

ТЕРНОПІЛЬСЬКИЙ НАЦІОНАЛЬНИЙ ЕКОНОМІЧНИЙ УНІВЕРСИТЕТ
УКРАЇНО–НІДЕРЛАНДСЬКИЙ ФАКУЛЬТЕТ ЕКОНОМІКИ І
МЕНЕДЖМЕНТУ

ORGANIZATIONAL BEHAVIOUR

*Посібник для студентів
Україно–нідерландського факультету
економіки і менеджменту*

Тернопіль 2012

Затверджено на засіданні кафедри ділової комунікації та організаційної поведінки, протокол № _____ від _____ 2011 р.

***Укладач:** доцент кафедри ділової комунікації та організаційної поведінки
Батрин Н.В.*

INTRODUCTION

The study of Organizational Behaviour (OB) is very interesting and challenging too. It is related to individuals, group of people working together in teams. The study becomes more challenging when situational factors interact. The study of organizational behaviour relates to the expected behaviour of an individual in the organization. No two individuals are likely to behave in the same manner in a particular work situation. It is the predictability of a manager about the expected behaviour of an individual. There are no absolutes in human behaviour. It is the human factor that is contributory to the productivity hence the study of human behaviour is important. Great importance therefore must be attached to the study. Researchers, management practitioners, psychologists, and social scientists must understand the very credentials of an individual, his background, social framework, educational update, impact of social groups and other situational factors on behaviour. Managers under whom an individual is working should be able to explain, predict, evaluate and modify human behaviour that will largely depend upon knowledge, skill and experience of the manager in handling large group of people in diverse situations. Pre-emptive actions need to be taken for human behaviour forecasting. The value system, emotional intelligence, organizational culture, job design and the work environment are important causal agents in determining human behaviour. Cause and effect relationship plays an important role in how an individual is likely to behave in a particular situation and its impact on productivity. An appropriate organizational culture can modify individual behaviour. Recent trends exist in laying greater stress on organizational development and imbibing a favourable organizational culture in each individual. It also involves fostering a team spirit and motivation so that the organizational objectives are achieved. There is a need for commitment on the part of the management that should be continuous and incremental in nature. The scope of the organizational behaviour is as under:

- (a) Impact of personality on performance
- (b) Employee motivation
- (c) Leadership
- (d) How to create effective teams and groups
- (e) Study of different organizational structures
- (f) Individual behaviour, attitude and learning
- (g) Perception
- (h) Design and development of effective organization
- (i) Job design
- (j) Impact of culture on organizational behaviour
- (k) Management of change
- (l) Management of conflict and stress
- (m) Organizational development
- (n) Organizational culture
- (o) Transactional analysis
- (p) Group behaviour, power and politics
- (q) Job design
- (r) Study of emotions

CHAPTER 1

STUDY OF ORGANISATIONAL BEHAVIOUR

“Behavior is a mirror
in which every one displays his own image”.

Johann Wolfgang von Goethe

LEARNING OUTCOMES

After completing this chapter you should be able to:

- _ explain the meaning and nature of organisational behaviour and provide an introduction to a behavioural approach to management
- _ detail main interrelated influences on behaviour in work organisations and explain the nature of behavioural science
- _ outline contrasting perspectives of organisations and different orientations to work
- _ recognise the importance of management as an integrating activity
- _ summarise the complex nature of the behaviour of people in work organisations.

The field of the organizational behaviour does not depend upon deductions based on gut feelings but attempts to gather information regarding an issue in a scientific manner under controlled conditions. It uses information and interprets the findings so that the behaviour of an individual and group can be canalized as desired. Large number of psychologists, social scientists and academicians has carried out research on various issues related to organization behaviour. Employee performance and job satisfaction are determinants of accomplishment of individual and organizational goals. Organizations have been set up to fulfill needs of the people. In today's competitive world, the organizations have to be growth-oriented. This is possible when productivity is ensured with respect to quantity of product to be produced with zero error quality. Employee absenteeism and turnover has a negative impact on productivity. Employee who absents frequently cannot contribute towards productivity and growth of the organization. In the same manner, employee turnover causes increased cost of production. Job satisfaction is a major factor to analyse performance of an individual towards his work. Satisfied workers are productive workers who contribute towards building an appropriate work culture in an organization. Organizations are composed of number of individuals working independently or collectively in teams, and number of such teams makes a department and number of such departments makes an organization. It is a formal structure and all departments have to function in a coordinated manner to achieve the organizational objective. It is therefore important for all employees to possess a positive attitude towards work. They need to function in congenial atmosphere and accomplish assigned goals. It is also important for managers to develop an appropriate work culture. Use of authority, delegation of certain powers to subordinates, division of labour, efficient communication, benchmarking, re-engineering, job re-design and empowerment are some of the important factors so that an organization can function as well-oiled machine. This is not only applicable to manufacturing organizations but also to service and social organizations.

DEFINITIONS

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

The above definition has three main elements; **first** organizational behaviour is an investigative study of individuals and groups, **second**, the impact of organizational structure on human behaviour and the **third**, the application of knowledge to achieve organizational effectiveness. These factors are interactive in nature and the impact of such behaviour is applied to various systems so that the goals are achieved. The nature of study of organizational behaviour is investigative to establish cause and effect relationship. OB involves integration of studies undertaken relating to behavioural sciences like psychology, sociology, anthropology, economics, social psychology and political science.

Therefore, organizational behaviour is a comprehensive field of study in which individual, group and organizational structure is studied in relation to organizational growth and organizational culture, in an environment where impact of modern technology is great. The aim of the study is to ensure that the human behaviour contributes towards growth of the organization and greater efficiency is achieved.

Organizational behaviour can be defined as – **“the study and application of knowledge about human behaviour related to other elements of an organization such as structure, technology and social systems (LM Prasad).**

Stephen P Robins defines **“Organizational behaviour as a systematic study of the actions and attitudes that people exhibit within organizations.”** It has been observed that we generally form our opinion based on the symptoms of an issue and do not really go to the root cause of the happening. Science of organizational behaviour is applied in nature. Disciplines like psychology, anthropology and political science have contributed in terms of various studies and theories to the field of organizational behaviour. A leader should be able to communicate with his subordinate and keep them in picture as to the happenings in the organization. People promote organizational culture for mutual benefit. Politics is often used to create conflict with the aim of enlarging self-power base to the detrimental of organizational growth. Politics, in Indian context has made inroads based on religion, caste system in the decision making process which has led to formation of informal groups in the organization that often exploit the organization for fulfilment of personal goals at the cost of organizational goals. Conflict and manipulating power bases need to be handled in an appropriate manner to modify human behaviour and stimulate various individuals towards achieving higher productivity. Power dynamics plays a significant role in organization situations in different environment.

What is *organizational behavior*? One definition: “The study of the structure, functioning and performance of organizations, and the behavior of groups and individuals within them.” Key areas of focus are *individuals*, *groups*, and the whole *organization*, and the interplay between them. *Macro* OB is a pre-occupation with the

“organization” in organizational behavior; *micro* OB is a pre-occupation with the “behavior.”

Different levels can be used for analyzing organizational issues. “Organizations are social arrangements, constructed by people who can also change them. Organizations can be repressive and stifling, but they can also be designed to provide opportunities for self-fulfillment and individual expression. The point is that human consequences depend on how organizations are designed and run.” (*David Buchanan and Andrzej Huczynski*).

“Organizations are a system of co-operative activities – and their co-ordination requires something intangible and personal that is largely a matter of personal relationships.” (*Chester Barnard*).

There are a number of definitions that we can draw on to illuminate and deepen our understanding of the concept of organizational behavior. One of the earliest, and certainly one of the most succinct definitions, comes from Derek Pugh, who in 1970 was appointed by London Business School to the position of Chair in Organizational Behavior, the first appointment of its kind in Great Britain. According to Pugh, OB is concerned with “the study of the structure, functioning and performance of organizations, and the behavior of groups and individuals within them.”

John Ivancevich and Michael Matteson, in their book *Organizational Behavior and Management*, offer a broader definition. They say that OB is about: “the study of human behavior, attitudes and performance within an organizational setting; drawing on theory, methods, and principles

from such disciplines as psychology, sociology, and cultural anthropology to learn about individual perception, values, learning capabilities, and actions while working with groups and within the total organization; analyzing the external environment’s effect on the organization and its human resources, missions, objectives and strategies.”

What emerges from these two definitions is a view of OB as:

- A way of thinking
- An interdisciplinary field
- Having a distinctly humanistic outlook
- Performance oriented
- Seeing the external environment as critical
- Using scientific method
- Having an applications orientation.

Not everybody is convinced that OB represents a coherent field. Jack Wood is a professor of Organizational Behaviour. In a contribution to a book called *Mastering Management*, he writes as follows:

“Management textbooks frequently state as fact that organizational behaviour is a interdisciplinary field. It is not. It is in no way interdisciplinary; multidisciplinary perhaps, but not interdisciplinary. OB is not a coherent field. It is a general area that encompasses thinking and research from numerous disciplines and sub-disciplines . . . Organizational behaviour is in reality a hodgepodge of various subjects; a collection of loosely related or even unrelated streams of scholarly and not-so-scholarly

research. It is neither a discipline nor is it a business function. And that makes it an anomalous area of management study.’’

In an effort to reduce the complexity and breadth of organizational behaviour, Wood makes a useful distinction between what he calls *macro* OB and *micro* OB. Macro OB, he says, is ‘‘a preoccupation of those with interests in formal organizations and structural questions’’ whereas micro OB is concerned with ‘‘informal organizations and individual and small group questions.’’ Another way of looking at it is to think of macro OB as a pre-occupation with the organization’’ in organizational behaviour and micro OB as a pre-occupation with the ‘‘behaviour’’ in organizational behaviour.

Contributing Fields to OB

Psychology: Psychology is an applied science, which attempts to explain human behaviour in a particular situation and predicts actions of individuals. Psychologists have been able to modify individual behaviour largely with the help of various studies. It has contributed towards various theories on learning, motivation, personality, training and development, theories on individual decision making, leadership, job satisfaction, performance appraisal, attitude, ego state, job design, work stress and conflict management. Studies of these theories can improve personal skills, bring change in attitude and develop positive approach to organizational systems. Various psychological tests are conducted in the organizations for selection of employees, measuring personality attributes and aptitude. Various other dimensions of human personality are also measured. These instruments are scientific in nature and have been finalized after a great deal of research. Field of psychology continues to explore new areas applicable to the field of organizational behaviour. Contribution of psychology has enriched the organizational behaviour field.

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

Political science: Political science has contributed to the field of Organizational behaviour. Stability of government at national level is one major factor for promotion of international business, financial investments, expansion and employment. Various government rules and regulations play a very decisive role in growth of the organization. All organizations have to abide by the rules of the government of the day.

Social psychology: Working organizations are formal assembly of people who are assigned specific jobs and play a vital role in formulating human behaviour. It is a subject where concept of psychology and sociology are blend to achieve better human behaviour in organization. The field has contributed to manage change, group decision-making, communication and ability of people in the organization, to maintain social norms.

Anthropology: It is a field of study relating to human activities in various cultural and environmental frameworks. It understands difference in behaviour based on value system of different cultures of various countries. The study is more relevant

to organizational behaviour today due to globalization, mergers and acquisitions of various industries. The advent of the 21st century has created a situation wherein cross-cultural people will have to work in one particular industry. Managers will have to deal with individuals and groups belonging to different ethnic cultures and exercise adequate control or even channelise behaviour in the desired direction by appropriately manipulating various cultural factors. Organization behaviour has used the studies on comparative attitudes and cross-cultural transactions. Environment studies conducted by the field of anthropology aims to understand organizational human behaviour so that acquisitions and mergers are smooth. Organizations are bound by its culture that is formed by human beings.

Behaviour Model for Organizational Efficiency

Organizational behaviour is a study and application of managerial skills and knowledge to people in the organization to investigate individual and group behaviour. Various concepts and models in the field of organizational behaviour attempt to identify, not only the human behaviour but also modify their attitude and promote skills so that they can act more effectively. This is done scientifically; therefore, organizational behaviour field is a scientific discipline. The knowledge and models are practically applied to workers, groups and organizational structure that provide tools for improved behaviour and dynamics of relationship. The field of organizational behaviour also provides various systems and models for international relationship that are applied to organizations. Leaders must look for indicators (effects) of individual behaviour and of groups in any organization. Indicators have a root cause beneath. As a leader, it is that symptom, which must be evaluated, and cause of human behaviour established so that if the behaviour is good, the manager can establish the norms of behaviour. If the behaviour is not conducive to achieve the organisational objective then suitable alternative model can be applied to channelize individual behaviour towards an appropriate organizational value system and thus individual behaviour modified. An organization has three basic elements namely, people, structure, and technology. An organization must have suitable organizational structure, with appropriate number of tier and reporting system properly explained. Principle of unity of command, delegation of authority and responsibility, formulation of objectives and its allotment to various groups is very important so that workers achieve a required level of job satisfaction. They must be trained to handle sophisticated machines and equipment. It is the people, their value system, and faith in the leadership that make an organization. Leader must be able to describe, understand, predict and control individual behaviour in the organization. This is explained in the succeeding paragraphs.

(a) **Describe:** Study of organizational behaviour is based on scientific methods, which have been applied on human beings. It is a science, that analyses as to how people behave in different situations in the organization. A manager should be able describe the behaviour of each of the individuals under his command, identify attitude, and be able to pinpoint his behaviour so that the situation in the organization is under control.

(b) **Understand:** Leaders must understand human behaviour as to why people behave in particular manner and try to identify reasons so that corrective actions can be taken.

(c) **Predict:** By frequent closer interaction, a leader is in a position to identify the nature of workers. Some are more productive while the others are tardy and disruptive. In such situation, a leader should be able to handle each individual differently so that his or her actions can be channelized to higher productivity.

(d) **Control:** Managers in the organizations should train their subordinates continuously; aim being development of skills, promotion of productivity and improvement of individual behaviour. It is a continuous process on the part of manager. He must lay down control measures so that the energy of workers is diverted towards organizational objectives. Communication should be used to ensure that the behaviour of individual is controlled. Environment has a great impact on human behaviour. Appropriate internal environment would help organizations to built favourable work environment that will help individuals and groups within organizations to work effectively towards higher productivity.

Organizational Components that Need to Be Managed People

People are the main component of any organization that has to be managed. Every individual has a personal goal to be achieved. Organizations must identify the **need spectrum** of individuals and take suitable steps for its fulfilment to enable them to perform effectively so that they complete their allotted task in time. **Relationship** between the workers, with subordinates and superiors should be established based on full understanding and complete faith based on mutual trust so that it is easy to communicate and understand each other's views. **Work teams** and **Groups** play a vital role in the organization. Individual may have to keep his personal interest aside if it conflicts with team or group goals. It is the team goals, accomplishment of which contributes towards achieving organizational goals. Apart from managing internal workforce, it is also important to manage customers who are the end persons using organization's products or services. Utmost interest of stakeholders, government, employees, social groups and non-governmental organizations (NGOs) must be kept in mind as they play a dominant role in the society. Apart from the above, adequate consideration should also be given to competitors, regulatory agencies, labour force, suppliers and resource persons.

Structure

There are two types of organizations, formal and informal. Informal organizations do not have a specified structure. Formal organizations are built based upon the objective set for it. Organizational structure in such organization is hierarchical in nature, with people at each level having their own objectives, which contributes towards fulfilment of over all organizational objectives. In such organisation people at lower levels report to higher level managers. The tier system has the principle of unity of command inbuilt in it. The organization structure may depend upon the size, number of products/services produced, skill and experience of the employees, managerial staff and geographical location of the organization. An organization may have several levels and pyramid like organizational structure or flat structure. The efficiency of the organization will depend upon the free flow of the

information, efficient communication system prevailing in the organization, well-defined authority and responsibility supported by detailed policies, rules and regulations. The organization must have well laid out systems, which are understood by workers, supervisors and managers. The leader must keep open mind while dealing with subordinates and exercise full control over various systems, levels and ensure planned productivity and achieve high level of job satisfaction.

Technology

Managing technology is an important job of any management. It is an important element of any unit. Selection of technology, procurement, installation, operation and maintenance is important and no compromise should be made in procuring **latest or advanced technology**. Various systems and sub- systems should support technology that exists in an organization. Based on the technology, an organization should formulate job structure and resultant procurement of human resource so that they are complimentary to each other. Adequate attention is also be paid to service industry. For example an appropriate drill, procedures are installed in hospital industry to ensure that the patients' record is maintained properly. On line operations of all systems relating to admission record, past treatment, drugs, availability of beds, schedule of operations maintained so that the level of patients satisfaction is raised. In minimum number of days, maximum numbers of patients should be treated. Various processes required to regulate these functions form the important part of service industry.

Jobs

Job is an assignment assigned to an individual. It encompasses various tasks within it. For example, Personnel manager wants to fill up twelve vacancies in production department within three months. Job will have various tasks inbuilt in it like designing of job specification, selection of media, advertising vacancies, scheduling of selection and recruiting process. Manager, therefore have to manage various tasks to accomplish a particular job. This may form a part of managerial functions. Adequate delegation, supervision, application of various control techniques makes the job simpler for the manager. Introduction of computers have made managerial functions simpler, as required information is available for decision making.

Processes

Management of processes and its inter-dependence is very crucial to high productivity and higher job satisfaction. What is important for a manager is to ensure high morale of the work force. To ensure this, he must identify various managerial dictums. Select appropriate subordinates to carry out a job based on aptitude, personality traits, mental build up and attitude. He should also involve himself and lead subordinates by personal example. In defence services, it is the quality of leadership that motivates troops to achieve near impossible task where every thing appears to be going wrong. Various role models assist leaders in identifying as to which process, method or approach would be suitable to mould subordinates in suitable frame that may be required by any organization. Nothing motivates workers better if you give them their entitlements in full and train them to take up higher jobs. By doing so, manager must develop and build an organizational culture that will bind

employees to a common cultural bond. During day-to-day functions, managers must be transparent and maintain a high degree of value system and display ethical behaviour. There are no short cuts to this and will pay rich dividends in times to come.

External Environment

What we have so far discussed is various components of an organization above factors are evaluated appropriately; a manager will be able to examine and predict human behaviour in the organization. It is therefore important to evaluate market situation, competitors, and availability of raw material, technology, availability of skilled, semi skilled and non-skilled personnel. In addition, evaluate prevailing culture and how individuals are likely to respond to the call of the organization. Some factors like government rules, and political stability keep changing, the organizations must cater for such contingencies. Manager must therefore keep in mind the internal and external factors and make the best amalgam and work to achieve organizational effectiveness.

SUMMARY

Study of organizational behaviour is very interesting. It is the art on the part of manager to understand, describe, forecast and modify individual behaviour. Lot of studies have been undertaken in the field of organizational behaviour and vast literature is available, which need to be studied by practitioners in the field of managing human resources. Various models and research instruments are available to investigate human behaviour. Various fields like psychology, social psychology, anthropology, sociology, politics, economics, and medical sciences have contributed to the field of organization behaviour. Various models in the above fields have enriched the study of organization behaviour. It is the field of study that investigates the impact on individuals, groups and organizational structure have on individual behaviour so that the knowledge so achieved can be suitably modified and applied for organizational effectiveness. The study of organizational behaviour relates to the study of attitude, perception, learning, values at individual level. The study is undertaken pertaining to managing stress, conflicts, intergroup behaviour, decision making at group level.

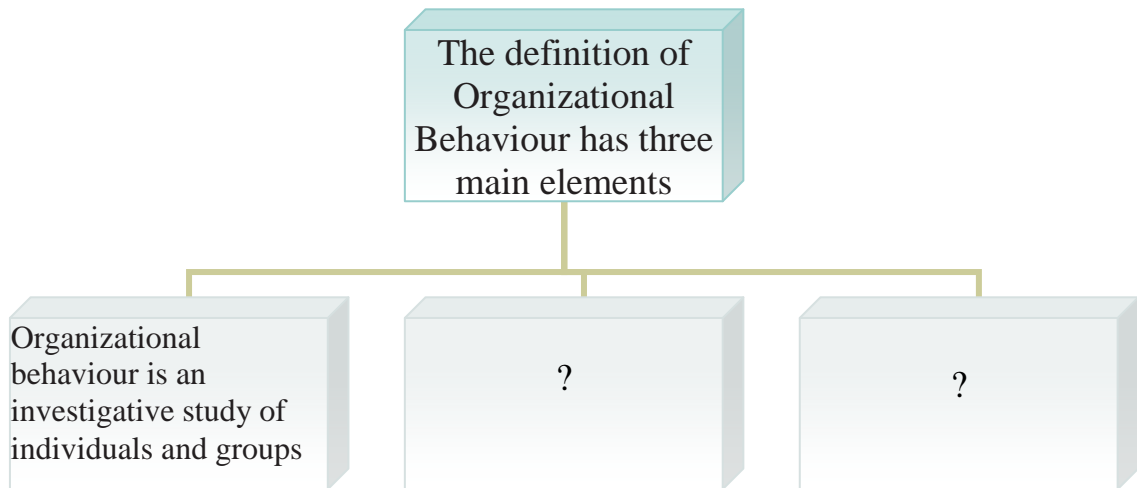
TEXT QUESTIONS

1. Define organizational behaviour. What are various factors that are considered to regulate individual behaviour?
2. What are various fields that have contributed to the field of organizational behaviour? Explain their contributions.
3. Explain various components that should be taken care of while studying organizational behaviour.
4. Explain the field of organizational behaviour. Why the study is challenging.

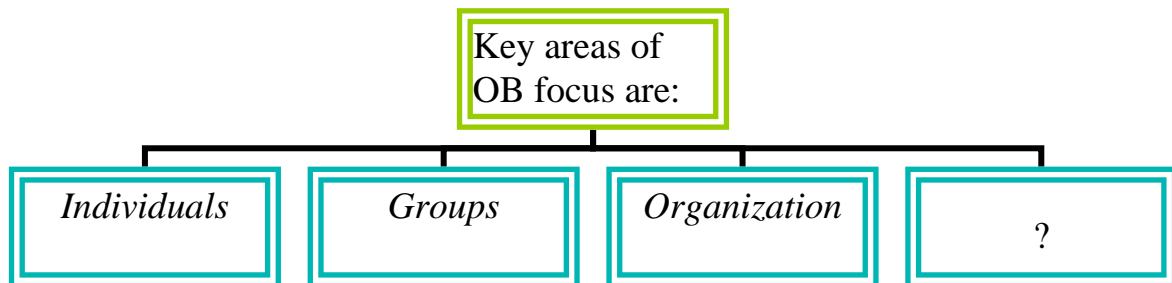
PRACTICAL WORKSHOP

1. ORGANISATIONAL BEHAVIOUR IN CHARTS AND TABLES.

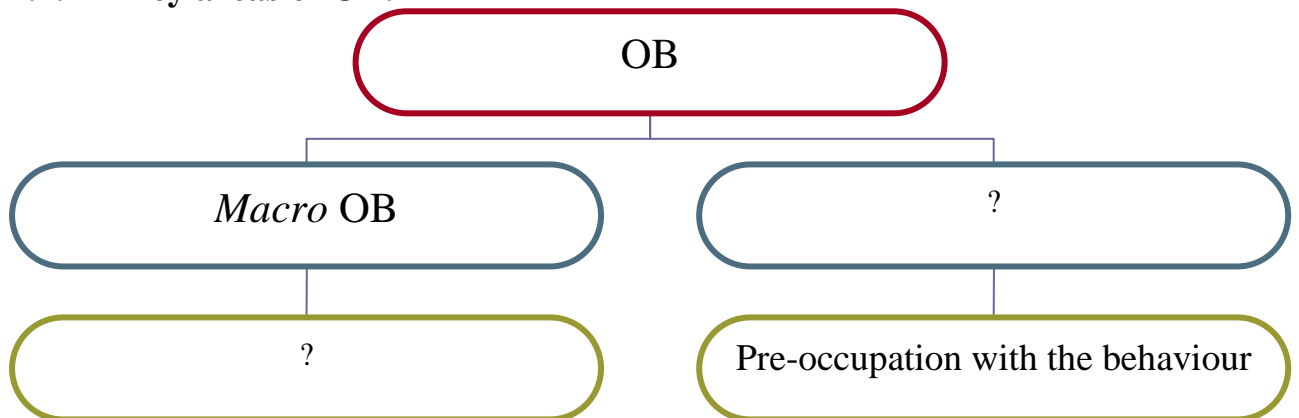
Complete the missed terms and phrases.



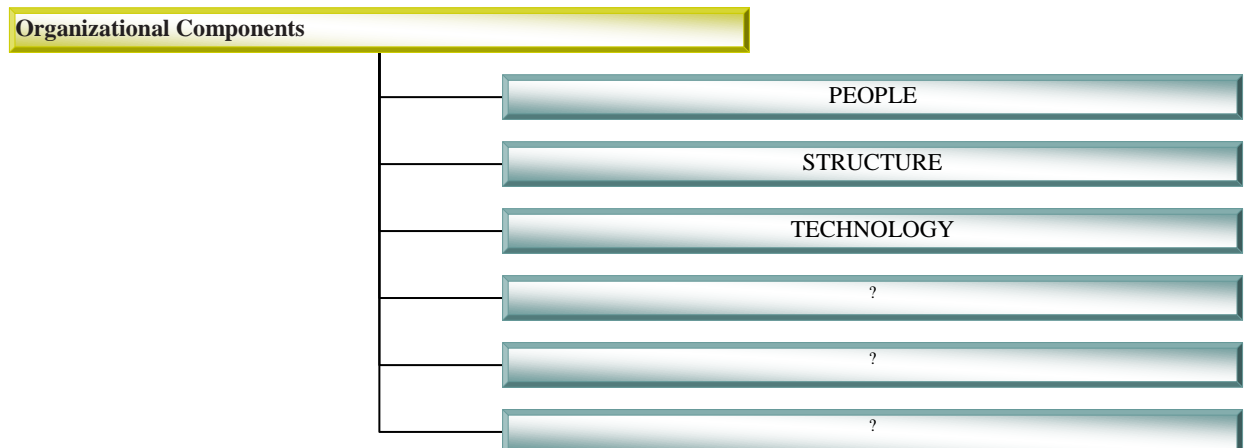
1.1. The main elements of OB.



1.2. Key areas of OB.



1.3. OB Division.



CHAPTER 2

THE ORGANIZATIONAL SETTING

Every company has two organizational structures: the formal one is written on the charts; the other is the everyday relationship of the men and women in the organization.

Harold S. Geneen

LEARNING OUTCOMES

After completing this chapter you should be able to:

- _ explain the context of the organisation, common factors and basic components of an organisation;
- _ distinguish alternative types and classifications of organisations, and relate different organisations to these classifications;
- _ examine the organisation in terms of an open systems model;
- _ analyse organisations on the basis of interrelated sub-systems;
- _ explain the nature and importance of the informal organisation;
- _ recognise the importance of the organisational setting.

INTRODUCTION

Organisations in one form or another have always been an integral feature of human civilization. Although the origins of modern organisations can be traced back thousands of years they continually evolve and the organisations of today are clearly very different. The beginning of the 20th century with the emergence of large corporate entities, and the work of writers such as Frederick Taylor on scientific management and Max Weber on bureaucracy, drew attention to the importance of the work organisation. All organisations have some function to perform.

There are then many different types of organisations which are set up to serve a number of different purposes and to meet a variety of needs. Organisations come in all forms, shapes and sizes. Consider the diversification among such organisations as, for example: Firm of accountants, Hotel, School, Leisure centre, Retail shop, Quarry works, Local authority, Government department, Airport Pharmaceutical company, Motor car manufacturer, Bank, Hospital, Nationalised industry.

The structure, management and functioning of these organisations will all vary because of differences in the nature and type of the organisation, their respective goals and objectives, and the behaviour of the people who work in them. Let us now consider just two types of organisations towards the opposite ends of a possible continuum— say a maximum security prison and a university largely concerned with research – as a framework on which to focus attention. We can appreciate readily that although both types of organisation will be concerned with the basic activities of organisation and management, their goals and objectives, actual procedures and methods of operation, structure, systems and style of management, and orientation and behaviour of members will differ considerably.

DEFINITIONS

Organisations exist in order to achieve objectives and to provide satisfaction for their members. Organisations enable objectives to be achieved that could not be

achieved by the efforts of individuals on their own. It must be remembered that organisations are structures of people. Through co-operative action, members of an organisation can provide a synergistic effect. Organisations are an integral part of society involving both public and private sectors. For example, in their discussion of the new public services, *Farnham and Horton* define organisations as:

... social constructs created by groups in society to achieve specific purposes by means of planned and co-ordinated activities. These activities involve using human resources to act in association with other inanimate resources in order to achieve the aims of the organisation.

Common Factors in Organizations

Not only are there many different types of organisations, there is some suggestion that cultural differences in countries can reflect different conceptions of what actually is an organization. However, despite the differences, there are at least three common factors in any organisation: people, objectives, and structure. It is the interaction of **people** in order to achieve **objectives** which form the basis of an organisation. Some form of **structure** is needed by which people's interactions and efforts are channelled and co-ordinated. To which we can add a fourth factor: management. Some process of **management** is required by which the activities of the organisation, and the efforts of its members, are directed and controlled towards the pursuit of objectives.

The actual effectiveness of the organisation will be dependent upon the quality of its people, its objectives and structure, and the resources available to it. There are two broad categories of resources:

non-human – physical assets, materials and facilities; and

human – members' abilities and influence, and their management.

The interrelationship of people, objectives and structure, together with the efficient use of available non-human and human resources, will determine the success or failure of the organisation and the extent of its effectiveness.

Among the variety of different approaches to organisation theory, *Watson* refers to one which stresses three common aspects of organisational life:

- the importance of the creative, critical and situation-defining characteristics of the individuals who make up the organisation;

- the varieties of interest and goal among individuals and groups in the organisation, and the emphasis on conflict and political behaviour; and

- the interactions between the organisation and the general environment, and recognition that organisations make their environment as much as it makes them.

Classification of Organizations

The **formal organisation** can be distinguished from the informal organisation (which is discussed later in this chapter). The difference between the formal and the informal organisation is a feature of the degree to which they are structured.

A **formal organisation** has been defined by *Schein* as: *the planned co-ordination of the activities of a number of people for the achievement of some common, explicit purpose or goal, through division of labor and function, and through a hierarchy of authority and responsibility.*

An organisation is a pattern of roles and a blueprint for their co-ordination. The object of co-ordination is activities, not people. The formal organisation can exist independently of the membership of particular individuals.

The formal organisation is:

- deliberately planned and created;
- concerned with the co-ordination of activities;
- hierarchically structured with stated objectives; and
- based on certain principles such as the specification of tasks, and defined relationships of authority and responsibility.

The organisation as a coalition

It is difficult to define specific, permanent boundaries for an organisational coalition. However, by focusing on participants over a given period, or participants concerned with particular decision-making processes, it is possible to identify the main members of a coalition. Strategies adopted by particular sectional interests or subcoalitions will sometimes be part of the formal organisation structure – for instance, in the pursuit of manifest managerial goals – and will sometimes be related to the informal structure – for example, heads of department vying with each other for limited resources, or workers indulging in restrictive practices.

Private and public sector organizations

Organisations can, traditionally, be distinguished in terms of two generic groups:

- private enterprise organisations; and
- public sector organisations.

The distinction can be made on the basis of ownership and finance, and the profit motive. **Private enterprise organisations** are owned and financed by individuals, partners, or shareholders in a joint stock company and are accountable to their owners or members. They vary widely in nature and size, and the type and scope of goods and services provided. The main aim is of a *commercial* nature such as profit, return on capital employed, market standing or sales level.

Public sector organisations are created by government and include, for example, municipal undertakings and central government departments, which do not have profit as their goal. Municipal undertakings such as local authorities are ‘owned’ by the council tax payers and ratepayers and financed by council taxes, rates, government grants, loans and charges for certain services. Central government departments are ‘state owned’ and financed by funds granted by parliament. Public sector organisations have political purposes and do not distribute profits. Any surplus of revenue over expenditure may be reallocated by improved services or reduced charges. The main aim is a *service* to and the *well-being of the community*.

Privatisation

The extent of the state ownership of public sector operations, or of their ‘**privatisation**’, and the balance between commercial and social interests, are determined by the government of the day. In recent years, there has been a vigorous policy of creating freedom from state control and the transfer of business undertakings to private hands (privatisation). There are other public sector organisations whose aims involve both a commercial interest and a service interest. Nationalised industries such as the postal service at present run as public corporations

with autonomy on day-to-day management, a degree of commercial freedom but with ultimate government control in the national interest. These public corporations are required to make efficient use of their resources by ensuring a given minimum rate of return on their investments and to charge prices based on the actual cost of supplying goods or services to certain groups of consumers. However, provision may also be made for certain activities to be undertaken on social grounds as a service to the community even though these activities might be run at a financial loss.

There have also been increasing moves to encourage contracting-out of certain local authority services and putting them to compulsory competitive tender (CCT) and a greater degree of competition has also been introduced. The exposure to competition and demands for economical and high quality service have prompted local authorities to replace administration with business management.

Not-for-profit organisations

The increasing scale of privatisation and the blurring of commercial interests and social interests have led to an alternative classification of organisations:

- **profit**; and those clearly
- **not-for-profit**.

Not-for-profit organisations include on the one hand charities, private societies and most religious organisations, and on the other hand National Health Service hospitals, universities, prisons, and most government and local authority departments. However, even in not-for-profit, public sector organisations there has been increased government pressure to ensure cost-effectiveness, investment by private sector involvement, and efficiency and economy in their operations. In order to relate the study of management and organisational behaviour to one particular type of organisation as distinct from another, it is necessary to group similar types of organisations together. This enables generalisations to be made on the basis of certain characteristic features of organisations within a particular grouping. Organisations can be distinguished by, for example, their nature and type; goods or services provided; size; aims and objectives; and the people who are employed by or who work in them.

Organisations can, therefore, be classified in a number of ways and different writers have emphasised particular features of organisations. A common classification of organisations is by their major purpose. This leads to a distinction between, for example:

- business firms (**economic organisations**);
- armies, trade unions and police forces (**protective organisations**);
- clubs and societies (**associative organisations**);
- local authorities and hospitals (**public service organisations**); and
- churches (**religious organisations**).

Further distinctions could be made, for example, into political organisations, educational organisations, military organisations and voluntary organisations.

Such a distinction tends to lack refinement and not all organisations fit simply into one classification. Many universities combine research with teaching. Some hospitals are concerned as much with training and/or research as with treatment of patients. One could debate the main purpose of a prison: is it, for example, corrective,

protective, penal or educational? The main purpose of a trade union is seen, presumably, as protection of the interests of its members through their wages and working conditions, but many trade unions also have strong social, educational and political interests.

Many organisations serve more than one goal; but although they are multi-purpose organisations it is usually possible to identify one predominant goal (or purpose) by which the organisation can be classified, however crude this classification may be. It is of interest, however, to note the comment by *Etzioni* that: *To the extent that such things can be measured, it appears that many multi-purpose organisations tend to serve each of their goals separately and all of them together more effectively and efficiently than single-purpose organisations of the same category.* Underlying the effective management of people, therefore, is the requirement for a clear understanding of the nature of the business that the organisation is in and how best to provide customer or consumer satisfaction.¹ In order to study organisational behaviour you need to explore the nature of organisational goals and strategy for the formal organisation as a whole.

All organisations have some function to perform, some contribution to make to the environment of which they are part. The function of the business organisation may be seen, for example, as the creation and/or supply of goods and services. This involves bringing together the factors of production and their successful mix and direction, to provide products or services in order to create value added. Others might see the function of business organisations as, for example, providing a source of employment and of income.

In addition to performing some function, all organisations also have some incentive for their existence, and for their operations. The goals of an organisation are the reason for its existence. The activities of the organisation are directed to the attainment of its goals. A goal is a future expectation, some desired future state. It is something the organisation is striving to accomplish. The meaning of a goal is, however, subject to a number of interpretations. It can be used in a very broad sense to refer to the overall purpose of an organisation – for example, to produce television sets. A goal may also be used to refer to more specific desired accomplishments – for example, to produce and sell a given number of a range of television sets within a given period of time.

Basic Components of an Organization

Any organisation can be described, broadly, in terms of an operating component and an administrative component.

- The **operating component** comprises the people who actually undertake the work of producing the products, or providing the services.

- The **administrative component** comprises managers and analysts, and is concerned with supervision and co-ordination. Developing this description, we can analyse the work organisation in terms of five basic components: the operational core; operational support; organisational support; top management; and middle management.

- The **operational core** is concerned with direct performance of the technical or productive operations and the carrying out of actual task activities of the organisation

– for example, people putting together parts on an assembly line, teaching in a classroom, treating a patient, cooking meals in a hotel, serving in a bank, repairing a hole in the road.

■ **Operational support** is concerned indirectly with the technical or productive process but closely related to the actual flow of operational work – for example, people working in quality control, work study, progress planning, storekeeping, works maintenance, technical services.

■ **Organisational support** is concerned with provision of services for the whole organisation, including the operational core, but which are usually outside the actual flow of operational work – for example, people working in personnel, medical services, canteen, management accounting, office services.

■ **Top management** is concerned with broad objectives and policy, strategic decisions, the work of the organisation as a whole and interactions with the external environment – for example, managing director, governors, management team, chief executive, board of directors, council members.

■ **Middle management** is concerned with co-ordination and integration of activities and providing links with operational support staff and organisational support staff, and between the operational core and top management.

The Nature of Organizational Goals

The concept of **organisational goals** is more specific than that of the function of an organisation. The goals of an organisation will determine the nature of its inputs and outputs, the series of activities through which the outputs are achieved, and interactions with its external environment. The extent to which an organisation is successful in attaining its goals is a basis for the evaluation of organisational performance and effectiveness.

The **goal model approach** concentrates on the study of organisational goals and the measurement of success against the realisation of goals. *Etzioni* suggests a potential disadvantage of this approach. Goals are ideals and more attractive than actual achievement. Organisations are characterised by low effectiveness. They rarely achieve their goals with any degree of finality and can, therefore, almost always be reported as a failure. The goal model approach results in attention being focused on the organisation's lack of success in attaining goals at the expense of more meaningful forms of analysis. Instead of comparing organisations in terms of their stated goals, performance may be assessed relatively against different organisations.

The concept of organisational goals is ambiguous. Goals may be expressed very simply: in the case of business organisations, for example, to make a profit, or to increase productivity. Such broadly based goals might be taken for granted and they tell us little about the emphasis placed on the various activities of the organisation in meeting its goals. In any case, profit might more correctly be interpreted as a reward to the shareholders or providers of capital, and a means of ensuring the continued existence of the organisation and maintaining its growth and development. Goals have been defined by *Simon* as value premises which serve as inputs to decisions. Goals at different levels within the organisation contribute to alternatives for decision-making.

Simon compares goal-setting with the mathematical approach of linear programming and he sees goals more as sets of constraints which the organisation must satisfy – for example: profit for shareholders, or a minimum rate of return on investments; satisfying demands of consumers; complying with government legislation on safety standards; providing job satisfaction for staff; pacifying environmental groups such as Friends of the Earth. Goals limit the scope of actions and decision-making at lower levels of the organisation. Constraints may themselves be regarded as goals in that they represent objectives which management is trying to meet.

Despite the problems associated with the goal model approach, the concept of organisational goals serves a number of important functions.

- Goals provide a standard of performance. They focus attention on the activities of the organisation and the direction of the efforts of its members.

- Goals provide a basis for planning and management control related to the activities of the organisation.

- Goals provide guidelines for decision-making and justification for actions taken. They reduce uncertainty in decision-making and give a defence against possible criticism.

- Goals influence the structure of the organisation and help determine the nature of technology employed. The manner in which the organisation is structured will affect what it will attempt to achieve.

- Goals help to develop commitment of individuals and groups to the activities of the organisation. They focus attention on purposeful behaviour and provide a basis for motivation and reward systems.

- Goals give an indication of what the organisation is really like, its true nature and character, both for members and for people outside of the organisation.

- Goals serve as a basis for the evaluation of change and organisation development.

- Goals are the basis for objectives and policies of the organisation.

Goals are therefore an important feature of work organisations. To be effective goals should be emphasised, stated clearly and communicated to all members of the organisation. The movement towards greater delegation and empowerment down through the hierarchy means that staff at all levels must be aware of their key tasks and actions, and exactly what is expected of them and their department/section. There must be clearly laid down organisational goals, objectives and strategy.

To be effective, organisational goals should encourage the use of empowerment but still incorporate an element of traditional management measurement and control.

The functions of goals

In today's environment, old-style command and control structures no longer work. People want freedom, but it must be freedom within a framework. Organisations, like individuals, need goals. Ensuring that appropriate goals are set is every manager's responsibility. Although currently it is popular to encourage commitment by letting the organisation set its own goals, this approach frequently yields only modest results. More challenging goals, created top-down, can have far more dramatic effects on business performance ... Setting ambitious goals forces the

organisation to dig deeper for creative solutions and to rethink how the business should be run.

Understandable – otherwise those who are given them seek further input before acting. If they cannot act on their own it follows they have not been empowered.

Contain a time element – in order that those being empowered will know when their progress will be measured. This helps them to accept empowerment and stop looking for direction.

Carefully drawn – broad enough to support independent action but not so broad that confounding factors prevent their achievement. For example, asking a team to keep company stock price above target is too broad as factors influencing share prices are beyond the control of any one team.

Subject to alignment – with other goals across the organisation in order to facilitate co-ordination among teams and to ‘roll up’ into collective company goals. The goal-setting process is of importance to all types of organisations and facilitates the attainment of objectives. In the public sector, for example, organisations such as hospitals, local authorities and universities have complex, diverse and competing goals. The clarification of goals and objectives is the basis for corporate planning, and a planning, programming, budgeting systems (PPBS) approach to decision-making. We have seen that goals are an important feature in the management of organisations.

The goals of an organisation may be classified in a number of different ways. *Etzioni* provides a classification which distinguishes three types of organisational goals in terms of their relationship with the concept of power and compliance.

Order goals are negative and attempt to place some kind of restraint upon members of the organisation and to prevent certain forms of behaviour.

Economic goals are concerned with the production of goods and/or services for people outside of the organisation. **Cultural goals** are concerned with symbolic objects and with creating or maintaining value systems of society. Social goals, which serve the various needs of members of the organisation, are classified as a sub-type under cultural goals.

A systems view of organisational goals

There are a number of possible alternative classifications. However, by adopting a systems

view of organisations we can distinguish four main types of organisational goals:

■ **Consumer goals.** These relate to the nature of outputs in terms of the market to be served and consumer satisfaction – that is, the range and nature of goods and/or services produced or supplied in order to meet the needs of customers or clients. Examples are consumer products, educational services or health care.

■ **Product goals.** These relate to the nature and characteristics of the outputs themselves – that is, the goods and/or services provided. This is the main area in which organisations deliberately attempt to distinguish themselves from other organisations – for example, in the range, design, quality and availability of their outputs.

■ **Operational goals.** These relate to the series of activities involved in providing outputs, and to the operation and functioning of the organisation. Examples are the management of opportunities and risks, the choice of structure, the nature of technology and management processes.

■ **Secondary goals.** These relate to goals that are not the main aim of the organisation. They arise from the manner in which the organisation uses its power and influence in pursuit of its outputs, and in undertaking the series of activities to achieve these outputs. Political aims, aid to the community, the development of staff and social responsibilities would come under this heading. The goals of the organisation may be pursued in accordance with an underlying ideology, or philosophy, based on beliefs, values and attitudes. This **organisational ideology** determines the ‘culture’ of the organisation and provides a set of principles which govern the overall conduct of the organisation’s operations, codes of behaviour, the management of people and its dealings with other organisations.¹¹ These sets of principles may be recognised and implemented informally as ‘accepted conventions’ of the organisation or they may be stated formally in writing.

Mission Statement

In recent years it has become increasingly popular for organisations to produce a **mission statement** and/or its ‘vision’ that sets out the purpose and general direction for the organisation. There is sometimes an apparent uncertainty of the distinction between the terms ‘mission’ and ‘vision’. It seems to be generally accepted that the vision provides the overall frame of reference within which mission statements are written and goals selected. ‘If vision is ill formed, mission statements will be vague and goal achievement hard to measure.’ *Johnson and Scholes* suggest that ‘**mission**’ is a general expression of the overall purpose of the organisation, which, ideally is in line with the values and expectations of major stakeholders; while ‘**vision**’ is the desired future state of the organisation, and an aspiration around which to focus attention and energies of members of the organisation.

