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ORGANIZATIONAL BEHAVIOUR

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ORGANIZATIONAL BEHAVIOUR

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1.0 INTRODUCTION

In this unit we are going to know the fundamental concepts of organizational behavior and its impact on the global scenario. We are also going to study the individual factors such as personality, attitude, learning, perception, motivation and ability with respect to organizational behavior and commitment.

1.1 OBJECTIVES

- Understand the fundamental concepts of organizational behavior.
- Understand the role of individual factors in organizational behavior.

1.2 MEANING AND DEFINITION OF ORGANISATIONAL BEHAVIOUR

Organisational behaviour is concerned with people's thoughts, feelings, emotions, and actions in a work setting. Understanding an individual behaviour is in itself a challenge, but understanding group behaviour in an organisational environment is a monumental managerial task.

As Nadler and Thushman put it:

“Understanding one individual's behaviour is challenging in and of itself; understanding a group that is made up of different individuals and comprehending the many relationships among those individuals is even more complex. Ultimately, the organisation's work gets done through people, individually or collectively, on their own or in collaboration with technology. Therefore, the management of organisational behaviour is central to the management task – a task that involves the capacity to “understand” the behaviour patterns of individuals, groups and organisations, to “predict” what behavioural responses will be elicited by various managerial actions and finally to use this understanding and these predictions to achieve “control”.

Organisational behaviour can then be defined as:

“The study of human behaviour in organisational settings, the interface between human behaviour and the organisational context, and the organisation itself.”

The above definition has three facets – the individual behaviour, the organisation and the interface between the two. Each individual brings to an organisation a unique set of beliefs, values, attitudes and other personal characteristics and these characteristics of all individuals must interact

with each other in order to create an organisational setting. The organisational behaviour is specifically concerned with work-related behaviour which takes place in organisations.

In addition to understanding the on-going behavioural processes involved in their own jobs, managers must understand the basic human element of their work. Organisational behaviour offers three major ways of understanding this context; people as organisations, people as resources and people as people.

Above all, organisations are people; and without people there would be no organisations. Thus, if managers are to understand the organisations in which they work, they must first understand the people who make up the organisations.

As resources, people are one of an organisation's most valuable assets. People create the organisation, guide and direct its course, and vitalise and revitalise it. People make its decisions, solve its problems, and answer its questions. As managers increasingly recognise the value of potential contributions by their employees, it will become more and more important for managers and employees to grasp the complexities of organisational behaviour.

Finally, there is people as people – an argument derived from the simple notion of humanistic management. People spend a large part of their lives in organisational settings, mostly as employees. They have a right to expect something in return beyond wages and benefits. They have right to expect satisfaction and to learn new skills. An understanding of organisational behaviour can help the manager better appreciate this variety of individual needs and expectations.

Organisational behaviour is concerned with the characteristics and behaviours of employees in isolation; the characteristics and processes that are part of the organisation itself; and the characteristics and behaviours directly resulting from people with their individual needs and motivations working within the structure of the organisation. One cannot understand an individual's behaviour completely without learning something about that individual's organisation. Similarly, he cannot understand how the organisation operates without studying the people who make it up. Thus, the organisation influences and is influenced by individuals.

1.3 ELEMENTS OF ORGANISATIONAL BEHAVIOUR

The key elements in the organisational behaviour are people, structure, technology and the environment in which the organisation operates.

People:

People make up the internal and social system of the organisation. They consists of individuals and groups. The groups may be big or small; formal or informal; official or unofficial. Groups are dynamic. They work in the organisation to achieve their objectives.

Structure:

Structure defines the formal relationships of the people in organisations. Different people in the organisation are performing different type of jobs and they need to be related in some structural way so that their work can be effectively co-ordinated.

Technology:

Technology such as machines and work processes provide the resources with which people work and affects the tasks that they perform. The technology used has a significant influence on working relationships. It allows people to do more and better work but it also restricts people in various ways.

Environment:

All organisations operate within an external environment. It is part of a larger system that contains many other elements such as government, the family and other organisations. All of these mutually influence each other in a complex system that creates a context for a group of people.

Check your progress

Notes a) Write your answer in the space given below

b) Compare your answer with the one given at the end of the unit.

- Define Organizational Behaviour.

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1.4 NEED FOR STUDYING ORGANISATIONAL BEHAVIOUR

The rules of work are different from the rules of play. The uniqueness of rules and the environment of organisations forces managers to study organisational behaviour to learn about normal and abnormal ranges of behaviour.

More specifically, organisational behaviour serves three purposes:

- What causes behaviour?
- Why particular antecedents cause behaviour?
- Which antecedents of behaviour can be controlled directly and which are beyond control?

A more specific and formal course in organisational behaviour helps an individual to develop a more refined, workable set of assumptions more directly relevant to his work interactions. Organisational behaviour helps in predicting human behaviour in the organisational setting by drawing a clear distinction between individual behaviour and group behaviour.

