organizational behavior provides a set of tools—concepts and theories—that help people understand, analyze and describe what goes on in organizations and why. How do the characteristics of individuals, groups, work situations and the organization itself affect how members feel about their organization? The ability to use the tools of organizational behavior to understand behavior in organizations is one reason for studying this subject. A second reason is to learn how to apply these concepts, theories and techniques to improve behavior in organizations so that individuals, groups and organizations can achieve their goals. Managers are challenged to find new ways to motivate and coordinate employees to ensure that their goals are aligned with organizational goals.

### **1.2.2 HISTORY OF ORGANIZATIONAL STUDY**

The Greek philosopher Plato wrote about the essence of leadership. Aristotle addressed the topic of persuasive communication. The writings of 16th century Italian philosopher Niccolo Machiavelli laid the foundation for contemporary work on organizational power and politics. In 1776, Adam Smith



advocated a new form of organizational structure based on the division of labor. One hundred years later, German sociologist Max Weber wrote about rational organizations and initiated discussion of charismatic leadership. Soon after, Frederick Winslow Taylor introduced the systematic use of goal setting and rewards to motivate employees. In the 1920s, Australian-born Harvard professor Elton Mayo and his colleagues conducted productivity studies at Western Electric's Hawthorne plant in the United States. Though it traces its roots back to Max Weber and earlier, organizational studies are generally considered to have begun as an academic discipline with the advent of scientific management in the 1890s, with Taylorism representing the peak of this movement. Proponents of scientific management held that rationalizing the organization with precise sets of instructions and time- motion studies would lead to increased productivity. Studies of different compensation systems were carried out.

After the First World War, the focus of organizational studies shifted to analysis of how human factors and psychology affected organizations, a transformation propelled by the identification of the Hawthorne Effect. This Human Relations Movement focused on teams, motivation and the actualization of the goals of individuals within organizations. The Second World War further shifted the field, as the invention of large-scale logistics and operations research led to a renewed interest in rationalist approaches to the study of organizations. Interest grew in theory and methods native to the sciences, including systems theory, the study of organizations with a complexity theory perspective and complexity strategy. Influential work was done by Herbert Alexander Simon and James G. March and the so-called "Carnegie School" of organizational behavior. In the 1960s and 1970s, the field was strongly influenced by social psychology and the emphasis in academic study was on quantitative research. An explosion of theorizing, much of it at Stanford University and Carnegie Mellon, produced Bounded Rationality, Informal Organization, Contingency Theory, Resource Dependence, Institutional Theory and Organizational Ecology theories, among many others. Starting in the 1980s, cultural explanations of organizations and change became an important part of study. Qualitative methods of study became more acceptable, informed by anthropology, psychology and sociology. A leading scholar was Karl Weick.

### **Specific Contributions**



Frederick Winslow Taylor (1856-1915) was the first person who attempted to study human behavior at work using a systematic approach. Taylor studied human characteristics, social environment, task, physical environment, capacity, speed, durability, cost and their interaction with each other. His overall objective was to reduce and/or remove human variability. Taylor worked to achieve his goal of making work behaviors stable and predictable so that maximum output could be achieved. He relied strongly upon monetary incentive systems, believing that humans are primarily motivated by money. He faced some strong criticism, including being accused of telling managers to treat workers as machines without minds, but his work was very productive and laid many foundation principles for modern management study. Mary Parker Follett was a pioneer management consultant in the industrial world. As a writer, she provided analyses on workers as having complex combinations of attitude, beliefs and needs. She told managers to motivate employees on their job performance, a "pull" rather than a "push" strategy.

Douglas McGregor proposed two theories/assumptions, which are very nearly the opposite of each other, about human nature based on his experience as a management consultant. His first theory was "Theory X", which is pessimistic and negative; and according to McGregor it is how managers traditionally perceive their workers. Then, in order to help managers, replace that theory/assumption, he gave "Theory Y" which takes a more modern and positive approach. He believed that managers could achieve more if they start perceiving their employees as self-energized, committed, responsible and creative beings. By means of his Theory Y, he in fact challenged the traditional theorists to adopt a developmental approach to their employees. He also wrote a book, 'The Human Side of Enterprise', in 1960; this book has become a foundation for the modern view of employees at work. Organizational behavior is currently a growing field. Organizational studies departments generally form part of business schools, although many universities also have industrial psychology and industrial economics programs.

### **1.2.3 KEY ELEMENTS OF ORGANISATIONAL BEHAVIOUR**

There are four key elements in organizational behavior. Each of the four elements of organizational behavior will be considered briefly:

#### **1. People**

People make up the internal social system of the organization. They consist of individuals and groups, and large groups as well as small ones. People are the living, thinking, feelings beings who created the



organizations. It exists to achieve their objectives. Organizations exist to serve people. People do not exist to serve organizations. The work force is one of the critical resources that need to be managed. In managing human resources.

## **2. Structure**

Structure defines the official relationships of people in organizations. Different jobs are required to accomplish all of an organization's activities. There are managers and employees, accountants and assemblers. These people have to be related in some structural way so that their work can be effective. The main structure relates to power and to duties. For example, one person has authority to make decisions that affect the work of other people.

## **3. Technology**

Organizations have technologies for transforming inputs and outputs. These technologies consist of physical objects, activities and process, knowledge, all of which are brought to bear on raw materials, labour and capital inputs during a transformation process. The core technology is that set of productive components most directly associated with the transformation process.

## **4. Environment**

All organizations operate within an external environment. A single organization does not exist alone. It is part of a larger system that contains thousands of other elements. All these mutually influence each other in a complex system that becomes the life style of the people. Individual organization, such as a factory or school cannot escape from being influenced by this external environment. It influences the attitudes of people, affects working conditions, and provides competition for resources and power. Every organization interacts with other members of its environment. The interactions allow the organization to acquire raw material, hire employees, secure capital, obtain knowledge, and build, lease or buy facilities and equipment. Since the organization process a product or service for consumption by the environment, it will also interact with its customers.

### **1.2.4 BASIC APPROACHES OF ORGANISATIONAL BEHAVIOR**

**i) An Interdisciplinary Approach:** It is integrating many disciplines. It integrates social sciences and other disciplines that can contribute to the Organizational Behavior. It draws from these disciplines any ideas that will improve the relationships between people and organization. Its interdisciplinary nature is



similar to that of medicine, which applies physical, biological and social science into a workable medical practice. Organizations must have people, and people working toward goals must have organizations, so it is desirable to treat the two as a working unit.

**ii) Scientific Management Approach:** The fundamental concern of the scientific management school was to increase the efficiency of the worker basically through good job design and appropriate training of the workers. Taylor is the father of the scientific management movement and he developed many ideas to increase organizational efficiency. Taylor showed that through proper job design, worker selection, employee training and incentives, productivity can be increased. The scientific management school advocated that efficiency can be attained by finding the right methods to get the job done, through specialization on the job, by planning and scheduling, by using standard operating mechanisms, establishing standard times to do the job, by proper selection and training of personnel and through wage incentives.

**iii) A Human Resources (Supportive) Approach:** It is a developmental approach concerned with the growth and development of people toward higher levels of competency, creativity and fulfillment, because people are the central resource in any organizations and any society. It helps people grow in self-control and responsibility and then it tries to create a climate in which all employees may contribute to the limits of their improved abilities. It is assumed that expanded capabilities and opportunities for people will lead directly to improvements in operating effectiveness. Work satisfaction will be a direct result when employees make fuller use of their capabilities. Essentially, the human resources approach means that better people achieve better results.

**iv) A Contingency Approach:** Traditional management relies on one basic principle – there is one best way of managing things and these things can be applied across the board in all the instances. The situational effect will be totally ignored in this traditional management. Situations are much more complex than first perceived and the different variables may require different behavior which means that different environments required different behavior for effectiveness. Each situation must be analyzed carefully to determine the significant variables that exist in order to establish the kinds of practices that will be more effective.

**v) A Systems Approach:** This implies that organization consists of many inter related and inter dependent elements affecting one another in order to achieve the overall results. Conceptually a system



implies that there are a multitude of variables in organization and that each of them affects all the others in complex relationships. An event that appears to affect one individual or one department actually may have significant influences elsewhere in the organization. Systems theorists describe the organization as “open to its external environment”, receiving certain inputs from the environment such as human resources, raw materials etc., and engaging in various operations to transform those raw materials into a finished products and finally turning out the “outputs” in its final form to be sent to the environment. The organization, since it is open to the environment, also receives feedback from the environment and takes corrective action as necessary.

### 1.2.5 NATURE AND SCOPE OF ORGANIZATIONAL BEHAVIOUR

Organizational behavior has emerged as a separate field of study. The nature it has acquired is identified as follows:

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

**2. An Interdisciplinary Approach:** Organizational behavior is essentially an interdisciplinary approach to study human behavior at work. It tries to integrate the relevant knowledge drawn from related disciplines like psychology, sociology and anthropology to make them applicable for studying and analyzing organizational behavior.

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

**4. A Normative Science:** Organizational Behavior is a normative science also. While the positive science discusses only cause effect relationship, O.B. prescribes how the findings of applied researches can be applied to socially accepted organizational goals. Thus, O.B. deals with what is accepted by individuals and society engaged in an organization.



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

**6. A Total System Approach:** The system approach is one that integrates all the variables, affecting organizational functioning. The systems approach has been developed by the behavioral scientists to analyze human behavior in view of his/her socio-psychological framework. Man's socio-psychological framework makes man a complex one and the systems approach tries to study his/her complexity and find solution to it.

## SCOPE OF ORGANIZATIONAL BEHAVIOUR

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

**1. People:** The people constitute the internal social system of the organization. They consist of individuals and groups. Groups may be large or small, formal or informal, official or unofficial. They are dynamic. They form, change and disband. Human organization changes every day. Today, it is not the same as it was yesterday. It may change further in the coming days. People are living, thinking and feeling beings who created the organization and try to achieve the objectives and goals. Thus, organizations exist to serve the people and not the people exist to serve the organization. Organizations are the associations of individuals. Individuals differ in many respects. The study of individuals, therefore, includes aspects such as personality, perception, attitudes, values, job satisfaction, learning and motivation

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



are so related to each other to accomplish the goal in a coordinated manner. Thus, structure relates to power and duties. One has the authority and others have a duty to obey him.

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

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

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

### NEED FOR THE KNOWLEDGE OF OB

- Organizational behavior studies the factors that impact individual and group behavior in organizations and how organizations manage their environments. Organizational behavior provides a set of tools—theories and concepts—to understand, analyze, describe and manage attitudes and behavior in organizations.
- The study of organizational behavior can improve and change individual, group and organizational behavior to attain individual, group and organizational goals.
- Organizational behavior can be analyzed at three levels: the individual, the group and the organization as a whole. A full understanding must include an examination of behavioral factors at each level.
- A manager's job is to use the tools of organizational behavior to increase effectiveness, an organization's ability to achieve its goal. Management is the process of planning, organizing,



leading and controlling an organization's human, financial, material and other resources to increase its effectiveness.

As a manager, the teachings of OB can significantly increase one's personal sensibilities and outlook on these attributes:

**1. Working with people from different cultures:** What might seem motivating to a manager might not appeal to his workforce at all. Or a manager's style of communication may be straightforward, but the workforce may find it threatening and uncomfortable. As a manager one must learn how to adapt his managerial style to their cultural, geographic and religious disparities.

**2. Workforce diversity:** Organizations are increasingly becoming a more heterogeneous mix of people in terms of gender, race, age, ethnicity and sexual orientation. No longer can these disparities and clichés be ignored, these people are in the real world educated and ready to work. So managers must recognize the fact that they don't leave their lifestyles, cultural values and perception at home, so we as managers must learn to accommodate this diverse group of people by addressing their different lifestyles, family needs and work styles.

**3. Customer Service:** Many an organization has failed because its employees failed to please its customers. Management needs to create a customer-responsive culture. OB can provide considerable guidance in helping managers create such cultures- cultures in which employees are friendlier and courteous, accessible, knowledgeable and prompt in responding to customer needs, in order to please the patron.

**4. Ethics:** Today's manager needs to create an ethically healthy climate for his employees, where they can work productively and confront a minimal level of uncertainty regarding what constitutes right and wrong behavior. Organizational behavior is the path to understanding how elements of the work place fall into place. As a nascent manager one can develop the self with the help of these learning's and partake in managerial roles confidently.

### **1.2.6 CONTRIBUTING DISCIPLINES TO ORGANIZATIONAL BEHAVIOUR**

Organizational behavior is an applied behavioral science that is built upon contributions from a number of behavioral disciplines. The predominant areas are:

#### **Psychology**



Psychology is the science that seeks to measure, explain and sometimes change the behavior of humans and other animals. Valuable contributions are made by psychologists to the field of Organizational behavior. Many of the theories dealing with personality, attitude, learning, motivation and stress have been applied in Organizational Behavior to understand work related phenomena such as job satisfaction, commitment, absenteeism, turnover and worker well-being. Understanding the psychological principles helps in gaining the knowledge of determinants of Individual behavior such as learning process, motivation techniques, personality determinants and personality development, perceptual process and its implications, training process, leadership effectiveness, job satisfaction, individual decision making, performance appraisal, attitude measurement, employee selection, job design and work stress.

### **Sociology**

Sociologists study the social system in which individuals fill their roles; that is, sociology studies people in relation to their fellow human beings. Sociologists studying the structure and function of small groups within a society have contributed greatly to a more complete understanding of behavior within organizations. They focus on studying the social systems in which individual fill their roles. The focus of attention is centered on group dynamics. Sociologists concepts, theories, models and techniques help significantly to understand better the group dynamics, organizational culture, formal organization theory and structure, organizational technology, bureaucracy, communications, power, conflict and inter-group behavior.

### **Social Psychology**

An area within psychology that blends concepts from psychology and sociology and that focuses on the influence of people on one another. Social psychologists contribute to measuring, understanding and changing attitudes; identifying communication patterns; and building trust. They have also made important contributions to the study of group behavior, power and conflict.

### **Anthropology**

The study of societies to learn about human beings and their activities. Anthropologists work on cultures and environments has helped to understand the differences in fundamental values, attitudes and behavior between people in different countries and within different organizations. Much of the current understanding of organizational culture, organizational environments and differences among national cultures is a result of the work of anthropologists or those using their methods.



### 1.2.7 CHALLENGES AND OPPURTUNITIES FOR OB

Modern organizations are deeply affected by the external environment. These need to maintain a good fit with their external environment by continuously monitoring and adjusting to the changes over the past decade and decade to come are more profound than others. Some critical OB issues confronting the managers today are as follows:

#### 1. Managerial challenges

**a. Workforce diversity.** Organizations are becoming more heterogeneous in terms of gender, race and ethnicity. There can be employees who are physically handicapped, lesbians, gays, elderly or others who are different in some way or others. The managers must learn to respect the diversity. They have to shift their philosophy from treating everyone alike to recognizing differences and responding to those differences in a way that will ensure employee retention and greater productivity while at the same time not discriminating. An increasingly diverse workforce presents both opportunities and challenges for the organizations. If diversity is not properly managed, it can lead to higher employee turnover, more difficult communications and more interpersonal conflicts.

**b. Changing demographics of workforce.** It includes dual career couples, where both partners are actively pursuing professional careers. They limit the individual flexibility in accepting important assignments and this hinders the organizational flexibility in acquiring and developing talent.

**c. Growing number of youngsters.** These employees are fresh, ambitious, enthusiastic and innovative. These people do not “Live to work but work to Live” choosing a life that they want to have as opposed to just bringing home a pay check.

**d. Gender factor.** Women gradually moved into professions previously dominated by male and in the same way men also moved to professions previously dominated by females. These developments have their own implications for human resource managers in organizations.

#### 2. Workplace issues and challenges

**a. Employee Privacy.** Employers have stated to intrude and encroach into the personal lives of the employees. Managers need to be very sensitive to this issue since this trend creates resentment among employees.



**b. Employee rights.** It involves controversies involve issues associated with job ownership and individual rights while at work.

**c. Unionism.** Recently union membership has been steadily declining. As a result, organizations carry the burden of providing services to the employees which were previously provided by the union. Organizations need to take extra precautions to ensure that workers are treated fairly, otherwise, union membership will start increasing once again.

**d. Changed Employee expectations.** Traditional motivators like job security, attractive pay, additional perks etc. do not attract present day employees and they demand empowerment, and expect quality of status with the management. Participative management instead of authoritative leadership, flexi-timings, opportunities to work from home, leading by example are the more recent trends.

### **3. Organizational challenges**

**a. Improving quality and productivity.** Due to the changed circumstances [LPG] managers have to think seriously about improving the quality and productivity measures like Total Quality Management [TQM] and Reengineering Program. TQM is a philosophy of management for attainment of customer satisfaction through the continuous improvement of all organizational processes. Reengineering means radically thinking and redesigning those processes by which they create value for customers and do their work.

**b. Managing technology and innovations.** Success will come only to those organizations that maintain their flexibility continually improve their quality and out beat their competitors with innovative products and services. The challenge for managers is to stimulate employee creativity and tolerance for change

**c. Coping with temporariness.** The concept of continuous improvement means constant change. Managers face a stage of permanent temporariness. The actual jobs that workers perform are in a state of flux they have to continuously update their knowledge and skills to perform new job requirements.

**d. Ethical behavior.** It is the duty of managers to create an ethically healthy climate for their employees, where they can do their work productively and with clean conscience. Social responsibility is the organizational, obligation to protect and contribute to social environment with which they functions



#### 4. Global Challenges

**a. Managing global environment.** Internationalism of business has transformed the world into a global village. Managers have to cope with this internationalism and must change to acquire a global perspective

**b. Managing cultural diversity.** Managers in India as well as abroad has to work with people from other countries having different cultures. They have to work effectively with these people and understand their culture and learn to adapt management styles to these different cultures.

#### 5. Environment Challenges

**a. Ecology.** It is concerned with the relationship of living things with their environment. Every organization must face the challenge to maintain and even create ecological standards

**b. Air, Water and soil Pollution.** The general concept recommended nowadays is that development should be sustainable in the long run and every project should cater to maintain if not mend the direct harm to the environment resulting from the development measures.

**c. Personnel Policies.** It must not be discriminatory towards any particular caste, creed, religion, sex or nationality. There should be equal pay for equal work.

**d. Consumerism.** It calls for a revised marketing concept. Marketing concept has to be broadened to include societal marketing concept, where the long run consumer welfare is important.

**e. Research and development.** To keep pace with global challenges, the organizations must take technical and scientific research.

**f. International and National Economic Policies.** The organizations must keep in mind the International as well as National Legislations as well as the rising inflationary trends.

### 1.3 MODELS OF ORGANIZATIONAL BEHAVIOR

#### 1. AUTOCRATIC MODEL

This model depends on power. The manager has the power to demand “you do this or else” and an employee who does not follow orders is punished. The manager has formal, official, authority over employees. This model assumes that employees have to be directed and pushed into doing the work. In this model, management does the thinking, employees obey orders and depend on the manager.



Employees are tightly controlled. The manager can hire, fire and perspire them. Employees may obey managers but employees may not respect management.

Typically, employees receive minimum pay for minimum expected performance. Employees may have lower skills. Often, employees work in the authority model because they have to provide subsistence for themselves and their families.

Its weakness is that it leads to micro-management. With micro management, managers control all details of daily operations. Managers control time and processes, they put their needs above those of employees, they insist on complicated approval processes for even the smallest things and closely monitor all results.

The problem with the autocratic model and micro management is that it leads to low employee morale, poor decision-making (no one will make a decision because he/ she is afraid of the decision being over turned) and high turnover. As well, employees kept quiet about hating the workplace, they certainly made their feelings known at home and in the community. This model can get things done but it has high human costs. It can be useful in crisis situations, within armies or with short-term employees.

## **2. CUSTODIAL MODEL**

In the late 1800's, employers realized that employees might work better if their basic needs more satisfied, if they were more secure and had a better quality of work life. This was called paternalism-taking care of employees by providing them with benefits to meet their security needs. The custodial approach depends on economic resources – money for wages and benefits - to motivate employees. The company has to have enough money to cover these costs. By the 1930's most employers were offering welfare program for example, housing, medical care and insurance, fewer working hours sick pay, pensions and paid vacation time off.

The problem with the custodial model is that it leads to dependence on the organization by the employee because of the security offered. Employees do not want to leave the organization, not so much because they like the job, but because they like or depend on the benefits that go with it. They cannot afford to quit. In this model, employees may focus on economic rewards. They may be reasonable content, but may not be highly motivated – just passively cooperative. Companies that adopt the custodial approach normally have a lower staff turnover. However, employees do not produce their



best work and are not motivated to grow to their full potential. The custodial model is a good foundation for organizations to grow to the next approach.

### 3. SUPPORTIVE MODEL

It depends on leadership, not authority or money. Through leadership, managers provide a work situation in which employees can develop. The supportive model assumes that employees want to work and will take responsibility. Employees are encouraged to be involved in the organization. Employees are more strongly motivated because their status and recognition needs are better met than with earlier models.

The supportive approach is not about money, but about the way people are treated at work. A supportive manager helps employees solve problems and accomplish their work. However, some managers may *agree* with the model but *not actually practice it* at work.

This model is followed widely, especially in the West, because it responds to employee drives for complex needs. It is especially useful in production work places. Employees in developing countries are aware of management practices around the world and are demanding more modern approaches.

### 4. COLLEGIAL MODEL

Collegial means people working together cooperatively. In this model, management builds a feeling of partnership with employees. The environment is open and people participate. The collegial model is about team work. Managers are coaches to help build better teams. Employees are responsible – they feel obliged to others on the team to produce quality work. Employees must be self-disciplined. Many employees feel satisfied that they are making a worthwhile contribution. This leads to self-actualization and moderate enthusiasm in the way they perform. The collegial model is especially useful for creative work, like marketing or communications or in thinking environments, like education or planning.

### 5. THE SYSTEM MODEL

This is the most recent model. In this model, people want more than money, job security and cooperative teams. Employees today want trust, an ethical workplace, managers who show care and compassion and a workplace that has a sense of community.



The system model focuses on identifying developing and managing the strengths within employees. Managers focus on helping employees develop feelings of hope, optimism, self-confidence, empathy, trustworthiness, esteem, courage, efficacy and resiliency.

In the system model, managers protect and nurture their employee to develop a positive workplace culture which leads to organizational success and committed employees. Both managers and employees need social intelligence in this model with managers as facilitators.

In the system model, managers and employees see the mutual benefits and obligations they share in the complex system (the organization). Everyone has psychological ownership for the organization, its products and services. Everyone feels possessive, responsible and at home in the organization. Employees can reach a state of self-motivation. Their highest order needs are met. They have passion and commitment to organizational goals, not just their own personal wants and needs.

#### FIVE MODELS OF ORGANIZATIONAL BEHAVIOR

	<b>Autocratic</b>	<b>Custodial</b>	<b>Supportive</b>	<b>Collegial</b>	<b>System</b>
Based on	Power	Economic resources	Leadership	Partnership	Trust, sharing
Managerial orientation	Authority	Money	Support	Teamwork	Caring, compassion
Employee orientation	Obedience	Security and benefits	Job performance	Responsible behaviour	Psychological ownership
Employee psychological result	Dependence on loss	Dependence on organization	Participation	Self-discipline	Self-motivation
Employee needs met	Subsistence (survival)	Security	Status and recognition	Self-actualization	Wide range
Performance result	minimum	Passive cooperation	Awakened drives	Moderate enthusiasm	Passion and commitment to organisational goals



Models have changed over time. The choice of model depends on employee needs and the situation. Any of the models work in some situations. There is a trend toward the newer models. The Model used depends on the knowledge and skills of managers, the expectations of employees, the policies and ways of life in the organization and the nature of the work e.g. low skilled, high programmed work, temporary work, or intellectual work.

#### 1.4 CHECK YOUR PROGRESS

1. Organizational behavior is a field of study that investigates the impact that -----, group and ----- have on behavior within organizations.
2. ----- was the first person who attempted to study human behavior at work using a systematic approach.
3. ----- are the living, thinking, feelings beings who created the organizations.
4. ----- defines the official relationships of people in organizations.
5. ----- is the study of human behavior at work in organizations.

#### 1.5 SUMMARY

Organizational Behavior is the study and application of knowledge about how people as individuals and groups act in an organization. The main objective of Organizational Behavior is to make managers more effective and accurate at describing, understanding, predicting and controlling human resources at work. Organizational Behavior, being an interdisciplinary subject, draws heavily from other behavioral sciences. Many factors pose challenges and offer opportunities to the Organizational Behavior. Now, Organizational Behavior managers need to understand better and more about human behavior than before to make organizations run effectively.

#### 1.6 KEYWORDS

**Organizational Behavior:** It is concerned with the study of human behavior at work.

**People:** People consist of individuals and groups.

**Ecology.** It is concerned with the relationship of living things with their environment.

**Anthropology:** The study of societies to learn about human beings and their activities.

**Social System:** Social system provides external environment which the organization operates.

#### 1.7 SELF ASSESSMENT TEST



1. Define Organizational Behavior. What is its scope?
2. What is the need for studying Organizational Behavior?
3. What are the major challenges facing today's organizations and management? Discuss.
4. Describe how Organizational Behavior is an inter-disciplinary subject.
5. Discuss the various Organizational Behavior Models and the situations under which each of these can be effective.

### **1.8 ANSWER TO CHECK YOUR PROGRESS**

1. Individuals, structure
2. Frederick Winslow Taylor (1856-1915)
3. People
4. Structure
5. Organizational behavior

### **1.9 REFERENCES/SUGGESTED READINGS**

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6. Richard L. Daft, "Organizational Theory and Design".



<b>Subject: Management Concepts and Organizational Behaviour</b>	
<b>Course Code: BCOM 205</b>	<b>Author: Prof. M. C. Garg</b>
<b>Lesson No. 2</b>	

## INDIVIDUAL BEHAVIOUR

### STRUCTURE

- 2.0 Learning Objectives
- 2.1 Introduction
- 2.2 Concept of Behaviour
  - 2.2.1 Behaviour: Caused or Autonomous
  - 2.2.2 Process of Behaviour
  - 2.2.3 Management Implications of Individual
  - 2.2.4 Foundations of Individual Behaviour
  - 2.2.5 Individual Behaviour
  - 2.2.6 Factors Causing Individual Differences
  - 2.2.7 Implications of Individual Differences
- 2.3 Check Your Progress
- 2.4 Summary
- 2.5 Keywords
- 2.6 Self-Assessment Test
- 2.7 Answer to Check Your Progress
- 2.8 References/Suggested Readings

### 2.0 LEARNING OBJECTIVES

After reading this lesson, you should be able to:



- Define behaviour and explain the process of behaviour.
- Describe the managerial implications of individual behaviour.
- Explain the factors causing individual differences.
- Enumerate the implications of individual differences.

## **2.1 INTRODUCTION**

All organisations are composed of individuals with varied backgrounds, skills, experiences, aspirations and attitude. One reason why we need to study human behaviour is that individuals are different and unique. They respond to different situations and events in a different manner. Sometimes, they are motivated by money; at other times, they are not. Not everyone demands a challenging job. A friendly boss may get results from people on most occasions; yet, he may fail to get things done when people perceive him to be soft and dependent. Certainly, there are differences between individuals, which need to be examined closely, in order to design appropriate human resource policies and strategies.

## **2.2 CONCEPT OF BEHAVIOUR**

Behaviour is what a person does. More precisely, it is defined as the observable and measurable activity of human beings. This is known as overt behaviour. Activities that qualify under this category show great variation; these may be in the form of mental process like decision making, or in the form of physical process like handling a machine. There is another aspect of behaviour which is non-observable or measurable, known as covert behaviour like feelings, attitude formation–favourable or unfavourable, perception formation, etc. The covert behaviour is a significant part of the total behaviour because it shapes and influences overt behaviour. Thus, understanding of the total behaviour is important.

### **2.2.1 BEHAVIOUR: CAUSED OF AUTONOMOUS**

Behind the proposition that managers must understand human behaviour is the assumption that it is orderly, not arbitrary; systematic, not random. It is the assumption that human behaviour is caused, therefore, can be motivated and directed. Only if there are reliable cause-effect relationships in the human behaviour does it make sense to talk of understanding and predicting human behaviour. Thus, human behaviour can be understood easily if causes behind the behaviour are analysed and can be controlled by manipulating these causes. Closely related to the proposition that behaviour is caused is the notion of human behaviour as a part of a naturalistic system. One person's behaviour is caused by



several factors both lying within himself and outside him, that is, the total environment of which he is a part. Thus, he is affected by others' behaviour and also affects others' behaviour. It suggests that human beings are not self-contained entities but are affected by large systems—group, family, society, etc. The concept of causality is important to the managers who must predict organizational behaviour as a basis for managerial action.

There is the antithesis of the notion that behaviour is caused. This is the assumption that human behaviour is autonomous. This assumption is taken from the cultural values. The idea is that individual is an autonomous moral agent whose behaviour is interpretable in terms of good or bad in the context of cultural values. For example, in legal cases, we do not go beyond suggesting that a person's behaviour is bad and can be placed under crime. The behaviour, thus, may be spontaneous though within the limits of cultural values. The implications of this issue have occupied philosophers for centuries. Thus, in organizational behaviour, the real implication of two alternatives may be quite different. If a manager believes in the naturalistic system of cause and effect relationships, he is likely to begin with the question of 'what is', rather than, 'what should be', and based on an analysis of cause and effect relationships, he predicts 'what will be'. Another manager who takes behaviour as autonomous and interprets it in moral terms is likely to take a single cause factor. Thus, he is likely to interpret the bad performance in the organization due to a single factor like legal proposition and may take reward and punishment action accordingly. The above discussion brings two implications for understanding human behaviour.

1. The human behaviour should be taken in terms of cause and effect relationships, and not in philosophical terms. The managers can better be able to intervene and direct organizational processes towards the accomplishment of specific goals if they go far deeper in analyzing the causes of human behaviour.
2. Though they can go for deeper analysis for human behaviour, the accuracy in the predictability of human behaviour is at best a relative matter. Human behaviour, regardless of context, is not perfectly predictable because it is affected by large number of variables and each variable itself is quite complex and subject to change. At best, a manager can generalize to a limited extent and in many cases, he has to act on the basis of partial information. This is the real art of managing.

### **2.2.2 PROCESS OF BEHAVIOUR**



If we assume that behaviour is caused, and this assumption is true, behaviour takes place in the form of a process. Based on the analysis of behaviour process over the period of time, three models of behaviour process have been developed. These are S-R model, S-O-R model, and S-O-B-C model.

### **S.R Model**

S-R model of human behaviour suggests that the behaviour is caused by certain reasons. The reasons may be internal feeling (motivation) and external environment (stimulus). A stimulus is an agent, such as heat, light, piece of information, etc. that directly influences the activity of an organism (person). Without the stimulus, there is no information to be handled by the internal processes prior to action taken by the person. It implies that his behaviour is determined by the situation. Inherent in the situation are the environmental forces that shape and determine his behaviour at any given moment. The entire situation has been traditionally described as 'stimulus-response' (S-R) process.

This S-R model, however, does not give the total concept of caused nature of behaviour specially when the person concerned plays an important role in behaviour because behaviour is shaped by his internal feelings also. Thus, combination of stimulus-response situation and human being will give a more comprehensive model of human behaviour denoting that the situation interacting with the human being precedes and causes behaviour.

### **S-O-R Model**

S-O-R model of human behaviour is achieved by inserting O (organism) in the classical S-R model. The S-O-R model is based upon the stimulus processed by the organism and followed by a behaviour. This O is not passive and immobile as assumed in S-R model. Rather, the O is viewed as a mediating, maintenance, and adjustive function between S and R. As a mediating function, the O is constantly active, scanning its surroundings, monitoring its own actions, seeking certain conditions and avoiding others. As a maintenance function, organs of O are responsible for its health and growth. There are three categories of maintenance organs—receptors (sense organs), connectors (nervous organs), and effectors (muscles and glands). The adjustment function of the O monitors the person's activities so that he can overcome obstacles and satisfy his needs.

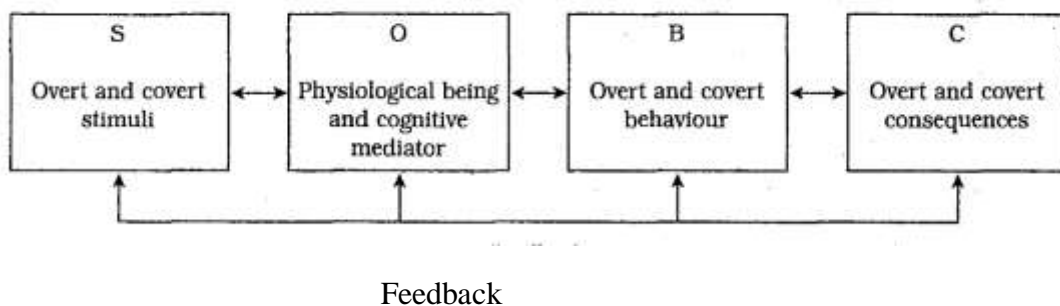
Though the insertion of O in S-R model gives some recognition to the importance to the human variables, it still remains a relatively mechanistic and simplistic approach and does not explain the complexity of human behaviour.



### S-O-B-C Model

S-O-B-C model incorporates a more complex mechanism of human behaviour which modifies and extends S-O-R model. In his model, S stands for the situation which is more comprehensive than stimuli of S-O-R model and incorporates all aspects of the environment—immediate stimulus, physical environment, and socio-cultural environment. O is the organism but does not only represent the physiological being as in the S-O-R model, but also the psychological being which is more complex. B stands for pattern of behaviour, both overt and covert. C stands for contingent consequences, both overt and covert. Thus, this model of behaviour has significant departure from earlier models of behaviour which have considered only overt aspects.

In S-O-B-C model, behaviour takes place because of the interaction of situation (S), organism (O), behaviour pattern (B), and consequences (C) as shown in Figure 2.1.



**Figure 2.1: S-O-B-C model of human behaviour**

The interaction pattern among different elements of human behaviour model is not a simple one but complex. The complexity exists because of two reasons. First, there are different variables within each element of the model and different elements interact among themselves with each element affecting others and, in turn, affected by others as depicted by double-headed arrows in Figure 2.1. Second, organism (O) is not only a physiological being but a combination of physiological and socio.-psychological being. Therefore, this has very significant impact on the behaviour process. It is only O that interacts with the situation, and based on his own nature, he may perceive the situation in a particular way and behave accordingly. Though S-O-B-C model tries to explain the process of human behaviour, it presents only a bare-bones' sketch of the behaviour. The understanding, predicting, and directing human behaviour in organization may be increased when we identify and analyze the different



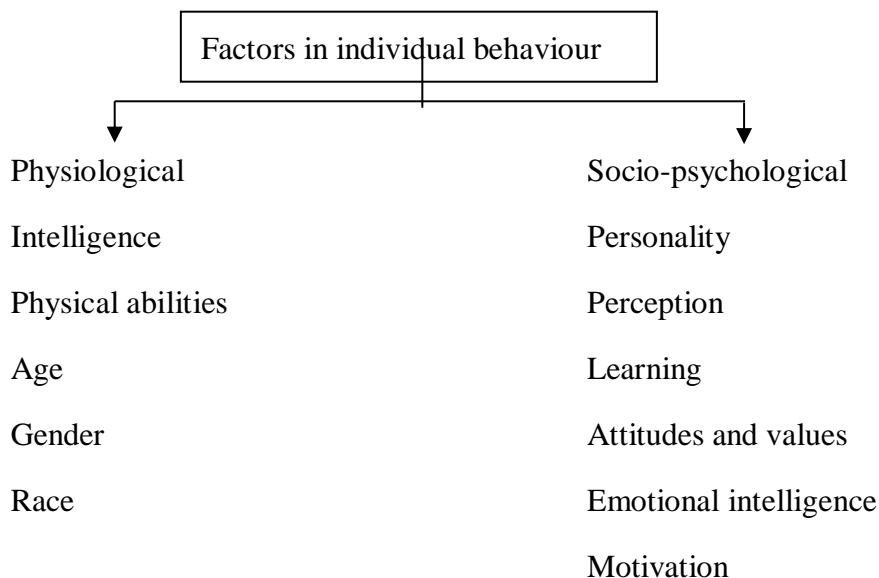
variables which go in shaping the behaviour. Various factors affecting the human behaviour may lie within the individual himself or lie in the situations with which he interacts.

### 2.2.3 MANAGERIAL IMPLICATIONS OF INDIVIDUAL BEHAVIOUR

A basic question arises: what are managerial implications of understanding individual behaviour? The simple answer of this question is: to channelize individual behaviour for achieving organizational objectives. This channelization is most effective when there is good person-job fit. A good person-job fit is one in which the person's contributions (efforts, productivity, organizational loyalty, etc.) match the inducements (pay, other benefits, job security, etc.) the organization offers. Each person as an employee has a specific set of needs that he wants to satisfy and a set of job-related behaviours to contribute. If the organization can take perfect advantage of those behaviours and exactly fulfil his needs, it will achieve a perfect person-job fit. For achieving this person-job fit, managers must understand individual behaviour and for understanding this behaviour, managers must understand the factors that affect individual behaviour.

### 2.2.4 FOUNDATIONS OF INDIVIDUAL BEHAVIOUR

Factors that affect an individual's behaviour may broadly be classified into two major categories: physiological and socio-psychological as shown in Figure 2.2.



**Figures 2.2: Factors in individual behaviour**



It may be mentioned that physiological factors are biological and, therefore, they cannot be learned. Socio-psychological factors can be developed by an individual over the period of time through learning and practice. Our focus in the remaining chapters of this part will be on these factors as these affect individual behaviour more than physiological factors.

### **2.2.5 INDIVIDUAL DIFFERENCES**

The nature of human behaviour is complex and in understanding the behaviour of people, they should be studied in their totality by taking a total man concept. This concept is essentially a combination of all factors affecting human behaviour. It recognizes that any attempt at generalization usually falls short of the mark because people are different. If both individual and environmental variables are considered, there can be (i) differences in behaviour in an individual over time (intra-individual) and (ii) differences in behaviour among individuals given the same set of stimuli (inter-individual).

#### **Nature of Individual Differences**

Individual differences may be reflected in individual's different types of behaviour—conformity, rate of learning and development, interaction with people having different types of personality characteristics, productivity, and any such type of behaviour. Such differences range along a continuum from desirable to undesirable. With respect to work, people differ in the following respects:

1. People differ in the importance they attach to intrinsic rewards to the job. People with different psychological make-ups respond differently to challenging versus routine jobs. Some people prefer challenging jobs that afford the expression of the scope for higher abilities. As against this, there may be people who prefer job security and routine operations in their jobs. Thus, different people attach different degrees of importance to rewards and kinds of job they would like to perform.
2. People differ in the type of compensation plan they want or desire. Some people like to work under time-wage system while others prefer to work under piece-wage system or incentive system involving compensation based on productivity.
3. People differ in the style of supervision. Some people prefer to provide necessary inputs for important decisions and like to be their own boss to the maximum extent. On the other hand, some people may not like such working and may depend mostly on others for decision making. Similarly, people respond differently to different styles of leadership and supervision. Some may prefer to

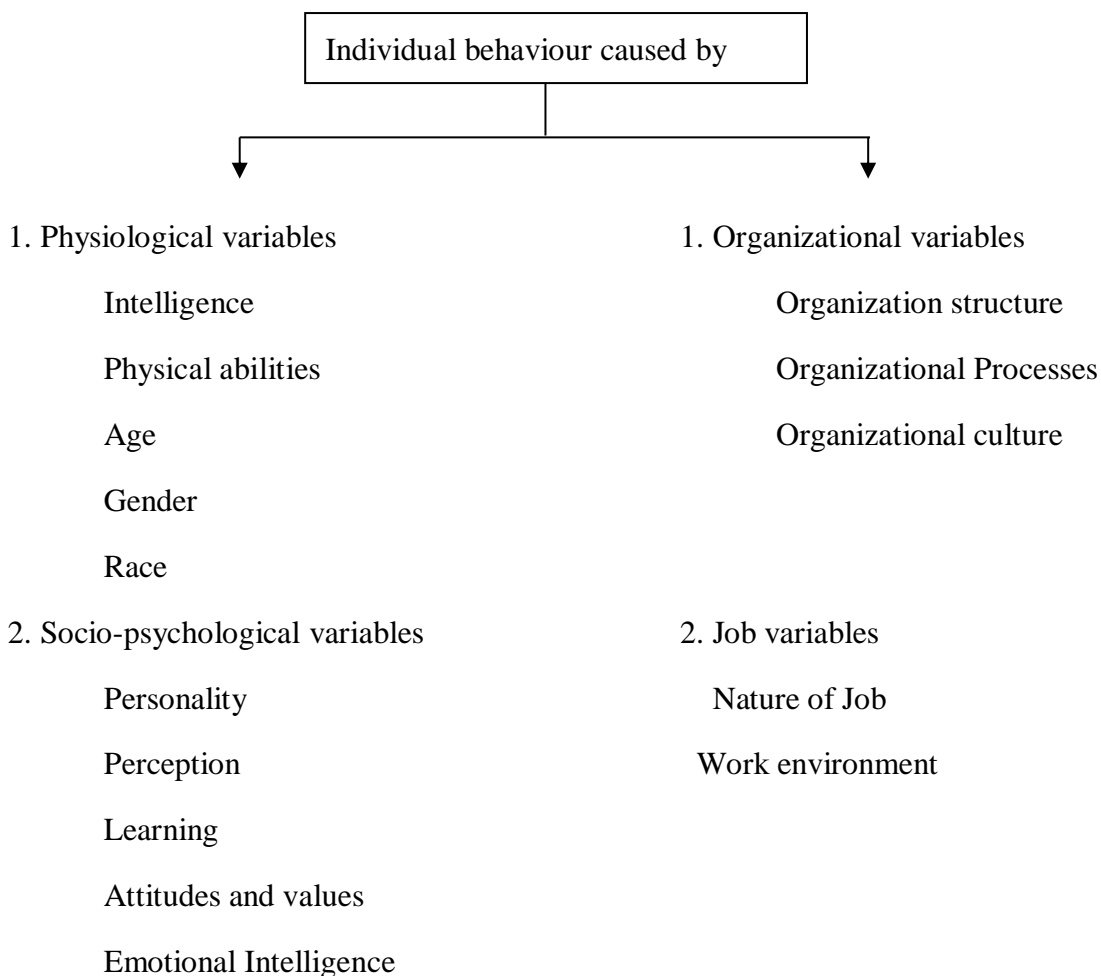


work under autocratic style while others work more effectively under democratic or laissez-faire style.

4. People differ in their preferred schedules .of work hour. Some people awake early in the morning, start their working and go early to the bed. Some people do exactly opposite of this,
5. People differ in their tolerance for stress and ambiguity. Some people do better in stressing and ambiguous situations as such situations may bring out their best and they feel the situations as challenging. Others may not bear such stresses for long.

### 2.2.6 FACTORS CAUSING INDIVIDUAL DIFFERENCES

As indicated in the previous section, some of these factors lie within the individual himself and others lie in the situations with which he interacts. Various such factors, relevant in organizational context, are presented in Figure 2.3





## Motivation

**Figure 2.3 Factors in individual differences**

Each individual differs on the basis of various individual factors. Therefore, two individuals may react differently with a given stimulus in the same situation. However, situational variables play powerful role in shaping behaviour. Therefore, situational variables also make difference between individuals so far as their behaviour is concerned. Psychologists agree that both these variables are important though there is disagreement over the relative importance of these factors. The concept of relative importance of both these factors is important because management has varying degree of controllability over these factors. Situational variables can be controlled to a considerable degree but individual variables can be controlled only to a limited extent, In order to be effective, managers should take both these variables as integrated components rather than as separate entities. Here, brief description of these variables are presented. Their details will follow in different chapters.

**Individual Variables**

An individual is a combination of physiological as well as socio-psychological being. While some of the physiological characteristics of an individual change over the period of time as a natural process, such as physical maturity with the age, change in the socio-psychological features occurs because of the learning over the period of time.

**1. Physiological Variables.** Human beings possess certain biological endowments which are vital to their behaviour. Various physiological characteristics of heredity, sensory organs, physical build up, and nervous system, etc. determine the outcome of the behaviour. However, a person is not merely a conglomeration of organs, nerves, bones, and brain but a much more complex. As such, these factors are essential to his maintenance and adjustment but play a relatively minor role in shaping his behaviour.

**2. Socio-psychological Variables.** These variables are more important in shaping the behaviour of a person. From the moment of birth of a child, various psychological processes—perception, learning, motivation—become integral part of the child which help in shaping his personality. These processes do not operate as isolated separate entities as do the biological mechanism of the body, rather, there is continuous interaction between the person and his environment, both social and cultural. Out of this interaction, he learns many behaviours which help him in shaping his attitudes and values.



All these variables—physiological as well as socio-psychological—taken together make an individual unique and distinct as compared to others and, therefore, his behaviour is likely to be different from others.

### **Situational Variables**

Besides individual variables, situational variables also have impact over the behaviour of an individual. In the organizational context, such variables may be in the form of various organizational features like organization structure, various organizational processes like motivation, influence, communication, and control, and the total culture of the organization. Other situational variables are related to the job that the individual performs and the overall environment in which he performs the job. Both these affect his behaviour.

### **2.2.7 IMPLICATION OF INDIVIDUAL DIFFERENCES**

The understanding of individual differences, particularly based on individual variables, is important from managerial point of view. Individual differences mean that management can achieve the desired behaviour from individuals by treating them differently. In fact, it is almost impossible to develop one theory about the nature of man, fit everyone into it, and develop an approach to management which will ensure absolute result at all times with all people. Thus, management must analyze how differences in individuals can be used in most appropriate manner.

Individual differences have great importance in the organization because different individuals with different qualities and capacities are required to perform various functions. If the work is to be the best in quality and quantity, it is essential that each operation is performed by the individuals best qualified to perform it. The understanding of individual differences not only solves the problem of assignment of activities to them but also helps in taking best out of them by motivating and leading them accordingly.

Considering the differences among people at work, it is visualized that the future organizations would be highly individualized. They view that organizations in future will accept a wide variety of management structures and technologies so as to accommodate the individual differences because a single organization is likely to offer variety of jobs to suit different individuals. For example, people with different personality characteristics are suitable for different jobs. Thus, understanding individual differences may have provided clue to management to design organization structure, adopt leadership



and motivation techniques, and develop control systems so as to serve the needs of different individuals adequately.

### 2.3 CHECK YOUR PROGRESS

1. The ----- respond to different situations and events in a different manner.
2. -----is defined as the observable and measurable activity of human beings.
3. Each person as an employee has a specific set of ----- that he wants to -----.
4. The aspect of behaviour which is non-observable or non-measurable, known as ----- behaviour.
5. The aspect of behaviour which is observable or measurable known as -----behaviour.

### 2.4 SUMMARY

Individuals are different and unique. They respond to different situations and events in a different manner due to various reasons. If we assume that behaviour is caused, and this assumption is true, behaviour takes place in the form of a process. Based on the analysis of behaviour process over the period of time, three models of behaviour process have been developed. These are S-R model, S-O-R model, and S-O-B-C model. The nature of human behaviour is complex and in understanding the behaviour of people, they should be studied in their totality by taking a total man concept. It recognizes that any attempt at generalization usually falls short of the mark because people are different. If both individual and environmental variables are considered, there can be differences in behaviour in an individual over time and (ii) differences in behaviour among individuals given the same set of stimuli.