Mission statements vary in length, the extent of specific or general content, and according to the type of the organisation. The mission statement of the Institute of Chartered Secretaries and Administrators in Article 4 of its Royal Charter is: ‘The object for which the Institute is established and incorporated is the promotion and advancement of the efficient administration of commerce, industry and public affairs by the continued development of the study and practice of secretaryship and administration of companies and other bodies.’ The mission statement of Hambrook Landscapes Ltd, Southampton is: *As experts in your garden we strive to exceed our customers’ expectations* while the company’s vision statements are: *Business: our vision is to grow our business by 20% gross profit per year, thus affording the directors the opportunity to expand business ventures. Staff: our vision is for our staff to grow by training and developing them to meet the business challenges by innovation, care and competence. Customers: our vision is to give our customers growing confidence by doing it in the Hambrook way and exceeding their expectations.*

For Aveda, the international beauty and hair product organisation, the mission statement is:

Our mission at Aveda is to care for the world we live in, from the products we make to the ways in which we give back to society. At Aveda, we strive to set an example for environmental leadership and responsibility, not just in the world of beauty but around the world.

Value of mission statements

The value of a mission statement is dependent, however, upon the extent to which it is understood and accepted throughout the organisation, and translated in meaningful terms to all members of staff including those at the operational level. *Perrin and Tavakoli*, for example, raise doubts over managers who have a naive notion that the production and dissemination of a well-crafted statement will create a sense of mission:

The picture will remain gloomy whilst managers and consultants believe that creating a mission statement is synonymous with creating a sense of mission. You only create the latter if your mission statement is understood, believed and acted upon by a majority of organisation members.

Rigby suggests that mission statements can be dynamic, but they can be trite and businesses should look at whether or not one is really needed; *Trapp* argues that most mission statements lack substance and only serve to confuse colleagues and customers alike.

A mission statement is only likely to be of any value if the organisation actually practices what it preaches. As *Riches*, for example, questions: is there congruence between what it says (the values posted on the wall) and what it actually does? Is there a high level of trust in the organisation? Is the organisation's culture, systems, structures, processes or policies in sync with the stated core values? In other words, does management walk the talk? A similar point is made by *Gratton*:

How often do corporate plans and mission statements remain simply that: senior executive rhetoric with little meaning to those people whose job it is to deliver customer satisfaction or bring complex products rapidly to the marketplace? Employees may hear corporate mission statements extolling the virtues of customer satisfaction or product innovation, but when the communication fanfare is over, the customer-focus workshops completed, and the lights dim on the business video, what is left? A group of employees trying to make sense and create meaning from the many messages and cues they have received.

In accordance with its ideology or philosophy, the goals of the organisation are translated into objectives and policy. Terminology and use of the two terms varies but objectives are seen here as the 'what', and policy as the 'how', 'where' and 'when' – the means that follow the objectives.

■ **Objectives** set out more specifically the goals of the organisation, the aims to be achieved and the desired end-results.

■ **Policy** is developed within the framework of objectives. It provides the basis for decision-making and the course of action to follow in order to achieve objectives. The relationship between the organisation, its objectives and management is illustrated by *Fayol* who stated that one of the managerial duties of an organisation is to: ... see that the human and material organization is consistent with the objective, resources and requirements of the concern.

The establishment of objectives and policy is therefore an integral part of the process of management, and a necessary function in every organisation.

SUMMARY

TEXT QUESTIONS

1. Define organizational setting. What are the common factors and basic components of an organisation?
2. What are alternative types and classifications of organisations?
3. What is the nature of organizational goals?
4. What is the importance of organizational mission?

PRACTICAL WORKSHOP

1. ORGANISATIONAL SETTING IN CHARTS AND TABLES

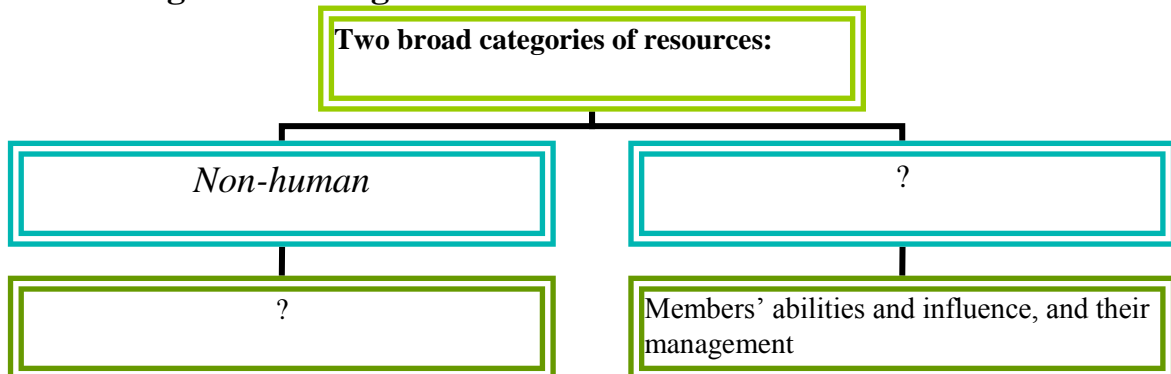
Complete the missed terms and phrases.



1.1. Factors in Organization.

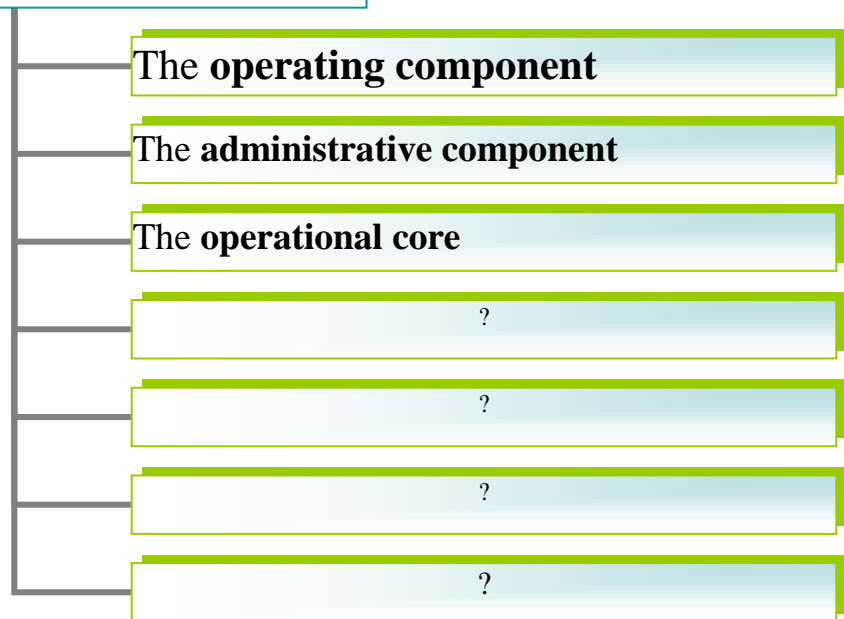


1.2. Organizational goals



1.3. Categories of Resources.

BASIC COMPONENTS OF AN ORGANISATION



CHAPTER 3

INDIVIDUAL DIMENSIONS OF ORGANIZATIONAL BEHAVIOUR

You can buy a bed but not sleep.
You can buy a book but not brains.
You can buy clothes but not beauty.
You can buy medicine but not good health.
You can buy a house but not a home.
You can buy people but not friends.
You can buy a temple but not God.
You can buy reputation but not **character**.

B.T. Swami

LEARNING OUTCOMES

After completing this chapter you should be able to:

- _ focus on the changing relationships at work and the significance of valuing difference and diversity;
- _ outline the importance of the individual's contribution to the organization and factors affecting behaviour and performance;
- _ examine the major difficulties of studying personality and apply the key issues of personality studies to the work organization;
- _ explain how differences in ability are identified and measured, and how psychological tests are used in the workplace;
- _ detail the significance of attitudes, their functions, change and measurement;

INTRODUCTION

Study of human behaviour is very complex. It is affected by various environmental factors. It is based on various cultural factors in which an individual is brought up and various social systems in which he is working. Every individual behaves in a different manner, his behaviour is individualistic in nature, and therefore cannot be changed easily without any strong stimuli. There exists a cause and effect relationship in individual behaviour. For example if an organization pays good dividends to its employees, the productivity can be improved. This means that the increased productivity is an effect of receipt of handsome dividends by the workers. These are monetary in nature which is extrinsic value addition. People are more prone to change in behaviour due to intrinsic value addition like recognition or change in status. It is therefore necessary for the managers to identify “need” of individual employee and evolve such strategies that would give an employee an intrinsic value satisfaction so that the productivity is increased and individuals are satisfied with the job they have been assigned to. An individual may be satisfied with subsidized lunch the organization provides, while the other may be dissatisfied with the menu, preparation or the method or even timings of the lunch. Human activities are innumerable. It may be maintenance of machines, delegation of authority, or writing a report on appraisal system. In general it could be both mental and physical process. All the activities of human beings cannot be measured, what goes psychologically or inside the thought process of an individual cannot be observed. Individual behaviour cannot be easily predicted due to interplay of various variables that are very complex to examine and implement. The job of a manager therefore is to predict the behaviour based on knowledge of individual his experience with him in an identical situation and behaviour pattern prevailing, based on the organizational culture. A manager at best can generalize a situation and should implement his managerial skills so that workers satisfaction level is increased. No two individuals are alike and they behave different in similar situations. In relation to work, individuals differ in the following respects.

DEFINITIONS

Personality is about the characteristics that people have that account for individual difference. The construct of the personality is a convenient way of grouping together a number of characteristics relevant to describing the ways in which people differ from each other.

Personality – the unique and relatively stable patterns of behaviour, thoughts, and emotions, shown by individuals.

Personality is a very complex and multidimensional construct of a human being. No common definition of personality has so far been arrived at. Every individual defines personality in different way which includes trait factors and physical appearance.” Personality is a dynamic organization within an individual of those psychological systems that determines his unique adjustment with the environment. It is a sum total of ways in which an individual reacts and interacts with others.” As far as physical aspect is concerned it relates to individual charm, attitude while dealing with others and smiling face can also be included into personality. Uma Sekaran states that one can examine personality in terms of a set of relatively stable characteristics and tendencies that determine our thoughts, feelings and behaviour

and which have some continuity or consistency over time. Maddi (1980) defines personality thus: Personality is a stable set of characteristics and tendencies that determine those commonalities and differences in the psychological behaviour (thoughts, feelings, and actions) of people that have continuity in time and that may not be easily understood as the sole result of the social and biological pressures of the moment. The above definitions indicate the commonality of characteristics and human tendencies amongst people who display consistency in their behaviour over time. Maddis definition suggests that people do change due to biological and social pressures. Thus by understanding certain dimensions of personality one can predict human behaviour to a great extent.

1. **Intrinsic/Extrinsic rewards:** Intrinsic rewards are related to recognition that a worker gets in an organization. It is related to inner satisfaction of a person and not related to material wants. Extrinsic rewards are related to maintenance or hygiene factors which are related to increased monetary compensation. Intrinsic reward is related to change in right direction of human behaviour, which is permanent or long lasting. Monetary rewards prevent motivational level to comedown however it does not help to increase. Workers differ in this respect and hence there is a difference of behaviour of workers in a particular situation, though the situation may be the same.

2. **Compensation:** Compensation is another factor, where most of the individuals have their own way of expression, while some workers would appreciate the mega work the management is doing in running the organization and be satisfied with the reward or the compensation they are getting while the others may be unhappy and resort to various grievance.

Foundation of Individual Behaviour

Individual behaviour is influenced by various factors. We will study those personal factors, which has influence on productivity, job satisfaction, absenteeism and turnover.

Biological and individual factors Emotional Intelligence Learned characteristics

Physical attributes Personality

Age Perception

Gender Attitude

Marital status Values

Number of dependants

Ability

Tenure/experience

Biological and Individual Factors

There are certain factors which are inherited by an individual. A person inherits physical appearance, way of talking, analyzing, and taking initiative in a group. Physical attributes of a person are important in work environment. If a manager is able to identify these factors he will be able to deal with each of individual employees effectively. These factors are as under:

(a) **Age:** Age is one of the important factors to generate productivity. The relationship between job and performance is an issue of increasing concern. Younger employees are expected to be more energetic, adventurous, ambitions and risk takers.

On the other hand old people are considered to be more conservative, having slow speed of work and are less adaptable. Job performance and turnover declines with increasing age and therefore less job opportunities, hence there is less of resignation. Older people generally get higher wages, longer paid vacation and they stick on to the job because of pensionary benefits. However productivity is related to attitude and behaviour of employees irrespective of age factor. Speed, agility, strength and coordination reduces by age. Experience, the older employees enjoy is of a great significance, disadvantages caused due to declining age is off set by experience.

(b) **Gender:** Traditionally some jobs were reserved for females like nursing jobs. Over a passage of time, there is no gender differentiation between male and female. We observe successful female entrepreneurs working around the world. In the Indian defence services, the women fighter pilots had done a wonderful job during Kargil operations. They can undergo physical and mental stress and display exemplary capabilities. There is no gender difference for skills that are required for problem solving, analytical skills, competitive drive, motivation, sociability and learning ability. It has been established that women are more willing to conform to authority. Men are more aggressive and have greater expectations from the organization. There is no difference in productivity and job satisfaction. Women absents more as compared to the men, this is because of the social responsibility and domestic problems Women have to stay longer at home for child care, illness of dependants and the like. As far as turnover is concerned, there is no difference between men and women.

(c) **Religion:** Religion and culture play an important role in determining various aspects of individual behaviour. There is a great impact on individual who have been brought up in ideal religious culture concerning moral, ethics and a code of conduct. Religion and culture determine individual attitude towards work and compensation. Employees having high religious value are generally found to be hard working, honest, dependable, sociable, who can fit in the organization well. They are productive, innovative and think well of the organization.

(d) **Marital Status:** Marriage imposes increased responsibilities on an individual, therefore an individual desires to have a steady job. Married employees have fewer absences, lesser turnover and higher job satisfaction. Number of dependants is also a factor to be considered. There is no clear cut information about the impact of marital status on productivity absenteeism, turnover and job satisfaction. Since marriage increases the family commitment, an individual do not change organizations.

Tenure. Tenure is referred to as experience. The impact of experience on performance is an issue which is subject to a lot of misconception and speculation. Work experience is considered to be a good indicator of employee productivity. There is a positive relationship between seniority and job performance and negative relationship between seniority and absenteeism. Employee turnover is negatively related to seniority. Research indicates that experience and satisfaction are positively related. Seniority and experience is a better indicator of job satisfaction than the age of a person.

Ability. Ability is individuals' capacity to perform various tasks in a job. Ability is made up of two sets of skills:

(A) Intellectual skills or ability and

(B) Physical skills or ability. We are not created equals. It does not mean we are inherently inferiors to others. Everyone has strengths and weaknesses in ability. What is important is to identify level of ability or skills and put it to optimum utilization to improve performance.

(A) **Intellectual ability:** It is an ability of a person that is required to do mental activities. Higher IQ is not necessary to perform the job successfully. For any high job a general level of intelligence is adequate. Intellectual ability can be further divided into the following skills:

(a) **Number Aptitude:** A person having number aptitude displays speed, accuracy and arithmetic inclination in the work. Such individuals can be best employed in accounts and sales tax departments.

(b) **Verbal Comprehension:** It refers to ability to understand what is heard or read. It is relationship of words to each other. People having verbal comprehension can be best employed as plant managers. They would be ideal to draft corporate policies.

(c) **Perceptual Speed:** It is an ability to identify visual similarities and differences. Such individuals can be gainfully employed for investigative jobs.

(d) **Inductive Reasoning:** The ability is related to individual's skill to identify logical sequence in a problem and later solve the same. Such individuals can be assigned the job in research and development departments / organizations.

(e) **Deductive Reasoning:** The ability refers to use of logic and assess the implications of arguments. People with this skill can ideally foot the bill as supervisors.

(f) **Spatial Visualisation:** It is an ability to imagine how an object would look if its position in the space were changed. Interior decorators have this skill.

(g) **Memory:** It is an ability to recall past experience. Sales persons depend upon this ability in performance of their job.

(B) **Physical Ability:** Physical ability refers to strength factors which includes dynamic strength (muscles force), trunk strength (abdominal muscles), static strength (exertion of force against external object) and explosive strength. Other factors relate to body coordination, balance and stamina. It is the responsibility of the manager to identify physical skills in the individual and assign them suitable jobs commensurate with their ability. High importance of physical skills is given in police, railways, defence, revenue and agriculture fields where various skills are important. In industrial setting, it must be ensured that ability is co-related to the job requirements so that an optimum output is achieved.

Emotions.

For many years wisdom of a person and his ability to perform was measured by Intelligence Quotient (IQ). IQ was a measure for admission to schools, measurement of performance in studies, for seeking jobs and performance evaluation while on the job. However studies indicate that Emotional Intelligence (EI) is now considered as greater predictor of success than IQ. Wechsler and Robert Thornadike carried out

work on non-cognitive aspects of intelligence like social intelligence. In 1990, Salovey and Mayer coined the term 'Emotional intelligence'. They described emotional intelligence as **“a form of social intelligence that 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 action”**. Cognitive abilities are related to IQ of an individual and non-cognitive with emotions. It has been found that emotional and social skills actually help to improve cognitive functioning also.

Emotional Intelligence at Work

Optimism

Martin Seligman developed a construct that he calls “learned optimism”. It refers to the causal attributions people make when confronted with failure or setbacks. Optimists tend to make specific, temporary, external causal attributions while pessimist makes global, permanent, internal attributions. In research at Met Life, Seligman and his colleagues found that new salesman who was optimists sold 37 percent more insurance in their first two years than did pessimist. When the company hired a special group of individuals who scored high on optimism but failed the normal screening, they outsold the pessimist by 21 percent in their first year and 57 percent in the second. They even outsold the average agent by 27 percent. Optimism was a better predictor of students’ actual grades during the freshman year than high school grades. The ability to manage feelings and handle stress is another aspect of emotional intelligence that has been found to be important for success. A study of store managers in a retail chain found that the ability to handle stress predicted net profits, sales per square foot, sales per employee and per dollar of inventory investment. A study carried out at Yale University by Sigdal and Barsade indicated that emotional intelligence has as much to do with knowing when and how to express emotions. Good feelings led to improved co-operation, fairness, and overall group performance. It has been established that most effective leaders in the US Navy were warmer, more outgoing, emotionally expressive, dramatic and sociable. Empathy is a particularly important aspect of emotional intelligence, and researchers have known for years that it contributes to occupational success. People who are best at identifying others’ emotions are more successful in their work as well as in their social life. (Reference: Cherniss Cary, Emotional Intelligence: What it is and Why it Matters, Graduate School of Applied and Professional Psychology Rutgers University Piscataway, NJ 08854). Emotional intelligence is important for success in work and in life. Goleman and Mayer, Salovey & Caruso have argued that by itself emotional intelligence probably is not a strong predictor of job performance. Rather it provides the bedrock for competencies that are. Goleman has tried to represent this idea by making a distinction between emotional intelligence and emotional competence. **“Emotional competence refers to the personal and social skills that lead to superior performance in the world of work. The emotional competencies are linked to and based on emotional intelligence. A certain level of emotional intelligence is necessary to learn the emotional competencies”**, for instance, the ability to recognize accurately what another person is feeling, enables one to develop a specific competency such as ‘influence’. Similarly, people who are

better able to regulate their emotions will find it easier to develop a competency such as initiative or achievement drive. Ultimately it is these social and emotional competencies that we need to identify and measure, if we want to be able to predict performance.

Learned Characteristics

1. **Personality:** Personality is sum total of ways in which an individual reacts and interacts with others. It is a dynamic organization within an individual of those psychological systems that determine his unique adjustments with his environment. It is the charm, positive attitude, smiling face, growth and the development of a person that adds to personality. Personality is greatly influence by the environment that a person has been brought up and the factors of heredity.

(a) **Environment:** It refers to culture in which a person is raised. Culture establishes norms, values and attitude that are passed on to generations. Early conditions, norms in the family, friend and social groups and other influences that are formative of personality.

(b) **Heredity:** Heredity is transmitted through genes that determine hormone balance and leads to physique formation which shapes personality. Heredity refers to those factors like physical stature, facial attractiveness, sex, temperament, muscle composition, reflects and energy level. Heredity is made up of biological factors. Traits like shyness, fear and distress are passed on to generations. Traits are characteristics of an individual when exhibited in large number of situations. More consistence and more frequent occurrences in diverse situations, the more predominant the trait in an individual are. Common traits found in a person are shyness, aggressive, submissive, laziness, ambitious, loyal and timid. Perception is the process by which information is interpreted in order to give meaning to the world around us. Different people perceive the same thing differently. It should be noted that we should evaluate each situation / individual carefully before forming an opinion. Perceptual errors should be avoided perception will be studied in greater details in the subsequent chapters.

(c) **Attitude:** Attitude is a tendency to act/think in certain ways either favourably or unfavourably concerning objects, people or situation. For example, If I say I am satisfied with my job, what actually I am doing is expressing my attitude towards the job. An attitude is the way a person feels about a person, a place, a thing, a situation or an idea. Attitude could be positive or negative. Attitude can be measured either by observing the action of the individual or simply asking him the questions about how he would behave in a particular situation.

(d) **Values:** Values are beliefs that guide actions and judgments across a variety of situations. Values represent basic convictions that a specific mode of conduct is personally or socially preferable to an opposite mode of conduct. Values are of two types, **terminal value** that are ultimate values like freedom, salvation, truth and non-violence. **Instrumental values** relate to means for achieving ends. It is a tool for acquiring terminal values. For example, obedient, capable etc. Individual values are formed in the initial stages. They are influenced by the parents, teachers, friends and other social groups. Values vary from person to person. Values help in understanding the attitudes, and motivational level of the individuals. It helps to change the

individual behavior. Values are of a great help to determine as to what is good and what is desirable. Values are so strong an instrument that it at times alter rational decisions. An organization having right value system has greater chances of growth.

Developing an Organizational Behaviour Model (OB Model)

Objective of model development is to **understand** human behaviour, **predict** and **control** the same. The behavioural approach is used for controlling human behaviour as individuals and as a group, to measure organizational effectiveness. Development of OB model involves studying individual, group, organizational structure and systems that should be finely interwoven. The basics of OB model are an individual in an organization. Two or more individuals make a team or a group (work group). There are various systems and sub-systems in any organization like recruitment system or communication system under which an individual or group has to function. Study of OB relates to studying individual behaviour, group behaviour and various organizational systems. It has been observed that Individual behaves differently in different situations. For example an individual will be very enthusiastic on the sports ground, very sober while or shipping in the temple and gay during the dinner party. Though the individual is the same but changes his behaviour based on norms that has been associated with different situations. Two people often act differently in any one situation. For example, worker would display different type of behaviour under different patterns of leadership. His behaviour would be affected, to a large extent on the style of leadership. Individual level behaviour forms a base for group behaviour. It is a study which involves step by step approach, first studying individual behaviour, later group behaviour and in the end studying various organizational structures, which have impact on organization as a whole. Individual, groups and organization structure have a direct impact on the productivity of an organization. High productivity is directly related to high job satisfaction of the employees. While employee turnover and absenteeism is inversely proportionate to productivity and job satisfaction. More satisfied employee would be more productive. He would be absent on less occasions unless forced by the situation and would render dedicated service and display high degree of loyalty unless forced by domestic constraints. The health of the organization can fairly be judged by the absenteeism and employee turnover. Greater the absenteeism and turnover poorer is the productivity and dissatisfied employees. It is therefore fair to assume productivity, job satisfaction, employee turnover and absenteeism as dependent variables in the study of organizational behaviour. Some management scientists also include job stress, individual dissent and innovation as additional variables. It is stated that an individual or group of people who undergo high level of job stress would either absent themselves frequently or leave the organization. Therefore the study of stress and dissent is integral to absenteeism and employee turnover and need not be studied separately. Innovation is a personal characteristic of an individual who is innovative by nature and likes a challenging job, which ultimately would lead to higher job satisfaction and a better quality of life and higher productivity. It is therefore the field that the study of innovation as dependent variable need not be undertaken separately as this would be covered under the personality traits of the individual that have an impact on organizational effectiveness. Most of the management experts have

accepted only four independent variables i.e. productivity, job satisfaction, employee turnover and absenteeism. Let us briefly study these factors.

Dependent Variables

Productivity: When we decide to study productivity, actually what we want to know is the factors that would influence high productivity. The study reveals that it is effectiveness and efficiency of individual, groups and organizational structure that have a positive impact on productivity. It should therefore be an endeavour of any organization to introduce such management practices, which will enhance job satisfaction level of an individual group and organization as a whole. Productivity can be measured in terms of number of items produced by an organization or percentage of profit earned at the end of the production cycle or financial year. It can also be measured by output of production per hour. In case of service industry like hotels or hospitals, occupancy of suites in a hotel on daily basis and turnover of patients per day can express the productivity of the service organization.

Job satisfaction: Job satisfaction can be explained as a general attitude towards one's job. Job satisfaction is the difference between the amount of rewards workers receive and the amount they believe they should receive. It is a difference between material/ money gains in terms of wages, salary and expectations. Job satisfaction sphere can be enlarged to promotion, organizational policies and its implementation, wage structure as compared to the industry norms. Job satisfaction is important because it displays demonstrated relationship to performance and value preferences. Job satisfaction is an attitude rather than behaviour. It is negatively related to absenteeism and employee turnover. Challenging jobs should be provided to the employees and total quality management of workers is undertaken. Higher management must take quality decisions, which has an equal bearing on quality production. Organizations should evolve such policies that would increase the satisfaction level of employees and must count on intrinsic value that employees believe in.

Absenteeism: Absenteeism refers to individual absenting himself from the job or work place without any notice. While leave is also absenteeism but it is a forewarned phenomenon. In the work-setting, a supervisor is expected to be aware of individuals proceeding on leave in advance so that adequate measures are taken to hire individual in place of the person proceeding on leave. When an individual is not happy with his work, he generally absents himself. Apart from causing personal loss in terms of wages, it also causes great amount of inconvenience to the organization and hampers work schedule and productivity. If an organization works on a process manufacturing like bottling plant, the link of process is disturbed due to the individual being absent and a substitute is required to be hired at the last moment, who may not be skilled to do the job. If a large number of individuals are absent at any one time, the quality of product is reduced because of poor quality of individuals hired. Even a situation may arise to shut down a plant when absenteeism is at an optimum degree. It may be noted that absenteeism reduces work stress and fatigue of the workers. When they join on the duty, they are fresh and it has been noticed that the production level increases. It has also been observed that managers joining on duty after a long leave of absence give quality decisions. It is therefore necessary that

the individual working in any organization should be adequately motivated, their leave appropriately planned and suitable relief arranged when they proceed on leave of absence. An organization having zero percent of absenteeism is generally considered to be a high productive unit with a good morale of workers and high esprit de corps.

Turnover: Turnover of employees could be voluntary or involuntary. Voluntary turnover takes place when an individual leaves an organization to join another, where he believes that there may be better prospects or opportunities for growth. Apart from the above, an individual may leave the organization purely on administrative grounds like new organization being close to the residence, availability of schools in the new area etc. Involuntary turnover refers to permanent withdrawal of an employee from the organization at the organization's will. This turnover may be planned or unplanned. Persons leaving organization on retirement is a planned turnover because the management knows well in advance as to the date of retirement.

The study of employee turnover is important because it relates to manpower planning of the organization. It is the prime function of a personnel manager to identify where and when the employee is leaving the organization and ensure the vacancies so caused are kept filled. Turnover has an adverse impact on productivity. High rate of turnover leads to increased cost on recruitment, selection and training the employees. It also causes disruption in production due to various posts remaining vacant over a long period of time. It should be borne in mind that employee turnover should be kept zero if possible apart from planned turnover. This would ensure smooth functioning of the organization, sticking to the production schedules that will ultimately have a positive impact on sales revenue. Greater turnover leads to extra expenses in terms of time and efforts that could be avoided. Social scientists and management experts feel that employee turnover to some extent is good for the health of the organization. They feel that due to employee turnover, new opportunities are created to the individuals, certain amount of undesirable individuals can be replaced, new blood with higher skills, fresh ideas and motivated people can be inducted, who may have a vision and give a new look to the organization.

SUMMARY

Individual behaviour is very complicated. An individual behaves differently in various situations. It is necessary for a manager to identify "needs" of the individual and evolve such strategies that satisfy them. Based upon knowledge, skill and experience, a manager should be able to predict individual behaviour. Motivation of individual differs when intrinsic and extrinsic rewards are given to him. He reacts in a different way as it relates to compensation. Individual behaviour is founded on 1) biological and individual factors that include Physical attributes, age, gender, marital status, number of dependants and experience/tenure. 2) Emotional intelligence of the individual and 3) learned characteristics that include personality, attitude, perception and value system of the person. Emotional intelligence is now considered as a measure of one's feelings and application of social skill. Learned optimism is an ability of an individual to perform. There are two types of persons. They are either optimist or pessimist. An optimist makes specific, temporary natured external causal attributions while pessimist makes global, permanent external attributions. Goleman

states that emotional intelligence is bedrock of individual competencies. He further clarifies that “emotional competency refers to personal and social skills that are based on emotional intelligence. These are further classified into self awareness, social awareness, self management and relationship management competencies”. Learned characteristics include personality, culture, heredity, attitude and values. These have tremendous effect on job performance growth and job satisfaction. These characteristics and emotional intelligence factors have a direct impact on productivity, Job satisfaction, absenteeism and turnover. The later are therefore called dependant variables. Various organizational models are fuedal model, autocratic model, supportive model, collegial model, human value model and lastly the contingency model.

TEXT QUESTIONS

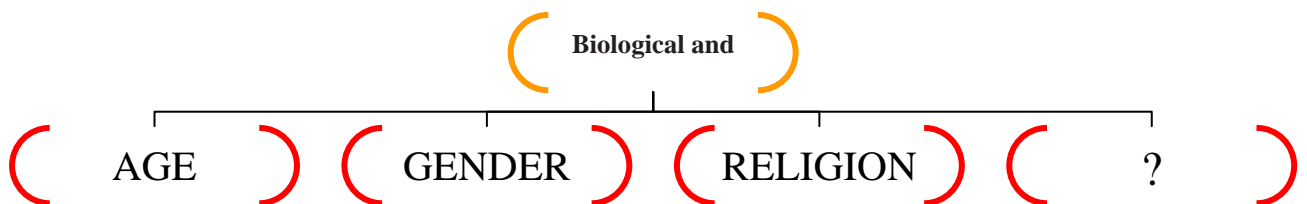
1. Explain individual behaviour. What is its relationship with intrinsic and extrinsic rewards?
2. What are various biological and individual factors that have impact on productivity, job satisfaction, absenteeism and turnover?
3. Explain concept of emotional intelligence.
4. What do you understand by learned optimism?
5. Draw out a framework of emotional competence and explain individual behaviour?
6. What are various learned characteristics of an individual? How these affect behaviour?

PRACTICAL WORKSHOP

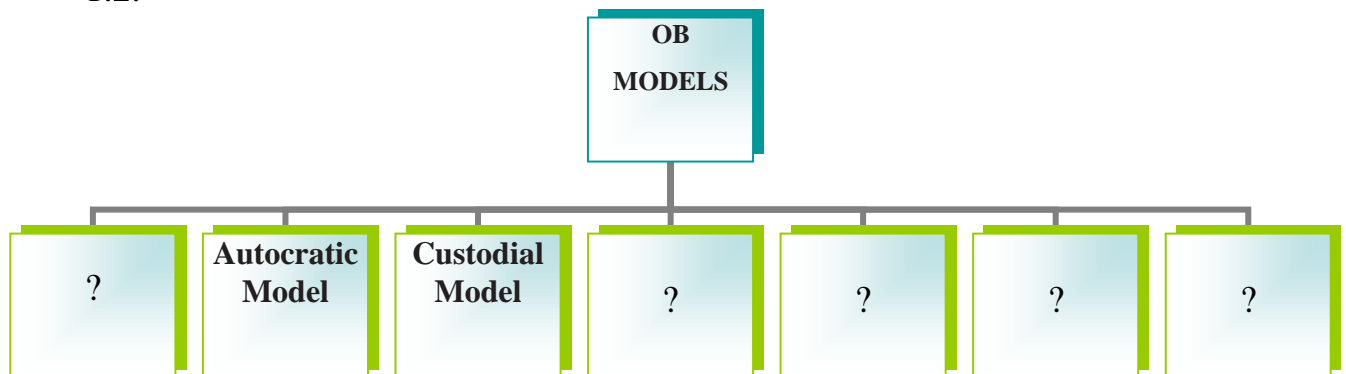
ORGANISATIONAL BEHAVIOUR IN CHARTS AND TABLES.

Complete the missed terms and phrases.

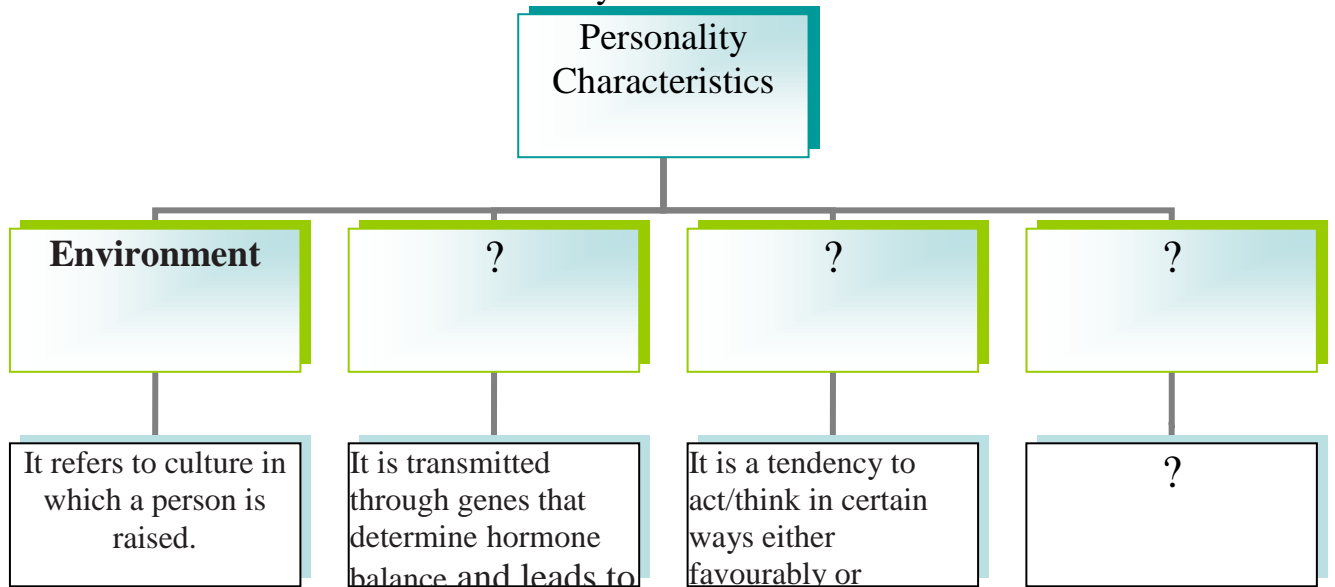
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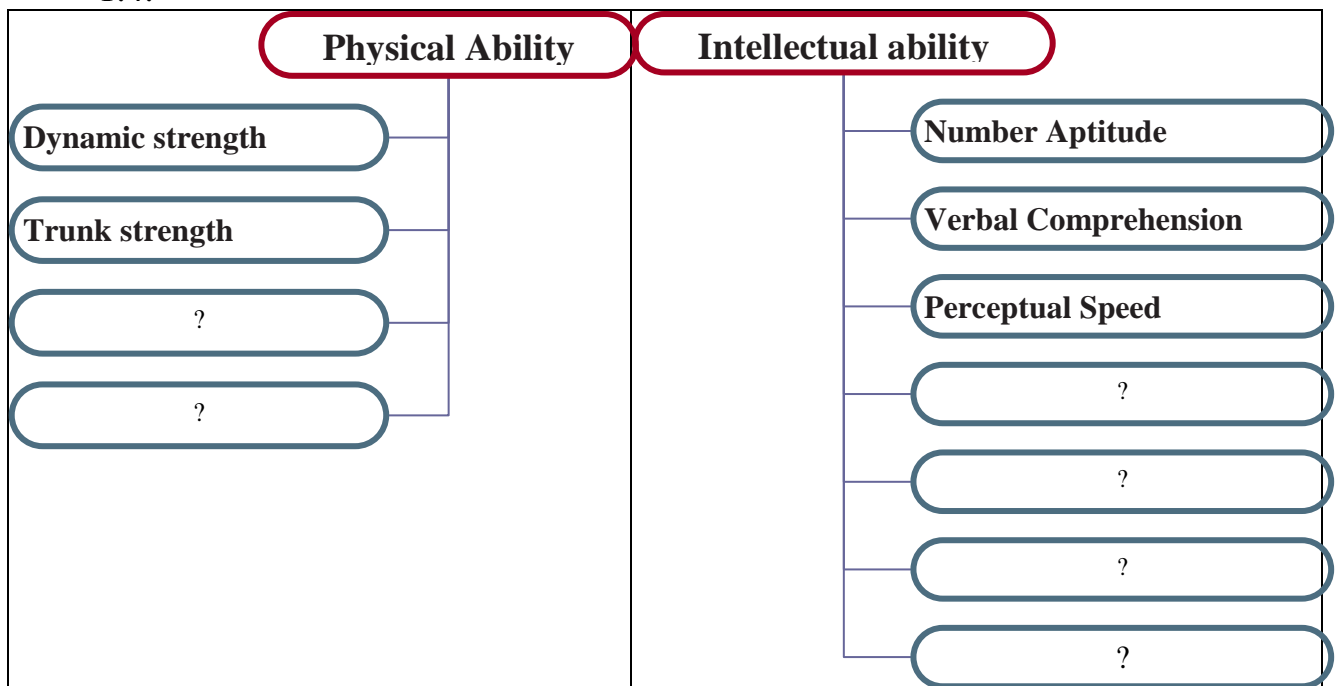
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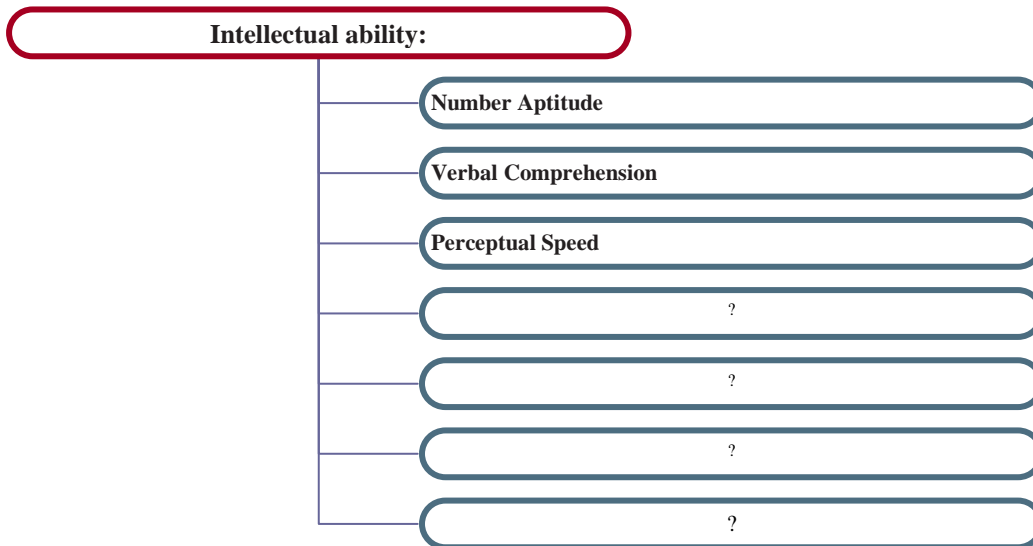


1.3. Personality Characteristics

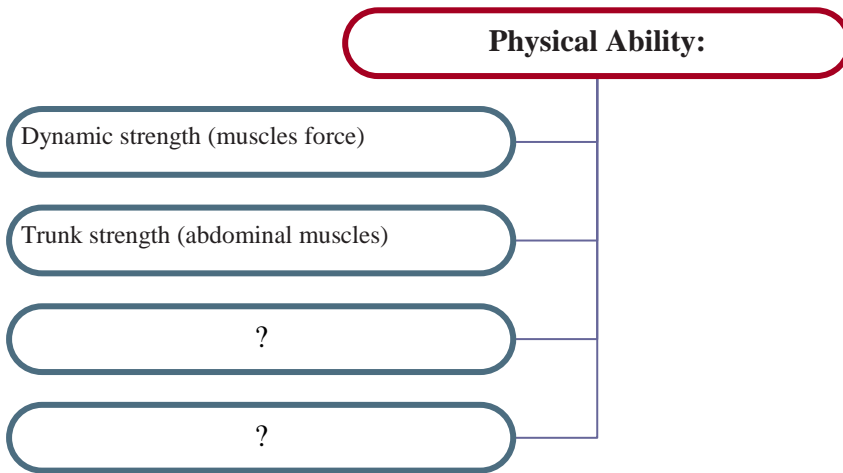


1.4.





1.5. Intellectual ability



1.6. Physical Ability

**CHAPTER 4
PERSONALITY**

Character is the result of hundreds and hundreds of choices you make that gradually turn who you are, at any given moment, into who you want to be. If that decision-making process is not present, you will still be somebody. You will still be alive, but may have a personality rather than a character...

Jerald Greenberg

LEARNING OUTCOMES

After completing this chapter you should be able to:

- _ define personality and focus on major personality determinants;
- _ outline the importance of various personality traits;
- _ examine Locus of control;
- _ explain various factors that shape individuals personality;
- _ detail the significance of type A and B personality, authoritarianism, and

MBTI model.

INTRIDUCTION

Our experience with other people tells us they are in some way all unique, and at least to a degree, they are all consistent. We each possess a distinct pattern of traits and characteristics not fully duplicated in any other person. If you know someone who is courteous and outgoing today, he or she probably showed these traits in the past and is likely to continue showing them in future.

Personality theories are very interesting. Usually when we talk about someone's personality, we are talking about what makes that person different from other people, perhaps even unique. This aspect of personality is called individual differences. For some personality theories, it is the central issue. These theories often spend considerable attention on things like types and traits and tests with which we can categorize or compare people.

Another way of saying this is that personality theorists are interested in the structure of the individual, the psychological structure in particular. How are people "put together;" how do they "work;" how do they "fall apart."

Some theorists go a step further and say they are looking for the essence of being a person. Or they say they are looking for what it means to be an individual human being. The field of personality psychology stretches from a fairly simple empirical search for differences between people to a rather philosophical search for the meaning of life!

Perhaps it is just pride, but personality psychologists like to think of their field as a sort of umbrella for all the rest of psychology. We are, after all, concerned about genetics and physiology, about learning and development, about social interaction and culture, about pathology and therapy. All these things come together in the individual.

DEFINITIONS

Personality is a very complex and multidimensional construct of a human being. No common definition of personality has so far been arrived at. Every individual defines personality in different way which includes trait factors and physical appearance.

” Personality is a dynamic organization within an individual of those psychological systems that determines his unique adjustment with the environment. It is a sum total of ways in which an individual reacts and interacts with others.”

As far as physical aspect is concerned it relates to individual charm, attitude while dealing with others and smiling face can also be included into personality. Uma Sekaran states that one can examine personality in terms of a set of relatively stable characteristics and tendencies that determine our thoughts, feelings and behaviour and which have some continuity or consistency over time. Maddi (1980) defines personality thus:

Personality is a stable set of characteristics and tendencies that determine those commonalities and differences in the psychological behaviour (thoughts, feelings, and actions) of people that have continuity in time and that may not be easily understood as the sole result of the social and biological pressures of the moment.

The above definitions indicate the commonality of characteristics and human tendencies amongst people who display consistency in their behaviour over time. Maddis definition suggests that people do change due to biological and social pressures. Thus by understanding certain dimensions of personality one can predict human behaviour to a great extent.

Determinants of Personality

Personality is determined by heredity, environment (culture) and situation under which an individual works. Let us study these concepts.