Organisational behaviour does not provide solution to all complex and multifarious behaviour puzzles of organisations. It is only the intelligent judgement of the manager in dealing with a specific issue can try to solve problem. Organisational behaviour only assists in making judgements that derived from tenable assumptions, judgement that takes into account the important

variables underlying the situation; judgement that assigns due recognition to the complexity of individual or group behaviour; judgement that explicitly takes into account the managers own goals, motives, hang-ups, blind spots and frailties.

1.5 APPROACHES

Modern Approach to Organisational Behaviour

The modern approach to organisational behaviour is the search for the truth of why people behave the way they do and it is a delicate and complex process. If one aims to manage organisations, it is necessary to understand how they operate. Organisations combine science and people. While science and technology is predictable, the human behaviour in organisations is rather unpredictable. This is because it arises from people's deep-seated needs and value systems.

Historical Background for Modern Organisational Behaviour

Scientific Management Approach:

Scientific management approach was developed by F.W. Taylor at the beginning of 20th century. This theory advocated use of certain steps in scientifically studying each element of a job, selecting and training the best workers for the job, making sure that the workers follow prescribed method of doing the job. It provided a scientific rationale for job specialisation and mass production. His assumption was that employees are motivated largely by money. To increase output, Taylor advised managers to pay monetary incentives to efficient workers. Yet, his theory was criticised by employers and workers. Workers objected to the pressure to work ever harder and faster. Critics worried that the methods took the humanity out of labour, reducing workers to machines responding to management incentives. Now the Taylor's view is considered inadequate and narrow.

Bureaucratic Approach:

While scientific management was focusing on the interaction between worker and task, other researchers began to studying how to structure organisations more effectively. Instead of trying to make each worker more efficient, classical organisation theory sought the most effective overall organisational structure for workers and managers.

The theory's most prominent advocate, Max Weber, proposed a 'bureaucratic form' of structure which he thought would work for all organisations. Weber's ideal bureaucracy was logical, rational and efficient. He made the naive assumption that one structure would work best for all organisations.

Henry Ford, Henry Fayol and Frederick W. Taylor, the early management pioneers, recognised the behavioural side of management. However, they did not emphasise the human dimensions. Although there were varied and complex reasons for the emergence of the importance of the behavioural approach to management, it is generally recognised that the Hawthorne studies mark the historical roots for the field of organisational behaviour.

Hawthorne Studies

Even as Taylor and Weber brought attention with their rational, logical approaches to more efficient productivity, their views were criticised on the ground that both approaches ignored worker's humanity.

The real beginning of applied research in the area of organisational behaviour started with Hawthorne Experiments. The findings of these studies were given a new name 'human relations'. In 1924, a group of Professors such as Elton Mayo began an enquiry into the human aspects of work and working conditions at the Hawthorne plant of Western Electric Company, Chicago.

The studies brought out a number of findings relevant to understanding human behaviour at work which are as follows:

The human element in the work place was considerably more important. The workers are influenced by social factors and the behaviour of the individual worker is determined by the group.

Hawthorne studies have been criticised for their research methods and conclusions drawn. But their effect on the emerging field of organisational behaviour was dramatic. They helped usher in a more human centered approach to work.

Approaches to Organisational Behaviour

There are mainly four approaches to organisational behaviour. They are:

- A human resources approach

- A contingency approach
- A productivity approach
- A systems approach

Human Resources Approach:

The human resources approach is concerned with the growth and development of people towards higher levels of competency, creativity and fulfillment, because people are the central resource in any organisation. This approach helps employees become better, more responsible and then it tries to create a climate in which they may contribute to the limits of their improved abilities. This approach is also known as 'supportive approach' because the manager's primary role changes from control of employees to active support of their growth and performance.

A Contingency Approach:

A contingency approach to organisational behaviour implies that different situations require different behavioural practices for effectiveness instead of the traditional approach to one best way for all situations. Each situation must be analyzed carefully to determine the significant variables that exist in order to establish the kinds of practices that will be more effective. The strength of this approach is that it encourages analysis of each situation prior to action. Thus it helps to use in the most appropriate manner all the current knowledge about people in organisation.

Productivity Approach:

Productivity is a ratio that compares units of output with units of input. It is often measured in terms of economic inputs and outputs. If more outputs can be produced from the same amount of inputs, productivity is improved. But besides economic inputs and outputs, human and social inputs and outputs also are important.

Systems Approach:

A system is an interrelated part that interact with one another and functions as a whole. Within the organisation 'people' employ 'technology' in performing the 'tasks' that they are responsible for, while the 'structure' of the organisation serves as a basis for co-ordinating all their different activities. The system view emphasizes the interdependence of each of these elements

within the organisation, if the organisation as a whole is to function effectively. The other key aspect of the systems view of organisations is its emphasis on the interaction between the organisation and its broader environment which consists of social, economic, cultural and political within which they operate.