### 2.5 KEYWORDS

**Behaviour:** Behaviour is what a person does.

**Individual Behaviour:** It is defined as a mix of responses to external and internal stimuli. It is the way a person reacts in different situations and the way someone expresses different emotions like anger, happiness, love, etc.

**S-R model of human behaviour:** This model suggests that the behaviour is caused by certain reasons.

**Individual Differences:** It is a combination of all factors affecting human behaviour.

### 2.6 SELF ASSESSMENT TEST



1. “Human behaviour is caused, motivated, and goal-directed”. Examine this statement and show how model of behaviour incorporates the role of organism in shaping human behaviour.
2. Discuss briefly the foundations of individual behaviour. What are the managerial Implications of individual behaviour?
3. Explain the nature of individual differences and their biological and environmental determinants. What are the managerial implications of individual differences?
4. What are the background factors that determine behaviour in an organization?
5. “Different approaches have made different assumptions about the needs that persons seek to satisfy through organizations.” Discuss such assumptions.
6. “Human behaviour s more complex than what people believe.” Do you agree with this? What are the factors that add complexity in human behaviour?

## **2.7 ANSWER TO CHECK YOUR PROGRESS**

1. Individuals
2. Behaviour
3. needs; satisfy.
4. covert
5. overt behaviour.

## **2.8 REFERENCES/SUGGESTED READINGS**

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<b>Subject: Management Concepts and Organizational Behaviour</b>	
<b>Course Code: BCOM 205</b>	<b>Author: Ms. Richa Verma</b>
<b>Lesson No. 3</b>	<b>Vetter: Dr. B.K.Punia</b>

## PERSONALITY

### STRUCTURE

- 3.0 Learning Objectives
- 3.1 Introduction
- 3.2 Concepts of Personality
  - 3.2.1 Determinants of Personality
  - 3.2.2 Approaches/Theories of Personality
  - 3.2.3 Personality Dimensions/Attributes Influencing Behavior
  - 3.2.4 Personality Assessment Tests
- 3.3 Check Your Progress
- 3.4 Summary
- 3.5 Keywords
- 3.6 Self-Assessment Test
- 3.7 Answer to Check Your Progress
- 3.8 References/Suggested Readings

### 3.0 LEARNING OBJECTIVES

After going through this lesson, you should be able to:

- Define personality and explain the theories of personality.
- Describe the personality dimensions.
- Discuss the personality assessment test.



### 3.1 INTRODUCTION

Personality is a concept that we use in our routine working while dealing with people. We generally talk about people who are close to us or may or may not related to us. We generally say that a person has good, bad, arrogant or aggressive personality. Thus the word good, bad, arrogant and aggressive explains that personality is related with the behavior of an individual. The term personality has been derived from the Latin word 'per sonare' which means to speak through. This Latin word denotes the mask, which the actors used to wear in ancient Greece and Rome. Long ago when plays were performed the numbers of actors used to be less than the number of roles. So the same actor used to change the masks to make people realize that they are performing a different character. Perhaps due to this reason people relate personality to physical and outward appearance. It is also related with social status of the individual, as the person with high social status is having good personality. Thus in simple sense, personality is sum total of ways in which an individual reacts and interacts with others. Thus,

*“Personality is the supreme realization of the individuality of a particular living being”.*

Personality is a word or characteristics, which is of great importance now a day in every field of life. Every organization examines the personality of the applicant before he became the employee of the concern. Every entrance test, that may be a professional course, job or future studies have logical, relational and constructive personality assessment questions because they form the personality of an individual. All the interviews are designed with the questions that can bring out the personality of the candidate. According to Gordon Allport,

*"Personality is a dynamic organization within the individual of those psychophysical systems that determine his unique adjustments to his environment".*

Thus, personality embraces all the unique traits and patterns of adjustments of the individual in his relationship with others and his environment. Personality is a process of change and it is related with psychological growth and development of an individual. According to R.B.Cattel,

*“Personality is that which predict of what a person will do in a given situation”.*

### 3.2 CONCEPTS OF PERSONALITY

#### 3.2.1 DETERMINANTS OF PERSONALITY

The factors, which shape, change or develop the personality of an individual, are discussed as under:



1. **Biological factors:** The ways an individual sense the external event data, interpret and respond to them are general biological characteristics of human biological system. The study of biological contribution to personality can be divided into:

- a) **Heredity:** It is transmission of the qualities from ancestor to descendant through a mechanism lying primarily in the chromosomes of the germ cells. These qualities are present in a person by birth. Heredity refers to those factors like physical stature, facial attractiveness, sex, temperament, muscle composition, energy level and biological rhythms etc. that were determined at conception. At conception, each parent contributes chromosomes containing thousands of genes, which seems to be transmitter of traits in the child. Saying such as “like father, like son” proves the above discussion. Thus, heredity is generally more important in determining a person's temperament than his values and beliefs.
- b) **Brain:** It plays very important role in shaping personality. The structure of brain determines personality. People normally say that a person with more number of lines on his brain is more intelligent. Different people will give value to different things. For some beauty is more valuable than intelligence. However, no conclusive proof is available so far about the nature of relationship between brain and personality.
- c) **Physical Features:** Another factor that contributes to personality formation is physical characteristics of an individual. While defining personality some individuals give higher weights to physical features of an individual. The external appearance includes height, weight, colour, facial features etc of the individual while determining his personality. The normal belief is that the healthy person is lazy and the thin is angry determines the individual personality. In today's competitive environment for the job of sales executive the physical appearance is an asset of an individual.

2. **Family and Social Factors:** Family plays an important role in early personality development. The infant acquires those behaviour patterns that depend upon the socio-economic level of the family, family size, birth-order, race, religion, parent education level, geographic location etc. Social factors include the person's interaction with other people throughout his life. The family and social factors are categorized as below:

- a) **Home environment:** It is a critical factor in personality development. A child will have soft personality if he will grow in a warm, loving and protective environment. And if everybody in the



family is busy in their life and have no concern for each other then the infant will have rigid personality. The key variable is not the parents per se rather the type of environment that is generated for the child.

- b) **Family Members:** Parents and other family members have strong influence on personality development of the child. Parents have more impact than other members of the family do in building the child's personality. We generally see that small children behave like their parents. The relationships between the parents and children are higher than between the children and teachers in building child's personality.
- c) **Social Group:** In addition to home environment and family members, there are other influences from the social placement of the family. Social groups include the person's interaction with other people which starts with playmates during childhood and continue with peers at work, associates and other work groups. The internal and external work environment continues to influence the people personalities, perception and behaviour throughout his life. The home environment, family members and social groups influence the socialization and identification process of an individual. *Socialization* is a process by which an infant acquires from the wide range of behavioral potentialities that are open to him at birth, those behavior patterns that are customary and acceptable to family and social groups. It starts with the initial contact between an infant and mother and continues with interaction of infant with other family members and social groups. *Identification process* occurs when a person tries to identify himself with some person whom he feels ideal in the family. Generally, a child in the family tries to behave like his father or mother.
3. **Cultural Factors:** According to Hoebel, Culture is sum total of learned behaviour traits which are manifested and shared by the members of the society. The culture within which a person is brought up is very important determinant of behaviour of a person. Culture is a unique system of perception, beliefs, values, norms, patterns of behaviour and code of conduct that influence the behaviour of the individual. It determines what a person is and what a person will learn. The way of talking and dressing sense of Hindus and Muslims are entirely different, as they are prone to different cultures. Each culture trains its members to behave in the ways that are acceptable to the group. The difference among individual behaviour is also based upon socio-economic classes, ages, education, professions and geographic regions. As skilled have different behaviour pattern than the unskilled workers do.



4. **Situational Factors:** An individual personality is generally stable and consistent; it may change in different situations. An individual life is unique in terms of events and experience, but these experience sometimes change the structure of the entire personality of an individual. Suppose there is a worker who is very fond of doing work. But sometime due to overload he becomes frustrated from the existing job. Due to this changed situation, his personality composition also changes. Thus demand of different situation may call for different aspects of one's personality.

#### 5. *Other Factors*

- a) **Temperament:** It is the degree to which one responds emotionally. It is distributed according to normal distribution.
- b) **Interest:** An individual has many interests in various areas. Top executives in any organization do not have common interest. Thus the organization should provide them job rotation and special training programs to satisfy their interest.
- c) **Character:** It means honesty. It is very important requirement for responsible jobs. It is resistance to stealing and cheating others. It is likely that an individual may not steal in normal circumstances, but this can be the demand of undesirable circumstances. For example, if the family of an individual is starving, there is a great probability that one will steal. Thus before analyzing the undesirable character of an individual, one should study his situation as well.
- d) **Schema:** It is an individual's belief, frame of reference, perception and attitude which the individual possesses towards the management, job, working condition around him, pay scale, fringe benefits, compensation mechanism, development towards religion, government and satisfaction gained from environment. Thus the complete behavior of an individual is dependent upon the external stimuli.
- e) **Motives:** These are the inner drivers of an individual. They represent goal directed behavior of individual. Motives help in determining one's behavior towards a goal.

Thus, the above factors affect the formation and development of personality. At each stage of the life every individual learns from the environment he lives in and the persons he interacts with.

### 3.2.2 APPROACHES/THEORIES OF PERSONALITY

1. **Psycho-analytical Theory:** The mile stone in the study of personality is Freud's psychoanalytical theory. Freud is of the belief that the personality as a reflection of behaviour has been primarily based



on the unconscious nature of personality. The human behaviour and motivation is outcome of following psychoanalytical concepts. Such as:

- a) **ID:** It is the unconscious part of the human personality. It is most primitive part and is the storehouse of biologically based urges. Example- urges to have food, water etc. ID is original source of personality present in a newborn or infant. The principal of working for ID is 'Pleasure'. Id tries to satisfy the urge as soon as possible without considering the realities of life.
- b) **Ego:** Ego manages ID through the realities of the external environment. Ego is conscious in nature and is a mechanism to relate our conscious urge to outside real world. As Ego is conscious and logical part of human personality, ID is guided and governed by Ego. It explains the ways of thinking and behaving. ID demands immediate pleasure at whatever cost, Ego controls it so that the pleasures are granted at appropriate time and in acceptable manner. Ego delays satisfying ID motives and channels the behaviour, which is socially acceptable. It makes people work to live and adjusting to the realities of life. The principle of ego to work is 'Reality Principle'. It takes into account what is possible in this world.

As the function of ID and Ego are contrary there is always ongoing tension between ID and Ego i.e. between urges and realities of life which keeps Ego to develop more sophisticated thinking skills. Thus to keep ID under control, Ego is supported by Super Ego.

- c) **Super Ego:** It is higher level restraining force and can be described as the conscience of the person. The conscience creates standards of what is right or wrong. It represents the rules and the norms that check the cultural, moral or ethical behavioral values of the individual in the social environment. However, an individual is not aware of presence and working of superego in oneself. It is developed slowly in a person when he absorbs central values and follows the standards of society. Superego keeps ego to judge what is right or wrong.

**Example:** A Boy is feeling hungry because of ID. He passes through a shop with food displayed in the window and thus the urge of hunger arises more strongly. But the boy has no penny and the Ego suggest the ways to satisfy hunger that if you don't have money to buy food, steal and run. Then, Super Ego warns boy that there is something wrong as stealing is considered blundered in society and it is punishable.



2. **Trait Theory:** It visualizes personality as a reflection of certain traits of the individual. This theory was put forward by ‘ALLPORT’. Trait is a distinctive and personal form of behaviour. There are many traits, which are common to most people, some are unique to a person and other individuals share some. On the basis of trait theory, people can be described as aggressive, loyal, pleasant, flexible, humorous, sentimental, impulsive, cool and so on. Traits are basic elements of personality and can be used to summarize behaviour. The trait of an individual or ‘Personal disposition is studied at three levels:

- a) **Cardinal Trait Level:** ALLPORT defined cardinal traits as those pervasive traits which are so powerful/dominant that rarely all the individual action can be traced back to them. As these are highly influential traits, so they are named after key historical figures like Mother Teresa, Hitler, Romeo etc. This level describes a trait so broad and so deep in its impact that it overshadows the influence of other traits for the same individual.
- b) **Central Trait Level:** ALLPORT describes central traits as those that might be referred in careful recommendations or at a rating scale. These are unique and limited in number. The traits at this level means to convey what can be expected from a person most of the time.
- c) **Secondary Trait level:** These are least generalized traits of a person. The range of influence of these traits is very narrow. These peripheral traits are specialized to the situation.

Cattell used groups of traits to describe the structure of personality. He put these traits in the following categories:

- a) **Surface Traits:** Wise-foolish, sociable-seclusive, honest-dishonest etc.
- b) **Source Traits:** Trustful-suspicious, relaxed-tense, dominant-submissive, forthright-shrewd, cheerfulness-depressed etc.

3. **Type Theory:** Type is simply a class of individuals said to share common collection of characteristics. Type approach discuss the personality in the following ways:

- a) Type on the basis of body build
  - i. **Endomorph:** They are fat, thick in proportion to their height. They seek comfort, eat too much, jovial, affectionate and liked by all. They are even tempered, show a relaxed posture, easy to get along with others and are tolerant of others. They prefer to be led than to lead.



- ii. **Ectomorph:** They are thin, long and poorly developed physically. They work well in closed areas and displays restraint, inhibition and desire for concealment. They prefer not to attract attention to him and tend to be distrustful of others. They are anxious, ambitious and dedicated.
  - iii. **Mesomorph:** They are basically strong, athletic and tough. They seek lot of muscular activity, tends to be highly aggressive and self-assertive. They desire action, power and domination and they can run faster and smile brighter.
- b) Type on the basis of nature
- i. **Introvert:** The people with following characteristics are introvert such as- shyness, social withdrawal, emotional, process the idea within themselves. Introvert can be good scientists and researchers.
  - ii. **Extrovert:** People having following characteristics are extrovert. These are- socials, talkative, less emotional, easily makes friends, easily express their ideas and feelings. Extroverts propagate more knowledge and ideas to society. They can be good reporters, actors and marketers.
  - iii. **Ambiverts/Reserved:** These are the people between introverts and extroverts.
- c) Type A and Type B
- i. **Type A:** Persons are those who are highly achievement oriented, competitive feel, chronic sense of time urgency and impatient whenever their work slow down. Type A are on fast track of life and are more successful in reaching top slot. They work against opposing forces. Managers in this category are hard drivers, detailed oriented people with high performance standards. These people have difficulty in increasing cordial interpersonal relationships and create a lot of stress for themselves and for the people they deal with. If they have to complete a task within given deadline, they feel pressurized. Researchers have proved that Type A personality profile lead to health problems and specially heart related illness.
  - ii. **Type B:** These kinds of persons are easy going, no competitive drive, feel no emergency. They are relaxed, sociable and have a balanced outlook on life. They are not over ambitious, are more patient and take a broader view of things. In order to meet a deadline, they do not feel pressurized. They may be hardworking but feel no pressing conflict with people or time and hence are not prone to stress and coronary problems.



4. **Self-Concept Theory:** This theory is organized around the concept that the individual himself largely determines personality and behaviour. It is also termed as organismic or field theories, which emphasize on totality and inter relatedness of all behaviour. There are four factors consider in self-concept theory. These are-

- a) **Self-Image:** Every person has certain beliefs about who or what he is. The beliefs of the individuals are the proof of self-image or self-identity. Thus self-image is the way one sees himself.
- b) **Ideal Self:** As discussed earlier self image indicates the realities of a person as perceived by him, but ideal self indicates the ideal position as perceived by him. It denotes the way one would like to be.
- c) **Looking glass-self:** This is the way one thinks people perceive about him and not the way people actually see him. It is the perception of a person about how others perceive his qualities and characteristics. It is a social product, which emerges from face-to-face interaction with others from the very beginning of life. This interaction directs how others see him as an individual.
- d) **Real Self:** This is what one actually is. An individual self-image is confirmed when other person's response to him, indicate their beliefs about who and what he corresponds with. On the basis of feedback from environment, the person re-evaluates himself and re-adjusts himself as per the expectation of others. Thus a balance should be maintained between real self and self-image.

Thus self-concept plays a very important role in analyzing individual behaviour. It gives a sense of meaningfulness and consistency.

5. **Social Learning Theory:** This theory believes that personality development is a result of social variables. It emphasizes on conscious needs and wants of an individual. This theory uses "reinforcement and punishment approach" in understanding personality. It looks at personality as some total of all that a person has learned from outside stimuli. There is mutual interaction between external environment and behaviour. For example- if an individual receives bad behaviour from society, the frustration causes and reinforces aggression as a personality trait. And if he receives good behaviour from people in terms of praise, this reinforces good behaviour. Learning can also occur from observation; we watch the behaviour of other people, draw observation about them and express our own behaviour.



### 3.2.3 PERSONALITY DIMENSIONS/ATTRIBUTES INFLUENCING BEHAVIOUR

#### PERSONALITY DIMENSIONS

Personality is a set of relatively stable characteristics or dimensions of people that account for consistency in their behavior in various situations. Personality is a major determinant of what will be done and how it will be done in the job where most of the working day is spent in interacting with other people. In any organization every individual's personality reveals how he works with superiors, subordinates and other people, how an individual adjust himself to a particular situation and how he reacts to the changes occurring in the existing jobs or on the new job. Some of the important personality factors or dimensions that determine what kind of performance will be achieved or what kind of behavior is exhibited at work are:

1. **Self-Concept and Self-Esteem:** *Self-Concept* is the way individuals define themselves as so who they are and drive their sense of identity. *Self-esteem* is the degree of respect; liking or disliking an individual has for him. It is a measure of self-confidence and respect for one's abilities and motivation. It denotes the extent to which an individual regard himself as capable, successful, important and worthy. People with high self esteem are very friendly, affectionate, find it easy to form interpersonal attachment and find good in other people. They tend to take on more challenging assignment and contribute significantly to their organization if the organization rewards them suitably for their efforts. They are high performers. Low self-esteem people are usually critical of others, are generally depressed and blame others for their own failure. They contribute to poor performance, which in turn leads to low self-esteem.

2. **Authoritarianism:** A closely related term to authoritarian is "dogmatism" which refers to the rigidity of a person's beliefs. Authoritarianism refers to blind acceptance of authority. Authoritarian people believe in obedience and respect for authority. They believe that there should be status and power differences among people in organization. The individual with high authoritarian personality is intellectually rigid, judgmental of others, deferential to those above and exploitative of those below, distrustful and resistant to change. They rightly adhere to conventional values, are conservative, endorse parental control for keeping the family together, are concerned with toughness and power, are close minded and are generally less educated. Where the job demands sensitivity to feelings of others, tact



and ability to adapt the complex and changing situations, the persons with high-authoritarian personality would be negatively related to performance.

**3. Need Patterns:** Every individual has needs for achievement, affiliation, autonomy and dominance at work. People with:

- a) *High need for achievement* engage themselves totally in work in order to feel proud about their achievements and success.
- b) *High need for affiliation* work with great co-operation with others.
- c) *High need for autonomy* prefers to work in the environment where the supervision is less.
- d) *High need for dominance* is effective in an environment where they can enforce their legitimate authority.

**4. Bureaucratic Personality:** This kind of persons has respect for rules and regulations. Thus, on this account it differentiates from authoritarian person whose respect for authority is blind. Bureaucratic persons are not innovative; even not ready to take risk and they keep themselves at ease while following other directions. They value subordination, rules, conformity, impersonal and formal relationship. In the routine and repetitive work, they are better supervisors.

**5. Machiavellianism:** It refers to manipulation of others as a primary way of achieving one's goals and gaining and keeping control of others. The extent to which an individual is Machiavellian is measured by Mach Scale. People with high score on mach scale have high self-confidence and self esteem. They are cool and calculating, logical in assessing the system around them. They have no hesitation in using others or taking advantage of others in order to serve their own goals, willing to twist and turn facts to influence others and try to gain control of people, event and situation by manipulating the system to their advantage. As they thoughtfully and logically approach their situation, they are skilled in influencing others. They are successful in exploiting structured situations and vulnerable people.

**6. Tolerance for ambiguity:** Because of rapid changes an individual has to work in an environment which is full of uncertainty. They should develop high level of tolerance for ambiguity. People or managers with high tolerance level of ambiguity can work effectively without much stress. But the people with low tolerance for ambiguity can work effectively in structured work setting but it is difficult for them to work in changed conditions.



7. **Locus of control:** It is the extent to which individual believe that they control their own lives or external forces control their lives. In other words, the degree to which people believe that they are masters of their own fate

The individual with '*internal locus of control*' believes that he is master of his own destiny. He believes that his internal traits determine what happens in a given situation and he controls events concerning his own life. The person with this kind of personality seeks opportunities for advancement and relies more on their ability and judgement at work. The study proves that the persons with internal locus of control are highly confident. They use their own wisdom and energy while working on any projects.

The individual with '*external locus of control*' tends to believe that events occur purely by chance and because of the factors beyond their control. They feel that the outside forces are affecting the events in his life and the individual is at the mercy of destiny, chance or other people. The person with this kind of personality are generally in active and allow the events occur own their own.

8. **Risk Taking:** This shows the willingness of individual to take or avoid risk. It shows how long a manager takes to make a decision and how much information he requires before taking a decision. High-risk taker takes rapid decision with less available information. The propensity to assume risk is dependent upon the nature of job. An accountant performing auditing activities should be risk averse; on the other hand, in the expectation of higher return a high risk-taking propensity results high performance for a stock trader's brokerage firm. As a general saying is higher the risk, higher the return.

### 3.2.4 PERSONALITY ASSESSMENT TESTS

1. **Subjective Test:** This includes interviews, observations, case studies etc. A person is interviewed and observed carefully to judge his capabilities and capacities. Sometimes a person is also judged with the help of case studies and autobiographies. The judgement and critical remarks about the case studies and autobiographies help in judging the personality of a person.

2. **Objective Tests:** It includes questionnaire, K.G. Aggregation etc. These kinds of tests give stress on the mental ability, capabilities rather than on personal appearance of a person.

3. **Projective Test:** In this the test like WAT (Words Association Test) and TAT (Thematic Aptitude Test) are conducted. These tests play a major role in analyzing the personality of a person. These tests comprise of words and pictures. And the person is judged by his/her reaction to the picture and words.



All these tests have been devised to assist the personality of the person in the most effective manner.

### 3.3 CHECK YOUR PROGRESS

1. Personality is the supreme realization of the ----- of a particular living being.
2. ----- is sum total of ways in which an individual reacts and interacts with others.
3. ----- is transmission of the qualities from ancestor to descendant through a mechanism lying primarily in the chromosomes of the germ cells.
4. The structure of ----- determines personality.
5. ----- is the degree to which one responds emotionally.

### 3.4 SUMMARY

Every individual possesses a unique set of traits and characteristics, which remain stable overtime. This uniqueness and consistency form the aspects of personality. It is the stability of these characteristics that sometimes assist in predicting behaviour of a given person. There are many factors like biological characteristics, family and social groups, cultural and social factor, which contributes towards formation of personality. An individual can be manifested in various forms like authoritarian personality, bureaucratic personality, Machiavellian personality and so on. There are many theories that are developed in predicting the behaviour of an individual on the basis of various attributes. Some tests are also designed for assessing the personality of an individual.

### 3.5 KEYWORDS

**Personality:** It embraces all the unique traits and patterns of adjustments of the individual in his relationship with others and his environment.

**Authoritarianism:** A closely related term to authoritarian is “dogmatism” which refers to the rigidity of a person’s beliefs.

**Trait Theory:** It visualizes personality as a reflection of certain traits of the individual.

**Machiavellianism:** It refers to manipulation of others as a primary way of achieving one’s goals and gaining and keeping control of others.

**Self-Concept:** This is the way individuals define themselves as so who they are and drive their sense of identity.



### 3.6 SELF ASSESSMENT TEST

1. Define personality. How personality does relate to organizational behavior?
2. Briefly describe the various theories of personality.
3. Give a brief account of the factors contributing personality. What are the various tests for assessing personality?
4. What are the various dimensions of personality that are related with interpersonal and organizational behaviour?

### 3.7 ANSWER TO CHECK YOUR PROGRESS

1. individuality
2. Personality
3. Heredity
4. brain
5. Temperament

### 3.8 REFERENCES/SUGGESTED READINGS

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<b>Subject: Management Concepts and Organizational Behaviour</b>	
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## LEARNING AND VALUES

### STRUCTURE

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### 4.0 LEARNING OBJECTIVES

The objective of the lesson is to understand:

- Learning as a factor affecting human behavior.



- To know the reinforcement for inducing positive human behavior.

#### **4.1 INTRODUCTION**

An important tool of individual behaviour in an organisation is learning. The learning depends upon one's personality, perception and situation. Its process and outcome are motivating factors in an organisation. The learning process is the process by which individuals acquire the knowledge and experience to be applied in future behaviour. It may be intentional and incidental. It encompasses the total learning process from the beginning of life to its end, going through reflexive responses to knowing abstract concepts and complex problem solving. It involves motivation, cues, response and reinforcement. Motivation acts as a spur to learning. Motivation decides the degree of involvement for the search of knowledge. The learning starts with motivation, which is given direction by cues. Motives are stimuli, while cues are attention and recognition of the stimuli for learning. Cues guide employees to behave in the right way. If behaviour is shaped through the learning process, the response is visible. Response accepted for behaviour becomes reinforcement, which moulds the behaviour of employees. If an employee is motivated to learn about computers, he tries to find out the cues of its uses in employment. Getting favourable cues, he responds to learning. With constant reinforcement of computer operation, he acquires the changed behaviour of computer handling.

#### **4.2 DEFINITION OF LEARNING**

Several authors have defined learning in different ways. All of them have accepted that learning shapes human behaviour. Employees may learn knowingly or unknowingly in the organisation. Tim R. V. Davis and Fred Luthans have defined learning as a cognitive and modeling process for acquiring knowledge and experience. They have analysed different theories of learning for explaining the learning process. Robbins has stressed upon learning as a “relatively permanent change in behaviour that occurs as a result of experience”. He has opined on experience only, although an employee might change his behaviour as a result of a social process. Learning is a process of observation, action, reaction and response to some stimuli. Learning is a process of change in behaviour. The outcome of learning is a permanent change in behaviour. Therefore, learning is a permanent change in behaviour as a result of a cognitive process. A temporary change in behaviour is not learning because it is purely reflexive. Change in behaviour is the necessary outcome of learning. If it were purely theoretical, it would not be learning. A cognitive change process in the mind of an employee resulting in behaviour is learning.



“Learning is the process by which an activity originates or is changed by reacting to an encountered situation, provided that the characteristics of the change in activity cannot be explained on the basis of native response tendencies, maturation or temporary states of the organism”. This definition includes almost all the attributes of learning. It reveals that learning is the inferred process, which influences behaviour. The learning is an original activity for the employee. He gets new things or may change his process as a result of observation and cognitive processes. The learning can take place only when the employee reacts to the stimuli, evaluates and accepts the stimuli for changing his behaviour. Learning must be deliberately accepted. It does not include maturity, temporary changes in behaviour and the natural process of behaviour. Behaviour is learned through a cognitive process. It is not a spontaneous and natural process. A child knowing the language of her mother is not learning, because it is a natural process. Children learn good habits and sports on account of their environment, which is a stimulus of learning. The learning process starts with motives and continues with cues, responses and reinforcements until the learner acquires the required changes in behaviour permanently. Learning to drive a car is a good example of a learning process. The learning process is a mental and habit formation process. Attention is paid to certain stimuli used for learning, which are recognised and translated into reinforcement and behaviour. If the learner gets a reward for his improved behaviour, he forms it into behaviour. Proper habits motivate the employee who makes efforts in the right direction. The efforts result in satisfaction and become a stimulus for further learning. The employee pays further attention, recognises and translates stimuli to strengthen habits. This process continues and the employee learns and effects permanent changes in his behaviour, which become a part of his habits. The habit helps in recognition of good behaviour. A habit motivates an employee to perform better. It helps him pay proper attention. He learns constantly and effects a permanent change in behaviour. Learning improves behaviour. This process continues and the employee learns in the process.

## 4.3 CONCEPTS OF LEARNING

### 4.3.1 PROCESS OF LEARNING

(i) **Stimuli:** Stimuli are any objects and language, which draw the attention of people. Employees get stimuli from the actions of their superiors. Superiors tell and advice employees who pay attention to these stimuli. All the stimuli may not be fully attended to. Literary works are also stimuli, which are given attention by educated employees. Stimuli are provided at jobs by perks and scores. Universities



and colleges also impart stimuli for learning. Stimuli provide quality performances. Practical training and vocational teaching are forceful stimuli. The stimuli available at work are numerous. Social, political, cultural and geographical factors provide varieties of stimuli for learning.

(ii) **Attention:** The degree of attention depends upon the nature of stimuli. Technical and interesting stimuli are highly attended. Employees generally accept career-oriented stimuli. The personality levels of employees influence their desires to learn, motives for need fulfillment and tension reduction. Employees having more values of life pay more attention to the stimuli for acquiring more knowledge and experience. People's creative attitudes are favourable factors for learning and paying more attention to available stimuli.

(iii) **Recognition:** Attention-paid stimuli are recognised as acceptable factors of improvement and new life styles. Employees paying attention to stimuli are recognising the stimuli for learning purposes. The levels of recognition depend upon the levels of values, preferences, needs and desires of the employees. When objectives are unclear, employees do not pay attention and do not recognise the training as a fruitful process of improvement. In the learning process, employees as useful factors for their well-being and satisfaction must observe unambiguous activities for recognition.

(iv) **Translation:** Recognized stimuli are evaluated at the mental level to eliminate the irrelevant points for accepting a part of the stimulus for changing behaviour. The evaluation and appraisal of the recognised stimuli helps in reinforcement. An activity will not take place unless it is found useful by employees. The translation and evaluation process is a crucial point for implementing the stimuli in behaviour through reinforcement. Employees behave properly through attitude changes, objectivity, mental and physical development. It is observed in better performances.

(v) **Reinforcement:** Reinforced perception is learning. The perception process includes stimuli, attention, recognition, translation and behaviour. Perception leads to learning, but perception itself is not learning unless it is reinforced. Repeated action is reinforcement. Reinforcement may be positive, negative, punishment and extinction. Learners learn as per their perception levels. Generally positive reinforcement is more effective for making permanent changes in behavior.

(vi) **Behavior:** Learning changes behavior through reinforcement of perceived knowledge. It makes permanent changes in behaviour. A temporary change in behaviour is not learning. Positive behaviour gives rewards to employees.



(vii) **Reward:** Employees expect rewards for learning. If the translated behaviour provides a reward, it is accepted, otherwise it is not accepted. Employees develop their behaviour into habits. Rewards may be monetary or non-monetary. A non-monetary reward includes job satisfaction, status recognition and task achievement. Professional satisfaction is attached to the behaviour, which influences the form of reward. The behaviour of employees decides the level and form of reward. The reward reinforcement makes employees learn more than positive reinforcement behaviour.

(viii) **Habits:** A permanent change in behaviour becomes a habit, which helps continuous improvement in behaviour and performance. Employees develop the habit of self-appraisal and development. It helps to inspire creativity and confidence in employees who are encouraged to behave properly again and again. Right behaviour is reinforced repeatedly. Habits help the development of capability and capacity of employees. Habits translate theoretical knowledge into practice. Skill development requires habitual performance.

(ix) **Motives:** Motives depend on the level of satisfaction. Employees getting more satisfaction through learning develop high motives. Less satisfied learners have low motives. Learning is complete only when motives are fully realised and translated into efforts.

(x) **Efforts:** Habits help achieve good efforts and performance. This is a continuous process. Efforts are the automatic outcome of good habits, which are acquired through the learning process. Self-development is possible through self-effort. Employees willing to develop themselves are self-motivated and effort-oriented. Efforts become the stimuli for learning after development of the standard of employees. Self-learning has been observed when employees have developed good habits and right motives. The learning process itself provides all these opportunities.

The learning process is totally associated with the mental process, inspiration and action. Stimuli reach only the unconscious mind. If it pays attention to stimuli it goes to the inner-level of the mind at subconscious level. Attention is paid by the subconscious mind, which analyses the stimuli and filters out irrelevant stimuli from the employees' angle. The relevant stimuli are attended to, but a smaller portion of the stimuli attended is recognised by the clear mind. Recognition of stimuli is done only by the clear mind. The stimuli recognised further go to the inner part of the mind only when the clear mind has received them and the feeling cell of the mind evaluates their utilities. A felt mind has the capacity to evaluate and appraise the recognised stimuli. The evaluated stimuli if found correct are stored at the



level of the feeling cell of the mind. The stored stimuli or retention works for mobilising the function through reinforcement. Repeat and recall are mobilising factors for action. Similarly, a tense mind gets reinforcement; it compels and forces the heart to activate the body for action and behaviour. Intensity at the mental level activates the heart to function. The level, quality and direction of intensity give the behavioural function a real shape. Behaviour is the outcome of intensified stimuli and the heart's activation. Behaviour producing reward helps the mental process to think and rethink again and again at all the five levels of the mind. The reward itself becomes a stimulus, which is attended, recognised, translated and reinforced respectively by the unconscious, subconscious, clear, felt and intense mind. It reaches to the heart level, and consequently this process develops into a habit. Permanent changes in behaviour converge in the form of a habit.

### **4.3.2 MODELS OF LEARNING**

Theories of learning have been developed as models of learning which explain the learning process by which employees acquire a pattern of behaviour. Inborn ability and aptitude to learn new skills and the degree to which the learner participates in the process are considered under models of learning. Some models believe that individuals cannot learn independently. They require the help of experts and personal involvement in the learning process. Other theories believe that employees can learn by observation. Their drive and motives are helpful for the learning process. No one can learn unless they are willing to learn. Employers have to provide adequate opportunities and incentives to employees so that they can get drives for the learning purpose. It is also believed by some theorists that learning is a stimulus - response process. Stimuli are essential for the learning purpose. The stimuli provide understanding and insights to the employees. The learning process helps further learning. Previous learning helps further learning. For example, learning of language and mathematics helps in the learning of higher education. Learning is a constant process, which provides reinforcement to employees to avoid forgetfulness and take up learned behaviour. The basic purpose of any theory is to explain a phenomenon in a better manner so that a learner can acquire it easily and permanently. A perfect theory explains how, when, why and other aspects of learning. Although, there is no perfect and universal model of learning, theorists have devised models of learning under classical, operant and social.

#### **4.3.2.1 CLASSICAL MODEL OF LEARNING**

The classical model of learning developed with experience of the material process accompanied with



learning stimuli. Pavlov propounded this model. In Indian mythology, some examples have been observed where the learner took the assistance of natural phenomena to make a pupil learn a new process of functions. Ivan Pavlov, a Russian physiologist, observed that a dog started secreting saliva with the ringing of a bell, as the ringing of the bell was accompanied by the showing a piece of meat to the dog. It is a natural phenomenon that a dog secretes saliva when meat is put before the mouth of dog. If the natural phenomenon known as unconditioned stimulus is accompanied by an artificial phenomenon known as conditioned stimulus, the dog generated a conditioned response ultimately, as the process was repeated constantly. The unconditioned response, i.e. the secreting response, becomes a conditioned response after sometime as the dog learnt that the ringing of a bell meant the availability of meat.

The classical model of learning believes that the unconditioned and conditioned stimuli would be repeated several times to get the net result of a conditioned stimulus which would be a conditioned response. In the Pavlov theory, the dog learnt to secrete saliva (conditioned response) at the ringing of a bell (conditioned stimulus), after repeatedly performing the functions of unconditioned stimulus (showing meat) and conditioned stimulus (ringing bell) simultaneously. Later on, the unconditioned stimulus was separated from the conditioned stimulus to get a conditioned response. Employees can be conditioned accordingly. The conditioned stimulus may be changed to get the result of second or third conditioned stimulus. Employees can learn the new conditioned stimuli if they are repeatedly given new stimuli along with the old unconditioned stimulus. The monetary incentives are generally accepted as the unconditioned stimuli for motivating employees. If these stimuli are accompanied with non-monetary incentives for some period, employees learn to work hard with non-monetary incentives. People have a natural liking for dance, drama, exhibitions, etc., which can be used for getting conditioned response from them. Learning while you work in the factory provides conditioned response to the employees. Reinforcement of the unconditioned stimulus and conditioned stimulus is needed to get a conditioned response. Conditioned stimuli with reinforcement help in learning. Reinforcement makes the conditioned stimulus behave as an unconditioned stimulus to get its natural response.

Classical conditioning is passive and creates reflexive behaviour. It is elicited. It is a natural process, which may be useful in the primitive stage of an employee's knowledge. An advanced employee may not get the benefit of classical conditioning, which is purely a formation of a Stimulus - Response link



habit. Repeated pairing of a conditioned stimulus with an unconditioned stimulus would result in a conditioned response. Learning car driving is based on stimuli-response (S-R) behaviour where the driver is immediately alerted to a response as he confronts a boy in front of his running car, i.e. conditioned stimulus. Initially he starts with unconditioned (natural) stimuli and later on he develops conditioned (artificial) stimuli. In Indian industries, classical conditioning is an important method of learning when employees start with certain natural phenomena along with an artificial work style to arrive at new methods of working.

#### **4.3.2.2 OPERANT MODEL OF LEARNING**

The operant or instrumental model of learning is a developed form of classical learning, i.e. the S-R link habit. Employees behave in a particular manner because they would like to get a reward (Response). Reward or the desired results acquire certain behaviour traits. Reward creates drives and motives to acquire certain behaviour amongst employees. B. F. Skinner, a Harvard psychologist, propagated operant learning. He argues that behaviour increases and develops to acquire certain benefits. The desired behaviour is the outcome of acquired benefit or reward. Employees do not accept behaviour, which is not rewarded. The reinforcement of behaviour is contingent upon the reward. Employees work hard to get additional benefits. The learning process starts with the reward or response. Learned employees for the sake of customer satisfaction, employee productivity and shareholder wealth improve corporate functions. The learning takes place for the said responses. The classical conditioning has the stimulus as the beginning of learning, whereas operant learning starts with the response, which becomes a stimulus for the learning process. The reward develops habits, motives and efforts for providing them with stimuli for learning. The employees pay more attention, recognise properly and translate their recognition into behaviour. It is a clear fact that learning starts with reward and performance satisfaction. People do not like to learn a process, which is not rewarded. Behaviour is improved through learning for rewards and benefits. In the absence of a reward and response, behaviour is not shaped, and the learning process does not take place or continue in the future. The environment of the factory becomes a stimulus for learning. It is the reverse of classical learning where the stimulus provides the response. The reward or response itself becomes a source of drive and motivating factors. The drive can be developed by a variety of responses or events. The drive helps to develop the habit of learning for achievement. The habit is developed or learned through motives, which improve the efforts



of the employees. Efforts provide satisfaction because they feel happy while performing a job. Effort encourages and becomes a stimulus for learning. More attention is paid to job content and context, because it has been recognised as a source of reward. Translation and reinforcement help behaviour, which assures reward. A particular behaviour is learnt to get a given reward. Reinforcement strengthens behaviour, which in turn is aimed at acquiring the reward, which drives habit and motivates efforts for a proper performance. Motives lead to behaviour, which is satisfying. It is a known law of effect that reward strengthens habits because of lessening drive. It is R-S link behaviour, which becomes a habit if rewarded. Reinforcement has become an important factor to shape stimuli into behaviour. Reinforcement may be positive or negative. Positive reinforcement assures reward, whereas, negative reinforcement avoids unpleasant conditions. Employees are alerted to avoid unpleasant happenings through learning. For example, proper operation of machines is needed to avoid accidents or casualties. Negative reinforcement, i.e. avoidance of unpleasant events is useful for learning the proper handling of electric appliances and machines. The positive and negative reinforcement change behaviour, which if rewarded becomes a habit. Punishment and extinction are not part of the process of learning. They are used to avoid unpleasant behaviour. Modern theorists do not believe in punishment and extinction because they may be averse to the learning process. On the contrary, reward and response are taken for learning. The larger the reward, the larger will be the reinforcement and stimulus to learn. To change the desired behaviour into habit, reward is an inevitable point and conversion factor.

The classical learning process lays emphasis on changing unconditioned stimuli to conditioned stimuli. If the conditioned stimulus has been acquired through the process of pairing with unconditioned stimulus, learning is acquired, as it will give a conditioned response. Operant learning emphasises response, which stimulates learning by changing the present behaviour into the required behaviour. The S-R connection in classical learning is changed to the R-S connection in operant learning. The reward or response need not be financial. It may be non-financial and psychologically satisfying to the employees. The classical theory believes that employees will fulfill their basic and other needs if they work hard or in a learned manner. On contrary, the operant learning theory emphasises that the required learning and behaviour is adopted for getting basic and other needs. A manager works for getting social recognition. He learns to manage efficiently to gain recognition. He learns to manage efficiently to gain recognition and fame. Scientific research and technological development is related to operant learning.



#### 4.3.2.3 SOCIAL LEARNING MODEL

Employees learn from their surroundings, peers, parents, teachers and other people. They learn socially by observation, and the importance of the perception process has been recognised under the social learning model. Stimuli, attention, retention, reproduction and reinforcement have been accepted as basic components of social learning. Employees pay attention to several social stimuli, which occur in their surroundings. They do not pay attention to all stimuli, but pay attention to only those stimuli, which are attractive, easy to recognise, important and useful. The attended stimuli are recognised and translated by employees. The learning level depends upon how much the recognised stimuli are retained in the mind of employees. The retention process is helpful for storing information. Stimuli, which are translated as useful and satisfactory, must be retained for reproduction and recall purposes. The recall provides reinforcement and behaviour. If rewards are provided, the behaviour will become a habit. The learning process is completed when employees show changes in behaviour, which becomes a habit, i. e. permanent change in behaviour. Social learning has become a more useful process of learning because it goes beyond the process of classical operant learning by recognising the fact that there are more points and subjects of learning than the antecedent stimuli of classical and contingent consequences of operant learning. Social learning refers to the learning process through vicarious process, modeling and self-control.

Social learning includes the vicarious process, which is useful for learning, which involves observational learning. Millar and Bollard propounded the vicarious process wherein they believe that learning can take place through imitation process. Social learning includes the socialisation process. It refers to learning through social action, reaction and interaction. The language, customs, functions and performances are the outcome of social, cultural and political phenomena. Culture and religion are accepted for teaching the new generation about life style and behavioural patterns in society. People observe others and acquire a mental picture of the act and its consequences, which may be reward and punishment. If the consequences are positive and satisfactory as per social norms, people like to imitate and perform with repetition. If people find that the consequences are negative and full of problems, the imitated acts will be rejected. It is not a discrete performance with discrete response consequences. Operant learning is discrete response stimuli whereas social learning is a continuous response stimuli connection.



Modeling is effectively applied for shaping behaviour. It is used for the improvement of human behaviour. The behaviour leads to performance improvement. It is capable of meeting the technical skill requirements. A favourable environment increases the probability of attention and retention. Role-playing and demonstration is modeled on the target behaviour. The behaviour is acquired as a result of the modeled process of existing behaviour. Continuous intermittent factors help develop behaviour. Modeling procedures have a favourable impact on behaviour and habits.

#### 4.4 REINFORCEMENT

Reinforcement is the crucial factor in the learning process. This is also known as the method of shaping employees' behaviour. Perception becomes learning only through reinforcement.

Perception = Stimuli → Attention → Recognition → Translation → Behaviour

Learning = Stimuli → Attention → Recognition → Translation → Reinforcement → Behaviour → Habit

Reinforcement is the repeated use of the translated stimuli to induce new behaviour. It increases the strength of response and induces repetitions of the response, which is the outcome of the translated and evaluated stimuli. When reward is attached to behaviour, it becomes a habit. Reinforcement increases the possibility of specific responses occurring in future as a result of evaluated stimuli or uses.

Learning = Input → Process → Output  
= Stimuli → Reinforcement → Behaviour

Reinforcement is the instrument or process of learning in all the models discussed already. No stimuli can take the shape of behaviour unless reinforcement or repetition takes place during the learning process. A learner of car driving learns until such time it becomes a part of the total habits of the learner. The behaviour i.e. learning car driving becomes a habit because the learner gets rewarded for his behaviour in the form of the satisfaction of car driving. Reinforcement is the repeated exposure of knowledge for translation into practice and habit. New behaviour or change in behaviour is the output of learning, which is the outcome of stimuli input through reinforcement. Classical, operant and social learning models lay emphasis on reinforcement. Reinforcement is another term for conditioning. The stimuli, response and social activities are conditioned to arrive at a new behaviour or change in behaviour. Behaviourists have proposed conditioning of employees for proper behaviour. Repetition, adherence, stimulus, generalisation or discrimination, converting theory into practice is various forms of



reinforcement. A habit is formed through repeated rewards attached to behaviour. While conditioning explains how employees learn from cues or stimuli, operant (instrumental) conditioning refers to response or goal directed activities. Social conditioning is concerned with social recognition and acceptability. Employees learn in this case through modeling various observation or self-understanding. Reinforcement is a cognitive process. The stimuli are translated into habit through an effective, cognitive and behaviour process. Reinforcement, being cognitive in nature, is environmentally based. The law of effect is used in reinforcement for getting the reward. Goal-oriented reinforcement is long lasting and increases the strength of response.

#### 4.4.1 TYPES OF REINFORCEMENT

Reinforcement may either be positive and negative, extrinsic and intrinsic, primary and secondary, and in the form of punishment and extinction. It is used to shape the behaviour of employees. Systematical reinforcement of successive steps will move employees closer to the desired response. They reinforce improvement in their behaviour.

**4.4.1.1 Positive and Negative reinforcement:** Positive reinforcement consists of events that assure achievement of a specific response or the desired behaviour. Getting technical skills assures the desired result of reward, and the changing of behaviour into a permanent habit of technical performance, when response is pleasant as a result of the repetitive efforts of employees, is called as positive reinforcement. It means that positive reinforcement assures desired consequences and pleasant achievements through strengthening of the present behaviour or present new behaviour. Positive reinforcement strengthens behaviour for pleasant performance and reward. It is the presentation of attractive results. Negative reinforcement does not give an unpleasant response, but avoids an unpleasant response. Negative reinforcement is the termination or withdrawal of an unpleasant and undesirable result. It helps employees escape from aversive or disagreeable conditions. Negative reinforcement is the termination of unattractive results. It is not punishment because punishment discourages behaviour, and negative reinforcement avoids unpleasant or disagreeable behaviour. Appreciation of an employee, who is successful in performing a task if constantly repeated, will be positive reinforcement. Repeatedly warning employees against the careless handling of electrical machines would be negative reinforcement as it attempts to avoid accidents. Negative reinforcement strengthens and increases a particular type of behaviour, as the employees learn how to avoid and prevent accidents while operating



electric machines. The withdrawal or avoidance will result in a specific kind of behaviour. Negative reinforcement is not punishment because the latter decreases and discourages behaviour, while the former increases and strengthens behaviour to avoid something undesirable. If an employee does not bother about undesirable results and handles the electric machine carelessly, he will face punishment by his supervisor or meet with an accident. In both the cases, behaviour decreases. If the employees do not follow negative reinforcement, they are punished. Employees learn to escape and avoid unpleasant jobs. They may avoid punishment by being alert enough to avoid undesirable events. For example, employees are not very active and good performers when the supervisor is not present in the factory. If a supervisor comes at a particular time, the employees become active before his entry into the factory. It is a negative reinforcement that employees avoid unpleasant rewards in the presence of the supervisor by nonworking and being non-active. If employees do not bother about the supervisor and do not exercise negative reinforcement, i.e. avoiding inaction, they will be punished by the supervisor for non-working and for their laxness. Negative reinforcement simply avoids unpleasant tasks, but it does not assure a pleasant performance for which positive reinforcement is essential in the organization.