Heredity

Heredity is transmitted through genes, which determine hormone balance, which later determine physique and subsequently the personality. Heredity refers to acquiring from parents certain biological, physical and psychological commonalities, which are further reflected in physical stature, facial attractiveness, sex, temperament, muscle composition and even reflect. They often decide energy level. These factors have a deciding influence on how a person in an organization would display his reactions in a particular situation. Nature of health and psychological make up that an individual enjoys can be traced from the traits his parents possessed. Parents prominently pass on shyness, fear and distress to the next generation. In good organizations and particularly in defence services a detailed screening is carried out of the candidates based on the background of the parents as it relates to physique, psychological make up, disability and transferable disease as it has far reaching impact on the general health of the organization.

Environment

Every individual is born and brought up in a particular environment. Environment leaves an imprint on the personality of an individual. It is commonly seen that a doctors son preferring his father's profession and a child of a soldier entering into Defence Services. More advanced the socio-economic conditions of the society more would the children be forward thinking. Environment should be viewed from the point of view of norms, ethics and value that are observed and the attitude displayed by the social group. These factors actually formulate the culture of the society from which the organizations draw their human resource requirements. The cultural background is important to evaluate personality. In childhood, parents, uncles, aunts and even neighbour's behaviour are copied by a child. It is therefore necessary to display an ideal behaviour on the part of all the adults who come in direct contact with the children. Family moulds character of children through role models re-enforcements, rewards and punishments. Other influences like first born and later born child will have different personality traits. First-born child would generally be commanding. Female child would be more responsive and pass on sobering effect on younger brothers/sisters. It is therefore important to study early conditions under which the child has been brought up, norms followed in the family and the existence of cultural value system in the society. All these factors have a marked influence on the personality of an individual.

Situation

Individual has to interact with number of problems in a given situation, which does not remain constant. It is subject to change and hence fluid in nature. There is

therefore a need to recognise the person-situation interaction. It can be social learning activity of personality. Thus personality is situational; the uniqueness of each situation and any measure of personality must be examined. Personalities therefore mean how people affect others, how they understand and view themselves, pattern of personality traits and person situation interaction. For example individual modifies his behaviour based on situation. When an individual goes to temple he would be sober, generally put on plain clothes and bow. When the same individual goes for interview he would be armed with knowledge of the organization while in the club he would be merry making having a drink in his hand and meet friends and generally be in gay mood.

Personality Traits

Personality traits are the characteristics of an individual when exhibited in large number of situations. More predominant the traits in an individual are, more consistence the individual is and more frequent occurrences in diverse situations. There are thousands of traits that have been identified. Cattell isolated 171 traits but concluded that they were superficial and lacking in descriptive power. What he sought was a reduced set of traits that would identify underlying pattern. The result was the identification of 16 personality factors, which he called the source, or primary traits. These and their opposites are given below :-

- 1 Reserved vs Outgoing
- 2 Less intelligent vs More intelligent
- 3 Affected by feelings vs. Emotionally stable
- 4 Submissive vs. Dominant
- 5 Serious vs. Happy go lucky
- 6 Timid vs. Venturesome
- 7 Expedient vs. Conscientious
- 8 Tough minded vs. Sensitive
- 9 Trusting vs. Suspicious
- 10 Practical vs. Imaginative
- 11 Forthright vs. Shrewd
- 12 Self assured vs. Apprehensive
- 13 Conservative vs. Experimenting
- 14 Group dependent vs. Self-sufficient
- 15 Uncontrolled vs. Controlled
- 16 Relaxed vs. Tense

The MYERS-BRIGGS Type Indicator (MBTI)

This is one of the most commonly used Personality test consisting of 100 questions. On the basis of the answers the individuals are classified into following categories

(a) **Visionary:** A person who has been classified visionary based the MBTI results has an organised mind, has a great drive for new ideas and purpose. An individual is skeptical, critical and stubborn. He displays traits like working independently and has a high determination to achieve the desired goals, which are often challenging.

(b) **Organizer:** A person having great organizational ability would be practical, realistic and believes in what he sees. Organizers are generally successful businesspersons, persons involved in basic engineering jobs, and persons who are involved in assembling resources to run the organizations.

(c) **Conceptualisers:** Persons who take quick decisions, they are ingenious and good at many things. They are resourceful, problem solver and have a tendency to neglect work, which is of a routine nature.

Locus of Control

Major personality attributes which affects organizational behaviour is locus of control that is the degree to which people believe that they are masters of their own fate. It is the concept, which determines whether an individuals control events or the events control the individuals and that they become only the pawns of situation. People have both internal locus of control and external locus of control, only the degree varies.

(a) **Internal Locus of Control.** Persons having internal locus of control believe that they can manipulate events to their advantage and therefore they are capable of deciding their fate. For example, a manager having dominant internal locus of control would be able to effectively control resources, decide events, which benefits him. He manipulates communications, resources, events, programmes in such away that enhances his position and he creates an aura around him that he is an indispensable person. Individual feels that he is decider of his own future and that no external events (power) can interfere with it.

(b) **External Locus of Control.** Person having dominant external locus of control believe that what happen to them is controlled by outside forces such as luck or chance. These types of people lack initiative, decision-making and do not even take calculated risk. They wait and see events take place and things happen.

Personality Orientation

1. Achievement Orientation

Achievement orientation of an individual also indicates the personality of an individual. Every person possesses need to achieve (nAch) phenomenon in his personality. It could be high degree nAch or low degree. A person who possesses high nAch displays very dominant personality. He is generally very ambitious, hard working and fixes his goal at a very high level and strives to achieve the same. He is achievement oriented and undertakes a task which is neither easy, because easy task is generally attained by a common person nor a very challenging or tough task because there would be chances of failure of achieving the same. He therefore prefers to undertake task of intermediate nature so that its achievement would satisfy him to a large extent and he would feel that he is above than the normal individual. People having high nAch are found to be good organizers, efficient managers. Sports persons are generally high achievers as they strive to achieve that extra point or mark than his competitors. High nAch generally do well as sale persons as it calls for hard work and achieving higher targets of sales every time.

2. Authoritarianism

Close to the personality trait that a person possesses who is achievement oriented is a person who believes in having a reasonably high authority in the

organization Theory of authoritarianism is related with status and power. The theory states that there should be status and power difference between various people in the organization. While there would be some people who will have more power and authority hence more authoritative yet there would be people with low power and authority hence minimum degree of being authoritative. One would therefore find in an organization, people with low authority and high authority. Person who possesses high authoritarian is intellectually rigid, they display varied behaviour patterns. They are submissive with those who are superior (senior) to them and behave in an exploitative manner to those who are subordinates or below them. They resist change and display insensitivity while dealing with people. They are task oriented.

3. Theory of Machivellianism

Niccolo Machivelli introduced theory of Machivellianism. The theory refers to degree to which an individual is pragmatic and maintains emotional distance with co-workers while accomplishing any task. A person who practices this theory believes in "end justifies means." In any organization people can be classified as having high Machivellianism or low Machivellianism tendencies. A person having High Machivellianism (H Mach) generally displays variety of personality traits like manipulation, win more, and persuade others to do a work while they do not get persuaded by others. They generally flourish in face-to-face situation where there are minimum rules and have enough space for maneuver. They have high bargaining skills and believe in giving substantial rewards to their subordinates on accomplishment of tasks. They are highly productive. Machivelli believed in one doctrine, that a work must be finished whatever be the means.

4. Self-Esteem

Self-esteem refers to individuals' degree of liking or disliking himself. People's self-esteem has to do with their self-perceived competence and self-image. Most recent studies indicate that self-esteem plays an important moderating role in areas such as emotional and behavioural responses and stress of organizational members. As was recently noted, "Both research and every day experience confirm that employees with high self-esteem feel unique, competent, secure, empowered and connected to the people around them (Luthans)². People having high degree of self-esteem take more risk in job selection and take up unconventional assignments while those possessing low self-esteem display dependency, seek approval from others for the decision they make, respect others and seek confirmation in beliefs. Managers with low self-esteem do not take unpopular stand, which may lead to displeasing others.

5. Self-Monitoring

Self-monitoring is related to self-efficacy. It is situation specific. A person must always examine efficiency and attribute it to his behaviour with subordinates and improve upon it. This quality displays high degree of adaptability and high sensitivity of an individual. A person possessing self monitoring trait is likely to behave differently in different situation.

6. Risk Taking

Risk taking trait is commonly seen in various entrepreneurs. They display rapid decision-making ability.

Types of Personality

Type A: People having Type A personality are always moving, walking and eating rapidly. They feel impatient with the speed the events take place. They always strive to do two or three thing at any one time and cannot cope with leisure. They are generally obsessed with work involved with numbers.

Type B: People possessing Type B personality never suffer from sense of urgency and take thing as it comes coolly. They do not discuss achievement and leave it to the superiors to identify it. People having B type of personality play for fun and relaxation rather than to show off. These people have the tendency to relax without guilt.

The Big Five Dimensions of Personality

A cluster of personality traits known as the *big five dimensions of personality* have been found to account for important differences in the way people behave in organizations. Those characteristics of which the big five is composed are described in the table.

<i>Component of the Big Five</i>	<i>Description</i>
Conscientiousness	The degree to which someone is hardworking, organized, dependable, and persevering (high in conscientiousness), as opposed to lazy, disorganized, and unreliable (low in conscientiousness)
Extraversion-introversion	The degree to which someone is gregarious, assertive, and sociable (extraverted), as opposed to reserved, timid, and quiet (introverted)
Agreeableness	The degree to which someone is cooperative and warm (highly agreeable), as opposed to belligerent and cold (highly disagreeable)
Emotional stability	The degree to which someone is insecure, anxious, and depressed (emotionally unstable), as opposed to secure, calm, and happy (emotionally stable)
Openness to experience	The extent to which someone is creative, curious, and cultured (open to experience), as opposed to practical and having narrow interests (closed to experience)

Table 4.1. The Big Five Dimensions of Personality

Studies indicating personality traits of Indian Managers

Individual's behaviour is influenced by various factors studied earlier. Behaviour has an impact on how an individual acts and interacts with superiors and subordinates in the work environment. Various studies have been conducted in this field.

Dwivedi Study

R.S. Dwivedi has carried out study of 52 managers in public and private sector organizations.

Findings indicate that managers give high importance to the following traits:

- Cooperation.
- Intelligence.
- Energy.
- Sociability.

Low importance was assigned to the following personality traits:

- Aggressive.
- Confronting.
- Independent.

Flexibility, preserving and self-monitoring has been accorded moderate importance. The co-relation co-efficient between managers of public sector and private sector accounted for as high as 90. Saiyadain and Monappa carried out studies to identify personality traits of middle level managers from public sector and private sector organization (N = 172). The respondents represented major functional areas of respective organizations. Results, first an Authoritarian and Machiavellianism traits indicated an equal distribution. Secondly, above two third of the managers scored higher than average on competence need for achievement (NAch) traits.

SUMMARY

It is difficult to identify one's personality because individual behaviour is complex and construct multidimensional. Personality of a human being can be determined by identifying stable characteristics of an individual. Personality can be influenced by environmental factors and situation under which an individual is working. Heredity has an influence on individual's physical appearance, facial attractiveness, sex, temperament and reflects. These factors have deciding influence on individual behaviour in the organization. Individual behaviour is shaped as per the environment he is brought up. Cultural background, socio economic conditions, parents profession are some of the factors responsible for individual personality. Every individual possesses various personality traits. Locus of control could be internal or external. People who feel, they can decide their own fate are internal and those who believe that luck, opportunity and other external factors are responsible for their future are externals. Every individual behaviour display personality traits, Locus of control, authoritarianism, self-esteem and self-monitoring aptitude. Individuals can possess A Type or B Type personality. Indian managers believe more on competence and achievement orientation traits as most important.

TEXT QUESTIONS

1. Define personality?
2. What are major personality determinants?
3. What are various personality traits that are generally found in each individual?
4. Discuss Locus of control
5. What are various factors that shape individuals personality?
6. How an employee likely to behave who has external Locus of control, Low Mach Low Self-esteem score?
7. Write short notes on the following
(a) Type A and B personality.

- (b) Authoritarianism.
- (c) MBTI model.

PRACTICAL WORKSHOP

1. EXERCISE TO DETERMINE PERSONALITY

Type A - Type B Self – Test

To determine your Type A or Type B profile, circle the number on the continuums (the verbal descriptions represent end points) that best represents your behaviour for each dimension.

Am causal about appointments	1 2 3 4 5 6 7 8	Am never late
Am not competitive	1 2 3 4 5 6 7 8	Am very competitive
Never feel rushed, even under	1 2 3 4 5 6 7 8	Always feel rushed pressure
Take things one at a time	1 2 3 4 5 6 7 8	Try to do many things At once; think about what I am going to do next
Do things slowly	1 2 3 4 5 6 7 8	Do things fast (eating, walking, etc.)
Express feelings	1 2 3 4 5 6 7 8	“Sit” on feelings
Express many interests	1 2 3 4 5 6 7 8	Have few interests outside work.

Total your score: _____ Multiply it by 3: _____. The interpretation of your score is as follows:

Number of points	Type of personality
Less than 90	
90 to 99	B
100 to 105	B+
106 to 119	A-
120 or more	A+

Source: Adapted from R.W. Bortner, “A Short Rating Scale as a Potential Measure of Pattern A

Behaviour”, Journal of Chronic Diseases, Vol. 22, 1966, pp. 87-91.

2. LOCUS OF CONTROL – QUESTIONNAIRE

Want to test your locus of control? Just answer the 16 questions given below as frankly as possible using the following response scale.

1 = Disagree very much 4 = Agree slightly
2 = Disagree moderately 5 = Agree moderately
3 = Disagree slightly 6 = Agree very much

- 1 _____ A job is what you make of it.
2 _____ On most jobs, people can pretty much accomplish whatever they set out to accomplish.
3 _____ If you know what you want out of a job, you can find a job that gives it to you satisfaction.
4 _____ If employees are unhappy with a decision made by their boss, they should do something about it.
5 _____ Getting the job you want is mostly a matter of luck.
6 _____ Making money is primarily a matter of good fortune.
7 _____ In order to get a capable of doing their jobs well if they make the effort.
8 _____ In order to get a really good job you need to have family members or friends in high places.
9 _____ Promotions are usually a matter of good fortune.
10 _____ When it comes a landing a really good job, who you know is more important than what you know.
11 _____ Promotions are given to employees who perform well on the job.
12 _____ To make a lot of money you have to know the right people.
13 _____ It takes a lot of luck to be an outstanding employee on most jobs.
14 _____ People who perform their jobs well generally get rewarded for it.
15 _____ Most employees have more influence on their supervisors than they think they do.
16 _____ The main difference between people who make a lot of money and people who make a little money is luck.

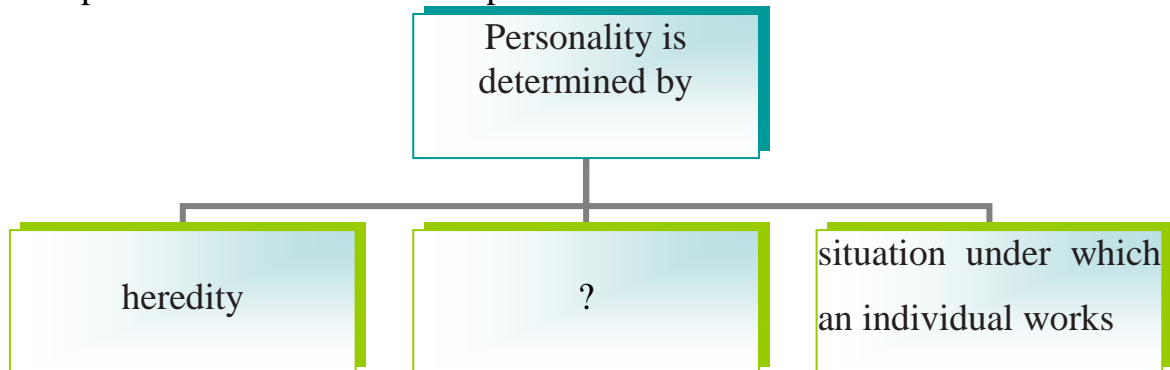
SCORING AND INTERPRETATION

You have just completed the Work Locus of Control Scale developed by Spector (1988). To find your score, subtract your responses to questions 1, 2, 3, 4, 7, 11, 14 and 15 from seven. For example, if you gave a response of 3 to question 1, give yourself a 4 (7 minus 3). Then add up your resulting scores to all 16 items. Your total should be somewhere between 16 and 96. The lower your score the more internal you are – you see what happens to you to be a result of your own actions and initiative. The higher your score, the more external you are – you see what happens to you to be a result of luck, chance, or connections. The average score of 1165 people in a variety

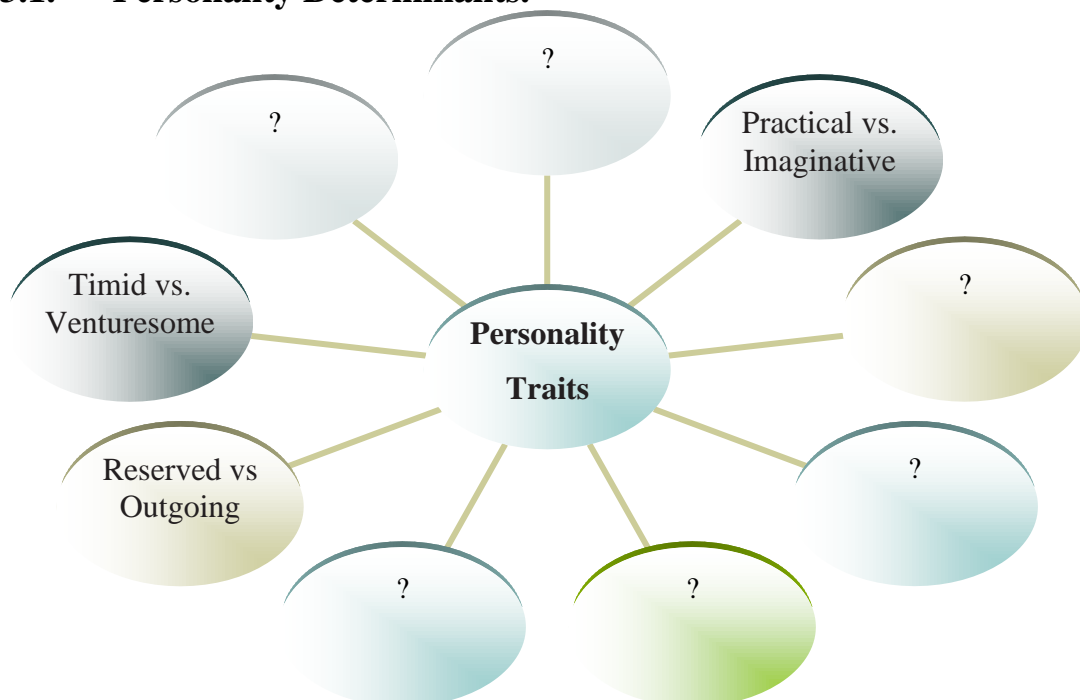
of occupations was 38. Thus, these people tended to see themselves as somewhat more internal than external.

3. PERSONALITY IN CHARTS AND TABLES.

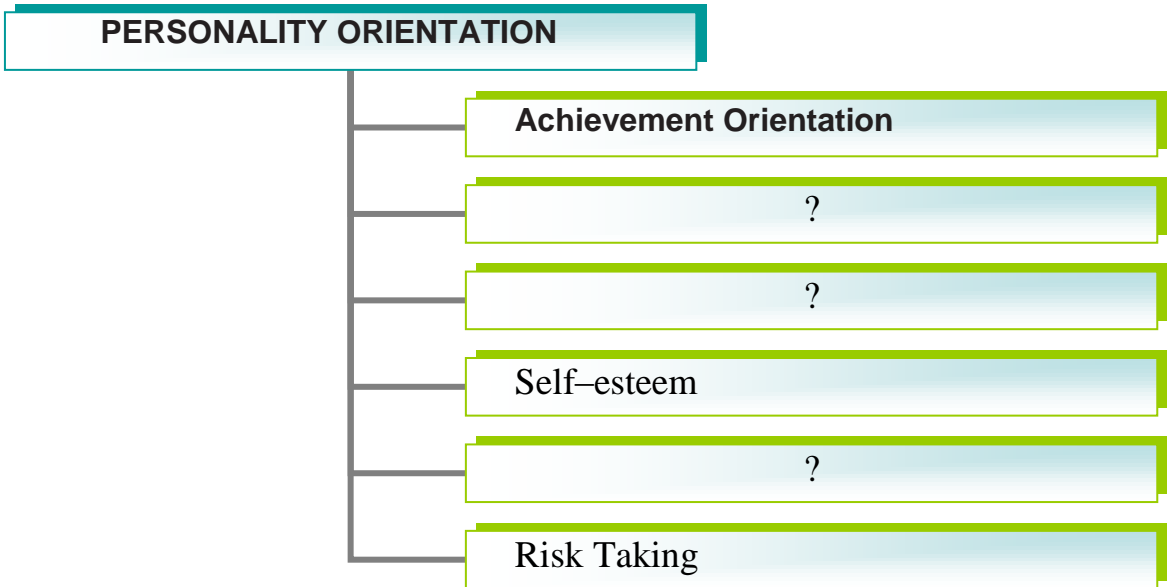
Complete the missed terms and phrases.



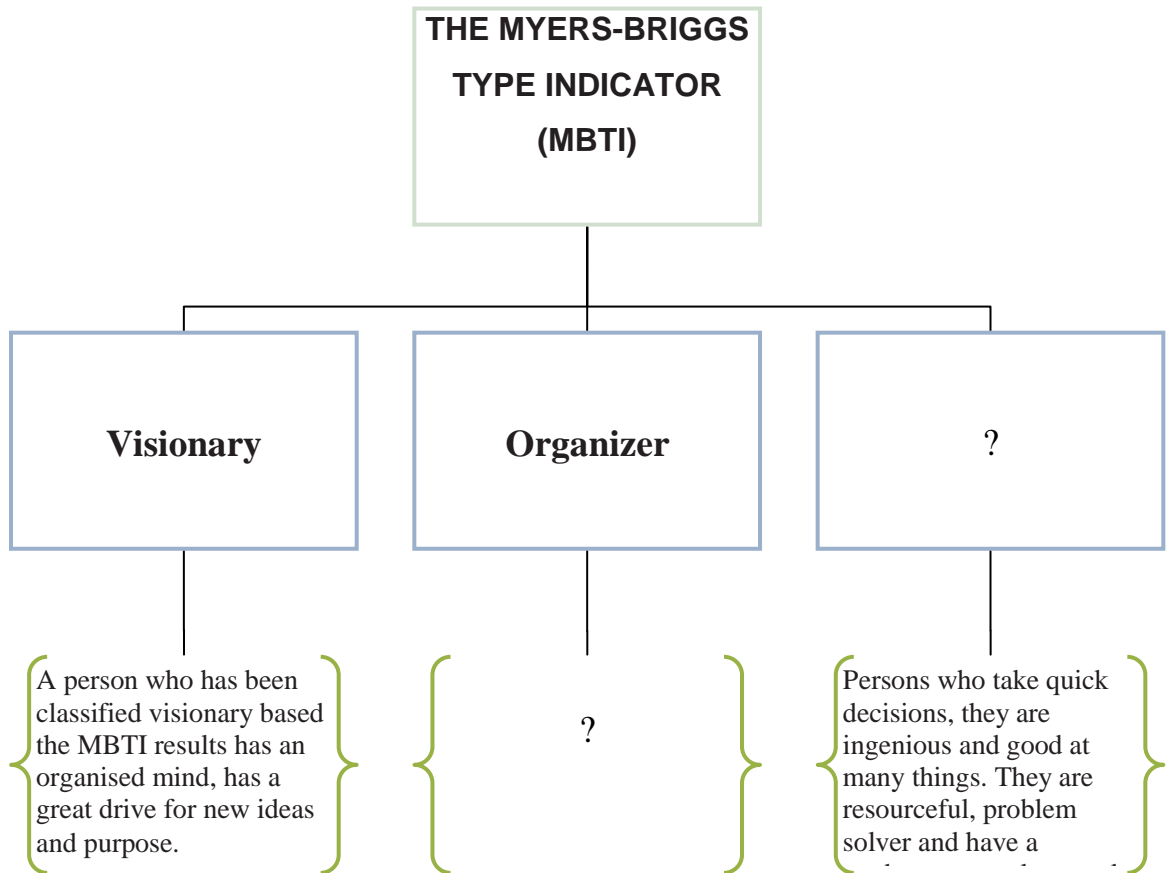
3.1. Personality Determinants.



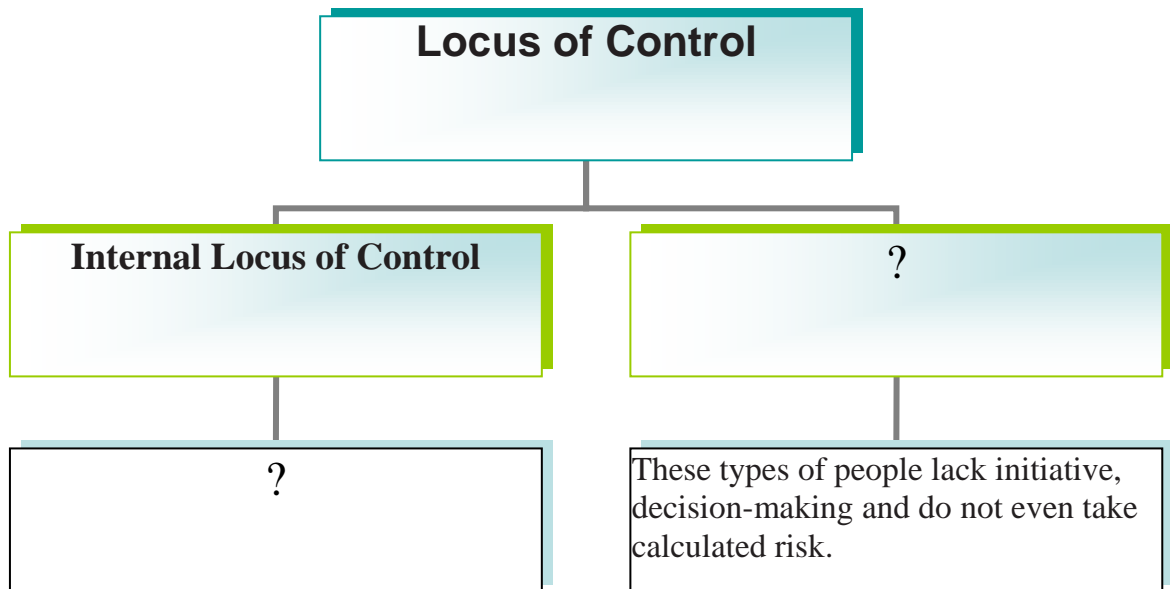
3.2. Personality Traits



3.3. PERSONALITY ORIENTATION



3.4. THE MYERS-BRIGGS TYPE INDICATOR



3.5. Locus of Control

CHAPTER 5

LEADERSHIP

To a loser, it may be possible, but it is difficult.
 To a winner, it may be difficult, but it is possible.
 A leader says that nothing is impossible.
 A loser will say, “It is not my job”
 A winner will say: “Let me help you do it”
 A leader will say: “follow me and do as I do”

Norman Schwarzkopf

LEARNING OUTCOMES

After completing this chapter you should be able to:

- _ explain the meaning and importance of leadership in work organisations;
- _ contrast patterns of managerial leadership and main approaches to and studies of leadership;
- _ detail the nature of managerial leadership and the exercise of leadership power and influence;
- _ examine leadership as an aspect of behaviour, and different styles of leadership;
- _ assess contingency theories of leadership and situational factors which determine the characteristics of leadership;
- _ evaluate the nature and main components of transformational leadership and inspirational leadership;
- _ review the variables which determine effective managerial leadership and development.

INTRODUCTION

Leadership is one of the most important aspects of studies of human behaviour in organization. It is the leader who creates working environment. The success of an organization depends upon the efficiency of the leader. It is the attributes, positive approach and the ability to solve problems that make a person leader. Leader should be able to turn the hopeless situation in favour. In the environment of tough competition in the market where it is undergoing financial recession, lay offs is the order of the day, market is facing poor demand for product because every body has enough and poor or no growth situation persists. In this situation leader should not lose his balance but turn the situation in his favour. He should be able to evolve techniques and lead the organization to win-win strategy. Leader should be able to motivate employees. All leaders are not managers as they have to work in non-organized sectors while the managers work in the organized have identified certain criteria between manager and a leader. The same is given below.

Manager characteristics

Administers
Copy
Maintains
Focuses on systems and structure
Short-range view
Relies on controls
Asks how and when
Eyes on the bottom line
Imitates
Does a thing right

Leader characteristics

Innovates
An original
Develops
Focuses on people
Long-range view
Inspires trust
Asks how and when
Eye on the horizon
Originates
Does right things

DEFINITIONS

Although many definitions of leadership could be cited, the most would depend on high degree of bravery and is not perturbed by danger of enemy fire. Leader installs values of honesty, takes calculated risk and displays concern for employees and customers. They do not stand and wait to see in despair things taking shape.

There are many ways of looking at **leadership** and many interpretations of its meaning. Leadership might be interpreted in simple terms, such as 'getting others to follow' or 'getting people to do things willingly', or interpreted more specifically, for example as 'the use of authority in decision-making'. It may be exercised as an attribute of position, or because of personal knowledge or wisdom. Leadership might be based on a function of personality, or it can be seen as a behavioural category. It may also be viewed in terms of the role of the leaders and their ability to achieve effective performance from others.

Taffinder suggests that everyone has a theory but, although we know quite a lot about management, we do not know as much about leadership. *Handy* believes that: *like motivation, the search for the definitive solution to the leadership problem has proved to be another endless quest for the Holy Grail in organization theory.* According to *Crainer* there are over 400 definitions of leadership and: *it is a veritable*

minefield of misunderstanding and difference through which theorists and practitioners must tread warily.

Nothing in business circles brings such a rush of clichés to the head as leadership, one of those humpty-dumpty words which, as Alice said, mean whatever we want them to mean ...Leadership is one of those elusive priorities, an area in which there is no absolute, no guaranteed model. So it turns out to be not only vital but also fun to talk about what makes a leader.

Sir Peter Parker

According to Useem, leadership is a matter of making a difference. It entails changing an organisation and making active choices among plausible alternatives, and depends on the development of others and mobilising them to get the job done.

Leadership is at its best when the vision is strategic, the voice persuasive and the results tangible. In the study of leadership, an exact definition is not essential but guiding concepts are needed. The concepts should be general enough to apply to many situations, but specific enough to have tangible implications for what we do.

However, in addition to vision and strategy, Useem suggests that they have been joined by new critical capabilities – leading out and leading up. With the increasing use of outsourcing, managers need the skill to lead out: not just to send work downwards to subordinates but also to have a talent for lateral leadership in arranging work with colleagues. And as organisations decentralise authority managers must be able to lead their own bosses, to have the capacity to lead up and muster support from above as well as below.

Ingredients of Leadership

Every group in the organization has a leader. A successful leader has within him the following ingredients.

1. The ability to use power effectively: A leader inherits power by virtue of his appointment. Known as the legitimate power apart from the above he achieves willing obedience by using one or more of power bases like expert power, referent power, reward and coercive power. Line authority also facilitates to influence subordinate.

2. An ability to comprehend: Human beings have different motivational needs at different times and situations. The ability to comprehend relates to understanding people, the theoretical orientation taken. Besides influence, leadership has been defined in terms of group processes, personality, and compliance particular behaviour, persuasion, power, goal achievement, and interaction, role differentiation, initiation of structure, and combination of two or more of these (Bernard 1990)1 leader has an ability to lead effectively. He is visionary and accomplishes objective by using discretion (authority). It is generally seen that good leader achieves willing obedience of their subordinates. They follow the leader unquestioned because he fulfils their desires, wants and needs. Leadership can be defined as influence, that is, the area or process of influencing people so that they will strive willingly and enthusiastically towards achievement of group goals. People should be brought to such a pitch of their devotion to duty that they not only work willingly, but also work with utmost zeal. The leaders are like front line captain, who not only inspires his

soldiers by physical presence but also brings down accurate fire from supporting weapons (utilizing skills) and displays their needs, expectations and what a leader has been doing to satisfy them. This is a continuous process that gives a leader the understanding of his subordinates and an ability to explore the situation to his advantage to get the organizational goal achieved.

3. Ability to inspire: Inspiration is best judged when subordinates work with zeal in hopeless situation. Leader must identify each individual's capabilities, skill and inspire them. Inspiration emanates from a leader who may have charm, an appeal, and devotion to duty, which subordinates further want to enhance them by loyally obeying the leader wilfully. Inspirations also come from charismatic personality of the leader. Subordinates promote what leader desires.

4. Leadership style: Leadership style is **firstly** the ability of a leader to act in a manner that will develop a climate conducive to the response from the led and **secondly** arouse motivation among the employees; leader must design and maintain an environment for efficient performance. He should identify motivational needs, desires of the subordinates and work out a plan that fulfils motivational needs and aspirations of the employees. Organizations practices must include appropriate reward system, freedom of action in work environment, recognition, open communication system and very informal and cordial behaviour pattern among various layers of organizational structure. Leaders must be participative, face the same problems as his subordinates, work in the identical environment and not show the signs of tiredness. He must be loyal to his subordinates and follow an appropriate leadership style taking into consideration the organizational climate and the environment he has to work. His approach must be reconciliatory.

Theories of Leadership

Trait Theory of Leadership

Not all managers are effective leaders and not all leaders are effective managers. It is therefore difficult to identify effective managers and leaders. Early studies of leaders defined them by traits they were supposed to exhibit. Sometimes it was also called "attributes" that the leader possesses. The theory therefore was called "trait theory" or attribute theory of leadership. It is also known as "great man's" theory. A leader might be described as loyal, brave, trustworthy or companionate. But all these qualities may not be found in a successful leader. Therefore long list of unending traits may be listed as desirable for a leader. Despite these difficulties, Davis³ has identified four characteristics that leader tends to have. They are more likely to be present in middle and upper-level managers than in those who hold lower-level supervisory positions. Their characteristics are as under:-

1. **Intelligence:** leaders tend to have higher degree of intelligence than their followers.

2. **Social maturity and breadth:** leaders have a tendency to be emotionally mature and to have a broad range of interests. They are members of some what exclusive social club.

3. **Inner motivation and achievement drives:** leaders want to accomplish things, when they achieve one goal they seek out another. They are inner motivated and do not depend on outside forces for their motivation.

4. **Human relations attitude:** Leaders are able to work effectively with other persons. They understand that to accomplish any task they must be considerate of others. Many studies of traits have been undertaken. Ralph. M.stogdill⁴ found following traits in a effective leader:

Physical Traits

Such as Energy, appearance, height, intelligence, ability and personality traits such as adaptability, aggressiveness, enthusiasm and self-confidence. They also have task related characteristics such as achievement drive, persistence and initiative and social drive like cooperativeness, interpersonal skills and administrative ability. Not all leaders possess all the traits. Trait theory of leadership gives no guidance as to how much of any trait a leader should have. The theory is not conclusive. Most of the traits identified in successful leaders are actually the pattern of behaviour.

Leadership Skills and Style

Another way of analyzing leadership behaviour in terms of skill possessed by the leader. There are three types of skills, which are required to be used appropriately at different levels of management.

Human skills are important for all the levels of management. They are concerned with interpersonal relationship between managers and other persons who come in contact with the leader. The leaders apply internal motivation to the employees so that their willing obedience and cooperation is obtained. **Technical skill** involves the ability of employees to know the technical aspect and operation and maintenance of machine, tools and allied fixture they work with. Lower level managers who are in close contact with workers have to know it in greater details as compared to higher managerial cadre. The former spends considerable time on utilization of technical skills. **Conceptual skill** involves the ability to view the organization in strategic term. It is most important for top level management where long term planning and futuristic thinking is required. As managers move to higher position in the organization they must develop and utilize the conceptual skill increasingly. But at times managers are found wanting of this skill. Training, development and exposure to various situations would make the managers to cope up with higher responsibility, based on skill, maturity and understanding.

Leadership styles and behaviour. In this chapter following leadership theories are discussed.

1. Leadership based on authority
2. Likert's four system of management
3. Managerial grid
4. Leadership styles based on power and influence
5. Contingency or situational leadership
6. Path-goal theory of leadership
7. Charismatic Leadership
8. Transformational leadership.

Leadership based on authority

Autocratic leadership: This type of leadership is practiced by the managers concentrating on power and authority within themselves. Leader expects high degree

of compliance by subordinates. He is dogmatic and positive in his approach. Manager exhibiting this type of style has the ability and enforces decision by use of rewards and fear of punishment. Communication tends to be primarily in one direction from manager to follower. Some autocratic leaders are seen as “benevolent autocrat.” Though they listen considerably to their followers’ opinion before making any decision, the decision remains to be their own. They seemingly consider their subordinate’s ideas but when it comes to decision making they are more autocratic than benevolent. An advantage of autocratic leadership is the speed of decision-making, as the leader does not have to obtain group members approval. However there appears to be a low morale syndrome on the group members because their **views** are not given due consideration and may resent the decision and support the same as little as possible. The pattern of communication with subordinates and influence exercised over them in various leadership styles is given in Figure 3.1

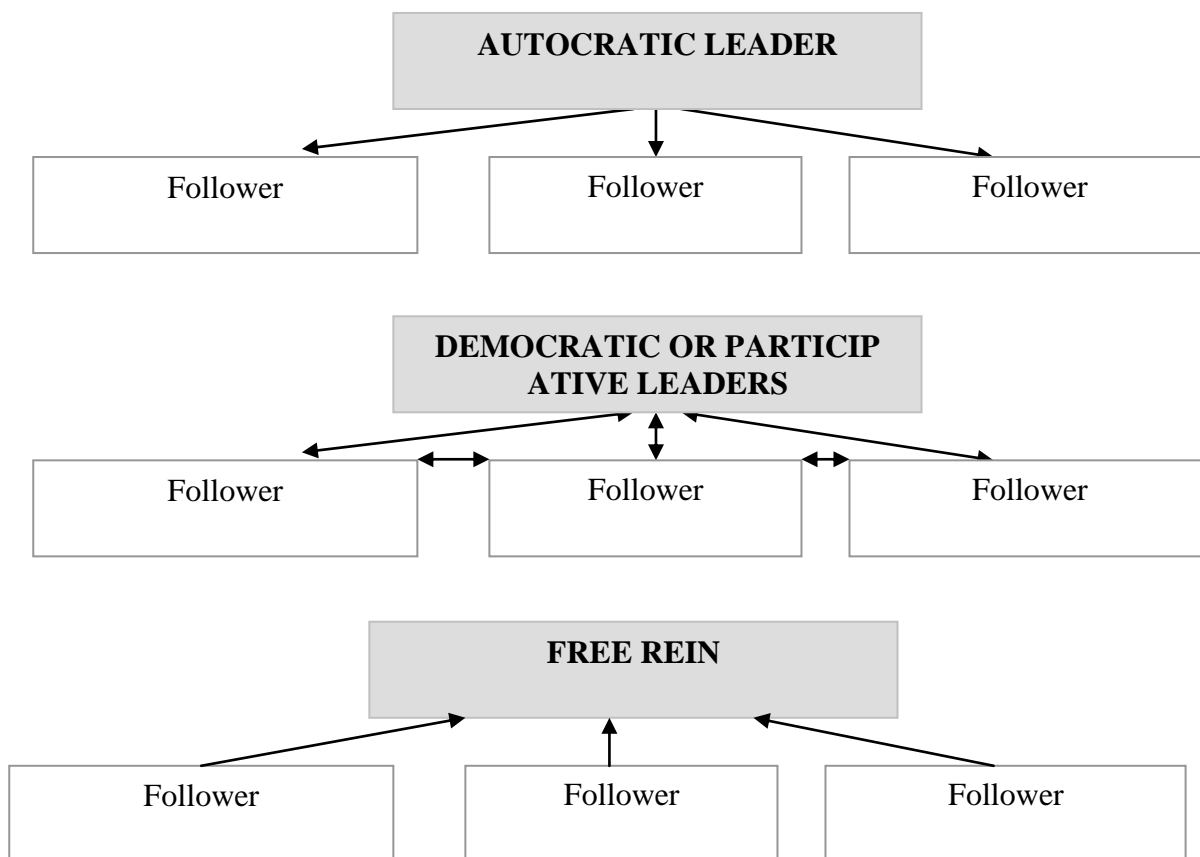


Figure 3.1 Flow of Communication and Influence

Democratic or Participative Leadership

In contrast to autocratic leadership, democratic or participative leader consults subordinates, encourages participation in decision-making. In the process of interaction with subordinates, democratic leader suggest actions or decisions and obtains views of those under him. He has respect for subordinates views and does not act without their concurrence. The leader is supportive. This style of leadership has various advantages, which include high morale and support of subordinates, smooth

implementation due to subordinates being party to decision making. Because of the participation of subordinates, the quality of decisions is better as compared to the autocratic leader. Disadvantages include slower decision, lack of accountability for decisions per se and possible compromise in the process of trying to please majority of the people involved in decision-making.

Laissez-faire Leadership

A leader who practices laissez-faire leadership is also called “free rein” leader who uses his power very little giving subordinates full freedom of action and independence for setting their goals and means of achieving them. This type of leaders depends heavily on subordinates and see their role as one of aiding the operation of followers by furnishing required information when asked for and acts only as contact between various departments and outside agencies (external environment). Here the leader attempts to exercise very little control or influence over the group members. Such type of leadership style promotes individual growth and freedom of action for goal setting. However, the loose control by the leader over the group may lead to lack of group cohesiveness and unity of purposes toward organizational objective. This may ultimately lead to inefficiency and even worse to chaos.

Which leadership style is best? Mc Murry argued for what he called “Benevolent autocracy” by managers towards their employees. This compassionate but dictatorial approach was based on the following premises:

Benevolent Autocracy

1. Most top managers have hard driving, autocratic personalities. Therefore they find participative management difficult to accept.
2. Significant decisions affecting firm must be made by top management because of the potential damage that could result from a poor decision.
3. Many members of large bureaucracies are in reality security seekers who do not wish to share in the decision-making process.
4. Participation may be interpreted by employees as their right to veto managerial decisions and to generally become lax in their work behaviour.

The use of any style will depend on the situation. Managers may be highly autocratic in emergency or when they are custodian of a particular solution. The same leader may be participative when he wishes to find alternative solutions to the problem. Model discussions are carried out in the Defense Services to arrive at a solution to operational problems by involving as many subordinates as possible. In Research and Development organization the leadership style may even be of free-rein where problem has been defined and subordinates are left to themselves to arrive at a solution and minimum involvement of a manager is expected.

MANAGERIAL GRID

“Managerial Grid” style of leadership was developed by Robert Blake and Jane mouton (1969). The managerial grid model explains concern of a manager for production and people. Blake and mouton’s model helps to measure a manager’s relative concern for people and task and reflects bi-directional nature of leadership. The managerial grid shown at figure-5.2 identifies a range of management behaviour based on the various ways that the task oriented and employee oriented styles, which

have been explained as a continuum on a scale of 1 to 9 as Figure 5.2 on the next page. Blake and mouton have very clearly emphasized the concern for people and production. Concern for people includes such elements as degree of personal commitment towards goal achievement, maintenance of self-esteem of people, assigning task based on trust, provision of good working conditions and maintenance of good inter-personal relationship. When a manager has concern for people, he is more worried about fulfilment of various need factors that are included in hygiene factors of McGregor in his motivational style. As far as the leadership style that displays concern for production includes elements like output of the workers, work efficiency, quality of policy decisions, various processes and procedures that are followed during the production line. It also includes creativity, research and development undertaken, quality of product produced and last but not the least services provided by the staff. Let us now study four styles of leadership.