Organisations are dependent upon their environment in two main ways: First, the organisation requires 'inputs' from the environment in the form of raw material, people, money, ideas and so on. The organisation itself can be thought of as performing certain 'transformation processes; on its inputs in order to create outputs in the form of products or services. Secondly, the organisation depends on environment i.e., public to accept its output i.e., products/services.

The systems view of organisation, thus emphasizes the key interdependencies that organisations must manage. Within themselves the organisations must trade off the interdependencies among people, tasks, technology and structure in order to perform their transformation processes effectively and efficiently. Organisations must also recognise their interdependence with the broader environments within which they exist.

Contemporary Organisational Behaviour

A Separate Field of Study:

Organisational behaviour can be treated as a distinct field of study. It has yet to become a science. Now efforts are being taken to synthesize principles, concepts and processes in this field of study.

Interdisciplinary Approach:

Organisational behaviour is basically an interdisciplinary approach. Organisational behaviour draws heavily from other disciplines like psychology, sociology and anthropology. Besides, it also takes relevant things from economics, political science, law and history. Organisational behaviour integrates the relevant contents of these disciplines to make them applicable for organisational analysis. For example, it addresses issues such as the following which may be relevant to the case:

- What facilitates accurate perception and attribution?
- What influences individual, group and organisational learning and the development of individual attitudes toward work?

- How do individual differences in personality, personal development, and career development affect individual's behaviours and attitudes?
- What motivates people to work, and how does the organisation's reward system influence worker behaviour and attitudes?
- How do managers build effective teams?
- What contributes to effective decision-making?
- What constitutes effective communication?
- What characterises effective communication?
- How can power be secured and used productively?
- What factors contribute to effective negotiations?
- How can conflict (between groups or between a manager and subordinates) be resolved or managed?
- How can jobs and organizations be effectively designed?
- How can managers help workers deal effectively with change?

An Applied Science:

The basic objective of organisational behaviour is to make application of various researches to solve the organisational problems, particularly related to human behaviour aspect.

Normative and Value Centred:

Organisational Behaviour is normative science. A normative science prescribes how the various findings of researches can be applied to get organisational results which are acceptable to the society. Thus, what is acceptable by the society or individuals engaged in an organisation is a matter of values of the society and people concerned.

Humanistic and Optimistic:

Organisational behaviour focuses the attention on people from humanistic point of view. It is based on the belief that needs and motivation of people are of high concern. Further, there is optimism about the innate potential of man to be independent, creative, predictive and capable of contributing positively to the objectives of the organisation.

Oriented towards Organisational Objectives:

Organisational behaviour is oriented towards organisation objectives. In fact, organisational behaviour tries to integrate both individual and organisational objectives so that both are achieved simultaneously.

A Total System Approach:

The individual's behaviour can be analysed keeping in view his psychological frame-work, interpersonal-orientation, group influence and social and cultural factors. Thus, individual's nature is quite complex and organisational behaviour by applying systems approach tries to find solution of this complexity.

Check your progress

Notes a) Write your answer in the space given below

b) Compare your answer with the one given at the end of the unit.