**4.4.1.2 Extrinsic and Intrinsic Enforcement:** Employees to learn a particular type of behaviour externally use extrinsic reinforcement. The environment in the factory helps exercise extrinsic reinforcement. The employee is influenced by external cues and stimuli. The relationship between the supervisor and employees, monetary incentives and favourable work conditions are several examples of external reinforcement. The behaviour of and instructions by peers and seers are used for moulding the behaviour of the employees. Extrinsic reinforcement is external and has other activities influencing the learning process as reinforcement. Intrinsic reinforcement is internal and uses self-reinforcement. When the employee develops his own understanding of the problem, it is self-reinforcement. Intrinsic reinforcement is self realisation and improvement of behaviour. Feelings and motives become intrinsic reinforcement. Intrinsic reinforcement is considered a more forceful process of learning. Extrinsic reinforcement will not be effective unless intrinsic reinforcement is applied for learning. It is self-appraisal and development. Extrinsic reinforcement is evaluated by employees and, if accepted as useful, will be converted into intrinsic reinforcement. Extrinsic and intrinsic reinforcement are used for learning purposes. Intrinsic reinforcement is personal and relates to satisfaction, recognition, challenges, growth and responsibilities. Extrinsic reinforcement is ultimately evaluated at the level of intrinsic reinforcement. The success of reinforcement depends on how much it influences the internal drive of



the employees. In extrinsic reinforcement, for example, monetary incentives would be ineffective if it is not internally accepted as the drive for learning and improvement in behavior.

**4.4.1.3 Primary and Secondary Reinforcement:** Primary reinforcement directly influences primary motivational drives. It is related to the primary needs of people. The employees are reinforced to learn by adopting primary functions or basic needs. Children learnt languages and mathematics through primary reinforcement. For example, they are told that A is. Apple, B is Banana because they are used to the words apple and banana. Therefore, the first letter of these fruits will help them understand the letters. The example of fruits is the primary reinforcement. Primary reinforcement is mainly observed in classical learning wherein the artificial reinforcement is accompanied with the natural or primary reinforcement to make a long-lasting impact of artificial reinforcement. The secondary reinforcement is closely related to the operant learning, wherein the rewards are taken as the drives and motives for learning. Secondary reinforcements are artificial and new in their characters. They are first introduced to the learner for adoption in their learning process. Technical education first introduces the machine and its components before detailing its operation. Secondary reinforcements have become significant for understanding complex human behaviour. This reinforcement is used for motivation and modifying behavior.

**4.4.1.4 Punishment and Extinction:** Punishment is also a method of learning, although it is very crude and undesirable. It is generally used to make the employees learn a particular type of behaviour. However, it is the least accepted aspect of learning. Supervisors use punishment to modify the behaviour of employees. Punishment is not a well-thought reinforcement. It is the reverse of reinforcement for altering behaviour. Punishment is used in an illiterate society to learn behaviour. Indian workplaces generally use punishment for mending the behaviour of employees, although it is the reverse of reinforcement and learning. There is no shortage of examples where employees learn to attend work in time and perform correctly because of fear of punishment. Fear psychosis is helpful to the learning process. It is a complex and cumbersome method of learning, and cannot be used as an effective reinforcement. On the contrary, punishment decreases reinforcement and consequently the learning process and results. It weakens behaviour and ultimately decreases productivity. Punishment is the appreciation of an undesirable process or the facing of noxious consequences. It is designed to discourage a particular type of behaviour. It creates unpleasant conditions to eliminate undesirable



behaviour. Negative reinforcement presents pleasant conditions to avoid unpleasant consequences. Punishment is an unpleasant condition to prevent undesirable behaviour. Punishment focuses on unpleasant reinforcement and undesirable behaviour. Punishment does not contribute to learning the desired response. On the other hand, it creates an undesirable atmosphere and discourages learning for favourable results. Only positive and negative reinforcements help in learning and getting a favourable outcome. Extinction is the withdrawal of desirable consequences and is contingent upon employee's behaviour. The withdrawal of desirable consequences occurs after behaviour has taken place. In this process neither reward nor punishment follows undesirable behaviour. Ignoring undesirable behaviour is extinction. For example, if an employee misbehaves with his colleagues, the supervisor ignores his behaviour. Ignoring this behaviour will extinguish undesirable behaviour. When learned response is not reinforced, it is extinction. The behaviour fades with the neglect of response. Eliminating any reinforcement for maintaining behaviour is called extinction. Punishment and extinction are not true learning processes as there is no effective reinforcement for the learning process. Learning is expected through undesirable stimuli and reinforcement, or avoiding both stimuli and reinforcement to check undesirable behaviour. Positive and negative reinforcement help learning because they provide favourable behaviour and avoid non-favourable behaviour.

#### 4.4.2 TECHNIQUES OF REINFORCEMENT

Reinforcement plays a crucial role in human resources management such as learning, training, improvement, development and modification. It increases the strength of desired behaviour. Employees are psychologically treated through reinforcement for delivering good results. If rewards are attached to behaviour, employees develop reinforcement into habits. The pattern and timing of reinforcement are important factors to determine the results of reinforcement. Some type of reinforcement is essential to produce change in behaviour and result in the effective performance of the organisation. However, the speed, place and timing of reinforcement have much bearing on behaviour change.

##### 4.4.2.1 Schedules of Reinforcement

The schedule of reinforcement should be properly decided for getting the full result of learning. The schedule of reinforcement may be continuous or intermittent. Intermittent is further classified on interval and ratio basis into fixed and variable.

- (i) **Continuous Schedule:** A continuous schedule incorporates each and every item of learning



in a systematic order. It reinforces the accepted stimuli to get the desired behaviour. Learners get stimuli and cues repeatedly till they learn the desired behaviour. Continuous reinforcement assures a specific habit. The machine operators are continuously told to operate the machine. They are first given a theoretical perception before putting this into practical usage. They operate the machine in the presence of the supervisor who constantly describes the use of each and every part of the machine till they learn how to operate the machine effectively.

(ii) **Intermittent Schedule:** An intermittent schedule does not include demonstration of each and every item of learning as in the case of the continuous schedule. Reinforcement is given after a gap to make the learner repeat himself during the learning process. Intermittent reinforcement provides more opportunities to learn because the learner applies his mind during the interval of not getting instruction. It promotes more resistance to extinction. Desired behaviour is observed easily through reinforcement repeated after a gap and not every time. It is clarified with a simple example of a machine operator in the factory. When the foreman continuously attends the learning of operation process to make the learners conversant with each and every point of his demonstration, the learners are dependent on the trainer and may not apply their minds during performance. However, in the case of intermittent reinforcement, the foreman comes after a certain time and explains whatever is not clear to the employees. He is not present continuously. In this case, the learner applies his mind and tries to think clearly when the trainer is absent, because the trainer will not be present always to solve all his problems. The trainer comes after a gap of time. The time interval depends on the number of employees engaged in learning and the nature of learning. Within the time interval, employees repeat the reinforcement given by the trainer when he has left after instruction. The gap between the first instruction and the second instruction makes the employees learn the behaviour demonstrated in the first instruction. The intermittent schedule helps in the modification of behaviour and the extinction of unfavourable behaviour. The discontinued and discrete schedule helps understand the work profoundly. Reinforcement after a gap recalls previous good behaviour and avoids non-desirable behaviour. Behaviour becomes resistant to extinction. Intermittent reinforcement may be based on an internal ratio.

**Interval Schedule:** Reinforcement is done with a uniform time interval. The critical variable is time, which may be fixed or variable.

**Fixed interval schedule:** A fixed interval schedule has a constant variable. The learner attends to the



learning process at fixed intervals of a week, fortnight, month or year. Reinforcement is given after a specified period of time. The time interval is fixed for a particular learning process. Since there are different learning processes, the fixed interval varies from one job to another. At the beginning of learning, a short interval is desirable which may extend further at a later stage of learning. Monetary reinforcement is generally at fixed intervals. The time interval is fixed after research to make the interval an effective and useful learning process. Too long or too short an interval may hamper the learning process and consequently the results or response of reinforcement.

**Variable interval:** The time schedule is not fixed. The learner is unaware as to when he will get the reinforcement. The supervisor has told the employees to work seriously. If anyone is found inactive at any time, he may be punished. The supervisor reinforces his decision at random or at any time not known to the employees. Reinforcement is given in an irregular or unsystematic manner. Unlike fixed interval intermittent reinforcement, the time of reinforcement is not known or certain in case of the variable interval. It makes employees aware of their functions and disciplines all the time, to avoid any punishment during a random visit by the supervisor. In the case of the fixed interval, the employees are aware of the time of the supervisor's visit, and so try to be alert only at that time. At any other time, they are inactive and careless. A variable interval having uncertainty of reinforcement becomes more effective and useful.

**Fixed ratio schedule:** The difference between interval and ratio is that the critical value is time in the former case and the number of responses in the latter. The reinforcement is initiated after getting a fixed number of responses. For example, reinforcement is fixed after twenty responses. Rewards attached to the output also follow a case fixed ratio schedule. The response of wage is linked to the reinforcement of output. Reinforcement is given after a certain number of responses. If the reward is paid with the response, employees try to have a larger number of responses to get the reward. Bonus linked with productivity is a very good example of fixed ratio reinforcement.

**Variable ratio schedule:** Reinforcement varies with the response and is not in a fixed ratio. Reward varies from individual to individual in case of the variable ratio schedule. Reinforcement is not fixed to the number of stimuli. It varies from individual to individual, depending upon their levels of personality. Fixed ratio reinforcement may produce different responses because of different levels of understanding of employees. Variable reinforcements based on different levels of personality are



expected to produce almost similar responses. The fixed and variable interval as well as fixed and variable ratio provides opportunities for modification and development of behavior. Any schedule of reinforcement is not foolproof. Every reinforcement has its advantages and disadvantages. Therefore, considering the environment and level of employees, reinforcement schedule will be selected. Continuous reinforcement is useful for newly appointed employees with unstable and low frequency responses. It provides early satisfaction, but fades with the withdrawal of reinforcement. Intermittent reinforcement is effective with stable and high frequency responses. A variable schedule gives better results and high performances than the fixed schedule. A variable interval schedule provides opportunities for high responses and more stable and consistent behaviour because of the uncertainty involved. Employees tend to behave sincerely because an element of surprise is involved in variable schedule.

#### **4.4.3 VALUES**

Employees have certain values in life. They view life from different angles which are reflected in their work performance. Learning helps them to develop high values towards their jobs and the organisation. Values refer to the basic convictions, which lead to formation of conduct or social preferences. Values are a combination of different attitudes and attributes of individuals. They help employees decide what is right, good, desirable, and favourable and so on. One value may be useful for a person, but may not be effective for others. The intensity attributes or value system has relative importance. Values are a code of conduct developed by an individual and the social system. Honesty, self-respect, equality, sincerity, obedience, truthfulness, etc. are various examples of values. Values are significant in organisational behaviour. Employees behave properly if they give importance to values. Learning may help provide opportunities for development of values. Employees would be aware of what ought to be done or what ought not to be done by giving importance to values. Behaviour is modified only if people are aware of right or wrong things, which are the deciding components of values. Learning aims to develop values so that employees can perform and behave properly. Values influence objectives too, because values shape the attitude and behaviour of employees. For example, obedient employees perform efficiently without creating any problems for the management. Disciplined employees feel directed towards objectives. Learning helps employees develop high values and favourable behaviour.

##### **4.4.3.1 SOURCES OF VALUES**



People develop values from different sources, e.g. parents, friends, teachers, society, religion, workplace and national characteristics. Parents are the initiators of values. Mother and father always tell us what is right or what is wrong. They ask their children to do right things and avoid wrong things. Every family has certain values, which are inculcated in the children. Brothers and sisters play significant roles in developing values. Parental guidance paves the value systems on which children develop their attitude and behaviour. That is why it is said that children of a good family will be good and hard workers. Children in their attitudes and behaviour incorporate parent's talk about society, friends, nations and work values, and these values. Friends influence each other to resort to particular behaviour. Good company helps develop good values. Teachers teach several good values to be adopted by students. Teachers are real instructors of value to learners. Society has a great impact on shaping the inter-behaviour of people, which provides value formation. Club members encourage (Different values depending upon their respective characters. Values are learnt and developed through religious factors. God, universe, fortune and suffering are attached to value application in behaviour. For example, righteous behaviour pleases god and vice-versa. A pleased god showers fortune and a displeased god give suffering, as per several examples of religious and cultural beliefs. Indian society believes that good values are related to godly pleasure, which give satisfaction to people. Workplaces teach honesty, responsibility, diligence, endurance and so on. People should be honest and responsible while performing a job. Good values have become strong forces for good behaviour whereas bad values destroy social and economic ties. Misery, suffering and dissatisfaction are associated with bad values. Good values give satisfaction as they help one to perform better. National characters have a great impact on the values exercised by the people. Warring nations have been developing warring and fighting values as real factors for satisfaction. Peace-loving nations develop peace values in people. Based on different sources of value formation, values are different. Learning strengthens good values and avoids bad values through positive and negative reinforcements respectively. The social learning process helps in developing various types of values.

#### **4.4.3.2 TYPES OF VALUES**

Values may be of different types, depending upon their sources of formation, namely family values, economic values, social values, religious values and national values. Family values preach methods of living in a family. The behaviour of family members with each other depends on the values developed.



For example, the relationship between parents and children, brother and sister and so on have certain behavioural values. A father will treat his children affectionately. Similarly, children are expected to honour and respect their parents. There are different family values, which are bases of satisfaction and happiness in the family. Economic values give importance to money, financial resources and property formation. If an employee is unable to develop himself and his family, he has not given due importance to economic values. In the modern age, people recognise economic values more than other values. Economic well being is considered a symbol of status and satisfaction. Social values refer to the methods of behaviour in society. Social recognition and social satisfaction are related to social values. If a friend helps other friends, he values friendship and selflessness. Religious values are often observed in India where large sections of the people are governed by religious values and acceptances. Religious leaders shape lives of people through the preaching of religious values such as having faith in god, non-interference in others' lives, job fulfillment, being active, non-attachment, etc. The aim of life is told to them and this incorporates several relevant values to shape the behaviour of people. It is also referred to as a terminal value. People practice instrumental values for the development of family and society. Values at the workplace are covered under economic values, whereas values of behaviour accepted in the organisation are known as instrumental values. For achieving satisfaction, National values are preached by national leaders. Mahatma Gandhi preached some significant values to the people of the nation. Truth and nonviolence were the two important values preached by him. Different values are attached to particular generations. The modern generation below the age of 30 is freer, leisure-minded, and flexible and so on. Learning programmes should be designed in such a way that the employees can develop high values for corporate development and their satisfaction as well. Instrumental values of honesty, responsibility, ambition, courage and independence may achieve the terminal values of self-respect, security, accomplishment, happiness and self-satisfaction. Older people are conservative, loyal and quality-oriented whereas the younger generation is flexible, leisure liking and believes in building up relations. Good values are to be explored, initiated and developed for the modification of performance behaviour in an organisation. Learning has a great role to play in achieving this objective.

#### 4.5 CHECK YOUR PROGRESS

1. The learning process is the process by which individuals acquire the -----and ----- to be applied in future behaviour.



2. ----- are any objects and language, which draw the attention of people.
3. ----- are the automatic outcome of good habits, which are acquired through the learning process.
4. ----- refer to the basic convictions, which lead to formation of conduct or social preferences.
5. ----- are the initiators of values.

#### 4.6 SUMMARY

Learning is a self-development process. People are interested in self-development. Self-analysis, appraisal and improvement help to learn and acquire the required behaviour. Reinforcement has a major role in the learning process. Further, the human species, unlike animal possess an extremely high proportion of unused mental capacity at birth. Human being has very few instincts or innate response tendencies relative to lower animals. While this may be detrimental to man in the sense that he is helpless for a long period in his early years, it is favorable in the sense that he has greater capacity for adaptation in response to changed survival conditions. This is because of his learning capacity. As such, learning becomes an important concept in the study of human behavior.

#### 4.7 KEYWORDS

**Learning:** It is a cognitive and modeling process for acquiring knowledge and experience.

**Values:** Values refer to the basic convictions, which lead to formation of conduct or social preferences.

**Family Values:** These preach methods of living in a family.

**Positive Reinforcement:** It consists of events that assure achievement of a specific response or the desired behavior.

#### 4.8 SELF ASSESSMENT TEST

1. Analyse the role of learning theory for understanding human behaviour.
2. Discuss the nature of classical conditioning and operant conditioning. What are the differences between these?
3. What is reinforcement? Discuss its use in organisation.
4. Discuss the learning process in an organisation.
5. Explain the importance of values and reinforcement for learning process.



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#### **4.9 ANSWER TO CHECK YOUR PROGRESS**

1. Knowledge and experience.
2. Stimuli
3. Efforts
4. Values
5. Parents

#### **4.10 REFERENCES/SUGGESTED READINGS**

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<b>Subject: Management Concepts and Organizational Behaviour</b>	
<b>Course Code: BCOM 205</b>	<b>Author: Surinder Singh</b>
<b>Lesson No. 5</b>	<b>Vetter: Dr. B.K.Punia</b>

## PERCEPTION

### STRUCTURE:

- 5.0 Learning Objectives
- 5.1 Introduction
- 5.2 Definition of Perception
- 5.3 Concepts of Perception
  - 5.3.1 Components of Perception
  - 5.3.2 Factors Influencing the Perception Process
  - 5.3.3 Perception Models
- 5.4 Check Your Progress
- 5.5 Summary
- 5.6 Keywords
- 5.7 Self-Assessment Test
- 5.8 Answer to Check Your Progress
- 5.9 References/Suggested Readings

### 5.0 LEARNING OBJECTIVES

After going through this lesson, you should be able to;

- Define perception and explain its components.
- Describe the perception models.
- Assess the various factors influencing the perception process.



## 5.1 INTRODUCTION

The psychological processes that allow an individual to adjust his behaviour are called perception. The behaviour of an individual is inclined by his personality, motives and efforts. The behaviour and performance provides satisfaction to the employees who get stimulated to work more and develop his personality and work quality.

## 5.2 DEFINITION OF PERCEPTION

Perception may be defined as “a cognitive process by which people attend to incoming stimuli, organise and interpret such stimuli into behaviour”. Perception can also be defined as “a process by which individuals organise and interpret their sensory impressions in order to give meaning to their environment”. The environment is a stimulus to influence behaviour, because the stimuli are attended, organised and interpreted to arrive at certain forms of behaviour. The sensory organs, i.e. eyes, nose, ears, skin and tongue, are used to change the stimuli into behaviour through their attention, recognition and interpretation processes. Individuals do not accept the information or stimuli unless they are evaluated and interpreted by the mental processing system. Individuals attend to the stimuli, recognise and translate them into meaningful information, which inspire them to act and perform the job. These processes are known as perpetual process. When employees get satisfaction through their performance, either by meeting their physical or mental needs, they perceive the organisation in the right perspective. It helps them understand the functions and achieve satisfaction.

## 5.3 CONCEPTS OF PERCEPTION

### 5.3.1 COMPONENTS OF PERCEPTION

Perception is a process of sensory organs. The mind gets information through the five sense organs, viz. the eyes, ears, nose, tongue and skin. The stimulation coming to these organs may be through action, written messages, oral communication, odour, taste, touch of the product and people. The perception starts with the awareness of these stimuli. Recognising these stimuli takes place only after paying attention to them. These messages are then translated into action and behaviour.

**1. Stimuli:** The receipt of information is the stimulus, which results in sensation. Knowledge and behaviour depend on senses and their stimulation. The physical senses used by people are vision, hearing, touch, smell and taste. Intuitions and hunches are known as the sixth sense. These senses are



influenced by a larger number of stimuli, which may be action, information, consideration and feelings, etc. The stimuli may be in the form of objects or physical commodities. The human body itself is developed through the acceptance of the stimuli. The mind and soul are the victims of these stimuli occurring in the surroundings of the people. The family, social and the economic environment are important stimuli for the people. The physiological and psychological functions are the result of these stimuli. The intensive and extensive forms of stimuli have a greater impact on the sensory organs. The physical work environment, socio-cultural environment and other factors have certain stimuli to influence the employee's perception. In all, the perception begins only when people deal with stimuli; that is, stimulating factors give information about the situation.

**2. Attention:** People selectively attend to stimuli. Some of the stimuli are reacted to while others are ignored without being paid any attention. The stimuli that are paid attention depend purely on the people's selection capacity and the intensity of stimuli. Educated employees pay more attention to any stimuli, viz. announcement of bonus, appeal for increasing productivity, training and motivation. The management has to find out suitable stimuli, which can appeal to the employees at the maximum level. If the attention of the employees is not drawn, the organisation cannot expect proper behaviour from the employees. An organisation should be aware of all those factors, which affect the attention of the employees. During the attention process, sensory and neural mechanisms are affected and the message receiver becomes involved in understanding the stimuli. Taking employees to the attention stage is essential in an organisation for making them behave in a systematic and required order.

**3. Recognition:** After paying attention to the stimuli, the employees try to recognise whether the stimuli are worth realising. The messages or incoming stimuli are recognised before they are transmitted into behaviour. Perception is a two-phase activity, i.e. receiving stimuli and translating the stimuli into action. However, before the stage of translation, the stimuli must be recognised by the individual. The recognition process is dependent on mental acceptability. For example, if a car driver suddenly sees a child in front of his running car, he stops the car. He recognises the stimuli, i.e. the life of the child is in danger. His mental process recognises the danger after paying attention to the stimuli. If he does not pay attention to the stimuli, he cannot recognise the danger. After recognising the stimuli, he translates the message into behaviour.

**4. Translation:** The stimuli are evaluated before being converted into action or behaviour. The



evaluation process is translation. In the above example, the car driver after recognising the stimuli uses the clutch and brake to stop the car. He has immediately translated the stimulus into an appropriate action. The perception process is purely mental before it is converted into action. The conversion is translation. The management in an organisation has to consider the various processes of translating the message into action. The employees should be assisted to translate the stimuli into action. For example, the announcement of bonus should be recognised as a stimulus for increasing production. The employee should translate it into appropriate behaviour. In other words, they should be motivated by the management to increase productivity. During the translation period, psychological mechanism commonly known as sensory and mental organs is affected. They influence perception. The incoming stimuli are interpreted and perception is developed.

**5. Behaviour:** Behaviour is the outcome of the cognitive process. It is a response to change in sensory inputs, i.e. stimuli. It is an overt and covert response. Perceptual behaviour is not influenced by reality, but is a result of the perception process of the individual, his learning and personality, environmental factors and other internal and external factors at the workplace. The psychological feedback that may influence the perception of an employee may be superior behaviour, his eye movement, raising of an eyebrow, the tone of voice, etc. The behaviour of employees depends on perception, which is visible in the form of action, reaction or other behaviour. The behavioural termination of perception may be overt or covert. The overt behaviour of perception is witnessed in the form of physical activities of the employees and covert behaviour is observed in the form of mental evaluation and self-esteem. The perception behaviour is the result of the cognitive process of the stimulus, which may be a message, or an action situation of management function. Perception is reflected in behaviour, which is visible in different forms of employees' action and motivation.

**6. Performance:** Proper behaviour leads to higher performance. High performers become a source of stimuli and motivation to other employees. A performance-reward relationship is established to motivate people.

**7. Satisfaction:** High performance gives more satisfaction. The level of satisfaction is calculated with the difference in performance and expectation. If the performance is more than the expectation, people are delighted, but when performance is equal to expectation, it results in satisfaction. On the other hand, if performance is less than the expectation, people become frustrated and this requires a



more appealing form of stimulus for developing proper employee work behaviour and high performance. It is essential to understand the factors that influence the perception process and mould employees' behaviour towards the corporate objectives and self-satisfaction. Individuals observe several stimuli everyday. They confront these stimuli, notice and register them in their minds, interpret them and behave according to their background and understanding. Employees confronted with stimuli select only a few stimuli of their choice and leave other stimuli unattended and unrecognised. Factors influencing the selective process may be external as well as internal, organisational structures, social systems and characteristics of the perceiver.

### 5.3.2 FACTORS INFLUENCING THE PERCEPTION PROCESS

There is no doubt that stimuli play a significant role in the perception process as various factors relating to the perception process have been noticed by behavioural experts. The factors influencing perceptions are the perceiver's characteristics, object and situations. However, they can be analysed under specific heads such as the perceiver's characteristics, personal factors, internal factors, organisational structures and social conditions.

#### 1. PERCEIVER'S CHARACTERISTICS

Perception depends on how an individual views the objects and situations. Some employees may perceive the workplace as incorporating favourable working conditions, while others may perceive it as a place of good pay. The perception is not actual reality, but it is the viewing of the reality, which differs from person to person according to their respective characteristics. Perceptions of the object are influenced not only by individual's characteristics but also by the characteristics of other employees, the manager's personality and employee's views from their perception of the workplace.

(i) **Attitude:** The attitude and aptitude of employees influence perception formation. If they have positive attitudes towards the management, they directly perceive the stimuli given by management. In case of negative attitudes, the employees suspect the management's approach. Employees of high aptitude have a desire and attitude for growth. They behave positively towards the management of an organisation.

(ii) **Motives:** The motives and desires of employees cause them to view stimuli differently as per their level and angle. Helpful motives of the employees will always assist the management. If they desire to develop themselves and the organisation, they will perceive objects and situations positively.



Employees having low motives will not work sincerely. The perception will differ depending on different types of motives. An indecisive manager perceives his supervisors differently. Personal insecurity of a manager results in doubtful perception about his supervisors, irrespective of their intentions. People who are dubious are prone to see others as dubious persons. Motives are reflected in actions based on perception.

**(iii) Interest:** The interest of individuals draws more attention and recognition to stimuli. Less attention and recognition lowers the impact of stimuli or objects on behaviour. If employees lack interest, behaviour pattern will be less effective, and the perception will be weak. Managers cannot influence the employees in their work culture. Since individual interests vary from person to person, the perception is also different. However, the management tries to create interest among the employees to have higher perception of the organisation.

**(iv) Habits:** Habits die-hard and therefore individuals perceive objects, situations and conditions differently according to their habits. Many employees learn quickly. Others are slow in perceiving a stimulus. Some employees are not bothered about the management. They do not perceive the object correctly. Some people work by smoking or chewing pan. Thus, the habits of people have different perception levels.

**(v) Experiences:** The experience of employees' result in different levels of perception. A young employee takes time to understand the object and situation. Experienced employees generally understand objects quickly and correctly. However, in contradictory situations, it is difficult to correct aged persons, whereas the young are easily moulded towards achieving the objectives of the organisation.

**(vi) Expectation:** Expectations distort the perceptions. People see what they expect to see. If they see the object and the situation differently from their expectations, they get frustrated. They are unable to modify their behaviour. The employees may expect more inclination towards them positively in terms of payments and fringe benefits; therefore, they perceive the management from that angle. The real stimuli are not properly perceived if expectations exist there on. The management has to evolve expectations for proper perception.

**(vii) Learning:** Learning levels of employees have a great impact on their perceptions. It is an important factor influencing perception formation. Educated persons have higher perceptions than the



less educated persons. Attitudes are developed according to the learning levels.

**(viii) Personality:** Personality has different levels of perception. The personality of a perceiving person considerably affects the stimuli transformation behaviour process. Young people perceive objects and situations in the original form. Experienced persons perceive the objects as per their personality levels. Perception influences learning, which is a developing factor of personality. The personality has a wider impact on the perception process too. Persons can view objects and situations as per their personality levels. The age, sex, motivation, learning levels, etc. influence perception.

## 2. EXTERNAL FACTORS

The perception process is influenced by external factors, which may be objects and situations. The external points related to objects and situations have great influence on the perception process.

**(i) Size:** The size of the object or stimulus has a greater impact on the perception process because the size influences attention and recognition in a more effective manner. Employees are greatly influenced by tall and well-built managers as compared to the normal-sized individuals. The engineering department pays more attention to big and, attractive machines; Big-sized objects have a natural attraction and get more attention.

**(ii) Intensity:** Scholars on human behaviour have revealed that the more intense the stimuli, the higher the attention and recognition in the perception process. A strong voiced manager has more impact on supervisors and employees. It is observed that managers use voice modulation to get the attention of employees. Bright letters and strong appeal have more impact on people than normal letters and low appeal. More attention results in a higher recognition and behaviour pattern. The intensity varies as per the needs of the organisation. The same type of intensity may not be useful for all the situations and objects.

**(iii) Contrast:** Contrasting objects have more impact on behaviour. Employees pay more attention and recognition to contrasting objects and situations. Machines making noises are hardly noticed, but a machine coming to a halt is immediately noticed, because of contrast stimuli. Normal communication and performance have less impact than abnormal and contrast communication. The purpose of contrast stimuli is to attract more attention and recognition. However, if the contrast is not helpful in drawing more attention, it should be avoided and more attention-drawing stimuli should be exercised for gaining a real perception of work behaviour.



(iv) **Repetition:** Repeated stimuli have more impact on performances than a single statement. Repetition has the advantage of being attention-catching. When stimuli are waning, repetition generates fresh attention and recognition. Supervisors repeat orders several times to have them followed by employees.

(v) **Motion:** People pay more attention to the moving objects than to stationary objects. This is just the impact of eyes on the mind. Workers are more attentive towards working machines than stationary machines. The video films of some training programmes create more of an impact on employees than others.

(vi) **Familiarity:** Employees would like to hear and see those programmes with which they are familiar. Training programmes demonstrated in the language of the employees are highly attended and recognised. Examples, which are known and easily understood, are used for motivating employees.

(vii) **Novelty:** Novel actions 'get more attention. New ideas and model preaching will draw the attention of the perceiver. Changing jobs reduce monotony. Novel objects and situations are recognised clearly by the perceivers.

(viii) **Situations:** Situations have a great influence on people's perceptions. A favourable work environment develops a positive attitude and work culture because the perception process is easily channelised and rightly directed. The management style and functioning of the organisation influences the employee's mental state through attention and recognition. Work relations also have some impact on perception forces.

(ix) **Objects:** Objects are external factors influencing the perceiver because he has no control over them. The physical and internal attributes of objects are influencing factors of perception. The physical and time proximity, complex nature of objects, presentation of messages and the territorial approach of the management have great impact on the perception.

### 3. INTERNAL FACTORS

Internal factors are within the personal control of the perceivers. They use these factors when they so desire.

(i) **Psychological setup:** Factors such as attitude, interest, preferences, likings and other psychological bent of mind distort the perception process. People perceive what they like to perceive



because of their attitudinal and mental approaches. These factors are the outcome of not only the self-factors of the individuals but their actions and interaction with other people. People working with employees do help in the foundation of the psychological setup. One person's problem may be another person's satisfaction. For example, giving a higher bonus is a state of satisfaction to employees, but becomes a problem for managers.

**(ii) Economic and Social background:** The employee perceptions are based on economic and social backgrounds. The employee's level of understanding depends upon their economic and social backgrounds. Socially and economically developed employees have a more positive attitude towards development rather than less developed employees. However, developed employees are prone to decision-oriented functions. Conflicts between managers and employees will increase in this case. The problems can be resolved only through proper perception processes.

**(iii) Learning:** The state of learning influences the perception process. Highly educated persons can easily and rightly perceive the management's problem. They cooperate in problem solution. On the contrary, less educated employees are less concerned about the management. They perceive the management as a separate and superior part of the organisation, who tend to exploit the labour, irrespective of the reality. People perceive as per their levels of learning. It is therefore essential for the organisation to make its employees knowledgeable and educated for their effective performance and behaviour. The learning of managers and workers is a twin requirement.

**(iv) Personality:** The personality of the perceiver as well as the stimulator has an impact on the perception process. The age, sex, race, dress, facial expressions and body postures of both the persons have a direct influence on the perception process. If the perceiver is female and the stimulator is male, the perceiver gets some influences only if she prefers males. Otherwise, the perception process will be disturbed. The ethnic personalities have some influence on perception. Physical and mental characteristics, work pattern and age similarities affect the perception process.

**(v) Motivation:** The pattern of motivation in an organisation helps to develop perception building. Motivated people have the right perceptions about the stimuli, whereas the loco-profiled workers are doubtful about the message given by the management for the development. The approach of the female managers to problems is given more attention and recognition. Motivational theories have revealed the perception processes of particular categories of employees. Attention is drawn towards their needs,



satisfaction and achievement desires. The mental state of motivational desire influences the perception process. Stimuli based on external factors receive varied degrees of attention and recognition. Internal factors, i.e. factors related to employees and managers, have different degrees of impact on the attention and recognition process while being translated into behaviour, which results in performance.

#### 4. ORGANISATIONAL STRUTURE

The perceptual process is influenced by the organisational structure and process.

(i) **Perceptual structure:** The organisational structure influences the perception of employees and other people related to the organisation. The departmentalisation, decentralisation, delegation of authority and other structural frameworks have important bearings in the mind of employees. An adequate amount of decentralisation makes employees feel that the organisation is welfare-oriented. Similarly, too much centralisation gives rise to the feeling of suspicion in the minds of employees. Structure itself becomes a flowchart of perception. Work relations and the decision-making authority provide an important understanding of organisational perception. If the employees view the structure positively, they willingly contribute to the development of the organisation.

(ii) **Perceptual grouping:** The manager generally groups all the stimuli together to influence the employees. The grouping is done based on closure, continuity, similarity and proximity. The closure doctrine of grouping is based on the Gestalt Principle of psychology wherein the individuals perceive the whole object although the whole unit does not exist. For example, the manager perceives that all the members cooperate with him in achieving computerisation, whereas some members really oppose mechanisation. The manager tries to close the disagreement and maintains uniformity in agreement for mechanisation. On the other hand, if the members do not withdraw their disagreement, they observe their individual perceptions. The continuity principle emphasises that the stimuli should continue to make an impact on the perceiver. Discreet stimuli may however distort the perception process. The continuity principle is different from the closure principle as missing stimuli are applied in the latter case, whereas a continuous link is maintained in the former case. It is observed that only continuous and related stimuli are easily attended and recognised. The obvious and continuous flow of stimuli may produce the desired behaviour. The similarity principle assumes that similar stimuli are easily attended, recognised and perceived. The similarity has its own impact on the employees. For example, employees wearing special clothes at the workplace automatically carry the message of the organisation. Similarity



in age, sex, education and other characteristics have a direct impact on the employee's perception. The proximity principle refers to the grouping of the segments into one unit. Nearness of stimuli will be perceived as wholesome for the group. All the stimuli are considered one because of physical proximity. For example, all the employees in one-cadre will be considered as one group which is stimulated by the proximity of stimuli. Departmental employees are considered as single group employees because of proximity. They are motivated on the basis of proximity stimuli.

**(iii) Perceptual constancy:** Perceptual constancy plays an important role in the perception process. The stability and unchangeability of objects help in the constant perception process of people. The constancy of stimuli helps in easy perception because people become accustomed to the stimuli. The size, shape, place and colour of objects and situation are easily observed if they are constant. Constant stimuli make the perception process easy and effective.

**(iv) Perceptual context:** The context of the stimuli with reference to objects and situations has a meaningful impact on the perceiver. If the perceiver has the confidence that the stimuli are relevant to their work and awards, they may pay more attention to the perception process, policies and objectives relevant to employees. Welfare is paid more attention. Verbal communication in the relevant context is given more perceptual consideration.

**(v) Perceptual defence:** The defensive role of the management is well recognised by the employees. There are many areas where employees develop conflicts, which are resolved by the management. Such functions, which provide defence to conflicting views, are given more importance by employees. People like to defend their professions, work and work relations, if they are satisfied. On the contrary, dissatisfied workers criticise their own work and workplace. Many workers perceive conflicts as not being very serious. They only perceive conflicts as casual and to be expected, without any significant features. Some employees however find conflicts alarming. They react to warning signs and perceive the situation differently. Managers can find different perceptions for their actions because they view the situation from the angle of defence.

**(vi) Perceptual workplace:** The perceptual process is affected by the workplace too. The climate temperature, noise, smoke and other factors have a direct bearing on the perception and psychological traits of employees. Consequently, the perceptual process is different for different employees. Some employees develop a positive perception while others develop a negative perception of the workplace.



All employees perceive the same situation and object differently because of the varied nature of their workplace.

**(vii) Perceptual process:** The relationship between employees and managers is crucial in the perceptual process. Employees may perceive a low output with pleasure to influence their supervisor. The management has a different perception of performance and evaluation. Some may perceive a self-fulfilling prophecy by the management, when they have too high or too low expectation from employees. High expectation inspires managers to motivate their employees positively. Managers develop subjective attitudes many times about the performance and process. Besides, the employees' efforts are also considered for performance and process valuation. During the work process, some employees are troublemakers and some are loyal. The perceptual process is an important factor for the perception process of management and employees.

## 5. SOCIAL FACTORS

Social conditions have much influence on the perception process. Perceivers and the perceived objects have complex characteristics. They are perceived differently in different situations. The attributes of objects are important considerations influencing the selectivity process of perception. Attributes of objects, the subject, the situations and the perceiver have become so important that a separate theory known as attribution theory has been developed under the perception theory. Social factors consider how one person behaves towards the other person and how other people behave towards him.

**(i) Stereotyping effect:** The perception process takes the shortest method in some cases and considers only routine effects. Stereotype judgement is based on an ideal situation or the type of impression formed about the group. It is the consideration of individual's characteristics as being representative of the whole group. If an employee is found well behaved, the whole group of employees is considered to be good. If, in an organisation, a manager is helpful, it is generalised that the organisation is very helpful and sympathetic towards employees. It is an inductive method wherein conclusions are aggregated from individual performance; that is, it accumulates particular cases to arrive at general conclusions. Stereotyping is generalisation, which has the advantages of being time saving, accurate and common. For example, assume that the management has previously found that sportsmen and athletes have been very successful workers in the factory. They were ambitious; hardworking and can easily overcome adverse situations. In future selection process, the management



may appoint such sportsmen and athletes without undergoing many selection procedures. Similarly, many decisions are taken on the basis of the stereotyping effect. The generalisation may prove disastrous if it is relied on heavily without proper scrutiny and examination of individual characteristics. The most important stereotyping effects are observed in the form of age, sex, nationality and social status. The stereotyping effects under social perception consider the attributes, traits and other qualities of a member of a social organisation. These qualities are generalised as the qualities of the social organisation or group. However, there may be perceptual errors, because the generalised attributes and qualities may not be found in all the cases. Therefore, the perception process takes into consideration the amount of perceptual errors when deriving conclusions based on stereotyping effects. Favourable and unfavourable traits are always calculated and evaluated to find their impact on the behaviour or decision taken. Stereotyping has become an important factor of social perception, which is based on ethnic groups-socio-economic groups, demographic groups and so on. The individual difference in the group is recorded to evaluate the perceptual errors in arriving at stereotyping effects. The belief factor in stereotyping effects has become an important tool to arrive at certain decisions. One can conclude that an organisation has a democratic manager. The common characteristics are the basis of belief. If a manager belongs to the said democratic organisation, one can believe that he will also have the same characteristics. The errors may be there in belief because of ignoring variations in characteristics and holding mistaken beliefs. The beliefs or stereotyping effects are modified from time to time to arrive at correct perception behaviour and decisions.

(ii) **Halo effect:** The halo effect occurs only when a single factor is taken for performance evaluation or perception, with the process ignoring other important considerations. For example, if an employee is considered good on one account, he is treated as good on all accounts. But, in the real field, he may not be good on every account. The halo effect is related to the personality assessment based only on a single trait. If a manager is found to be intelligent, he is considered good for cooperation, dependability and for other purposes. The halo effect arises on account of the nuclear expression of traits, which are not frequently encountered and have moral implications. The perception process becomes deceptive if only one factor is given more importance. If an employee possesses all desirable qualities except that of loyalty to the manager, he is not put in the same perceptual setup as the personally loyal employees, having no profession attributes and work devotion. The halo effect is an attribution. Error or perceptual error should be avoided in the perception process. The communicating



authority should be well aware of the halo effect for proper motivation.

**(iii) Contrast effect:** Like stereotyping and halo effect, the contrast effect is another factor of social perception, i.e. perception in a group. People perceive differently in many cases. Whatever the manager emphasises, the employees may take different views of the stimulus. For example, manager asks employees to increase productivity for getting a bonus. Employees may view this stimulus or message as the manager being bothered about his promotion. If employees develop this perception and translate it into practice, the stimulus will work against the purpose. The contrast effect is an error of social perception. Politicians generally produce a contrast effect amongst their audience. The contrast effect occurs because of doubtful relations, swift conclusions, unfavourable attitudes and so on.

**(iv) Projection:** Generalisation leads to projection. People have the habit of projection although it may not be correct. People may project future events differently from the reality in many cases. Personal attributes, objects and situations are to be considered before projection. However, projection may not be always incorrect. If it is properly evaluated and placed, the projection may give the correct perception. For example, if a manager is trustworthy, he may also treat his employees trustworthy. Contrary to this, many employees may not be trustworthy. Similarly, a manager who is good may not necessarily consider his employees good too. Thus, the projection process differs from person to person, place to place and object to object, and this has an ultimate impact on the perception process.

### 5.3.3 PERCEPTION MODELS

Perception models are related to the perception objectives and perceptual setup to achieve objectives.

#### 1. Decision-making Models

There are different types of decision-making models.

**(i) Optimising model:** The optimising decision-making model assumes the rationality, goals and preferences for arriving at the final choice of maximising the outcome. Rationality assumes that people prefer consistency and value maximising. People are logical and objective-oriented. They are goal-oriented and use the steps of optimising to select the best alternative. People are clear about their preferences and choice methods. They are knowledgeable about the need for a decision, can identify the decision criteria, assign proper weights and values, develop alternatives, evaluate the alternatives and select the best alternative. The decision makers list the needs, which are more thrusting and less



thrusting. The criteria dividing the steps are weighed and evaluated to find various alternative solutions to a problem. First, alternatives are developed in different forms. Secondly, the alternatives are evaluated as per the weighted criteria. Different alternatives are related and ranked. The alternative having the maximum weights is rated as the best and given the first rank. The decision thus arrived gives maximum value or optimises the use of resources.

**(ii) Individual decision-making model:** Individuals think before they act in their own manner and method. They follow the simple process of decision-making. They consider their decision the best because the decision is taken as per their individual outlook. Some individuals prefer satisfying decisions while others take maximisation of uses as the best decision. However, there are people who do not bother about the decision process, but take a swift decision based on their personal whims and discretion. The majority of the people use a simple decision-making process. Neatness, promptness, enthusiasm, attitudes, preferences and education have a great influence on the individual's decision-making process.

**(iii) Ethical decision-making model:** The decision-making process involves ethical considerations, which are utilitarian, consistent and just. Utilitarianism refers to the greatest good for the greatest number of people. Goals like productivity, profitability, economy and efficiency are considered under the ethical decision-making process. Consistency with the existing rules and regulations are important for making ethical decisions. Right decisions are preferred, as they do not antagonise any person. Equitable distributions of benefits and costs are the basic point of justice. Ethics are based on cultures and social setup. Ethical decisions have a moral support and long lasting features. Ethics and culture influence the decision-making process at every stage, i.e. ascertaining the needs for decisions, identification of the decision criteria, allocation of weight to the criteria, development of the alternatives, evaluation of the alternative; and selection of the best alternatives. The needs and attitudes are developed as per the ethics and culture of society.

## 2. SATISFYING MODEL

The satisfying or bounded rationality model is used to arrive at suitable decisions. When people face complex problems, they require at least those solutions, which may satisfy them to a minimum level. A simple and satisfying model is constructed within the limits of rationality. All the problems are analysed, their complexities are understood and solutions are put forward for conspicuous choices. The



difference between the optimising and satisfying model is that all alternatives are not evaluated under satisfying model as is done in the former case. Instead, only those alternatives are evaluated which are satisfactory and sufficient. Only those alternatives, which are good enough, are selected for getting satisfaction. If satisfying attributes exist in alternatives, the further search of good enough attributes continues till the best alternative is arrived at. The satisfying model considers only simple and limited models. Only those alternatives are considered which are commonly known and are within the limits of the decision makers. Remote, non-feasible alternatives are not considered, and only useful and approachable decisions are used for solving problems.

(i) **Implicit Favourite Model:** Like the satisfying model, the implicit favourite model solves complex problems by simplifying the process. An alternative will be considered and evaluated only when it is identified as a favourite, which is implicitly known to the decision maker. In this case, the decision maker is neither rational nor objective. He implicitly selects a preferred alternative. The implicit favourite is the right choice. It has been revealed by research that people prefer an implicit favourite decision which may or may not be the optimising alternative. In the implicit favourite model, the problem is first identified. Thereafter, implicit favourite alternatives are developed to find the required solutions. Evaluation criteria to judge each and every alternative as the favourite are developed. Using the criteria, the alternatives are reduced to a lower number, viz. one or two. If these alternatives do not fulfill the requirements of the decisions, new implicit favourite alternatives are developed, evaluated and selected as discussed already.

(ii) **Intuitive Model:** The implicit favourite model gives birth to the intuitive model, which believes in one's own decision as favourable. The implicit favourite model requires even evaluation of the alternatives. Intuition is considered the best criterion to select an alternative as the best alternative solution to the problem. Intuition is one's own inner feeling or sixth sense. It depends on one's own experience and knowledge. Many decisions taken at the unconscious level of the mind are very useful. Intuitive and rational decisions are not opposite to each other, but are complementary to each other. Intuitive decisions result from quick decision-making processes, although they are not always dependable. The management should rationally evaluate intuitive decisions.

## 5.4 CHECK YOUR PROGRESS

1. The psychological processes that allow an individual to adjust his behavior are called .....



2. The physical senses used by people are vision, hearing, touch, smell and ..... .
3. The ..... are evaluated before being converted into action or behaviour.
4. The ..... of the perceiver as well as the stimulator has an impact on the perception process.
5. The closure doctrine of grouping is based on the ..... of psychology wherein the individuals perceive the whole object although the whole unit does not exist.

## 5.5 SUMMARY

Behavior is a fatality of the environment, which is observed in the form of stimuli. The sensory organs perceive the stimuli as per their learning and personality. The reverse functions are also correct. The perceptions, if modified through adequate and qualitative stimuli, help to develop learning and personality. Improved behaviour has better performance and rewards, which provide more satisfaction to the employees. A satisfied employee tries to learn and work effectively. An organisation grows with the developed employees. Perception is therefore an important and initial step for developing an organisational behaviour. It is a cognitive process, which selects, organises and interprets the stimuli. It overlay the base for behaviour. Although, perception may not be a real-world presentation, it is an imaginary understanding of the situation. The behaviour of an individual is guided by perception. People perceive differently as per their learning and personality. The perceptual world of a manager is different from the perceptual world of employees. Social factors also influence the perception process. Employees coming from a poor family have different perceptions of an organisation from those coming from rich families. The levels of education, family background and political situation have a direct impact on the perception level.

## 5.6 KEYWORDS

**Perception:** It is a process by which individuals organize and interpret their sensory impressions in order to give meaning to their environment.

**Halo effect:** The halo effect occurs only when a single factor is taken for performance evaluation or perception, with the process ignoring other important considerations.

**Behavior:** Behavior is the outcome of the cognitive process.

**Objects:** Objects are external factors influencing the perceiver because he has no control over them.

## 5.7 SELF ASSESSMENT TEST



1. What do you mean by perception in the context of organisation?
2. “Behaviour is the problem”. Comment.
3. Do you think the behaviour is natural and should be ignored?
4. “Employees of different organisations have different perceptions”. Explain.
5. Define the components and models of perception.