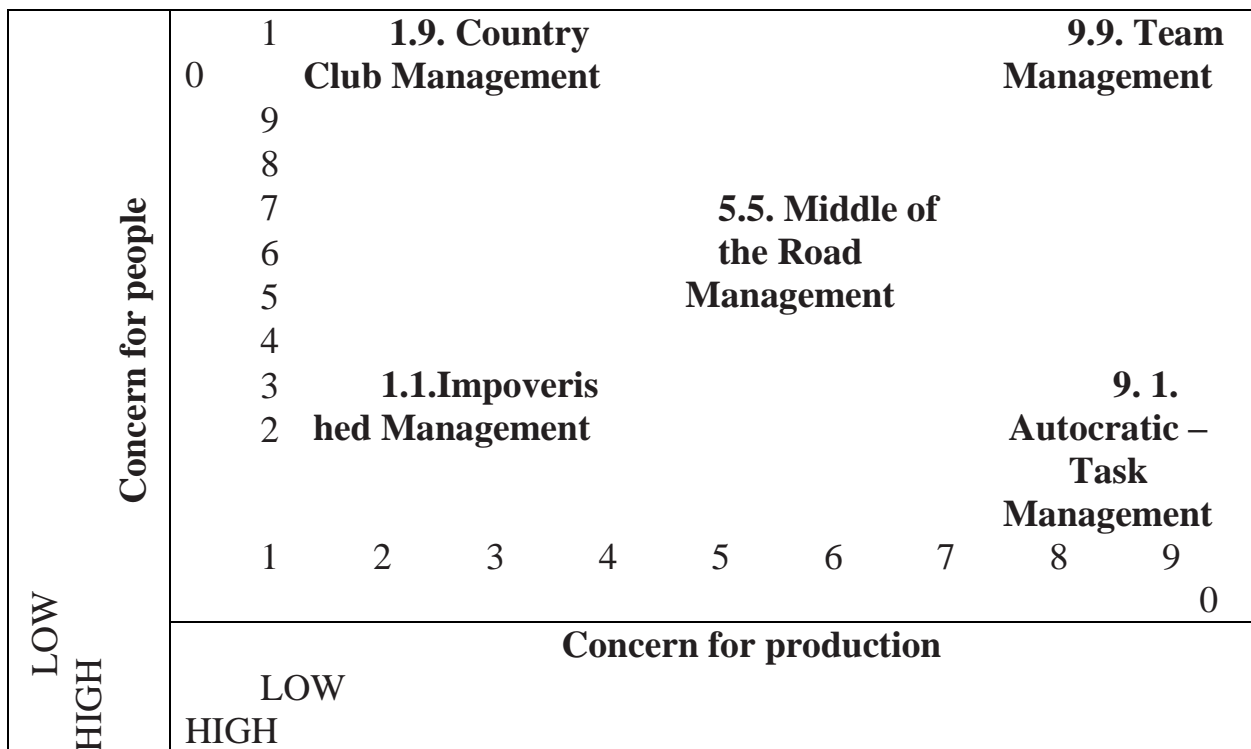


Figure 5.2 Managerial Grid

Impoverished Management 1:1

Under this style (as shown in the figure-left bottom corner,) is referred to as impoverished management or Laissze-faire type of management. Managers do not involve themselves with the work or people, they only mark time and have abandoned their job. They act as messenger to pass information from superiors to subordinates. They neither display any concern for people nor for the production. They display minimum involvement in the job they are assigned to. This amounts to exertion of minimum efforts on the part of leader to get required work done is appropriate to sustain organizational membership.

Team Management 9:9

At the extreme opposite is team management style of leadership where managers mesh interest of people and production needs in the balanced manner. Their involvement is total. They are real team leaders who have full knowledge, skill and aptitude for job and also concern for the welfare of workers. Blake and Mouton argue strongly that style 9:9 is the most effective management style. They believe, this leadership approach will, in all situations, result in improved performance, low absenteeism, and turnover and high job satisfaction.

Country Club Management 1:9

Leaders who follow this style of leadership display very high concern for people and very little interest for production. They create a very relaxed and friendly environment. There are no organizational goals and exist very loose style of functioning. The working environment is workers welfare oriented.

Autocratic-task Oriented 9:1

This leadership style concentrates on setting of organizational goals, development of effective operations systems, utilization of organizational resources, achievement of objectives and stress on quality of work and production. The leader functions in an autocratic way with no or very little concern for people.

Middle of the Road Management 5:5

Managers have both concern for people and production. They set moderate production goals and achieve them. They have equal concern for people and work. They achieve reasonably satisfactory results in maintain high morale of workers and meet production requirements The managerial grid is widely used model for training and development of managers. The model cannot determine a particular style of a leader because leadership is influenced by personality traits, skills, attitude of the leader and the followers. Apart from the above situational factors in work environment and the organizational culture affects the leadership style to a great extent.

Contingency Approach to leadership

As studied earlier, Trait Theory is not conclusive and behavioural approach to leadership depends largely to the nature and content of the work and prevailing organizational culture. Researchers therefore began trying to identify those factors in each situation that influence the effectiveness of a particular leadership style. Contingency approach to leadership is therefore important. The theory focuses on the following factors.

- a) Task requirements
- (b) Peer's expectations and behaviour
- (c) Employees characteristics, expectations and behaviour
- (d) Organizational culture and policies

Hersey and Blanchard's Situational Leadership Model

One of the major contingency approach to leadership is Paul Hersey and Kenneth H. Blanchard's **Situational Leadership model**. The model emphasis on the following points:

1. The most effective leadership style varies with “**readiness**” of employees. **The readiness is defined as the desire for achievement, willingness to accept responsibility, and task related skill, ability and experience.**

2. Goals and knowledge of followers. To understand the model, it is necessary to understand task and relationship behaviour.

Task Behaviour

Task behaviour is defined as “the extent to which the leader engages in spelling out the duties and responsibilities of an individual and group. These behaviours telling people what to do, how to do it, when to do it, where to do it, and who is to do it.” (Paul Hersey and Kenneth H. Blanchard and Dewey E. Johnson)⁸. Task behaviour is characterized by one-way communication from leader to follower. The leader is not concerned with the feeling of follower but he is concerned as to how to help the follower to achieve the set goal.

Relationship Behaviour

Relationship behaviour is defined as “the extent to which the leader engages in two way or multi way communication, The behaviours include listening, facilitating and supportive behaviour.” (Refer Paul Hersey and Kenneth H. Blanchard and Dewey E. Johnson). Hersey and Blanchard believe that the relationship between a manager and follower moves through four different stages. See Figure 5.3 below:

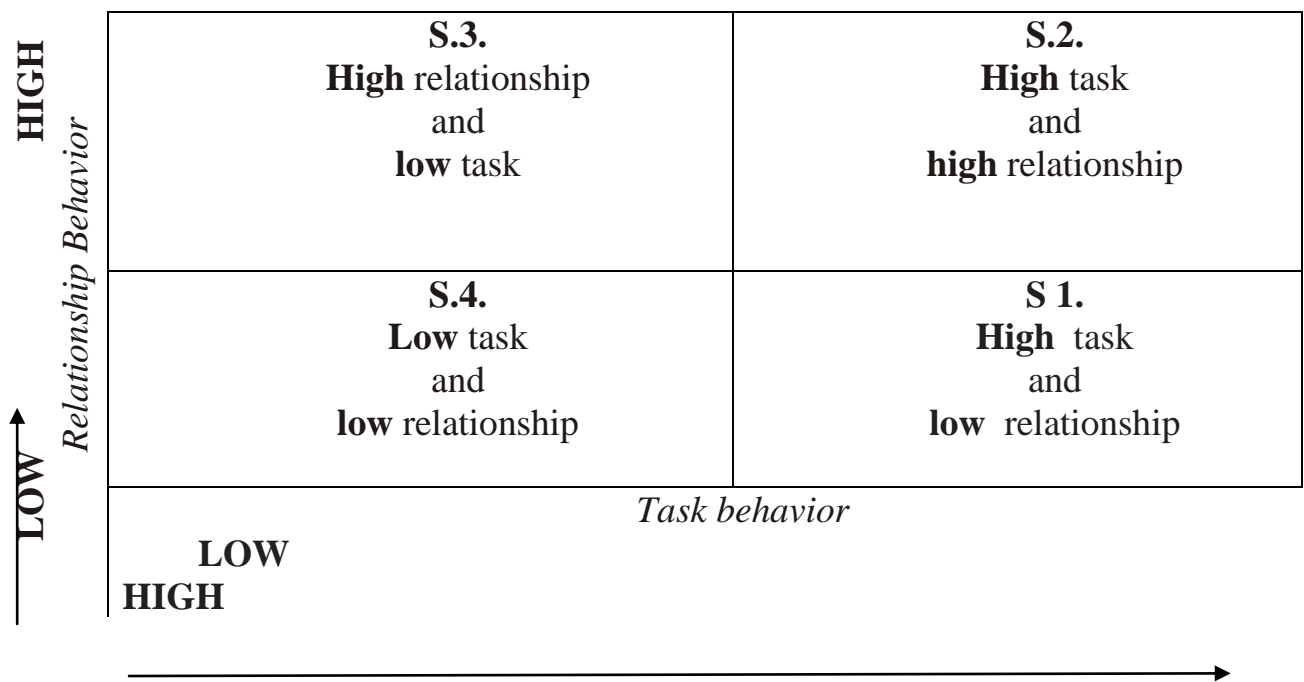


Fig. 15.4. Relationship between a Manager and Follower

(Adapted from Paul Hersey and Kenneth H. Blanchard, Management of Organizational Behaviour—Utilising Human Resources, 5th Edition.)

Style-S1 This relationship style is characterized by above average amounts of task behaviour and below average amount of relationship behaviour.

Style-S2 This relationship style is characterized by above average amount of both task and relationship behaviour.

Style-S3 This style is characterized by above average amount of relationship behaviour and below average amount of task behaviour.

Style-S4 This style is characterized by below average amount of both relationship and task behaviour.

In the initial stage of readiness (S1 situation) a leader is required to guide the follower about the task. In this situation leader shows least concern for their welfare, and personal relationship. As the situation improves (S2 situation) the leader's trust in his employees increases as the leader becomes part of the group and wishes to encourage them to accomplish the task. In this situation the employees have to work within the framework of the task structure hence the leader has to maintain an highest degree of commitment to task relationship. In S3 situation the employees develop high degree of work ability and achievement orientation (motivation) begin to surface as they seek greater responsibility hence very close relationship is required to be maintained. In S4 situation follower no longer need direction as they become more confident and experienced. Motivation, ability and experience of the subordinates must be continuously assessed to determine which style is appropriate at a particular moment. This model of leadership is considered ideal as it is dynamic and flexible. The model assists in maintaining close relationship of leader and the led, facilitates professional development of subordinates and in doing so improves motivational level of followers. A leader must however remain alert and change to suitable leadership style in different situations and at different levels of progression.

Behavioral Approach to Leadership

(Leadership Styles-Robert Tannenbaum and Warren H Schmidt-a model)

Every leader has to undertake two major functions in any organization ie one task related functions and two functions that will promote group effectiveness (maintenance). Managers who have task-oriented style of leadership will closely supervise employees as far as the progress of the work is concerned. Getting the job done is given more emphasis than employee growth. On the contrary managers who have employee oriented style of leadership will put more emphasis on employee motivation rather than controlling subordinates. Managers seek friendly, cooperative, trusting relationship with employees. It may be noted that no manager is either task oriented or employee oriented. Every manager uses little of each style. Robert Tannenbaum and Warren H.Schmidt were among the first theorist to describe various factors that influence leadership style. They have developed a leadership continuum on which various styles of leadership have been shown ranging from highly boss centered to highly subordinate centered. The most important element that may influence managers' style can be seen along the continuum. These are explained in following paragraph.

1. **Leader:** The forces that operate while leading subordinates are the managers' personality, skill, ability and attitude towards the work, employees and the organization he is serving. Confidence in subordinates and his personal inclination towards leadership style which play a dominating role in selecting a particular style of leadership.

2. **Subordinate:** According to Tannenbaum and Schmitt, a manager can allow greater participation and freedom when employees crave independence and freedom of action, want to have decision – making responsibility, identify with the organization's goals and are experienced enough to deal with a problem efficiently. They should possess experience that leads to "participative management." When these conditions are non existent, the managers initially can have tight control and

use authoritarian type of leadership. They can later modify the style as employees develop skill, confidence and organizational commitment.

3. **Situation:** The forces of situation play a decisive role in selecting leadership style. They include organizational value system, tradition, delegation of authority, group cohesiveness and time management. The level of organizational effectiveness is an important factor to be considered. Wehrich and Koonz have stated that in reviewing their continuum model in 1973 (it was originally formulated in 1958). Tannenbaum and Schmidt placed circles around the model, as shown in the figure indicated above to represent the influence on style imposed by both the organisational environment and the social environment. This was done to emphasise the open system nature of leadership styles and the various impacts of the organizational environment and of the social environment outside the enterprise. In their 1973 commentary, they put increased stress on the interdependency of leadership style and environmental forces such as labour unions, greater pressure for social responsibility, the civil rights movement, and the ecology and consumer movement that challenge the rights of managers to make decisions or handle their subordinates without considering interests outside the organization

Fielder's Contingency Approach to Leadership

Fiedler carried out intensive work on leadership. He believes that most of the leaders are inflexible and tries to fit in every situation they face. If they succeed they are considered good leaders. Fiedler feels that matching the managerial style with the situation or changing the situation to match the manager's leadership style can achieve effective group performance. The research is based on the leadership styles similar to the employee oriented leader or the task oriented leader studied earlier. What differentiate Fiedler's model is the measuring instrument he used in his research work. Fiedler measured leadership style on the scale that indicated the degree to which a person described favourably or unfavorably. He coined the concept of **Least preferred co-worker (LPC)** –The employee with whom the person could work least well. As per Fiedler's findings one, a person who describes his least preferred co-worker in a relatively favorable manner (high LPC rating) tend to be permissive, human relations oriented and considerate of the feelings of his men. But a person who describes his least preferred co-worker (LPC) in an unfavorable manner- (low LPC rating) tends to be managing, task oriented and less concerned with the human relations aspect of the job. Two, the scores on the Assumed Similarity between Opposites (ASO) Scale-ratings based on then degree to which leader see group members as being themselves. (Fred. E. Fiedler)*11. High LPC managers are employee oriented and want to maintain a good interpersonal relationship with their co-workers. They regard their close ties with employees important for their efficiency. While managers having low LPC are task oriented. They display lower priority for employees than the level of productivity.

(a) **Leader-Member Relationship:** If a manager is able to establish good relations with his workers based on personality, skill and knowledge he may be successful leader and does not have to depend on power and authority. Leader-member relations were measured on LPC scale, either they were good or bad

depending upon the degree of cohesion, co-operation and the level of conflict prevailing between the leader and led.

(b) **Task Structure:** High task structure is related to a task where all actions required to be taken are explained in sequential manner and employees understand and anticipate what is coming next. On the contrary when a task is unstructured, the employees do not know as to how to handle the work and group-member's role become ambiguous.

(c) **Position Power:** In this situation power derived by the leader from his formal position and other power bases are not considered. Fiedler feels that a leader having a strong power position can obtain (wield) followership more easily than a leader not having a formal power base. The position of power is determined by the amount of control which the leader has over allocation of resources, determination of salaries, rewards, punishments and hiring of people.

LPC Score

Scoring

Pleasant	8 7 6 5 4 3 2 1	Unpleasant
Friendly	8 7 6 5 4 3 2 1	Unfriendly
Rejecting	1 2 3 4 5 6 7 8	Accepting
Tense	1 2 3 4 5 6 7 8	Relaxed
Distant	1 2 3 4 5 6 7 8	Close
Cold	1 2 3 4 5 6 7 8	Warm
Supportive	8 7 6 5 4 3 2 1	Hostile
Boring	1 2 3 4 5 6 7 8	Interesting
Quarrelsome	1 2 3 4 5 6 7 8	Harmonious
Gloomy	1 2 3 4 5 6 7 8	Cheerful
Open	8 7 6 5 4 3 2 1	Guarded
Backbiting	1 2 3 4 5 6 7 8	Loyal
Untrustworthy	1 2 3 4 5 6 7 8	Trust worthy
Considerate	8 7 6 5 4 3 2 1	Inconsiderate
Nasty	1 2 3 4 5 6 7 8	
Agreeable	8 7 6 5 4 3 2 1	Disagreeable
Insincere	1 2 3 4 5 6 7 8	Sincere
Kind	8 7 6 5 4 3 2 1	Unkind

Total

Fig. 5.7. LPC Score

Fiedler then went on to specify eight possible combinations on the above three variables. Leader-member relations may be good or poor, task may be structured or unstructured and lastly the position power may be strong or weak. He then measured the performance of a leader under favourable, moderate and unfavorable situations. Least Preferred Co-worker (LPC) Scale Describe the person on the scale that follows by placing an "X" in the appropriate space. Look at the words at both ends of the line before you mark "X". There are no right or wrong answers. Work rapidly; your first answer is likely to be the best. Do not omit any item and mark each item only once. Now describe the person with whom you can work least well. Enter the score in the column provided. LPC Score method is explained in Figure 5.7. Determine your LPC

score and its implied leadership style by adding the numbers recorded in the right-hand column. Mark this total in the space provided. If your score is 64 or higher, Fiedler considers you to be a high LPC person. The high LPC person essentially says of his or her least preferred co-worker, "Even if I can't work with you, you may still be an okay person". Because of this sensitivity for relationships with others, the high LPC person is considered to be "relationship-motivated" as a leader. If your score is 57 or lower, you are a low LPC leader. A low LPC person describes the least preferred co-worker in very negative terms. Essentially he or she says, "Work is extremely important to me, therefore, if you are a poor co-worker and prevent me in my efforts to get things done, then I can't accept you in other respects either." This low LPC individual is termed "task motivated" as a leader. A score of 58 to 63 indicates a possible mix of motivation and goals. If you fall in this range, Fiedler argues that you need to decide for yourself where you fit between task and relationship motivations.

Fiedler, in his research concluded that the task oriented leadership style would be ideal for favourable and unfavourable situations. In favorable situations when Leader-Member relations are good, the task is structured and position power is strong, the task oriented leader will be effective. On the other hand, under unfavorable situation, when leader-member relations are poor, task is unstructured and position power is weak, task oriented style of leadership will be good. However when the situation is moderate (moderately favourable or unfavourable) the human relations-oriented leader will be most effective.

Analysis of the model: There is however, some criticism. One of the major criticisms is that the model is simplest. Early research relied heavily on correlation findings, cause and effect conclusions. Indeed, as we have mentioned earlier, it may well be that the LPC scale is a better measure of the personality of the individual than it is a description of leadership behaviour through motivation. There is another aspect to the correlations. There are some people who would utterly reject them on the basis that they do not always reach conventional levels of statistical significance. Perhaps the most damaging criticism, however, is the LPC scale itself. (Tyson Shaun and Jackson Tony).

Path-Goal Theory of Leadership

Path-Goal theory of leadership was proposed by Martin Evans and Robert House in 1970-71. The theory is an amalgamation of Contingency approach of leadership and Expectancy theory of motivation. The theory is based on situation factors that includes **firstly**, subordinate attributes like ability and the locus (internal and external locus of control). **Secondly**, the work setting attributes like task, formal authority system prevailing in the organization, cohesiveness of the work group and the like. Robert House states that leader has to set the goals for subordinates based on their ability, identify various courses of action to achieve the organizational goals and select the best course open, taking into consideration the situational factors. Both the theorist further stated that reward system and relationship with co-workers are very important factors.

Based on the above attributes leadership can be of following four types:

1. Directive Leadership

Directive leadership is the style of leadership in which the leader provides guidance and methodology to accomplish the task. This is required when the task is not structured. The leader sets the goals for group/teams/individuals, depending upon the nature of the work, allocates them, exercises strict control, gives the detailed directions to accomplish the same and also provides continuous support to his subordinates. He ensures that all the resources are made available to them and keeps a very close watch over the progress of the work.

2. Supportive Leadership

This type of leadership gives consideration to the needs of subordinates, shows concern for their well-being and creates a conducive work environment. It has a great impact on the performance of the subordinates. In this style, leader attempts to get the feed back on the decisions he has made. He invites suggestions from subordinates but the control over decision making remains with the leader.

3. Participative Leadership

The leader solicits subordinates' suggestions. He allows and encourages subordinates in decision-making. This approach improves motivational level of subordinates as they feel that they are the part the decision-making and therefore committed to the implementation of the task.

4. Achievement-oriented Leadership

Setting challenging goals, seeking improved performance, seeking trust of continued efficiency of the subordinates are the main factors of this style of leadership. The style is highly effective for those who have clear cut and non repetitive assignments and have an urge to satisfy higher level of motivational needs.

The theory propagates that any of the four leadership styles can be practiced by a leader depending upon situational factors such as subordinates characteristics and the attributes of work setting. If there is an ideal fit between the leadership style and situational factors in work-setting then subordinates will have high job satisfaction. They will be highly motivated that will transform their energies into high productivity leading to high rewards. The logic behind the model is that the leader can help subordinates to achieve their goals by advising them from time to time and removing hurdles from the path so that the goals are achieved by the subordinates. High performance is attempted by the employees because they are convinced that it would lead to high rewards (expectancy theory of motivation). Leader can apply various patterns of theories based on the situations. If employees seek higher level of job satisfaction they can be given challenging work by the leader so that their self-actualization need is fulfilled. If the employees have good skills and desire to contribute to the achievement of organizational goal then the participative type of leadership style can be practiced.

Charismatic Leadership

A new theory of leadership is taking a large dimension in the organization. It has been seen that charismatic leader aims to get willing followers to attain organizational goals. Charismatic leader have following characteristics that make them stand out as successful leaders

(a) **Vision:** Charismatic leader has vision. He sees an organization from futuristic point of view and has a great foresight to preempt problems and seek solution and therefore he is ahead of his competitors and sails in safe waters.

(b) **Risk takers:** Charismatic leaders take great amount of risk to accomplish the vision. Indira Gandhi the erstwhile prime minister of India took a risk by launching its defense forces into East Pakistan to liberate it. She also displayed a high degree of risk while nationalizing banks and taking away Privy Purse privilege from Indian kings.

(c) **Sensitivity to environment constraints and follower need:** Charismatic leaders display a high degree of knowledge and its applicability to practical problems likely to face, may be shortage of raw material, competitors strategy, trend in market and likely pattern that may emerge. They believe the subordinates contribution and hence the importance to their needs.

(d) **Distinct Behavioral pattern:** Charismatic leaders are sympathetic towards subordinates and hence a soft corner for them. They are supportive and employee oriented. They behave differently in different situation and do not have a brand.

Charismatic leader influences subordinates by articulating an appealing vision. This vision provides a sense of continuity for followers by linking the present with better future for organization. The leader then communicates high performance expectations and expresses confidence that followers can attain them. This enhances follower self-esteem and self-confidence. Next leader conveys through words and actions, a new set of values and by his or her behaviour, sets a example for followers to imitate. Finally the charismatic leaders makes self sacrifices and engages in unconventional behaviour to demonstrate courage and convictions about the vision (B Shamir, R J House and M B Arthur)¹³. Charismatic leadership is more pronounced when there is a high degree of uncertainty and leader is able to come out successfully.

Transformational Leadership

This type of leaders guide their subordinates by establishing goals which can be achieved by role identity and task requirement. Transactional leader use reward system very effectively to achieve organizational goals and set new standards. Transformational leadership follows various leadership models. Transformational leadership is practiced when leader intellectually stimulates the subordinates, excites, arouses and inspires them to perform beyond their expectations. By providing a new vision, the transformational leader transforms the followers into people who want to self-actualize. Leader by inspiration have won wars by voluntarily demanding highest sacrifices of soldiers in the battlefields. History is replete of various examples of valour and sacrifices. Transformational leadership is beyond the charismatic leadership.

SUMMARY

Leadership is an art of leading subordinates. Leaders are visionary and by sheer nature achieve willing obedience of their subordinates. They take calculated risk and display devotion to duty and concern for employees. Leadership is about influencing subordinates to act willingly towards achievement of organizational goals. A successful leader should have an ability to use power successfully. They should be

able to identify human needs and inspire them even in hopeless situation. A good leader should arouse motivation among employees and create a climate conducive to work. There are various leadership theories. Traits Theory of leadership is also called “great man’s theory”. The theory suggests that to be leader, a person must possess certain traits. Davis has identified that a good leader should have intelligence, social maturity, inner motivation, achievement orientatation, maturity and lastly the human relation’s attitude. As far as the study of human skills is concerned every leader has human skill, technical skill and conceptual skill in varying degree. There are various leadership styles based on authority. These are autocratic leadership style, democratic leadership style free rein and laissez-faire leadership style. There is no one best style.

TEXT QUESTIONS

1. Define Leadership. What are various ingredients a leader should possess?
2. Leadership is a corner stone of managing an organization. Discuss
3. Explain “managerial Grid” with the help of diagram.
4. Explain Fiedler’s Contingency approach to leadership.
5. Path-Goal theory of leadership is an amalgamation of contingency theory and expectancy theory of leadership. Explain the above statement.
6. Charismatic leaders have different characteristics that make them stand out as successful leader. Explain.
9. Draw out a leadership skech of a charismatic leader you have known.
10. Explain Transformational leadership. This type of leadership style has come to stay. Express your views.

PRACTICAL WORKSHOP

1. LEADERSHIP EFFECTIVENESS AND STYLE ADAPABILITY

DIRECTIONS: Assume YOU are involved in each of the following twelve situations. Each situation has four alternative actions you might initiate. **READ** each item carefully **THINK** about what YOU would do in each circumstances. Then **CIRCLE** the letter of the alternative action choice which you think would most closely describe YOUR behaviour in the situation presented. **CIRCLE** only one choice.

<p>1. SITUTATION</p> <p>1. Your subordinates are not responding lately to your friendly conversation and obvious concern for their welfare. Their performance is declining rapidly.</p> <p>2. SITUTATION</p> <p>2. The observable performance of your team is increasing. You have</p>	<p>1. ALTERNATIVE ACTIONS</p> <p>A. Emphasize the use of uniform procedures and the necessary for task accomplishment.</p> <p>B. Make Yourself available for discussion but don’t push your involvement.</p> <p>C. Talk with subordinates and then set goals.</p> <p>D. Intentionally do not intervene.</p> <p>2. ALTERNATIVE ACTIONS</p> <p>A. Engage in friendly interaction but</p>
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been making sure that all members were aware of their responsibilities and expected standards of performance.

3. SITUTATION

3. Members of your group are unable to solve a problem themselves. You have normally left them alone. Group performance and interpersonal relations have been good.

4. SITUTATION

4. You are considering a major change. Your subordinates have a fine record of accomplishment. They respect the need of change.

5.SITUTATION

5. The performance of your group has been dropping during the last few months. Members have been unconcerned with meeting objectives. Redefining roles and responsibilities has helped in the past. They have continually needed reminding to have their tasks done on time

6. SITUTATION

6. You stepped in to an efficiently run organization. The pervious administrator tightly controlled the situation. You want to maintain a productive situation but would like to begin humanizing the environment.

continue to make sure that all members are aware of their responsibilities and expected standards of performance.

B. Take no definite action.

C. Do what you can to make the group feel important and involved.

D. Emphasis the important of deadlines and tasks.

3. ALTERNATIVE ACTIONS

A. Work with the group and together engage in problem solving.

B. Let the group work it out.

C. Act quickly and firmly to correct and redirect.

D. Encourage group to work on problems and be supportive of their efforts.

4.ALTERNATIVE ACTIONS

A. Allow group involvement in developing the change but don't be too directive.

B. Announce changes and then implement with close supervision.

C. Allow group to formulate it's own direction.

D. Incorporate group recommendations but you direct the change.

5. ALTERNATIVE ACTIONS

A. Allow group to formulate it's own direction.

B. Incorporate group recommendations but see that objectives are met.

C. Redefine roles and responsibilities and supervise carefully.

D. Allow group involvement in determining roles and responsibilities but don't be too directive.

6. ALTERNATIVE ACTIONS

A. Do what you can to make the group feel important and involved.

7. SITUTATION

7. You are considering changing to a structure that will be new to your group. Members of the group have made suggestions about needed change. The group has been productive and demonstrated flexibility in it's operations.

8. SITUTATION

8. Group performance and interpersonal relations are good. You feel some what unsure about your lack of direction of the group

9. SITUTATION

9. Your subordinates, usually able to take responsibility are not responding to your recent redefining standards.

10. SITUTATION

10. You have been promoted to a new position. The previous was uninvolved in the affaires of the group. The group has adequately has handled it's task and direction. Group inter- relation are good.

11. SITUTATION

11. Recent information indicates some internal difficulties among subordinates. The group has remarkable record of

B. Emphasis the importance of deadlines and tasks.

C. Intentionally do not intervene.

D. Get group involved in decision making, but see that objectives are met.

7. ALTERNATIVE ACTIONS

A. Define the change and supervise carefully.

B. Participate with the group in developing the change but allow members to organize the implementation.

C. Be willing to make the changes as recommended but maintain control of implementation.

D. Avoid confrontation, leave things alone.

8.ALTERNATIVE ACTIONS

A. Leave the group alone.

B. Discuss the situation with the group and then you initiate necessary changes.

C. Take steps to direct subordinates towards working in a well defined manner.

D. Be supportive in discussing the situation with the group but not to be directive.

9. ALTERNATIVE ACTIONS

A. Allow group involvement in redefining standards, but don't take control.

B. Redefine standards and supervise carefully.

C. Avoid confrontation by not applying pressure, leave situation alone.

D. Incorporate group recommendations but see that the new standards are met.

10. ALTERNATIVE ACTIONS

A. Take steps to direct subordinates towards working in a well-defined manner.

B. Involve subordinates in decision-making and reinforce good contribution.

C. Discuss past performance with group and then you examine the need for new

<p>accomplishments. Members have effectively maintained long range goals. They have worked in harmony for the past year. All are well qualified for the task.</p> <p>12. SITUTATION</p> <p>12. Recent information indicates some internal difficulties among subordinates. The group has remarkable record of accomplishments. Members have effectively maintained long range goals. They have worked in harmony for the past year. Al are well qualified for the task.</p>	<p>practice.</p> <p>D. Continue to leave group alone.</p> <p>11. ALTERNATIVE ACTIONS</p> <p>A. Try out your solution with subordinates and examine the need for new practices.</p> <p>B. Allow group members to work it out themselves.</p> <p>C. Act quickly and firmly to correct and redirect.</p> <p>D. Participate in problem discussions while providing support for subordinates.</p> <p>12. ALTERNATIVE ACTIONS</p> <p>A. Try out your solution with subordinates and examine the need for new practises.</p> <p>B. Allow group members to work it out themselves.</p> <p>C. Act quickly and firmly to correct and redirect.</p> <p>D. Participate in problem discussions while providing support for subordinates.</p>
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DETERMINE YOUR LEADERSHIP STYLE AND STYLE RANGE

In the questionnaire are in effect asked how would you exercise leadership over your group in each of the twelve situations given. The questionnaire seeks to identify two things. First, your current style of leadership, (Fig. 1 and 2) second, your effectiveness as a leader (Fig. 3 and 4).

1. **Determine Leadership Style (A)** Using figure 1 below draw a circle around the letter of the alternative action or response you chose for each situation.

Fig. 1

SITUTATION	ALTERNATIVE ACTIONS				
	1	A	C	B	D
2	D	A	C	B	B
3	C	A	D	B	B
4	B	D	A	C	C
5	C	B	D	A	A
6	B	D	A	C	C
7	A	C	B	D	D

	8	C	B	D	A
	9	C	B	D	A
	10	B	D	A	C
	11	A	C	B	D
	12	C	A	D	B
	Quadrant Scores	Quadrant 1	Quadrant 2	Quadrant 3	Quadrant 4

BASIC LEADERSHIP BEHAVIOUR STYLES

(B) Now the total number of circle you have for each column write down these totals in the spaces provided (Quadrant Scores). Now transfer these quadrant scores to the appropriate boxes in Figure 2.

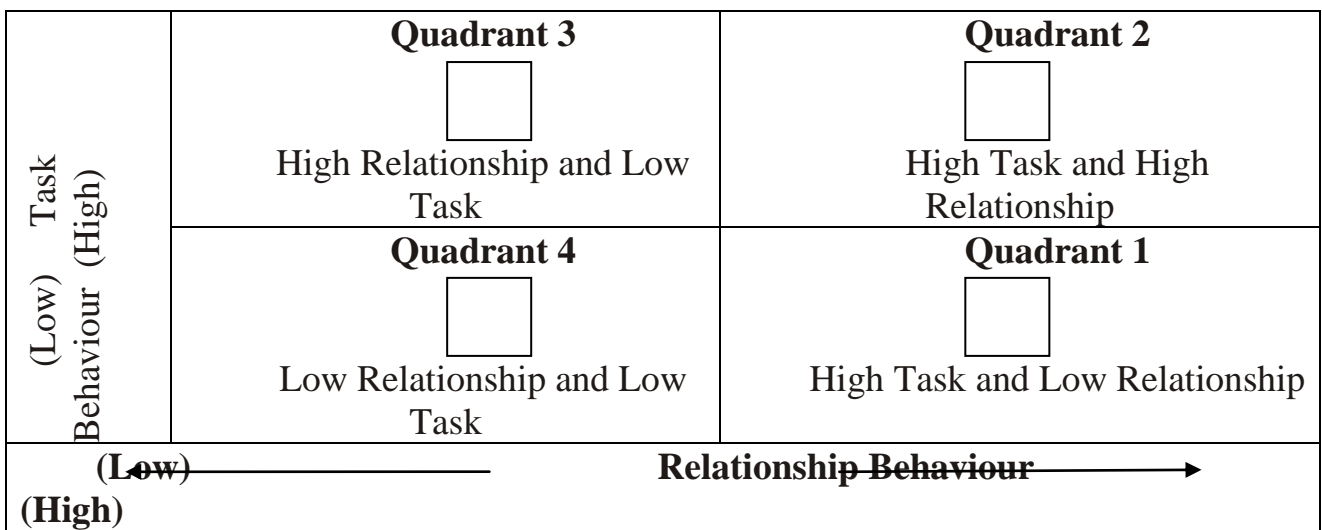


Fig. 2

DETERMINE YOUR LEADERSHIP STYLE ADAPTABILITY AND EFFECTIVENESS

Your dominant leadership style is then the quadrant with the highest number. This is the style that you use the most often. Other quadrants with lower numbers, but having at least two responses, comprise your supporting style (or styles) this is the style (s) that you use on occasion.

2 Determining Leadership Effectiveness

Now that you know your style (s) of leadership, let us now see how effective you are as a leader – manager.

Using Figure 3 below, draw a circle around the number (+2, -2, +1, or -1) that falls under the letter (A,B,C, or D) that you chose as your answer for each of the twelve situations.

Fig. 3. ALTERNATIVE ACTIONS

SITUATION		A	B	C	D
	1	+2	-1	+1	-2

	2	+2	-2	+1	-1
	3	+1	-1	-2	+2
	4	+1	-2	+2	-1
	5	-2	+1	+2	-1
	6	-1	+1	-2	+2
	7	-2	+2	-1	+1
	8	+2	-1	-2	+1
	9	-2	+1	+2	-1
	10	+1	-2	-1	+2
	11	-2	+2	-1	+1
	12	-1	+2	-2	+1
	Quadrant Scores	Quadrant 1	Quadrant 2	Quadrant 3	Quadrant 4

Fig. 4. LEADERSHIP EFFECTIVENESS SCALE

Now add algebraically all the encircled numbers for each column and enter the sub totals in the spaces provided. Finally add the subtotals at the Total Value.

Below is a scale ranging from -24 to +24.

Locate your score on the scale and see if your leadership style is effective or ineffective.

16	14	12	-10	8	6	4	2					0	2	4	6	8	0	2	

**Chapter 6
POWER AND POLITICS**

Nearly all men can stand adversity,
but if you want to test a man's character,
give him power.

Abraham Lincoln

LEARNING OUTCOMES

After completing this chapter you should be able to:

- _ explain the nature and importance of power;
- _ identify the sources of organizational power, and different forms and classifications of power;
- _ review perspectives of organizational power;
- _ detail characteristics of organizational politics;
- _ assess the nature and impact of techniques of political plays.

INTRODUCTION

Study of power is important in the corporate environment. Power depends from person to person and its use depends upon the attitude of an individual. Power in public life is different than corporate world. While former is situational the later is object oriented. In public life, its promises may or may not work as desired. Proper use of power in organization is necessary so that the sources of power is not misused and directed towards attainment of organizational goal. It is important to understand the manager who uses power to understand employee behaviour, because methods of using power are different for different managers in the organization. It is therefore essential to allow minimum power that may be necessary to maintain peaceful environment. The study to understand how power is acquired and used for attainment of organizational goals is essential.

DEFINITIONS

Power is derived from the official position held by an individual in an organization. As Rosabeth Kanter says, “power is the ability to get things done.” Those in power are able to marshal their resources in a way that helps them achieve their goals. They are able to be effective in their jobs and earn the respect of others. Having power as resource can help you gain support, information, supplies—everything and anything that is needed to be productive in your job¹. Power is a tool and resource, a means as an end while politics represents tactics used by employees to use to manipulate power in organizational setting. Leaders use power as a means of attaining group goals. Leader use power to ensure compliance of job assigned to them. Power is also used to control various activities of individuals and groups. A purchase manager may be given power to procure raw material worth only Rs 10,000 in one transaction. This is to control his activities. A leader may use punitive power to prevent individual from restraining undisciplined activities. Manager having power to promote his subordinates uses it to attain organizational goals. Power should be used for attainment of growth of the organization and should be reward oriented in nature. Threat of power is not desirable as it has negative re-enforcement character inbuilt in it. When we discuss power, authority is associated with it. Authority is acquired from the organizational hierarchy. When we say that HR manager has an authority to employ an individual, this authority is associated with the appointment of an individual as HR manager. It is therefore legitimate. Authority relationship of various individual is contained in organizational pyramid chart, higher one goes, higher the authority. Authority and power go hand in hand. To be effective, power and authority should be equalized. Authority and power are synonymous. But in present environment it is observed that while authority remains constant there is a tendency to exercise more power. This is because of the politics played by an individual to maintain higher influence over resources. On the contrary, there may be situation when an individual does not use full potential of his authority for one reason or the other. Interpersonal and group conflicts are indicative of more influence one wants to exercise in the organizational setting. These happening are common to every layers of organizational hierarchy. Power is therefore personal and acquired. Power is an ability of a person to possess what he feels as valuable and deprive another person of the same. According to Wolfe, power is potential ability of a person to induce

forces on another person towards movement or change in a given direction within a given behaviour region, at a given time. Cavanaugh states that '**Power**' is a multifaceted concept, which has been analysed from interpersonal influence process, as a commodity to be traded, as a type of causation and as an issue in the study of values and ethics.

Politics is a process whereby power is acquired and used to influence behaviour of others. It is endemic to every organization. People form groups, camps or cliques when they play politics. People playing politics for power where ethics, moral values, organizational goals are of little concern. Dalton identified following six areas where politics was being played actively.

- Pressure for economy
- Co-operation of officially powerless experts with their administrative superior line and staff-relationship.
- The conflict between labour and management for interpreting agreements.
- Uncertainty about standards and strategies of promotion.
- Difficulty in linking reward with productivity
- Practicality of policies

Dalton observed that various type of alliances tend to develop among individuals, these alliances may be vertical, horizontal or mixed and are prime means of acquiring influence. This phenomenon of acquiring and exercising power seriously changes the command and control system in the organization. It forces to deviate from the established norm and process.

Bases of Power

French and Raven (1959) and Raven (1965) have put forward following six bases of power.

(a) **Rewards:** This power source derives from the person's control over resources, for example power to control human resources, pay and promotion. Greater the perceived value of each rewards the greater the power. These rewards can be extrinsic in nature with tangible values as well as intrinsic such as praise or recognition.

(b) **Coercive:** The power to punish or reward, the power to threaten and to use one's position to force others to take action. It reflects the extent to which a manager can deny desired rewards or administer punishment to control other people. For example a threat to meet given targets otherwise there would be reduction in salary.

(c) **Legitimate:** The power which is exercised in accordance with organizational rules. This power is exercised with the authority of organization. Power derives from our cultural system of rights, obligations and duties, whereby position is accepted by people, i.e. right of private property.

(d) **Referent:** This depends on charisma or personal attraction of the individual. Interpersonal skill and emotional support from others are the sources of power for a person. Stronger the association, stronger the power. For example Mahatma Gandhi, people believed in his ideology.

(e) **Expert:** Power which derives from knowledge. Sometimes called sapient authority, this is power based on an acknowledgement of others expertise e.g. Physician.

(f) **Information:** Information about people, events or other facts assists prediction about future behaviour or events.

Power exists within two parties i.e. those exercising it and those responding to power.

Power is the capacity to mobilize resources for effective use. Mobilizing capacity depends on the situation involved. Capacity to exercise power depends upon the situation which provides opportunities or restrictions on the use of power and the personality of those wishing to exercise the same. Asymmetry of power refers to the perceived differences between the power of involved parties and its relationship. Personality refers to physical and psychological advantage an individual has over other persons. For example, Sachin Tendulkar enjoys charisma and power related to it due to his personality. The military power relies upon the notion of legitimacy. If it is challenged the whole system will collapse.

Sources of Power Organizational Based

1. Knowledge as power: Information Technology has taken a big leap in the last two decades. Information is necessary for top management to take decisions. Information is vital to carry out various operations in the business environment. Thus a person or, a group holding information becomes more powerful than their counter part. Flow of information is necessary for continuous production or service operations. Persons who, are in position to control the flow of information wield enormous power to influence the behaviour of others.

2. Resource as power: Resources are necessary for any organization. While material or, tangible resources can be procured easily, it is the availability of these resources, at right time, at right place in a required quality and at a competitive price. Any person having monopoly over scares resources wield power. When project is required to be started, it is government agencies which delay the project for want of various resources, like power, water, etc. Human Resources are critical. Any person having direct or indirect control over making skilled persons available holds power. Organization cannot survive without adequate availability of various resources.

3. Decision making as power: Decision making as power in organization rests with the head of the organization. Decision making is delegated to departmental heads depending upon the nature of work, ability of the departmental heads and the trust enjoyed by them. Decision making is one of the most important processes of management. Decisions are influenced, may be by subordinates, peers, friends or even family members who are psychologically close to decision maker. Therefore, both a person having decision making authority and a person who can influence decision making have power in the organization. Hiring a close relative, purchases in the organization, client selection etc. is day to day events in the organization which, indicate the power centers.

4. Power Centers: There exist people in the organization who desire to be stronger. They also want people dependent on them. Specialists, people with special powers deliberately delay decisions or hold resources so that they become more demanding. Power centers exist in various departments. It may in form of reservoir of power.

5. Dependency: Strength of power depends upon degree of dependency. Greater the dependency on the power holder greater influence will the power holder exercised over his subordinates. Dependency is directly related between power holder and those do not have it. Power holder holds power of retention to be able to increase dependency.

All managers have two dimensional power base. One is the power generated by the organizational authority and the second, the personal power by virtue of personality.

Centrality: Centrality refers to activities which are central to organizations. Finance is central activity in the organization hence the finance manager holds power in excess of his authority. Finance manager further allocates funds to various departments. Department heads therefore also become powerful not because they can further allocate funds to their subordinates but because centrality of activity. Managers of various departments have power based on their departmental position. In addition they enhance their power position by virtue of opportunities they get to control activities that are central to the organization. This gives managers authority to control various units and sub-units.

Scarcity: When resources are in abundance there is no problem as everybody would get them based on their requirement. When resources become scarce, a person obtaining it will appear to be more powerful. Finance is a scarce resource if a director of an institute manages to obtain additional funds from AICTE or by way of consultancy obviously he becomes more powerful in the eyes of management. Same is true of a faculty which may not be judged by efficiency of imparting knowledge but by obtaining finance for the institute from external sources.

Uncertainty: Management is related to planning for organization. It is basically related to identification of organizational objectives, evaluation of various alternatives and selection of best course of action and planning resources to put in action the course selected. Uncertainty of availability of required manpower with specific skills, raw material, finance can play havoc with the plans. There are situations when government policies change with the change government, that further makes situation more critical. A manager who has a vision and can appreciate what is likely to happen in future and takes corrective actions in advance obviously garner additional power. According to Kanter⁵ most power goes to those people, in those functions, that provide greater control over what the organization finds currently problematic. For e.g. sales and marketing people when markets are competitive, production experts when materials are scarce and demand is high; personnel or labour relations specialists when government regulations impinge; finance and accounting types when business is bad and money tight. There is a turning to those elements of the system that seem to have the power to create more certainty in the face of dependency, and to generate a more advantageous position for the organization.