2. What are the approaches to organizational behaviour?

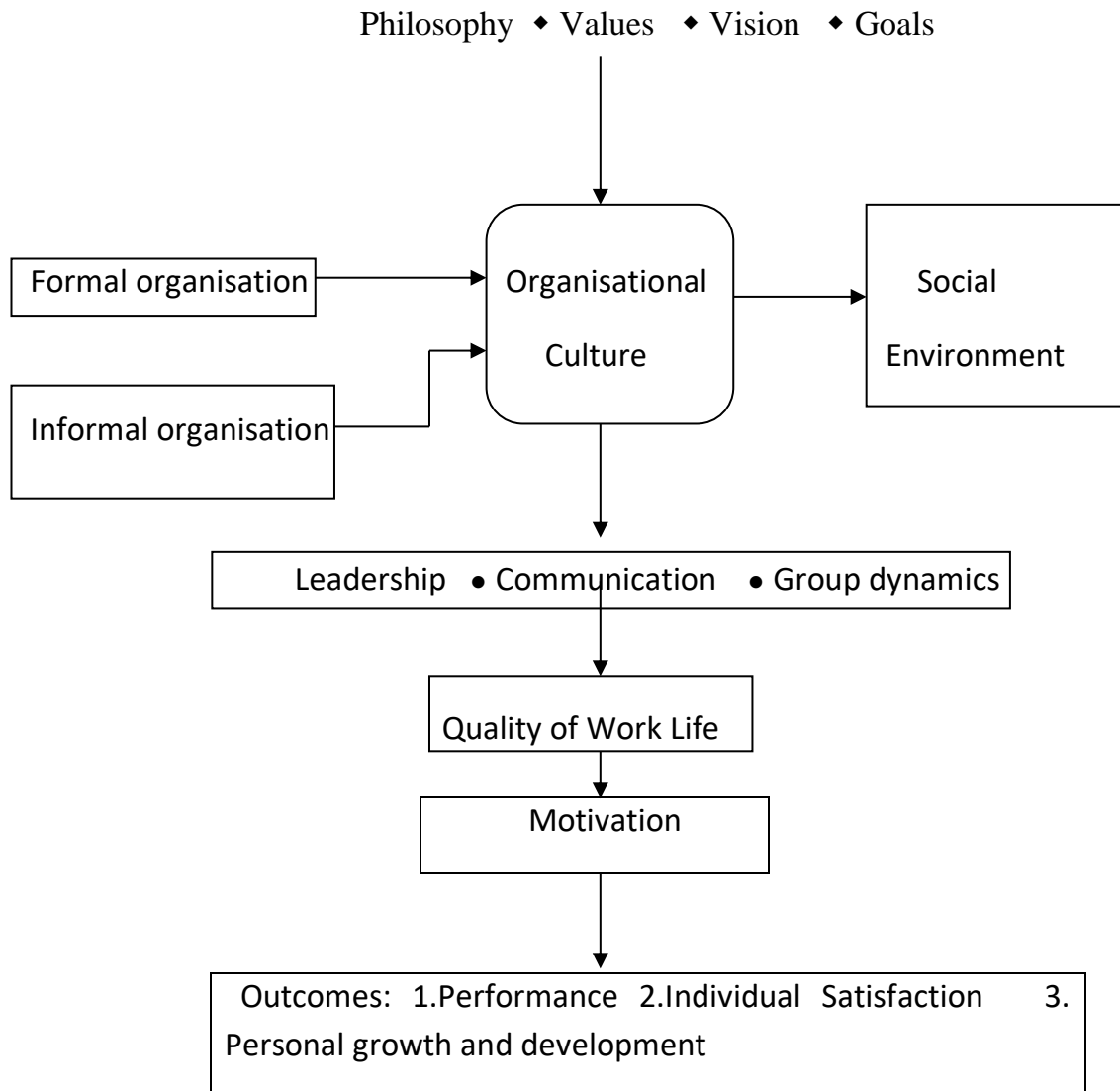
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1.6 MODELS

An Organisational Behaviour System

Organisations achieve their goals by creating, communicating and operating an organisational behaviour system as shown below:

Management's



The major elements of a good organisational behaviour system are given in the above chart. These systems exist in every organisation, but sometimes in varying forms. They have a greater chance of being successful, though, if they have been consciously, created regularly examined and updated to meet new and emerging conditions. The primary advantage of organisational behaviour system is to identify the major human and organisational variables that affect the results they are trying to achieve. For some of these variables, managers can only be aware of them and acknowledge their impact, for others, they can exert some control over them. The end results are typically measured in various forms of performance (quantity and quality of products and services; level of customer

service), as well as in human outcomes, such as employee satisfaction or personal growth and development.

Elements of the System

The system's base rests in the fundamental beliefs and intentions of those who join together to create it (such as owners) and of the managers who currently administer it. The philosophy (model) of organisational behaviour held by management consists of an integrated set of assumptions and beliefs about the way things are, the purpose for these activities, and the way they should be. These philosophies are sometimes explicit, and occasionally implicit, in the minds of managers.

Organisations differ in the quality of organisational behaviour that they develop. These differences are substantially caused by different models of organisational behaviour that dominate management's thought in each organisation. The model that a manager holds usually begins with certain assumptions about people and leads to certain interpretations of events.

The following four models of organisational behaviour are discussed here:

1. Autocratic model
2. Custodial model
3. Supportive model; and
4. Collegial model

Autocratic Model:

In the autocratic model, the manager must have the power to command the workers to do a specific job. Management believes that it knows what is best and the employee's obligation is to follow/obey orders. The psychological result for employees is dependence on their boss. It does get results, but usually only moderate results. Its main weakness is its high human cost.

Custodial Model:

This model focuses better employee satisfaction and security. The organisations satisfy the security and welfare needs of employees. Hence it is known as custodian model. This model leads to employee dependence on the organisation rather than the boss. As a result of economic rewards and benefits, employees are happy and contented but they are not strongly motivated.

Supportive Model:

The supportive model depends on 'leadership' instead of power or money. Through leadership, management provides a climate to help employees grow and accomplish in the interests of the organisation. This model assumes that employees will take responsibility, develop a drive to contribute and improve themselves if management will give them a chance. Management orientation, therefore is, to 'support' the employee's job performance rather than simply supporting employee benefit payments as in the custodial approach. Since management supports employees in their work, the psychological result is a feeling of participation and task involvement in the organisation.

Collegial Model:

The term 'collegial' relates to a body of persons having a common purpose. It is a team concept. Management is the coach that builds a better team. The management is seen as joint contributor rather than as boss. The employee response to this situation is responsibility. The psychological result of the collegial approach for the employee is 'self-discipline'. In this kind of environment employees normally feel some degree of fulfillment, worthwhile contribution and self-actualisation. This self-actualisation will lead to moderate enthusiasm in performance.