### **5.8 ANSWER TO CHECK YOUR PROGRESS**

1. Perception.
2. Taste.
3. The stimuli
4. The personality
5. Gestalt Principle

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<b>Subject: Management Concepts and Organizational Behaviour</b>	
<b>Course Code: BCOM 205</b>	<b>Author: Surinder Singh</b>
<b>Lesson No. 6</b>	<b>Vetter: Dr. B.K.Punia</b>

## ATTITUDES

### STRUCTURE

- 6.0 Learning Objectives
- 6.1 Introduction
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### 6.0 LEARNING OBJECTIVES

This lesson will make you to understand:

- How attitudes affect human behavior?
- Identify how attitudes are developed so that managers can affect attitudes by controlling various factors.



## **6.1 INTRODUCTION**

Attitude is the major factor, which affect the behaviour of a person or an organisation. It manipulates the perception of objects and people, exposure to and comprehension of information, choice of friends, co-workers and so on. The importance of attitudes in understanding psychological phenomenon was given formal recognition early in the history of social psychology. From the time of the concept's entry into the language of psychology until now, interest in attitudes has been strong and growing. However, over the years' attitudes have been studied with differing emphases and methods. For example, between the period of 1920s and up to World War II the attention of attitude researchers was directed principally towards definitional issues and attitude measurement. In addition, there were studies concerned with relationship of attitudes to some social variables. World War II brought with it a growing concern about the place of the attitude concept in understanding prejudice, particularly anti-Semitism. This period also brought the measurement of attitudes and opinions concerning various facts of soldiering and war. After the war, the subject of attitudes was taken up by academicians, particularly in the context of attitude change. Till now, the researchers have developed a loosely structured theoretical framework formulating the psychological processes underlying attitude change and the direct application of the study of attitudes to contemporary social problems.

## **6.2 MEANING AND CONCEPT OF ATTITUDES**

Attitudes may be defined in two ways conceptual and operational. Even there is a quite difference in the conceptual definition of the term attitude. The term attitude first entered in the field of social phenomenon, it was natural to conceive of attitude as a tendency, set, or readiness to respond to some social objects. Some authors define attitude as a mental and neural state of readiness, organised through experience, exerting directive or dynamic influence upon the individual's response to all objects and situations with which it is related. From this point of view, attitude implies a heightened responsiveness to certain stimuli. Many researchers have defined attitude in terms of effect and evaluation. For example, Krech and Crutchfield define attitude as an enduring organisation of motivational, emotional, perceptual, and cognitive processes with respect to some aspect of the individual's world. Thus, attitudes are beliefs imbued with emotional and motivational properties and are expressed in a person's favourability towards an object. The evaluative nature of attitude is also emphasised by Katz and Scotland when they define attitude as a tendency or predisposition to evaluate an object or symbol of



that object in a certain way. Evaluation consists of attributing goodness-badness or desirable-undesirable qualities to an object.

In addition to conceptual approach, there is operational approach in defining the term attitude. The concept of attitude is operationalised in a number of ways; but in most cases, studies rely on some kind of questionnaire to measure attitudes. Taking attitudes from this point of view, only evaluative aspect of attitudes has been taken into account. For example, Fishbein has noted that most measures of attitudes tap an underlying dimension of favourability-unfavourability and, therefore, attitudes should be regarded as synonymous with evaluating meaning. Thus in practice, the term attitude often is used in a generic sense to any reports of what people think or feel or the ways in which they intend to acts.

### **ATTITUDE, OPINION AND BELIEF**

An opinion is generally the expression of one's judgement of a particular set of facts or an evaluation of the circumstances presented to him. Thurstone defines opinions as expressions of attitudes. However, Kolasa observes that an opinion is response to a specifically limited stimulus, but the response is certainly influenced by the predisposition with which the individual is operating that is the attitude structure. Undoubtedly, attitudes are basic to opinions as well as to many other aspects of behaviour. Although attitudes tend to be generalised predisposition to react in some way towards objects or concepts, opinions tend to be focused on more specific aspects of the object or the concept. McCormick and Tiffin observe that the measurement of attitudes is generally based on the expressions of opinions. But we should distinguish between attitude scale like a thermometer or barometer, which reflects the generalized level of individuals' attitudes towards some object or concept, and opinion survey which typically are used to elicit the opinions of people toward specific aspects of, for example, their work situation.

A difference can also be made between attitude and belief. A belief is an enduring organisation of perceptions and cognitions about some aspects of individual's world. Thus belief is a hypothesis concerning the nature of objects, more particularly, concerning one's judgement of the probability regarding their nature. In this sense, belief is the cognitive component of attitude, which, reflects the manner in which an object is perceived. Kolasa observes that beliefs are stronger than opinions; we hold them more firmly than we do the more changeable evaluations of minor or transitory events represented by opinions.



## ATTITUDES AND BEHAVIOUR

Individual's behaviour is not a simple and direct stimulus-response relationship; rather it is affected by the individual concerned, as is explained by S-O-B model. The work situation is interpreted by individual, and attitudes play an important part in which the situation is interpreted. Only after individual's interpretation and comparison does the response occur. This means that response expected of a purely objective and rational consideration of the work situation and its characteristics may not be the actual response of the individual. His response depends completely on how he interprets the situation and on his own personal attitudes towards the situation. Obviously, attitudes are an important consideration because of their central position in the process transforming work requirements into effort. Attitudes have been thought as serving four functions and thereby affecting the behaviour, as discussed below:

- (i) **Instrumental:** Attitude serves as a means to reach at a desired goal or to avoid an undesired one. Instrumental attitudes are aroused by the activation of a need or cues that are associated with the attitude object and arouse favourable or unfavourable feelings.
- (ii) **Ego-defensive:** The ego-defensive function of attitudes acknowledges the importance of psychological thought. Attitude may be required and maintained to protect the person from facing threats in the external world or from becoming aware of his own unacceptable impulses. Ego-defensive attitudes may be aroused by internal or external threat, frustrating events, appeals or to the build-up or repressed impulses, and suggestions by authoritarian sources. The attitude influences his/her behaviour by affecting his perception of the situation accordingly.
- (iii) **Value Orientation:** The value-orientation function takes into account attitudes that are held because they express a person's values or enhance his self-identity. These attitudes arise by conditions that threaten the self-concept, appeals to reassert the person's self-image, or by cues that engage the person's values and make them salient to him.
- (iv) **Knowledge:** The knowledge function of attitudes is based on a person's need to maintain a stable, organised and meaningful structure of the world. Attitudes that provide a standard against which a person evaluates aspects of his world serve the knowledge function too.

These functions of attitudes affect the individual's way of interpreting the information coming to him. Since attitudes intervene between work requirements and work responses, information about how



people feel about their jobs can be quite useful in prediction about work response. Thus these types of attitudes can portray areas of investigation for making the individual and the organisation more compatible.

### 6.2.1 THEORIES OF ATTITUDE FORMATION

There are so many theories that have been projected to explain the attitude formation and change. Although, these theories have many limitations, they provide useful thinking about the processes underlying attitude formation. These theories are organised into major groupings according to the nature of the psychological processes postulated to underlying formation and change of attitudes. These theories may broadly be classified into three categories: cognitive-consistency theories, functional theories and social judgement theories. However, there is frequent discontinuity between various grouping because related approaches have focused on different sets of phenomena. Nevertheless, such classification is valid from practical point of view.

#### 6.2.1.1 COGNITIVE CONSISTENCY THEORIES

Attitudes do not exist in isolation; indeed, a complex structure results which, appears to have at its heart a consistent tendency to maintain balance and resist change from influences of various types. In general, these theories are concerned with inconsistencies that arise between related beliefs, bits of knowledge, and/or evaluations about an object or an issue. Through various consistency theories differ in several respects, including the form of inconsistency about which they are concerned, all of them have in common the idea that the psychological tension created by this unpleasant state leads to attempt for reducing the inconsistency. There are four important theories under this group.

**A. Balance Theory:** The basic model of balance theory has been provided by Heider. The theory is concerned with consistency in the judgement of people and/or issues that are linked by some form of relationship. There are three elements in the attitude formation; the person, other person, and impersonal entity. Two generic types of relationships are considered to exist between the elements; linking or sentiment relations and unit relations. The linking relations encompass all forms of sentiment or effect, while unit relationships express the fact that two elements are perceived as belonging together. Both linking and unit relations can be positive and negative. In a three element system, balance exists if all three relations are positive or if two relations are negative and one is positive. Imbalance exists if all three relations are negative or if two relations are positive and one is negative. People tend to perceive



other and objects linked to them so that the system is balanced. Thus if a perceiver likes a source who favours a certain position on an issue, the balancing process induces the perceiver to favour that position too. The balanced states are stable and imbalanced states are unstable. When imbalanced states occur, the psychological tension created motivates the person to restore balance cognitively by changing the relations. Thus, a person's attitudes towards an object depend on his attitudes towards a source that is linked with the object.

The basic model of Heider has been criticised on some grounds. For example, the theory does not consider the degree of linking or unit relationship nor the relevance to the perceiver of the elements and relations. Consequently, there are no degrees of balance or imbalance, and it is not possible to make quantitative predictions about the degree of attitude change.

In the extension of balance model, Abelson has suggested four methods in which a person can resolve imbalance in cognitive structures: denial, bolstering, differentiation, and transcendence. Denial involves denying a relationship when imbalance occurs. Bolstering involves adding element in the structure that is adding another issue in the main issue. Differentiation involves splitting one of the elements into two elements that are related in opposite ways to other elements in the system and negatively related to each other. Transcendence involves combining elements into larger, more super ordinate units from a balanced structure. These processes occur in hierarchy so that a person's attempts to resolve imbalance in the ordering are discussed. The ordering is based on the assumption that the person will attempt the least effortful resolution first. This theory helps in understanding the role of persuasive communication and interpersonal attractiveness in changing the attitudes.

**B. Congruity Theory:** Osgood and Tannenbaum have proposed the congruity theory of attitudes which is similar to the balance theory. The focus of the theory is on changes in the evaluation of a source and a concept, which are linked by an associate or dissociate assertion. Congruity exists when a source and concept that are positively associated have exactly the same evaluations and when a source and concept those are negatively associated-have exactly the opposite evaluations attached to them. Congruity is a stable state and incongruity is unstable one. As such, incongruity leads to attitude change, and the theory states how much attitudes towards the source and towards the concept change in order to resolve the incongruity.

**C. Affective Cognitive Consistency Theory.** This theory, propounded by Rosenberg, is concerned



with the consistency between a person's overall attitude and effect towards an object or issue and his beliefs about its relationship to his more general values. Rosenberg has related attitudes to one aspect of cognitive structure-means-end relationship between the object or issue and the achievement of desired and undesired values or goals. The theory is also called structural because it is concerned mainly with what happens within the individual when an attitude changes. It proposes that the relationship between the affective and the cognitive components of the attitude change when an attitude is altered.

The theory postulates that a person's effect towards or evaluation of the attitude object tends to be consistent with this cognitive structural component. When there is inconsistency beyond a certain level of tolerance, the individual is motivated to reduce the inconsistency and thereby to change one or both components to make them more consistent. The theory, thus, suggests that changes in the affective component produce changes in the cognitive component in order to bring about consistency between the two. The theory also suggests that persuasive communication can be used to change the attitudes. The persuasive communication conveys information about how the attitude object or issue furthers the attainment of certain desirable ends or conveys persuasive material that results in a re-evaluation of the goals themselves.

**D. Cognitive Dissonance Theory:** The cognitive dissonance theory, proposed by Festinger, has had by far the greatest impact on the study of attitudes. At first sight, this theory may appear similar to the affective cognitive theory. The difference between the two is that this theory (dissonance) tends to tie in the third component of the attitudes (behavioural tendency) with cognitions about the attitude object. Rather than dealing with only one belief, this theory deals with relationship a person's ideas have with one other, it states that there are three types of relationships between all cognitions: dissonance, consonance, and irrelevance. Cognitions are dissonant whenever they are incompatible; or if they are opposed to one's experience about the relationship of events. Cognitions are consonant when one follows from the other on the basis of logic or experience. Cognitions are totally irrelevant when two events are not interrelated. The presence of dissonance gives rise to pressures to reduce or eliminate the dissonance and avoid- the further increase of dissonance. Dissonance varies in magnitude. The total amount of dissonance is a function of the proportion of relevant elements that are dissonant with one another relative to the total number of consonant and dissonant elements, each weighted by the importance of the elements for the person. Higher the degree of dissonance, higher would be the attempt



to reduce it. Dissonance is reduced through three methods: changing a behavioural cognitive element, changing an environmental element, and adding a new cognitive element. The basic model of Festinger applies to several situations affecting behaviour of persons. In each behaviour, the person experiences dissonance when he engages in behaviour contrary to his attitudes. Since magnitude of dissonance is a function of the relative number and important elements, the amount of justification a person has for engaging in the attitude-discrepant behaviour is an important determinant of the amount of dissonance he experiences. Justification adds consonant element to the otherwise dissonant situation. For example, when a person has to choose among a number of alternatives, he experiences conflict before the decision. After the decision, he experiences dissonance because the positive features of rejected alternatives and negative features of selected alternative dissonant with the choice. To overcome this dissonance, the justification process starts. Dissonance reducing changes have the net effect of increasing the valuation of the chosen alternative and decreasing the valuation of rejected alternatives.

#### **6.2.1.2 FUNCTIONAL THEORY**

Functional theory considers how attitudes and efforts are related to the motivational structure of the individual. The theory focuses on the meaning of the influence situation in terms of both the kinds of motives that is arouses and the individual's method of coping and achieving his goals. An understanding of the functions served by attitudes is important for attitude change procedure since a particular method may produce change in individuals whose attitudes serve one particular function, but may produce no change in an opposite direction in individuals for whom the attitudes serve a different function. The most prominent person who visualised functional theory is Katz and he suggests four functions of attitudes: utilitarian or instrumental function, ego-defensive, value orientation, and knowledge, as discussed earlier. It can be seen that there is some similarity in parts of this theory to cognitive dissonance theory. What Katz points out is that when an attitude serves an adjustive function one of the two conditions must prevail before it can be changed; (i) the attitude and the activities related to it no longer provide the satisfaction they once did; or (ii) the individual's level of aspiration has been raised shifts in the satisfaction which come from behaviours bring with them changes in the attitudes. When new behaviours inconsistent with attitudes bring satisfaction these attitudes then must be adjusted. However, Katz functional theory has not stimulated much research except for the work on changing ego-defensive attitudes.



Kelman has given another approach about the functional approach of attitudes. His theory is directed towards the types of social relationships that occur in social influence situations. Kelman has distinguished three processes of attitude formation and change compliance, identification, and internalisation. These processes derive functional meaning primarily from their emphasis on the motivational significance of the individual's relationship to the influencing agent, or from the differing types of social integration that they represent. Compliance occurs when an attitude is formed or changed in order to gain a favourable reaction from other person or group. Identification occurs when a person forms or changes his attitude because his adoption helps him establish or maintain a positive self-defining relationship with the influencing agent. Internalisation involves adopting an attitude because it is congruent with one's overall value system. The individual perceives the content of the induced attitude as enhancing his own values. This approach makes an important contribution towards an understanding of the conditions that influence the maintenance and stability of attitude change.

### **6.2.1.3 SOCIAL JUDGEMENT THEORY**

The social judgement theory, formulated originally by Sherif and Hoveland, attempts to explain how existing attitudes produce distortions of attitudinally related objects and how these judgements mediate attitude change. Accordingly, a person's own stand on an issue, that is, initial attitude, serves as an anchor for the judgement of attitudinally related stimuli. The person's initial attitude on an issue provides a point of reference against which he evaluates other opinions. These views can be considered in terms of attitudinal continuum and can be considered as comprising latitudes. The latitude of acceptance, which is the range of opinions the individual finds acceptable, encompasses the opinion that best characterizes his own stand. The attitude of rejection, which is the range of opinions the individual finds objectionable, encompasses the opinion he finds most objectionable. The attitude of non-commitment is the range of opinions that the person finds neither acceptable nor unacceptable.

### **6.2.2 FACTORS AFFECTING ATTITUDE FORMATION**

The attitudes are learned. Though there are different approaches as how learning works and is acquired by individuals, generally it is held that individuals learn things from the environment in which they interact. Thus for attitude formation, all those factors must be taken into account from which people learn. Such factors may be analysed in term of group, then to larger Starting from the family as a group, an individual move in a close group, then to larger groups, and finally to the society as a whole. Apart



from these groups the individual's psychological make-up, particularly his personality, is also responsible for shaping his behaviour and attitudes; thus in order to understand the various factors and how they affect the attitudes, both these category of factors should be analysed.

**(i) Group Factors:** The influence of groups on the attitudes of individuals is inversely proportional to the distance of the group from the individual. From this point of view, three types of groups have different types of effect on the attitudes of a person.

**Family:** The term family may be used in a variety of ways: it may include a nuclear family which means the immediate group of father, mother, and children; an extended family which includes nuclear family and other relatives. Both these types of family have influence on the attitudes of individuals. In fact, when a person starts learning anything about the world, he learns it through his mother which is known as the process of socialisation. In this socialisation process, he learns and forms attitudes also. Gradually, when the child grows up he comes in contact with others in the family but does not make significant contact with persons outside his family. Family has two important roles. First, other family members have certain personality characteristics, evaluative criteria, and attitudes, and the family as a whole has certain attitudes and values, which are shared by all other persons. Second, family mediates the influence of larger social systems on the individual's attitudes, values, and personality characteristics. As an individual interacts with other family members, he simultaneously both influences the personality characteristics and attitudes of others and in turn is influenced by others. Since a family is a primary group, the attitudes of family members tend to converge and are typically more homogeneous than would be the case if they were not in the family.

**Reference Groups:** The awareness and learning of behaviour alternatives is accomplished efficiently through the influence of reference groups. A reference group is any interacting aggregation of people that influences an individual's attitudes of behaviour. This group may include family or other types of groupings, either primary or secondary groups. Reference groups serve important inputs to an individual's learning of his attitudes and awareness of alternative behaviours and life style. This happens through the process of socialisation. Socialisation, as discussed earlier, is a process by which a new member learns the value system, the norms, and the required behaviour patterns of the society, organisations, or groups in which he is entering. Though all groups with which an individual makes contact have influence on his attitudes, the values and norms of the primary groups play a very



important role in influencing attitudes, opinions, and beliefs of the members of the group.

**Social Factors:** The social classes have important influence on individual's attitudes. They have the important task of transmitting cultural behaviour patterns to specific groups and families. They define the expectations of society for groups of people and for families within the groups. The family then transmits these cultural expectations to the individual. Thus social classes restrict behaviour between individuals of differing social classes, especially in intimate relationships. People have their close relationships with people of similar classes, which tend to restrict attitude formation in similar patterns of other members. This is so because attitudes and values provide goals, which aid alternative evaluation and provide motivation for research and evaluation. These are transmitted differently among social classes.

(ii) **Personality Factors:** Personality factors are important in attitude formation. However, many personality characteristics themselves are determined by group and social factors, as discussed earlier. Personality differences between individuals are very important Concomitant of the discussion of attitudes. This area has been the subject of great interest of research and study, particularly with respect to broader area of prejudice and social functioning. Various studies show that there is positive relationship between different personality factors and attitudes. Adrono *et al.* show that there was a coherent pattern of ethnocentric attitudes including anti-semitism among persons having authoritarian personality. The ethnocentric stuck to the straight and narrow, holding conventional values, not being able to accept certain socially unacceptable impulses and, therefore, in the main, projecting these on others. McClosky has found a relationship between personality correlates of conservatism and liberalism. He found that the conservative attitudes characterised these at the lower end of the intelligence scale with less education and with less awareness of current events. Various other research studies also show positive relationship between personality variables and particular attitudes. Since personality itself is influenced by various group and in understanding attitude formation, these factors, particularly former ones, must be analysed.

### 6.2.3 ATTITUDE MEASUREMENT

The subjective attributes of people are attitude. They can be regarded as constructs in the sense that they are conceptualisations of human qualities that are formed on the basis of either rational consideration of statistical evidence. Thus, people may vary along each of a number of attitudinal dimensions. Keeping



this measurement aspect into consideration, the attitude might be defined operationally by describing the measurement systems that psychologist use to measure attitudes. Attitude measurement, developed largely by social psychologists, is concerned with efforts to tap these attitudes as they are characteristics of individual. There are many methods of attitude measurement. In pulling together numerous methods dealing with attitude measurement, Summers uses the following organisation which, in effect, is classification of methods of attitude measurement: (i) self-report (usually elicited with, questionnaires dealing with beliefs, feelings, and behaviours) ; (ii) indirect tests (such as projective techniques and disguised approaches); (iii) direct observation techniques; and (iv) psychological reaction techniques. However, attitude measurement of employees in organisations is most commonly carried out with self-respect questionnaires. Measurement of attitudes based on questionnaires uses several scaling methods. There are three types of attitude scaling which are commonly used in attitude measurement: Thurstone type of scale, Likert scale, and semantic differential. The Thurstone type of scaling goes back to the early work of Thurstone and Chave, who collected a large number of statements relating to the area in which attitudes were to be measured. These statements may be relating to any object about which attitudes are to be measured. The statements are both favourable and unfavourable, and are placed in piles: most favourable statement being placed in pile 1 and the most unfavourable one being placed in pile 11. Other statements are placed in between, their position depending on the degree of favourability or unfavourability. The scale is then presented to the respondents. Each respondent checks the statement with which he agrees. His attitude score is then based either on the average or the median scale of the statements that he has checked. Soon after Thurstone scale, Likert experimented with certain other varieties of attitude scales. Likert's attitude scale uses five points. The statement relating to the measurement of attitudes is given to the person concerned and he is asked to check one of the five points given for every statement. These points show degree of agreement or disagreement with the given statements. The Likert scale is considered better as compared to Thurstone because of several positive facts. For example, in this scaling, there is not much problem in making numerous statements because for every aspect, only one statement is required which will show both positive and negative degrees. Seiler and Hough refer to Likert scaling as equally or more reliable than the Thurstone, and faster and equally or more valid. The semantic differential, an attitude scaling technique that lends itself to various applications, was developed by Osgood, Suci, and Tannenbaum. Semantic differential means the successive all vocation of a concept to the point in the multidimensional space by selection from



among a set of given scaled semantic alternatives. For any given purpose it consists of several or many pairs of opposite adjectives or phrases, with scale values in between. In using this scale, the respondent marks the position along each scale that reflects his attitude to the attitude object. Scale values (often ranging from 1 to 7) are associated with the different responses and individual's attitude score usually is the sum of these. Apart from these measures of attitudes, certain other scales have also been developed. These include the Guttman technique, the error-choice method, and the sentence completion method.

#### 6.2.4 ATTITUDE CHANGE

There is often a paradox of attitudes in that people need them to provide stability to social world yet world is a changing one and people must change their attitudes appropriate to the situation. The attitude change appropriate to organisational requirement is more important because attitudes affect behaviour and only certain behaviour is desirable from organisation point of view. Organisations adopt a number of techniques for changing attitudes of their members so that their behaviour corresponds with the organisational requirement. However, whatever the techniques for attitudes change are adopted, they can be effective only if basic characteristics of attitudes and their nature are kept in consideration. Though various theories of attitude formation and change have been presented earlier which help in understanding attitudes and the techniques through which they can be changed, the change techniques can be more effective, if three basic factors (as discussed below) are considered adequately:

**1. Characteristics of Attitudes:** In understanding attitude change, the analysis of attitude characteristics is an important element. Theories attitudes suggest numerous types of their characteristics. Such characteristics may be (i) extremeness of the attitude (ii) multiplexity, (iii) consistency, (iv) interconnectedness, (v) consonance of the attitude cluster of which the focal attitude is a part, (vi) the number and strength of the needs which are served by the attitude, and (vii) centrality of related values. Taking these characteristics of attitudes, there may be two types of attitude change: congruent and incongruent. The congruent change involves an increase in the strength of an existing attitude, either to make a positive attitude even more favourable or to make a negative attitude more strongly negative. An incongruent change is one in which the direction of change is opposite to the originally held attitude. Congruent change is easier to produce than incongruent one-specially when the attitude held is extreme, central in the attitude system, and interconnected with supporting attitudes. Another characteristic involved in changeability of attitudes is their simplicity. The number of acts



involved in the cognition and the number of facts to which it is related makes the attitude simple or complex. It is more likely to produce change in simple attitude than the complex one. The degree of interconnectedness determines the changeability of attitudes. Usually, attitudes which are strongly supported by other attitudes are more resistant to change. Similarly, depending on how many social wants support them and the strength of these wants, the attitudes may be more or less changeable. Attitudes which reflect the core or principal component of an individual's personality would most likely be very resistant to change.

**2. Personality of Attitude Holder:** The personality factors of attitude holder are also important in attitude change in the sense that some persons are more persuadable as compared to others. This is so because of personality differences. Such differences change the nature of attitudes because attitudes are subjective qualities. Persuadability is the tendency of a person to accept a persuasive communication. It commonly refers to a response to a direct influence attempt. Several personality factors suggest different types of persuadability. First is level of self esteem of the person. The more inadequate a person feels and the more social inhibitions he has, the more likely is he to be persuadable. People with a great deal of confidence in their own intellectual ability are not only more resistant to change but more willing to expose themselves to discrepant information. Related to the personality factors, there is a style of thinking referred to as close minded or dogmatism. Dogmatism is a form of authoritarianism where there is admiration of those in authority and hatred for those opposed to authority. There is a strong belief in the cause and a decreasing tendency to admit that other causes might be valid. Dogmatism is a relatively closed system in which the beliefs and disbeliefs are isolated from one another. It tends to be organised around some central authority theme, which must be protected at all costs. In dogmatism, there is high degree of rejection of opposing beliefs, a relatively low level of interconnection among belief systems, and complex cognitions about positively valued objects as against cognitions about negatively valued objects. In such cases attitude change is often resisted. However, personality factors should not be over emphasised in attitude change because the change makes much more sense in the context of total change attempt situation.

**3. Group Affiliation:** Individuals often express their attitudes in terms of group. This is more so in the case of less extreme attitudes. This is so because membership in the group prevents existing attitudes from being disturbed by filtering the information. As will be discussed later, one of the



powerful bonds which, hold the group together is the fact that members think alike. Information likely to cause dissonance or inconsistency is either omitted or perceived according to group norms with some modification or is rejected or considered irrelevant. Though people are not always exposed to information in the concept or groups and information, which may change their attitudes impinges upon them from many sources, even outside the group, their membership still influences the way the new information is perceived. This is particularly true of primary groups, such as family, friendship group, etc.

### **METHODS OF ATTITUDE CHANGE**

Various methods have been adopted for attitude change. Cohen has classified them into four categories: Communication of additional information approval and disapproval of a particular attitude, group influence, and inducing engagement in discrepant behaviour. However, in some way or the other, all these methods involve introducing discrepancies among the elements making up the individual's attitude in the hope that elements will be rebalanced through changing the affective component of the attitude. Thus, in practice, the central variable in attitude change is the feeling component associated with the attitude object. Thus from organisation's point of view, a manager may take the following actions in bringing out change the attitudes of organisational members. Such a course of action may be in the form of group action, persuasion through leadership, persuasion through communication, and the influence of total situation. These factors have been taken for detailed analysis in later chapters. The group influence has been discussed in the next chapter while other methods are discussed in the next part.

### **6.3 CHECK YOUR PROGRESS**

1. An ----- is generally the expression of one's judgement of a particular set of facts.
2. The basic model of balance theory has been provided by -----.
3. ----- defines opinions as expressions of attitudes.
4. ----- is an attitude, which directs people to adopt certain behaviour.
5. Attitude formation is related to the ----- aspects of behaviour.

### **6.4 SUMMARY**

Attitude is the bent of one's mind toward an object or subject. It involves liking or disliking people, work and objects. Desire is an attitude, which directs people to adopt certain behaviour. Attitude is



developed through learning, although the family, society and nation exert great influence in the attitude formation of people. Attitude is a combination of popular belief and interest. For example, the attitude of male workers is that female workers cannot perform hard work. Attitude is learned and expressed, apart from being primarily acquired by people through interaction with members of family and society. Attitude formation is related to the cognitive aspects of behaviour.

### 6.5 KEYWORDS

**Attitude:** Any reports of what people think or feel or the ways in which they intend to acts.

**Belief:** A belief is an enduring organization of perceptions and cognitions about some aspects of individual's world.

**Reference Group:** A reference group is any interacting aggregation of people that influences an individual's attitudes of behavior.

**Functional Theory:** This theory considers how attitudes and efforts are related to the motivational structure of the individual.

### 6.6 SELF ASSESSMENT TEST

1. What is the concept of attitudes? How do attitudes differ from opinions and beliefs? How do attitudes affect behaviour?
2. What are the various theories of attitude formation and change?
3. What are the various factors responsible for attitude formation? How can these factors be controlled?
4. What are the various methods of attitude measurement? How does attitude measurement help the management?
5. What are the various factors, which must be taken into account in attitude change? Discuss some methods for attitude change.

### 6.7 ANSWER TO CHECK YOUR PROGRESS

1. An opinion
2. Heider.
3. Thurstone



4. Desire
5. cognitive

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<b>Subject: Management Concepts and Organizational Behaviour</b>	
<b>Course Code: BCOM 205</b>	<b>Author: Prof. M. C. Garg</b>
<b>Lesson No. 7</b>	

## INTERPERSONAL AND GROUP DYNAMICS

### STRUCTURE

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- 7.4 Check Your Progress
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- 7.6 Keywords
- 7.7 Self-Assessment Test



7.8 Answer to Check Your Progress

7.9 References/Suggested Readings

## 7.0 LEARNING OBJECTIVES

After reading this lesson, you should be able to:

- Define interpersonal behavior and group dynamics.
- Explain the reasons for formation of group.
- Describe the theories of group formation.
- Enumerate the functions of informal groups.
- List out the characteristics of an effective group.

## 7.1 INTRODUCTION

The basis of our relationships, our loves, hates, commitments and duties make us what we are. These human bonds - complex, universal and so much a part of our daily existence, whether on a personal or sociopolitical level, are largely responsible for the quality of our lives and thoughts, and not the least, our mental health. Schools, colleges and other learning institutions enlighten us on a variety of subjects and equip us to "face life" economically, socially and intellectually. However, there is no school which educates us about ourselves and the ways in which to conduct ourselves in the multitude of relationships that we are called upon to engage in from day to day: child and parent, brother and sister, student and teacher, employee and boss, servant and master to mention a few. Each one of us learns this independently, through trial and error and eventually develops certain typical ways of coping with people and situations.

## 7.2 CONCEPT OF INTERPERSONAL BEHAVIOUR

Interpersonal behavior is the behavior and actions that are present in human relationships. The way in which people communicate, and all that this entails, is considered interpersonal behavior. Interpersonal behavior refers to the type of behavior that an individual adopts to deal with people around him to attain success or objectives. Interpersonal behavior may include both verbal communication and nonverbal cues, such as body language or facial expressions. Verbal interpersonal



behavior consists of joking, relating to one another via the art of storytelling, and taking or following orders. Interpersonal skills are highly desirable in many situations, specifically careers that rely on personal relationships such as the health care industry or sales.

The study of interpersonal behavior is a social science that examines the way people interact with one another. Interpersonal behavior is the most important thing which is required by all the individuals regardless of their level in the organization. In today's world, everything has become too interdependent that it is impossible to work in isolation. Interpersonal skills help individuals to achieve their goals because of increased contacts with the resourceful individuals. It helps employees to move up to the organizational ladder much easily and quickly as compared to the people who lack in the interpersonal skills. People who are good in interpersonal skills are more resourceful and never left alone in difficult times. They are able to get support and help from other people and are more cheerful as compared to those who lack interpersonal behavior.

### **7.2.1 MEANING OF GROUP DYNAMICS**

It was Kurt Lewin who propounded the concept of Group Dynamics. By Group Dynamics we mean interaction of forces among group members in a social situation. The social process by which people interact face-to-face in small group is called Group Dynamics. Thus, in group dynamics we are concerned with the face-to-face interaction of individuals. It focuses on team work wherein small groups are constantly in contact with each other and share common ideas to accomplish the given tasks. Lewin has developed three leadership styles i.e. Authoritarian, Democratic and Laissez- faire for explaining the group dynamics. The other meaning of Group Dynamics is that it is a set of techniques. It implies that the members' role in a management situation is discussed, and team building exercise is carried out to develop each member. This meaning is close to Lewin concept of Group Dynamics.

### **7.2.2 MEANING OF GROUP**

A group is an aggregation of persons with the following conditions:

- (i) People must interact with one another.
- (ii) People must be psychologically aware of one another.
- (iii) People should- perceive themselves to be a group.



A group may be defined as collection of people who have common purpose or objective, interact with each other to accomplish their objectives, are aware of one another, perceive themselves to be part of group.

Thus, mere face to face interaction amongst people is not sufficient to be called a group. They should be aware of one another and perceive the existence of a group. The number of people as contained in the definition should not be taken too, literally, as at some point, the number of people may be too large to fit the rest of the definition. For example, all the citizens of India cannot interact with each other. Further, each group has a common objective, but the members who belong to it may have other personal objectives. It is important to note that in the content of the definition of a group, a group member is to be aware of each other in a group. This awareness of members makes it different from mere aggregation of people. Every job in the organization is interdependent and every task requires the cooperation of more than one individual. Group facilitates this cooperation. Group provides personal relationships at the work place as member talks to one another about job or personal problem, thus groups are useful not only to individuals but also to organization, as it provides norms of behavior for its members. They provide understanding, companionship, supportive relationship and friendships. Group provides an identity for the person at the work-place to achieve a feeling of belongingness from which he can derive esteem, recognition status and happiness. Work groups also provide security to the individual member by forming pressure groups on management and groups. Whenever there is a problem, the group reacts in collectivity and provides resistance to change imposed upon the members without their consent. Management can use dynamics to bring adaptability among the organization members and to introduce change process successfully.

### 7.2.3 REASONS FOR FORMATION OF GROUPS

There are some very practical reasons for formation of groups or people to join a group.

**(i) Companionship** - The need for relationship with other people is one of the strongest and most constant of human drives. One can express his, only feeling through companionship. Research studies indicates that the employees with no opportunity for close social contacts find their work unsatisfying, leading to low productivity and high rate of absenteeism and turnover. Classical example is Hawthorne study.



**(ii) Safety and Security Needs** - Group provide a strong protection to their members from outside pressures. Workers become members of a union and thus feel more secure to be with the group. Groups often resist management's demand for additional output, increased work hours, and higher quality.

**(iii) Relatedness or Belongingness Need** - In every organization there are people who are very isolated, or who prefer to be absent from work most of the times or an or organizations having high turnover of employees. Research studies indicates that high turnover is related with lack of belongingness. The groups provide us emotional support which is useful at the time of crisis.

**(iv) Identification** – As a member of group, a person gets identity. The cohesive and small groups provide high morale to its members. Employees working in large organization find it hard to form stable social groupings and so they have low morale.

**(v) Job Satisfaction or Self Satisfaction-** The groups solution to a problem may be different from what management expects and it may even be more efficient. Many time bureaucratic channels like red tapism is eliminated, shortcuts are evolved and informal channels of communication are established to cut across department boundaries. By the same token, work groups may also engage in better job satisfaction. Many jobs which appears superficially dull, routine and repetitive are made interesting by the group and spontaneity is encouraged and protected by the group. Certain jobs can be done by isolated workers, but working as a group often results in higher motivation of the individuals and leads to better job satisfaction and self-gratification.

**(vi) Status** - A group provides a prestige to its members. Inclusion in a group is viewed as important by others, provides recognition and status for its members.

**(vii) Power** - One of the appealing aspects of groups is that they represent power. What often can't be achieved individually becomes possible through group action.

**(viii) Effectiveness** - It improves the effectiveness of the group activities and thus, the productivity is improved.

#### **7.2.4 THEORIES OF GROUP FORMATION**

**(1) Homans Theory** - According to Homans (1950), the basis of group formation is in terms of three elements, activities, interaction, and sentiments of people. The required activities are the assigned tasks at which people work. The required interaction takes place when any persons' activity follows or is



influenced by the activity of another. Whereas, the sentiments are the feelings or attitudes of a person towards others, his likes or dislikes, approval or disapproval. The informal interactions are called as emergent interactions and results into emergent activities or informal activities due to sentiments or feelings of the people. With the increase in interactions there shall be increase in shared activities and sentiments. The more sentiments for one another, the more shall be their shared interactions and activities.

Thus, in an organization the people are not merely together physically, but solve problems, attain goals, facilitate coordination, reduce tension and achieve a balance.

**(ii) Exchange Theory of Reward and Cost Outcome** - In 1959, Thibaut and Kelly put forward this theory, thereby, stating the outcome of interaction as the basis of group formation. According to him the outcome of a relationship should be rewarding in order to have attraction or affiliation among the persons or members of a group. If the interaction can't provide personal or social satisfaction to persons and results into anxiety or frustration or embarrassment or fatigue, then

such an interaction becomes a cost for them rather than a reward. In exchange theory affiliation, interaction and common attitude all plays an important role.

**(iii) Balance Theory** -This theory was propounded by Newcomb in 1961. According to this theory, the groups are formed on the basis of attractions of persons towards each other as they possess similar attitudes towards common objects or goals. For example, Ram interact with Shyam Because of their common attitudes and values towards religion, politics, literature, work authority etc. They will continue to maintain a symmetrical relationship between the attraction and common attitudes and values. Whenever, this relationship between A and B becomes unbalanced, both of them will try to restore the balance if balance can't be restored, then the relationship dissolved.

### 7.2.5 TYPES OF GROUPS

**(i) Formal Groups** – These groups are established by the organization to accomplish specific tasks. The different departments created as part of organizational structure constitute the formal group. They are created deliberately by the management to perform the assigned duties the examples are work groups, committees and quality teams. These group characterized by clear-cut authority – responsibility relationships. The pattern of communication is also well defined.



Rules are laid down to regulate the behavior of group members. The formal groups are also known as official organization. The formal groups may include command groups and task groups.

**(ii) Informal Groups** - Informal groups are formed within the structure of the organization but by the members themselves rather than by the organization. Informal groups are formed spontaneously in the organization because of social interaction between the people. They are created by the individuals rather than by management. These groups may or may not have the approval of the management. The groups are formed to satisfy social needs of members in the organization. They are natural groupings of people in response to the need for social interaction. They may be based on common interest, language, taste, caste, religion, background, etc. Thus, informal groups are alliances that are formally planned. These groups are natural formations in the work environment. In every organization, a large number of informal groups are formed and they are collectively referred to as the informal organization. In a bureaucratic organization, these groups meet very often to cut short the rigid bureaucratic practices of the management. Sometimes these groups are formed to perform a task better, improve production. The informal groups have focus on person rather than position, develops norms to regulate the behavior of its members. There is no fixed pattern of communication between the: members. That is why the informal groups are more flexible than the formal groups. Since they concentrate on personal contacts between the members, they represent the human side of the enterprise as compared to technical side represented by the formal groups.”

**(iii) Command and Task Groups** - According to Cartwright and Zander (1974), the command groups consist of managers and their direct subordinates. Whereas, the task groups and committees are created carry out specific organizational assignments and activities. The boundaries of task group are not confined to its immediate superior. For example, in the educational institutions, the command group includes the top administrator or Principal or Head of the Institution and the Head of the Departments of the different disciplines as his direct subordinate. The various task groups are set to carry out specific activities such as selecting students, making of a curriculum; developing teaching and evaluation methods etc. in each department for a specific discipline or courses. The major distinction between command group and task group is that, command group continues to exist, whereas task group is usually formed or established to solve a particular problem.



**(iv) Primary Groups** - According to Cooley, primary groups are those groups which are characterized by intimate, face-to-face association and cooperation. The primary groups are fundamental in forming the social nature and ideals of the individuals. The term small group is interchangeably used by various people for primary group. The primary group is characterized by a feeling of comradeship, loyalty and a common sense of value among all its members. All primary groups are small groups but all small groups may not be primary group. As the small group only meet interior of small size for face-to-face interaction and communication to occur. The example of primary group is family and peer group.

The Hawthorne study demonstrated, how work groups have qualities of tremendously influencing individual behavior irrespective of contact or environmental conditions.

**(v) Interest and Friendship Groups** - Informal alliances may take the shape of interest and friendship groups. An interest group consists of people having a specific objective and not aligned to common command or task groups. For instance, employees who group together to pressurize the management for subsidized transport constitute an interest group. But a friendship group includes close friends or relatives. These relations even extend outside the organization. The group members know each other very well and have good relations.

**(vi) Reference Groups** - The reference group is one with which an individual feels Identified or to which he would like to belong. Examples: Individuals interested to become member of prestigious Lion's Club or Rotary Club; or professionals are interested to join or like to belong professional associations.

**(vii) Membership Groups** - These are groups to which the individual actually belongs. e.g., Cooperative Societies, Unions, Clubs, etc.

**(viii) The In-Groups** - The in-group represents a clustering of individuals holding prevailing values in a society or having a dominant place in social functioning. Examples: members of family, members of a team.

**(ix) The Out-Groups** - The out-groups are clustering looked upon as subordinate or marginal in the future. Whenever there is a win-lose situation in a competitive task, members of win or lose group show tremendous in-group feelings within themselves. Their group, in relation to the other group is called as out-group.



### 7.2.6 CLASSIFICATION OF SMALL GROUPS

On the basis of pressure tactics adopted by small groups, Sayles identified four kinds of groups in organizations which are discussed below:

**(i) Conservative groups** - The members of this group are composed of highly skilled employees in the plant or enterprise. The conservative groups are found at top levels of the organization and display considerable self-confidence. They work on their own and the nature of their jobs is such that they can shut down the plant if they so desire. Such groups have been found to be very strong and most stable among informal groups. They exercise restrained pressure for highly specified objectives.

**(ii) Strategic groups** - The strategic groups are the highest level policy making groups. The members of such groups are able to prepare a strategy for putting pressures on other groups and management. The members are engaged in jobs (better than the earlier two categories) requiring use of special abilities, skills and judgement. Their jobs are considered as key jobs in the plant. Such groups are found to be highly united and taking active part in union activity. These groups determine the course of action for enterprise.

**(iii) Erratic groups** - These groups are composed of semi- skilled or skilled workers who work together in groups performing jobs that require close interaction. They display considerable unity. In their relation with management, they, are erratic or lack consistency in behavior. Sometimes they show antagonism towards management while on other occasions they may be cooperative. It is very difficult to predict the behavior of such groups. That is why such groups are called erratic groups.

**(iv) Apathetic groups** - These groups are composed of relatively low paid and low skilled assembly line workers who lack unity and power and hardly use any pressure tactics and are often controlled by management very easily. Such a group has no acceptable leader and is indifferent to the formal organization.

### 7.2.7 FUNCTIONS OF INFORMAL GROUPS

Small groups are important not only from the point of view of their members, they have a great utility from organizations point of view also. They help the organization in better administration by performing the following functions:



(i) **Better Relations** - A manager can build better cordial relations with his subordinates through informal contacts. He can consult the informal leaders and seek their cooperation in getting the things done from the workers by practicing good human relation skills.

(ii) **Developing Future Executives** - Informal groups recognize talented workers as their leaders. Such leaders can be picked up by the management to fill vacancies at the junior/senior executive levels in the future.

(iii) **Norms of Behavior** - Informal groups develop certain norms of behavior which differentiate between good and bad conduct and between legitimate and illegitimate activities. These helps in building discipline and order among the employees.

(iv) **Channel of Communication** - Informal groups act to fill up the communication gaps which might arise in the organization. Informal communication cuts across the hierarchical and departmental boundaries and transmits information with greater speed. Management can use informal channels to share information with the workers and get their reaction to managements proposals. Informal communication can be of great use to the organization, if it is handled by the management properly.

(v) **Filling in Gaps in Manager Abilities** - Informal groups may set to fill in gaps in a manager ability. For example, if a manager is weak in planning ability, one of his subordinates may help him informally in such a situation.

(vi) **Restraint on Managers** - Informal groups do not allow the managers to cross their limits, restrict them for acquiring unlimited power and from using their power injudiciously.

(vii) **Solving Work Problems** - Informal group helps in solving the work problems of members and organization. It allows sharing job knowledge and taking decisions which affect a number of jobs.

(viii) **Better Coordination** - Very often informal groups evolve short-cuts and eliminate red tapism. They, facilitate smooth flow of information and quick decision making, and ensure better coordination among various individuals and departments.

#### 7.2.8 DYSFUNCTIONAL ASPECTS OF INFORMAL GROUPS

Informal groups have dysfunctional aspects too, and create the following problems for the organization:

(i) **Conformity** –The informal group very often exerts strong pressure on its members for conformity. The members may become so loyal to their group that following the group norms becomes the part and



way of their life. This implies that members become subject to willful control of the group towards selfish ends. This will lead to dilution of the effect of organizational policies and practices on the group members.

**(ii) Negative Attitude of Informal Leaders** – Sometimes the informal leader may turn out to be a troubleshooter for the organization. In order to increase his influence, he may work against the policies of management and manipulate the behavior of his followers. Thus, he can be a source of conflict between the management and the workers. He may induce the followers to work against the interests of the organization. If such a leader is promoted to the rank of an executive, he may prove to be a work shirker and an arrogant and autocratic boss.

**(iii) Generation of Rumours** – Informal communication may give rise to rumours which is not desirable from organization point of view. Rumour originates for a number of reasons. One cause is plain maliciousness, but it is probably not the most important. A more frequent cause is employees' anxiety and insecurity because of poor communication in the organization. Rumour also serves as a means of wish fulfilment for some employees or applying pressure upon management. Rumour tends to change as it passes from person to person. Its general theme may be maintained, but not its details. The rumour gets twisted and distorted always when it passes from one mouth to another. The message gets its own head, tail and wings on its journey and swells unproportionately to an exaggerated shape. Thus, rumours may prove to be very dangerous for the organization.

**(iv) Resistance to Change** – Informal groups generally have tendency to resist change. Change requires group members to make new adjustments and acquire new skills. But groups want to maintain status-quo. Sometimes, groups react violently to the proposed changes being brought by the management. This creates obstructions in implementing new ideas and thus organization's survival and growth.

**(v) Role Conflict** – Every member of the informal group is also a member of the formal organization. Sometimes, there may be role conflict because what the informal group requires of a member is just the opposite of what is expected of him by the formal organization. In such a situation, group members may conform to their social norms. And if an individual member wants to follow the formal instructions of his boss, he may be snubbed by the informal leader and compelled to conform to informal group norms. Thus, organizational interests are likely to suffer in case of conflicts between formal and informal roles.

## 7.2.9 MANAGING INFORMAL GROUPS



The best strategy to manage the informal group is to identify and accept its existence, its leadership, its goals and its cultural moorings and endeavor so as to utilize it in the realization of organizational goals. In this context, it is significant for the management to identify the leadership of the informal groups.

The informal groups tend to be small. Each has its leader, who has earned this status because of age, seniority on the job, dominant personality, special capability, physical strength, or some other characteristics. In large informal organization, there may be more than one leader whom the group will follow under given circumstances. An individual with higher formal education than the others may be asked to look into matters that require formal communication. He may be asked to speak for the group in leading with the management, the union, or other informal groups. Another member possessing more job experience and know-how may be consulted in handling a work assignment or solving some problems connected with it.

Often the leader of the informal organization must gain and maintain the recognition of the members, either by working with management or by working against management. The manager should recognize that this condition prevails. Knowing and understanding the leadership of the groups with whom he deals can be extremely useful to a manager.