Substitutability: Greater the value of a person in the organization, the greater the power it holds. There are some people who amass power because of their speciality. By virtue of their contribution to the organization they become indispensable. However situation changes due to marketability of a particular brand of profession. Software engineer were in great demand in the organizations. They

demanded high salaries and perks. They were indispensable a few years ago. As of now they have very restricted market for them. They could not be substituted by another person. What is important is that people have a tendency to take advantage of their specialization and high demand in the market and exploit organizations by using added amassed power.

Allocation of Power

Division of Work: Work is divided in the organization based on technical and functional requirements. Though all jobs are important from the organizational point of view, yet it can not be denied that some job is comparatively more important than the other and persons holding those jobs holds more power irrespective of their personal leadership qualities. Division of work brings dependence hence power. There is also a smoothing effect phenomenon hidden in division of power because of distribution of power among various appointments thus leading to minimizing absolute power with a particular authority.

Organizational Power

Organization allocates power in two ways:

(a) **Structural power:** Organization structure has hierarchy of authority. Higher the position higher the legitimate authority. Mere granting of authority does not make a person powerful unless he uses it effectively. Invoking sanctions, awarding promotions or even punishments makes a manager powerful. If a leader does not use power, displays lack of interest, does not keep pace with development, delays decisions and lacks effective communication it makes a manager ineffective and powerless.

(b) **Functional Power:** Functional power is related to a job a person does. By virtue of division of labour explained above, people in organization do a very specific element of a job. Interdependence of employees develops rather smoothly which culminates in completion of job. Any specialization in isolation does not lead to power generation; rather it diminishes its effect. Scarce skill, longer duration of a person in organization, extent of access to vital information is some of the factors that make a person more powerful. Power comes from functional exclusiveness which can be achieved as under:

- Devote more effort, time and energy on unbeaten, unattended fields.
- Develop friendly work relations.
- Share information with your subordinates and make them part of decision making. By seemingly sharing, one attains more power.
- Communicate judgements rather than justifying it.
- Handle expertise carefully and yet let there be exclusiveness of skill.
- Be available when required. Gather relevant information before decision.

POLITICS

Politics is about access to power. How organization structure promotes opportunities available or enhance access to power is therefore of considerable importance. Pfeffer defines “politics as those activities taken within organizations to acquire, develop and use power and other resources to obtain one’s preferred outcome in a situation in which there is uncertainty or dissensus about choices”. He

further states that power is a force, a store of potential influence through which events can be affected. Politics involves those activities or behaviours through which power is developed and used in organizational settings. Power is a property of system at rest; politics is the study of power in action. An individual, sub unit or department may have power within organizational context at some period of time; politics involves the exercise of power to get something accomplished as well as those activities which are undertaken to expand the power already possessed or the scope over which it can be exercised. Departments in organizations are dependant on each-other unvarying degree. It is the degree of dependency between departments, the power relationship is expressed. Such relationship can be collaborative or conflict depending upon the variables. Chief among the variables is mutual task dependence. This is an incentive for collaboration, but also an occasion for conflict and the means for bargaining over interdepartmental issues. They have further stated that role problems cause inter-departmental friction. Blocked promotions, role ambiguity and faulty performance appraisal leads to scapegoating. Interpersonal skills play a vital role in management of political influence. Sub-units control contingencies for one another's activities and draw power from the dependencies thereby created. A sub unit power is related to its coping with uncertainty (which includes preventing uncertainty) to substitutability (whether there are alternative means of performing the operations) and centrality(the degree to which sub unit is linked into the organizations systems).

Organizational Politics

Political behaviour is designed and initiated to overcome opposition or resistance. If there is no opposition, there is no need for politics. Miles has identified five major reasons that have strong influence on political orientation of organizations. These are illustrated as under:

Scarcity of Resources

As discussed earlier any person or unit who has control over allocation of scarce resources yields power. Political influence plays an important part in how these resources are distributed to various departments as against the rational need.

None programmed Decisions

Resolution of non-programmed decision is a complicated matter as there are no set solutions. This unique problem involves consideration of various factors and variables. They remain ambiguous in nature and subject to political manoeuvring by those who have knowledge and techniques to solve them. Politics plays a vital role in organizations to create decisions in favour pertaining to sensitive areas like strategic planning, mergers and acquisitions, policy change and so on.

Ambiguous Goals

When setting up of organizational goals, departmental objectives and individual task are well defined. There is no room for ambiguity. However there are organizations where these are not clearly spelt out and ample room for discretion exists. In such situations people manipulate decisions and situations in their favour by playing political games intelligently.

Organizational Change

Organizational change is continuous process. People who are in position to take decision can very effectively influence the decisions. This change may include vital areas like restructuring, creating new departments, launching a new product line, appointment of key personnel at top levels and thus creating a **lobby** within the organization. This may prove to be counter productive and harmful for maintaining peaceful atmosphere.

External Environment

External environment is highly mobile and generally unpredictable. It is the ability of the organization to meet the challenges effectively by appropriately manoeuvring internal environmental factors, technology and processes. Thus political behaviour is heightened when these are managed by interested people. Rechar (1988) states that “resources are continuously becoming scarce and competitive and the ever changing technology makes the environment more complex to handle, requiring organizations to continuously evaluate their goals and strategies. This would make most organizations political in nature so that managers in responsible positions must become sensitive to political processes and games in order to play their role in acquiring and maintaining political power. Pfeffer has concluded that “In situations in which technologies are uncertain, preferences are conflicting, perceptions are selective and biased and information processing capabilities are constrained, the model of an effective politician may be appropriate one for both the individuals and for the organization in the long run”.

Techniques of Political Plays

Mintzberg (1983) has suggested the following strategies to wield political power in the organizations.

1. **Cultivate right allies:** One must have alliance with right people who are rising in the corporate ladder. It is necessary to develop friendship with upper level management. It may also be advisable to form alliance with boss's secretary or someone who is close to powerful person.

2. **Be positive towards others:** Human being wants to be appreciated and complemented for any work done. When you appreciate other people they will develop a positive outlook towards you and may be helped when situation demands.

3. **Reciprocity:** It is good to help others. Accordingly, recognize those members of the organization who will be more powerful in future. Help them so that they reciprocate the same when you need their support.

4. **Be persuasive:** It is necessary to develop a persuasive technique to get the job done. Forceful agreements when stated eloquently are often highly influencing. It improves your image and substantial pay offs in a future time.

5. **Image building:** One must build a positive image and create good impression in the organization. One must therefore be honest, sincere, attentive, and sociable and display organizational citizenship behaviour.

6. **Control information:** More the critical information and fewer the people who have access to it stronger the power base. It is therefore necessary to control and disseminate critical information when it is likely to have impact and serve self interest.

Machiavellianism (1469 - 1527)

Niccolo Machiavelli, an Italian philosopher has formulated a set of behaviour for maintaining political power. Christie and Geis have formulated an attitude scale in conformity with some basic tenets of Machiavelli. The aim of the scale is to measure the extent to which an individual follows Machiavelli views. This scale is known as “Mach Scale”. The characteristics of people who measure high on Mach Scale are as follows:

- They have high esteem and self confidence and behave in their own self interest even at the expense of others.
- They are considered by others as cool and calculating and that they would not hesitate to take advantage of others.
- They tend to form alliances with people in power for the sole purpose of benefiting themselves.
- They believe that “end justify means” even if it involves lies, deceit and moral compromise.
- They manipulate others by false flatter and exaggerated praise and that they will make friends only for the purpose of using them.
- They have very unfavourable views of human nature. They believe that “anyone who completely trusts anyone else is asking for trouble.
- They will not set others stand in the way of their personal gain.
- They are on the look out and select situations where their tactics would work most effectively such as face – to – face emotional, unstructured and ambiguous condition.
- They are able to exert control over such unclear situations.

The above attitude indicates selfish and unproductive in organizational setting. Management must identify such individuals in the organization who muster political power by adopting machiavellian tendencies and be prepared to take measures to counter their designs. This will ensure healthy work environment. Pettigrew (1974) has identified some behavioural patterns that executives generally use to follow to enhance the political power in organization.

Political behaviour is of two types first an ethical behaviour which is acceptable and an unethical behaviour. Baddeley and James (1990) seek to distinguish between ‘politicking’ and ‘maneuvering’. The former refers to acting in self-defence, self oriented where people defend their ego by employing tactics which is called ‘game playing’. The latter approach is distinguished by the sense of personal inequity where conscious decisions (choices) are made in different situations. The other dimension in the organization is political awareness, generally referred to the extent a person is able to understand and interpret the political behaviour in the organization. In simple word, how one is able to ‘read’ a political situation.

SUMMARY

Power is derived from the official position one holds. Those in power are able to marshal resources to their advantage. Power, authority and responsibility are inter-related. French and Raven have identified six bases of power. These are reward, coercive, legitimate, referent, expert and information power. Effectiveness of power depends upon the situation, perceived differences between the power of involved parties and its acceptance of legitimacy. Power can also be enjoyed by the people

having charismatic personality. In organizational setting power base can be enhanced by using knowledge and other resources. Managers can improve their importance by delaying decision making and creating power centers. Creation of dependency, resorting to centrality of resources, creating scarcity of resources and uncertainty leads to a feeling of an enhanced authority. For efficient working, it is necessary to delegate power to subordinates, resort to division of work to the maximum extent, modify organization structure if required and give functional powers to all the individuals so that they feel empowered and develops a sense of responsibility. Politics is about access to power. Power is the property of systems at rest while politics is the study of power in action. It is the dependency between departments, the power relationship is expressed. Managers can play power to their advantage by creating scarcity of resources, resorting to non-programmed decisions, setting ambiguous goals, introducing organizational changes in vital areas and managing external environment. There are various techniques of political play. These include to cultivate right allies, being positive in dealing with others, being reciprocal and persuasive thus building a right image. Niccolo Machiavelli (1469-1527) has formulated a set of behaviour for maintaining political power. Christie and Geis have formulated an attitude scale in conformity with Machiavelli's teaching. The scale is known as 'Mach Scale'. Machiavelli suggests that end justifies the means and that the job must be accomplished at any cost. He has suggested various techniques of manipulating power. Pettigrew has identified some behavioural patters that executive generally follow to influence management process. Among other things it includes rejection, mobilizing political support, questioning of minor details with a aim to discredit the individual. Avoidance, deflecting the main issue and making a person scapegoat if situation demands. Baddeley and James have suggested a model of reading political situations. They have classified individuals as clever, wise, inept and innocent depending upon the political awareness a person has and his ability to read situations and their propensity to play games or to act with integrity.

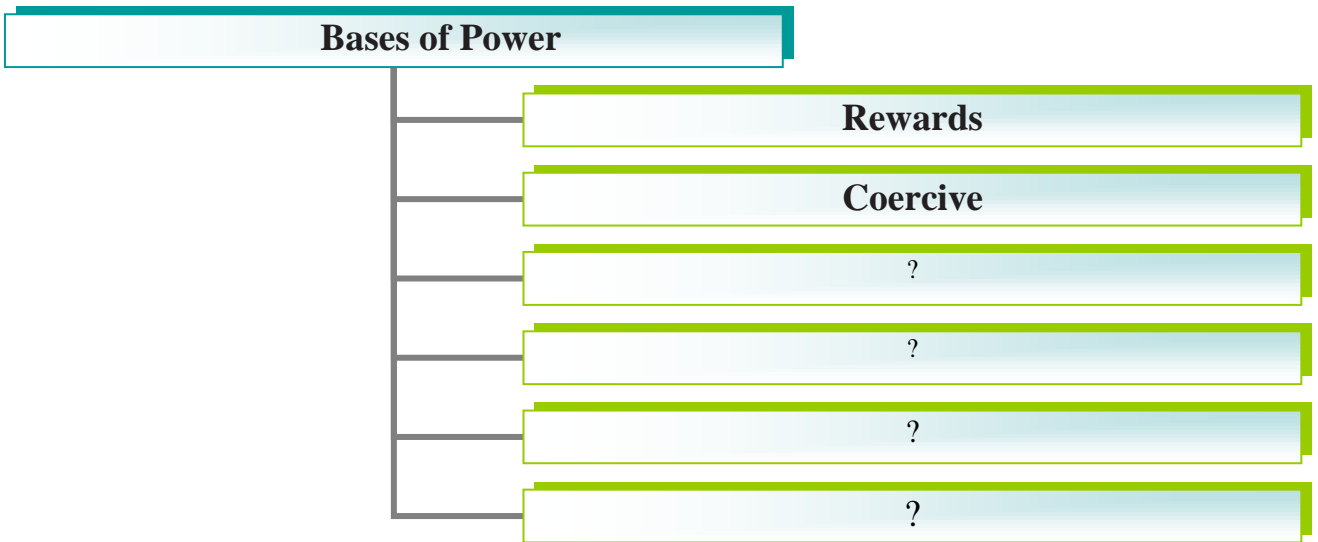
TEXT QUESTIONS

1. Define power. What are the various bases of power?
2. What are various organizational factors which if suitably manipulated can lead to enhance one's power base?
3. How can managers play power to their advantages to improve self-image? Are these techniques desirable in the larger interest of the organization?
4. Explain various techniques of political play.
5. Explain in detail the characteristics of people who measure high on Mach Scale. Do you recommend such attitude conducive to organizational growth?

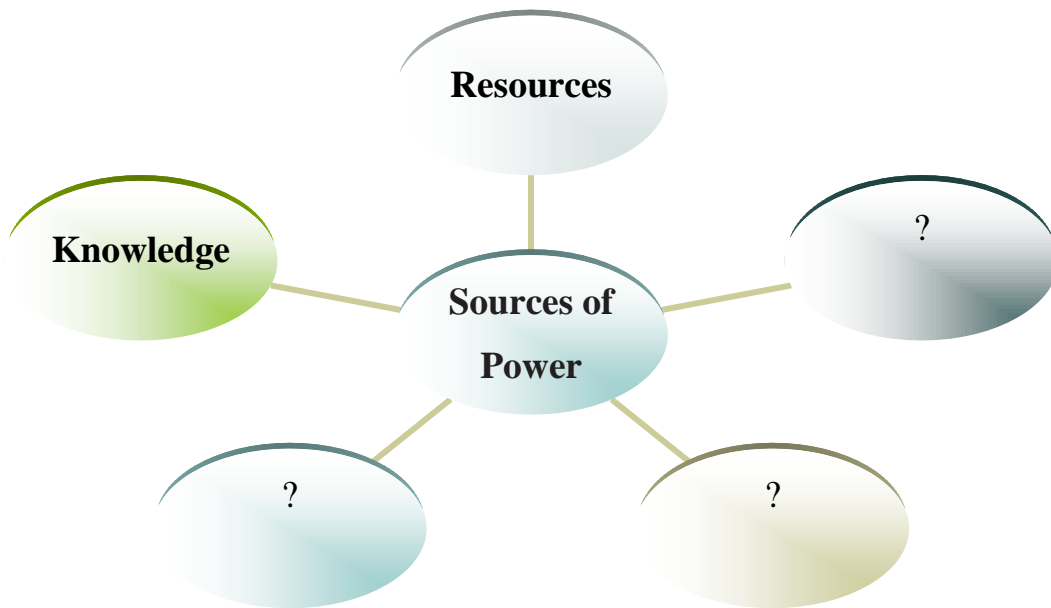
PRACTICAL WORKSHOP

1. POWER AND POLITICS IN TABLES AND CHARTS

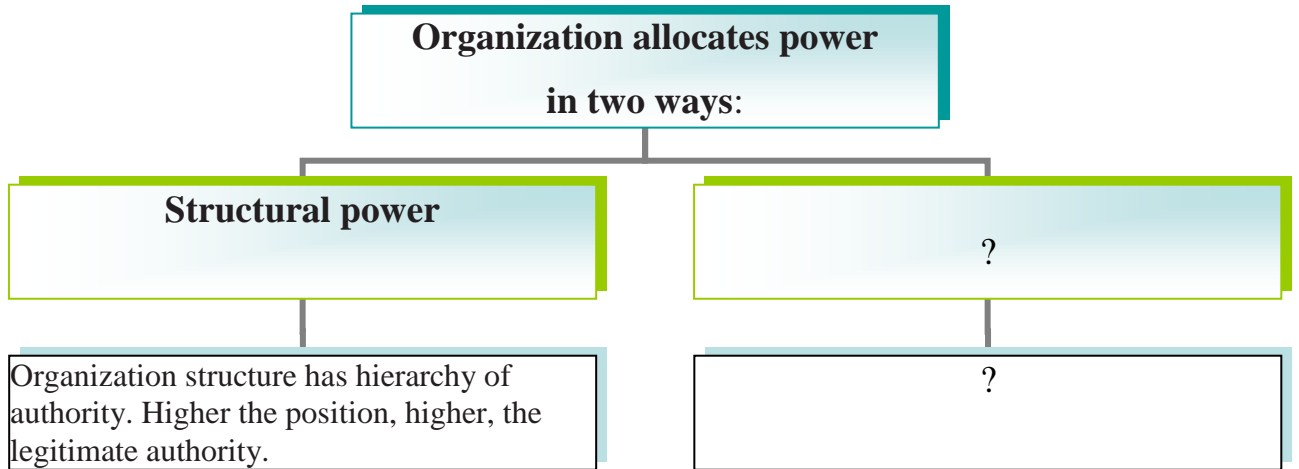
Complete the missed terms and phrases.



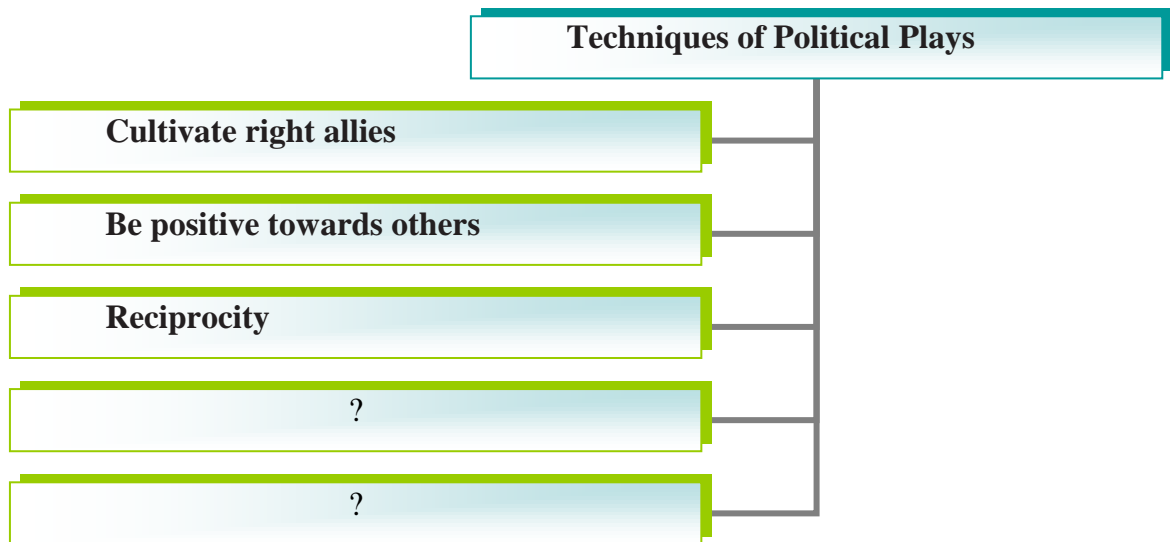
1.1. Bases of Power.



1.2. Sources of Power.



1.3. Organizational allocation of power.



1.4. Techniques of Political Plays

Chapter 7

FOUNDATION OF GROUP BEHAVIOUR

A little group of wise hearts is better than a wilderness of fools

John Ruskin

LEARNING OUTCOMES

After completing this chapter you should be able to:

- _ explain the meaning and importance of work groups and teams
- _ distinguish between groups and teams, and between formal and informal groups
- _ explain the main reasons for the formation of groups and teams
- _ examine factors which influence group cohesiveness and performance
- _ evaluate the importance of groups and teams for effective organisational performance

INTRODUCTION

Individuals seldom work in isolation from others. Groups are a characteristic of all social situations and almost everyone in an organisation will be a member of one or more groups. Work is a group-based activity and if the organisation is to function effectively it requires good teamwork. The working of groups and the influence they exert over their membership is an essential feature of human behaviour and of organisational performance. The manager must use groups in order to achieve a high standard of work and improve organisational effectiveness.

When we study management, we carry out planning for the organization. One of the most important elements of planning is to set objectives depending upon the resources available. The organizational objectives are later categorized into departmental objectives and group objectives. What we have done in the process is division of work. To accomplish the organizational objective, each group has to accomplish its group objective so that a “whole” can be achieved by co-ordinating various activities of groups. It is therefore division of work and coordination that provides synergy to the organization. If there is lack of coordination of various group activities, an end product can not be attained and the organizational goals can not be

effectively achieved. There are socio psychological factors which come into play when a particular work is undertaken by the group. Personal objectives or interests have to be kept aside for the over all group objectives.

DEFINITIONS

There are many possible ways of defining what is meant by a group. The essential feature of a group is that its members regard themselves as belonging to the group. Although there is no single, accepted definition, most people will readily understand what constitutes a group. A popular definition defines the group in psychological terms as **any number of people who (1) interact with one another; (2) are psychologically aware of one another; and (3) perceive themselves to be a group.**

Another useful way of defining a **work group** is a collection of people who share most, if not all, of the **following characteristics**:

- a definable membership;
- group consciousness;
- a sense of shared purpose;
- interdependence;
- interaction; and
- ability to act in a unitary manner.

Groups are an essential feature of the work pattern of any organisation. Members of a group must co-operate in order for work to be carried out, and managers themselves will work within these groups. People in groups influence each other in many ways and groups may develop their own hierarchies and leaders. Group pressures can have a major influence over the behaviour of individual members and their work performance. The activities of the group are associated with the process of leadership. The style of leadership adopted by the manager has an important influence on the behaviour of members of the group.

The classical approach to organisation and management tended to ignore the importance of groups and the social factors at work. The ideas of people such as *F. W. Taylor* popularised the concept of the ‘rabble hypothesis’ and the assumption that people carried out their work, and could be motivated, as solitary individuals unaffected by others. The human relations approach, however, gave recognition to the work organisation as a social organisation and to the importance of the group, and group values and norms, in influencing behaviour at work.

Whereas all **teams** are, by definition, groups it does not necessarily follow that all groups are teams. In common usage and literature, including to some extent in this book, there is however a tendency for the terms ‘groups’ and ‘teams’ to be used interchangeably. And it is not easy to distinguish clearly between a group and a team. For example, *Crainer* refers to ‘**team working**’ as becoming highly fashionable in recent years. It is a side effect of increasing concentration on working across functional divides and fits neatly with the trend towards empowerment. However, despite the extensive literature about teams and team working, the basic dynamics of team working often remain clouded and uncertain.

Teams occur when a number of people have a common goal and recognize that their personal success is dependent on the success of others. They are all interdependent. In practice, this means that in most teams people will contribute individual skills many of which will be different. It also means that the full tensions and counter-balance of human behaviour will need to be demonstrated in the team.

According to *Holpp*, while many people are still paying homage to teams, teamwork, empowerment and self-management, others have become disillusioned. *Holpp* poses the question: what are teams? 'It's a simple enough question, but one that's seldom asked. We all think we know intuitively what teams are. Guess again. Here are some questions to help define team configurations.'

- Are teams going to be natural work groups, or project-and-task oriented?
- Will they be self-managed or directed?
- How many people will be on the teams; who's in charge?
- How will the teams fit into the organisation's structure if it shows only boxes and not circles or other new organisational forms?

Holpp also poses the question: why do you want teams? If teams are just a convenient way to group under one manager a lot of people who used to work for several downsized supervisors, don't bother. But if teams can truly take ownership of work areas and provide the kind of up-close knowledge that's unavailable elsewhere, then full speed ahead.

Cane suggests that organisations are sometimes unsure whether they have teams or simply groups of people working together.

It is certainly true to say that any group of people who do not know they are a team cannot be one. To become a **team**, a group of individuals needs to have a strong common purpose and to work towards that purpose rather than individually. They need also to believe that they will achieve more by co-operation than working individually.

Groups vs. Teams

Belbin points out that to the extent that teamwork was becoming a fashionable term, it began to replace the more usual reference to groups and every activity was now being described as 'teamwork'. He questions whether it matters if one is talking about groups or teams and maintains that the confusion in vocabulary should be addressed if the principles of good teamwork are to be retained. *Belbin* suggests there are several factors that characterise the difference between groups and teams. The best differentiator is size: groups can comprise any number of people but teams are smaller with a membership between (ideally) four and six. The quintessential feature of a small well-balanced team is that leadership is shared or rotates whereas large groups typically throw up solo leaders.

While acknowledging the work of *Belbin* it appears that the term 'group' is often used in a more general sense and 'team' in a more specific context. We continue to refer to 'group' or 'team' according to the particular focus of attention and the vocabulary of the quoted authors.

The group had their own system of sanctions including sarcasm, damaging completed work, hiding tools, playing tricks on the inspectors, and ostracising those members who did not conform with the **group norms**. Threats of physical violence

were also made, and the group developed a system of punishing offenders by 'binging' which involved striking someone a fairly hard blow on the upper part of the arm. This process of binging also became a recognised method of controlling conflict within the group. According to *Riches*, one way to improve team performance is to establish agreed norms or rules for how the team is to operate and rigorously stick to them. Norms could address the obligations of individual members to the team, how it will assess its performance, how it will work together, and what motivation systems will be used, how it will relate to customers, and the mechanisms to facilitate an honest exchange about the team norms and behaviour.

A recent study from the *Economic & Social Research Council* draws attention to the importance of social norms among employees and questions whether employees are guided not only by monetary incentives but also by peer pressure towards social efficiency for the workers as a group. 'Intuitively, social norms among workers must be important if they work in teams where bonuses are dependent on group, rather than individual effort.

How people behave and perform as members of a group is as important as their behaviour or performance as individuals. Not only must members of a group work well as a team but each group must also work well with other groups. Harmonious working relationships and good teamwork help make for a high level of staff morale and work performance. Effective teamwork is an essential element of modern management practices such as empowerment, quality circles and total quality management, and how groups manage change. Teamwork is important in any organisation but may be especially significant in service industries, such as hospitality organisations where there is a direct effect on customer satisfaction.

According to ACAS (the Arbitration, Conciliation and Advisory Service), teams have been around for as long as anyone can remember and there can be few organisations that have not used the term in one sense or another. In a general sense, people talk of teamwork when they want to emphasise the virtues of co-operation and the need to make use of the various strengths of employees. Using the term more specifically, team working involves a reorganisation of the way work is carried out. **Teamwork** can increase competitiveness by:

- improving productivity;
- improving quality and encouraging innovation;
- taking advantage of the opportunities provided by technological advances;
- improving employee motivation and commitment.

The general movement towards flatter structures of organisation, wider spans of control and reducing layers of middle management, together with increasing empowerment of employees, all involve greater emphasis on the importance of effective team working. 'There's no doubt that effective teamwork is crucial to an organisation's efforts to perform better, faster and more profitably than their competitors.' From a recent study of Europe's top companies, *Heller* refers to the need for new managers and new methods, and includes as a key strategy for a new breed of managers in a dramatically changed environment: 'making team-working work – the new, indispensable skill'.

According to *Guirdham*, the growth of teamwork has led to the increased interest in interface skills at work. More and more tasks of contemporary organisations, particularly those in high technology and service businesses, require teamwork. Taskforces, project teams and committees are key elements in the modern workplace. Teamwork depends not just on technical competence of the individuals composing the team, but on their ability to ‘gel’. To work well together, the team members must have more than just team spirit. They also need collaborative skills – they must be able to support one another and to handle conflict in such a way that it becomes constructive rather than destructive.

A similar point is made by *Ashmos and Nathan*: ‘The use of teams has expanded dramatically in response to competitive challenges. In fact, one of the most common skills required by new work practices is the ability to work as a team.’

Included in a study of top European companies and ‘making teamwork work’, Heller refers to the happy teams at Heineken. Part of the cultural strength of Heineken is a realisation that: ‘the best culture for an organisation is a team culture’; and that ‘any large organization is a team of teams – and people who have to work together as a team must also think together as a team’. Heller also lists Heineken’s manifesto for ‘professional team-thinking’ and maintains that ‘Arguing with any of these eleven points is absurd’.

All of us know in our hearts that the ideal individual for a given job cannot be found ... but if no individual can combine all the necessary qualities of a good manager, a team of individuals certainly can – and often does. Moreover, the whole team is unlikely to step under a bus simultaneously. This is why it is not the individual but the team that is the instrument of sustained and enduring success in management.

A successful climbing team involves using management skills essential to any organisation ... The basic planning is the foundation on which the eventual outcome will be decided. Even if it is the concept of a single person, very quickly more and more people must become involved, and this is where teamwork and leadership begin.

Teams are distinguished from ordinary work groups in several ways:

- (1) Teams are organized around work processes rather than functions.
- (2) Teams “own” the product, service, or processes on which they work.
- (3) Members of teams are trained in several different areas and have a variety of different skills.

- (4) Teams govern themselves.

- (5) Teams have their own support staff and responsibilities built in.

- (6) Teams are involved in making company-wide decisions.

To ensure the effectiveness of their work teams, companies may take several steps. Specifically, they should

- (1) provide proper training,

- (2) compensate employees for their contributions to the team,

- (3) provide managerial support,

- (4) promote employee support,

- (5) communicate the urgency of the team’s mission,

- (6) promote cooperation within and between teams,
 - (7) work at building teams, and
 - (8) select team members based on their skills or potential skills.
- The difference between team and group is shown in Table 6.1.

GROUPS	TEAMS
Performance depends on.....	
individual contributions	individual contributions and collective work products
Accountability for outcomes rests on...	
individual outcomes	mutual outcomes
Members are interested in.....	
common goals	common goals and commitment to purpose
Responsive to.....	
demands of management	common goals and commitment to purpose

Table 7.1. Groups vs. Teams

Types of Groups

Within organizations there are both **formal groups** (e.g., command groups and task groups). Formal groups are created by the organization for some specific purpose, whereas **informal groups** form in the absence of any official organizational reasons.

Task group is a formal organizational group formed around some specific task

Command group is a group determined by the connections between individuals who are a formal part of the organization (e.g. those who legitimately can give orders to others).

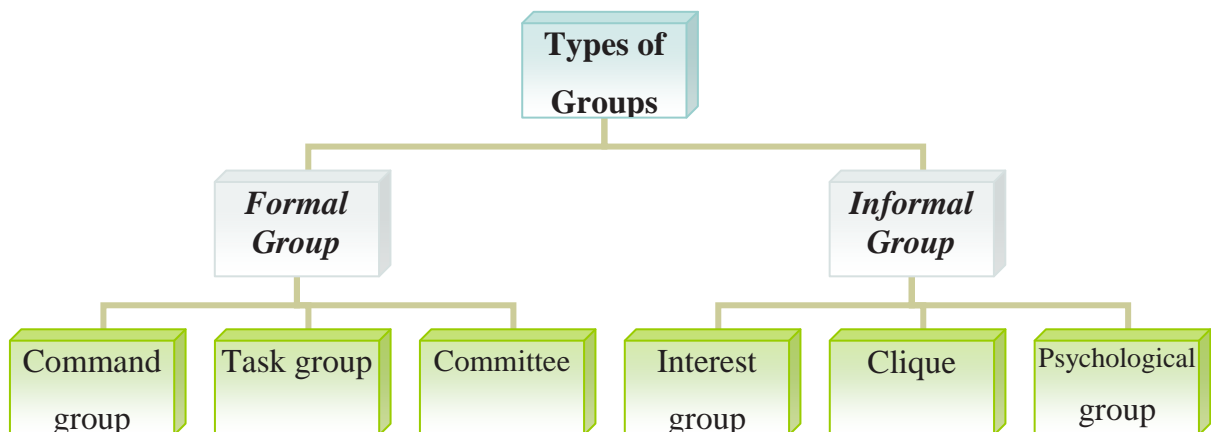


Fig. 7.1. Types of groups

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

2. Command Group

It is formed to carry out a specific task. There is a leader in a group who is also designated by the organization. He receives orders from his superior and reports to him about group activities and performance. A task group is made up of individuals from across the functional areas. They work together to complete a job/task. Task group boundaries are not limited to its hierarchical superior. Once the task is complete the group members fall back to their respective parent groups/units.

3. Committee

The other form of formal group is committee. It can be of permanent or temporary nature. Planning committee, finance committees are of permanent nature, they keep working all along and have a designated authority to control the work. There are temporary committees, which are formed to accomplish a one-time works like committees formed at district levels to issue identity cards to citizens. They are formed for specific work and disbanded once they have completed their work.

Informal Groups

Informal groups are groups that are not formally organized in the work system to get the job done but develop on their own randomly at workplaces because of common interest and mutual liking of the group members. For example members of production department, body manufacturing department, HR department members and few individual from finance dept may form a friendship group. This development takes place because of the interaction they have with each other during the official work. Members from within one group or members from different departments or even an organization can form an informal group. The features of such groups are as under:

(a) Informal groups are formed by various members themselves, it has no official sanctity.

(b) These groups are formed based on commonality of culture, religious function, liking for each other and common interests.

(c) Their contribution for success of formal group is immense if properly handled by official authority.

(d) These groups evolve their own structure, elect their own leaders and have followers. They work based on group norms, social norms and code of conduct.

(e) They represent the human side of an organization.

(f) The group exist without any rigid rules. Their common interest is bond for existence.

Psychological Groups

We had earlier discussed 'emergent' behaviour that is related to behaviour of group members in informal group and involving themselves in various activities, interactions and sentiments based on common interests, value system and social bondage they develop. When such informal group members develop highest level of sentiments or affinity among themselves and become aware of each-others needs and potential contribution to further group objectives. these groups are called psychological groups. The distinct feature of such informal group is that the members become close knit, develops strong feeling of togetherness and get identified by the group. A feeling that 'we' belong to a particular group sets in deep into the behaviour pattern of all group members. At times the strength of informal group identity becomes so strong that the members are more loyal to their friendship group as compared to their normal group. The managers restructuring the task activities and using appropriate group processes should channel the emergent behaviours in such a way that will help organizations to achieve its goal. This phenomenon can be used effectively for the betterment of organizations.

Groups are deliberately planned and created by management as part of the formal organization structure. The informal organisation arises from the interaction of people working within the organisation and the development of groups with their own relationships and norms of behaviour, irrespective of those defined within the formal structure. This leads to a major distinction between formal and informal groups. Groups are formed as a consequence of the pattern of organisation structure and arrangements for the division of work, for example the grouping together of common activities into sections. Groups may result from the nature of technology employed and the way in which work is carried out, for example the bringing together of a number of people to carry out a sequence of operations on an assembly line. Groups may also develop when a number of people of the same level or status within the organisation see themselves as a group, for example departmental heads of an industrial organisation, or chief officers of a local authority. **Formal groups** are created to achieve specific organisational objectives and are concerned with the **co-ordination of work activities**. People are brought together on the basis of defined roles within the structure of the organisation. The nature of the tasks to be undertaken is a predominant feature of the formal group. Goals are identified by management, and certain rules, relationships and norms of behaviour established.

Formal groups tend to be relatively permanent, although there may be changes in actual membership. However, temporary formal groups may also be created by management, for example the use of project teams in a matrix organisation. Formal work groups can be differentiated in a number of ways, for example on the basis of membership, the task to be performed, the nature of technology, or position within the organisation structure.

Within the formal structure of the organisation there will always be an informal structure. The formal structure of the organisation, and system of role relationships, rules and procedures, will be augmented by interpretation and development at the informal level. **Informal groups** are based more on personal relationships and agreement of group members than on defined role relationships. They serve to satisfy psychological and social needs not related necessarily to the tasks to be undertaken.

Groups may devise ways of attempting to satisfy members' affiliation and other social motivations which are lacking in the work situation, especially in industrial organisations. The membership of informal groups can cut across the formal structure. They may comprise individuals from different parts of the organisation and/or from different levels of the organisation, vertically and diagonally, as well as from the same horizontal level. An informal group could also be the same as the formal group, or it might comprise a part only of the formal group. The members of an informal group may appoint their own leader who exercises authority by the consent of the members themselves. The informal leader may be chosen as the person who reflects the attitudes and values of the members, helps to resolve conflict, leads the group in satisfying its goals, or liaises with management or other people outside the group. The informal leader may often change according to the particular situation facing the group. Although not usually the case, it is possible for the informal leader to be the same person as the formal leader appointed officially by management.

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the informal leader to be the same person as the formal leader appointed officially by management. An alternative, and more popular, model by *Tuckman* also identifies four main successive stages of group development and relationships: **forming**, **storming**, **norming** and **performing**.

Stage 1 – forming. The initial formation of the group and the bringing together of a number of individuals who identify, tentatively, the purpose of the group, its composition and terms of reference. At this stage consideration is given to hierarchical structure of the group, pattern of leadership, individual roles and responsibilities, and codes of conduct. There is likely to be considerable anxiety as members attempt to create an impression, to test each other, and to establish their personal identity within the group.

Stage 2 – storming. As members of the group get to know each other better they will put forward their views more openly and forcefully. Disagreements will be expressed and challenges offered on the nature of the task and arrangements made in the earlier stage of development. This may lead to conflict and hostility. The storming stage is important because, if successful, there will be discussions on reforming arrangements for the working and operation of the group, and agreement on more meaningful structures and procedures.

Stage 3 – norming. As conflict and hostility start to be controlled members of the group will establish guidelines and standards, and develop their own norms of acceptable behaviour. The norming stage is important in establishing the need for members to co-operate in order to plan, agree standards of performance and fulfil the purpose of the group. This co-operation and adherence to group norms can work against effective organisational performance. It may be remembered, for example, that, in the bank wiring room experiment of the Hawthorne studies, group norms imposed a restriction on the level of output of the workers.

Stage 4 – performing. When the group has progressed successfully through the three earlier stages of development it will have created structure and cohesiveness to work effectively as a team. At this stage the group can concentrate on the attainment of its purpose and performance of the common task is likely to be at its most effective.

Another writer suggests that new groups go through the following stages:

- the polite stage;
- the why are we here, what are we doing stage?
- the power stage, which dominant will emerge?
- the constructive stage when sharing begins; and
- the unity stage – this often takes weeks, eating together, talking together.

If the manager is to develop effective work groups then attention should be given to those factors which influence the creation of group identity and cohesiveness. However, strong and cohesive groups also present potential disadvantages for management. Cohesive groups do not necessarily produce a higher level of output. Performance varies with the extent to which the group accepts or rejects the goals of the organisation.

Why do people join groups? See Table 7.2.

1. To satisfy mutual interests	<i>explanation</i>	By bonding together people can satisfy mutual goals
2. To achieve security	<i>explanation</i>	Groups provide safety in numbers, protection against common enemies
3. To fill social needs	<i>explanation</i>	Being in groups helps satisfy people's basic need to be with others
4. To fill need for self-esteem	<i>explanation</i>	Group membership provides opportunities for people to be recognized

Table 7.2. The reasons why people join groups.

Group Dynamics

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

Norms

“**Group Norms** are set of beliefs, feelings, and attitude commonly shared by group members. These are also referred to as rules of standards of behaviour that apply to group members”. These are prescriptions of behaviour accepted and determined by the group. As per the Handbook of Industrial and Organizational Psychology, the Norm is defined as “acceptable standards of behaviour that are shared by the group members.” All groups have established norms, that is - norms tell members what they ‘ought’ and ‘ought not’ to do a thing under certain circumstances. From an individual stand point, they tell what is expected of them in certain situations. When agreed to and accepted by the group, norms act as a means of influencing the behaviour of group members with a minimum of external control. Norms differ among groups, communities and societies, but they all have them. Behaviour of an individual as a group member must be acceptable to all the members; this will give an individual “Good standing” and recognition in the group. If norms are violated by an individual, corrective measures such as strokes are applied. In case the individual persist in his behaviour contrary to the group norms he will be totally neglected by other members and can even loose the membership of the group by way of total ignorance by other members of the group and thereby loosing status in the group.

Types of Norms

Norms may differ from organization to organization, nature of work and the location. Following norms are generally found and practiced by all the organizations.

(a) **Performance Norms:** Performance standard is set by the individual worker and approved by the superiors. These are general norms, industry standards prevailing in a particular type of industry and restricted to geographical limits. All the individuals are expected to fulfill their task within the stipulated time. If some worker is slow and can not cope up with the work load, is assisted by other group members. On the contrary if some worker produces more than what is required to do is reprimanded by the group members and discouraged to produce more than upper limits set by the organization so that management does not raise their expectations.

(b) **Appearance Norms:** Appearance norms are related to dress code and code of conduct in the organization. In good organization dress while on work, dress for sports function or for dinner are laid down. In defence services such norms are inbuilt in the organizational culture. As regards to code of conduct, an individual is expected to be loyal and display total dedication to the organization he serves. Workers are not expected to report about fellow workers to the superiors. In the same way members are not expected to divulge company secrets to any other organization, no matter how much tension prevails between workers and management. Group norms are a very powerful tool for high productivity and maintenance of peaceful relationship among the fellow workers.

(c) **Behaviour Norms:** Guidelines for general behaviour are issued by the management so that all the employees display behaviour in an identical manner. These guidelines may cover various aspects relating to the work. This may include time management, punctuality, salutation, showing respect to the views of other members behaviour while on shop floor and level of professionalism that an individual should possess. These norms eventually take the form of organization culture and are very useful for bringing down the conflict or stress level among the group members

Development of Norms

Norms are developed over a long period of time. They ought to have sufficient time for it to be formalized and called as norms that can not be violated by group members. Explicit statement made by group members like “when going gets tough the tough gets going”. This may ultimately be a norm and members of a group would work overtime and utilize their full potential to resolve a critical situation and complete a job, which was tough. Critical events in the groups’ history may be called as norm. For example donation of blood by group member when required by another group member injured while on the work. Primacy refers to the first (initial) behaviour by one of the group members like ‘wishing smooth working on a turbine’ which has now become a norm and every member before going to the work wishes his fellow workers accordingly. Past experience is also important in forming a group norm, where a member brings with him good ideas from other organization like having lunch together.

Status

Status refers to the official position enjoyed by an individual in an organization. It is ‘importance’ and ‘deference’ that people give to others. People at higher level who have devoted themselves and brought credit to the organization enjoy higher status. They therefore exercise more control over their subordinates. Those who are

more competent have more say in group decision making as compared to low status individual. All the members in a group do not enjoy equal status. Standing of a person in a group depends on various factors as mentioned below:

- Personal attributes
- Charismatic disposition
- Demographic characteristics
- Educational level, experience, length of service in the organization
- Expertise
- Proven track record in accomplishing group task.

In certain cultures female children are accorded low status. It has also been observed that in Indian culture, low status is accorded to the individuals coming from low caste system that is socially and legally incorrect. Influence of social, cultural and family background play a dominant role in according status to individual. Employee whose father is on the board of directors enjoys a special (high) status irrespective of his personal achievements.

Cohesion

Cohesiveness defines the degree of closeness that the members feel with the group. It identifies the strength of the members' desires to remain in the group and degree of commitment to the group. Cohesiveness of the group is reflected to the extent of unity displayed by the group members and adherence to the group norms. It is "WE" feeling displayed by the members of the group. Cohesion can be achieved when there is a feeling of attraction and adherence to group norms. Cohesiveness of a group can produce miracles in the organization if group objectives and organizational objectives are complementary to each-other. If they differ then the group cohesiveness can be disastrous for the organization. For example if organization wants to improve sales by 10%, this can be achieved provided group is assured of deviants out of additional revenue accrued by additional sales. If no incentives are provided then the cohesiveness of sales group will become counter productive and dysfunctional for the organization. If the organization and the group can subscribe to the common goals, then the high cohesive group will be valuable. In such situation required and emergent behaviour of the group become identical. But if group does not subscribe to the organizational goals then the cohesive group will be detrimental to the organization's goal. In this situation required and emergent behaviour are incongruent and cohesive group become dysfunction to the organization. It is therefore important for a manager to use group cohesiveness to the best advantage of the organization by identifying group member goals and aligning the same with organizational goals.

Conformity

Members in the organization want to belong to a group for various reasons. **First** they want to belong to a group to fulfill the need of social security. The **second** reason is the conformity to group decisions in conflicting and confusing situation as a best bet. When individual belong to a group he abides by group norms and the group decision against ones own judgment. Individuals need for affiliation is satisfied when an individual is fully accepted in the group by group members. In conflicting situation an individual goes by the decisions made by the group. Conformity with

group norms and group decision provide an individual enough emotional strength to cope up with organization stress. There are some individuals who have dominant ego factor, may not accept group decisions and therefore refuse to accept conformity. These individuals are called **deviants**. Such non-conformist have strong individual views and independent opinion on a particular issue. They can survive as group members for being non-conformist. They are subsequently isolated from the other members of the group.