Four Models of Organisational Behaviour

	Autocratic	Custodial	Supportive	Collegial
Basis of Model	Power	Economic resources	Leadership	Partnership

Managerial-orientation	Authority	Money	Support	Teamwork
Employee-orientation	Obedience	Security and benefits	Job performance	Responsible behaviour
Employee psychological result	Dependence on boss	Dependence on organisation	Participation	Self-discipline
Employee needs met	Subsistence	Security	Status and recognition	Self-actualisation
Performance result	Minimum	Passive cooperation	Awakened drives	Moderate enthusiasm

It is wrong to assume that one particular model is the best model because what is best is contingent on what is known about human behaviour in a particular environment. The primary challenge for management is to identify the model it is actually using and then assess its current effectiveness.

The selection of model by a manager is determined by a number of factors. The prevailing philosophy, vision and goals of manager affect their organisational behaviour model. In addition, environmental conditions help determine which model will be most effective. The current turbulent conditions in some industries, for example, may drive firms toward the more collegial models, since rapid decision-making and flexibility are needed. This suggests that one's model should not be static and changing, but adapted across time.

1.7 GLOBAL SCENARIO

Social Conditions

In many countries due to poorly developed resources, there is shortage of managerial personnel, scientists and technicians. Hence needed skills must be temporarily imported from other countries, and training programmes need to be developed to prepare local workers. The

training multiplier effect is in action, by which the skilled people develop others and these trained local become the nucleus for developing still more people.

Another significant social condition in many countries is that the local culture is not familiar with advanced technology. A few countries are agriculture dominated and a few other manufacturing industry dominated. Naturally, the nature of their culture and work life will be different.

Political Conditions

Political conditions that have a significant effect on organisational behaviour include instability of the Government, nationalistic drives and subordination of employers and labour to an authoritarian State. When the Government is unstable, organisations become cautious about further investments. This organisational instability leaves workers insecure and causes them to be passive and low in initiative.

In spite of instability, a nationalistic drive is strong for locals to run their country and their organisations by themselves without interference by foreign nationals.

In some nations, organised labour is mostly an arm of the authoritarian State and in some other nations, labour is somewhat independent. In some nations, State tends to be involved in collective bargaining and other practices affecting workers. In some nations, for example, employee lay-offs are restricted by law and in some other countries workers' participation in management is permitted.

Economic Conditions

The most significant economic conditions in less developed nations are low per capita income and rapid inflation. Inflation makes the economic life of workers insecure when compared to developed countries.

The different socio-economic and political conditions prevailing in countries influence the introduction of advanced technology and sophisticated organisational systems. A developed country can easily adopt advanced technology whereas a less developed cannot do it. These limiting conditions cannot be changed rapidly because they are too well established and woven into the whole social fabric of a nation.

Managing an International Workforce

Whenever an organisation expands its operations to other countries, it tends to become multicultural and will then face the challenge of blending various cultures together. The managerial personnel entering another nation need to adjust their leadership styles, communication patterns and other practices to fit their host country. Their role is to provide a fusion of cultures in which employees from both countries adjust to the new situation of seeking greater productivity for the benefit of both the organisation and the people of the country in which it operates.

Barriers to Cultural Adaptation

- One category of managers and other employees who come into a host country tend to exhibit a variety of behaviours and somewhat see situation around them from their own perspective. They may fail to recognise key differences between their own and other cultures. These people are called 'parochial'.
- Another category called 'individualistic' who place greatest emphasis on their personal needs and welfare. They are more concerned about themselves than others in host country.
- Another potential barrier to easy adaptation to another culture occurs when people are predisposed to believe that their homeland conditions are the best. This predisposition is known as the self-reference criterion or 'ethnocentrism'. This feeling interferes with understanding human behaviour in other cultures and obtaining productivity from local employees.

Cultural Distance

To decide the amount of adaptation that may be required when personnel moves to another country, it is helpful to understand the cultural distance between the two countries, Cultural distance is the amount of distance between any two social systems. Whatever the amount of cultural distance, it does affect the responses of all persons to business. The manager's jobs require employees to be adaptable enough to integrate the interests of the two or more cultures involved.

Cultural Shock

When employees enter another nation they tend to suffer cultural shock, which is the insecurity and disorientation caused by encountering a different culture. They may not know how

to act, may fear losing face and self-confidence or may become emotionally upset. Cultural shock is virtually universal. Some of the more frequent reasons for cultural shock are as follows:

- Different management philosophies
- New language
- Alternative food, dress, availability of goods
- Attitude towards work and productivity
- Separation from family, friends and colleagues
- Unique currency system

Many expatriates report difficulty in adjusting to different human resource management philosophies, the language, the different currency and work attitudes in another culture.