A manager can build favorable relationships with informal leaders in several ways. He can consult the leaders and seek their advice on technical matters and human relations problems. He can request their assistance and cooperation in indoctrinating new members and training them to become competent workers in their informal job assignments. Open, two-way communications can be encouraged on a continuing basis for mutual benefit. A manager must be careful not to reduce the status of the leader in the eyes of his constituents, and especially careful not to show favourism or partiality.

Informal communication, though may have ill consequences, can also be used by an enlightened manager to plug the loopholes of the formal communication system. Informal communication is very fast and ensures speedy transmission of information. It is the duty of every manager to see that informal communication does not produce rumours and if a rumour spreads, it should not be allowed to damage the functioning of the organization. In short, management can use every aspect of informal organization to achieve the organizational objectives.

#### **7.2.10 ELEMENTS OF INFORMAL GROUPS**



In informal groups, authority-responsibility relationship, channels of communications, patterns of coordination, etc., are not pre-determined. Informal group operates in an unstructured way. Informal group interacts with the formal organization quite frequently. It affects and is affected by the formal organization. If we observe the working of any informal group, we shall come across the following elements:

**1. Leadership** – The informal group has its own leader. An informal leader may not be the superior under whom the group members are working. The factors which determine informal leadership are age, seniority, work location, technical competence, etc. It may be noted that persons who emerge as informal leaders are perceived by the other group members as being the best people who can satisfy the goals of the group. The group may have number of leaders for different purposes, the group may have a task leader whose function is to derive the group towards its goal and a human leader who keeps the groups from falling apart.

The formal group leader performs the following functions: (i) he facilitates a consensus among the group members, (ii) he initiates action, and (iii) he provide links with the outside world. If the formal leader is able to perform these functions, he may be accepted as an informal leader also. Workers will go to him for their personal problems, counselling etc.

**2. Authority** – An informal organization has a set of unique characteristics. It has its own code of conduct, system for communication and system of reward and punishment. There is a network of relationships in an informal organization and it is not surprising if these relationships turn out to be contradictory to the formal prescribed pattern of relationships. The authority in informal organization is personal rather than positional as in case of formal organization. Power in formal organization is earned or given by group members, rather than delegated: therefore, it does not follow the official chain of command. It is more likely to come from peers than from superiors in the formal hierarchy: and it may cut across organizational lines into other departments. It is usually more unstable than formal authority, since it is subject to the sentiments of people. Because of its subjective nature, informal organization cannot be controlled by management in the way that formal organization is.

**3. Goals** – Groups evolve their own goals reflecting their own special interests. Group members are dedicated to group goals. Group cohesiveness results in the group acting in a unified manner. This cohesiveness is the results of the degree to which the group goals help the satisfaction of the



individual's needs. An important management problem, therefore, is to relate the group's objectives to the individual needs of the members of the group. If the goal congruency does not take place, organization will have to pay a price of this goal conflict as the group goals will take precedence over the organizations goals.

**4. Communication** – Informal organization comes into existence because of the deficiencies of the formal channels of communication. The formal channels of the communication may be inadequate and slow. The need for speedier communication may give birth to informal channels of communication. Informal communication is very fast but its greatest danger is that it may give rise to rumours. Rumours may prove to be detrimental to the interests of the organization. It is the responsibility of the management to maintain informal channels of communication properly by feeding the necessary information, whenever necessary.

### 7.2.11 CHARACTERISTICS OF AN EFFECTIVE GROUP

The factors that influence the work group effectiveness are norms, cohesion and leadership. These are discussed hereunder:

**(1) Group Norms** – A norm is a standard of behavior. Work groups norms are like an individual finger prints - each is unique. Yet there are still some common classes of norms that appear in most work groups. This tell how to behave in a particular group. Norms could be formal or could be informal. It is important to know what behavior .is significant for the groups, which helps to develop a norm. One of the characteristics of the norms is that they develop and shape behavior. That is significant for the group. The other characteristics of the norms is that some norms are applicable to some people only and not to all. Some norms have central importance and are accepted by everyone of the group while others have less importance.

According to Schein (1974) there are pivotal and relevant group norms. The pivotal group norm is a norm to which every member must confirm. Whereas, the relevant group norm is one which is neither central or absolutely essential to follow but is desirable. Conformity should be defined as adjusting ones behavior to align with the norms of the group. Conformity to all the group norms is selective and individual specific, some individuals select only pivotal norms, whereas other rejects all values and norms of the group. In case of complete conformity to group norms, the individual loses his or her ability to influence the group, whereas, in case of complete disconformity to group norms the individual



is likely to be expelled by the member. Thus, selection of norms for acceptance be made discretely. As the size of the group increases, norm is less likely to be accepted. Intellectual and creative Individuals are less likely to conform to group norms. Maintenance of conformity to group norms over the time is a difficult task. Small deviation of norms is allowable; however extreme deviation makes the deviator punishable.

**(2) Group Cohesiveness** – The group cohesiveness is the degree to which the members are attached to each other and are motivated to remain within the group. It is usually reflected by its resiliency to disruption by outside forces. The greater is the likelihood that all the members will confirm strictly to the group standards and greater the likelihood that its leader will represent the feelings of all members. Cohesive groups are more powerful and are more likely to act in unison when their expectations do not come to be realized.

### **Factors Influencing Cohesiveness**

The degree of group cohesiveness is determined by the following factors:

**(i) Nature of the Group** – Homogeneous groups, whose members are alike on such factors as age, education, status, experience, background, etc., are better united when the task or goal requires mutual cooperation and conflict-free behavior. Heterogeneous groups are often less effective in promoting their own interests than groups whose members are homogeneous. For example, where people with sharp differences in their scales of pay and job responsibilities work near one another, the resulting informal group is generally less cohesive.

**(ii) Time Spent Together** – The amount of the time that people spend together influences cohesiveness. As people spend more time together, they become more friendly, they can interact frequently and easily and are likely to be more cohesive and effective than those whose members are scattered. Such groups tend to develop their own language and symbol and codes to communicate with the group members. The opportunity to spend time together is dependent on physical proximity of members.

**(iii) Communication** – The effective communication is very important for maintenance of group cohesiveness. In fact, one of the determinants of group cohesion is the speed with which message can be transmitted through the group.



**(iv) Location of Group** – Location of the group plays an important role in determining cohesiveness. Particularly isolation from other groups of workers tends to build high cohesiveness. Where there is no dividing line between one group and another, cohesion is more difficult to achieve because a chain of interactions develops, but little group solidarity. Where members of a group are located closely knitted together and are in isolation from other groups, they will develop greater cohesiveness because of constant face-to-face interaction.

**(v) Gender of Group Members** – Recent studies indicate that women are more cohesive than men. It may be assumed that women are less competitive and/or more cooperative with people they see as friends, colleagues, or team mate than men are, and this results into greater group bonding.

**(vi) Size of the Group** – The effective group is relatively small. Small groups are more closely knitted than large ones. When the group is small, its members have constant face-to-face contacts. So, it is easier to have close relationship with all members of a small group than with all the members of a large one.

**(vii) Status of the Group** – Status of a group determines the degree of group cohesiveness to a great extent. A high status group receives greater loyalty from its members which in turn makes the group stronger. That is why, people are generally more loyal to high status groups.

**(viii) Autonomy** – A group may be dependent or independent of other groups and, thus, will have a different structure. When each member of a group has independent and different activities, the cohesiveness among members of the group will be less as compared to the group whose members are doing the operations which are dependent upon each other.

**(ix) Leadership Style** – The different styles of leadership influence group cohesiveness differently. An effective leader keeps the members of the group close by helping them satisfy their social needs.

**(x) Outside Pressure** – Groups provide security for the individual members from pressures by other groups. The group members work together when they are threatened by a common danger, e.g., a group of employees may forget their personal differences and also ranks against a new supervisor who is regarded as a threat to the group. It may also happen that the group is unable to bear the excessive pressure and cohesiveness cannot be created to withstand the pressure from outside.



**(xi) Management Behavior** – The behavior of the management has a direct influence on the degree of cohesion that exist within a group. By creating competition among employees and by constantly comparing one employee with another, a manager may make close relations difficult. A manager can also build solidarity by rewarding cooperative behavior. He can utilize group cohesiveness for achieving the goals of the enterprise if he can provide leadership to the group.

**(xii) Previous Success** – If the group has the history of successes, it builds an esprit de corps that attracts and unites members. Successful enterprises find it easier to attract talented employees than unsuccessful ones.

**(3) Group** – Leadership is the ability to influence the behavior of others. Leader play significant role in terms of accomplishment of goals of the groups. Activities, interactions and settlements often facilitate the emergence of informal leaders, who helps the group in accomplishment of goals. The effective formal leadership influences the growth and development of organization. Informal leadership helps in the growth of human being and organization too. In order to be successful manager, you must recognize the existence of informal leaders and work with them to develop group norms of high productivity, build more cohesion and enable the members to have their social needs fulfilled.

### 7.3 QUALITY CIRCLE

Quality circle may be defined as a work group of employees who meet regularly to discuss their quality problems, investigate causes, recommend solutions, and take corrective actions. A quality circle is a small group of employees doing similar or related work who meet regularly to identify, analyze and solve product-quality problems and to improve general operations. The concept of quality circle emerged from Japan for better quality control techniques. Quality circle provides a future - oriented approach. The quality circles are relatively autonomous units (ideally about 10 workers), usually led by a supervisor or a senior worker and organized as work units. The workers, who have shared area of responsibility, meet weekly to discuss, analyze and propose solutions to outgoing problems. Efforts in improving production and quality involve reducing defects, scrap, rework, and downtime, which are expected to lead to cost reduction as well as increased productivity. The circles also intend to focus on the self-development of workers and the improvement of working conditions, improvement of workers' morale and motivation, stimulation of team work, and recognition to their achievements.



The technique of quality circle has been refined over the years and it is now used to achieve the following objectives:

1. Overall improvement of quality of products manufactured by the enterprise,
2. Improvement of production methods and productivity of the enterprise.
3. Self-development of the employees who take part in the quality circles.
4. Encouragement of innovative ideas among the employees,
5. Building high morale of employees by developing team-work in the organization.

#### **(a) Benefits of Quality Circles**

Quality circles are supposed to bring the following benefits for the organization:

1. Formation of Quality circles in Japan and other countries has helped in bringing out several innovations and changes.
2. Quality circles, a valuable tool for increasing productivity, improving quality and increasing workers job satisfaction.
3. Membership in a circle means a participative environment that provides identification with work-group. Participation encourages commitment of the employees in producing quality products. Through quality circles, every one becomes involved with the operation of the company. Everyone from top to bottom works towards a single goal, i.e., success through quality.

#### **(b) Introducing Quality Circle in an Organization**

Quality circle is a new concept and its Introduction may cause some resistance on the part of the employees. Therefore, before Introducing quality circle, all precaution must be taken: as in case of any organizational change. The steps in the Introduction of quality circle are briefly discussed below:

**1. Propagating the Idea of Quality Circle** – The workers must be educated the need and significance of quality circle from the point of view of the organization and the workers. The scope of the quality circle should also be adequately publicized. The workers should be allowed to clear their doubts about quality circle. Attempt should be made to seek their voluntary cooperation in Implementing quality circles in the organization. The management may also arrange for some kind of training of the employees who want to form quality circles.



**2. Constitution of Quality Circles** – The employees should be encouraged to form quality circles by drawing members doing the similar kind of work. The membership of a quality circle should not exceed ten to twelve members. The Information about the constitution of a quality should be made available to the top management.

**3. Analysis of Quality Problems** – The members of a quality circles are supposed to meet periodically, say once a month. They would collect data and analyze the same. Past records, employee's suggestions, customer suggestions are very Important in this regard. This will lead to identification of the problems that hamper quality.

**4. Problem Solving** –The members of the quality circle should discuss the problems thoroughly and make a list of possible solutions. The merits and demerits of each solution should be evaluated. The final decision will be taken by the consensus of all the members.

**5. Presentation of Suggestions to the Management** – The suggestions for improving the quality are put in writing and forwarded to the management. Top management may form a committee to evaluate the suggestions of different quality circles in the organization. The committee may also meet the members of the quality circles, if it has any doubt. The final report will be prepared by the committee. It will list the suggestions, which must be implemented for improving the quality of goods and services.

**6. Implementation** – Proper publicity should be given to the suggestions of quality circles which are being put into practice. This will motivate the employees as they will feel the importance of having contributed to well-being of the organization. The implementation of the suggestions should be properly monitored by the management so that the changeover to new methods is smooth.

### **(c) Problems in Implementation of Quality Circles**

There are several pitfalls in quality circles. Despite their merits, they have failed in many companies. The common hurdles in initiating quality circles in India are as under

**1. Problem of Negative Attitude** –The employees and even managers may have 'negative attitude toward the quality circle. Naturally, they will resist its implementation. The wrong notions of the people about quality circles should be cleared. They should be properly informed about the concept of quality circle and its unity.



**2. Lack of Ability** –The workers in India have a low level of education. They also lack leadership qualities. To overcome this hurdle, workers education programme should be initiated. It must educate the workers about quality circle.

**3. Lack of Management Commitment** – The top management may not be committed to the concept of quality circle. The employees may not be allowed to hold the meetings of quality circles during the working hours. The employees will be least interested in devoting their personal time to the quality circle. Therefore, the management should allow the workers to hold quality circle meetings periodically during the working hours. It should extend the assistance required by the quality circles for their smooth working.

**4. Non-Implementation of Suggestions** – The workers will feel disheartened if their suggestions are turned down without any reason. The suggestions of each quality circle should be given due weightage. If they are likely to improve quality of products, they must be implemented. This will enthuse the members of the quality circle.

#### **7.4 CHECK YOUR PROGRESS**

1. Interpersonal behavior is the behavior and actions that are present in human -----.
2. It was ----- who propounded the concept of Group Dynamics.
3. The social process by which people interact face-to-face in small group is called -----.
4. The concept of quality circle emerged from ----- as better quality control techniques.
5. Lewin has developed three leadership styles i.e. Authoritarian, Democratic and ----- for explaining the group dynamics.

#### **7.5 SUMMARY**

The social process by which people interact face-to-face in small groups is called group dynamics. Group dynamics is concerned with the interaction of individuals in a face-to-face relationship. It focuses on teamwork wherein small groups are constantly in contact with each other and share their ideas to accomplish the given task. The group develops its goals clearly and furnishes suggestions to its members for the accomplishment of goals. Every group creates its leader (who may be called informal leader as he is not recognized in the formal organizational structure) who can effectively coordinate the group efforts towards the ‘accomplishment of its objectives.



Workers form small groups because of the following reasons: (i) companionship, (ii) satisfaction of safety and security need, (iii) satisfaction of belongingness need, (iv) sense of identification, (v) job satisfaction, (vi) status and (vii) power.

Groups may be classified into (i) formal groups, (ii) informal groups, (iii) command and task groups, (iv) primary groups, (v) interest and friendship groups, (vi) reference groups, (vii) membership groups, (viii) in-groups and (ix) out-groups. Small groups are helpful in building good relations among the members and serve as a useful channel of communication and coordination.

Informal groups have certain dysfunctional aspects also such as (i) conformity to group norms, (ii) resistance to change, (iii) role conflict (iv) negative attitude of informal leaders and (v) generation of rumours. When the members are motivated to remain within the group and they conform strictly to the norms and values of the group, the group is said to be cohesive. Cohesive groups are more powerful. They are more likely to attain their goals and satisfy the needs of the members. Group cohesiveness may be defined as the degree to which members are attached to one another and share the group's goals. It is the strength of the 'glue' which holds the group together. A cohesive group acts as one body and exercises a strong influence on the behavior of its members.

Hawthorn experiments revealed that a group exercises a significant influence on the attitudes, behavior and performance of its members. Groups norms may encourage high performance or low performance depending upon whether or not these norms are supportive of the organizational goals. The output of members in a highly cohesive group tends to be more uniform than that of members in less cohesive groups. In other words, individual productivity in cohesive groups stays within a norms range reflecting the group's strong social control.

## 7.6 KEYWORDS

**Interpersonal behavior:** It is the behavior and actions that are present in human relationships.

**Group Dynamics:** Interaction of forces among group members in a social situation.

**Formal Group:** This type of group is established by an organization to accomplish specific tasks.

**Primary Group:** These are the groups which are characterized by intimate, face-to-face association and cooperation.

**Norm:** It is a standard of behavior.



**Group Cohesiveness:** It is the degree to which the members are attached to each other and are motivated to remain within the group.

### **7.7 SELF-ASSESSMENT TEST**

1. Define formal groups and explain its characteristics features.
2. Give a comparative assessment of the importance of formal and informal organization.
3. Distinguish between formal and informal group. What should be the attitude of management towards informal groups?
4. Distinguish between formal and informal group.
5. What is an Informal Group? Describe its features. Provide a guideline to practicing managers for effective utilization of informal groups.
6. Define group dynamics. Why informal group comes into existence?
7. Define group cohesiveness and explain the relationship between group cohesiveness and productivity.
8. What is meant by Quality Circle? How can this concept be introduced in an organization?

### **7.8 ANSWER TO CHECK YOUR PROGRESS**

1. Relationships.
2. Kurt Lewin
3. Group Dynamics.
4. Japan
5. Laissez- fair

### **7.9 REFERENCES/SUGGESTED READINGS**

1. Luthans. R., "Organizational Behaviour"
2. Thomas Cummings, "Organization Development and Change" Sixth Edition
3. Dorothy Marcic, "Organizational Behavior: Experience and Cases" Fifth Edition
4. John Martin, "Organizational Behavior"
5. Richard L. Daft, "Organizational Theory and Design"



<b>Subject: Management Concepts and Organizational Behaviour</b>	
<b>Course Code: BCOM 205</b>	<b>Author: Dr. Karam Pal</b>
<b>Lesson No. 8</b>	<b>Vetter: Prof. M. S. Turan</b>

## ORGANISATIONAL CHANGE

### STRUCTURE

- 8.0 Learning Objectives
- 8.1 Introduction
- 8.2 Concept of Organizational Change
  - 8.2.1 Goals and Types of Organizational Change
  - 8.2.2 Forces for Change
  - 8.2.3 Change Process
  - 8.2.4 Action Research and Change
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## 8.0 LEARNING OBJECTIVES

The objective of this lesson is to make the students learn about:

- Concept of management of change.
- Objectives and factors responsible for change.
- Change process, types of changes, steps in managed change and change agents.

## 8.1 INTRODUCTION

Change is inevitable in a progressive culture. Change in fact, is accelerating in our society. Revolutions are taking place in political, scientific, technological and institutional areas. Organizations cannot completely insulate themselves from this environmental instability. Change is induced by the internal and external forces. Meeting this challenge of change is the primary responsibility of management. An organization lacking adaptability to change has no future. Adaptability to change is a necessary quality of good management. Modern managers have the responsibility to devise management practices that best meet the new challenges and make use of the opportunities for the growth of the organization.

## 8.2 CONCEPT OF ORGANIZATIONAL CHANGE

In the present time, every organization faces dynamic and changing environments, which in turn requires them to adapt to these changes. Changes simply mean the alteration of status quo. Changes are necessary in every organization to keep the level of given stability. Organizational changes include changes in attitudes, nature and interest of the employees, technological and environmental changes related to organization and changes in rules and regulation affecting the organization. The management of every organization should continuously monitor the outside environment and be innovative and creative to find new and better utilization of organizational resources so that customers' needs are competitively met and their problems can be properly solved. The environment includes the social environment, cultural and religious environment, biological and physical environment, natural calamities and opportunities, regional environment, educational and philosophical environment and other external as well as internal environments of the organization.

In order to bring success in any organization, changing pattern of production, finance, human resources and communication should be analyzed and managed. The management of the organization has to be alert to the changes, which generally affect the working of the organization. An organization face its



own change in structure, authority, responsibility and job restructuring by introducing various absorption, mergers, liquidation and other reorganizational activities. Often, changes can be managed by introducing other changes. According to Barney and Griffin, “the primary reason cited for organizational problems is the failure by managers to properly anticipate or respond to forces for change”.

Change refers to something which occurs to an organization, a group or an individual. A managed change relates to the active involvement of the organization, group or individual in making things occur with a view to accomplish the best interests of both the individual and the organization. Change means managed change which can be used to solve problems more readily, learn from experiences, adapt to new conditions and become more competent. Organizational change refers to a relatively enduring alteration of the present state of an organization or its components or interrelationships amongst the components, and their differential and integrated functions, in totality or partially, in order to attain greater viability in the context of the present and anticipated future environment.

It may embrace activities such as amalgamation and bifurcation, diversification, reorganization, restructuring, change in design or the introduction of new systems involving the total organization or its sections. It may also include change of people, task and technology as well as change in processes, customs, norms and culture of the organization. The change may be aimed at one or more of such aspects and tends to be correlated. A change in tasks may cause changes not only in people, structure and techniques but also in the relationships between these components of the organization, and may lead to reallocation of resources. Management of organizational change may encompass anticipation of needs for changes, decision about the required changes and initiation and implementation of changes, ensuring that they are stable and lasting in nature.

### 8.2.1 GOALS AND TYPES OF ORGANISATIONAL CHANGE

**Goals of Organizational Change:** The organizational change has a number of goals, explicit and implied. The most obvious common goals are: higher performance, acceptance of new techniques, increased motivation, greater innovation, enhanced cooperation, decreased turnover, etc. Underlying these goals are two basic objectives: changes in an organization’s level of adaptation to its changing environment, and changes in the internal behavioural patterns of employees.



There is the goal of modification in adaptation level. Organizations are constantly striving to adapt themselves in a better way to their external environmental conditions. As the management is not able to control completely the environmental conditions, it frequently induces internal organizational changes with a view to cope more effectively with new challenges stemming from outside in the form of enhanced competition, technological advancements, government legislation and compelling social requirements. Organizational changes are induced in response to these environmental conditions. Sometimes changes are introduced in anticipation of future requirements by proactive organizations which tend to change their environmental conditions as well as themselves.

There is the objective of achieving modification in behavioural patterns of employees which arises when an organization's level of adaptation does not improve unless its employees behave in a different way in relationship to each other and their jobs. Organizations do not function through computers, but involve people to make decisions in their unique patterns arising from a set of formal and informal behavioural patterns and procedures. Accordingly, any organizational change, irrespective of whether it is induced through a new structural design or a training programme, aims to get employees to adopt new behavioural patterns and procedures relating to each other and their jobs. To succeed in achieving organization-wide impacts, it is necessary that these new patterns embrace not only superior-subordinate relations but also different work groups and larger sub-systems of the entire organization.

**Types of Change:** The various types of changes that have considerable impact on organizational culture are:

1. **Strategic Change:** This change is related to change in the mission of the organization. A single mission has to be changed to the multiple missions with the changing need of the environment. The strategy, programmes, procedures, budgeting, rules and regulation are designed, redesigned and restructured according to changes.
2. **Structural Change:** It involves change in the structural designs such as chart, authority, responsibility, procedures and policies. Decentralized operations and participative management is major area of concern for management in organizational structure. The structural changes have major impact on the organization's social climate and members are required to develop team spirit to make on the spot decision at the point of operations.



3. **Process-oriented\Technological Change:** These changes are related to technological development, information processing, automation and use of robotics in the manufacturing operations. The techniques are changed as per the needs of the work flow, physical layouts, work methods, procedures and work standards. The tools and techniques are modified under the organizational changes. This would affect the organizational culture and hence changes in the behaviour patterns of members.
4. **People-oriented Change:** People give more importance to the motivation and reward system. They are particular about their skills, selection and training and performance appraisal. These changes are directed towards performance improvement as well as developing a sense of self actualizations among the members. These can be developed by closer interactions with employees and by special behavioural training and modification sessions.
5. **Task Approach:** Job performed by individuals, motivational process, job structure and job design are restructured as per changes.

### 8.2.2 FORCES FOR CHANGE

There are five specific forces that are acting as stimulants for change.

- (i) **Changing nature of the workforce:** For instance, almost every organization has to adjust to a multicultural environment. Human resource policies and practices have to change in order to attract and keep this diverse workforce. And many companies are spending large amounts of money on training to upgrade the skills of employees.
- (ii) **Technology** is changing jobs and organizations. The substitution of computer control for direct supervision, for instance, is resulting in wider spans of control for managers and flatter organizations. Sophisticated information technology is also making organizations more responsive. Companies like AT & T, Motorola, General Electric, and Chrysler can now develop, make, and distribute their products in a fraction of the time it took them a decade ago. And, as organizations have had to become more adaptable, so too have their employees. Many jobs are being reshaped. Individuals earlier doing narrow, specialized, and routine jobs are being replaced by work teams whose members can perform multiple tasks and actively participate in team decisions.

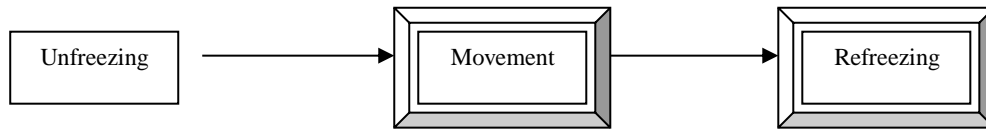


(iii) **Economic Shocks** have continued to impose changes on organizations. In recent years, for instance, interest rates have become more volatile and the economies of individual countries have become more interdependent. When interest rates rise, for example, the market for new home loans and refinancing declines. For many mortgage brokerage firms, revenue declines and layoffs ensue. Similarly, the profitability of U.S. security firms such as Merrill Lynch and Dean Witter is increasingly linked to the health of foreign economies and markets.

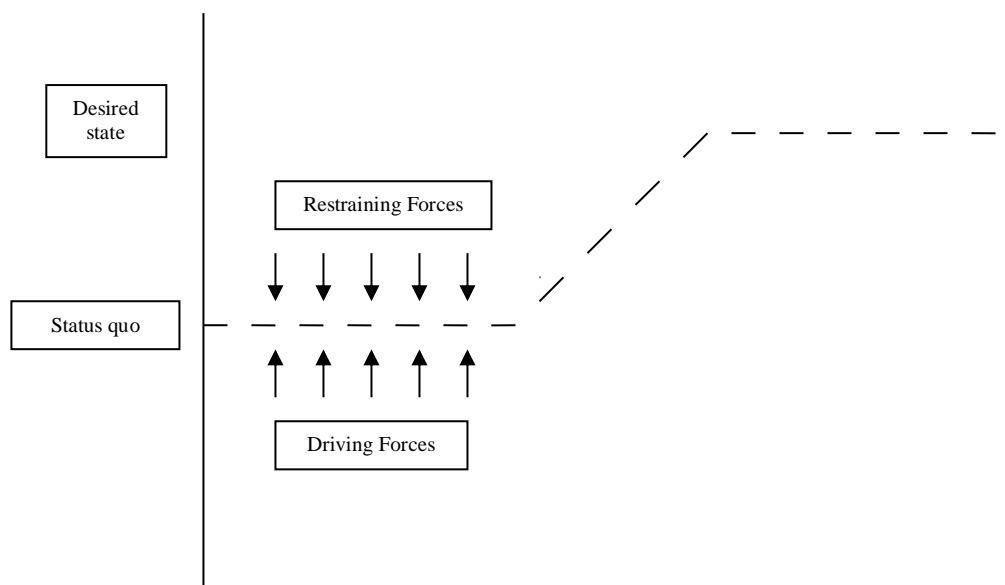
(iv) **Competition** has changed the entire spectrum of business. The global economy means that competitors are as likely to come from across the ocean as from across the town. Heightened competition also means that established organizations need to defend themselves against both traditional competitors who develop new products and services, and small, entrepreneurial firms with innovative offerings. Successful organizations will be the ones that can change in response to the competition. They will be fast on their feet, capable of developing new products rapidly and getting them to market quickly. They will rely on short production runs, short product cycles, and an ongoing stream of new products. In other words, they will be flexible. They will require an equally flexible and responsive workforce that can adapt to rapidly and even radically changing conditions.

**IV. World Politics:** We have called for seeing OB in a global context while business schools have been preaching a global perspective since the early 1980s, no one—not even the strongest proponents of globalization—could have imagined how world politics would change in recent years. A few examples make the point: the fall of the Berlin Wall, the reunification of Germany, Iraq's invasion of Kuwait, and the breakup of the Soviet Union. Almost every major U.S. defense contractor, for instance, has had to rethink its business and make serious changes in response to the demise of the Soviet Union. Companies like Hughes Electronics, Lockheed Martin, Raytheon, and Northrop Grumman have each cut tens of thousands of jobs since the early 1990s.

*Lewin* in his three steps model introduced “force-field analysis” to induce, implement and manage change. This analysis is based upon the assumption that we are in state of equilibrium when there is balance between forces that induce change and forces that resist change. Kurt Lewin argued that successful change should follow following steps:



(i) **Unfreezing:** Lewin believes that the change should not come as a surprise to members of the organization. Sudden, unannounced change would be socially destructive. The management must pave the way by “unfreezing the situation”, so that members would be willingly and ready to accept the change. Unfreezing means the status quo and this is considered to be an equilibrium state. It makes the individuals or organizations aware and prepare for the change. Unfreezing can be possible in one of the three ways as depict in Figure. These are: Driving Forces, which direct behaviour away from the status quo, can be increased. Restraining Forces, which hinder movement from the existing equilibrium or it forces hinder movement away from the state quo, can be decreased. - The third alternative is to combine the first two approaches.



(ii) **Movement or Changing:** This a stage at which the individual being changed learn new behaviour, methods of working, new thinking, perception of new roles etc.

(iii) **Refreezing:** It is stabilization of change intervention by balancing driving and restraining forces. It means that what has been learned is integrated into actual practice. At this stage, the individuals learned



new beliefs, feelings and behaviour. The new behaviour must replace the former behaviour completely for successful change to take place.

The change process is not a one-time application but a continuous process due to dynamism and ever changing environment. Lewin concluded that to achieve change we must overcome the status quo. The change forces are known as driving forces and the forces that resist change are known as restraining forces as shown below:



Managers who are trying to implement change must analyze this balance of driving and restraining forces. For effective change the driving forces should be strengthen and the restraining forces should be weakening successfully.

### 8.2.3 THE CHANGE PROCESS

Once, the need for change and the goals of such a change are recognized and accepted, the management must introduce the change process in such a manner that such change is more or less permanent and the management does not shift back to the original and more familiar ways of doing things. To make the change more lasting, Kurt Lewin proposed 3 phases of the change process for moving the organization from the present to the future. These stages are: (1) Unfreezing, (2) Changing, and (3) Refreezing.

- (i) **Unfreezing:** The process of unfreezing simply makes the individual or organizations aware and prepares them for the change. Lewin believes that the change should not come as a surprise to members of the organization. Sudden, unannounced change would be socially destructive. The management must pave the way by “unfreezing the situation”, so that members would be willing and ready to accept the change. This way, if there is any resistance to change, it can be neutralized. According to Schein, unfreezing is the process of breaking down the old attitudes and behaviours, customs and traditions so that they start with a clean slate. This can be achieved by making announcements, holding meetings and promoting the ideas throughout the organization via bulletin boards, personal contacts and group conferences. The unfreezing process basically cleans the slate so that it can accept new writings on it which can then become the operational style.
- (ii) **Changing or Moving to the New Condition:** Once the unfreezing process has been completed and the members of the organization recognize the need for change and have been fully prepared to



accept such change, their behaviour patterns have to be redefined. H.C. Kellman has proposed three methods of reassigning new patterns of behaviour. These are:

- (a) **Compliance:** Compliance is achieved by strictly enforcing the reward and punishment strategy for good or bad behaviour. Fear of punishment, actual punishment or actual reward seems to change behaviour for the better. For example, many people have stopped smoking because of warning given by the Surgeon General of United States that smoking causes cancer of the lungs.
  - (b) **Identification:** Identification occurs when members are psychologically impressed upon to identify themselves with some given role models whose behaviour they would like to adopt and try to become like them. Many public organizations use celebrities as role models in advising young people not to try drugs.
  - (c) **Internalization:** Internalization involves changing the individual's thought processes in order to adjust to a new environment. Members are left alone to look themselves and they are given freedom to learn and adopt new behaviour in order to succeed in the new set of circumstances. Sometimes, soul searching brings about a new dimension to the philosophy of existence and thus brings about changes in such behavioural patterns that are not considered socially or professionally redeeming.
- (iii) **Refreezing:** Refreezing occurs when the new behaviour becomes a normal way of life. The new behaviour must replace the former behaviour completely for successful change to take place. Also, it should be permanent in nature. Accordingly, it must be continuously reinforced so that this new acquired behaviour does not diminish or extinguish.

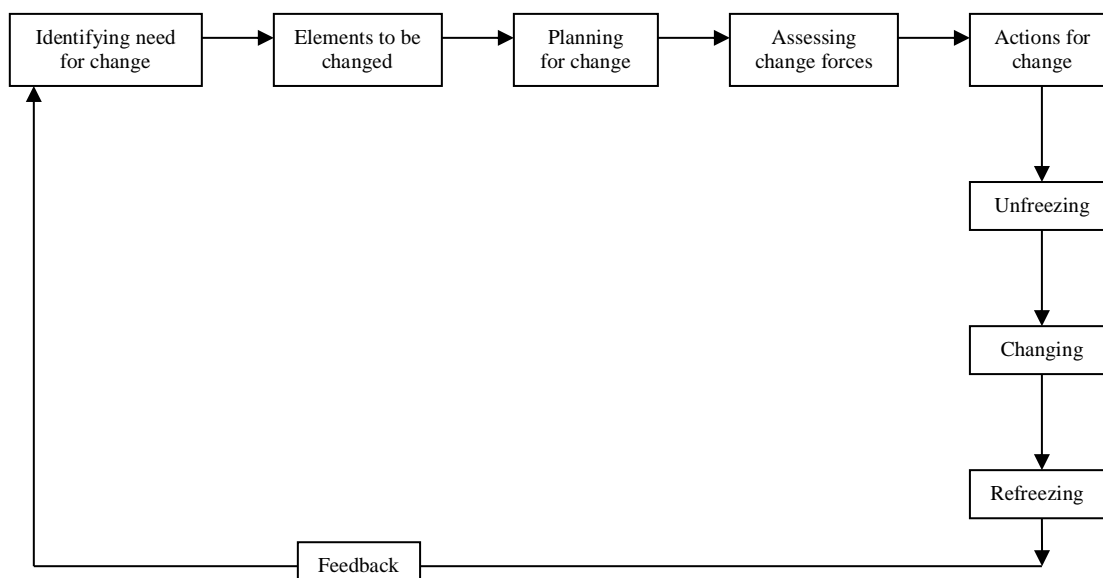
This must be clearly understood that the change process is not a one-time application but a continuous process due to dynamism and ever changing environment. Accordingly, the phenomena of 'unfreezing, changing and refreezing' are a cyclical one and remain continuously in process. The implementation of this three steps change model can be seen in the case of kidnapping victims or prisoners of war or in deprogramming of some religious cultists. The prisoners of war, for example, may be brainwashed into believing that they are fighting a losing and immoral war and that their enemy is really their friend, by certain shock treatments which involve three steps of unfreezing, changing and refreezing process as explained before. If these prisoners return back to their own country, the process can be repeated to



bring them back to their original behaviour. Another methodology to induce, implement and manage change was also introduced by Kurt Lewin, who called it “force-field analysis”. This analysis is based upon the assumption that we are in a state of equilibrium when there is balance between forces that induce change and forces that resist change. To achieve change, we must overcome this status quo. The change forces are known as driving forces and the forces that resist change are known as restraining forces as shown below:

Driving forces □ Equilibrium □ Restraining forces

Managers who try to implement change must analyze this balance of driving and restraining forces and then strengthen the driving forces or weaken the restraining forces sufficiently so that change can take place.



## 8.2.4 ACTION RESEARCH AND CHANGE

Action research refers to a change process based on the systematic collection of data and then selection of a change action based on what the analyzed data indicate. Their importance lies in providing a scientific methodology for managing planned change.

The process of action research consists of five steps: diagnosis, analysis, feedback, action, and evaluation. You'll note that these steps closely parallel the scientific method.



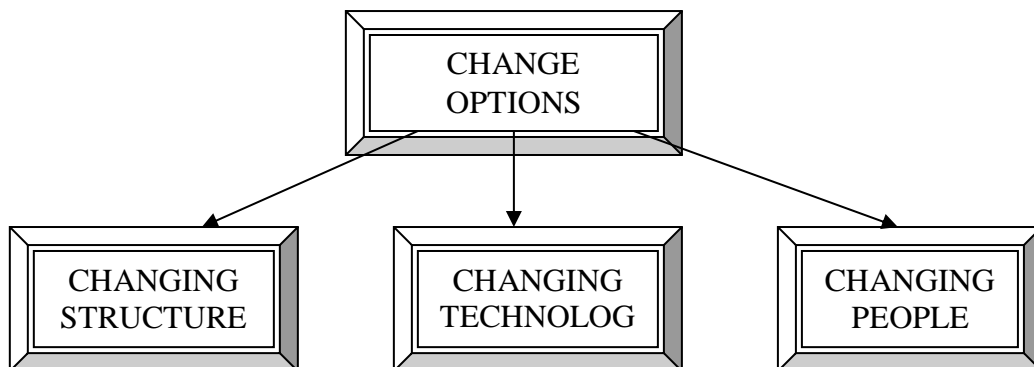
- (i) **Diagnosis:** The change agent, often an outside consultant in action research, begins with gathering information about problems, concerns, and needed changes from members of the organization. This diagnosis is analogous to a physician's search to find what specifically ails a patient. In action research, the change agent asks questions, interviews employees, reviews records, and listens to the concerns of employees.
- (ii) **Analysis:** The information gathered during the diagnostic stage is then analyzed. What problems do people key in on? What patterns do these problems seem to take? The change agent synthesizes this information into primary concerns, problem areas, and possible actions.
- (iii) **Feedback:** Action research includes extensive involvement of the change targets. That is, the people who will be involved in any change program must be actively involved in determining what the problem is and participating in creating the solution. So the third step is sharing with employees what has been found from steps one and two. The employees, with the help of the change agent, develop action plans for bringing about any needed change.
- (iv) **Action:** Now the action part of action research is set in motion. The employees and the change agent carry out the specific actions to correct the problems that have been identified.
- (v) **Evaluation:** Finally, consistent with the scientific underpinnings of action research, the change agent evaluates the effectiveness of the action plans. Using the initial data gathered as a benchmark, any subsequent changes can be compared and evaluated.

Action research provides at least two specific benefits for an organization. First, its problem focused. The change agent objectively looks for problems and the type of problems and determines the type of change action. While this may seem intuitively obvious, a lot of change activities are not done this way. Rather, they're solution centered. The change agent has a favourite solution- for example, implementing flexitime, teams or a management by objectives program-and then seeks out problems that his or her solution fits. Second, because action research so heavily involves employees in the process, resistance to change gets reduced, if not vanished.

### 8.2.5 STEPS IN MANAGED CHANGE



- (i) **Develop new goals and objectives:** The managers must identify as to what new outcomes they wish to achieve. This may be a modification of previous goals due to changed internal and external environment or it may be a new set of goals and objectives.
- (ii) **Select an agent for change:** The management must decide as to who will initiate and oversee this change. A manager may be assigned this duty or even outside specialists and consultants can be brought in to suggest the various methods to bring in the change and monitor the change process.
- (iii) **Diagnose the problem:** It is important to gather all pertinent data regarding the area or the problem where the change is needed. This data should be critically analyzed to pinpoint the key issues. Then the solutions can be focused on those key issues.
- (iv) **Select methodology:** Because of natural resistance to change, it is very important to chart out a methodology for change which would be correct and acceptable to all. Members' emotions must be taken into consideration while devising such methodology.
- (v) **Develop a plan:** This step involves putting together a plan as to what is to be done. For example, if the company wants to develop and implement a flexitime policy, it must decide as to what type of workers will be affected by it or whether flexitime should be given to all members or only to some designated workers.
- (vi) **Strategy for implementation of the plan:** In this stage, the management must decide on the "when", "where" and "how" of the plan. This includes the right timing of putting the plan to work, how the plan will be communicated to workers in order to have the lesser resistance and how the implementation will be monitored.
- (vii) **Implementation of the plan:** Once the right timing and right channels of communication have been established, the plan is put into action. It may be in the form of simple announcement or it may require briefing sessions or in-house seminars so as to gain acceptance of all the members and specially those who are going to be directly affected by the change.
- (viii) **Receive and evaluate feedback:** Evaluation consists of comparing actual results to the set goals. Feedback will confirm if these goals are being met so that if there is any deviation between the goals and the actual performance outcomes, then corrective measures can be taken.



### 8.2.6 THE CHANGE AGENTS AND THEIR CHARACTERISTICS

The change agents are those factors that are responsible for bringing about the change in the individual behaviour patterns. This is the most important type of change since other types of changes such as in strategy, structure or process can always be introduced simply by the management and most often these changes are accepted by the workers and also because behaviour is a highly complex phenomenon and it may require a number of strategies to make desirable changes in human behaviour. These change agents may either be the initiators of change or serve as catalysts for such change. Four types of change agents have been identified.

- (i) **Outside Pressures:** These are pressures from the external environment and are directed towards change in the entire organization. These may be in the form of government intervention if there are serious quality or safety defects. The government may also get involved if there are labour strikes for a long period of time or mass demonstrations against the organization.
- (ii) **Internal organizational development:** This can come slowly and through and within the organization itself. This may include redefinition of goals as well as participative goal setting such as MBO (Management by Objectives), work redesign, team development and so on.
- (iii) **Individual change:** This change is the modification of behaviour within the individual where personal goals may be better served in the changed environment of the organization. For example, in a government job, if a person who is habitually coming late to work without any obvious repercussions or reprimands, might change his behaviour if the organization starts taking notice of such tardiness in a negative way.



**(iv) Changes from central management:** The organizational change may come from the top management who may be convinced about its necessity and may direct the structural, strategic or technological changes that would be beneficial to the organization and its members.

There have been a number of change agents that have been at work in changing the organizational processes and structures. In America, for example, Ralph Nader, a consumer advocate has been responsible for many changes in the area of quality and safety of many products and especially in the automobiles. In addition, forces such as women's liberation movement and strong labour unions have brought about changes that have affected the work ethics of the organizations and work roles of its members.

Similarly, in India where the bureaucratic structure is deeply embedded in the organizational system, changes are being brought about by government regulations and by social pressures to give more freedom to the workers, to bring about equal opportunity for employment, irrespective of religion or gender and to keep pace with the changing world in technological processes. The change agent may be in the form of a consultant who helps the client find solutions to the organizational problems. It could also be in the form a trainer who trains the client to achieve a set of skills that could be used in bringing about the change for desired outcomes. This change agent must have certain characteristics which would identify it to be more effective than others.

The way a change agent manages the process of change is indicated by certain factors and characteristics which have been identified by Havelock and Shaskin. The first letters of these factors together spell "HELP SCORES". These are:

- (i) Homophily:** It is the degree of closeness and similarity between the change agent and the client. The closer the relationship, the easier and more successful the change is likely to be. It is similar to listening to our close friend whom we trust and whose advice we seriously take.
- (ii) Empathy:** It involves understanding of feelings and emotions and thoughts of others by putting ourselves in others' shoes. This sincere understanding leads to improved communications between the client and the change agent which is very helpful in bringing about the desired change.
- (iii) Linkage:** It refers to the degree of collaboration between the change agent and the client. The tighter the linkage, the more likely is the success.



- (iv) **Proximity:** The change agent and the client should have easy access to each other. The closer the proximity the better the relationship between the two and easier to develop the collaborative linkage.
- (v) **Structuring:** This factor involves proper and clear planning of all activities that are related to change. If these activities are planned in step-by-step sequential factors, then the implementation would be easier.
- (vi) **Capacity:** This factor refers to the organization's capacity to provide the resources that are needed for successful organizational development effort and implementation. These resources must be adequate and available when needed.
- (vii) **Openness:** Openness refers to the conceptual environment which is conducive to the development of respect and understanding for each other's ideas, needs and feelings. The degree of openness between the change agent and the client would considerably affect the outcome of the program.
- (viii) **Reward:** All members expect that the change will bring potential benefits. These rewards should be both in the short run as well as in the long run. The greater the potential for rewards, the more determined the effort would be in making the required change.
- (ix) **Energy:** Energy refers to the amount of effort put into the change process. This effort involves both the physical and psychological energy. The client's energy must be well spent and channelled precisely into the change program itself. The energy of the change agent should not be spread over too many clients, for in that case, each of the clients individually may not receive the needed energy.
- (x) **Synergy:** Synergy simply means that the whole is more than the sum of its parts. This means that the previous nine factors involving a variety of people, resources, energies and activities together result in synergy, if they support success mutually as well as individually, they are as favourable to the program as possible.

### 8.2.7 RESISTANCE TO CHANGE

One of the well-documented findings from studies of individual and organizational behaviour is that organizations and their members resist change. In a sense, this is positive. It provides a degree of stability and predictability to behaviour. If there weren't some resistance, organizational behaviour



would take on characteristics of chaotic randomness. Resistance to change can also be a source of functional conflict. For example, resistance to a reorganization plan or a change in a product line can stimulate a healthy debate over the merits of the idea and result in better decision-making. But there is a definite downside to resistance to change. It hinders adaptation and progress.

Resistance to change doesn't necessarily surface in standardized ways. Resistance can be overt, implicit, immediate, or deferred. It is easiest for management to deal with resistance when it is overt and immediate. For instance, a change is proposed and employees quickly respond by voicing complaints, engaging in work slowdown, threatening to go on strike, or the like. The greater challenge is managing resistance that is implicit and/or deferred. Implicit resistance efforts seem to be subtle but has serious ramifications—loss of loyalty to the organization, loss of motivation to work, increased errors or mistakes, increased absenteeism due to “sickness”—and hence more difficult to recognize. Similarly, deferred actions cloud the link between the source of the resistance and the reaction to it. A change may produce what appears to be only a minimal reaction at the time it is initiated, but then resistance surfaces weeks, months, or even years later. Let's look at the sources of resistance. For analytical purposes, we have categorized them by individual and organizational sources. In the real world, the sources often overlap.

### Individual Resistance

Individual sources of resistance to change reside in basic human characteristics such as perceptions, personalities, and needs. The following summarizes five reasons why individuals resist change.

(i) **Habit:** Every time you go out to eat, do you try a different restaurant? Probably not. If you're like most people, you find a couple of places you like and return to them on a somewhat regular basis.

As human beings, we're subservient to our habit. Life is complex enough; we don't need to consider the full range of options for the hundreds of decisions we have to make every day. To cope with this complexity, we all rely on habits or programmed responses. But when confronted with change, this tendency to respond in accustomed ways becomes a source of resistance. So when your department is moved to a new office building across town, it means you're likely to have to change many habits: waking up ten minutes earlier, taking a new set of streets to travel, finding a new parking place, adjusting to the new office layout, developing a new lunchtime routine, and so on.



(ii) **Security:** People with a high need for security are likely to resist change because it threatens their feelings of safety. When Sears announces it's laying off 50,000 people or Ford introduces new robotic equipment, or Indian banks thought of computerization in early 80's many employees at these firms feared that their jobs are in jeopardy.

(iii) **Economic factors:** Another source of individual resistance is the concern that change will lower one's income. Changes in job tasks or established work routines also can arouse economic fears if people are concerned that they won't be able to perform the new tasks or routines to their previous standards, especially when pay is closely tied to productivity.

(iv) **Fear of the unknown:** Changes substitute ambiguity and uncertainty for the known. The transition from high school to college is typically such an experience. By the time we're seniors in high school, we understand how things work. You might not have liked high school, but at least you understood the system. Then you move on to college and face a whole new and uncertain system. You have traded the known for the unknown and the fear or insecurity that goes with it.