Groupthink

Groupthink is a phenomenon in which the norms for consensus override the realistic appraisal of alternative course of action. Groupthink is a situation when all the members of a group are aligned to each other in the group and blindly abide by the group decisions. No external pressure is applied. In the process it has been seen that poor decision are made by the group as no one resist the decision, groupthink phenomenon is bad for group decision making because group members don't take decision based on rationality, non use of available data, and over estimation about ability. Too much of group cohesion is dangerous for equality decisions.

Group cohesiveness

Following factors contribute to group Cohesiveness. Refer to Figure 6.2 below:

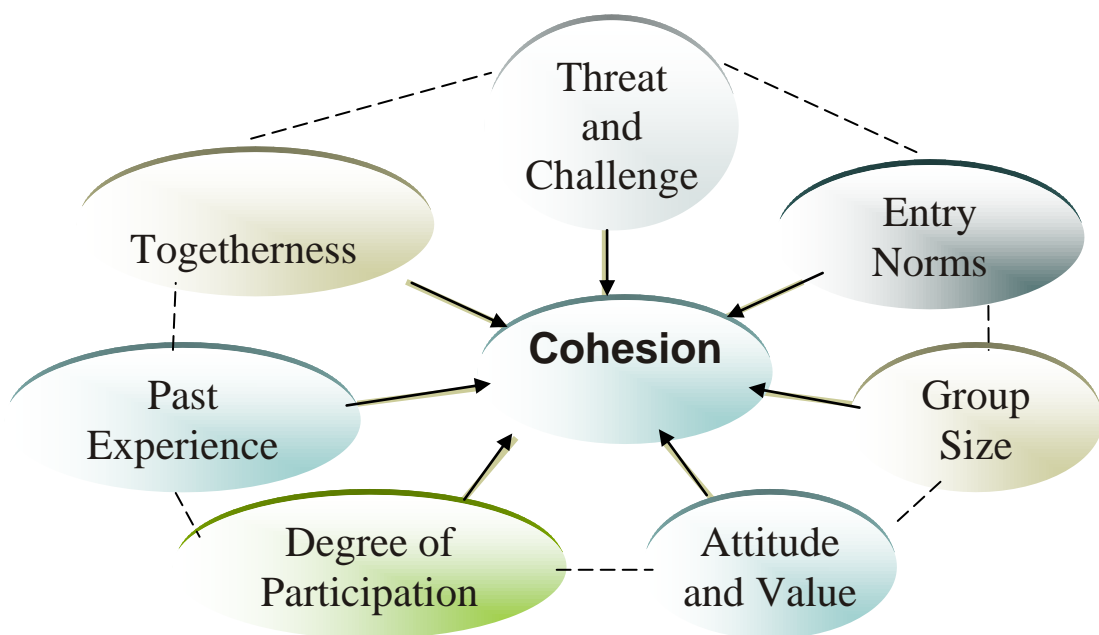


Fig. 7.2. Factors contributing to group cohesiveness

Togetherness

It is a natural tendency that people want to remain together. When they interact they know each other better and are attracted by their nature and behaviour pattern. People share their happiness and hardships and a bond of togetherness is formed. In organizational setting, people on the same floor, department, residing in the same colony, are attracted to each-other because of their close proximity. It will invariably be found that the people who are closely associated by virtue of even seating

arrangement in the work-place share their views and display more cohesiveness than those who are located away.

Group Size

Cohesiveness of a group depends upon the close interaction of the group members with each other. In a large group it not possible for the individual to communicate with each other hence there is likelihood of large group being less cohesive than the small group. In work environment small group is more effective. If a group is large, there is also a possibility of formation of small sub groups within a large group. This will lead to delusions of group norms and power politics within the sub group, which is not desirable. Another interesting factor about group cohesion is the sex, whether the group composes of all male members of female members. Studies showed that if all member were of the same sex then small group had better cohesion than large ones. In a mix group situation, even larger group has a better cohesion because people like to be a part of mix group and are more interactive with opposite sex that increases group Cohesion. What should be the optimum size for a effective group cohesion can not be decided, as other factors like attitude of group members and demographic factors play a decisive role. However 8 to 10 members could be an ideal group size for optimum group cohesion to be achieved. Beyond the above limit the cohesiveness of the group decreases gradually. Large groups are least cohesive.

Entry Norms

There are organizations whose membership is difficult to obtain. There are also clubs which are reserved for exclusive members of a particular background like Defence Services Officers club. Joining of such group elevates the status, position and members feel a sense of pride and accomplishment. Because the membership of such clubs is exclusive. At times, there is also a long waiting list to join such groups. More exclusive the group more cohesive it will be. More difficult to get entry, more cohesive the group would be.

Threat and Challenges

Every group has its objectives. It has been experimented that whenever there is a threat to disturb the group norm or group objective, group members get more united to protect the group objective from the party threatening the same. It will be noticed that external threat brings higher degree of cohesion to the group. In the fast moving world to day, the importance of group has increased. Employees have sacrificed their perks and privileges to ensure higher productivity by adhering to group norms. For example employees in a well organized industry work beyond specified time to achieve group goals. Meeting higher challenges brings personal satisfaction to group members and higher level cohesiveness to the group they are part of.

Degree of Participation in Group Activities

Participation in group activities is important as it leads to more frequent interaction between group members. Success in group activities also brings cohesiveness as each of the participants feels that he has been the contributor for achievement of group goals.

Attitude and Value

“Birds of the same feather flock together”. Group members having identically attitude and high level of value system will behave themselves identically and promote group norms and achieve Cohesiveness. In such situation decision making and implementation of group task is comparatively easy . Conflict situations are avoided and a smooth sailing is achieved. Interest of the group is well protected due to cohesiveness of the group.

Relationship between Cohesiveness, Performance, Norms and Productivity

Study of cohesiveness is important because it has an impact on productivity of the organization. Relationship of group Cohesiveness, performance norms and productivity is given in Figure 10.5 above.

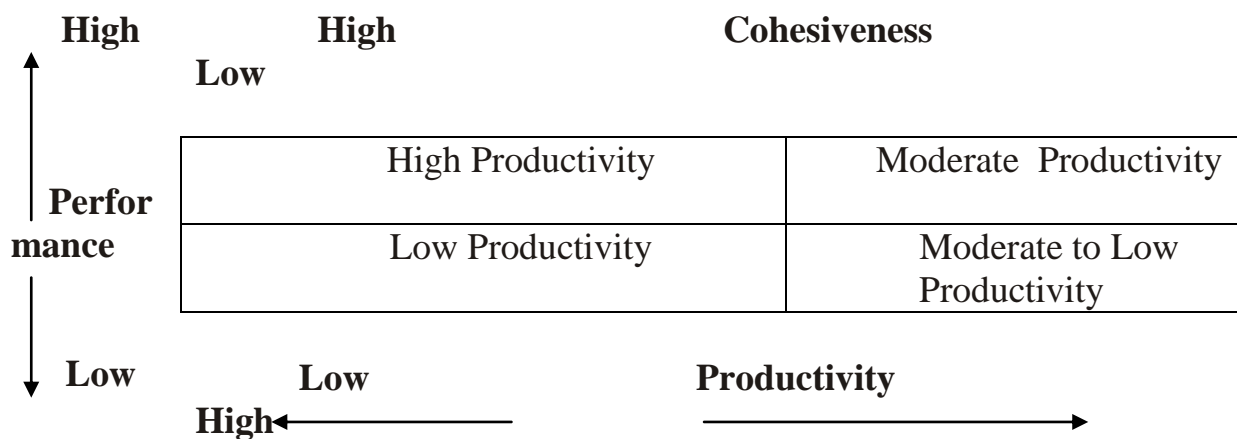


Fig. 7.3. Relationship between cohesiveness, performance norms on productivity

Performance norms are those work and behaviour related activities that have been accepted as norm like Cooperation, Quality of output, interpersonal behaviour etc. A cohesive group will be more productive than a less cohesive group. If cohesiveness is high and performance norms are low, productivity will be low thereby establishing the superiority of performance norms. If cohesiveness is low and performance norms are high, productivity will increase. When performance norms and Cohesiveness is low, productivity will fall. To achieve group cohesiveness following suggestion are made:

- (a) Small group have better Cohesiveness.
- (b) Encourage unilateral acceptance of group goals.
- (c) Time spent by members for group activities should be increased.
- (d) Increase status of group and group members.
- (e) Create an environment of perceived difficulty in attaining group membership.
- (f) Competition with other groups.
- (g) Introduce reward systems.
- (h) Physical Isolation of group increases cohesiveness.

Consequences of Cohesiveness: see Figure 6.4 below:

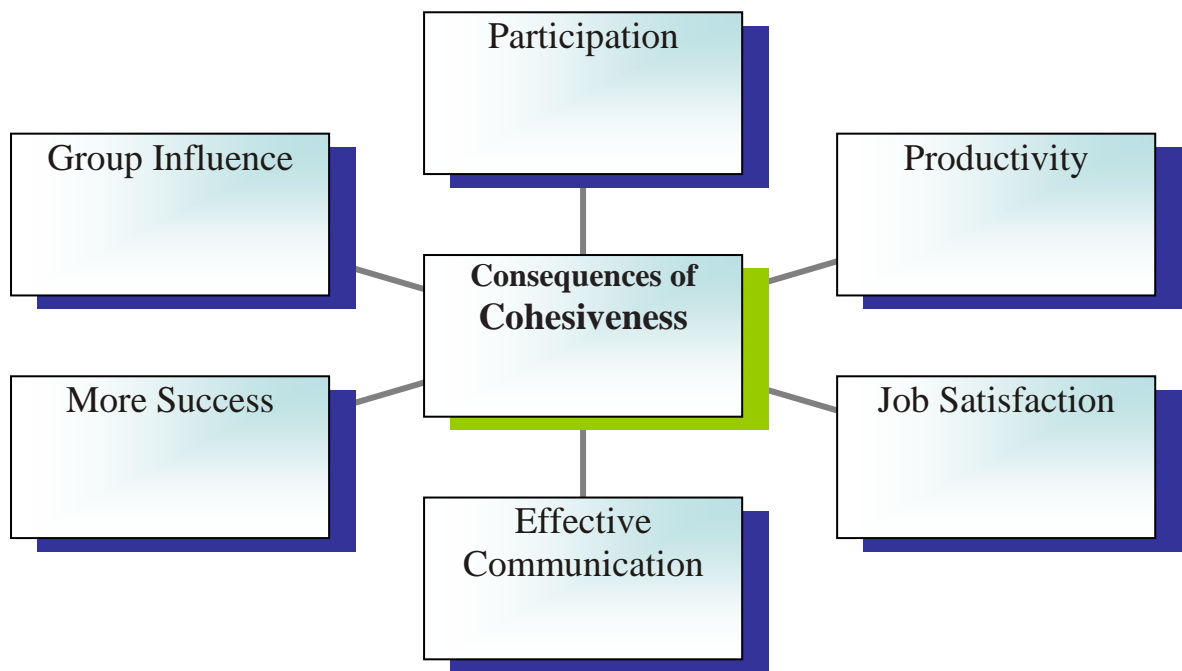


Fig. 7.4. Consequences of group cohesiveness
Success

Group is formed to achieve a particular group objective. When achieving group objective, the personal objective takes a back seat. Group Cohesiveness and success are interdependent. When group is highly cohesive the success is almost assured. On the contrary if the group is not cohesive the members will display separate interests and fulfillment of group objective will merely remain as an objective and its accomplishment will be difficult. For example, take a crew of the passenger aircraft flying from Bombay to Paris. The objective is clear, there is a common objective, every member of the crew (group) is contributing to safe passage. Flight engineer, Navigator, pilot, attendants all is committed to achieve group goal and personal interest (goal) if any is kept aside. It is therefore necessary to achieve a high degree of cohesiveness by adopting to group norms and conforming to it to achieve success.

Participation

Once a high level of cohesiveness is achieved each member develops a sense of belonging to the group. He craves to be intensely involved in group activities. He also develops an intimate relationship with each member and considers the group as a family. The members’ participation gives an opportunity to fulfill social needs.

Increased Productivity

A group effort is expected to bring better results than the sum total of individual efforts. Studies show that outcome is not only related to group cohesiveness but also to group compliance with organizational goals. According to Richard M Steers when group cohesiveness is high and acceptance of organizational goal is high performance will be high. Similar results would be expected for low Cohesiveness and high goal acceptance although the results may not be as strong. On the other hand performance would not be expected to be high when cohesiveness is high and goal acceptance is low. In this case, group efforts will probably be directed away from organizational

goals valued by the group. Finally when both cohesiveness and goal acceptance are low, efforts will probably become dissipated leading to low productivity.

Satisfaction. In a group environment satisfaction is guided by cumulative effect of external factors like respect for each other, support from group members, expert guidance, achievement and sense of safety in group environment. These factors bind members to each other and achieve cohesiveness. If members are not satisfied they would cease to be part of the group.

Better Communication. Members form a group, remain member of the group because of the value system they share with each other. By virtue of this an effective communication is evolved that reduces conflict to a large extent. Members of the group enjoy the freedom of action by virtue of respect for each other and the social relationship.

SUMMARY

Concept of group came in existence along with division of work. The group is collection of two or more individuals working for a common goal and are inter dependent. To achieve organizational objective the group has to accomplish its (group) objective so that the 'whole' is achieved. The same can be achieved by coordinating group activities. It is difficult for a manager to understand each individual because of different behavioural patterns of the members. Concept of Group dynamics was first introduced by Kurt Lewin in 1930s. There are two types of groups. These are formal group of which command group, task group and committee form the part. The second type of group is informal group. This contains interest group, clique and psychological group. Following concepts are relevant for the study of group dynamics. These are as under: **Norms** are set of beliefs, feelings, attitudes commonly shared by group members. Norms are of various types. These are performance norms, appearance norm and behaviour norms. Development of norms is a continuous process and is based on behaviour displayed by various members of the group on various occasions. These include explicit statement made by group members, critical events in the life of the group, primacy of behaviour and the past experience. Cohesiveness identifies the strength of the members' desire to remain in the group and degree of commitment displayed by them.

Cohesiveness of a group can be developed by conforming to the group norms by according secondary position to individual interests as against the group interests. Groupthink is a phenomenon in which norms overrides any alternative course of action if a group is required to be strong. Togetherness, group size, entry norms and ability of group members to face threats and challenges are posed by various situations. Degree of participation in group activities, attitude and value displayed by the group members are also important for group cohesiveness.

There is a close relationship between cohesiveness, performance norms and productivity. For high productivity a group must ensure high cohesiveness and high performance norms. Low performance norms will lead to low or moderate productivity. A highly cohesive group displays, greater participation in group activities, higher productivity, more influence among group members, effective communication, more success in the organizational mission and above all a higher job satisfaction.

TEXT QUESTIONS

1. Explain the concept of group.
2. What are various types of group?
3. Study of norms and status is essential for the study of group dynamics.

Explain.

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

6. With the help of a diagram explain relationship between group cohesiveness, performance norms and productivity.

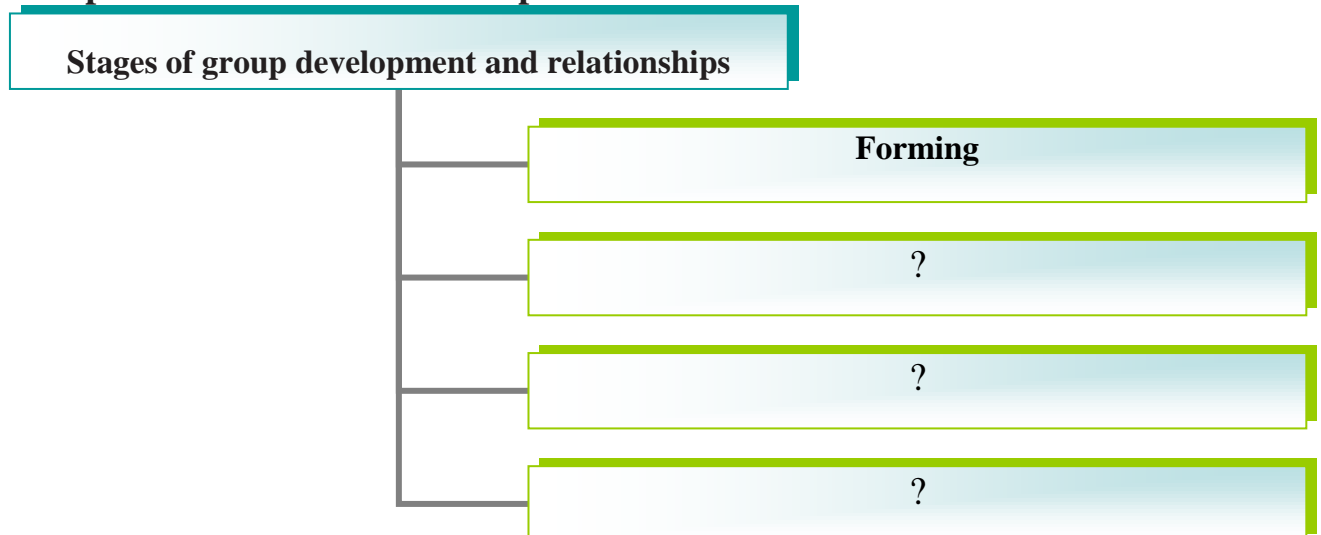
7. What are the various consequences of group cohesiveness?

8. Why people join group. Explain.

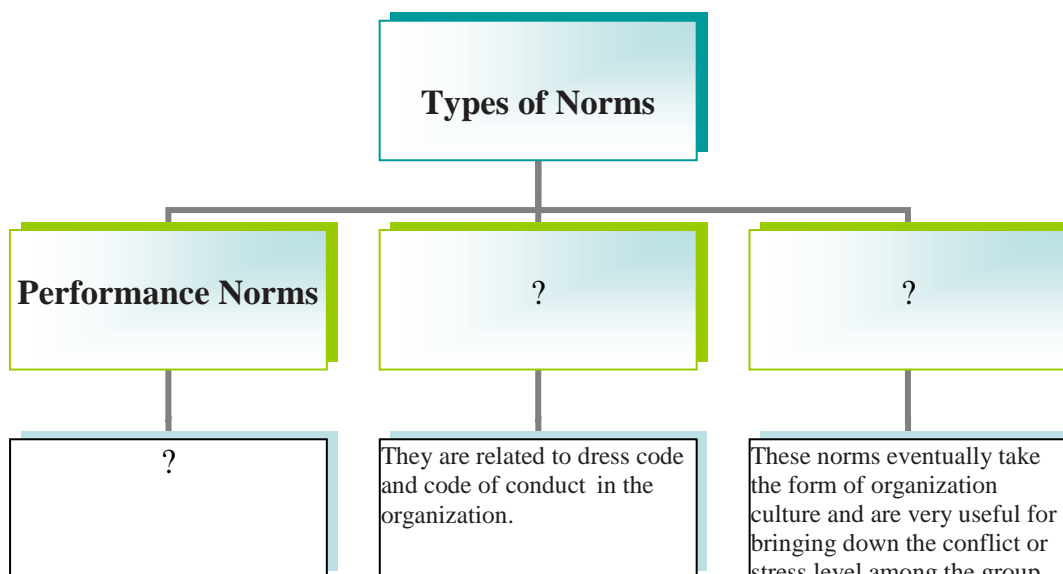
PRACTICAL WORKSHOP

1. GROUP DYNAMICS IN TABLES AND CHARTS

Complete the missed terms and phrases.



1.1. Stages of group development and relationships.



Chapter 8 CONFLICT MANAGEMENT

The greatest conflicts are not between two people
but between one person and himself.

Garth Brooks

INTRODUCTION

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

DEFINITIONS

Conflict can be defined (Thomas K.A.) as the **“process that begins when one party perceives that another party has negatively affected something that the first party cares about1.”** Conflict must be perceived by either of the parties. Stiff opposition due to incompatibility of organizational goals characterizes it. Conflict can also be caused due to difference about interpretation of facts or issues involved. Conflict takes an ugly turn and takes a form of violence due to disagreement based on behavioural expectations. It could be covert or overt and can be seen when one observes violent acts of individual in organizations. Austin et al² defines conflict **“as a disagreement between two or more individuals or groups, with each individual or group trying to gain acceptance of its views or objective over others.”**

Nature and scope of conflict

Every organization has its objective. It is further broken down as departmental objectives, group goals and lastly individual goals. When individual interacts with another individual there is perceptual and communication problems that causes misunderstanding and leads to individual conflict situation. It is also true of groups. Group conflicts indicate the way of inter-group behaviour in an organization. This is more relevant in the Indian context, where inter-union rivalry is most cognizable. Inter-group conflict occurs due to group competition and group cohesiveness. This leads to a feeling of **‘we’** and **‘they’**. **“We are always right and hey are always wrong”**. Aims and objectives of various organizations differ drastically that give rise to greater competition hence a high level of conflict. Conflict can arise between employer and employees, management and workers, one department and another, stakeholders, shareholders, producer and customers and between various trade unions that are often politically motivated. Schein³ has pointed out that, this problem exists

because as groups become more committed to their goals and norms, they are likely to become competitive with one another and seek to undermine their rivals' activities, thereby becoming a liability to the organization as a whole. The overall problem, then, is how to establish high productive, collaborative intergroup relations. Michael⁴ states that conflict can lead to breakdown in standard mechanism of decision making so that an individual or group experiences difficulty in selecting an action alternative. The breakdown may be because of competing demands on an individual or group rivalry and competition. There can be vertical and horizontal conflicts; or individual conflict, group conflict and organizational conflict.

Conflict can be considered as expression of hostility, negative attitude, aggression and gross misunderstanding. It is caused due to varying interest of individual or groups. Pondy⁵ has described that the term 'conflict' is used in four ways to indicate

1. Antecedent conditions of conflictual behaviour, such as scarcity of resources.
2. Affective states of individuals involved such as stress, tension, hostility, anxiety etc.
3. Cognitive state of individuals that is their perception or awareness or conflictual situations.
4. Conflictual behaviour, ranging from passive resistance to overt aggression.

Functional and Dysfunctional Conflict

Conflict that supports the individual and group goals, which leads to higher performance is called **functional conflict** while the conflicts that hinders individual or group performance is called **dysfunctional conflict**. The latter generally takes destructive form. There is thin margin between the two types of conflicts mentioned above. While evaluating the impact of conflict on goal achievement, individual perception and effect of group performance should be evaluated. If the conflict contributes towards higher performance then the conflict should be called functional or otherwise dysfunctional. Conflict can be broadly classified in three types i.e. **task oriented conflict, behavioural conflict and structural conflict or process conflict**. Task conflict relates to the group goals or objectives to be achieved by the group while behavioral conflict relates to individual's value system, approach, attitude, ego state, skill and norms being followed by him. Studies reveal that most of the dysfunctional conflict falls under this category. Process conflict is related to how a task is being accomplished in the organization. It is related with various processes, procedures, drills and instructions that are being followed on a particular job. When individual differs in this regard, conflict arises. This type of conflict can be eliminated to a large extent by following strict discipline in the work procedure and adhering to the rules and regulations. Positive points of functional conflict are as under:

Functional Conflict

1. Conflict develops cohesiveness within the group members. A group goal therefore becomes a priority. Individual goals are then relegated to secondary position.
2. Conflict leads to innovation and creativity, as there is competing spirit among various groups.

3. Conflict provides challenging work environment and enhances opportunities for self-development of group that leads to formation of group norms.

4. Enhance work culture leads to upgradation of various systems within the organization and therefore growth is achieved.

Dysfunctional Conflict

Conflict may turn out to be detrimental and disastrous and having deleterious effects. Dysfunctional nature of conflict can be identified in the following circumstances:

1. When conflict does not lead to solution.

2. When basic goals of the organization are neglected.

3. People should be treated with due respect. If it is violated and a climate of distrust and suspicion is created people feel defeated and demeaned which develops antagonism and leads to conflict.

4. Conflict may lead to absenteeism and subsequently to increased turn over if not controlled in time.

5. Dual management style may create hatred and lead to dysfunctional conflict.

6. Disagreement with management may be considered as disloyalty, if this environment prevails, an opportunity for creativity would be lost and employees would lose interest in their job. This would lead to increased conflicting situations.

Transition of Conflict

1. Traditional view

During 1930-40s, conflict was considered to be bad and viewed negatively. It was considered harmful, unnecessary and considered synonymous to violence, destruction and irrational. The view held that the conflict arose due to poor communication, lack of openness, lack of trust and failure of managers to be responsive to the needs and aspirations of their employees. The view further held that the conflict must be avoided at all costs. During the same period, the scientific management and administrative school of management that were in the state of evolution, developed such organizational structure where responsibilities had been properly laid down, rules, regulations and policies had been inbuilt in the system. Thus a proper mechanism was introduced in the management systems and an adequate attention was paid by the managerial staff to ensure that there was no misunderstanding among the employees and that the conflict was avoided.

2. Human Relations View

Human relations view, which prevailed between 1940-70 states that conflict is a natural occurrence of individual behaviour and that the conflict cannot be avoided. The theory propagated that we must accept conflict since we can not eliminate the same. It further states that organizations must lay down proper policy and procedure, set achievable goals. Have proper communication and thereby avoid stress and strain. Resources should be properly allocated and steps taken to avoid occurrence of conflict. An environment of trust, cooperation, friendship and sharing is built amongst the employees so that increased productivity for the organization is achieved. Avoidance of conflict and trust building is the key for the prosperity of the organization.

3. Behavioural View

Behavioural scientists encourage conflict on various grounds. They feel that a group having inter group harmonious relations, peace and cooperation among group members is likely to be non-vibrant, static in nature and can display apathetic attitude towards group members. In this situation the groups are non responsive. What is required today is innovation, creativity and an ability of the group to meet the social obligations. Hence there is a need for maintaining minimal level of conflict within the group. This would lead to group being viable. Group members should be self-critical and develop creativity. Minimum level of conflict between the groups would increase competitiveness that will lend itself to higher productivity and increased job satisfaction. It must be borne in mind that only minimum level of conflict is necessary for it to be beneficial. Behavioral view proposes that because people differ in their attitudes, values and goals, conflict is but a natural outcome in any group of people and that it can be helpful and constructive. (Chandan Jit S). The neo-classicists emphasized the understanding of individual psychology, development of informal groups, informal leadership, and a democratic-participative leadership style so as to avoid conflicts and establish harmony in the organization.

4. Modern View

The modern view holds that conflict may be necessary for organizational effectiveness. It is believed that harmonious, peaceful and cooperative groups can become static and uninnovative. Minimum level of conflict that keeps the group alive, self critical and creative is desirable. Modernists believe that conflict is structural in nature, is inevitable and endemic to the organizational milieu. It is a product of systems and determined by structural factors and integral to the nature of change. When groups interact there is bound to be difference of opinion and disagreements, which is a cause for conflict. It exists even when there is single individual who is faced with organizational problems like decision making. Conflict should be welcomed and managed effectively. Some of the positive points of minimum level of conflict are as under:

(a) Conflict should be expressed. By doing so, communication between two groups is restored that promotes growth.

(b) Minimum level of conflict serves as pre-requisite for organizational development. Conflict brings changes.

(c) Conflict helps achieve cohesion within the group that develops group identity and members of the group follow group norms setting aside personal problems. This tendency leads higher level of productivity, sense of identity with the organization and increases group ability to compete with groups and departments.

(d) Poor decisions are detrimental to organizational growth. Minimum level of conflict promotes stimulus for analytical thinking, which may challenge views, policies and systems prevailing in the organization. It will lead to reviews hence new policies may be introduced in the organization.

(e) Conflict can serve as power equalizer between two parties. This is clearly observed during management union meetings. While management is powerful at the beginning of the discussion it however tends to equalize itself as the discussion proceeds.

Causes of Conflict

Communicational Aspect: Communication is an important process in the organization. Poor communication, passing of incomplete information to a department may cause conflict because this may have far reaching consequences in attainment of organizational goals. Importance of full and complete communication cannot be over emphasized in the fast moving organizations in the present era of information technology. Some of the reasons for poor communication are as under:

(a) Inadequate communication: where too much or too little information is passed from one department to the other.

(b) Filtration effect: where end receiver receives very scant information having little or no value.

(c) When information is not received on time: it must be noted that delayed information has no value as the decision might have already been taken without the information.

(d) Barriers of culture, language.

(e) Inadequate training of sender and receiver.

(f) Noise problems.

Behavioural View

Types of Conflict

As discussed earlier, organizations exist based on various groups and departments where scarce resources have to be put in to use through various processes. Systems and subsystem exist in the organizations that are managed by individuals and work teams or work groups. While interacting with each other on individual, team or group levels, there may be occasions when conflict occurs due to perceptual differences. The conflict may be intra-personal, inter-personal, intra-group, inter-group or intra-organizational in nature. These are discussed below.

Intra-personal Conflict: Intra personal conflict is also called the conflict within the individual. This type of conflict can be of two types

(a) **Value conflict:** Every individual has to play certain roles, which conforms to his value system. However, there are certain situations when an individual may have to compromise on value system and beliefs. For example, finance manager of an organization, while submitting tax returns to the government may conceal some facts, which may go against his belief and value system. This situation may cause tension and conflict within the individual.

(b) **Decision-making:** Problem solving is one of the important jobs every individual has to undertake in work environment. Every problem has various courses open. At times it is difficult for a person to select an appropriate course of action. This situation causes conflict within the individual. He therefore will have to take decisions based on the past experience and the knowledge. It may be noted that decision-making has become simpler these days due to firstly; information technology where required data is available and secondly, group decision is the norm in most of the organizations.

Inter-personal Conflict

Inter-personal conflict relates to conflict between two or more individuals and is probably the most common and recognized form of conflict. Interpersonal conflict is caused due to disagreement over goals and objectives of the organization. These are

heightened due to difference of opinion of individuals and when issues are not based on facts. Every organization is full of unresolved issues, problems and differing situations that leads to conflict. Conflict can also take place between one person of a group with another person of the same group or another group on issues relating to decision-making. Individuals may have a difference of opinion on selection of a particular course of action that will lead to disagreement and often result in the conflict. It is the merit of the issue, and willingness of members of the organization to accept the others point of view that will avoid the conflict situation.

Intra-Group Conflict

Intra-group conflict relates to values, status and roles played by an individual in the group and the group norms. Individual may want to remain in the group for social needs but may disagree with the methods and procedures followed by the group. The conflict may arise when social changes are incorporated in the group. When group faces new problems and when values are changed due to change in social environment. Intra-group conflict is like Inter-personal conflict except that the people involved in the conflict episode belong to a common group.

Inter-Group Conflict

Conflicts between different groups, sections and departments are called inter-group conflict. For example, conflict between production and sales departments over the quality being produced and the customer requirements. Inter-group conflict causes due to factors inherent to the organizational structure like independence, inconsistency in various policy matter, variance on promotion criteria, reward system and different standards being adopted for different sub-units and departments. Organizational objectives can only be achieved when all departments work towards attainment of organizational goals. This is possible when interactions between departments are smooth and cordial. Conflict can be avoided by better communication between departments, joint decision making, removing disparity in group goals and paying due respect and displaying concern for other group's views.

Inter-Organizational Conflict

Inter-organizational conflict takes place between two dependent organizations. Conflict can take place between government organization, unions and the operating industry. Government organizations function to ensure that minimum standards are followed by the organizations. Managers must try and reduce inter-organizational conflicts by adopting positive approach and by following strictly, the rules and regulations laid down by the government agencies. Conflict can also take place between seller and buyer organizations.

Intra-Organizational Conflicts

Intra organizational conflict encompasses horizontal, vertical, line–staff and role based conflicts. Let us briefly study these situations.

Horizontal Conflict

Horizontal Conflict is caused due to incompatibility of goals, sharing limited resources and difference in time orientation. It leads to tension, misunderstanding and frustration on the part of both the parties. Horizontal conflict relates to employees or group at the same level. Organizational goal at implementation level vary from department to department. Finance department may not be able to spare additional

amount as may be required by research and development department for new product development that may cause tension, misunderstanding between two individuals or departments. Individuals may not be able to meet the targets of production in given time due to variety of reason that may cause conflict with sales department as the latter would like to flood the market with their product to make the presence felt. It has been seen that due to increased interdependence of individuals or groups to carry out various functions, situations do arise where there is difference of opinion on issues that cause conflict between individuals or groups.

Vertical Conflict

Vertical conflict refers to conflicts that might take place between different levels of hierarchy. Conflicts between subordinates and superior occur due to incompatibility. It is generally caused because of differences in perception, value system, goals that may be assigned, cognition and difference in individual behaviour. Conflict is also caused due to inappropriate communication between individuals at two different levels.

Line and Staff Conflict

Line and staff conflict has been traditional. Line authority creates product and services and contributes directly towards the revenue generation. While staff authority assists line authority and acts in advisory capacity. Staff and line authority have a different predispositions and goals. They have different skills and expertise. Since staff authority (managers) are in the chain of command and have a day to day access to the top boss, have tendency to dictate terms to the line authority and usually disregard the working knowledge of the line authority. They have tendency to dominate and disregard the efforts put in by line authority managers. On the contrary staff managers have a technical know how and they are able to advise the line authority to cut down cost of production and save on wastage etc. Line authority does not like their advice at times. Staff managers get frustrated when their suggestions and ideas are not implemented by line managers and hence the cause for conflict. In the process the organizational goals are not achieved as per plans.

Role Conflict

A person in an organization has to perform various roles. Conflict arises when roles assigned to him have different expectation. 'Time' management may cause conflict. A person may be asked to take care of an additional section in the absence of section head. Value system in an organization is also a cause for conflict. Supervisor is asked to be honest while he is dealing with sale of the product while the same person may be asked to pay commission to an official from whom a sanction is required to be obtained, thereby causing a conflict situation in the ethical value system of an individual. When an individual is line or a staff employee and also a union representative, has to perform duties of conflicting nature hence a role conflict.

Conflict Process

Pondy developed a conflict process model, which is useful to understand how a conflict starts. He has delineated five steps that he calls as 'conflict episode'. These are **latent conflict, perceived conflict, felt conflict, manifest conflict, conflict resolution and conflict aftermath.**

Latent Conflict

It is a first stage of conflict when conflict-promoting situations appear on the scene between individuals and groups. In this stage potential conflict inducing forces exist. For example demand for various resources by departments when some may get and be satisfied and others may not get and be dissatisfied. Hence there may exist a situation between two groups. At this stage the seeds of dissatisfaction have been sown.

Perceived Conflict

When one party frustrate the design of the other party, people perceive that a confluctual conditions exist. For example sales manager may need additional budget for promotional activities which financial manager may not release. The sales manager may attribute lack of finance as potential cause for fall in sales. Thus a conflict between the two may brew. At this stage the conflict does not surface.

Felt Conflict

At this stage, the conflict is actually felt and cognised. As stated earlier, the funds are not released by the finance manager and the problem is being surfaced and there is a likelihood of confrontation.

Manifest Conflict

In this stage, there is not only recognition or acknowledgement of conflict but also manifestation of conflict by covert or overt behaviour. It is a stage of open dispute. Both parties devise their strategies to face each other. In the above example sales manager may make his point for additional funds for promotional activities especially during festival season. Finance manager may openly turn down the request since he might have allotted additional funds for procurement of better raw material for production department. Sales manager may argue that better raw material has no meaning unless the facts are brought to the notice of customers, which can only be done through promotional campaign. The debate may be unending and frustrating.

Conflict Aftermath

Once the conflict is resolved between the two parties, there is always a party, which is looser because the resolution is the outcome of win – lose or the compromise strategy, a stage is set for subsequent conflict episodes. A party, which feels defeated, may start preparations and be on the look out for the assault to take the revenge. Conflict resolution has been added as an additional box in the figure to elucidate that conflict aftermath is a direct function of the results of the conflict resolution style adopted and exercised in any given situation.

Conflict Resolution Model

Conflict between parties can be resolved by five different modes.

Avoidance

One or both parties could **avoid** facing the conflict. The situation pertains to un-cooperative and unassertive behaviour on the part of parties involved. A Party may avoid facing B Party. When situation reaches a point of negligence by A Party, B Party may take advantage of the situation. By avoiding, the individual might side step, postpone or even withdraw from the conflictuating situation. This strategy is useful when issues involved in conflict are of a very minor nature or when more important issues deserve attention. This strategy suits a manager whose power base is very low and there is no chance of satisfying one's own concerns. Avoidance strategy

should be applied when one feels that people in the organization should cool down so that the issue can be handled at a latter date in a better psychological environment. The issue can also be postponed if additional information is required to be obtained. Avoidance is a poor strategy hence if someone else is able to handle the situation of conflict more effectively, should be allowed to do so. Managers having high score on avoidance as a strategy of conflict management, may suffer from delayed decision making and hence the loss to the organization. Those who have a low score on avoidance thereby wanting to attend to every single issue may spend lot of time on every trivial issue, hurt people's feelings and stir hostility in the organization that should be taken care of.

Competing

This strategy may be adopted when other strategies of conflict resolution are not workable. Competing is also useful in emergencies where quick decisions are required. In this strategy power must be used unilaterally as a weapon when unpopular decisions like termination, ay cuts, layoffs, cost cutting and enforcing discipline are required to be taken. This strategy is based on win-lose principle of managing conflicts. The managers who are high on power base have an added advantage in using competing strategy because people from opposite side would not dare confront a person who is so powerful. There is a tendency that managers using this strategy should be careful about 'yes' men around them. They should identify conflicting situations and take bold decisions based on win-lose strategy. On the other hand there are managers who are low on competing mode, are likely to feel powerless in many situations. Not realizing that though they have power but they are not comfortable sing it. By trying to use power, one could enhance one's achievement. Another drawback in scoring low is that such individuals find it difficult to take bold stand on various issues concerning organizations. In situations when a manager is very low on 'concern for the people' may postpone vital decisions on matters pertaining to subordinates that may be detrimental to organizational effectiveness.

Collaborating

Strategy of collaboration involves attempt of one party to work with the other party in cooperative manner and find solutions to the problem for mutual benefits. The strategy involves identification of areas of disagreement, examining the issue in greater detail and a workable solution arrived at, which is for mutual benefit. This strategy signifies when two sets of solutions are important for both parties to be compromised. Hence finding integrated solution become imperative. This strategy signifies joint efforts, gain for both parties and integrated solutions arrived at by consensual decisions. Sekaran⁷ concluded that when people are high on collaborating, they have to be concerned about how they spend their time and other organizational resources. Collaboration is time and energy consuming. Not all situations need collaborative solutions. Over use of collaboration and consensual decision-making may reflect risk aversion tendencies or an inclination to defuse responsibility. When people score low on collaborating, they may fail to capitalize on situations, which would benefit immensely from joint problem solving. Also by ignoring the concerns of employees, decisions and policies may be evolved, which

make the organizational members both unhappy and uncommitted to the system. The strategy attempts a win-win solution to their goals

Accommodating

In accommodating mode a person sacrifices his own interest for accommodating other person's interest. It is a form of selfless generosity, obeying other person's point of view. This mode is usually adopted when other person's view is stronger, you want to achieve goodwill and indicate that you are reasonable. This strategy of conflict resolution is important when you want other person to give at a later date when it favours you. Sekaran concluded that when people are high on accommodating score they might be differing too much to the wishes of others and pay very little attention to their own ideas and concerns even though they may realize that they are not getting the attention they deserve. This might even lower one's self-esteem in addition to depriving on the influence, respect and recognition from others, since it negates the potential contribution that individuals are capable of making to the organization. While individual low on accommodating score, they should start thinking about whether they lack the goodwill of others and whether others perceive them as unreasonable, uncompromising, rigid and demanding.

Compromising

In conflict situation, compromising is a mode when both parties try to find out some expedient, mutually acceptable solution that sacrifices both the parties partially. In compromising, there is no clear winner or loser. None of the party is fully satisfied as they ration the object of conflict and accept the solution which is not complete to either of the parties. In compromising, there is a possibility of an atmosphere of 'gamesmanship' in the work environment. There is also a possibility of compromising on certain principles of behaviour which is not desirable. Values, ethics, principles and long term objectives of the organization must be protected while adopting compromising. When people are tough to compromise, they find it hard to make concessions and land up in power struggle that must be avoided. Compromising policies can easily be adopted when competing or collaboration strategy fails. Research indicates that people have underlying disposition to handle conflict in certain ways. Especially individuals have preferences among the five conflict handling intensions. Their preferences tend to be relied upon quite consistently, and a person's intensions can be predicted rather well from a combination of intellectual and personality characteristics. When confronting conflict situation, some people want to win it at any cost, some want to find an optimum solution, some want to run away, others want to be obliging, and still others want to "split the differences" (Robbins Stephen P.)⁸.

SUMMARY

Conflict management deserves attention in present corporate environment. Conflict is a process that begins when one party perceives that another party has negatively affected something that the first party cares about. Conflict can be considered as an expression of hostility, negative attitude, aggression and gross misunderstanding. Conflict can be functional or dysfunctional. It is of three types namely task oriented conflict, behavioural conflict and structural or process oriented conflict. Traditional view of conflict (1930-40) considers conflict as harmful and

synonymous to violence, destruction and irrational. Human relations era which was prevalent during the period of 1940-70 considered conflict as natural phenomenon and recommends various steps to avoid its occurrence. Behavioural view on the other hand encourages conflict for creativity, higher productivity and for achieving group cohesiveness. It recommends elaborate steps to keep it as minimum as possible. Propagators of Modern view feel that conflict is structural in nature, is inevitable and endemic to organizational milieu. It is integral to process of change. They recommend proper management of conflict as it promotes high level of competition between individuals and groups. Intra-personal conflict occurs when there is a conflict of values, that may relates to roles that an individual is required to play and decisions he has to take in the organization. Inter-personal conflict occurs due to disagreement over the goals of the organization. These are further aggravated due to difference of opinion. Inter- group and inter-departmental conflict take place when universality of policies, procedures and standards do not exist. Intra-organizational conflicts relates to horizontal, vertical and line and staff conflicts.

Conflict must be resolved based on the model given by Pondy. Conflict can also be resolved by displaying high co-operative behaviour. It can take various forms like avoiding, accommodating, collaborating and compromising on various issues between individuals, groups and organizations. Minimum level of conflict can keep groups vibrant, cohesive and creative.

TEXT QUESTIONS

1. Define conflict. What forms does it take in an organization?
2. Explain functional and dysfunctional conflict?
3. What are various types of conflict? Explain.
4. How has transition of conflict taken place?
5. Explain with help of diagram Pondy's conflict management process.
6. What are various causes of conflict?
7. Explain conflict resolution model?
8. Conflict can be beneficial if it is kept to minimum. Explain the statement.

PRACTICAL WORKSHOP

1. SKILL DEVELOPMENT EXERCISE

Understand Your Own Conflict Management Style

Instructions

Imagine that you are in situations where you do not agree with another person and try to respond to the following with that orientation. Below, you will find several pairs of statements describing possible behavioural responses to situations. For each pair, circle the "A" or the "B" statement which is most characteristic of your own behaviour. In some cases neither the "A" nor the "B" statements would be representative of your behaviour. even so, try to select that which comes closest to what you may be likely to do. The responses which you circle will offer you a good understanding of your conflict handling style.

1. A. I frequently decide that I should not bother about the differences in our viewpoints.

B. I try to get my way.

2. A. I try not to hurt the other's feelings so that our relationship can be maintained.

B. I do all that is necessary to avoid tensions.

3. A. I get all the issues out in the open and discuss them.

B. I try to postpone issues till I have had time to think.

4. A. I try to seek a solution which is neither totally what I want nor what the other person wants.

B. I try to assert my viewpoint.

5. A. Many times I let the other person take on the responsibility for solving problem situations.

B. Instead of trying to negotiate the things on which I might disagree with another,

I usually emphasize the aspects on which we both agree.