Overcoming Barriers to Cultural Adaptation

- Careful selection of employees for assignments to other countries who can withstand/adjust cultural shocks is important.
- Pre-departure training in geography, customs, culture and political environment in which the employee will be living will help for cultural adaptation.
- Incentives and guarantees for better position will motivate employees for cultural adaptation in the new country.
- Employees who return to their home country after working in another nation for sometime tend to suffer cultural shock in their own homeland. After adjusting to the culture of another nation and enjoying its uniqueness, it is difficult for expatriates to readjust to the surroundings of their home country. Hence organisations need repatriation policies and programmes to help returning employees obtain suitable assignments and adjust to the 'new' environments.

Cultural Contingencies

Productive business practices from one country cannot be transferred directly to another country. This reflects the idea of cultural contingency - that the most productive practices for a particular nation will depend heavily on its culture, the social system, economic development and

employee's values in host country. Hence the expatriate managers must learn to operate effectively in a new environment with certain amount of flexibility. Labour policy, personnel practices and production methods need to be adapted to a different labour force. Organisation structures and communication patterns need to be suitable for local operations.

Management's Integrating Role

Once managers are on location in a host country, their attention needs to be directed toward integrating the technological approaches with the local cultures involved.

Motivating and Leading Local Employees:

Same motivational tools may not suit the employees of all the nations. Hence appropriate motivational techniques need to be evolved depending on the requirement of employees of that particular nation.

Similarly, communication problems may also arise between the expatriate manager and the employees of host country. Hence, managers need to make adjustments in their communication suited to local cultures. If local culture is ignored, the resulting imbalance in the social system interferes with the productivity.

Eventually, a cadre of employees with cross-cultural adaptability can be developed in organisations with large international operations. These employees are 'transcultural' employees because they operate effectively in several cultures. They are low in ethnocentrism and adapt readily to different cultures without major cultural shock. They usually can communicate fluently with more than one language.

Transcultural employees are especially needed in large, multinational firms that operate in a variety of national culture. For a firm to be truly multi-national in character, it should have ownership, operations, markets and managers truly diversified. Its leaders look to the world as an economic and social unit; but they recognise each local culture, respect its integrity, acknowledge its benefits and use its differences effectively in their organisation.

1.8 INDIVIDUAL BEHAVIOUR

FOUNDATIONS OF INDIVIDUAL BEHAVIOUR

Human behaviour, a complex phenomenon as it is, is most difficult to define in absolute terms. It is primarily a combination of responses to external and internal stimuli. These responses would reflect psychological structure of the person and may be a result of combination of biological and psychological processes, interprets them, responds to them in an appropriate manner and learns from the result of these responses.

Psychologist Kurt Levin has conducted considerable research into the human behaviour and its causes. He believes that people are influenced by a number of diversified factors, both genetic and environmental, and the influence of these factors determines the pattern of behaviour.

Whenever people buy something, for example, a car, both the buyer and the seller sign a contract that specifies the terms of the sales agreement. Similarly, most people, when they begin a working relationship with an organisation formulate a psychological contract with their employer. A psychological contract is the overall set of expectations that an individual holds with respect to his/her contributions to the organisation and the organisation's response to those contributions. A psychological contract is not written down like a legal contract.

The individual makes a variety of contributions to the organisation - effort, skills, ability, time, loyalty and so forth. These contributions presumably satisfy various needs and requirements of the organisation. In return for contributions, the organisation provides inducements such as pay, promotion, job security, etc. to the individual. Just as the contributions available from the individual must satisfy the organisation's needs, the inducements must serve the individual's needs.

If both the individual and the organisation consider the psychological contract fair and equitable, they will be satisfied with the relationship and will likely to continue it. If either party perceives an imbalance or inequity in the contract, it may initiate a change. A major challenge faced by an organisation, thus, is to manage psychological contracts.

One specific aspect of managing psychological contracts is managing the person-job fit. The 'person-job fit' is the extent to which the contributions made by the individual match the inducements offered by the organisation. In theory, each employee has a specific set of needs to fulfill and a set of job related behaviours and abilities to contribute. If the organisation can take

complete advantage of those behaviours and abilities and exactly fulfill the employee's needs, it will have achieved a perfect person-job fit. Of course, such a precise level of person-job fit is seldom achieved due to various reasons such as imperfect selection procedures, differences in individual skills, constant change in the needs and requirements of people and organisation, etc. Thus, the behaviour of individuals in organisation is the primary concern of management and it is essential that managers have an understanding of the factors influencing the behaviour of the individuals they manage. The following figure identifies five sets of factors that have an impact upon individual behaviour in organisation.

1.8.1 The Nature of Individual Differences

Individual differences are personal attributes that vary from one person to another. Individual differences may be physical and psychological.