Employees in organizations hold the same dislike for uncertainty. If, for example, the introduction of TQM means production workers will have to learn statistical process control techniques, some may fear they'll be unable to do so. They may, therefore, develop a negative attitude toward TQM or behave dysfunctionally if required to use statistical techniques.

(v) **Selective information processing:** Individuals shape their world through their perceptions. Once they have created this world, it resists change. So individuals are guilty of selectively processing information in order to keep their perceptions intact. They hear what they want to hear. They ignore information that challenges the world they've created. To return to the production workers who are faced with the introduction of TQM, they may ignore the arguments their bosses make in explaining why a knowledge of statistics is necessary or the potential benefits the change will provide them.

### Organizational Resistance

Organizations, by their very nature, are conservative. They actively resist change. You don't have to look far to see evidence of this phenomenon. Government agencies want to continue doing what they have been doing for years, whether the need for their service changes or remains the same. Organized religions are deeply entrenched in their history. Attempts to change church doctrine require great persistence and patience. Educational institutions, which exist to open minds and challenge established



doctrine, are themselves extremely resistant to change. Most school systems are using essentially the same teaching technologies today as they were 50 years ago. The majority of business firms, too, appear highly resistant to change.

Six major sources of organizational resistance have been identified.

**(i) Structural Inertia:** Organizations have built-in mechanisms to produce stability. For example, the selection process systematically selects certain people in and certain people out. Training and other socialization techniques reinforce specific role requirements and skills. Formalization provides job descriptions, rules, and procedures for employees to follow.

The people who are hired into an organization are chosen for fit; they are then shaped and directed to behave in certain ways. When an organization is confronted with change, this structural inertia acts as a counterbalance to sustain stability.

**(ii) Limited focus of change:** Organizations are made up of a number of interdependent subsystems. You can't change one without affecting the others. For example, if management changes the technological processes without simultaneously modifying the organization's structure to match, the change in technology is not likely to be accepted. So limited changes in subsystems tend to get nullified by the larger system.

**(iii) Group Inertia:** Even if individuals want to change their behaviour, group norms may act as a constraint. An individual union member, for instance, may be willing to accept changes in his job suggested by management. But if union norms dictate resisting any unilateral change made by management, he's likely to resist.

**(iv) Threat to expertise:** Changes in organizational patterns may threaten the expertise of specialized groups. The introduction of decentralized personal computers, which allow managers to gain access to information directly from a company's main frame, is an example of a change that was strongly resisted by many information systems departments in the early 1980s. Why? Because decentralized end-user computing was perceived as a threat to the specialized skills held by those in the centralized information systems departments.

**(v) Threat to established power relationship:** Any redistribution of decision-making authority can threaten long-established power relationships within the organization. The introduction of participative



decision making or self-managed work teams is the kind of change that is often seen as threatening by supervisors and middle level managers.

**(vi) Threat to established resource allocations:** Those groups in the organization that control sizable resources often see change as a threat. They tend to be content with the way things are. Will the change, for instance, mean a reduction in their budgets or a cut in their staff size? Those that most benefit from the current allocation of resources often feel threatened by changes that may affect future allocations.

### 8.2.8 OVERCOMING RESISTANCE TO CHANGE

**(i) Education and Communication:** Resistance can be reduced through communicating with employees to help them see the logic of a change. This tactic basically assumes that the source of resistance lies in misinformation or poor communication. If employees receive the full facts and get any misunderstandings cleared up, resistance will subside. Communication can be achieved through one-on-one discussions, memos, group presentations, or reports. Does it work? It does, provided that the source of resistance is inadequate communication and that management-employee relations are characterized by mutual trust and credibility. If these conditions don't exist, the change is unlikely to succeed.

**(ii) Participation:** It's difficult for individuals to resist a change decision in which they have already participated. Prior to making a change, those opposed can be brought into the decision making process. Assuming that the participants have the expertise to make a meaningful contribution, their involvement can reduce resistance, obtain commitment, and increase the quality of the change decision. However, against these advantages are the negatives: potential for a poor solution and great time consumption.

**(iii) Facilitation and support:** Change agents can offer a range of supportive efforts to reduce resistance. When employee fear and anxiety are high, employee counseling and therapy, new-skills training, or a short paid leave of absence may facilitate adjustment. The drawback of this tactic is that, as with the others, it is time consuming. Additionally, it's expensive, and its implementation offers no assurance of success.

**(iv) Negotiation:** Another way for the change agent to deal with potential resistance to change is to exchange something of value for a lessening of the resistance. For instance, if the resistance comes from a group of few powerful individuals, a specific reward package can be negotiated that will meet their



individual needs. Negotiation as a tactic may be necessary when resistance comes from a powerful source. Yet one cannot ignore its potentially high costs. Additionally, there is the risk that, once a change agent negotiates with one party to avoid resistance, he or she is open to the possibility of being black mailed by other individuals in positions of power.

(v) **Manipulation and co-optation:** Manipulation refers to covert influence attempts, twisting and distorting facts to make them appear more attractive, withholding undesirable information, and creating false rumors to get employees to accept a change are all examples of manipulation. If corporate management threatens to close down a particular manufacturing plant if that plant's employees fail to accept an across-the-board pay cut, and if the threat is actually untrue, management is using manipulation. Cooptation, on the other hand, is a form of both manipulation and participation. It seeks to "buy off" the leaders of a resistance group by giving them a key role in the change decision. The leaders' advice is sought, not to seek a better decision, but to get their endorsement. Both manipulation and cooptation are relatively inexpensive and easy ways to gain the support of adversaries, but the tactics can backfire if the 'targets' become aware that they are being tricked into or used. Once discovered, the change agent's credibility may drop to zero.

(vi) **Coercion:** Last on the list of tactics is coercion, that is, the application of direct threats of force upon the resisters. If the corporate management mentioned in the previous discussion really is determined to close a manufacturing plant if employees don't acquiesce to a pay cut, then coercion would be the label attached to its change tactic. Other examples of coercion are threats of transfer loss of promotions, negative performance evaluations, and a poor letter of recommendation. The advantages and drawbacks of coercion are approximately the same as those mentioned for manipulation and cooptation.

### 8.3 CHECK YOUR PROGRESS

1. ----- refers to something which occurs to an organization, a group or an individual.
2. ----- in his three steps model introduced "force-field analysis" to induce, implement and manage change.
3. ----- simply means that the whole is more than the sum of its parts.
4. ----- refers to the amount of effort put into the change process.



5. ----- substitute ambiguity and uncertainty for the known.

#### 8.4 SUMMARY

Today the major forces which are exerting pressure for change on organizations are the globalization of markets, instantaneous communications travel at the speed of sound, political realignments, changing demographics, technological transformations, shortening product life cycles, corporate alliances, flattening organizations, and the like. Though change is the only constant factor in organizations, yet the pace of change has been considerably accelerated by these forces.

Lewin's three phases of the change process include: unfreezing, changing and refreezing. Unfreezing means unlearning of old things in order to learn a new thing. Changing refers to accepting a new behaviour. Refreezing means providing opportunities for new behaviour to get integrated into actual practice. The reasons for individual resistance to change may lie in economic, psychological, and sociological factors. Organizational resistance to change may emanate from its reward system, resource limitations, organizational politics, structural rigidities, faulty introduction of change, poor record of change implementation, and so on. Depending upon its situation, organization can broadly draw upon six strategies for managing resistance to change: education and communication, participation and involvement, support, incentives, manipulation and cooptation, and coercion.

#### 8.5 KEYWORDS

**Change:** It refers to something which occurs to an organization, a group or an individual.

**Organizational change:** This refers to a relatively enduring alteration of the present state of an organization or its components or interrelationships amongst the components, and their differential and integrated functions, in totality or partially, in order to attain greater viability in the context of the present and anticipated future environment.

**Manipulation:** It refers to covert influence attempts, twisting and distorting facts to make them appear more attractive, withholding undesirable information.

**Synergy:** Synergy simply means that the whole is more than the sum of its parts.

**Openness:** Openness refers to the conceptual environment which is conducive to the development of respect and understanding for each other's ideas, needs and feelings.

#### 8.6 SELF ASSESSMENT TEST



1. Define change. What are the factors responsible for change? State and explain action research.
2. Describe in detail the three steps in the change process. Give examples where necessary.
3. What are the reasons for resistance to change? What can management do to overcome such resistance?
4. Describe in detail characteristics and role of change agents.
5. What are the various types of changes? Under what circumstances would each be desirable?
6. Are all managers change agents? Discuss. Identify the role of change agents in an organization.
7. “Resistance to change is an irrational response”. Do you agree or disagree? Discuss. How does Lewin’s three-step model of change deal with resistance to change?

### **8.7 ANSWER TO CHECK YOUR PROGRESS**

1. Change
2. Lewin
3. Synergy
4. Energy
5. Change

### **8.8 REFERENCES/SUGGESTED READINGS**

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<b>Subject: Management Concepts and Organizational Behaviour</b>	
<b>Course Code: BCOM 205</b>	<b>Author: Ms. Richa Verma</b>
<b>Lesson No. 9</b>	<b>Vetter: Dr. Karam Pal</b>

## ORGANISATIONAL DEVELOPMENT

### STRUCTURE

- 9.0 Learning Objectives
- 9.1 Introduction
- 9.2 Concepts of Organization Development
  - 9.2.1 Features of Organization Development
  - 9.2.2 Objectives of Organizational Development
  - 9.2.3 History of Organization Development
  - 9.2.4 Organization Development: Some Values
  - 9.2.5 Organization Development Process
- 9.3 Check Your Progress
- 9.4 Summary
- 9.5 Keywords
- 9.6 Self-Assessment Test
- 9.7 Answer to Check Your Progress
- 9.8 References/Suggested Readings

### 9.0 LEARNING OBJECTIVES

The objective of this lesson is to make the students learn about:

- Concept of organizational development.
- Various OD interventions.

### 9.1 INTRODUCTION



Organization Development (OD) offers an approach to bringing about a positive change in organization efficiency and effectiveness. OD is a process of planned change organization-wide to increase organization effectiveness through changing the methods or process by which work is done. Planned changes are instrumental for development. Many changes with traditional and modern techniques are taken place for organization development. Organization development is an intervention strategy to bring out changes in beliefs, attitudes, structures, processes and interaction. It requires proper environment study, support, training and reward system. OD takes organization to higher levels of performance by excelling. It aims at building internal competencies and teams in the organization. It focuses on behaviour and uses various behavioural tools.

The basic concept behind organizational development is to improve organizational efficiency by modifying human behaviour rather than technological innovations, because without the committed involvement of human element, all the technology has a limited meaning. It started with the emergence of applied behavioural science, social psychology, training and feedback. OD has been defined in different ways:

In general terms, it is an effort to improve an organization's effectiveness by dealing with individual, group, and overall organizational problems from both a technical standpoint and a human standpoint. At the heart of OD is a concern for improving the relationships among the organization's personnel.

- OD is the art of learning to solve problems and take advantage of opportunities to keep improving through the process of carrying out changes in the internal environment to conform to the fast changing external environment.
- OD is the planned process of change in the organization's culture through the utilization of behaviour science technology, research and theory. Emphasis is on management of people in the change process (Burke). OD is a planned approach to respond effectively to change in its environment.
- OD is a powerful change strategy. It uses process consultation where the consultation works with the leader and group to diagnose and enables them to solve their own problems. It is participative, collaborative and problem focused approach. OD taps the experience and expertise of members as they work on their problems to generate solutions.



According to Harold Rush, “Organization Development is a planned, managed and systematic process to change the culture, systems and behaviour of an organization in order to improve the organization’s effectiveness in solving its problems and achieving its objective”.

## 9.2 CONCEPTS OF ORGANIZATION DEVELOPMENT

### 9.2.1 FEATURES OF ORGANIZATION DEVELOPMENT

Organization development attempts to develop the whole organization through an open communication by increasing the adequacy and accuracy of information. “Organization Development is collection of planned change interventions, built on humanistic-democratic values, that seek to improve organizational effectiveness and employees well being”. The main features of organization development are:

1. **System Orientation:** The organizations are complex systems comprising of many sub-systems which must work together in harmony and synchronization. The systems are divided into sub-systems and there are number of variables that affect these subsystems. These subsystems themselves interact with each other. The interaction of all the subsystems is channelised for better performance of the organization. Thus, system management is the basic tenet of corporate development. All the system of the organization like marketing, finance, personnel, production and communication and their sub-systems are properly interlinked for making better utilization of resources. For example- advertising, personal selling, publicity and public relation are linked together to make marketing system effective. The working relationships and personal interactions are formalized to make organization development easy and smooth.
2. **Humanistic Approach:** Organization development includes human values. Organization development can be possible with employees’ development. The employees’ development is possible through open communication, interpersonal relationship, empowerment and constructive discussion. It is possible through change agents who actually introduce and manage change in organization. They stimulate, facilitate and coordinate the development function. They analyze the existing systems and evolve suitable methodology for development. Thus, organization development is basic objective of change agents.
3. **Action Research:** It is very important for organization development. It reveals the problems, identifies them and finds their possible solution. Action research is a data based system. It improves



the problem solving skills of the individuals. Management coordinates all the activities of the system, sub-systems, groups and teams. Feedback from them is necessary for self correcting actions. Their relationships and work experience are used for improvement. All this contribute in organization development.

4. **Intervention:** the organization development interventions are the building blocks which are planned activities designed to improve the organization's functioning through participation of organizational members. It is an effective change in the organization structure and process. It includes career planning, team building, job designing and redesigning. It involves application of behavioural science in different fields of the organization. The planned, continued and organized efforts of individual, interpersonal, group, intergroup are needed for organization development. People, structure, technology and environment are intervened for a better performance. For effective interventions, proper feedback from each employee is important.

According to French and Bell, 1990 and Backhard, 1969, OD has following characteristics:

- systematic, long-range, planned, change effort,
- organization-wide,
- managed from the top,
- to increase organization effectiveness and health,
- through planned interventions,
- using behaviour science knowledge and action research, and
- with the use of external consultants.

### 9.2.2 OBJECTIVES OF ORGANISATIONAL DEVELOPMENT

The objectives of organization development are highlighted in the following lines:

1. Deepen the sense of organizational purpose (or vision) and align individuals with that purpose. OD keeps work organization productive as well as hospitable for members.
2. To build and enhance interpersonal trust, communication, cooperation and support among all individuals and groups throughout the organization at all levels. It increases a sense of belonging in



employees and towards the organization. Thus, the organizational goals become the goals of the members of the organization.

3. Develop a satisfying work experience capable of building enthusiasm and encourage personal willingness to change.
4. To encourage an analytical approach to problem solving in a team spirit and open manner, where the problems and differences are confronted and resolved instead of problem-avoiding or decision-postponing approach.
5. To assign decision makes and problem solving responsibilities to skilled and knowledgeable persons who are closer to the scene of operations and sources of information, rather than to a person with a particular role or at a particular hierarchical level.
6. To increase personal responsibility for planning, implementing the plans and be aware and responsible for the consequences. This will build enthusiasm individually and group wise and will involve communication, feelings, open competition as well as compromise, conflict resolution etc. This will increase a sense of self-direction for all people within the organization. It improves organizational performance and innovativeness.
7. The management should be goal oriented rather than process oriented. Organization development helps managers to manage according to the relevant objectives. All efforts should be directed and channeled towards related objective in the area of responsibility.
8. OD represents a viable strategy for improving organization effectiveness and enhancing the quality of work life of members.

These objectives help the organization in examining its current methods of operations, its norms and values and in generating and evaluating alternative ways of operating and utilizing the full potential of human resources. It focuses on developing total organization.

### **9.2.3 HISTORY OF ORGANIZATION DEVELOPMENT**

Bell and French have stated that organization development emerged largely from applied behavioural sciences. It has four major sources:

1. The invention of the T-group and innovations in the application of laboratory training insights to complex organization.



2. The invention of survey feedback technology.
3. The emergence of action research.
4. The evolution of the Tavistock socio-technical approaches.

They further add that the importance for applying OD approaches has changed to an increasingly turbulent environment. OD are organizational transformation, organizational culture, the learning organization, high-performance teams, total quality management, business process re-engineering. OD was first introduced in India in Larsen and Toubro and Bharat Heavy Electricals Ltd., Bhopal plant in the mid-1970s as a formal and structural part. It had a slow growth for over 25 years in spite of introduction of laboratory training by Udai Pareek, Roltlynton and other professionals. Laboratory training was considered as an important instrument for development. It has following advantages: It helps the management to meet the challenges of change, it makes the people happier and more satisfied and corporate policies are made more flexible. In the post-liberalization period, every company has been forced to seek change.

#### **Peculiarities of Indian's Way of Managing and Need for OD**

1. Indian culture is strongly hierarchy-based and OD facilitator must explain the need for change, what is to be changed and how it is going to benefit the target group.
2. Indian mind-set is tradition-bound, fatalistic and more resistance to change.
3. The Indian mind that governs organizations is much less system driven and more people and relationship driven.
4. When faced with uncertainties, Indian organizations are forced to work for short term goals rather than long term ones.

#### **9.2.4 ORGANISATIONAL DEVELOPMENT: SOME VALUES**

1. *Respect for People:* Individuals are perceived as being responsible, conscientious, and caring. They should be treated with dignity and respect.



2. *Trust and Support:* The effectiveness and healthy organization is characterized by trust, authenticity, openness and a supportive climate. Thus, management and employees must develop trust and support for the organization development.
3. *Power Equalization:* The equitable power vested with the hierarchy is a welcome step. Effective organization de-emphasizes hierarchical authority and control.
4. *Open Discussion or Confrontation:* Openness of problems and solutions removes misunderstanding. Thus, problems shouldn't be swept under the rug. They should be openly confronted.
5. *Participation:* It brings changes in the working process for the betterment of the corporate philosophy. The more that people who will be affected by a change are involved in the decisions surrounding that change, the more they will be committed to implementing those decisions. In this way, people get an opportunity to demonstrate their qualifications.

Thus, Organizational Development can be defined as, “An effort planned, organization wide, managed from the top, in order to increase organizational effectiveness and health, through planned intervention in the organization's processes using behavioural science knowledge.

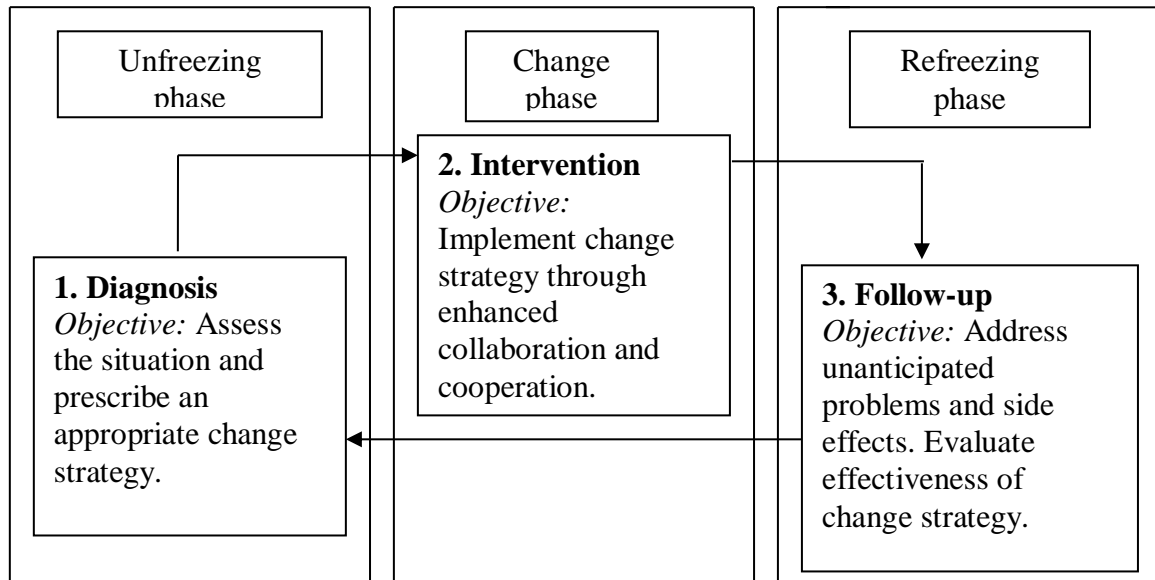
### 9.2.5 ORGANIZATION DEVELOPMENT PROCESS

Organization Development is a slow and continuous process. The process is designed, reviewed and implemented. The problems, diagnosis and suggestions are designed under organization development. The outcomes are evaluated and the momentums of functioning are accelerated. Kurt Lewin argued that successful change should follow- unfreezing, movement or change and refreezing. The following Figure-25.1 describes how the unfreezing-change-freezing analogy applies to Organization Development (OD). The process of organization development involves following steps:

**Unfreezing** prepares the members of a social system for change and then helps neutralize initial resistance. Lewin believes that the change should not come as a surprise to members of the organization. Sudden, unannounced change would be socially destructive. The management must pave the way by “unfreezing the situation”, so that members would be willingly and ready to accept the change.



FIGURE-9.1: ORGANIZATIONAL DEVELOPMENT PROCESS



Unfreezing means the status quo and this is considered to be an equilibrium state. It makes the individuals or organizations aware and prepare for the change. Unfreezing can be possible in one of the three ways. These are:

- Driving Forces, which direct behaviour away from the status quo, can be increased.
- Restraining Forces, which hinder movement from the existing equilibrium or it forces hinder movement away from the state quo, can be decreased.
- The third alternative is to combine the first two approaches.

Driving Forces → Equilibrium → Restraining Forces

Managers who are trying to implement change must analyze this balance of driving and restraining forces. For effective change the driving forces should be strengthen and the restraining forces should be weakening successfully.

**Movement or Changing:** This a stage at which the individual being changed learn new behaviour, methods of working, new thinking, perception of new roles etc.



**Refreezing:** It is stabilization of change intervention by balancing driving and restraining forces. It means that what has been learned is integrated into actual practice. At this stage, the individuals learned new beliefs, feelings and behaviour. The new behaviour must replace the former behaviour completely for successful change to take place. It is necessary to follow up on problems, complaints, unanticipated side effects.

OD model introduced here is based on Lewin's approach to handling change. Diagnose is carried out during the unfreezing phase. Change is then carefully introduced through tailor made intervention. Finally, a systematic follow-up refreezes the situation. Each phase is critical to organizational change and development. Thus, the following three-phase sequence makes OD an ongoing system of planned change. The catchall term used to describe this process is organizational development. These are explained as below:

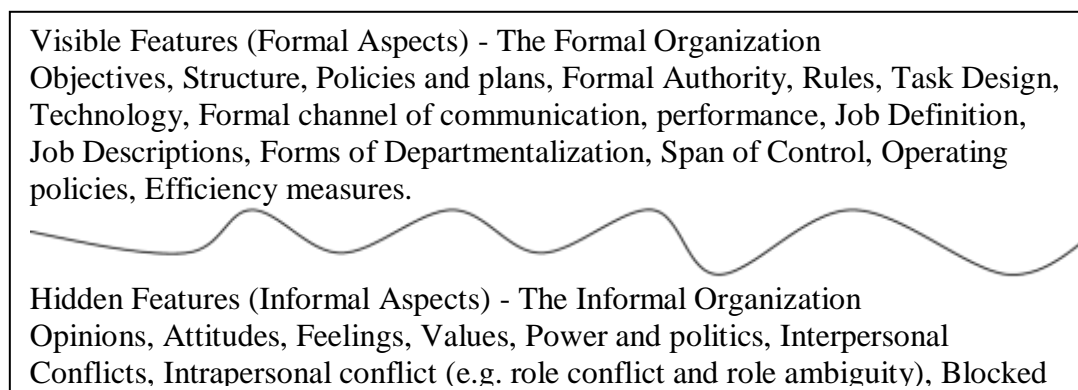
- 1) **OD Diagnosis:** Because of the expenses of conducting a diagnosis, management teams need to identify at the outset the specific problems areas or subunits that deserves close examination. Diagnosis that is over comprehensive is a waste of time. Therefore, the management must select the relevant domain and can turn to three important aspects of the diagnostic phase:
  - a) ***Unfreezing the situation:*** An OD program should not come as a surprise. Some unfreezing-making announcements, holding meetings and launching promotional campaign in the organization's newsletter and on bulletin boards-can help start things. All these activities help deliver clear message: "We can improve the effectiveness of our organization while increasing our personal satisfaction if we all cooperate in a comprehensive program of finding out where we are, where we want to go and how we can get there". This message prepares people for interviews, questionnaires, unfamiliar consultants and group activities that could be threatening if they came as surprises. One word of caution: during the unfreezing phase, care needs to be taken to avoid creating unrealistic expectations.
  - b) ***Designing the diagnostic strategy and interpreting the diagnostic data:*** Those about to tackle an OD diagnosis will find it helpful to view the typical organization as an iceberg. For getting some feedback in the organization at large it is important to examine the organization climate. Organization climate is determined by knowing the attitudes and perceptions the employees have about the organization's leadership, products, pay, employee benefits, discipline, policies



and goals. In measuring organizational climate, we are interested in learning about the *informal organization*, which is analogous to the part of an iceberg that rests under the water. Following Figure-9.2 depicts the organizational iceberg:

The Formal Aspects are readily observable and oriented to structural considerations. The formal aspects are visible, if there is something wrong with the formal aspects, we can adjust them. If some one is inefficient, we can find out why and try to deal with the problem.

**Figure-9.2: Organizational Iceberg**



The Informal Aspects are hidden from view and oriented to social-psychological process and behavioural consideration. Usually we do not know what is going on in the informal organization until problems begins.

However, there are ways of measuring organizational climate and dealing with a trouble situation before it becomes too serious. A complete diagnosis of every feature listed in figure would be prohibitively expensive and time-consuming and so it is important to select the right diagnostic strategy for the information sought. Four approaches are widely used. These are:

- (i) **Review of records:** Now-a-days organizations possess a wealth of recorded information and data in response to the government's increased demand. When change agents have the time and patience to carry out a thorough records search, they are often rewarded with valuable information about the relative health or sickness of the organization. Much can be learned by review of human records for signs of excessive absenteeism and turnover or for patterns of grievances. Similarly, studies of financial records can yields telling signs of cost overruns and other financial problems.



- (ii) **Interviews:** By using a carefully compiled list of specific questions and general, open –ended questions, a skilled interviewer can discover a great deal about both individuals and the organization at large.
- (iii) **Survey questionnaires:** These are most widely used diagnostic strategy today. Questionnaires may be administered to people assembled in groups, or they may be mailed individually. They may be constructed in-house or purchased. Some of the more sophisticated published survey questionnaires include in the purchase price scoring and statistical analysis.
- (iv) **Direct Observation:** It is well known that people tend to say one thing and do another. When this kind of discrepancy is likely to be a problem, management may choose to have a neutral third party observe organizational members at work.

Each of these strategies has its appropriate place in OD diagnosis. By balancing the respective strengths and weaknesses of the various approaches, it is possible to develop a diagnostic strategy based on two or more approaches.

### The Six-Box Model of MARVIN R

This diagnostic model can help in identifying processes and activities as to which box give signs of trouble/problems. Weisbord identifies six critical areas- purpose, structure, rewards, helpful mechanisms, relationships and leaderships, where things must go right if the organization is to be successful. These areas are affected by environment Model as given if Figure-

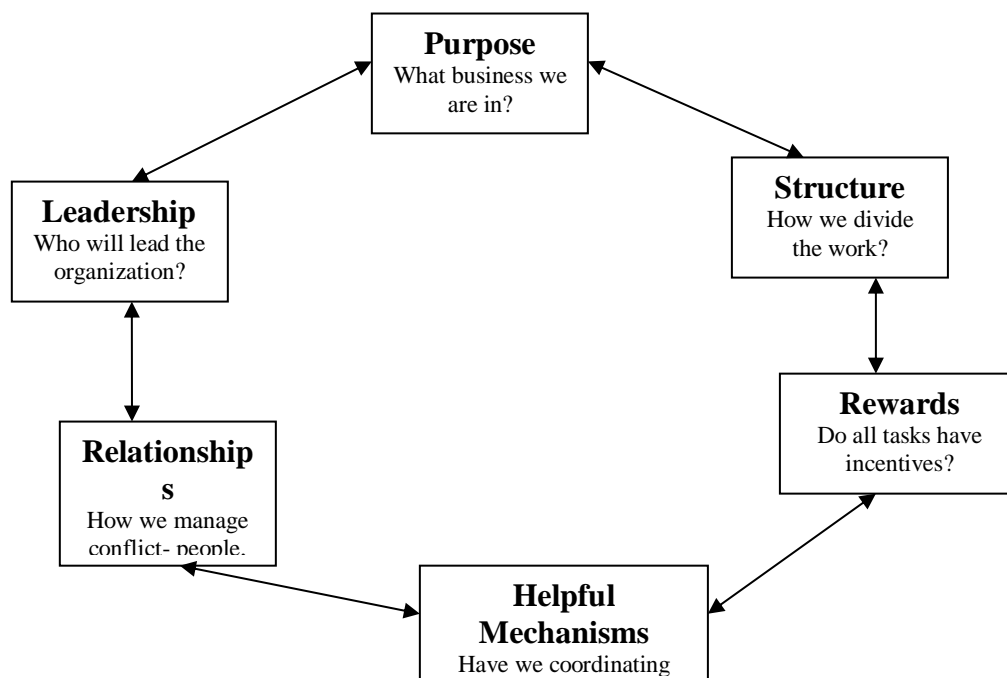


Figure: 9.3 Marvin R. Weisbord Organizational Model



According to Weisbord, one should look to both the formal and informal aspects of each box. Commonly one finds that formal arrangements are inappropriate, but informal system works around the deficiencies by developing methods to correct them. He suggests, before choosing interventions, a thorough diagnosis should be done based on multiple boxes.

**2. OD Intervention:** An OD intervention is defined as the set of structured activities in which selected organizational units (target groups or individuals) engage with a task(s) where task goals are related to organizational improvement. All the activities which are planned and carried in order to bring about improvements are called as interventions. These cover the action planning and implementations. An intervention, in OD terms, is a systematic attempt to correct an organizational deficiency uncovered through diagnosis. Management teams, working either alone or in collaboration with an outside consultant are responsible for selecting OD interventions.

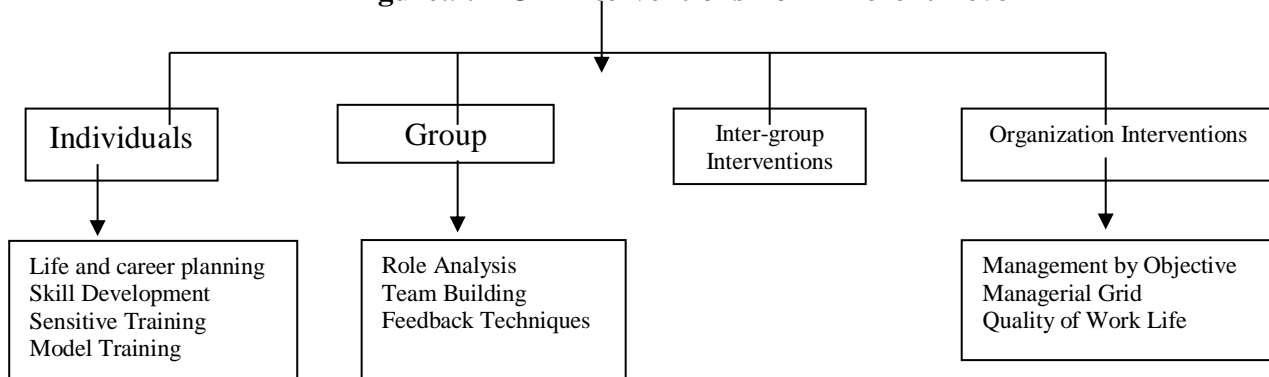
*OD strategy*, on the other hand, can be defined as an overall plan for relating and integrating different organizational improvement activities over a period of time to accomplish objectives.

#### Characteristics of OD interventions:

- An OD intervention focuses on organizational process apart from substantive content of an activity.
- An OD intervention focuses on work team as the unit of analysis and change towards effective behaviour.
- OD would view change as an ongoing process and would rely on a collaborative management of work culture.

Different kinds of OD interventions (Figure-9.4) are explained as below:

**Figure:9.4 OD Interventions For Different Level**





### 1) Individual Interventions

- (A) ***Sensitive Training:*** Training, seeking change of behaviour through interaction, is sensitive training. Members are allowed to have free and frank discussion where they discuss their own weaknesses and problems. Their weaknesses and problems are solved through interactive processes involving behavioural experts. The members learn proper behaviour through participation, under the guidance of some expert behaviorists. They express their beliefs, ideas and attitudes with the experts who try to modify them through practical orientation. Practical training is imparted to them by these unbiased experts. Employees are taught self-awareness based on their own behaviour and perception. Greater sensitivity is made use of to understand their attitudes. Employees are put under training to understand better about themselves and about others. They develop observation and listening skills, greater openness, increased tolerance and conflict resolution style. The employee understands what others think about him. The self-perception is developed through understanding himself and perceiving how other perceives him. It is more realistic and leads to self-perception and group cohesiveness. Sensitive training provides the wisdom to understand about himself, others and the organization.
- (b) ***Life and Career Planning:*** Many employees today have no clear plans for their lives on their careers, things just happen. But individuals can be challenged to take greater responsibility for the direction of their lives. One company that helps its people rise to the challenge of actively managing their own careers is prudential, the well known insurance giant.
- (c) ***Laboratory Training:*** Individual intervention requires laboratory training wherein the employees' attitudes, values and life styles are changed to make organization more effective. It is expected that the employees learn skills which are applied and reinforced on the job. Laboratory training provides situations in which the trainees themselves experience the methods of development and behaviour in the organization through their own interactions. The employees experiment on themselves on how to improve and fit themselves for growth and development of the organization. The laboratory method of training includes role playing, game playing, modeling, encountering and simulation.
- Role Playing*** is a spontaneous acting of a realistic situation. Real-life situations are used to teach the trainees, while other trainees stand by and watch. Other trainees are considered as observers and critics.



**Game Playing** is a group exercise of sequential decision making. Workers perform the job in groups. There may be two or more groups who exercise their decision making process with a competitive start. The decision of each group is processed and again put up for discussion.

**Modeling** is based on the social learning process of observation and imitation. It develops the skills of handling the encountered behaviour. Modeling relies upon demonstration, explanation, practice and feedback.

**Encountering** involves dividing the group into small participating groups. They are unstructured and are sensitive to others feelings. Encountering develops reasonable group activity. These sub-groups are training groups known as T-groups. These groups have variations on account of their sensitivity and human potentials. All the training groups performs during the decision making process under their respective environment.

**Simulation** is the experiments of different dimension of work life. It includes physical setting, organizing, hierarchy, modeling roles and design production tasks. It is recreating reality, communication patterns, decision making styles and conflict resolution.

- (d) **Skill Development:** When carried out alone, this intervention is considered part of management training and development. Unlike most OD interventions, skill development deals with content rather than process. For example, when an OD diagnosis uncovers the inability of a group of engineers in the research and development department to write objectives and formulate plans, the deficiency can be corrected through appropriate training. Similarly, managers at all levels can be trained to polish their skills in areas such as delegation, problem solving, conflict resolution and leading. Emphasis in skill development clearly in on learning “how to do it”.

## 2) Group Intervention

- (a) **Role Analysis:** A role, once again, is a prescribed way of behaving. In an unhealthy organization, many people do not know what their roles are or should be, and if they do know, their roles typically are in direct conflict with those of coworkers. In a healthy organization, everyone knows his or her role, and those roles mesh in a way that encourages cooperation and reduces dysfunctional conflict. For this reason, many OD programs call for some sort of role analysis, which is the systematic clarification of independent tasks and job behavior.



(b) **Team Building:** It is essential for task performance. It is a family concept helping all the members of the corporation for improving the performance. Special task force (for task accomplishment), field force (identifies role and goal setting) and financial teams (relationship between resources and manpower allocation) are examples of teams associated with corporate development. The structure, task, relationship, process, role analysis and role identification are analyzed under team building process. The basic ingredients of team building are supportive environment, skills and role clarity, super

ordinate goals and team rewards. The potential team problems are overcome for its successful building. The benefits of team building are greater motivation, increased productivity, better quality of work, higher job satisfaction, better resolution of conflict and increased willingness to change.

(c) **Survey Feedback:** In survey feedback, data gathered through personal interviews and/or survey questionnaires are analyzed, tabulated into understandable form, and shared with those who first supplied the information. The main purpose of survey feedback is to let people know where they stand in relation to others on important organizational issues so that constructive problem solving can take place. Effective feedback should be:

- (i) **Relevant:** Only information that is meaningful to the recipients should be feedback.
- (ii) **Understandable:** To ensure clear communication, language and symbols should be familiar to the recipients.
- (iii) **Descriptive:** Data should be in the form of real-life examples with which the recipients can identify.
- (iv) **Verifiable:** The form of presentation should allow recipients to test the validity and accuracy of the data fed back to them.
- (v) **Limited:** Too much feedback causes an information overload, and so only significant highlights should be presented.
- (vi) **Controllable:** Recipients should be given information on situations that they can directly control.
- (vii) **Comparative:** Comparative data let recipients know where they stand in relation to others.
- (viii) **Inspiring:** Recipients must see feedback information as a beginning and a stimulus for action rather than as a final statement.



Feedback that meets these criteria should be fed back to organizational subgroups, as the situation allows, until all employees have had a chance to see where and how they fit. At that point, interventions such as life and career planning, skill development, team building, and role analysis can be introduced.

**Figure-9.5 Typology of OD Interventions Based on Target Groups (French and Bell, OD)**

<b>Target Group</b>	<b>Interventions Designed to Improve Effectiveness</b>
Individuals	<ul style="list-style-type: none"> <li>- Life and career-planning activities</li> <li>- Coaching and counseling</li> <li>- T-group (sensitivity training)</li> <li>- Education and training to increase skills, knowledge in the area of technical task needs, relationship skills, process skills, decision making, problem solving, planning goal setting skills</li> <li>- Grid OD phase 1</li> <li>- Work redesign</li> <li>- Gestalt OD</li> <li>- Behaviour modeling</li> </ul>
Dyads/Triads	<ul style="list-style-type: none"> <li>- Process Consultation</li> <li>-Third-party peace-making</li> <li>- Role negotiation technique</li> <li>- Gestalt OD</li> </ul>
Teams and Groups	<ul style="list-style-type: none"> <li>- Team Building- Task directed and process directed</li> <li>- Gestalt OD</li> <li>- Grid OD phase 2</li> <li>- Interdependency exercise</li> <li>- Process consultation</li> <li>- Role negotiation</li> <li>- Role analysis techniques</li> <li>- Startup team-building activities</li> <li>- Education in decision-making, problem-solving, planning, goal setting in group setting</li> <li>- Team MBO</li> </ul>



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	<ul style="list-style-type: none"><li>- Appreciation and concerns exercise</li><li>- Socio-technical system (STS)</li><li>- Visioning</li><li>- Quality of Work Life (QWL) programmes</li><li>- Quality Circles</li><li>- Force-field analysis</li><li>- Self-managed teams</li></ul>
Inter-group Relations	<ul style="list-style-type: none"><li>- Inter-group activities- Process directed and task directed</li><li>- Organizational mirroring</li><li>- Partnering</li><li>- Process consultation</li><li>- Third-party peace-making at group level</li><li>- Grid OD phase 3</li><li>- Survey feedback</li></ul>
Total Organization	<ul style="list-style-type: none"><li>- Socio-technical systems (STS)</li><li>- Parallel learning structures</li><li>- MBO (participation forms)</li><li>- Cultural analysis</li><li>- Confrontation meetings</li><li>- Visioning</li><li>- Strategic planning/strategic management activities</li><li>- Grid OD phases 4,5,6</li><li>- Inter-dependency exercise</li><li>- Survey feedback</li><li>- Appreciative inquiry</li><li>- Search conferences</li><li>- Quality of work life (QWL) programmes</li><li>- Total Quality Management (TQM)</li><li>- Physical Settings</li><li>- Large-scale systems changes</li></ul>

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### 3) Inter-group Interventions

Organizational development seeks an intergroup development. Conflict situations between groups are identified and analyzed. Confrontation meeting (mirroring) may be used for inter-department cooperation. Inter-group development seeks to change the attitudes and perceptions that groups have of each other. A popular method for improving inter-group relations is problem solving. In this method each group meets independently to develop lists of perceptions of itself, the other group, and how it believes the other group perceives it. The groups then share their lists, after which similarities and differences are discussed. Differences are clearly articulated and the groups look for the causes of the disparities. The groups can now move to the integration phase, i.e. working to develop solutions that will improve relations between the groups. Basically organization mirroring is meant to give feedback to work groups regarding how other groups view each other. The aim of this intervention is to improve inter-group relations and increase organizational effectiveness.

### 4) Organizational Interventions

The important intervention of total organization Is-Grid OD intervention is used to bring about change in the entire organization and improve organization effectiveness. It is based on managerial grid of Blake and Mouton (1964). Various six phases of OD grid training are summarized below:

- (i) **Laboratory-Seminar Training:** The purpose of this is to introduce the participants to the overall concepts and materials used in grid training. In this first focus on training e.g. manager's styles-training to managers is imparted so that high score on both, i.e. concern for production and concern for people is achieved which is desirable.
- (ii) **Team Development:** Members of the same department are brought together to chart how they are going to attain 9, 9 position on the grid. In this emphasis is on improving both boss-subordinate relationships and team effectiveness. Here focus is laid on diagnosis meetings, task achievement, building relationships, role clarification and mutual expectations.
- (iii) **Inter-group development:** Here trust is on improving coordination, cooperation, relieve tensions and solve problems jointly. Here focus is on group-to-group. Conflict situations between groups are identified and analyzed. Another intervention is third party peace making. It is designed as an inter-group intervention where OD consultant acts as a mediator in a conflict situation.



- (iv) **Organizational goal-setting:** Members agree upon the important goals for the organization, in the manner of management by objectives.
- (v) **Goal attainment:** In this participants attempt another strategy used is to accomplish the goals which they set.
- (vi) **Stabilization:** Stabilize positive changes and identify new areas of opportunity for the organization after evaluation of overall programme is conducted.

The other OD intervention strategy is *Transactional Analysis*; it makes the employees understand themselves. People understand their own ego states and those of others to understand the principles behind the transaction. It suggests more meaningful ways to interact with one another. It is used for developing the managerial personnel and employees. It helps to understand and analyze the transactions with others. The transaction may be complementary, crossed, ulterior or others. It also helps process consultation, third part peacemaking and team building.

**3. Follow-up:** Effective OD programs do not end abruptly when the intervention phase is completed but, rather, require a carefully monitored refreezing period to ensure lasting change. This follow-up phase has two objectives: the effectiveness of OD interventions needs to be evaluated, and steps need to be taken to maintain the changes that have been introduced. These two objectives are explained below:

- (a) *Evaluating the OD program:* Evaluating changes in any complex social system is never easy. A statistical analysis of 96 studies involving OD intervention yields following insights:
  - (i) *combined interventions* were more effective at improving employee attitudes and satisfaction than were single technique interventions;
  - (ii) *team building* was the most effective OD intervention for improving attitudes and satisfaction; and
  - (iii) OD intervention tends to have a stronger influence on *attitudes* than on satisfaction. From a research perspective, objective evaluation should be a part of every OD program, even though they are difficult, time consuming, expensive and hence largely unappealing from an administrative standpoint. Claims of improvement because of an OD program are virtually impossible without an objective evaluation of results.



- (b) *Maintaining positive change:* The purpose of any OD program is to induce organizational members to behave differently. Although the various OD interventions are designed to persuade individual to experiments with new modes of behaviour, permanent behaviour change is a different matter. Only skillful unfreezing and exciting, relevant, and innovative OD interventions will generate individual commitment. But after enthusiasm among organization members is achieved and the culture shifts in a positive direction, no barrier to change is too great to be overcome.

### 9.3 CHECK YOUR PROGRESS

1. Organization development is an intervention strategy to bring out changes in beliefs, attitudes, structures, ----- and interaction.
2. The organizations are complex systems comprising of many ----- which must work together in harmony and synchronization.
3. ----- is a family concept helping all the members of the corporation for improving the performance.
4. ----- is a spontaneous acting of a realistic situation.
5. ----- is a group exercise of sequential decision making.

### 9.4 SUMMARY

In general OD efforts are designed to bring changes in the conceptual environment of an organization as well as in the outlook of the organizational members. Each member begins to see himself as a resource to others and is willing to lend his support to his colleagues when it is needed. The conceptual environment brings about open and free expression of feelings, emotions and perceptions. The change must be for the better so that it develops the organization and such organizational development should be directed towards improvement in organizational health and welfare of the members. The basic purpose of such development is to improve the operational as well as interpersonal skills of employees and it also helps members to develop interpersonal competence including communication skills and an insight into themselves and others. It improves communication channels at all levels of the hierarchy and build team spirit among workers as that their inter-group relationships are highly cordial.

### 9.5 KEYWORDS



**Organizational Development:** It is the art of learning to solve problems and take advantage of opportunities to keep improving through the process of carrying out changes in the internal environment to conform to the fast changing external environment.

**Team Building:** It is a family concept helping all the members of the corporation for improving the performance.

**Game Playing:** This is a group exercise of sequential decision making.

**OD Intervention:** An OD intervention is defined as the set of structured activities in which selected organizational units (target groups or individuals) engage with a task(s) where task goals are related to organizational improvement.

**Refreezing:** It is stabilization of change intervention by balancing driving and restraining forces.

## 9.6 SELF ASSESSMENT TEST

1. What do you mean by organizational development? Explain why OD is necessary even in a stable environment.
2. Describe in detail the objectives of OD program.
3. 'Organization Development process is useful'. Comment. How is it carried out?
4. What do you mean by OD interventions? Describe the various OD interventions and explain as to how they improve the functioning of the organizations?

## 9.7 ANSWER TO CHECK YOUR PROGRESS

1. **Processes**
2. **Sub-systems**
3. **Team building**
4. **Role Playing**
5. **Game Playing**

## 9.8 REFERENCES/SUGGESTED READINGS

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<b>Subject: Management Concepts and Organizational Behaviour</b>	
<b>Course Code: BCOM 205</b>	<b>Author: Dr. Karam Pal</b>
<b>Lesson No. 10</b>	<b>Vetter: Dr. B. K. Punia</b>

## **CONFLICT MANAGEMENT & STRESS MANAGEMENT**

### **STRUCTURE**

- 10.0 Learning Objectives
- 10.1 Introduction
- 10.2 Concept of Conflict
- 10.3 Conflict Management
  - 10.3.1 Managing Conflict
  - 10.3.2 Strategies for Managing Conflict
- 10.4 Concept of Stress Management
  - 10.4.1 Sources of Stress
  - 10.4.2 The Nature of Stress
  - 10.4.3 Effects of Stress
  - 10.4.4 Managing Stress at Workplace
- 10.5 Check Your Progress
- 10.6 Summary
- 10.7 Keywords
- 10.8 Self-Assessment Test
- 10.9 Answer to Check Your Progress
- 10.10 References/Suggested Readings



## 10.0 LEARNING OBJECTIVE

The objective of this lesson is to make the students learn about:

- Concept of conflict management.
- Objectives, factors responsible for conflict.
- Conflict process, and types of conflict.
- Concept of stress and its sources.
- Effects and ways to manage stress.

## 10.1 INTRODUCTION

All of us have experienced conflict of various types, yet we probably fail to recognize the variety of conflicts that occur in organizations. Conflict can be a serious problem in any organization. A better understanding of the important areas of conflict will help managers to use the people in the organization more effectively to reach the organization's objectives. Failure to be concerned about conflict is very costly, since ignoring it will almost guarantee that work and interpersonal relations will deteriorate.