6. A. I am very goal-oriented and pursue my own goals.

B. I try to patch up so that our friendship is not spoiled.

7. A. I establish a middle ground.

B. I do not think that I should worry about the differences.

8. A. I take a middle ground.

B. I insist on my points being heard.

9. A. I firmly pursue my goals.

B. I try to avoid frictions.

10. A. I usually try to find a solution which is more compromising in nature.

B. I usually try to handle all of the other party's as well as my own concerns.

11. A. I try not to handle controversial issues.

B. If it makes him happy, I let him have his say.

12. A. I try not to create unpleasantness for myself.

B. I try to win my own position.

13. A. I try to be logical and show him the advantages of my position.

B. I try to be sensitive to his wishes.

14. A. To make the other person happy, I let him have his way.

B. I will give in some, if he will give in some.

15. A. I start working through the differences immediately.

B. I try to see what is fair for both.

16. A. I try to deal with both persons' wishes.

B. I let him solve the problem.

17. A. I usually search for a compromise solution.

B. I usually let go of my own wishes so that the other person's needs are taken care of.

18. A. I try to establish a middle ground.

B. I try to satisfy both our wishes.

19. A. I firmly stick to my point of view.

B. I work out a solution with the other person.

20. A. If the matter is that important to him, I let him have his way.
B. I insist on a compromise.
21. A. I usually get everyone's concerns out in the open.
B. I usually try to give in and preserve our friendship.
22. A. While negotiating, I take the other's feelings into consideration.
B. I deal with the issue directly, placing all the cards on the table.
23. A. I feel strongly about pursuing my goals.
B. I feel compromise solutions are the best.
24. A. I take time to think over the issue before starting to discuss it.
B. I give in some to gain some.
25. A. I would rather not hurt the other's feelings.
B. I jointly work out the problem with the other person.
26. A. I try not hurt the other's feelings.
B. I convince the other of the logic of my statement.
27. A. I express my ideas and ask for his.
B. I try to convince him of the benefits of my ideas.
28. A. I firmly pursue my goals.
B. I try to get all the issues out on the table.
29. A. I generally avoid controversial situations.
B. I pursue a policy of give and take.
30. A. I invariably work with the other person's help to come up with a solution.
B. I try my best to do whatever is necessary to avoid tensions.

Scoring: Circle the items below which you circled against each item of the questionnaire you have just completed.

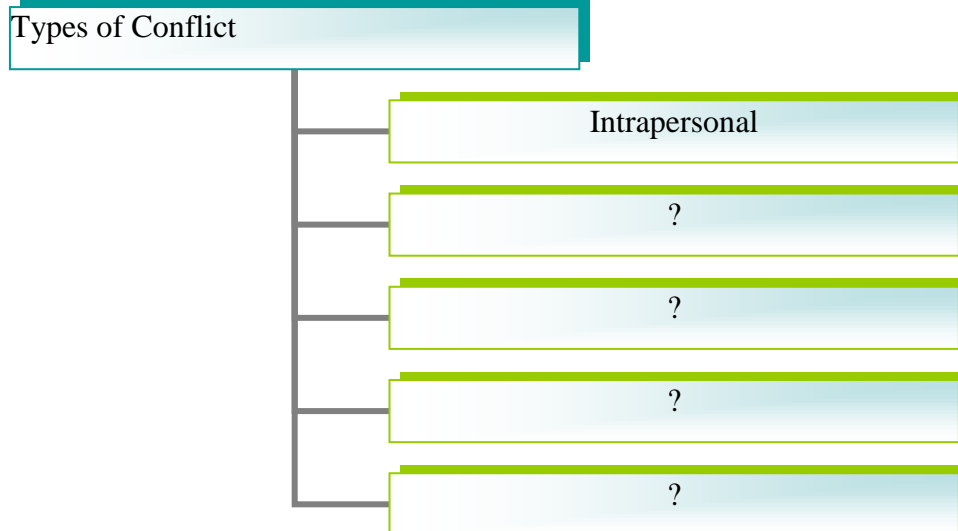
	Com peting	Collabo rating	Compro mising	Avo iding	Accommo dating
1	B				A
2				A	B
3		A		B	
4	B		A		
5				A	B
6	A				B
7			A	B	
8	B		A		
9	A			B	
10		B	A		
11				A	B
12	A			B	
13	A				B
14			B		A
15		A	B		
16		A		B	
17		A			B
18		B	A		

19	A	B			
20			B		A
21		A			B
22		B			A
23	A		B		
24			B	A	
25		B			A
26	B				A
27	B	A			
28	A	B			
29			B	A	
30			A		B
SCORE					

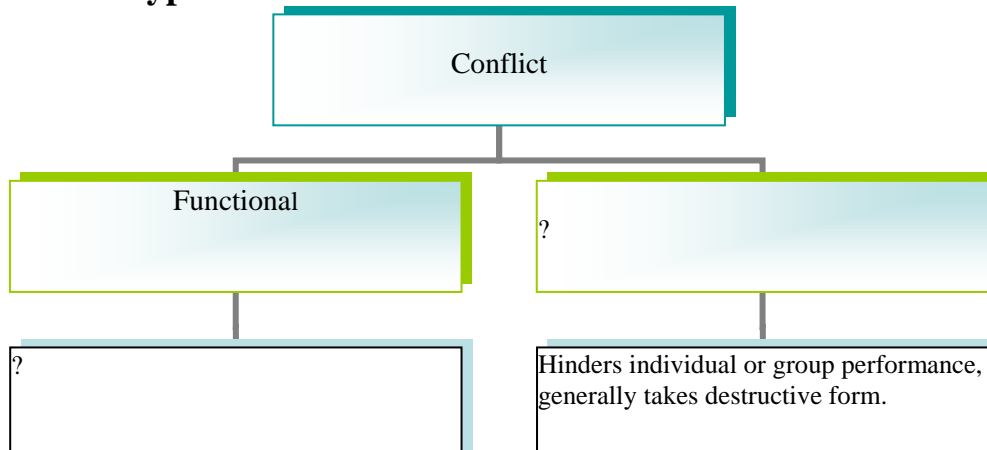
Total number of items circled in each column: Highest score is your conflict resolution ability.

2. CONFLICTS IN TABLES AND CHARTS

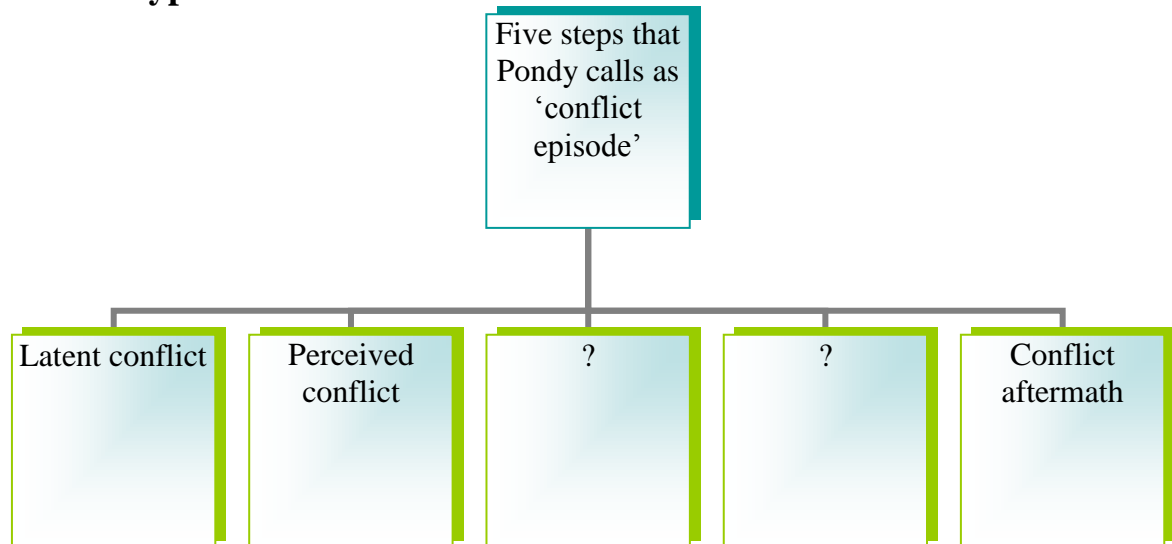
Complete the missed terms and phrases.



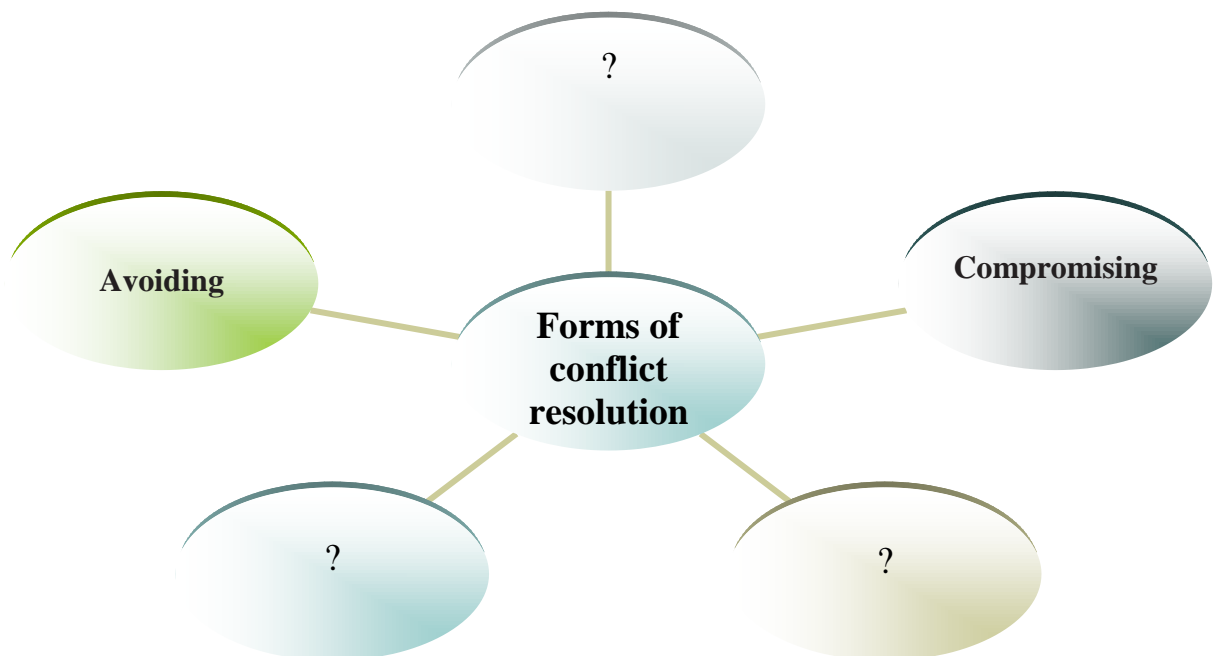
2.1. Types of Conflict



2.2. Types of Conflicts.



2.3. A conflict process model



2.4. Forms of Conflict Resolution

CHAPTER 8 MOTIVATION

The only lifelong, reliable motivations are those that come from within, and one of the strongest of those is the joy and pride that grow from knowing that you've just done something as well as you can do it.

Lloyd Dobyns and Clare Crawford-Mason

LEARNING OUTCOMES

After completing this chapter you should be able to:

- _ explain the meaning and underlying concept of motivation;
- _ detail main types of needs and expectations of people at work;

- _ contrast content and process theories of motivation;
- _ examine main theories of motivation and evaluate their relevance to particular work situations;
- _ explain the importance of the motivation of knowledge workers and a climate of creativity;
- _ review the complex nature of work motivation and rewards.

INTRODUCTION

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

DEFINITIONS

Motivation is defined as **“inner burning passion caused by need, wants and desire which propels an individual to exert his physical and mental energy to achieve desired objectives”**. Efficiency of a person depends upon performance. Performance can be expressed as under

$$\text{Performance} = \text{Ability} \times \text{Motivation}$$

Terms liked motive, motivation and motivating are commonly used in Organizational Behaviour. It is important to fully understand the meanings of these terms so that they can be appropriately used to derive maximum benefits.

Motive: As per Bureson and Steiner, (1964) ‘motive’ is defined as **“an inner state that energises, activates (or moves) and directs (or chanalises) the behaviour towards certain goals.”**

Difference between motive and needs. Motive is a strong need which has a certain degree of strength that propels a person to act for its fulfillment. If the need or motive is not fulfilled a person remains restless and when fulfilled a person enjoys a certain degree of satisfaction. Certain amount of tension is harbored by a person when need exists. If incentives for accomplishing are given, the person is more enthusiastic for its implementation. Greater the motive, greater is the tension and higher the desire to fulfill. A high degree of satisfaction is experienced by an individual once the desire is fulfilled. For example a clerk who knows manual typing on typewriting machine. He is aware that if he learns computers he would be more skilled and he would be able to achieve higher performance in his job and would probably get higher rewards for the work. Therefore, there exists a motive to learn computer, due to its higher benefits, the need gets transformed into motive because of its greater strength. Till the time individual does not learn computer the tension won’t be released. Once this is done (due to higher motivation) the individual and organizational objective (growth) is achieved. This is explained in Figure 8.1 below:

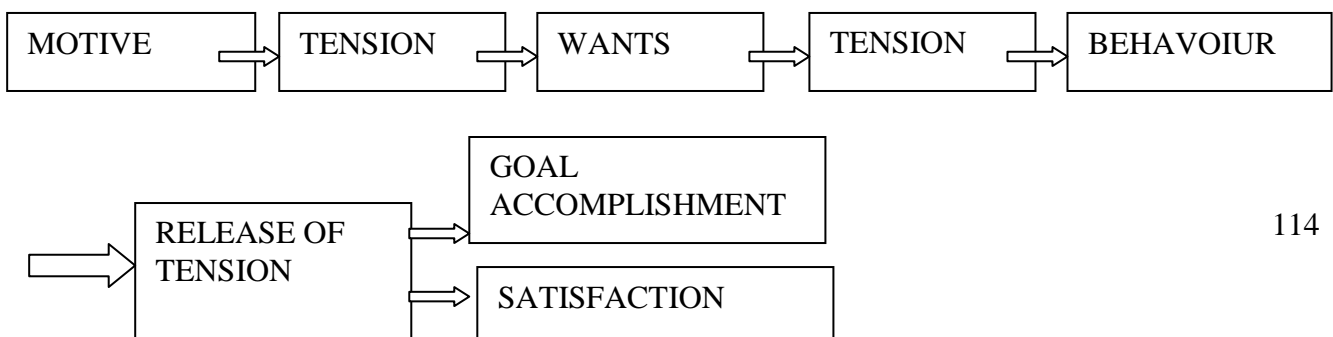


Fig. 8.1. Process of motivation

Motivating: Managers must create situations wherein a person/employee is stimulated to undertake activities that may motivate him to achieve higher goals. To achieve higher goals a person should work so that the restlessness is reduced and later removed. This is possible when worker feels to achieve something and divert all his energies towards achievement. This process could be called motivating subordinates. For example, a sepoy can be selected as commissioned officer in the defence services provided he acquires competency as a specialist in any field may be accounts, equipment management, weaponry and the like. If a leader has been able to ignite a spark and create certain amount of restlessness among deserving sepoys (combatants) to work towards one of the above specialisation so that in course of time he is commissioned as an officer in a particular branch. The entire process could be called motivating. Leader can continuously identify such situations in the work environment and motivate his subordinates for self-development and organizational growth.

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

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

Memoria: “A willingness to expend energy to achieve a goal or reward. It is a force that activates dormant energies and sets in motion the action of the people. It is the function that kindles a burning passion for action among the human beings of an organization”.

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

Characteristics of Motivation

(a) Motivation is a psychological phenomenon. It is the inner desire of an individual to accomplish something more. The very deficiency forces him to undertake certain amount of work. More is the individual motivated better the performance and organization relations.

(b) Motivation is a continuous process. Since need is a continuous phenomenon if one need is satisfied the other need emerges and so does individual propels to work and thus the continuous chain is created.

(c) Motivation is caused due to anticipated perceived value from an action. Perceived value is the probability or the expectancy. Therefore motivation = valance (value) x expectancy.

(d) There are unsatisfied needs. A person remains disturbed till they are satisfied. This disturbance or tension causes disequilibria in human behaviour. More

the motivation level, the higher will be efforts to get over the tension and in the process job accomplishment would take place.

(e) Individual is motivated by positive motivation. It refers to incentives offered by the organization to achieve efficiency. Incentive can be monetary like increase in pay, allowances, and payment of bonus. Payment for additional or overtime work. It can be non-monetary like issuing of certificates for excellence, awards, recognition, status, job enrichment, competitions, and the like. Monetary rewards prevent individuals from getting demotivated or they do not motivate so to say. However non-monetary awards motivates individual as it is related to the inner/psychological aspects.

Importance of Motivation

(a) **High level of performance:** It is the duty of every manager to ensure that the employees have a high degree of motivation. He should offer monetary and non-monetary incentives. Highly motivated workers would be regular for work, and have a sense of belonging for the organization. Quality of product will be improved, wastage will be minimum and there will be increase in productivity, and performance level will be high.

(b) **Low employee turn over and absenteeism.** Employee turnover and absenteeism is caused due to low level of motivation on the part of managers. When dissatisfaction is increased employees do not enjoy the work assigned to them. Therefore there is a tendency of absenteeism. The workers hunt for an alternative job and leave the organization whenever they get an opportunity. High level of absenteeism causes low level of production, wastages, poor quality and disruption in production schedules. Increased turnover is disastrous for any organization as it puts strain on financial position of the organization due to additional recruitment, selection, training and development.

Motivation is therefore a very important management tool to achieve organizational excellence.

(c) **Acceptance of organization change.** Management must continuously scan the external and the internal environment. There has been a great impact of. Social change and technology evolution on the motivation level of employees. Social change increases aspirations of workers and put an additional demand on the organization, which must be considered positively so that conducting working environment is created. Technical innovation, better working conditions, better R & D facilities, encouragement to employees and existence of better personal policies should be part of any organization. This will facilitate retention of employees. Management must ensure that the changes are introduced in the organization and its benefits explained to the employees so that there is no resistance to change and organizational growth is achieved. Re-engineering, empowerment, job enrichment, job rotation, introduction of new technology and processes will go a long way to boost employee morale and achieve high degree of motivation.

(d) **Organizational image:** Employees are the mirrors of any organization. Managers must lay down high performance standards coupled with high monetary and nonmonetary rewards. Training & development programmes should be regularly organized and employee skill improved. It will have a positive impact on the

employees and the image of the organization will be improved. It will also reduce employee turnover and better employee will look forward to join the organization. High organizational image will contribute towards brand image of the product and services the organization is marketing.

MOTIVATION THEORIES

- Maslow's Theory of Need Hierarchy
- Motivation and Hygiene Two Factor Theory
- Theory X and Theory Y
- ERG Theory
- Vroom's Theory of Motivation. (Performance Satisfaction).
- Porter — Lawler Theory.

Maslow's Need Hierarchy Theory

Abraham Maslow was a clinical psychologist in USA. His motivation theory is widely accepted and studied. Maslow suggested that every individual has complex set of needs at any particular moment and his behaviour is determined by the existence of strongest need. He stated that human beings have five types of needs and physiological need is the strongest hence the individual behaves in a particular manner to satisfy that need. Needs are hierarchal in nature and only one need dominates at any one point of time. Once the strongest need is satisfied then the second need emerges as being the strongest need and human behaviour is regulated in process of achieving satisfaction in series of need requirements.

Maslow further started that there is only one need satisfying process is underway at any one time. They do not disappear once they are satisfied but their intensity is reduced (relegated) below the subsequent need. He has arranged the needs as per Figure 8.2 given below.



Fig. 8.2. Hierarchy of needs

Let us discuss the hierarchy of needs theory:

1. Physiological Needs - As per Maslow physiological need is strongest in every human being and hence it has highest strength as compared to the other needs. Individual behaves in a particular manner to satisfy basic bodily needs like hunger; thirst, shelter and clothing. These needs keep dominating unless they are reasonably satisfied. Human being is therefore motivated to work in that direction.

2. Safety Needs or Security Needs - Once the physiological need of an individual is satisfied, the safety need /security need arises and is dominant at that point of time. This need is related to the following:– (a) Every worker is concerned about his personal safety and wants to be free of physical danger.

(b) There are various dangerous processes in the work setting. Individual desires to be free and work toward self-preservation.

(c) Safety need is also related to employee/employer relationship, which should be cordial and free from any threat to job security.

(d) There should be certainty in the job and non existence of arbitrary action on the part of management/employer.

(e) Administration policy of any organization must cover various points that are related to safety of an individual like pay, pension, insurance, and gratuity.

Individual should be given opportunities for choice of job so that he derives satisfaction. He must also be given adequate security against being fired, laid off or demotion.

3. Social Needs - Once the safety need is satisfied, third need i.e. social need arises. People want to belong to some social group where their emotional need of love, affection, warmth and friendship are satisfied. Being member of sports club, social organizations or being the company of friends and relatives, needs can satisfy social. In the work setting individuals want to be member of work group and contribute towards it so that the social need of the individual is fulfilled.

4. Esteem Need or Ego Need - Fourth need in the hierarchy of needs as suggested by Maslow is Esteem need or Ego need. Individual wants self-recognition, appreciation for the work done. It is related to self-respect, self-confidence, praise, power and control. If these needs are satisfied it gives an individual a sense self-worth and ego satisfaction.

5. Self-actualization Need - Self-actualization is the last need in the need hierarchy. Once esteem need is satisfied, there appears the self-actualization need of human being. It is related to an intense craving for something supreme one wants to achieve in life. It is transcended and related to achieving the very best that may be possible of human endeavour. People set high goals, achieve them and set a higher goals again and to achieve the same by utilising fullest potential. It is related to development of intrinsic capabilities. An individual seeking to satisfy self-actualization need seek situations or jobs that are challenging in nature - achievement of highest value out of the work. Mahatma Gandhi wanted to achieve freedom for India by unique weapons of peace and non-violence. He strived hard, faced various challenges but ultimately achieved his goal. With his innovative ideas he bound the whole nation in one thread of to-getherness for the cause of freedom.

In essence Maslow's Motivational Theory covers the following.

(a) There are five levels of human needs.

(b) These needs are hierarchical in nature.

(c) A satisfied need is no longer a need. Once that need is satisfied, the next level need becomes stronger.

(d) Needs do not diminish. It is the gravity that changes. Individual strives to satisfy the need that has a strong appeal at any point of time.

From the above figure, the following points emerge

- Desire levels of various needs are overlapping to each other.
- All needs are inter-dependent.
- Each higher level need emerges before lower level need is satisfied.
- Need does not disappear when it is satisfied. Its gravity is reduced when another need emerges.
- When peak of a particular need is passed that need ceases to be primary and next need starts dominating.

Critics of Maslow's Hierarchy of Needs Theory and Its Application

Maslow's theory of motivation and its nature of hierarchy of needs lays down a systematic approach a manager can apply to motivate his subordinates. It will be seen that needs are generally in the order. Maslow has suggested that when a worker is employed he is concerned about his basic need of food, water, shelter and clothes and wants a minimum level of rewards so that the above need is fulfilled (physiological need). Once the first need is satisfied, a manager must strive to fulfill second need (security need) of his subordinates by providing them physical security, job security and laying down various policies, which are required for smooth running of an organization. Management must enjoy cordial relationship with employees and ensure free flow of communication so that employees devote maximum attention towards organizational work. Workers can "belong" to a particular organization (social need). By creating work groups and extending facilities for social interaction so that esteem need and self-actualization needs, which are of intrinsic nature can be accomplished by workers.

Maslow has laid down that individual has a particular pattern and hierarchy of needs which may not be true. There are craftsmen, poets, sculptures, painters who have devoted their entire life towards fulfillment of self-actualization need without having satisfied physical, safety or even social needs. Renowned poet Galib was a poor person and always had the problem for two squire meals a day. Though he was deprived of lower order needs but tried all his life to accomplish self-actualization need. To some people esteem need may be more important than social need. Therefore, they may seek self-assertion. There is a lack of direct cause and effect relationship between need and behaviour as propagated by Maslow. A person feeling thirsty may not always drink water but he may switch over to cold drinks soda or even a glass of beer to squint thirst. Level of need satisfaction generally differs from person to person hence the theory cannot be universally applied.

Maslow has been criticized for laying down needs in particular order. But in reality it may not be so. For Example a person may like to 'belong' to a particular organization or a social group and his social need may be dominant as compared to the physical need or the safety needs. On the other hand a worker who is a sole income earner for the whole family may feel job security as his most dominant need. It is therefore fair to state that we may not find the needs in the given order and that the strength of particular need is situation-based. It is therefore necessary that the contingency approach should be adopted by various managers while applying the model to real life situations in the organization.

Herzberg's Motivation-Hygiene Theory (Two factor theory)

Fredrick Herzberg and his associates developed Motivation Theory based on two main factors in late 1950's. This theory is also known as Two Factor Theory. Herzberg carried out research in nine different organizations where 200 respondents comprising accountants and engineers were subjects. A structured interview was carried out. The purpose of the study was to identify various factors for goal achievement and also the factors that could be included so that motivation levels do not fall.

Findings of the study: Herzberg concluded, "There are two types of needs, independent of each other".

(a) **Motivational Factors:** There is a set of job conditions, which operates primarily to build strong motivation and job satisfaction. These factors are called motivational factors.

They are intrinsic in nature and help increase one's output. These factors have positive effect on morale, productivity, and job satisfaction and over all efficiency of the organization.

These factors are as under:

Achievement

Advancement

Possibility of Growth

Recognition

Work Itself

Responsibility

(b) **Maintenance Factors:** There are some job conditions which operate primarily to dissatisfy employees when these conditions are absent. These factors are also called **hygiene factors**. When these factors are present they do not motivate in a strong way, when absent they dis-satisfy, That is why these factors are called **dissatisfiers**. These factors are.

- Company Policy and administration.
- Technical supervision.
- Interpersonal relationship with superiors.
- Interpersonal relationship with peers.
- Interpersonal relationship with subordinates.
- Salary.
- Job security.
- Personal Life.
- Working condition.
- Status.

Above factors are not intrinsic parts of a job. They prevent losses due to work restrictions. These factors are necessary to maintain a reasonable degree of satisfaction of employees. As stated earlier they are demotivators if they are not present. For example minimum level of working conditions must be maintained by the organization to ensure that minimum level of satisfaction exists. If working conditions are poor, the employees will be dissatisfied and it would have adverse effect on goal achievement. Potency of various factors does not increase the motivational level. It is influenced by personality and characteristics of individual

employee. Herzberg has identified that employees are either maintenance seekers or motivation seekers.

Herzberg's Theory indicates the following:

(a) It has been found that most of the people are capable of satisfying their lower level needs considerably as they are not motivated by maintenance factors/hygiene factors.

(b) Any improvement in Hygiene factors do not motivate workers but their reduction below a certain level will dissatisfy them. For example increase in status or salary need not motivate an employee because he feels it, as a matter of happening but if he was not to get an increase in salary or if his status is not increased he would be dissatisfied. Hence the hygiene factors are called dissatisfiers. Therefore they do not contribute towards motivation.

(c) The model suggested by Herzberg is not applicable in all conditions. There is a mixing up of both factors in a job, which cannot be separated, as intrinsic and extrinsic. Because the level of personal need and relative strength of each of the needs is different from person to person.

(d) Job satisfaction and job dissatisfaction are two opposite points on a single continuum. It has been seen that individuals are affected more by job environment or job contents when we want to achieve this, what we are actually doing is keeping hygiene factors constant and increasing the motivational factors in a job like improving the work itself or having growth orientation or we delegate the job to an individual and vest in him the full authority and responsibility.

(e) Herzberg's theory of motivation is not conclusive as the scope was narrow. Only 200 respondents were interviewed and that to persons belonging to white collar jobs [engineers & accountants] hence affect of various hygiene factors may be positive on workers.

(f) The study is "Method bound". It has not shown any positive results in actual work environment.

(g) Herzberg's study of motivation is important, as it has identified two main factors as Motivational factors and Maintenance or Hygiene factors. They should not be divided in strict water tight compartments. Certain overlap is bound to happen. Since these are applied in relation to various human beings.

Comparison of Maslow's need hierarchy theory and two-factor theory of Herzberg

On comparing both the studies, certain similarity has been noticed. Maintenance factors propagated by Herzberg are identical to lower level needs of Maslow. Higher level needs in the hierarchy of needs are identical to motivation factors suggested by Herzberg. Division of esteem need in two parts has become necessary. Advancement and Recognition are considered to be motivational factors while, achievement, work itself, possibility of growth and responsibility could be clubbed along with Maslow's lower needs. Maslow has achieved "Universality" in his strides. Any unsatisfied need, as per Maslow is a motivator, irrespective of whether higher or lower order. Herzberg could not achieve the same; there is still a deference of opinion regarding hygiene factors, which fails to motivate. It has been observed that people get motivated when they achieve a feeling of being worth, accomplishment and

recognition for the good work done. Over a period of time the needs, demands and expectation of employees have increased. They achieve greater satisfaction if there is a sense of freedom in work place, which relates to authority. Young managers serve those organizations which accord them two things one, opportunity for personal growth and two, development and opportunity to achieve fast promotions. Prestige of the organization outside in the society is also a factor, which is referred to by employees. They feel satisfied by virtue of being a part of an organization, which is widely recognized world over for example “Microsoft” or “TATA” organizations. Pay, allowances job security especially for old managers and perks that is being offered by the organizations promote motivational level of employees. They therefore dedicate themselves to achieving organizational objectives. These factors are applicable for high motivational level of various employees in organization. However for managerial class, it has been seen that autonomy, higher responsibility, promotion and growth opportunities are important and favored for motivation. Manager must therefore create favorable conditions and environment in the organization to enable employees to fulfill their aspirations and expectations so that the individual objectives are achieved and would lead to achievement of higher organizational goals.

McGregor’s Theory X and Theory Y

Douglas McGregor introduced Theory X and Theory Y which are diagonally opposite to each other. McGregor is aware that human beings are rational in their thought process and they are social by nature. They display very high degree of behaviour relating to achieving self-actualization. There is interaction of variety of need fulfillment phenomenon and complex nature displayed by an individual in different situations.

Theory X

Theory X is a traditional theory of human being McGregor assumed that with respect to **Managerial action**. Management is responsible for organizing various element of an enterprise like money, material equipment and people. With respect to people, it is a process of directing people, their efforts, motivating them, controlling their actions, modifying their behaviours so that they fit in the organizations. In Theory X McGregor assumed that people would be passive therefore management must persuade, reward and punish the worker to achieve the desired behaviour of workers.

Human nature –McGregor further stated that Human being have indolent nature, he works minimum. McGregor summaries workers as lacks ambition, dislike responsibility, prefers to be led. An individual is self centered and indifferent to organizational needs, by nature he resist change. Lastly he gullible and not very bright. In theory X, McGregor states that those who subscribe to the views expressed above, the manager will have to structure, control and closely supervise employees. External control has to be exercised towards immature and irresponsible behaviour of the employees, so that there energies can be regulated towards productive work. Theory X is applicable to traditional organizational and characterized by centralized decision making hierarchical pyramid and external control.

After Theory X was proposed, McGregor observed that some changes in human nature have taken place. It was not due to the changes in human behaviour and

reactions to various situations but due to change in industrial organizations, management policies and practices that have tremendous effect on human nature. At this point he proposed. Theory Y as under:

Theory Y

(a) Expenditure of physical and mental efforts on the part of employees is as natural as play or rest. The average human being does not inherently dislike work.

(b) Workers seek direction and exercises self control. He dislikes punishment.

(c) Commitment to organizational objective is associated with rewards like pay promotion etc, ego satisfaction and satisfaction of self-actualization needs.

(d) Average human being learns under proper conditions. He accepts seeks responsibilities. At times, it will be seen that certain individuals display phenomenon like avoidance of responsibility, lack of ambition and lay undue stress on security.

McGregor suggested that these are due to inherent human characteristics. (e)

Capacity to exercise high degree of imagination, ingenuity and creativity is widely distributed among workers that must be identified and fully utilized.

(f) Intellectual potential of workers is partially utilized. In the above situation McGregor recommends that the organization should reorient based on the human behavioural change. More co-operation, maximum output with minimum control and self-direction is predominant among workers. It is also seen that there is no conflict between individual and organizational goals. The emphasis is on very smooth running of organization with greater participation of individuals.

Analysis Paul HERSEY has analysed Theory X and Theory Y. He states that managers who accept theory X assumptions about human nature usually direct, control, and closely supervise people, whereas theory Y managers are supportive and facilitating. We want to caution against drawing such consolation because it could level to the trap of thinking that Theory X is “bad” and Theory Y is “good”.

It is unusual to find exclusively Theory X people or Theory Y people in any organization. There would always be a mix of both type of employees in varying proportions. Managers therefore will have to tailor their motivational application in appropriate manner suiting behavioural patterns.

ERG Theory of Motivation

Clayton Alderfer of Yale University carried out further studies on Maslow’s theory of need hierarchy. He identified three basic needs of human being against five needs of Maslow. These are as under:

(a) **E-Existence need** - There are related to provision of basic material requirement of human being and are related to Maslow’s Physiological and safety needs.

(b) **R-Relatedness** - This need is related to desire of an individual to maintain sound interpersonal relationship. It is related to Maslow’s, Social need and External component of Esteem need i.e., status, recognition and attention.

(c) **G-Growth** - Growth is an intrinsic desire for personal development. It is related to intrinsic component of Esteem Need like advancement, self respect, autonomy, achievement and self-actualization need.

Evaluation

(a) Alderfer advocated three need patterns of an individual as against five steps proposed by Maslow.

(b) Alderfer recommends that all the needs, need not be in rigid stepwise progression. Any need may be stronger and individual is forced to fulfill that need.

(c) More than one need may be operative at any one time. If gratification of higher need is stifled, the desire to satisfy lower level need may increase. ERG Theory contains a frustration — regression dimensions (when there is a frustration in higher level need, lower level needs may get more activated.) Alderfer recommends satisfaction - progression pattern of need. i.e. when one level need is satisfied then higher level need arises (satisfaction-progression).

Expectancy Theory -Vroom

Vroom has propagated Expectancy Theory based on employee expectancy. He believes that employee is motivated to exert high level of efforts when he believes that efforts will lead to good performance and therefore organizational rewards that will satisfy achievement of personal goals. The focus of the theory has three elements.

(a) **Efforts - Performance relationship.** It is related to the probability perceived by individual that exerting a given amount of efforts will lead to performance (Expectancy).

(b) **Performance - Reward Relationship.** The degree to which the individual believes that performing a particular level will lead to attainment of desired outcome (Instrumentality).

(c) **Reward-personal goal relationship.** The degree to which an organizational reward will satisfy individual needs and its attractiveness for the individual (Valence).

The concept is explained in Figure 8.3 below:

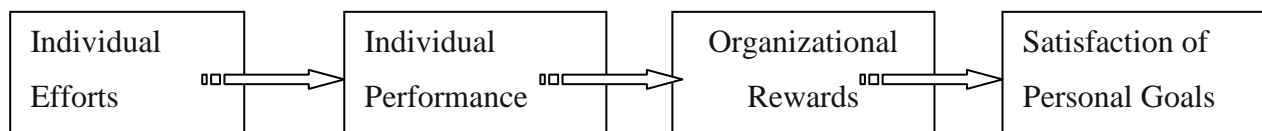


Fig. 8.3. Expectancy Theory-Vroom

Individual invariably asks questions to himself like probability of good performance, assessment based on the skill and non-performance criteria and personal likes and dislikes. In second stage he evaluates performance-reward relationship in terms of award of seniority or the amount of co-operation he is liked to get in the organization and lastly the rewards attractive enough to fulfill his personal goal of promotion. Management must therefore identify individual goal pattern and lay down performance criteria and reward system. The key is to understanding of an individual's goal linkage between efforts and performance, between performance and rewards, and between rewards and individual goal satisfaction.

Analysis – Maslow's theory is basically need satisfying concept. Vroom has gone one step ahead to identify individual expectations from the organization, and its impact on work behaviour of an individual. If a system of performance appraisal and its resultant benefits are attractive, then the individual will put up his best to achieve organizational objective. The behaviour of an individual has been taken as rational.

The theory helps managers to work beyond Maslow and Herzberg and create work environment and set organizational goals in such a way that individual is stretched to achieve higher performance. However the theory is difficult to implement because of the organizations inability to provide required resources and time.

Porter and Lawler Model of Motivation

Lyman Porter and Edward Lawler came up with a comprehensive model of motivation. They combined adding two more components to Vroom's theory of motivation. The model is more comprehensive as it includes various aspects that we have studied so far. This is a multivariate model which explains the relationship that exists between job attitudes and job performance. This model is based on four assumptions of human behaviour as under:

(a) Individual behaviour is determined by a combination of factors that exist in the individual and are present in the environment.

(b) Individuals are considered to be rational people who make conscious and logical decisions about their behaviour when they interact with other people in the organization.

(c) Every individual has different needs, desires, and their goals are of varied nature.

(d) On the basis of their expectations, individuals decide between alternate behaviours. The outcome of the efforts is related to the pattern of behaviours an individual displays.

SUMMARY

Motivation is inner burning or passion caused by need, want and desire. Stronger the need, higher would be efforts on the part of an individual and therefore the performance would also be higher. Performance therefore can be put as under: $\text{Performance} = \text{ability} \times \text{Motivation}$. Motive can be defined as "an inner state that energizes, activates and directs the behaviour of the individuals to achieve goals". Motive is a strong need. When one need gets fulfilled another need arises and again individual attempts to satisfy the same. This is a continuous process. It is the responsibility of a manager to create such an environment that individual is motivated to achieve higher goals. Motivation is therefore a way in which individual strives to fulfill desires, urges and aspirations that explains the individual behaviour. Motivation is inner passion that propels an individual. It is a psychological phenomenon. Motivation should be a continuous process. It is caused due to anticipated value. Motivation is intrinsic in nature and therefore caused by non-monetary incentives. Monetary incentives keep the minimum level of motivation amongst the employees. Motivation is probably the single most important factor that a manager is required to do in the organization. It may be noted that high motivation leads to greater performance, higher cohesiveness and leads to higher job satisfaction. Employees accept change that leads to increased organizational image, low turnover and absenteeism.

Abraham Maslow, the pioneer in the studies of motivation, has suggested that every individual has a complex set of needs and his behaviour is determined by the strongest need existing at a particular moment. He propagated the need hierarchy theory of motivation and classified human needs into five categories, namely physiological

needs, safety needs, social needs, esteem needs and self-actualisation needs. He states that needs are hierarchal in nature. Only one need is strongest at any one time and that an individual attempts to fulfill the same. Once that need is fulfilled the second need arises as strongest need and individual keeps on fulfilling each need as it arises. Maslow has taken deprivation – gratification approach to need satisfaction. Once one level of needs is gratified, the next level of need will emerge as the deprived need seeking to be gratified.

Fredrick Herzberg and his associates developed motivation theory based on two main factors. The theory is therefore called two factor theory. The first factor is **“motivation factor”** which includes a set of job conditions which primarily operates to build strong motivation and job satisfaction. The other factor is called **“maintenance factor or hygiene factor.”** This include job conditions that dissatisfy when these are absent and do not in any way increase satisfaction when they are present. They however maintain a certain level of job satisfaction. These factors are not intrinsic part of a job. The theory has been widely criticized as being method bound and inconclusive.

Douglas McGregor introduced Theory X and Theory Y. Theory X states that managerial actions are contingent to human behaviour. As regards to human nature McGregor states that human nature is indolent, does not like to work, he is lazy, resist change, does not take responsibility, lacks ambition, prefers to be led and gullible and not very bright. As far Theory Y is concerned, human being takes work as natural as play, display self-control, they can be self-directed and creative.

Clayton Aldefer carried out further studies on motivation theory of Maslow. He identified basic three needs of human being. These are: existence need, relatedness need and growth needs. Aldefer recommends satisfaction-progression pattern of need. Vroom has put forth Expectancy theory of motivation. The theory is based on efforts, performance and reward relationship. He believes that employee is motivated to exert high level of efforts when he believes that effort will lead to good performance appraisal and therefore organizational rewards that will satisfy personal goals.

TEXT QUESTIONS

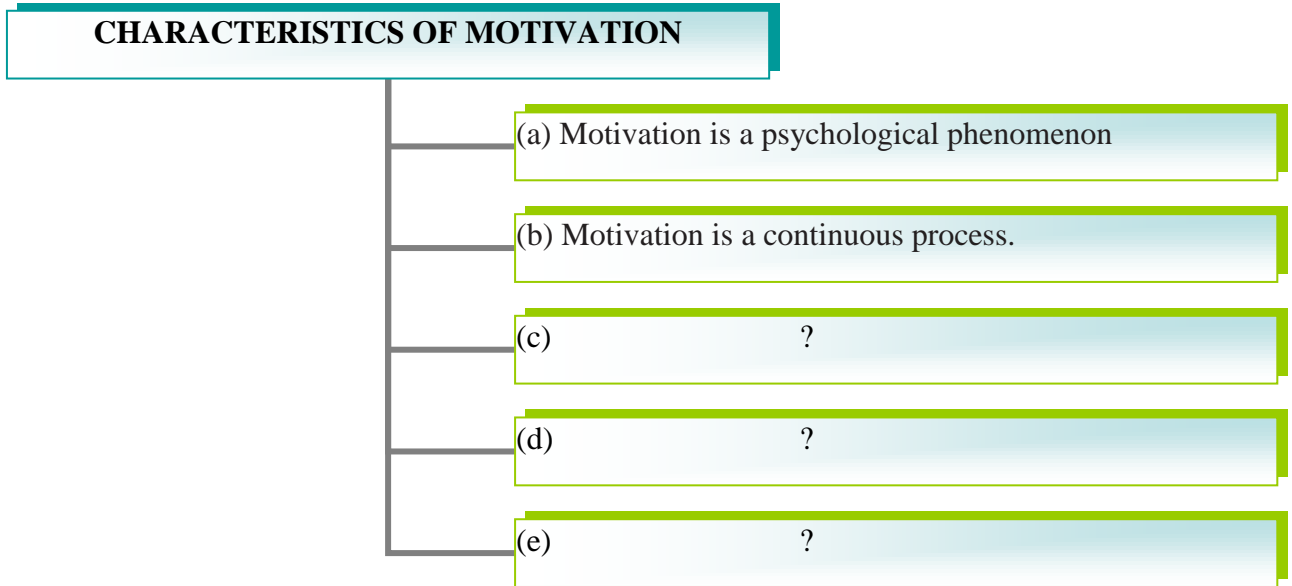
2. Explain Motive, Motivation and Motivating.
3. Explain in detail the motivation theory of need hierarchy propagated by Maslow. Carry out nalysis.
4. Explain two factor theory of Herzberg. What are hygiene factors and why they are called demotivators?
5. Explain ERG Theory of motivation of Aldefer. What do you understand by satisfaction- progression pattern of need satisfaction?
6. Explain Expectancy Theory of Vroom.
7. Explain Porters and Lawlers motivational theory. Do you feel that the theory is any significant and that it has made a change in the motivation pattern in the organization?
8. Theory X Theory Y are concerned with the nature of the people. What are its implications.
9. Explain in detail the ERG theory of motivation. How does it significantly differ from Maslow’s model of motivation.

10. Explain Mc Gregar's Theory X and Theory Y. How is theory Y an improvement over the traditional view that you can motivate employees by paying them the money.

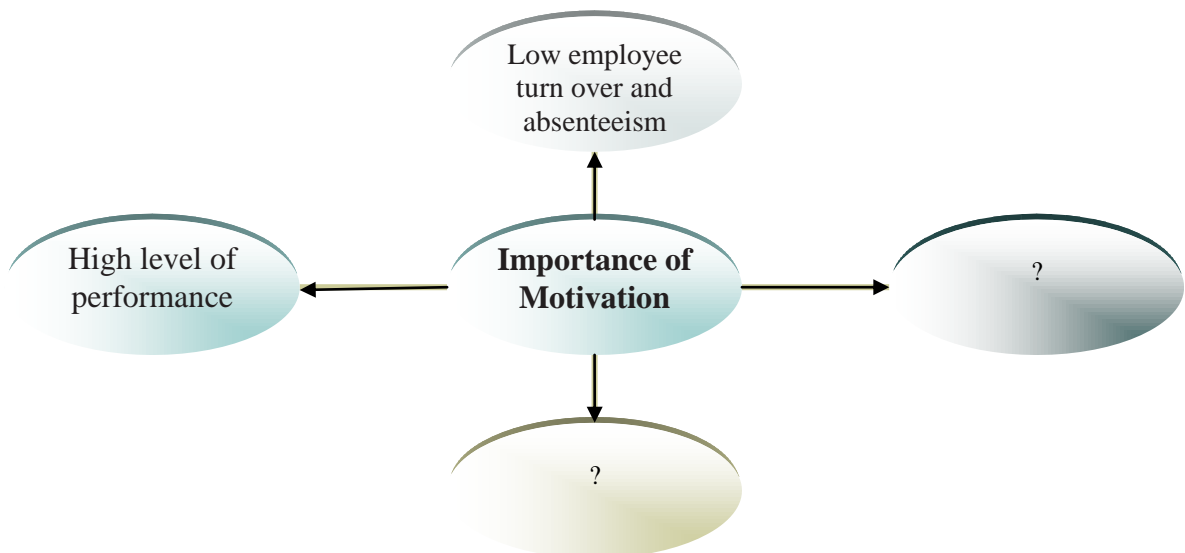
11. How do you understand motivation? How does it affect behaviour. What happens when a person is not able to satisfy his needs? Can motivation be increased? Discuss various factors that influence motivation.