Psychological Differences

- Personality
- Attitudes
- Perception
- Motivation
- Learning

Physical Differences

- Height
- Weight
- Body shape
- Appearance
- Complexion

Whenever an organisation attempts to assess for individual differences among its employees, it must consider the situation in which behaviour occurs. Individuals who are satisfied in one context may prove to be dissatisfied in another context. Assessing both individual differences and contributions in relation to inducements and contexts, then, is a major challenge for organisations

as they attempt to establish effective psychological contracts with their employees and achieve optimal fits between people and jobs.

Individual differences make the manager's job endlessly, challenging. In fact, according to recent research, "variability among workers is substantial at all levels but increases dramatically with job complexity. Due to these reasons, growing work force diversity compels managers to view individual differences in a fresh way. Leaders now talk frequently about "valuing differences" and learning to "manage diversity". So rather than limiting diversity, as in the past, today's managers need to better understand and accommodate employee diversity and individual differences.

Check your progress

Notes a) Write your answer in the space given below

b) Compare your answer with the one given at the end of the unit.

2. What are the psychological and physical differences?.....

.....

1.9 PERSONALITY

1.9.1 PERSONALITY DEVELOPMENT

The personality development of an individual starts at birth and continues throughout. Three major types of factors play important roles in personality formation. They are determinants, stages and traits.

Determinants: The most widely studied determinants of personality are biological, social and cultural. Hereditary characteristics (eg body shape and height) and the social context (family and friends) and cultural context (religion and values) in which people grow up interact to shape personality. As people grow into adulthood, their personalities become very clearly defined and generally stable.

Stages and Traits: Sigmund Freud saw human personality development as progressing through four stages: dependent, compulsive, oedipal and mature. The concept of stages of growth provides a valuable perspective from which to view organisational behaviour. Experienced managers become aware of the stages that their employees often go through and they learn how to deal with these stages to promote maximum growth for the individual and for the organisation.

Trait approaches to personality formation are also based on psychology. According to some trait theories, all people share common traits, like social, political, religious and aesthetic preferences but each individual's disposition differentiates that person from all others.

1.9.2 Personality Factors in Organisations

Some of the important personality factors that determine what kind of behaviours are exhibited at work include the following :

1. Need Pattern
2. Locus of Control
3. Introversion and Extroversion
4. Tolerance for Ambiguity
5. Self-esteem and Self-concept
6. Authoritarianism and Dogmatism
7. Risk Propensity
8. Machiavellianism
9. Types A and B Personalities
10. Work-Ethic Orientation

1. Need Pattern :

Steers and Braunstein (1976) developed a scale for the four personality needs that manifest themselves in the work setting. They are: the needs for achievement, affiliation, autonomy and dominance. Those who are high in achievement engage themselves proactively in work behaviours in order to feel proud about their achievements and successes; those high in need for affiliation like to work cooperatively with others; those high in need for autonomy function best when not closely supervised; and those high in their need for dominance are very effective while operating in environments where they can actively enforce their legitimate authority.

2. Locus of Control :

Locus of control is the degree to which an individual believes that his/her behaviour has direct impact on the consequences of that behaviour. Some people, for example, believe that if they work hard they are certain to succeed. They strongly believe that each individual is in control of his/her life. They are said to have an internal locus of control. By contrast, some people think that what happens to them is a result of fate, chance, luck or the behaviour of other people, rather than lack of skills or poor performance. Because these individuals think that forces beyond their control dictate what happens to them, they are said to have an external locus of control.

As a personality attribute, locus of control has clear implications for organisations. For example, individuals with an internal locus of control may have a relatively strong desire to participate in the management of their organisations and have a freedom in how do their jobs. Thus, they may prefer a decentralised organisation where right of decision-making is given to them and a leader who provides them freedom and autonomy. They may like a reward system that recognises individual performance and contributions.

People with an external locus of control, on the other hand, are likely to prefer a more centralised organisation where they need not take any decisions. They may gravitate to structured jobs where standard procedures are defined for them. They may prefer a leader who makes most of the decisions and may prefer a reward system that considers mainly seniority rather than merit.

3. Introversion and Extroversion :

Introversion is the tendency in individuals which directs them to turn inward and experience and process feelings, thoughts and ideas within themselves.

Extroversion, on the other hand, refers to the tendency in individuals to turn outward of themselves searching for external stimuli with which they can interact. While there is some element of introversion as well as extroversion in all of us, people tend to be dominant as either extroverts or introverts. Extroverts are sociable, lively, gregarious and seek outward stimuli or external interactions. Such individuals are likely to be most successful working in the sales department, publicity office, personal relations unit, and so on, where they can interact face to face with others. Introverts, on the other hand, are quiet, reflective, introspective, and intellectual people, preferring to interact with a small intimate circle of friends. Introverts are more likely to be successful when they can work on highly abstract ideas (such as R&D work), in a relatively quiet atmosphere. Since managers have to constantly interact with individuals both within and outside the organisation and influence people to achieve the organisation's goals, it is believed that extroverts are likely to be more successful as managers.