## 10.2 CONCEPT OF CONFLICT

The Webster's Dictionary defines conflict as "a battle, contest of opposing forces, discord, antagonism existing between primitive desires, instincts and moral, religious, or ethical ideals." Conflict occurs when two or more people or organizations disagree because their needs, wants, goals, or values are different. Hurt feelings, anger, bruised egos, and poor communication are all the precursors to conflict. However, conflict is not the end of the world, or your team or group. Some tools have been developed that will help us all recognize conflict and deal with it so that our group or team can move on, stronger than before. Most of us have been in a conflict at some point in our lives. But did we know that conflict was coming? Could we have seen it, and "headed it off at the pass"? The visible quarters of conflict may include: body language, disagreements, regardless of issue, withholding bad news, surprises, strong public statements, airing disagreements through media, conflicts in value systems, desire for power, increasing lack of support, open disagreement, lack of candor on budget problems or other sensitive issues, lack of clear goals, no discussion of progress, failed goals, and inability to evaluate leaders fairly, thoroughly, or at all. Many people think of conflict as negative. But conflict can be both negative and positive. Conflict is negative when it...



- Takes attention away from other activities
- Damages the spirit of the team or an individual
- Divides people and groups, and makes cooperation difficult
- Makes people or group focus on their differences
- Leads to harmful behavior, like fighting or name-calling

But it can be positive or constructive when it...

- Clears up important problems or issues
- Brings about solutions to problems
- Gets everyone involved in solving issues
- Causes real communication
- Release emotion, anxiety, and stress in a positive way
- Helps people learn more about each other and cooperate
- Develops understanding and skills

### 10.3 CONFLICT MANAGEMENT

Conflict management is what we're doing when we identify and deal with conflict in a reasonable manner. To manage conflict the management Gurus say that we must develop and use skills like effective communication, problem solving, and negotiating. When we resolve issues, we need to focus on the things we need or desire as a group, and not things needed or wanted by individuals. This promotes working with each other instead of against each other. There are some proven strategies that you can use to help resolve conflicts within your groups. The Ohio Commission on Dispute Resolution and Conflict Management in USA describes five popular styles.

#### STYLE 1- COLLABORATING

- **Why should I collaborate?** Cooperation will help everyone achieve their goals and keep relationships healthy.
- **A Collaborator's Attitude:** Talking through the conflict will help us find creative ways to solve our problems where everyone is satisfied in the end.



- **When should I collaborate?**
  - Everyone trust each other
  - No one wants total decision or resolution power
  - Everyone needs to have a part in the decision
  - Everyone involved will change their thinking as more information is available
  - People need to work through personal hurts and disappointments
- **When should I choose another method?**
  - When you need a resolution that won't take a lot of time and money
  - When some may take advantage of others' trust

### **STYLE 2-COMPROMISING**

- **Why should I compromise?** Winning something while losing a little is sometimes okay.
- **A Compromiser's Attitude:** We should all meet halfway to do what is best for the group and each of us can still get part of what we want.
- **When should I compromise?**
  - No one at the table has more position or power than anyone else and everyone is equally committed to the group's goals.
  - Time can be saved by agreeing on a situation that works for everyone "for now"
  - Achieving all of your goals are only somewhat important
- **When should I choose another method?**
  - Things that are important to you may be lost in the fray
  - Someone's demands are too great for the rest of the table

### **STYLE 3-ACCOMODATING**

- **Why should I accommodate?** Our commonalities are more important than other issues and facing differences may hurt relationships.



- **An accommodator's attitude:** I will please others by playing down how important the issue or conflict is in order to protect relationships.
- **When should I accommodate?**
  - Issues not as important to you as it is to others
  - You know you can't win
  - Everyone agreeing is the most important thing
  - The things people have in common are more important than their differences
- **When should I choose another method?**
  - Some ideas don't get attention
  - Credibility and influence can be lost

#### STYLE 4-COMPETING

- **Why should I compete?** Resolving a conflict is associated with competition and winning.
- **A competitor's attitude:** I must use all of my power to win the conflict.
- **When should I compete?**
  - You know you're right
  - A quick decision is necessary
  - Strong personalities are overshadowing other people
  - Defending your rights or position
- **When should I choose another method?**
  - Can make conflict worse
  - Those on the losing end may attempt to get back at the winners

#### STYLE 5-AVOIDING

- **Why should I avoid?** Not the right time or place to address this issue.
- **An avoider's attitude:** I avoid conflict by leaving, avoid, or putting off discussions.
- **When should I avoid?**



- Conflict is small and the future of a relationships is at stake
  - There is no time to devote to conflict resolution
  - Other issues are more important than the conflict
  - There is no chance of getting your concerns heard
  - One party is too emotionally involved and others can better resolve the conflict
  - More information is needed
- **When should I choose another method?**
- Decisions may be made by default
  - Putting off or avoiding issues may make matters worse

Conflict occurs when the message and cues from others about the role are clear but contradictory or mutually exclusive. One common form is interrole conflict -- conflict between roles. For example, if a person's boss says that to get ahead one must work overtime and on weekends, and the same person's spouse says that more time is needed at home with the family, conflict may result. Intrarole conflict may occur when the person gets conflicting demands from different sources within the context of the same role. A manager's boss may tell her that she needs to put more pressure on subordinates to follow new work rules. At the same time, her subordinates may indicate that they expect her to get the rules changes. Thus, the cues are in conflict, and the manager may be unsure about which course to follow.

Intragender conflict occurs when a single source sends clear but contradictory message. This might occur if the boss says one morning that there can be no more overtime for the next month but after lunch tells someone to work late that same evening. Person-role conflict results from a discrepancy between the role requirements and the individual's personal values, attitudes, and needs. If a person is told to do something unethical or illegal, or if the work is distasteful (for example, firing a close friend), person-role conflict is likely. Role conflict of all varieties is of particular concern to managers. Research has shown that conflict may occur in a variety of situations and lead to a variety of adverse consequences, including stress, poor performance, and rapid turnover.

### 10.3.1 MANAGING CONFLICT



Some people aren't willing to admit that they may not be the best at conflict management, but that doesn't mean that they aren't sometimes involved in the management process. You can't change the way that people behave or approach conflict, but you can arm yourself with some tools to help you successfully navigate conflict when not everyone is on the same page.

- **Sherman Tanks-** These intimidators get “in your face” to argue and state opinions as facts.
  1. Get their attention by using their first name to begin a sentence.
  2. Maintain eye contact; give them time to wind down.
  3. Stand up to them without fighting; don't worry about being polite.
  4. Suggest you sit down to continue discussions.
- **Snipers-** These individuals take potshots in meetings but avoid one-on-one confrontations.
  1. Expose the attack; draw them out in public and don't let social convention stop you.
  2. Get other opinions--don't give in to the sniper's views.
  3. Provide the sniper with alternatives to a direct contest.
- **Chronic Complainers-** These people find faults with everyone-except themselves.
  1. Politely interrupt and get control of the situation.
  2. Quickly sum up the facts.
  3. Ask for their complaints in writing.
- **Negativists-** These individuals know that nothing new will work; they'll disrupt group brainstorming sessions.
  1. Acknowledge their valid points.
  2. Describe past successes.
  3. Avoid “you're wrong, I'm right” arguments.
- **Exploders-** These individuals throw tantrums that quickly escalate.
  1. Give them time to regain self control.
  2. If they don't, shout a neutral phrase such as “STOP!”



3. Take a time-out or have a private meeting with them.

### **Steps to Analyzing Conflict**

How can you manage conflict and disagreements in ways that strengthen instead of damage personal and professional relationships? These five steps which could help you out...

#### **STEP 1: ANALYZE THE CONFLICT**

Don't be afraid to ask questions of everyone involved. Take in answers from a variety of sources, and gain as much information as you can.

#### **STEP 2: DETERMINE YOUR MANAGEMENT STRATEGY**

When you understand the basis of the conflict and everyone involved, you will need to develop a plan to manage the conflict. There are many plans to choose from, so you can pick the one that is most appropriate for your situation.

#### **STEP 3: PRE-NEGOTIATION**

- Someone has to start the conversation! If neither party is willing to do so, bring in an outsider who will remain neutral to begin discussions.
- Everyone must be ready to come to the table, to work together, and resolve the issues.
- The group must agree on rules for the discussion. Some ideas of things to include are: ways we'll communicate and how we'll make the final decision.
- BE ORGANIZED! Location, time, place and materials must all be in order for conflict management to work.
- Everyone at the table must agree on what information is put on the table, relevant to the conflict, and how the group will get answers to questions.

#### **STEP 4: NEGOTIATION**

Negotiations should be discussions that include:

- Reasons, needs, concerns and motivations for differing positions
- Current options
- Evaluation of all the current options



- Written agreement that documents what everyone understands
- Everyone must be confident that all parties will follow through with their parts of the agreement. Make sure everyone is on the same page and understands the expectations.

### STEP 5: POST-NEGOTIATION

Once negotiation is complete, the group should take the actions they decided upon.

- Individuals should get support from outside parties who may have been involved in some way. Outsiders must be on board with the terms of the agreements reached during Step 4.
- Communication and working together should continue throughout this process.

**Reflection:** Identify a time when you've been in a conflict. How did you behave? Did you escalate or de-escalate the situation? If you could replay the situation, what would you do differently? Identify times when you have behaved like one of the "conflict problem people" listed in the brochure. How can we keep ourselves in check so that we don't repeat past mistakes? How can you implement the strategies contained in this lesson in your club or group?

### 10.3.2 STRATEGIES FOR MANAGING CONFLICT

**Methods for managing conflict:** Given the right opportunity and motivation all conflict can be resolved but not always to the satisfaction of all parties. The effect of disagreement and the methods for resolution depend on how conflict is managed by the participants.

The following are some common methods that can help to effectively manage conflict.

- ✓ **Denial or Avoidance.** With this approach, individuals attempt to reduce or get rid of the conflict by denying it exists, both parties shun each other or dodge the issue of disagreement.
- ✓ **Suppression.** "We all get along here", "we run a happy ship", "don't rock the boat", and "nice people don't fight", are the voices of suppression. People who use suppression play down their differences in a belief it is better to "go along to get along."
- ✓ **Power or Dominance.** Power is often used to settle differences. The source of power may be physical, or vested by authority or position. Power strategies, however, result in a win-lose situation. *In other words, in order for somebody to gain something, somebody else has to lose*



*something. Normally the loser will not support the final decision in the same way as the winner, and may even attempt to sabotage the decision.*

- ✓ **Third Party Intervention.** Using this strategy requires a third party that is unbiased and is not taking sides to support either party in conflict. The third party may be known or unknown to the parties involved or may even be from a different location. Some assumptions in using a third party are:
  - The third party is trusted or respected by participants.
  - All parties involved will accept the decision of the third party.
  - The third party has the power or authority to rule over the decision.
  - The third party is an expert, has knowledge or is competent to give a decision about the issue(s) in dispute.
  - All parties believe a just and fair decision will be rendered.
- ✓ **Compromise or Negotiation.** Compromise and negotiation are often regarded as virtues in our culture. Compromise is an agreement between parties about what each should give or get in a particular situation. "You give a little, and I'll give a little so we can meet each other halfway", is a way we have been taught to get along with others. It is believed all parties will profit from the compromise or at least have a feeling of being treated fairly. Negotiation reaches an impasse when one or all participants become set in what they are willing to give and limits have been reached. The compromise, therefore, would allow all parties to reach an agreement with which all would be somewhat satisfied or rewarded.
- ✓ **Integration or Collaboration.** This approach requires all parties in a conflict situation to recognize the legitimate abilities and expertise of each other in the process of resolution. This method attempts to find an acceptable solution that does not necessarily require giving and getting as in a compromised solution. The group problem solving concept is considered the optimum form of managing conflict because it encourages a common search for creative alternatives to resolve the conflict that is rewarding to all parties.

#### 10.4 CONCEPT OF STRESS MANAGEMENT



The concept of stress denotes physical and mental revelation to prevailing within the mental environment of a human being. Stress is a neutral phenomenon whereas distress has a negative connotation. Stress may be classified in three ways as shown below:

<u>Low stress</u>	<u>Optimum stress</u>	<u>High stress</u>
Performance is traditional	high motivation high	area of task is novel
lesser uncertainty known	morale high and satisf-	uncertainty of operation
environment narrow span	actory performance	and result unknown
of control	high supervision and	environment wide span
	moral support	of control

Stress is inevitable for every individual. A pioneer researcher *Hans Selye* opined that 'stress is the spice of life, the absence of stress is death'. Stress and strain are the two sides of the same coin. Life is a dynamic organism so is the concept of stress.

A close nexus may be established among the variables time, stress and productivity. Time may be considered as a linkage between stress and productivity. Increase in stress warrants entailing more time and reduction in productivity. The multi dimension of stress that infects an individual has been projected in the following way:

Work-place, job related stress	Inter-personal stress	Intra-personal stress	Inter-organizational stress
Conflict in the work place, time management, sexual harassment noise, over crowding, overload of work, work ethos and values, nature of job transfer, punishment, reward traveling	Inter personal conflict, relationship with peers, relationship with superiors, relationship with subordinates, insubordination relation with customers, dealers, inter-personal communication.	Conflicion situation, conflict management, personal difference, difference in decision making, perceptional difference.	Noise, heat, lighting, limited space, limited resource, career constraints, competition from new recruits, void from retirement / leave of existing staff.



Under current of ego battles between bosses can cause stress for subordinates and peers. The employee faces embarrassing stress in this situation as he or she can not take side with either of the boss, and has to pretend to support, individually and severally, both of them. This is a case of inter personal and intra-personal conflict and organizational behavior leading to stress.

#### 10.4.1 SOURCES OF STRESS

**1. Sexual harassment at work place:** One of the usual allegations leading to mental stress is arising out of gender variation in work place. There are certain jobs dominated by male folk such as management and the female occupation such as secretarial work. However, it is theoretically difficult to give a comprehensive definition of stress and strain. But we generally conceive it as a mental state of affairs but under extra caution and alertness emerging from work place environment, psychological preparedness to perform a given business task from a given table, amongst a group of fellow workers, with simultaneous accountability to higher authority or boss and the responsibility of extracting desired work output from the subordinates. This manifests the all-round stress that is put on the corporate executives from within the work place itself. Here the stress has emerged from gender diversity in the work place often resulting in sexual harassment. We find it cumbersome to give a concrete definition of harassment. Harassment (T. Chakrabarty (1997) is generally taken to cover staring and bearing sexual, derogatory or demeaning remarks or jokes. The Supreme Court in a landmark judgment on 13 August, 1997 held that sexual harassment is a cognizable offence and punishable under law.

**2. Uncertainties and changes in future:** The business enterprises under WTO regime have been exposed to a hung in balance (HIB) situation where no body can predict accurately as to what is stored in future. Planning process is no longer recognized as a sufficient equipment to meet this managerial stress. To enable the business executives to bear the burden of stress arising from uncertainties and changes, we require a mix of prescriptions. The rapidity of decision-making ability for an executive matter in controlling the stress and strain. Besides formulating strategies and plans, the corporate entities are supposed to translate plans into strategic business decisions.

**3. Effectiveness vs. efficiency:** While measuring the degree of stress, we may have to weight as to how effectively the work has been accomplished. Effectiveness denotes accomplishment of goals and objectives while efficiency hints at cost reduction. A work may be accomplished with hundred per cent efficiency but even the objective or target could not be achieved, then such efficiency becomes



meaningless. Tension and stress would definitely mount on the face of the employees. It is a biggest challenge before organization behavior.

**4. Role analysis technique (RAT):** Stress evaluation entails role analysis, role classification, role identification and role to be performed by an employee is a process of stress management. It would also high light the expectation from the employees ahead of doing the work and thus helps in reducing work stress.

We may recognize that stress is not always bad either for the individual or for the organization. Often stress helps to bring out the best in the individual. Stress, on the other may have different effects on the employee, namely, physical problems, (heart disease, pressure, exhaustion); psychological problems (change of mood, defying attitude, non-compliance with office order, disrespect to the superior, dissatisfaction on the job); behavioral problems (tardiness, absenteeism, inability to work in a group with harmony, individualistic outlook, turnover, unmindful ness, accident). The task of the management in an organization is to acknowledge the constraints emerging from strain and draw up suitable action plan to overcome the stress. Although whole problem may not be easy to overcome but the management can bring out some strategy to counter the stress. Management ought to create an environment to reduce or prevent job stress on an individual or an entity, such as prioritization of activities, including better time management. Time management technique may be applied at the work place, such as urgent telephone calls, E-mail and similar message screened by the subordinates may be attended by the executives while the routine matters may be left for the office assistants. Other techniques include role analysis, role identification, career counseling services, leisure and recreational facilities, motivating with monetary incentives, employee assistance programme (EAP), workshop on stress and strain, display of video cassette and film show. All these measures will go a long way in reducing stress in work place.

#### **10.4.2 THE NATURE OF STRESS**

Many people think of stress as a simple problem. In reality, however, stress is complex and often misunderstood. To learn how job stress truly works, we must first define it and then describe the process through which it develops.

Stress has been defined in many ways, but most definitions say that stress is caused by a stimulus, that the stimulus can be either physical or psychological, and that the individual responds to the stimulus in



some way. Here, then, we define stress as a person's adaptive response to a stimulus that places excessive psychological or physical demands on him or her.

Given the underlying complexities of this definition, we need to examine its components carefully. First is the notion of adaptation. As we discuss presently, people may adapt to stressful circumstances in any of several ways. Second is the role of the stimulus. This stimulus, generally called a stressor, is anything that induces stress. Third, stressors can be either psychological or physical. Finally, the demands the stressor places on the individual must be excessive for stress to result. Of course, what is excessive for one person may be perfectly tolerable for another. The point is simply that a person must perceive the demands as excessive or stress will not result.

### **The Stress Process**

Much of what we know about stress today can be traced to the pioneering work of Dr. Hans Selye. Among Selye's most important contributions were his identification of the general adaptation syndrome (GAS) and the concepts of stress and distress.

The GAS begins when a person first encounters a stressor. The first stage is called "alarm." At this point, the person may feel some degree of panic and begin to wonder how to cope. The individual may also have to resolve a "fight-or-flight" question: Can I deal with this, or should I run away? For example, suppose a manager is assigned to write a lengthy report overnight. Her first reaction may be "How will I ever get this done by tomorrow?"

If the stressor is too extreme, the person may simply be unable to cope with it. In most cases, however, the individual gathers his or her strength (physical or emotional) and begins to resist the negative effects of the stressor. The manager with the long report to write may calm down, call home to tell her kids that say she's working late, roll up her sleeves, order out for dinner, and get to work. Thus, at stage 2 of the GAS, the person is resisting the effects of the stressor.

Often, the resistance phase ends the GAS. If the manager completes the report earlier than she expected, she may drop it in her briefcase, smile to herself, and head home tired but happy. On the other hand, prolonged exposure to a stressor without resolution may bring on phase 3 of the GAS: exhaustion. At this stage, the person literally gives up and can no longer fight the stressor. For example, the manager may fall asleep fail to finish the report.



**Distress and Eustress.** Selye also pointed out that the sources of stress need not be bad always. For example, receiving a bonus and then having to decide what to do with the money can be stressful. So can getting a promotion, gaining recognition, getting married and similar "good" things. Selye called this type of stress eustress. As we will see later, eustress can lead to a number of positive outcomes for the individual.

Of course, there is also negative stress. Called distress, this is what most people think of when they hear the word stress. Excessive pressure, unreasonable demands on our time, and bad news all fall into this category. As the term suggests, this form of stress generally results in negative consequences for the individual.

For purposes of simplicity, we will continue to use the simple term stress throughout this chapter. But as you read and study the chapter, remember that stress can be either good or bad. It can motivate and stimulate us, or it can lead to any number of dangerous side effects.

### **Individual Differences and Stress**

We have already alluded to the fact that stress can affect different people in different ways. Given our earlier discussion of individual differences back in lesson of Interpersonal Behaviour, of course, this should come as no surprise. The most fully developed individual difference relating specifically to stress is the distinction between Type A and Type B personality profiles.

### **Type A and B Personality Profiles**

Type A and Type B profiles were first observed by two cardiologists, Meyer Friedman and Ray Rosenman. They first got the idea when a worker repairing the upholstery on their waiting-room chairs noted that many of the chairs were worn only on the front. This suggested to the two cardiologists that many heart patients were anxious and had a hard time sitting still - they were literally sitting on the edges of their seats!

Using this observation as a starting point, Friedman and Rosenman began to study the phenomenon more closely. They eventually concluded that their patients were exhibiting one of two very different types of behaviour patterns. Their research also led them to conclude that the differences were personality based. They labeled these two behaviour patterns Type A and Type B. The extreme Type A individual is extremely competitive, very devoted to work, and has a strong sense of time urgency.



Moreover, this person is likely to be aggressive, impatient, and highly work oriented. He or she has a lot of drive and motivation and wants to accomplish as much as possible in as short a time as possible.

The extreme Type B person, in contrast, is less competitive, is less devoted to work and has a weaker sense of time urgency. This person feels less conflict with either people or time and has a more balanced, relaxed approach to life. She or he has more confidence and is able to work at a constant pace.

A common-sense expectation might be that Type A people are more successful than Type B people. In reality, however, this is not necessarily true -- the Type B person is not necessarily any more or less successful than the Type A. There are several possible explanations for this. For example, Type A people may alienate others because of their drive and may miss out on important learning opportunities in their quest to get ahead. Type B's, on the other hand, may have better interpersonal reputations and may learn a wider array of skills.

Friedman and Rosenman pointed out that people are not purely Type A or Type B; instead, people tend toward one or the other type. For example, an individual might exhibit marked Type A characteristics much of the time but still be able to relax once in a while and even occasionally forget about time.

Friedman and Rosenman's initial research on the Type A and Type B profile differences yielded some alarming findings. In particular, they suggested that Type A's were much more likely to get coronary heart disease than were Type B's. In recent years, however, follow-up research by other scientists has suggested that the relationship between Type A behavior and the risk of coronary heart disease is not all that straightforward?

Although the reasons are unclear, recent findings suggest that Type A's are much more complex than originally believed. For example, in addition to the characteristics already noted, they are likely to be depressed and hostile. Any one of these characteristics or a combination of them can lead to heart problems. Moreover, different approaches to measuring Type A tendencies have yielded different results.

Finally, in one study that found Type A's to actually be less susceptible to heart problems than Type B's, the researchers offered an explanation consistent with earlier thinking: Because Type A's are compulsive, they seek treatment earlier and are more likely to follow their doctors' orders!



### **Hardiness and Optimism**

Two other important individual differences related to stress are hardiness and optimism. Research suggests that some people have what are termed hardier personalities than others. Hardiness is person's ability to cope with stress. People with hardy personalities have an internal locus of control, are strongly committed to the activities in their lives, and view change as an opportunity for advancement and growth. Such people are seen relatively unlikely to suffer illness if they experience high levels of pressure and stress. On the other hand, people with low hardiness may have more difficulties in coping with pressure and stress.

Another potentially important individual difference is optimism. Optimism is the extent to which a person sees life in positive or negative terms. A popular expression used to convey this idea concerns the glass half filled with water. A person with a lot of optimism will tend to see it as half full, whereas a person with less optimism (a pessimist) will often see it as half empty. Optimism is also related to positive and negative affectivity. In general, optimistic people tend to handle stress better. They will be able to see the positive characteristics of the situation and recognize that things may eventually improve. In contrast, less optimistic people may focus more on the negative characteristics of the situation and expect things to get worse, not better.

Cultural differences also are important in determining how stress affects people. For example, research by Cary Cooper suggests that American executives may experience less stress than executives in many other countries, including Japan and Brazil. The major causes of stress also differ across countries. In Germany, for example, major causes of stress are time pressure and deadlines. In South Africa, long work hours more frequently lead to stress. And in Sweden, the major cause of stress is the encroachment of work on people's private lives.

Other research suggests that women are perhaps more prone to experience the psychological effects of stress, whereas men may report more physical effects. We should add however, that the study of individual differences in stress is still in its infancy. It would therefore be premature to draw rigid conclusions about how different types of people handle stress.

### **Causes of stress**



Many things can cause stress. It has mainly two broad categories: organizational stressors and life stressors. It also shows three categories of stress consequences: individual consequences, organizational consequences, and burnout.

### **Organizational Stressors**

Organizational stressors are various factors in the workplace that can cause stress. Four general sets of organizational stressors are task demands, physical demands, role demands, and interpersonal demands.

#### **Task Demands**

Task demands are stressors associated with the specific job a person performs. Some occupations are by nature more stressful than others. The jobs of surgeons, air traffic controllers, and professional football coaches are more stressful than those of general practitioners, airplane baggage loaders, and football team equipment managers. In a study of representative sample of stressful jobs from among a total set of 250 jobs, it was found that the job of the U.S. president was found to be the most stressful, followed by the jobs of firefighter and senior executive. Towards the middle of the distribution are jobs such as mechanical engineer, chiropractor, technical writer, and bank officer. The jobs of broadcast technician, bookkeeper, and actuary were among the least stressful jobs in this study.

Beyond specific task-related pressures, other aspects of a job may pose physical threats to a person's health. Unhealthy conditions exist in occupations such as coal mining and toxic waste handling. Security is another task demand that can cause stress. Someone in a relatively secure job is not likely to worry unduly about losing that position. threats to job security can increase stress dramatically. For example, stress generally increases throughout an organization during a period of layoffs or immediately after a merger with another firm. This has been observed at a number of organizations, including AT & T, Safeway, and Digital Equipment.

A final task demand stressor is overload. Overload occurs when a person simply had more work than he or she can handle. The overload can be either quantitative (the person has too many tasks to perform or too little time to perform them) or qualitative (the person may believe he or she lacks the ability to do the job). We should note that the opposite of overload may also be undesirable. Thus, a moderate degree of workload related stress is optimal, because it leads to high levels of energy and motivation.



**Physical Demands** The physical demands of a job are its physical requirements on the worker; these demands are a function of the physical characteristics of the setting and the physical tasks the job involves. One important element is temperature. Working outdoors in extreme temperatures can result in stress, as can working in an improperly heated or cooled office. Strenuous labor such as loading heavy cargo or lifting packages can lead to similar results. Office design also can be a problem. A poorly designed office can make it difficult for people to have privacy or promote too much or too little social interaction. Too much interaction may distract a person from his or her task, whereas too little may lead to boredom or loneliness. Likewise, poor lighting, inadequate work surfaces, and similar deficiencies can create stress.

**Role Demands.** Role demands also can be stressful to people in organizations. A role is a set of expected behaviors associated with a particular position in a group or organization. As such, it has both formal (i.e., social and implicit) requirements. People in an organization or work group expect a person in a particular role to act in certain ways. They transmit these expectations both formally and informally. Individuals perceive role expectations with varying degrees of accuracy, and then attempt to enact that role. However, "errors" can creep into this process, resulting in stress-inducing problems called role ambiguity, role conflict, and role overload.

**Role ambiguity** arises when a role is unclear. If your instructor tells you to write a term paper but refuses to provide more information, you will probably experience ambiguity. You do not know what the topic is, how long the paper should be, what format to use, or when the paper is due. In work settings, role ambiguity can stem from poor job descriptions, vague instructions from a supervisor, or unclear cues from coworkers. The result is likely to be a subordinate who does not know what to do. Role ambiguity can thus be a significant source of stress.

**Role conflict** occurs when the message and cues from others about the role are clear but contradictory or mutually exclusive. One common form is interrole conflict -- conflict between roles. For example, if a person's boss says that to get ahead one must work overtime and on weekends, and the same person's spouse says that more time is needed at home with the family, conflict may result. Intra-role conflict may occur when the person gets conflicting demands from different sources within the context of the same role. A manager's boss may tell her that she needs to put more pressure on subordinates to follow



new work rules. At the same time, her subordinates may indicate that they expect her to get the rules changes. Thus, the cues are in conflict, and the manager may be unsure about which course to follow.

Intra-sender conflict occurs when a single source sends clear but contradictory message. This might occur if the boss says one morning that there can be no more overtime for the next month but after lunch tells someone to work late that same evening. Person-role conflict results from a discrepancy between the role requirements and the individual's personal values, attitudes, and needs. If a person is told to do something unethical or illegal, or if the work is distasteful (for example, firing a close friend), person-role conflict is likely. Role conflict of all varieties is of particular concern to managers.

A final consequence of a weak role structure is role overload, which occurs when expectations for the role exceed the individual's capabilities. When a manager gives an employee several major assignments at once while increasing the person's regular workload, the employee will probably experience role overload. Role overload may also result when an individual takes on too many roles at one time. For example, a person trying to work extra hard at his job, run for election to the school board, serve on a committee in church, coach Little League baseball, maintain an active exercise program, and be a contributing member to his family will probably encounter role overload.

**Interpersonal Demands.** A final set of organizational stressors consists of three interpersonal demands: Group pressures, leadership, and interpersonal conflict. Group pressures may include pressure to restrict output, pressure to conform to the group's norms, and so forth. For instance, as we have noted before, it is quite common for a work group to arrive at an informal agreement about how much each member will produce. Individuals who produce much more or much less than this level may be pressured by the group to get back in line. In individual who feels a strong need to vary from the group's expectations (perhaps to get a pay raise or promotion) will experience a great deal of stress, especially if acceptance by the group is also important to him or her.

Leadership style also may cause stress. Suppose an employee needs a great deal of social support from his leader. The leader, however, is quite brusque and shows no concern or compassion for him. This employee will probably feel stressed. Similarly, assume an employee feels a strong need to participate in decision making and to be active in all aspects of management. Her boss is very autocratic and refuses to consult subordinates about anything. Once again stress is likely to result.



Finally, conflicting personalities and behaviors may cause stress. Conflict can occur when two or more people must work together even though their personalities, attitudes, and behaviors differ. For example, a person with an internal locus of control - that is, who always wants to control how things turn out - might get frustrated working with an external person who likes to wait and just let things happen. Likewise, a smoker and a nonsmoker who are assigned adjacent offices obviously will experience stress. The working with Diversity box describes another example of how interpersonal demands - in the form of harassment - can result in stress.

### **Life Stressors**

Stress in organizational settings also can be influenced by events that take place outside the organization. Life stressors generally are categorized in terms of life change and life trauma.

**Life Change** Thomas Holmes and Richard Rahe first developed and popularized the notion of life change as a source of stress. A life change is any meaningful change in a person's personal or work situation. Holmes and Rahe reasoned that major changes in a person's life can lead to stress and eventually to disease. The study summarizes their findings on major life change events. Note that several of these events relate directly (fired from work, retirement) or indirectly (change in residence) to work.

**Life Trauma.** Life trauma is similar to life change, but it has a narrower, more direct, and shorter-term focus. A life trauma is any upheaval in an individual's life that alters his or her attitudes, emotions, or behaviour. To illustrate, according to the life change view, a divorce adds to a person's potential for health problems in the following year. At the same time, the person will obviously also experience emotional turmoil during the actual divorce process. This turmoil is a form of life trauma and will clearly cause stress, much of which may spill over into the workplace.

Major life traumas that may cause stress include marital problems, family difficulties, and health problems initially unrelated to stress. For example, suppose a person learns she had developed arthritis that will limit her favorite activity, skiing. Her dismay over the news may translate into stress at work. Similarly, a worker going through a family breakup will almost certainly go through difficult periods, some of which will affect his or her job performance.

### **10.4.3 EFFECTS OF STRESS**



Stress can have a number of consequences. As we already noted, if the stress is positive, the result may be more energy, enthusiasm, and motivation. Of more concern, of course, are the negative consequences of stress. Referring back to our discussion in this lesson, we see that stress can produce individual effects, organizational effects, and burnout.

We should first note that many of the factors listed are obviously interrelated. For example, alcohol abuse is shown as an individual effect, but it also affects the organization the person works for an employee who drinks on the job may perform poorly and create a hazard for others. If the category for a consequence seems somewhat arbitrary, be aware that each effects are categorized according to the area of its primary influence.

### **Individual Effects**

The individual effects of stress, then, are the outcomes that mainly affect the individual. The organization also may suffer, either directly or indirectly, but it is the individual who pays the real price. Stress may produce behavioral, psychological, and medical effects.

**Behavioral Effects** The behavioral effects of stress may harm the person under stress or others. One such behavior is smoking. Research has clearly documented that people who smoke tend to smoke more when they experience stress. There is also evidence that alcohol and drug abuse are linked to stress, although this relationship is less well documented. Other possible behavioral consequences are accident proneness, violence, and appetite difficulties.

**Psychological Effects.** The psychological effects of stress relate to a person's mental health and well-being. When people experience too much stress at work, they may become depressed or find themselves sleeping too much or not enough. Stress may also lead to family problems and sexual difficulties.

**Medical Effects.** The medical effects of stress affect a person's physical well-being. Heart disease and stroke, among other illnesses, have been linked to stress. Other common medical problems resulting from too much stress include headaches, backaches, ulcers and related stomach and intestinal disorders, and skin conditions such as acne and hives.



**Organizational Effects** Clearly, any of the individual effects just discussed can also affect the organization. Other results of stress have even more direct consequences for organizations. These include decline in performance, withdrawal, and negative changes in attitudes.

**Performance.** One clear organizational effects of too much stress is a decline in performance. For operating workers, such a decline can translate into poor-quality work or a drop in productivity. For managers, it can mean faulty decision making or disruptions in working relationships as people become irritable and hard to get along with.

**Withdrawal.** Withdrawal behaviors also can result from stress. For the organization, the two most significant forms of withdrawal behavior are absenteeism and quitting. People who are having a hard time coping with stress in their jobs are more likely to call in sick or consider leaving the organization for good. Stress can also produce other, subtler forms of withdrawal. A manager may start missing deadlines or taking longer lunch breaks. An employee may withdraw psychologically by ceasing to care about the organization and the job. As noted above, employee violence is a potential individual consequence of stress. This also has obvious organizational implications as well, especially if the violence is directed an employee or at the organization in general.

**Attitudes.** Another direct organizational effect of employee stress relates to attitudes. As we just noted, job satisfaction, morale, and organizational commitment can all suffer, along with motivation to perform at high levels. As a result, people may be more prone to complain about unimportant things, do only enough work to get by, and so forth.

**Burnout.** Burnout, another effect of stress, has clear implications for both people and organizations. Burnout is a general feeling of exhaustion that develops when a person simultaneously experiences too much pressure and has too few sources of satisfaction.

Burnout generally develops in the following way. First, people with high aspirations and strong motivation to get things done are prime candidates for burnout under certain conditions. They are especially vulnerable when the organization suppresses or limits their initiative while constantly demanding that they serve the organization's own ends.

In such a situation, the individual is likely to put too much himself or herself into the job. In other words, the person may well keep trying to meet his or her own agenda while simultaneously trying to fulfill the organization's expectations. The most likely effects of this situation are prolonged stress,



fatigue, frustration, and helplessness under the burden of overwhelming demands. The person literally exhausts his or her aspirations and motivation, much as a candle burns itself out. Loss of self-confidence and psychological withdrawal follow ultimately.

#### 10.4.4 MANAGING STRESS IN THE WORKPLACE

**Exercise:** Exercise is one method of managing stress. People who exercise regularly are less likely to have heart attacks than inactive people. More directly, research has suggested that people who exercise regularly feel less tension and stress, are more self-confident, and show greater optimism. People who do not exercise regularly feel more stress, are more likely to be depressed, and experience other negative consequences.

**Relaxation:** A related method of managing stress is relaxation. We noted at the beginning of the chapter that coping with stress requires adaptation. Proper relaxation is an effective way to adapt. Relaxation can take many forms. One way to relax is to take regular vacations. A recent study found that people's attitudes towards a variety of workplace characteristics improved significantly following a vacation. People can also relax while on the job. For example, it has been recommended that people take regular rest breaks during their normal workday. A popular way of resting is to sit quietly with closed eyes for ten minutes every afternoon. (Of course, it might be necessary to have an alarm clock handy!).

**Time Management:** Time management is often recommended for managing stress. The idea is that many daily pressures can be eased or eliminated if a person does a better job of managing time. One popular approach to time management is to make a list every morning of the things to be done that day. Then you group the items on the list into three categories: critical activities that must be performed, important activities that should be performed, and optional or trivial things that can be delegated or postponed. Then, of course, you do the things on the list in their order of importance. This strategy helps people get more of the important things done every day. It also encourages delegation of less important activities to others. The Talking Technology box illustrates how managers can better manage their time by using their cellular telephones more selectively.

**Role Management:** Somewhat related to time management is the idea of role management, in which the individual actively works to avoid overload, ambiguity, and conflict. For example, if you do not know what is expected of you, you should not sit and worry about it. Instead, ask for clarification from



your boss. Another role management strategy is to learn to say "no". As simple as saying "no" might sound, a lot of people create problems for themselves by always saying "yes". Besides working in their regular jobs, they agree to serve on committees, volunteer for extra duties, and accept extra assignments. Sometimes, of course, we have no choice but to accept an extra obligation (if our boss tells us to complete a new project, we will probably have to do it). In many cases, however, saying "no" is an option.

**Support Groups:** A final method for managing stress is to develop and maintain support groups. A support group is simply a group of family members or friends with whom a person can spend time. Going out after work with a couple of coworkers to a basketball game, for example, can help relieve the stress that builds up during the day. Supportive family and friends can help people deal with normal stress on an ongoing basis. Support groups can be particularly useful during times of crisis. For example, suppose an employee has just learned that she did not get the promotion she has been working toward for months. It may help her tremendously if she had good friends to lean on, be it to talk to or to yell at.

**Organizational Coping Strategies:** Organizations are also increasingly realizing that they should be involved in managing their employees' stress. There are two different rationales for this view. One is that because the organization is at least partly responsible for creating the stress, it should help relieve it. The other is that workers experiencing lower levels of harmful stress will function more effectively. Two basic organizational strategies for helping employees manage stress are institutional programs and collateral programs.

**Institutional Programs:** Institutional programs for managing stress are undertaken through established organizational mechanisms. For example, properly designed jobs and work schedules can help ease stress. Shift work, in particular, can cause major problems for employees, because they constantly have to adjust their sleep and relaxation patterns. Thus, the design of work and work schedules should be a focus of organizational efforts to reduce stress.

The organization's culture also can be used to help manager stress. In some organizations, for example, there is a strong norm against taking time off or going on vacation. In the long run, such norms can cause major stress. Thus, the organization should strive to foster a culture that reinforces a healthy mix of work and nonwork activities.



Finally, supervision can play an important institutional role in managing stress. A supervisor can be a major source of overload. If made aware of their potential for assigning stressful amounts of work, supervisors can do a better job of keeping workloads reasonable.

**Collateral Programs:** In addition to institutional efforts aimed at reducing stress, many organizations are turning to collateral programs. A collateral stress program is an organizational program specifically created to help employees deal with stress. Organizations have adopted stress management programs, health promotion programs, and other kinds of programs for this purpose. More and more companies are developing their own programs or adopting existing programs of this type. For example, Lockheed Martin offers screening programs for its employees to detect signs of hypertension. The Mastering Change box provides other examples.

Many firms today also have employee fitness programs. These programs attack stress indirectly by encouraging employees to exercise, which is presumed to reduce stress. On the negative side, this kind of effort costs considerably more than stress management programs, because the firm must invest in physical facilities. Still, more and more companies are exploring this option. Both Tenneco and L.L. Bean, for example, have state-of-the-art fitness centers for their employees.

Finally, organizations try to help employees cope with stress through other kinds of programs. For example, existing career development programs, like the one at General Electric, are used for this purpose. Other companies use programs promoting everything from humor to massage as antidotes for stress. Of course, little or no research supports some of the claims made by advocates of these programs. Thus, managers must take steps to ensure that any organizational effort to help employees cope with stress is at least reasonably effective.

## 10.5 CHECK YOUR PROGRESS

1. ----- occurs when two or more people or organizations disagree because their needs, wants, goals, or values are different.
2. ----- is an agreement between parties about what each should give or get in a particular situation.
3. Conflict is ----- when individuals or group members have a new understanding of the functions of healthy conflict and avoid the destructive negative forces.



4. The ----- effects of stress relate to a person's mental health and well-being.
5. Stress is a person's adaptive response to a ----- that places excessive psychological or physical demands on that person.

## 10.6 SUMMARY

The term conflict was originally defined as "striking at another", "to fight with an enemy or do battle with opposing forces." Later meanings included "being antagonistic", or "a clash between contradictory impulses within an individual." Conflict is inevitable because people will always have different viewpoints, ideas, and opinions. The issue is how will you deal with or relate to these differences. It is unfortunate that negative connotations are often associated with conflict, because, if properly managed, conflict is highly constructive and essential to cross-cultural interactions.

Earlier we stated conflict was neither good nor bad. If viewed as a natural process, conflict is the opportunity to explore and resolve differences in a constructive manner. *Conflict is constructive when individuals or group members have a new understanding of the functions of healthy conflict and avoid the destructive negative forces.* During our discussion in this lesson, we defined conflict, explored various levels of conflict, and identified sources of conflict, and strategies to manage interpersonal conflict. Additionally, we discussed the positive aspects, components of conflict and how it can contribute to individual and group problem solving. We examined six strategies for effectively managing interpersonal conflict and the negative and positive attributes of each. Are there any questions about the methods for resolving conflict?

Stress is a person's adaptive response to a stimulus that places excessive psychological or physical demands on that person. According to the general adaptation syndrome perspective, the three stages of response to stress are alarm, resistance, and exhaustion. Two important forms of stress are eustress and distress.

Type A personalities are more competitive and time-driven than Type B personalities. Initial evidence suggested that Type A's are more susceptible to coronary heart disease, but recent findings provide less support for this idea. Hardiness, optimism, cultural context, and gender may also affect stress. Stress can be caused by many factors. Major organizational stressors are task demands, physical demands, role demands, and interpersonal demands. Life stressors include life change and life trauma. Stress has many effects. Individual effects can include behavioral, psychological, and medical problems. On the



organizational level, stress can affect performance and attitudes or cause withdrawal. Burnout is another possibility. Primary individual mechanisms for managing stress are exercise, relaxation, time management, role management, and support groups. Organizations use both institutional and collateral programs to control stress. People have numerous dimensions to their work and personal lives. When these dimensions are interrelated, individuals must decide for themselves which are more important and how to balance them.

### 10.7 KEYWORDS

**Conflict:** Actual or perceived opposition of needs, values and interests.

**Assertive:** An assertive style of behavior is to interact with people while standing up for your rights.

**Compromise:** A concept of finding agreement through communication, through a mutual acceptance of terms.

**Physical Demands:** The physical demands of a job are its physical requirements on the worker;

### 10.8 SELF ASSESSMENT TEST

1. Define conflict. What are the factors responsible for conflict? State and explain different strategies for conflict management.
2. Describe in detail the various steps that are essential to be taken in the conflict process. Give examples where necessary.
3. What are the reasons for not managing the conflict? What can management do to overcome such reasons?
4. Describe in detail characteristics and role of conflict management and its agents.
5. What are the major stressors for a student?
6. Is an organizational stressor or a life stressor likely to be more powerful?
7. What consequences are students most likely to suffer as a result of too much stress?
8. Do you agree that a certain degree of stress is necessary to induce high energy and motivation?

### 10.9 ANSWER TO CHECK YOUR PROGRESS

1. Conflict
2. Compromise
3. Constructive



4. Psychological
5. Stimulus

#### **10.10 REFERENCES/SUGGESTED READINGS**

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<b>Subject: Management Concepts and Organizational Behaviour</b>	
<b>Course Code: BCOM 205</b>	<b>Author: Prof. M. C. Garg</b>
<b>Lesson No. 11</b>	

## ORGANIZATIONAL CULTURE AND CLIMATE

### STRUCTURE

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## 11.8 Answer to Check Your Progress

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**11.0 LEARNING OBJECTIVES**

After reading this lesson, you should be able to:

- Define organizational culture and state its characteristics and determinants.
- Explain the various models of business culture.
- Make a distinction between good climate and bad climate.
- Distinction between organizational climate and organizational culture.
- Explain the various factors which affect organizational culture.

**11.1 INTRODUCTION**

Basically, Organizational culture is the personality of the Organization. Culture is comprised of the assumptions, values, norms and tangible signs of organization members and their behaviours. Members of an organization soon come to sense the particular culture of an organization. Culture is one of those terms that are difficult to express distinctly, but everyone knows it when they sense it. For example, the culture of a large, for-profit corporation is quite different from that of a hospital, which in turn is quite different that of a university. You can tell the culture of an organization by looking at the arrangement o. furniture, what they brag about, what members wear, etc. similar to what you can use to get a feeling about someone's personality.

Corporate culture can be looked at as a system having inputs, processes and output. Inputs include feedback from society, professions, laws, stories, heroes, values on competition or service, etc. The process is based on our assumptions, values and norms; e.g., our values on money, time, facilities, space and people and outputs or effects of our culture are organizational behaviours, technologies, strategies, image, products, services, appearance, etc. The concept of culture is particularly important when attempting to manage an organization-wide change. Practitioners are coming to realize that, despite the best-laid plans, organizational change must include not only changing structures and processes, but also changing the corporate culture as well. There's been a great deal of literature generated over the past decade about the concept of organizational culture — particularly in regard to learning how to change



organizational culture. Organizational change efforts are rumoured to fail the majority of time. Usually, this failure is credited to lack of understanding about the strong role of culture and the role it plays in organizations. That's one of the reasons that, many strategic planners now place as much emphasis on identifying strategic values as they do on mission and vision.

## **11.2 CONCEPTS OF ORGANIZATIONAL CULTURE**

### **11.2.1 DEFINITION OF ORGANIZATIONAL CULTURE**

The term “culture” has been adapted from the Latin word ‘cultura’ and in the broadest sense means ‘the result of human action’. Originally, an anthropological term, culture refers to the underlying values, beliefs and codes of practice that makes a community what it is. The customs of society, the self-image of its members, the things that make it different from other societies, are its culture. Culture is powerfully subjective and reflects the meanings and understandings that we typically attribute to situations, the solutions that we apply to common problems. The idea of a common culture suggests possible problems about whether organizations have cultures.

Organizations are only one constituent element of society. People enter them from the surrounding community and bring their culture with them. It is still possible for organizations to have cultures of their own-as they possess-the paradoxical quality of being both ‘part’ of and ‘apart’ from society. They are embedded in the wider societal context but they are also communities of their own, with distinct rules and values.

The term ‘organization culture’ refers to a system, that members share and that distinguishes the organization from others. This system strongly influences how employees will behave while they are at work. The culture of an Organization can be analyzed based on how it rates on ten characteristics, which are relatively stable and predictable over time. Member identity is the degree to which employees identify with the Organization as a whole rather than with their type of job or professional expertise. Group emphasis is the degree to which work activities are organized around groups rather than individuals. People focus on the degree to which the decisions of management take into consideration the effect of outcomes on people. Unit integration is the degree to which organizational units work in a cooperative or independent manner. Control is the degree to which regulations, rules, and direct supervision are used. Risk tolerance is the degree to which employees are encouraged to be aggressive and innovative. Reward criteria are the degree to which rewards are allocated on employee performance



rather than seniority or favouritism. Conflict tolerance is the degree to which employees are encouraged to air conflicts and criticisms openly. Means-end orientation is the degree to which management focuses on results rather than the techniques used to achieve them. Open-systems focus is the degree to which the Organization monitors and responds to changes in the external environment.