PRACTICAL WORKSHOP

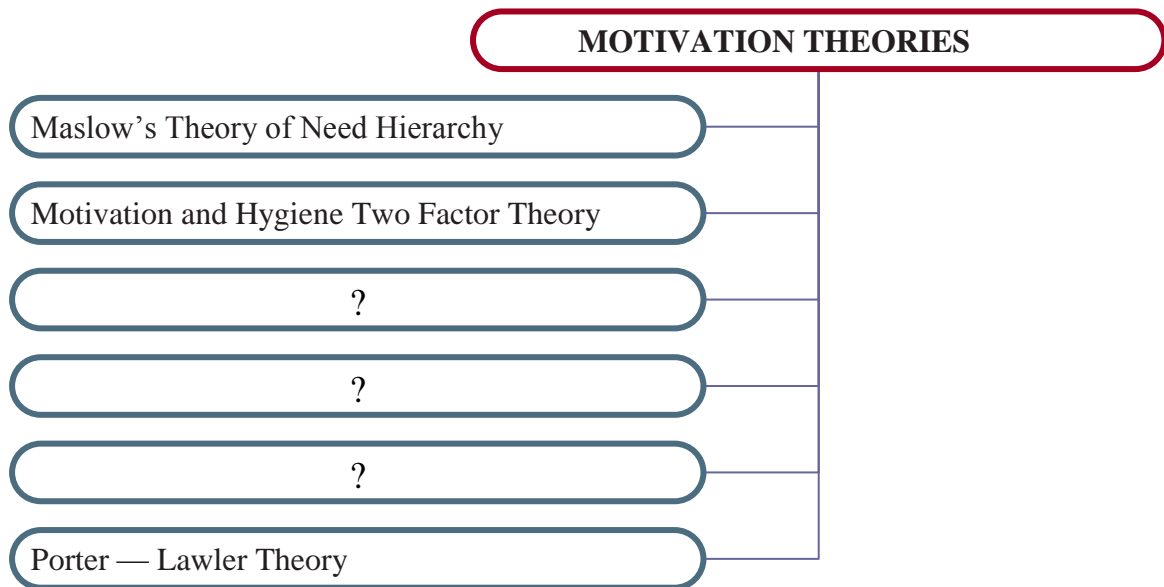
1. Motivation in Tables and charts



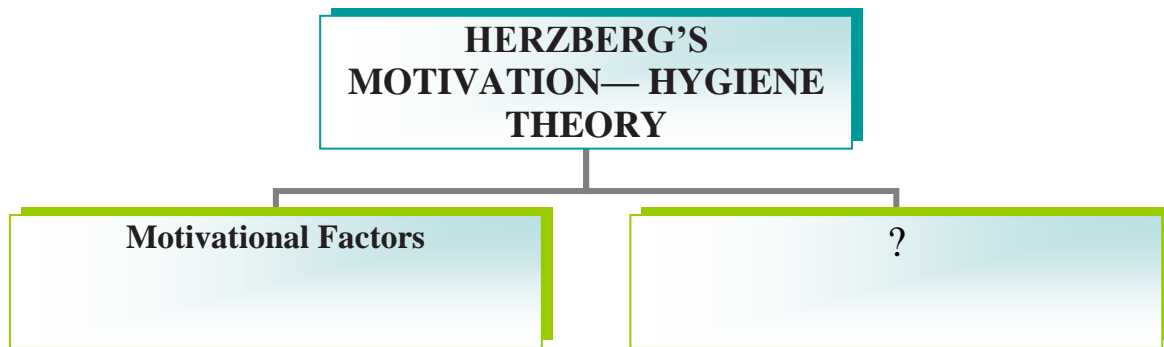
1.1. Characteristics of Motivation



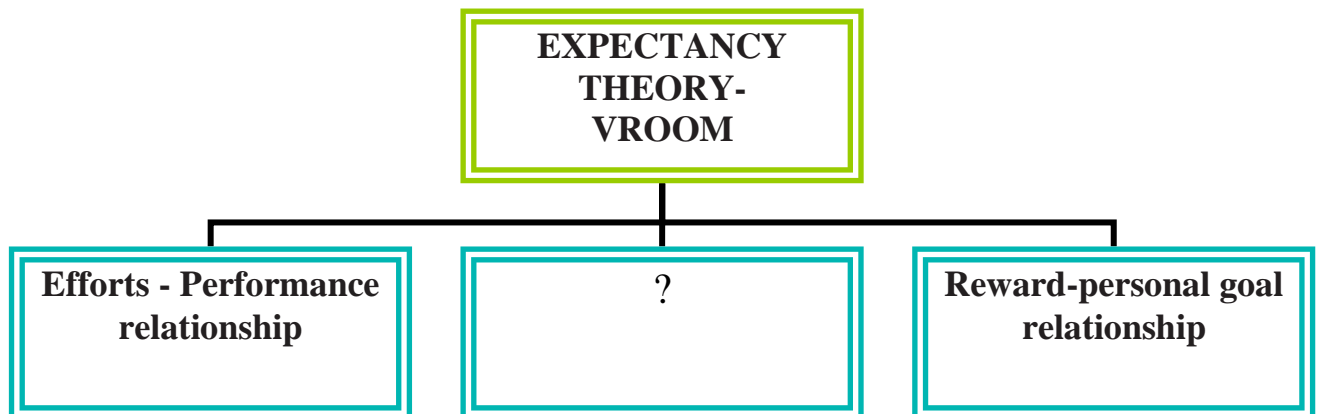
1.2 Importance of Motivation



1.3 Theories of Motivation.



1.4. HERZBERG'S MOTIVATION—HYGIENE THEORY (Two factor theory)



1.5. EXPECTANCY THEORY-VROOM

**CHAPTER 9
STRESS MANAGEMENT**

Stress is not what happens to us. It's our response to what happens. And **RESPONSE** is something we can choose.

LEARNING OUTCOMES

After completing this chapter you should be able to:

- _ explain the meaning and nature of stress in organization
- _ detail main symptoms of stress in organisations
- _ explain various external and internal causes of stress
- _ recognise the importance of stress management as an integrating activity
- _ explain stress management strategies

INTRODUCTION

People experience stress in private life and at work place. People have to work effectively against time and within the parameter of various rules and regulations. It is not always possible to create an organizational climate conducive to work. Various departments, groups and external environment factors affect individual behaviour. Minimal level of stress is required for organizations to operate effectively. Excessive stress is harmful for the individual as it causes mental and physical disequilibrium and subsequently leads to physical and mental disturbance. People suffer from high blood pressure, heart attack when stress is beyond control of the human beings. It is therefore necessary to identify causes of stress and modify behaviour so that the individual energy is directed towards organizational productivity and healthy organization climate is created.

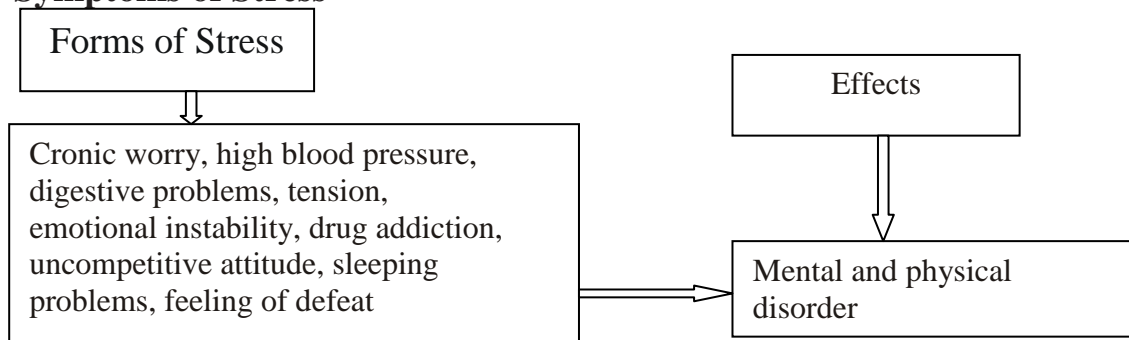
DEFINITIONS

Hans Selye¹, a medical researcher first used term “Stress” to describe the body’s biological response mechanism. He defined stress as “the nonspecific response of the body to any demand”. He views that stress is the spice of life, the absence of stress is death. Stress is usually considered to be negative and caused due to something bad. Thus stress refers to distress. Ivancevich and Matterson define stress as **“the interaction of the individual with the environment”**. According to Beehr and Newman, stress is a condition arising from the interaction of people and their jobs and characterised by changes within people that force them to deviate from their normal functioning. Stress is a dynamic condition in which a person is faced with lot of constraints while functioning in the organization. Stress causes discomfort, which leads to disequilibrium in the individual’s mind set. Stress is not always negative in nature. In a broader sense it is discomfort whether it creates problems. Stress is also a source of inspiration. When there is a stress for any work it leads to higher performance. When stress is gravest, it reduces employee productivity. But there is example where people may get immune to stress having no negative effect on their performance. Such people do not get tense. This type of immunity is achieved through constant experience and training. John M. Ivancevich and Michael T. Matterson have defined stress as

“Adoptive response, mediated by individual characteristics and/ or psychological processes, that is a consequence of any external action, situation or event that places special physical and/or psychological demands upon a person”.

As it is clear from the definition stress is caused due to external factors, situations or events. These have adverse impact on the individual characteristics and psychological processes. These together put an additional burden or demands on individual, hence the stress. External factors may include social setting, work ethics in the organization, leadership styles, availability of resources, workload, level of technology and the work environment. The internal factors that are effected are psychological in nature and includes emotions, ego state, attitude, perception, motivational factors, need and demographics. If employees feel that external factors are of not much consequence and have no compelling effect the stress is not formed within the minds of individuals. High desire, uncertainty, results of promotion examination, unrealized ambition may cause stress to the individual. Stress should not be confused with anxiety or nervous tension and damaging. They occur as regular features in many cases and have no long – lasting impact on the working capacities of the employees. Mishra (2003) has very aptly explained that anxiety may remain purely psychological and may not cause any physical impact. Similarly, only physical impacts will not be stress unless it is felt by the mind and heart. The psychological and physical impacts are visible in the form of stress. Anxiety is the cause of stress but not stress itself. Symptoms of stress are given in Figure 9.1 below:

Symptoms of Stress



Stress is generally of a mild nature and one recovers from it easily. Once a person gets used to environmental factors and people with whom one generally works on a daily basis, there is no existence of stress. It is the work environment, plant, people and situations, which one is not used to, creates tension and resultant stress. The stress diminishes gradually when one get used to it. However the stress can be mild, stiff and chronic in nature. Mild stress is visible when person develops lack of appetite and high blood pressure. The stress becomes stiffer if these are not carefully countered. When stress attains a chronic stage, where a person develops instability, frustration and feels uncomfortable and can not cope up with problems. It affects physical efficiency and subsequently a psychological strength. This stage is called “**Burn out**”. In this stage individual is emotionally weakened. The stage of burn-out is reached when an individual fails to achieve his objective. He exhibits irritation, errors, frustration and apathy. Executives are highly prone to burn out due to high pressure in the work environment. In such situation they resort to change the job that further adds to existing chronic burn-out situation as they are not able cope up with the changed environment. In such situation employees should resort to neuro –psycho treatment. In case of aggravation of this situation a state of “**Trauma**” is reached. Trauma is a very serious form of stress. It occurs in the organization where

employees find it difficult to adjust. This may be caused due to pressure of work, late working hours, inability of employees to fulfill social obligation and poor time management. The work place trauma is carried home by employees where they develop various psychological disorders. Non adjustment in work place for a long time leads to suspension and firing of employee. Stress can be avoided by adopting an approach of co-operation, help the fellow employee in distress and social interaction with affected individuals.

General Adaptation Syndrome

The general adaptation syndrome (GAS) refers to development of individuals' responses to stressful events in the form of physiological, psychological and behaviour patterns. They follow a fairly consistent pattern. These are of three types as classified by Hans Selve.

(a) **Alarm Stage:** This is a warning stage and occurs as first sign of stress. Many physiological and chemical reactions occur. During this stage muscle becomes tense, pupils dilate and there is a increased hormone flow. Increased pituitary adrenaline secretion, increased respiration, heart trouble and high blood pressure are major symptoms of alarm stage. Regular physically exercises and expert psychiatric treatment can prevent this phenomenon.

(b) **Resistance Stage:** If the alarm stage is not controlled in time, body organs develop resistance but leave its ill effects. During the resistance stage individual is unable to rest and develops irritating nature. There is increased nervousness, tension frustration and uneasiness in the day to day work environment. Individual develops ulcer, loss of appetite and illness. Though an individual feels that he has over come the stress situation but its ill effects persist for a long time. It is therefore necessary to identify roots of stress and remove them for a permanent solution.

(c) **Exhaustion:** When the body, psyche is affected it is believed the stress has reached the stage of exhaustion. During this stage individual experiences physical and mental pressures individual develops ulcers and high blood pressure. Exhaustion develops moodiness, negative attitude; individual appears fatigued and displays helplessness in his behaviour. Organizations where employees suffer from exhaustion must take corrective action. Poor health of employees, negative emotions and depression reduces the organizational effectiveness to a large extent. Large number of organizations have started physical and psychological treatment of employees on a regular basis.

Sources of Job Stress

Organization, Group and individual have impact on the performance of a job. Environment also effects adversely on the efficiency of the individual.

1. Environment Factors

There are innumerable environmental factors that have caused a great deal of work stress on the employees. Ivancevich and Matterson have identified societal, economic, financial, cultural, familial and technological factors which have tremendous influence on mental health of the employees. Societal factors have forced both husband and wife to do the job to maintain a high level of life style. Government NGOs and other voluntary organizations have introduced various schemes for the welfare of the people. Though the life span in general has increased but the immunity

in the body has decreased to a great level and large number of people are suffering from various disease caused by work stress. People have become more ambitious. They want their children to do well in life this causes stress. Environmental stressors like family demands and obligation, economic and financial conditions, race, caste, creed, ethnic identity, relocation due to transfer cause adverse effect on individuals. Recent communal violence around the world have changed political scenario, defence affiliations of nations have siphoned off the large resources toward defence preparedness. People are living in a fearful environment. These problems have to be solved by educating people and diverting their energies to the basic objective of the organization. Science and technology should be used for the development and progress of human race and not for destruction purpose. All family problems should be resolved by assisting each other and that the people should learn to live in an atmosphere of peace co-existence should be the keyword.

2. Organizational Stressors

Organizational stressors can be classified into mission statement, strategies, policies, organizational structure and design, reporting channels, communication, various processes, systems and last but not the least the working conditions. Organization mission and subsequent departmental goals have a long lasting impact on the employees. Over ambitious goals leave employees more stretched for attaining the same. Good organizational polices, procedures, rules, regulations keep employees in high spirit. On the contrary, inadequate compensation, rigid rules, ambiguous organizational policies and faulty job design cause tremendous amount of stress. Job related policies must be sound and updated. Task design should include job autonomy, task variety so that employee derives pleasure while at work. Work place, and work environment are two very important factors. Poor hygiene in work place, inadequate space, light, lack of physical security at work place are stressors. Stress is caused by inadequate support from subordinates, conflicting job requirements, inadequate and poor performance measurement, and lack of empowerment. Managerial style, role of superior boss, command and control mechanism leave much to be desired from Indian organizations. Policies should be sound and employee participation must be ensured at each level. It must be understood that wisdom and innovativeness is widely spread in the workers, it is the ability of mangers to identify and canalize for organizational betterment.

3. Group Stressors

Hawthorne studies have established the impact of group cohesiveness, group norms and importance of group objective for attainment of organizational goals. Lack of cohesiveness creates conflict. Employees must be given full opportunities to develop themselves. People join group for social security that should be provided. Managers must ensure that job well done is recognized, omission on this account creates stress like situation in the minds of the employees. Group social events and group activities must be organized on regular bases. Managers should form the part of group, which should not be based on rank and position. Employee morale must be kept high to avoid group stress.

4. Individual Stressors

Personal life and events of official life cannot be separated. Events of marriage, divorce, death in the family has a remarkable impact on work situation. Personal life difficulties are highly stressful.

(a) Job Security

Job and career enhancement can become a source of stress. Job security is one of the major reasons for an employee. Insecurity increases during times of recession. The prospect of losing job, especially when an employee is the sole bread earner for the entire family is very stressful. Another reason for job related stress is promotion or enhancement of appointment. A person must have a job commensurate with his qualification. Promotion must be related to efficiency and due care should be exercised in this regard. Nothing is more stressful than a junior employee being appointed as a senior to an equally competent person.

(b) Relocation

Relocation is related to transfer of a person to a different place. Transfers upset the daily routine of individuals. The fear of working at new location with different people itself is stressful. Unpredictability about new work environment and creating new relationship cause anxiety. Transfer also creates problems for family members. It may be admission in schools, adjustment to social environment, house and may even be language. In case a person has to search a new job at a different location, the stress is even greater.

(c) Changes in life structure

Span of life has many facets. Some of these are socio-economic environment, culture, systems, religion, race, education and person's interaction with society in different roles. If all these aspects are favorable, then the stress is minimal, stress is also determined by ability of a person to cope up with it and the faith. If a person's life is stable and move with a slow pace, there are less stress and more ability to cope with stress. While a person who has great ambition and moves with fast pace is not able to cope up with stress.

(d) Stress and Behaviour

Stress is a state of mind which reflects biochemical reactions in the human body. Environmental and internal forces cause sense of anxiety, tension and depression to human being. As stress is the non specific response of the body to any demand, it is necessary to understand specific or routine activities that cause stress. There are two types of activities. Desirable activities and undesirable activities. Both these activities create stress. The stress created by desirable and successful effects is called "eustress". Eustress is a positive, healthy and developmental stress response. It leads to better performance and a more adjusted personality. In eustress situation, we learn how to deal with the situation better. It improves our capacity to deal with stressful situations. Stress created by undesirable outcomes is known "distress". It is primarily the distress form of stress which causes undesirable effects on physical and psychological well – being of the person. Highly stressful activities weaken individuals' ability to cope up with various situations. Just as extremely high level of stress is harmful and damaging, extremely low level of stress is also equally harmful. It causes boredom, reduces innovativeness and ability to face challenges.

Psychological Response

People have different levels of handling stress. Those who are highly affected by stress tend to be depressed and display lack of self confidence. They believe that they have lost the battle in handling a situation and develop a feeling of helplessness and elicit sympathy from others. They have a greater fear of unknown, display irritating behaviour, become impatient and tend to blame others for the inefficiency. Workers who are seriously affected lose confidence in themselves and display a low productivity. To overcome this situation, individuals should be kept busy, put through promotional cadres and subjected to regular physical exercises. This reduces work stress and help individual to develop.

Behavioral Response

Chohen carried out studies on the impact of stress on human-being. As per the study people under constant stress behave differently as compared to the people who are emotionally balanced. High level of stress is usually associated with smoking, increased use of alcohol and consumption of drugs. They are either defensive or offensive in their behaviour. Stress induces irrational interpersonal behaviour. They withdraw from the social environment and confine themselves to isolation.

Frustration

Frustration is a form of behaviour which occurs when a person is prevented from achieving a goal or objective. It refers to obstruction or impediment to goal oriented behaviour. Frustration is caused **firstly** due to delay in getting advancement or recognition through a promotion is insight. One even get frustrated waiting for some one to meet at a scheduled time and date. **Secondly** non availability of various resources. A faculty member may not be able to carryout research work because he is over burdened with other responsibilities. He may get frustrated due to non – availability of time resource. The **third** cause of frustration is non attainment of goal. For example failure in the examination, non attainment of production or sales target, failure to get promotion are some of the causes of frustration which are manifested in stress.

Anxiety

Jit S Chandan explains “anxiety” as a feeling of inability and helplessness in formulating appropriate responses for dealing with the anticipated negative outcome. It occurs when a decision has to be made but the outcome of the decision could have positive as well as negative consequences. Anxiety also occurs when there is situation when one does not know as to what is right. For example, an employee is serving in an organization for over ten years and fully satisfied with the organizational culture but asked to move on promotion to a different organization and to a far away place. Hammer and Organ8 explains various causes of anxiety in the work environment. They explained that “difference in power in the organization which leaves people with a feeling of vulnerability to administrative decisions adversely affecting them. These are as under:-

(a) Frequent changes in organizations, which make existing behaviour plans obsolete.

(b) Competition, which creates the inevitability that some persons lose “face”, esteem and status.

(c) Job ambiguity (especially when it is coupled with pressure).

(d) Lack of job feedback, volatility in the organizations' economic environment, job insecurity and high visibility of one's performance (success as well as failures).

(e) Personal problems such as physical illness, problems at home, unrealistically high personal goals and estrangement from one's colleagues or one's peer group.

Stressors Intrinsic to Job

The nature of the job will determine the level of stress it carry with it. A railway engine driver's job is more stressful as it does not have control over the time and attached with it is a high degree of responsibility due to number of passenger travelling in the train. The driver does not have control over the safety of passengers hence it is more stressful. High stress jobs are those in which the employees have little or no control over the operations, work under time constraints and have major responsibilities for human beings and other resources. There are high stress jobs like defence services, police, foreman, mangers, inspector, etc. On the contrary there are low stress jobs like teachers, craft worker, farm labour. Studies carried out by Karasek⁹ has indicated higher risk of coronary diseases to those who work under high stress jobs. He identified two job factors that affect the level of such risk. These factors are firstly "level of psychological demand" and the "level of decision control" over the work. According to this study jobs are categorized in the following manner:

(a) Low psychological demand/ Low decision control. Eg. Watchman, truck driver.

(b) Low psychological demand/ High decision control. Eg. Mechanic, sales clerk.

(c) High psychological demand/ High decision control. Eg. Sales manger, bank officer.

(d) High psychological demand/ Low decision control. Eg. waitress, telephone operator, cook etc.

Role Ambiguity

Role of every individual must be clearly defined. According to Kahn* role is a set of activities associated with certain position in the organization or in the society. If these work activities are ill defined, then the person will not perform his duties as others expect him to do so. When there is ambiguity about role expectation. Then people in the organization experience certain amount of stress. Generally, role of a person is associated with the appointment he holds and duties of various appointments are well laid down and time tested. If a person is holding station masters job, his duties are clear and there is a little scope for ambiguity. This is only possible in bureaucratic or traditional organizations. Role ambiguity is more pronounced with the organizations which are fluid in nature and subject to change with environment factors. Role ambiguity is also noticed in managerial cadre where job specifications and roles are not clearly defined because of the general nature of the job. Principle of unity of command is not followed strictly and therefore there is always a conflict about reporting channels. French and Caplan in their studies concluded that role ambiguity causes

(1) Psychological strain and dissatisfaction.

(2) Leads to under utilization of human resources, and

(3) Leads to feeling of futility on how to cope with the organizational environment

Role Conflict

Role conflict occurs when individuals have a variety of expectation from another individual who is not able to meet their demands placed on him. A person may not be capable of handling two or more pressures at any one time. Employees may be demanding rise in salary, which a manager feels as genuine but he cannot recommend to the management due to latter's pressure. Role conflict occurs when contradictory demands are simultaneously placed upon an employee. Role conflict also occur when an individual has to play more than one role simultaneously. A manager can not permit his wife (an employee) to go home before time or he may not accept lower quality of work on one hand, but may neglect quantity on the other. There is stress due to inter – role conflict. Robert Kahn¹¹ and his colleagues at University of Michigan concluded that contradictory role expectations give rise to opposing role pressures (role conflict) which generally have the following effects on the emotional experience of the focal person: Intensified internal conflicts, increased tension associated with various aspect of the job, reduced satisfaction with the job and its various components, and decreased confidence in superiors and in the organization as a whole. The strain experienced by those in conflict situations lead to various coping responses as social and psychological withdrawal among them. "Finally the presence of conflict in one's role tends to undermine his relations with his role senders to produce weaker bonds of trust, respect and attraction. It is quite clear that role conflicts are costly for the person in emotional and interpersonal terms. They may be costly to the organization, which depends on effective coordination and collaboration, within and among its parts".

Burnout

Burnout is a type of existential crisis in which work is no longer a meaningful function. Workers who experience burnout may no longer view their job as meaningful. They feel work as tedious, redundant, and insignificant. They experience total fatigue which may show itself in the form of boredom, depression and a powerful sense of alienation. Work related behaviour of executives indicate very little concern for quality, creativity, enthusiasm and contribution to organizational goals.

Morely and Katherine (1982) in their work on the subject have identified the pattern of behaviour burned out executives. They concluded that predictable behaviour is as under:

- (a) Tendency to balance others in the organization for their burnout.
- (b) To complain bitterly about aspects of work which in the past were not areas of concern.
- (c) To miss work because of non-specific and increasingly prevalent illness.
- (d) To daydream and sleep on the job.
- (e) To be last to come and the first to leave.
- (f) To bicker with co-workers or appear uncooperative and to become increasingly isolated from others.

Causes of Burnout

1. Work Estimation: Overwork is generally considered to be a major cause for burnout. But it is not so. Burnout takes place in a chaotic, unstable environment. It often happens when there is confusion about duties and future managerial directions. Burnout takes place when there is management by crisis. Low work estimation may also cause burnout. When executives feel that there is no challenge and innovativeness in the work, burnout take place.

2. Job Mismatch: It has been observed that executives choose and accept jobs which have higher extrinsic reward like high salaries and power. These hygiene factors generally fail to motivate executives for a longer time. Decision to choose extrinsic reward over intrinsic rewards results in unhappiness. Job mismatch may be observed in personal value and organizational value system and autonomy provided by organization in work environment. Lack of gratification from the work generally leads to burnout.

Organizational Productivity

When executive are not able to meet organizational objective due to external nvironmental factors like shortage of raw material, government rules, market demand etc., they experience a burnout. They feel a sense of helplessness. Burnout may also be noticed where there is a strict bureaucratic way of doing things and very little scope for exploitation of personal skills, innovation and creativity.

Personal Problems

Personal problems like unhappy married life, financial instability, children education, job security may cause stress leading to burnout. Persons with a predisposition to burnout may be badly affected by problems unrelated to work.

Prevention of Burnout

As seen in the preceding reading, burnout emanate from organizational policy, structure, practices, nature of the work and personal characteristics of the individual. Probability of burnout increases if there is a mismatch between individual and job fit. Preventive measures include diagnosis, prevention and treatment.

Diagnosis

It is the responsibility of all individuals to ensure that his subordinate is not subjected to burnout. This can be identified from the early warning by observing clinical signs that include the following:

- (a) Feeling of lethargy.
- (b) Lack of productivity.
- (c) Lack of interest in the present job and feeling that change of job and place may change the present situation without even considering upward mobility.
- (d) Feeling of loneliness, forced isolation and acute discomfort.
- (e) Feeling of direction less.
- (f) Traumatic personal problems like death in family or major accident.

Prevention

Morley and Katherine¹² have suggested the following preventive and treatment strategies:

- (a) Seeking a fit between characteristics of the individual, complexity of the job and type of organizational structure.

(b) Developing programmes which help individuals cope with the causes of stress that lead to burnout.

(c) Teaching and supporting self – diagnosis and individual adaptation strategies for addressing burnout symptoms.

Treatment

(a) Evaluate and understand the cause of burnout.

(b) Determine change both personal and organizational to return to normal work – related functioning.

(c) Develop sensitivity to the signs of burnout to cope with likelihood of the same in future.

(d) Develop skills to deal with feelings and emotions to avoid burnout to fellow employees.

Role Overload / Under Load

It has been observed that organizations are resorting to promote employees to take voluntary retirement (VRS). In addition employees are being retrenched to cut down on the production cost to be able to be competitive in the market. This has led to excessive work-load to the employees. In this situation they feel that they do not have adequate time or ability to meet such requirements. When targets have to be met, employees have to work over time. At times they even have to handle more than one job to cater for absent workers. Role overload occurs when there is too much work, too little time or lack of skills. Role underload is an opposite phenomenon to role overload. It occurs when person's skill and ability is under utilized, there is a lack of job variety or the contents of the job is so small that the person feels that his potentials are not been fully utilized. Workers who suffer from work underload experience lack of interest in the job and leads to excessive absenteeism. It ultimately results in low self-esteem and lack of job satisfaction.

Responsibility

Responsibility is a factor for work stress. People who are in finance department have to complete accounts of the organization before a scheduled date. This increases work load and stress merely because it has to be computed before a particular time. It causes a sense of burden upon an individual. Efficiency of a manager is greatly affected by the efficiency and quality of work produced by subordinates. If anything goes wrong, it is a leader who is accountable for it. This aspect causes stress upon a manager. If there is any truth to the adage that “man's greatest enemy is himself”, it can be found in these data – it is the responsibility which organizational members have for other organizational members, rather than the responsibility for impersonal aspects of the organization, which constitutes the more significant organizational stress”.

Management of Stress

Individual Level Strategies

Minimum level of stress is required to stimulate individuals to higher productivity. Excessive stress is harmful to both individual and organization. It is a common practice to evolve various stress reduction strategies in the organizations. Individuals must take steps to reduce stress to an acceptable level. It is clarified that

every individual has different capacity to cope with individual stress. Some of the individual stress reduction strategies are as under:

1. Define objective for Self: Setting up of objective for self is a continuous process right from the childhood where parents generally decide as to the stream of learning, institutes and the like. When you join an organization, it is important to study organizational structure, job involved and the prospects of growth. It is generally observed that individuals set high objective for themselves to be achieved in short span of time. They inhibit inbuilt fear of failing. Setting up of high standard without analyzing resources available leads to stressful situation. People must modify their goals based upon various resources available, 'time' being the most important resource.

2. Plan your life: Work stress has an impact on personal life at home and vice – versa. It is therefore important to plan various aspects of life as is possible. This will include increasing professional competence by way of acquiring additional qualification and skill, sound financial planning, home, children education and so on. Contingency plan must also be evolved in case of uncertainty. If this is done, a person is physically and mentally prepared for events to come. Investment in insurance for children education may make you free from 'stress' if it was planned well in advance.

3. Social Support: A man is becoming isolated like an island in vast ocean due to breaking of joint family system, requirement of moving out of home for service purposes and thereby losing physical contacts with kith and kin. It is important to keep close rapport with relatives. At closer to work place develop friendship with fellow workers who can help in times of crisis, stress and strain. Social support can be easily built by adhering to social functions, norms and following religious activities at work place. This will enable individuals to regain sulking self confidence and build self-esteem. People have resorted to GOD in old age. Old age homes, citizens committees etc. are sings of existence of stress and evolving of stress resolution strategies. The practice of confession to a priest in the Catholic religion is nothing but a way to eliminate stress caused by some action.

4. Physical Fitness: Healthy body and mind are stress resistance. It has been conclusively proved that individuals, who exercise and so strengthen their endurance and cardiovascular system, are much less likely to suffer from certain types of stress related illness¹³. Regular physical exercises like walking, jogging, light gymnastics exercises keep person fit and develop an ability to sustain greater level of stress. Soldiers are definitely more stress resistant as they keep themselves physically fit. They develop ability and mind to withstand worst of the situations. Appropriate daily diet help individual to keep good health.

5. Biofeedback: Biofeedback is the human ability to bring some of the bodily functions under voluntary control. It is the methodology designed to remove undesirable body responses through psychological transformation. Use of sophisticated electronics devices are designed to measure the level of stress in an individual. With subsequent relaxasation or yogic exercises the individual is brought back to normal standard situation by removing stress. The relaxation exercises are helpful to control heart attacks, acidity, brain haemorrhage, blood pressure and muscle tension etc. Changes in these deceases are caused due to high level of stress

which an individual is not habitual to experience. Biofeedback takes care to control the effects of stress on voluntary basis by proper exercises.

6. Yoga: Yoga is a methodology to integrate body and mind and achieve a required level of harmony with the God. This is achieved by physical exercises called Asanas which stimulates various systems in the body like respiratory system, nervous system, blood circulation system etc. This brings a remarkable change into individuals' physical capacity and mental ability to sustain through various stress and strain situations. Yoga is also considered as a process of attainment of ultimate peace. But for a common man, it is merely the physical exercises which are aimed at healthy body and mind to counter stress.

7. Meditation: Indian history is replete of examples of various saints having achieved salvation by meditation. Lord Gautam Budha had achieved 'nirwana' by meditation. Meditation involves sitting at quiet place, closing eyes and concentrating on some symbol with uttering of simple word like 'OM'. It is aimed at total concentration thus forgetting routine situations. This technique also caters for synchronised breathing exercises aim being to block extraneous thoughts from one's mind. Meditation is combination of body, concentration of mind on a particular symbol, utterance of words, regulating of breathing thereby achieving a total concentration of body and mind to achieve a super natural personal power. If this is achieved a person can comfortably handle stressful situation with ease. Meditation brings peace to the mind, develops tolerance power, improves personality and ultimately leads to sainthood.

8. Time Management: Time management is one of the methods of reducing stress. Life has become very fast. Executives down to a common worker is pressed for time. Everybody has to play various roles in life. All the roles have to be performed in a given span of time. It is therefore necessary to plan time adequately. Time management can be for various events in life like education, marriage etc. Day to day level, it is related to planning daily routine events. Every individual must maintain a diary in which work schedule and progress should be reflected when more than one job is required to be done at a particular time, priority should be accorded to comparatively important job. It is important to keep up to the schedule of events as planned and ensure the same from the subordinates. This eases pressure on the work schedule and facilitates managing private/ personal work. It instills in an individual a habit of punctuality and a greater sense of responsibility and commitment to the organization.

9. Live a simple Life: It is advisable that every person should live a simple life free from cumbrances. Too much of issues being handled at any one time saps individuals energy. One should not complicate issues rather provide simple, straight forward solutions. Do not ask your subordinates to wait for any decision or action on your part. Cases must be disposed off fast without loss of time. In personal life too simplicity of behaviour help individual resolve issues in time. This reduces tension and facilitates time management.

Organizational Level Strategies

Organization plays a decisive role in ensuring peaceful environment free of stress. Basically stress relates to two categories of events. First, the organizational

structure and policy and, second, relating to personal development and growth that the job can provide. Following aspects must be carefully examined and evaluated for its effectiveness and implementation.

(a) Organizational goals must be in realms of achievement. Too much high goals not only put the employees under undue stress but also creates unhealthy work environment.

(b) Organizational policies should be clearly defined with particular reference to training and development, promotion, leave, wages and salary administration, discipline, incentives, etc.

(c) Authority and responsibility must be clearly defined by setting up reporting channels. Principle of unity of command should be adhered to.

(d) Organizational structure, redesigning of jobs and improved communication reduces stress.

(e) Corporate policies, physical work environment should be suitable for higher productivity.

(f) An updated systems and processes increase efficiency.

(g) Management must create a healthy working environment.

(h) Career plan for managers must be developed and implemented in letter and spirit. Nothing discourages employees as bad developmental programmes.

(i) Employees must be empowered. They should be provided with suitable time to time counselling by way of advice, reassurance, good communication, release of emotional tension and clarified thinking. Re-orientation is important to keep employees free of stress for increased productivity.

SUMMARY

Stress is non specific response of the body to any demand. Employees experience stress due to organizational climate and work environment. Excessive stress causes physical and mental disturbance. The external factors responsible for individual stress are social setting, work ethics, leadership style, availability of resources, workload, and technology and work environment. Internal factors are psychological in nature and may include emotions, ego state, attitude, perception and level of motivation. These put together cause imbalance and disequilibrium and lead to stress. Hans Selye has referred to general adaptation syndrome (GAS) which has three stages namely alarm stage, resistance and exhaustion stage. Ivancevich and Matterson have identified social, economic, financial, cultural, familial and technological factors which have tremendous impact on mental health of the employees.

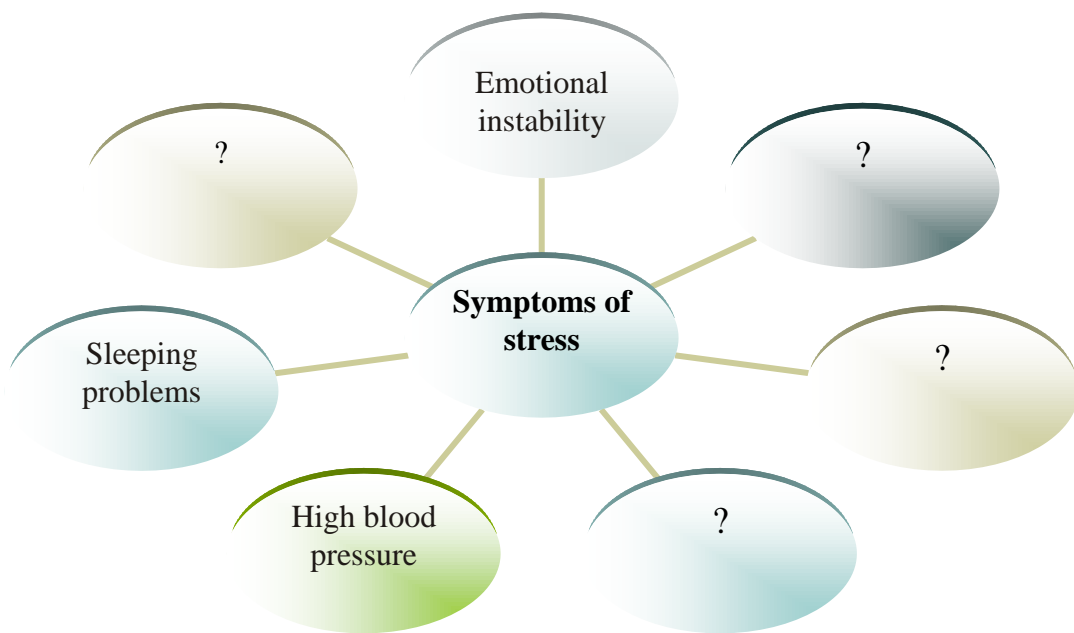
Stress causes frustration and anxiety. The job related stress includes role ambiguity, role conflict, burnout, and role overload/underload. It is important to reduce stress so that the efficiency of the employees is improved. Stress can be managed by achieving physical fitness, biofeedback, yoga, meditation, time management, and by living a simple life. Organizations play a vital role in combating stress. The factors include among others are setting up of realistic goals, well defined organizational policy, restructuring organizational structure when needed, corporate policy update, healthy work environment and empowerment.

TEXT QUESTIONS

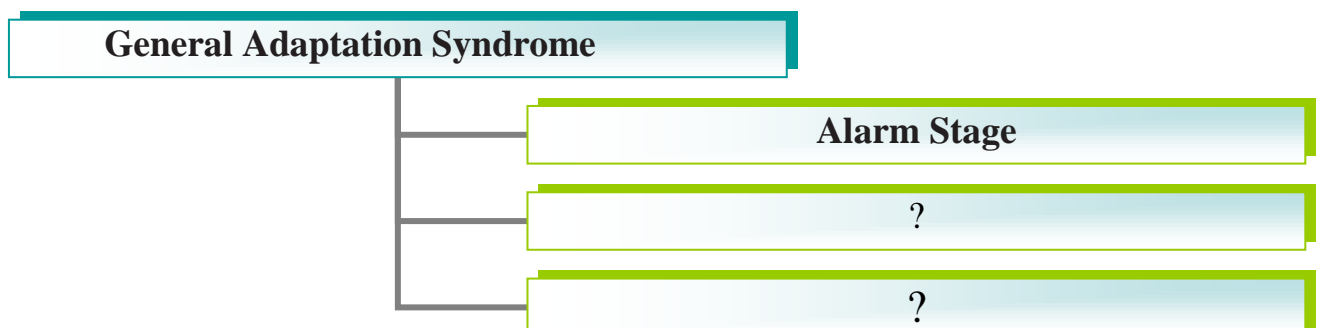
1. Explain stress. How does it create imbalance and disequilibrium?
2. What are various external and internal causes of stress?
3. Explain work stress, what are various steps that a manager should take to reduce stress among employees?
4. What do you understand by burnout, how can employees avoid it/ what steps a manager take to prevent employees from burnout?
5. Explain stress management strategies?
6. What are various organizational strategies for management of stress?

PRACTICAL WORKSHOP

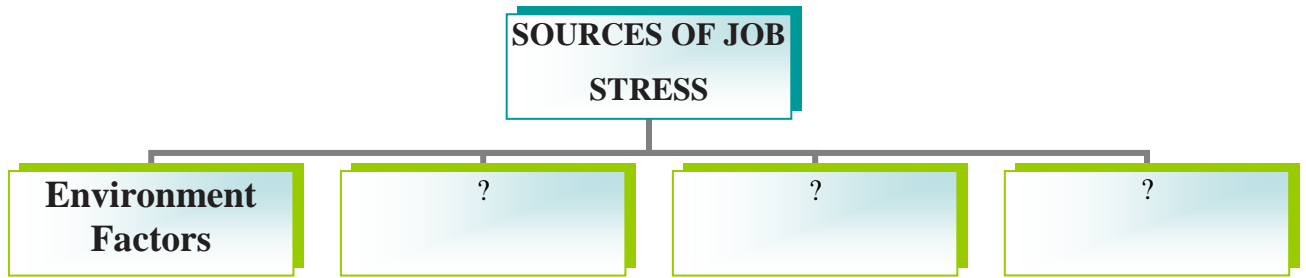
1. STRESS MANAGEMENT IN TABLES AND CHARTS
Complete the missed terms and phrases.



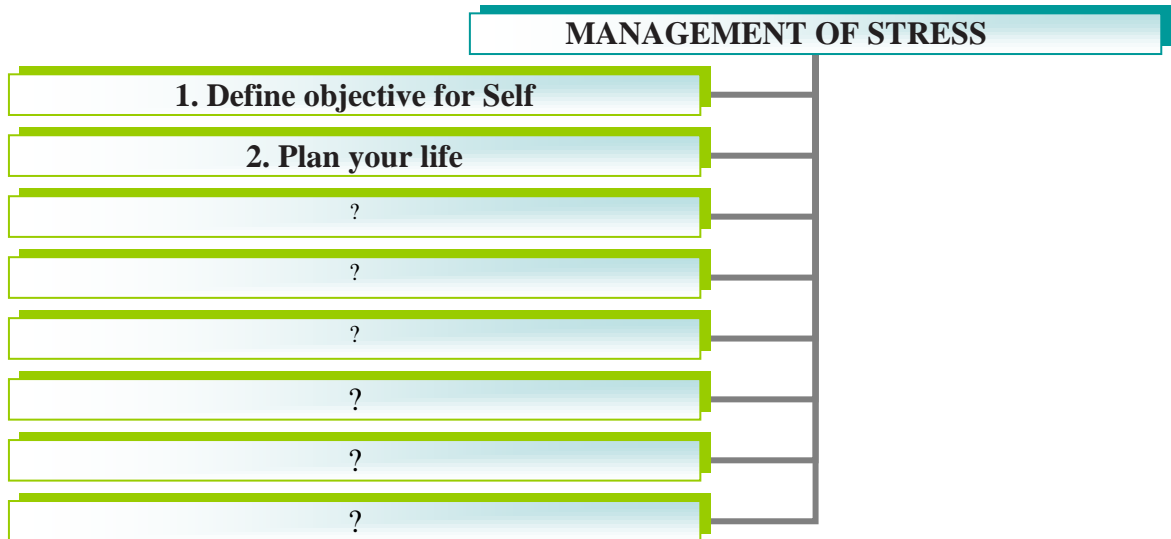
1.1. Symptoms of stress



1.2. General Adaptation Syndrome



1.3. SOURCES OF JOB STRESS



1.4. MANAGEMENT OF STRESS