Organization culture is the collection of relatively uniform and enduring values, beliefs, customs and practices that are uniquely shared by an organization's members and which transmitted from one generation of employees to the next. According to Robbins, "Organization Culture refers to a system of shared meaning held by members that distinguishes the organization from other organizations. Culture has its origin in the organizational interaction. Organization Culture is the fabric of meaning in terms of which human beings interpret their experience and guide their action.

An organization's culture is not an espoused list of values developed offsite by the executive team and framed on the wall in the lobby. These are ideals. What you strive to be as an organization and what values you hope to endorse, may be different from the values, beliefs, and norms expressed in your actual practices and behaviour. It is critical that one must find out who you really are as well as striving for who you want to be. Awakening the emperor to the, fact that he has no clothes is often a risky and delicate first step in closing the gap between the real and the ideal. Cultural assessment can provide measurable data about the real organizational values and norms that can be used to get management's attention. It can dispel some of management's illusions about what really matters in the Organization and will tell them how far off the mark things really are. Management may find that it is not practicing what it preaches. However, telling the CEO the truth about the Organization he/she has built can often be dangerous to your career progress. Delivering such a message takes skill as a coach and a willingness to take risks and confront conflict.

### **11.2.2 CHARACTERISTICS OF ORGANIZATION CULTURE**

Organizational cultures have the following characteristics: (a) Cultures are collective beliefs that in turn shape behaviour. They are a form of a shared paradigm. (b) Cultures are based in part on emotion, which is particularly conspicuous when change is threatened. (c) Cultures are based on a foundation of historical continuity. The potential loss of continuity in part explains the resistance to change. (d) Cultures are defined by, and subsequently define symbols. (e) Although cultures resist change, they are constantly changing. This paradoxical condition limits the speed of change and consumes large



quantities of energy (f) Cultures are more probabilistic than deterministic. It is a set of fuzzy imperatives.

Basic assumptions, values and norms - The culture of an Organization operates at both a conscious and unconscious level. Often the people who see your culture more clearly are those from the outside – the new hires, the consultants or vendors. When coaching or advising senior management, remember that culture comprises the deeply rooted but often unconscious beliefs, values and norms shared by the members of the Organization. Those not living inside the culture can often see it more objectively. Culture drives the Organization and its actions. It is somewhat like “the operating system” of the Organization. It guides how employees think, act and feel. It is dynamic and fluid, and it is never static. A culture may be effective at one time, under a given set of circumstances and ineffective at -another time. There is no generically good culture.

Culture operates at various levels: Cultures surrounds us all. Cultures are deep rooted, pervasive and complex; According to Edgard Schein, “Organizational learning, development, and planned change cannot be understood without considering culture as the primary source of resistance to change. Schein divides organizational culture into three levels: (i) Artifacts: these “artifacts” are at the surface, those aspects (such as dress) which can be easily discerned, yet are hard to understand; (ii) Espoused Values: beneath artifacts are “espoused values” which are conscious strategies, goals and philosophies. (iii) Basic Assumptions and Values: the core, or essence, of culture is represented by the basic underlying assumptions and values, which are difficult to discern because they exist at a largely unconscious level. Yet they provide the key to understanding why things happen the way they do. These basic assumptions form around deeper dimensions of human existence such as the nature of humans, human relationships and activity, reality and truth.

Avoidance of conflict is a value that is an excellent example of an unconscious norm that may have a major influence on the organization but is frequently unconscious. For an insider, this is difficult or impossible to see, particularly if the individual has “grown up” in the organizational culture. A recently hired employee, the external consultant and the executive coach are all frequently in the best position to identify these unconscious assumptions or values. Espoused or secondary values are at a more conscious level; these are the values that people in the Organization discuss, promote and try to live by. All employees of Hewlett Packard, for example, are required to become familiar with the values



embodied in the “HP Way.” Some of the most visible expressions of the culture are called artifacts. These include the architecture and decor, the clothing people wear, the organizational processes and structures, and the rituals, symbols and celebrations. Other concrete manifestations of culture are found in commonly used language and jargon, logos, brochures, company slogans, as well as status symbols such as cars, window offices, titles, and of course value statements and priorities. An outsider can often spot these artifacts easily upon entering an Organization.

### 11.2.3 DETERMINANTS OF ORGANIZATIONAL CULTURE

The factors or determinants may be internal as well as external, as follows:

- a. Economic condition:** the economic condition of the organization determines the spending habits and working style of the organization. For example, a company having sound economic background can afford various facilities like gymnasium, sports room, provisions of foreign tours, etc., that will drive the choice of the employees as also their taste and which will finally add up to the organization culture. Economic conditions also determine the risk taking ability of the organization and will also set a culture accordingly.
- b. Leadership style:** Consider the case of Jack Welch, the former CEO of GE. His leadership style had set a culture specific to GE where the employees get the value for their work and no unscrupulous activity is tolerated. Jack Welch is no longer the CEO of GE, having retired from his position, but all GE units have similar cultures, as institutionalized by him.
- c. Organizational policies:** Work culture may be defined as the rules, regulations, policies, practices, traditions, rituals, values and beliefs of the organization. These dimensions of work culture are both physical and visible and some are implicit or implied norms, for example, open office layouts, fostering teams, focus on customer satisfaction, greater emphasis on talent retention, equitable treatment of employees, concept of learning organization. They all form a part of organizational policies and have a profound effect on the cultural dimension.
- d. Managerial Values:** Deal and Kennedy (1982) advocate consensus building based on sharing; developing high-trust between individuals; allowing time for people to change; to set the direction but allow employees to work out the details (empowerment in today’s terminology); and in another, more direct intervention, provide the training to develop the new skills needed. They see middle



management's role changing dramatically. Within an "atomized organization", managers "will be both the bearers of culture as well as its promoters".

- e. **Organizational structure:** Reporting lines, hierarchies, and the way that work flows through the business.
- f. **Characteristics of members:** Employees who are human beings necessarily play these roles. A worker is a total person and, to the organization, the total person goes to work. The organization is, however, interested in work only, but work and worker cannot be separated. Personal characteristics of each member thus affect the culture of an organization.
- g. **Organization size:** In case of a small organization, fostering of a particular culture is very easy but the larger the size of the organization, the more difficult it is to embed it with similar cultural combinations.

#### 11.2.4 ORGANIZATION CULTURE AND LEADERSHIP

One of the critical factors in understanding a corporate culture is the degree to which it is leader-centric. Responding to change in the business world is a key function of leadership. Leadership exists at different levels within an organization. The way each level copes with change and directs the transformation determines how the whole organization will change and sustain the change. Change in organizations covers a vast field of business activity, generally aimed at improving performance and productivity. This can be achieved in different ways - through growth, innovation and skills development; through downsizing, layoffs and replacements; through shifts in assets, resources or market shares; or through a combination of these. However, the way in which an organization is transformed, and the way in which that transformation is managed, depends almost exclusively on the style of leadership and the culture of the organization. In today's corporate environment, leaders face significant challenges: business is more complex, customized and competitive; the 'war for talent' means that people are more important than strategies; the declining supply of executives is accompanied by greater job mobility among this group; the rise of the knowledge economy and reliance on technology; the potential pitfalls of dispersed and virtual working teams, and the increasing interest of investors in 'intangibles'. Changes are uncomfortable because, in general, people want the status quo to remain. They become even more uncomfortable when managers isolate themselves and do not have the answers to questions from the workforce. Indeed, it is better not to communicate than to misinform.



However, not to communicate at all creates a climate of fear and mistrust around change. A culture of change must be built on intelligent communication and emotional intelligence which results in appropriate disclosure, avoiding the temptation to hide uncertainty with buzzwords and clichés.

The leader is central to the culture of the Organization. The culture of a company is likely to reflect the leader's personality. So if the CEO avoids conflict and tends to sweep it under the carpet, don't be surprised if you see avoidance of conflict played out in the organization. The behaviour that is modelled by the leader and the management team profoundly shapes the culture and practices of the Organization. What management emphasizes, rewards and punishes can tell you what is really important. The behaviour of members of the senior team, their reactions in a crises and what they routinely talk about, all set the tone of the culture. If the culture is already firmly established when the CEO assumed leadership, he/she having simply inherited a strong set of traditions, then he/she may play the role of the guardian of the old culture. On the other hand, CEOs such as Lou Gerstner at IBM, Lee Iacocca at Chrysler, or Jack Welch in GE were brought in to be change agents charged with dramatically transforming the organizational cultures of their respective organizations.

### 11.2.5 TYPES OF CULTURE

Researcher Jeffrey Sonnenfeld identified the following four types of cultures:

**Academy Culture:** Employees are highly skilled and tend to stay in the organization, while working their way up the ranks. The organization provides a stable environment in which employees can develop and exercise their skills. Examples are universities, hospitals, large corporations, etc.

**Baseball Team Culture:** Employees are “free agents” who have highly prized skills. They are in high demand and can get jobs elsewhere rather easily. This type of culture exists in fast-paced, high-risk organizations, such as investment banking, advertising, etc.

**Club Culture:** The most important requirement for employees in this culture is to fit into the group. Usually employees start at the bottom and stay with the organization. The organization promotes from within and highly values seniority. Examples are the military, some law firms, etc.

**Fortress Culture:** Employees don't know if they'll be laid off or not. These organizations often undergo massive reorganization. There are many opportunities for those with timely, specialized skills. Examples are savings and loans, large car companies, etc.



**Person or Support culture:** Support culture is that culture which offers its members ‘satisfactions’ resulting from relationships, mutuality, belonging and connection. Here the assumption is that people will contribute out of a sense of commitment to a group or organization of which they feel they are truly members and in which they have a personal stake (Harrison: 1987.) The Kibbutz, the commune and the co-operative are all striving for a support culture in an organizational form. In this culture, the individuals themselves have almost complete autonomy over the work they do and if power is to be exercised, then this is on the basis of expertise. Other examples of this culture are universities, barristers, architects, and doctors.

### 11.2.6 MODELS OF BUSINESS CULTURE

There are two models of business culture, as presented below:

**Interpersonal Interaction Model:** This model emphasizes on the power culture. It reinforces that strong leaders are needed to distribute resources. Leaders are firm, but fair and generous to loyal followers. If badly managed, there is rule by fear, abuse of power for personal gain, and political intrigue. The model emphasizes on the achievement culture. Results are rewarded, not unproductive efforts. Work teams are self-directed. Rules and structure serve the system and they are not an end by themselves. A possible downside is sustaining energy and enthusiasm over time. The model also enforces the support culture. Employee is valued as a person, as well as a worker. Employee harmony is important. Weakness is a possible internal commitment without an external task focus. The role culture follows the rule of law with clear responsibility and reward system. It provides stability, justice, and efficiency. Weakness is impersonal operating procedures and a stifling of creativity and innovation.

**Risk and Feedback Model:** This model promotes the Macho, Tough-guy Culture. High risks are taken, quick feedback of results are given, e.g., in the advertising and entertainment field. ‘Work hard and Play hard’ culture is promoted. There are few risks, quick feedback. (Sales driven). A company that has a ‘Bet-the-Company’ culture is characterized by high risk, slow feedback (Aerospace) Process Culture: Little to no feedback. Focus is on “how” work is done. (Highly regulated, government)

### 11.2.7 WHY ASSESS CULTURE?

The prime objectives of assessing an organization’s culture are:

- a. Giving the Organization a clear picture of their culture from an unbiased assessment.



- b. Determining what is needed and what can be accomplished.
- c. Proposing a strategic plan for culture change.
- d. Maximizing company/Organization investment in each employee.
- e. Identifying and eliminating the subtle and overt barriers to productivity.
- f. Enhancing respect for all individuals.
- g. Enabling and encouraging different management styles to flourish.

Why would a company be interested in assessing its culture? If the organization wants to maximize its ability to attain its strategic objectives, it must understand if the prevailing culture supports and drives the actions necessary to achieve its strategic goals. Cultural assessment can enable a company to analyze the gap between the current and desired culture. Developing a picture of the ideal and then taking a realistic look at the gaps is vital information that can be used to design interventions to close the gaps and bring specific elements of culture into line. If your competitive environment is changing fast, your Organizational culture may also need to change. However, you may only need to change some of its practices and secondary values while keeping a few precious and non-negotiable core values intact. Often an objective assessment tool can zero in on a limited number of elements of culture that need to change, rather than embarking on the futile attempt to change the entire culture.

**Value and Goal Alignment across Subcultures, Divisions and Geographic Regions:** In many companies, there is a strong dominant culture that is pervasive throughout the organization and across business units or even regions. This kind of organization is said to possess a high level of cultural integration. However, often the culture in large organizations is not singular or uniform. Organizations can vary widely in terms of the degree of cultural integration and the strength of the sub-cultures that coexist. Sub-cultures may share certain characteristics, norms, values and beliefs or be totally different. These sub-cultures can function cooperatively or be in conflict with each other.

**Individual-Organization Fit:** Corporations that are growing fast must hire a large number of new employees. It is critical that these new hires are a good fit with the current culture. If an individual is out of sync with the culture, the organization's cultural antibodies will often attack. However, there must also be a good fit with the culture that you are trying to create.



The secret to a company that will last is its ability to manage both continuity and change. Such companies are capable of responding with nimbleness to the environmental drivers that necessitate change in strategy and practices. These drivers include: rapid technological change, changes in industries and markets, deregulation, aggressive competition, the global economy, increased organizational complexity, and new business models. Getting a profile of the current culture can enable organizations to thoughtfully bring the elements of the culture into alignment and move forward towards an ideal.

**Benefits to Business:** Studying Organizational culture will enable the organization to create a strategic plan, provide a benchmark for measuring future progress, create a culture where both men and women want to work, while improve performance, retention, and attraction of the best.

**Building the management team and a successful Organization culture:** In a research study it was revealed that in conjunction with the design of the organization, the entrepreneur will need to assemble the right mix of people to assume the responsibilities outlined in the organization structure. Some of the issues identified in the organization design will be revisited here since they are not only critical to be building of the team but are just as important in establishing a positive and successful organization culture. This strategy must be maintained through the stages of start-up and growth of the enterprise.

There are some important issues to address before assembling and building the management team. In essence, the team must be able to accomplish three functions:

- Execute the business plan.
- Identify fundamental changes in the business as they occur.
- Make adjustments to the plan based on changes in the environment and market that will maintain profitability.

### 11.3 CONCEPT OF ORGANIZATIONAL CLIMATE

The term “climate” is most commonly associated with the study of meteorology, and more specifically aims to observe, describe and measure the various physical characteristics of the atmosphere such as rainfall, temperature, changes in season and so on. When the term “climate” is transplanted into the context of the organization, it becomes more complex because it is not so easy to observe and measure and it is constantly changing as such is not necessarily enduring. Various researchers define



organizational climate on the basis of their viewpoint on how climates are formed. There is a clear distinction between those who highlight objective characteristics and those who emphasize subjective elements. The definitions of organizational climate from these varied approaches will now be discussed.

One of the earliest and most widely accepted definitions is organizational climate as a set of characteristics that describes an organization, distinguishes it from other organizations, is relatively enduring over time and can influence the behaviour of people in it. Gregopoulos defines organizational climate as a normative structure of attitudes and behavioural standards which provide a basis for interpreting the situation and act as a source of pressure for directing activity. Pritchard and Karasick defines organizational climate as the relatively enduring characteristic of an organization which distinguishes it from other organizations: and (a) embodies members collective perceptions about their organizations with respect to such dimensions as autonomy, trust, cohesiveness, support, recognition, innovation and fairness; (b) is produced by member interaction; (c) serves as a basis for interpreting the situation; (d) reflects the prevalent norms, values and attitudes of the organization's culture; and (e) acts as a source of influence for shaping behaviour. Garg and Rastogi (2006) define the concept as a "feeling" that is the result of the physical layout of the organization, the way in which participants interact with one another and how they conduct themselves with other organizational members or outsiders.

### 11.3.1 GOOD CLIMATE VS BAD CLIMATE

Climate is worthwhile to understand and measure because there are organizational and human benefits in a 'good' Climate, and powerful disadvantages of many kinds of 'bad' climate. Glick (1965) has explained organizational climate as a generic term for a broad class of organizational, rather than psychological variables that describe the context for individuals' actions. A basic formulation in terms of a simple equation was given by Lewin (1951) to explain the relationship between individuals and their social environments.  $B=f(P, E)$  In which B= Behavior; P = Person and E = Environment. Organizational Climate can only be discussed in terms how it is perceived or felt by organizational members. Consequently, a climate may be perceived as hostile or supportive, as conducive to achievement or stifling, and so on.



### Good Climate Vs Bad Climate

<p>‘Bad’ Climate has been linked to:</p> <ol style="list-style-type: none"> <li>1. Turnover</li> <li>2. Stress</li> <li>3. Sickness</li> <li>4. Poor Performance</li> <li>5. Error Rate</li> <li>6. Wastage</li> <li>7. Accidents</li> </ol>	<p>‘Bad’ Behaviour such as:</p> <ol style="list-style-type: none"> <li>1. Sabotage</li> <li>2. Absenteeism</li> <li>3. Go-slow</li> <li>4. Bullying</li> </ol>
<p>‘Good’ Climate has been linked to desirable outcomes such as:</p> <ol style="list-style-type: none"> <li>1. Job Satisfaction</li> <li>2. Confidence in Management</li> <li>3. Affective Commitment</li> <li>4. Intention to Quit</li> <li>5. Emotional Exhaustion</li> <li>6. Faith in Organization</li> <li>7. Performance</li> </ol>	<p>‘Good’ desirable Behaviour such as:</p> <ol style="list-style-type: none"> <li>1. Risk-taking (Strategic)</li> <li>2. Departure from the status-quo</li> <li>3. Open Communication</li> <li>4. Trust</li> <li>5. Operational Freedom</li> <li>6. Employee Development</li> </ol>

### 11.3.2 BALANCING THE ORGANIZATIONAL CLIMATE

Chris Watkin and Ben Hubbard (2003), has given steps to be followed in balancing organizational climate:

Balancing the organizational climate			
Steps	Maximum Orderliness	Balanced	Maximum Flexibility
Purpose	Mission, strategy & structure clearly expressed, but overly rigid and not sympathetic to employee needs.	Mission, strategy & structure clearly expressed, but address individual needs, employees involved in their development.	Mission, strategy & structure not clearly established; direction is left to the individual.
Values	Organizational policies established in terms of	Policies established in terms of value structures, and	Policies not formulated individual behaviour is



	permitted actions & strictly enforced but do not consider individual needs.	implemented in a flexible manner.	directed.
Resources	Procedures clearly documented and rigorously enforced, but does not allow for individual initiative.	Procedures prepared and adapted by those who need them in structured manner.	Procedures not documented individually tasks carried over in many different ways.
Assessment	Performance parameters fixed and quantified but do not allow for subjective criteria	Combination of self-assessment and supervisor assessment; both objective & subjective criteria used; criteria subject to prior agreement from those involved	Performance assessed ad hoc and only subjectively.

### 11.3.3 DISTINCTION BETWEEN ORGANIZATIONAL CLIMATE AND ORGANIZATIONAL CULTURE

The concepts of organizational climate and organizational culture are often used interchangeably with researchers in organizational studies treating the concepts as if they are identical. Both culture and climate have been studied for a number of decades and have received a great deal of attention both academically and in the private and public sectors. In the literature, it is clear that organizational climate and organizational culture are two distinct concepts, with Hughes, Ginnett and Curphy (2002) postulating that the concepts are a function of reaction to each other. To ensure that organizational climate is clearly understood and does not become an ignored concept, it is essential to distinguish between the two. Organizational climate and organizational culture are similar concepts in that both describe the experiences of employees and assist us in understanding psychological phenomena in particular organizations, and to provide explanations on how organizations influence behaviour, attitudes and the well-being of individuals; why some organizations are able to adapt to environmental changes and why some organizations are more successful than others.



### Differences between Organizational Climate and Organizational Culture

ORGANISATIONAL CLIMATE	ORGANISATIONAL CULTURE
Has its roots in social psychology discipline	Originates in the anthropology domain
Focus is on the individual's perception and cognitions which are used to comprehend and discriminate attributes of the organization's internal environment	Focus is on analysing the underlying structure of symbols, myths and rituals which lead to shared values, norms and meanings in groups
Relatively enduring characteristics of the organization	Highly enduring characteristic of the organization
More shallow with regard to penetrating individual's consciousness and organizational realities. Is more visible and operates at the level of attitudes and values	Occurs at the level of attitudes and values, but also to a deeper level of assumptions. Is relatively invisible and is preconscious in individuals
Evolves more quickly and changes rapidly	Evolves slowly and is not easy to change
Unique characteristics of individuals are evident	Collective characteristics are exhibited
Quantitative methodology is used	Qualitative methodology is used

#### 11.3.4 FACTORS AFFECTING ORGANIZATIONAL CLIMATE

**a) Organizational Context:** The first and foremost influential factor that affects the climate is the management philosophy. If the company is wedded to such a policy that it effectively utilizes its resources both human as well as non-human, then it can be concluded that the climate is good.

**b) Organizational Structure:** Structure of the organization represents another variable that affects climate. It needs no relationships and delineates authority and functional responsibility.

**c) Process:** In every organization certain processes are vital so that it runs. Communication, decision-making, motivation and leadership are some of the very important processes through which the management carries out its objectives.



**d) Physical Environment:** The external conditions of environment, the size and location of the building in which an employee works, the size of the city, weather or the place all affect the organizational climate.

**e) System Values and Norms:** Every organization has discernible and fairly evident formal value system where certain kinds of behaviours are rewarded and encouraged, and certain kinds of behaviour forces an individual to formal sanctions. The formal value system is communicated to employees through rules, regulations and policies.

#### 11.4 CHECK YOUR PROGRESS

1. Organizational culture is the ----- of the Organization.
2. ----- are deep rooted, pervasive and complex.
3. ----- defines organizational climate as the relatively enduring characteristic of an organization which distinguishes it from other organizations.
4. ----- model emphasizes on the power culture.
5. ----- model promotes the Macho, Tough-guy Culture.

#### 11.5 SUMMARY

Culture spans the range of management thinking there is a vexed question of whether or not organizational culture can be managed. Most approaches to organization and management theory identify culture as one of the leading factors on the list of discrete building blocks used to both explain and manipulate desired end results. and organizational culture has been one of the most enduring buzzwords of popular management. Organizational culture is apparently unifying and this strongly appeals to management's concern with projecting an image of the organization as a community of interests. Culture can be observed in many ways that things get done, in the process that everyone in the organization knows must be followed for work to be accomplished.

#### 11.6 KEYWORDS

**Organization Culture:** This refers to a system that members share and that distinguishes the organization from others.

**Work Culture:** It is defined as the rules, regulations, policies, practices, traditions, rituals, values and beliefs of the organization.



**Organizational Climate:** This is a normative structure of attitudes and behavioural standards which provide a basis for interpreting the situation and act as a source of pressure for directing activity.

**Interpersonal Interaction Model:** It reinforces that strong leaders are needed to distribute resources.

### 11.7 SELF ASSESSMENT TEST

1. How important is it for managers to be aware of organizational culture, and why?
2. “Strong culture increases behaviour consistency amongst its members”. Comment.
3. State the characteristics and determinants of organizational culture.
4. Write a critical note on the models of business culture.
5. Define organizational climate. State the differences between good climate and bad climate.

### 11.8 ANSWER TO CHECK YOUR PROGRESS

1. personality
2. Cultures
3. Karasick
4. Interpersonal interaction
5. Risk and Feedback

### 11.9 REFERENCES/SUGGESTED READINGS

1. Keith Davis, Human Behaviour at Work, Tata McGraw Hill, New Delhi.
2. Laurie J. Mullins, Management and Organizational Behaviour, Pitman.
3. Fred Luthans, Organizational Behaviour, Irvin/Tata McGraw Hill.
4. Stephen P. Robbins, Organisational Behaviour, Prentice Hall India.



<b>Subject: Management Concepts and Organizational Behaviour</b>	
<b>Course Code: BCOM 205</b>	<b>Author: Surinder Singh</b>
<b>Lesson No. 12</b>	<b>Vetter: Dr. Karam Pal</b>

## EMOTIONAL INTELLIGENCE

### STRUCTURE

- 12.0 Learning Objectives
- 12.1 Introduction
  - 12.1.1 Emotions
  - 12.1.2 Felt versus Displayed Emotions
  - 12.1.3 Emotion Dimensions
  - 12.1.4 Can People Be Emotionless?
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- 12.2 The Concept of Emotional Intelligence
  - 12.2.1 Principles of Emotional Intelligence
  - 12.2.2 Importance of Emotional Intelligence
- 12.3 Check Your Progress
- 12.4 Summary
- 12.5 Keywords
- 12.6 Self-Assessment Test
- 12.7 Answer to Check Your Progress
- 12.8 References/Suggested Readings

### 12.0 LEARNING OBJECTIVE

The objective of the lesson is to give awareness to the students about:



- Meaning of emotions.
- Types of emotions and emotional intelligence.

## **12.1 INTRODUCTION**

The world is changing rapidly but the changes of the recent past have been unprecedented in the history of human civilization. The advent of information technology and satellite television has revolutionized the entire world leaving the business world no exception. Due to the globalisation process more firms have started moving out from their domestic to international markets. This phenomenon of internationalization has not only led to the products being flown out the national boundaries but also the workforce got intermingled in the world business map. These cross-cultural interactions have changed the mindset of people in general and the younger ones in particular. This phenomenal revolution has led to multifarious changes in the business making the task of business managers more complicated in attaining the managerial effectiveness, Managerial effectiveness which is the ability of a manager in making his best contribution towards the organisational goals and objectives seem to be possible through emotional intelligence.

### **12.1.1 EMOTIONS**

There are so many terms, which are interrelated. Therefore, we need to clarify these terms: affect, emotions, and moods.

Affect is a generic term that covers a broad range of feelings that people experience. It's an umbrella concept that encompasses both emotions and moods. Emotions are intense feelings that are directed at someone or something. Finally, moods are feelings that tend to be less intense than emotions and that lack a contextual stimulus. Emotions are reactions to an object, not a trait. They are object specific. You show your emotions when you are happy about something, angry with someone, afraid of something. Moods, on the other hand, aren't directed at an object. Emotions can turn into moods when you lose focus on the contextual object. So when a work colleague criticizes you for the way you spoke to a client, you might become angry with him. That is, you show emotion (anger) toward a specific object (your colleague). But later in the day, you might find yourself just generally dispirited. You can't attribute this feeling to any single event; you're just not your normal, upbeat self. This affective state describes a mood. A related term that is gaining increasing importance in organizational behavior is



emotional labour. Every employee expends physical and mental labour when they put their bodies and cognitive capabilities, respectively, into their job. But most jobs also require emotional labour. This is when an employee expresses organizationally desired emotions during interpersonal transactions. The concept of emotional labour originally developed in relation to service jobs. Airline flight attendants, for instance, are expected to be cheerful, funeral counselors sad, and doctors emotionally neutral. But today the concept of emotional labor seems relevant to almost every job. You're expected, for example, to be courteous and not hostile in interactions with co-workers. And leaders are expected to draw on emotional labour to charge the troops. Almost every great speech, for instance, contains a strong emotional component that stirs feelings in others. As we proceed in the ensuing paragraph, you'll see that it's because of the increasing importance of emotional labour as a key component of effective job performance that an understanding of emotion has gained heightened relevance within the field of organisational behaviour.

### 12.1.2 FELT VERSUS DISPLAYED EMOTIONS

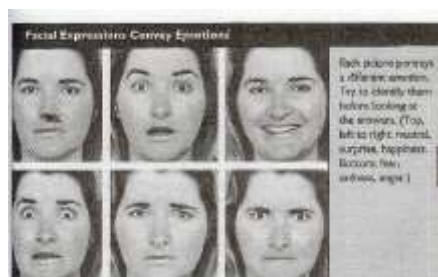
Emotional labour creates dilemmas for employees when their job requires them to exhibit emotions that are incongruous with their actual feelings. Not surprisingly, this is a frequent occurrence. There are people at work with whom you find it very difficult to be friendly. Maybe you consider their personality abrasive. Maybe you know they've said negative things about you behind your back. Regardless, your job requires you to interact with these people on a regular basis. So you're forced to feign friendliness. It can help you to better understand emotions if you separate them into felt versus displayed. Felt emotions are an individual's actual emotions. In contrast, displayed emotions are those that are organizationally required and considered appropriate in a given job. They're not innate; they're learned. "The ritual look of delight on the face of the first runner-up as the new Miss Universe is announced is a product of the display rule that losers should mask their sadness with an expression of joy for the winner. Similarly, most of us know that we're expected to act sad at funerals regardless of whether we consider the person's death to be a loss, and to pretend to be happy at weddings even if we don't feel like celebrating. Effective managers have learned to be serious when giving an employee a negative performance evaluation and to cover up their anger when they've been passed over for promotion. And the salesperson that hasn't learned to smile and appear friendly, regardless of his or her true feelings at the moment, isn't typically going to last long on most sales jobs. The key point here is that felt and



displayed emotions are often different. In fact, many people have problems working with others simply because they naively assume that the emotions they see others display is what those others actually feel. This is particularly true in organizations, where role demands and situations often require people to exhibit emotional behaviors that mask their true feelings.

### 12.1.3 EMOTION DIMENSIONS

**Variety:** There have been numerous efforts to limit and define the fundamental or basic set of emotions. Research has identified six universal emotions: anger, fear, sadness, happiness, disgust, and surprise. One factor that has strongly shaped what is and isn't listed in this basic set is the manner in which emotions were identified. Researchers tended to look for universally identified facial expressions and then convert them into categories (see Exhibit 11.1). Emotions that couldn't be readily identified by others through facial expressions, or which were considered a subset of one of the basic six, were not selected.



**Exhibit 11.1**



**Exhibit 11.2**

Exhibit 11.2 illustrates that the six emotions can be conceptualized as existing along a continuum. The closer any two emotions are to each other on this continuum, the more people are likely to confuse them. For instance, happiness and surprise are frequently mistaken for each other, while happiness and disgust are rarely confused. e.g., I get angry after receiving a poor performance appraisal. I fear that I could be laid off as a result of a company cutback. I'm sad about one of my co-workers leaving to take a



new job in another city. I'm happy after being selected as employee-of-the month. I'm disgusted with the way my supervisor treats the women on our team. And I'm surprised to find out that management plans a complete restructuring of the company's retirement program.

**Intensity:** People give different responses to identical emotion-provoking stimuli. In some cases, this can be attributed to the individual's personality. Other times it is a result of the job requirements. People vary in their inherent ability to express intensity. You undoubtedly know individuals who almost never show their feelings. They rarely get angry. They never show rage. In contrast, you probably also know people who seem to be on an emotional roller coaster. When they are happy, they are ecstatic. When they're sad, they're deeply depressed. And two people can be in the exact same situation with one showing excitement and joy, while the other is calm and collected. Jobs make different intensity demands in terms of emotional labour. For instance, air traffic controllers and trial judges are expected to be calm and controlled, even in stressful situations. Conversely, the effectiveness of television evangelists, public-address announcers at sporting events, and lawyers can depend on their ability to alter their displayed emotional intensity as the need arises.

**Frequency and Duration:** Emotional labor that requires high frequency or long durations is more demanding and requires more exertion by employees. So whether an employee can successfully meet the emotional demands of a given job depends not only on which emotions need to be displayed and their intensity, but also how frequently and for how long the effort has to be made.

#### 12.1.4 CAN PEOPLE BE EMOTIONLESS?

Some people have severe difficulty in expressing their emotions and understanding the emotions of others. Psychologists call this alexithymia (which is Greek for "lack of emotion"). People who suffer from alexithymia rarely cry and are often seen by others as bland and cold. Their own feelings make them uncomfortable, and they're not able to discriminate among their different emotions. Additionally, they're often at a complete loss to understand what others around them feeling. Does this inability to express emotions and read others mean that people who suffer from alexithymia are poor work performers? Not necessarily. Consistent with our discussion on matching personality types with appropriate jobs, people who lack emotion need to be in jobs that require little or no emotional labour. These people are not well suited to sales and managerial positions. But they might very well be effective performers, for instance, in a job writing program code or in any work that is confined



exclusively to computer interaction.

### 12.1.5 GENDER AND EMOTIONS

The evidence does confirm differences between men and women when it comes to emotional reactions and ability to read others. In contrasting the genders, women show greater emotional expression than men; they experience emotions more intensely; and they display more frequent expressions of both positive and negative emotions, except anger. In contrast to men, women also report more comfort in expressing emotions. Finally, women are better at reading nonverbal and paralinguistic cues than are men.

Why do they differ? Three possible answers have been suggested. One explanation is the different ways men and women have been socialized. Men are taught to be tough and brave; and showing emotion is inconsistent with this image. Women, on the other hand, are socialized to be nurturing. This may account for the perception that women are generally warmer and friendlier than men. For instance, women are expected to express more positive emotions on the job (shown by smiling) than men, and they do. A second explanation is that women may have more innate ability to read others and present their emotions than do men. Third, women may have a greater need for social approval and, thus, a higher propensity to show positive emotions such as happiness.

### 12.1.6 EXTERNAL CONSTRAINTS ON EMOTIONS

Every organization defines boundaries that identify what emotions are acceptable and the degree to which they can be expressed. The same applies in different cultures. These can be expressed as follows:

**Organizational Influences:** If you can't smile and appear happy, you're unlikely to have much of a career working at a Disney amusement park. And a manual produced by McDonald's states that its counter' personnel "must display traits such as sincerity, enthusiasm, confidence, and a sense of humour." There is no single emotional "set" sought by all organizations. Expressions of negative emotions such as fear, anxiety, and anger tend to be unacceptable except under fairly specific conditions. For instance, one such condition might be a high-status member of a group conveying impatience with a low-status member. Moreover, expressions of intense emotion, whether negative or positive, tend to be typically unacceptable because they're seen as undermining routine task performance. Again, there are exceptional conditions in which this isn't true—for example, a brief grieving over the sudden death of a company's CEO or the celebration of a record year of profits. But



for the most part, consistent with the myth of rationality, well-managed organizations are expected to be essentially emotion free.

**Cultural Influences:** Cultural norms in the United States dictate that employees in service organizations should smile and act friendly when interacting with customers. But this norm doesn't apply worldwide. In Israel, smiling by supermarket cashiers is seen as a sign of inexperience, so cashiers are encouraged to look somber. In Moslem cultures, smiling is frequently taken as a sign of sexual attraction, so women are socialized not to smile at men. The foregoing examples illustrate the need to consider cultural factors as influencing what is or aren't considered as emotionally appropriate. What's acceptable in one culture may seem extremely unusual or even dysfunctional in another. And cultures differ in terms of the interpretation they give to emotions.

## 12.2 THE CONCEPT OF EMOTIONAL INTELLIGENCE

For decades, a lot of emphasis has been put on certain aspects of intelligence such as logical reasoning, math skills, spatial skills, understanding analogies, verbal skills etc. Cumulatively known as Intelligence Quotient (IQ), was the thrust area of judgement as far as a person's suitability to a particular was concerned. But the researchers were puzzled by the fact that while IQ could predict the academic performance and to some degree, the professional and personal potential; yet there was something missing' in the equation. Some people with fabulous IQ scores were doing poorly in the professional life; one could say that they were wasting their potential by thinking, behaving and communicating in a way that hindered their chances to succeed, and the major missing part in the success equation was identified as cognitive skills. The discovery of cognitive skills and abilities though appears to be outside the scope of IQ yet is unquestionably important for. If there are some critical ingredients of human intelligence independent of those measured by IQ, their discovery and elucidation will contribute a better, more complete theory of human success with proper blend of Emotional Quotient (EQ). It states that high levels of emotionally intelligent leaders create a climate in which information sharing, trust, health, risk-taking, and learning flourish. The basic message, that effectiveness in organizations is at least as much about EQ as IQ, resonated deeply; it was something that people knew in their guts but that had never before been so well articulated. Scales fell from the eyes of managers when they heard the of emotional intelligence concept as coined by two American psychologists, Peter Salovey of Yale and John Mayer of the University of New Hampshire. Managers were not ready to accept as to how the



human qualities such as empathy, self-awareness and emotional control could be of any use in organizational setting. But the entire storm of controversy on the subject came to an end with the Daniel Goleman's bestseller 'Emotional Intelligence: Why It Can Matter More than IQ'. In fact, he gave the world a new dimension of emotional intelligence while stating that EQ accounts for about 80 percent of a person's success in life. Though emotional intelligence might have marked its presence as an academic catch phrase, yet it is fast developing the main psychological mantra of organizational development in the recent times. The concept emotional intelligence came out of the term emotion, which refers to a feeling with its distinctive thoughts, psychological and biological states, and ranges of propensities to act. So it may be an agitation or disturbance of mind, passion, any vehement but definitely related to the person's mental state. There can be a number of emotions like anger, sadness, fear, enjoyment, surprise, love disgust, and shame etc. A manager's ability to balance the emotions with the reason to maximize long-term happiness i.e. capacity of effectively recognizing and managing one's own emotions and those of others may be termed as emotional awareness or emotional management skills. In the words of Daniel Goleman emotional intelligence, "The ability to motivate oneself and persist in the face of frustration; to control impulse and delay gratification; to regulate one's moods and keep distress from swamping the ability to think; to empathize and. to hope". In fine the concept of emotional intelligence is an umbrella term that captures a broad collection of individual skills and dispositions, usually referred as soft skills or inter or intra personal skills that are outside' the traditional areas of general intelligence and technical or professional skills. In the most general way, the development of emotional intelligence (EO) is the building of skills and understandings related to the ways we feel, manage and act on our emotions. These shape the way we interact with ourselves and with others. EO includes components such as self-control, delaying of gratification, prioritizing, recognizing and communicating emotions and perhaps one of the most critical elements is empathy. Emotional intelligence is the combination of skills, understandings and habits that shape the ways we think, feel and act. The latest researches in neurobiology have brought out that human beings operate from two minds i. e. the rational mind and the primitive mind, which is purely the emotional mind. The rational mind is centered in the neo-cortex, the: Outer part of the brain and allows human beings to plan, learn, remember, love, care and also to make moral and ethical distinctions. On the contrary the emotional mind is the source of basics emotions like anger, sadness, fear, lust, surprise, disgust, etc and help the individuals in attaining emotional competence. Emotional competency is the learned capability that leads to outstanding



performance in life. This means that emotional intelligence actually contributes to rational thought. It is now believed that your feelings take precedence over your thoughts in making decision, because a rational mind takes little longer to register and respond than the emotional mind. In this kind of emotional reaction, there is an extended appraisal of the situation, both thoughts and cognition play a key role determining what the emotion to be aroused. The ability of an individual to monitor one's own and other's feeling and emotions, to discriminate among them and to use the available information in steering one's own as well as other's behavior has attained much significance - even in the information age. A growing body of research on the human brain proves that, for better or worse, leader's mood affects the emotions of the people around them. The reason for that lies in what scientists call the open loop nature of the brain limbic system, our emotional center. A closed loop system is self-regulating, whereas an open loop system depends on external source to manage itself. Our limbic system's open-loop design lets other people change our very physiology and hence, our emotions. In organisations mood starts at the top and tends to move the fastest because everyone watches the boss/leader, and the subordinates take their emotional cues from him. Thus the entire phenomenon creates a strong link between emotional intelligence and managerial effectiveness irrespective of the managerial style.

**Emotional Intelligence (EI)** refers to an assortment of noncognitive skills, capabilities, and competencies that influence a person's ability to succeed in coping with environmental demands and pressures. It's composed of five dimensions:

**Self-awareness:** The ability to be aware of what you're feeling.

**Self-management:** The ability to manage one's own emotions and impulses.

**Self-motivation:** The ability to persist in the face of setbacks and failures.

**Empathy:** The ability to sense how others are feeling.

**Social skills:** The ability to handle the emotions of others.

**Some of the EQ fundamentals are**

- Building empathy and hope
- Controlling yourself and delaying gratification
- Managing feelings



- Socialising effectively
- Motivating yourself
- Committing to noble goals

**Some EQ applications/outcomes are**

- Communication
- Conflict resolution.
- Inclusion/tolerance
- Problem solving
- Team building
- Community

*"Emotional intelligence involves the ability to monitor one's own and others' feelings and emotions, to discriminate among them and to use this information to guide one's thinking and actions."*

**The specific competencies involved in emotional intelligence include**

- Appraising and expressing emotions in the self and others
- Understanding emotions and emotional knowledge
- Regulating emotion in the self and others
- Using emotions in adaptive ways to facilitate cognitive activities and motivate behaviour (Mayer & Salovey, 1997)

**The Four-Branch model of Emotional Intelligence: (Peter Salovey)****Emotional Perceptions and Expression**

- Ability to identify emotion in one's physical and psychological states
- Ability to identify emotion in other people
- Ability to express emotions accurately and to express needs related to them
- Ability to discriminate between accurate/honest and inaccurate/dishonest feeling

**Emotional Facilitation of Thought (Using Emotional Intelligence)**



- Ability to redirect and priorities thinking on the basis of associated feelings
- Ability to generate emotions to facilitate judgment and memory
- Ability to capitalise on mood changes to appreciate multiple points of view
- Ability to use emotional states to facilitate problem-solving and creativity

### **Emotional Understanding**

- Ability to understand relationship among various emotions
- Ability to perceive the causes and consequences of emotions
- Ability to understand complex feelings, emotional blends and contradictory states
- Ability to understand transitions among emotions

### **Emotional Management**

- Ability to be open to feelings, both pleasant and unpleasant
- Ability to monitor and reflect on emotions
- Ability to engage, prolong or detach from an emotional state
- Ability to manage emotions in oneself
- Ability to manage emotions in others.

#### **12.2.1 PRINCIPLES OF EMOTIONAL INTELLIGENCE**

- Be aware of one's own feelings and those of others
- Show empathy and understand others' points of view
- Regulate and copy positively with emotional and behavioural impulses.
- Be positive goal and plan oriented
- Use positive social skills in handling relationships

#### **12.2.2 IMPORTANCE OF EMOTIONAL INTELLIGENCE**

**Ability and Selection:** People who know their own emotions and are good at reading others' emotions may be more effective in their jobs. That, in essence, is the theme underlying recent research on emotional intelligence. Further, the employer should know the EI and consider it as a factor in selection,



especially in jobs that demand a high degree of social interaction.

**Decision Making:** Negative emotions can result in a limited search for new alternatives and a less vigilant use of information. On the other hand, positive emotions can increase problem solving and facilitate the integration of information. You can improve your understanding of decision making by considering "the heart" as well as "the head." People use emotions as well as rational and intuitive processes in making decisions. Failure to incorporate emotions into the study of decision processes will result in an incomplete (and often inaccurate) view of the process.

**Motivation:** Motivation theories basically propose that individuals "are motivated to the extent that their behavior is expected to lead to desired outcomes. The image is that of rational exchange: the employee essentially trades effort for pay, security, promotions, and so forth." But people aren't cold, unfeeling machines. Their perceptions and calculations of situations are filled with emotional content that significantly influences how much effort they exert. Moreover, when you seem. People who are highly motivated in their jobs, they're emotionally committed. People who are engaged in their work "become physically, cognitively, and emotionally immersed in the experience of activity, in the pursuit of a goal". So, are all people emotionally engaged in their work? No, but many are. And if we focus only on rational calculations of inducements and contributions, we fail to be able to explain behaviors such as the individual who forgets to have dinner and works late into the night, lost in the thrill of her work.

**Leadership:** Effective leaders almost all rely on the expression of feelings to help convey their messages. In fact, the expression of emotions in speeches is often the critical element that results in individuals accepting or rejecting a leader's message. "When leaders feel excited, enthusiastic, and active, they may be more likely to energize their subordinates and convey a sense of efficacy, competence, optimism, and enjoyment". Politicians, as a case in point, have learned to show enthusiasm when talking about their chances for winning an election, even when polls suggest otherwise. Corporate executives know that emotional content is critical if employees are to buy into their vision of their company's future and accept change. When new visions are offered, especially when they contain distant or vague goals, change is often difficult to accept. So when effective leaders want to implement significant changes, they rely on the evocation, framing, and mobilization of emotions, by arousing emotions and linking them to an appealing vision, leaders increase the likelihood that managers and



employees alike will accept change.

**Interpersonal Conflict:** Few issues are more intertwined with emotions than the topic of interpersonal conflict. Whenever conflicts arise, you can be fairly certain that emotions are also surfacing. A manager's success in trying to resolve conflicts, in fact, is often largely due to his or her ability to identify the emotional elements in the conflict and to get the conflicting parties to work through their emotions. And the manager, who ignores the emotional elements in conflicts, focusing singularly on rational and task concerns, is unlikely to be very effective in resolving those conflicts.

**Deviant Workplace Behaviors:** Negative emotions can lead to a number of deviant workplace behaviors. Anyone who has spent much time in an organization realizes that people often engage in voluntary actions that violate established norms and that threaten the organization, its members, or both. These actions are called employee deviances. They fall into categories such as production (e.g., leaving early, intentionally working slowly); property (e.g., stealing, sabotage); political (e.g., gossiping, blaming co-workers); and personal aggression (e.g., sexual harassment, verbal abuse). Many of these deviant behaviors can be traced to negative emotions. For instance, envy is an emotion that occurs when you resent someone for having something that you don't, which you strongly desire. It can lead to hateful deviant behaviors. Envy, for example, has been found to be associated with hostility, backstabbing and other forms of political behavior, negatively distorting others' successes; and positively distorting one's own accomplishments.

### 12.3 CHECK YOUR PROGRESS

1. ----- is a generic term that covers a broad range of feelings that people experience.
2. ----- are intense feelings that are directed at someone or something.
3. ----- are feelings that tend to be less intense than emotions and that lack a contextual stimulus.
4. People give different ----- to identical emotion-provoking stimuli.
5. People use ----- as well as rational and intuitive processes in making decisions.

### 12.4 SUMMARY

As one consultant aptly put it, "You can't divorce emotions from the workplace because you can't divorce emotions from people. Managers who understand the role of emotions will significantly improve their ability to explain and predict individual behavior. Emotions can hinder performance, es-



pecially negative emotions. That's probably why organizations, for the most part, try to extract emotions out of the workplace. But emotions can also enhance performance in two ways. First, emotions can increase arousal levels, thus acting as motivators to higher performance. Second, emotional labor recognizes that feelings can be part of a job's required behavior. So, for instance, the ability to effectively manage emotions in leadership and sales positions may be critical to success in those positions. The critical moderating variable is the complexity of the individual's task. The more complex a task, the lower the level of arousal that can be tolerated without interfering with performance. While a certain minimal level of arousal is probably necessary for good performance, very high levels interfere with the ability to function, especially if the job requires calculative and detailed cognitive processes. Given that the trend is toward jobs becoming more complex, you can see why organizations are likely to go to considerable efforts to discourage the overt display of emotions-especially intense ones-in the workplace.

## 12.5 KEYWORDS

**Emotional Intelligence (EI):** It refers to an assortment of non-cognitive skills, capabilities, and competencies that influence a person's ability to succeed in coping with environmental demands and pressures.

**Affect:** This is a generic term that covers a broad range of feelings that people experience.

## 12.6 SELF ASSESSMENT TEST

1. What do you mean by emotions? How they can be changed by external environment?
2. Explain the types of emotions and their role in organisations.
3. Describe some of the inherited characteristics of behaviour. Do you believe that these characteristics can be reflected by emotions? Comment.
4. Is Emotional Intelligence an inherited trait or a learned trait? If it is a learned trait, what steps can be taken to improve upon EI?
5. Describe the fundamentals and principles of EI.

## 12.7 ANSWER TO FILL IN THE BLANKS

1. Affect



2. Emotions
3. Moods
4. Responses
5. Emotions

### **12.8 REFERENCES/SUGGESTED READINGS**

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## NOTES

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