4. Tolerance for Ambiguity :

This personality characteristic indicates the level of uncertainty that people can tolerate without experiencing undue stress and can still function effectively. Managers have to work well under conditions of extreme uncertainty and insufficient information, especially when things are rapidly changing in the organisation's external environment. Managers who have a high tolerance for ambiguity can cope well under these conditions. Managers, who have a low tolerance for ambiguity may be effective in structured work settings but find it almost impossible to operate effectively when things are rapidly changing and much information about the future turn of events is not available. Thus, tolerance for ambiguity is a personality dimension necessary for managerial success.

5. Self-Esteem and Self-Concept :

Self-esteem denotes the extent to which individuals consistently regard themselves as capable, successful, important and worthy individuals. Self-esteem is an important personality factor that determines how managers perceive themselves and their role in the organisation. Self-esteem is important to self-concept, i.e. the way individuals define themselves as to who they are and derive their sense of identity. High self-esteem provides a high sense of self-concept; high self-concept, in turn, reinforces high self-esteem. Thus, the two are mutually reinforcing. Individuals high in self-esteem will try to take on more challenging assignments and be successful,

thus enhancing their self-concept; i.e. they would tend to define themselves as highly valuable and valued individuals in the organisational system. The higher the self-concept and self-esteem, the greater will be their contributions to the goals of the organisation, especially when the system rewards them for their contributions.

6. Authoritarianism and Dogmatism :

Authoritarianism is the extent to which an individual believes that power and status differences are appropriate within hierarchical social systems like organisations. For example, an employee who is highly authoritarian may unquestioningly accept directives or orders from his superior with more authority. A person who is not highly authoritarian may agree to carry out appropriate and reasonable directives from his boss but is also likely to raise questions, express disagreement and even refuse to carry out requests if they are for some reason objectionable.

Dogmatism is the rigidity of a person's beliefs and his/her openness to other view points. The popular terms 'close-minded' and 'open-minded' describe people who are more and less dogmatic in their beliefs. For example, a manager may be unwilling to listen to a new idea for doing something more efficiently. He is said to be a person with close-minded or highly dogmatic. A manager in the same circumstances who is very receptive to hearing about and trying out new ideas might be seen as more open-minded or less dogmatic. Dogmatism can be either beneficial or detrimental to organisations, but given the degree of change in the nature of organisations and their environments, individuals who are not dogmatic are most likely to be useful and productive organisational members.

7. Risk Propensity:

Risk-propensity is the degree to which an individual is willing to take chances and make risky decisions. A manager with a high risk propensity might be expected to experiment with new ideas and to lead the organisation in new directions. In contrast, a manager with low risk propensity might lead to a stagnant and overly conservative organisation.

8. Machiavellianism :

Machiavellianism is manipulation or influencing of other people as a primary way of achieving one's goal. An individual tends to be machiavellian, if he tends to be cool, logical in

assessing the system around them, willing to twist and turn facts to influence others, and try to gain control of people, events and situations by manipulating the system to his advantage.

9. Types A and B Personalities :

Type A persons feel a chronic sense of time urgency, are highly achievement-oriented, exhibit a competitive drive, and are impatient when their work is slowed down for any reason. Type B persons are easy-going individuals who do not sense the time urgency, and who do not experience the competitive drive. Type A individuals are significantly more prone to heart attacks than Type B individuals. While Type A persons help the organisation to move ahead in a relatively short period of time they may also suffer health problems which might be detrimental to both themselves and the organisation in the long-run.

10. Work-Ethic Orientation :

Some individuals are highly work-oriented while others try to do the minimum that is necessary to get by without being fired on-the-job. The extremely work ethic oriented person gets greatly involved in the job. Extreme work ethic values could lead to traits of “workoholism” when work becomes to be considered as the only primary motive for living with very little outside interests. For the workoholic, turning to work can sometimes become a viable alternative to facing non-work-related problems. Though a high level of work ethic orientation of members is good for the organisation to achieve its goals, too much “workoholism” which might lead to premature burnout and health problems is dysfunctional for both organisation and the workoholic members.

The above ten different personality predispositions are important for individual, managerial and organisational effectiveness.

1.9.3 Personality Dimensions

The big five personality dimensions are – extroversion, agreeableness, conscientiousness, emotional stability and openness to experience. Ideally, these personality dimensions that correlate positively and strongly with job performance would be helpful in the selection, training and appraisal of employees. The individuals who exhibit traits associated with a strong sense of purpose, obligation and persistence generally perform better than those who do not.

1.10 ATTITUDE:

Simply explained, an “attitude” is an individual’s point of view or an individual’s way of looking at something, or to be more explicit, an “attitude”, may be explained, as the mental state of an individual, which prepares him to react or make him behave in a particular pre-determined way.

An attitude is defined as, “a learned pre-disposition to respond in a consistently favourable or unfavourable manner with respect to a given object”.

Attitudes are complexes of beliefs and feelings that people have about specific ideas, situations or other people. Attitudes are important because they are the mechanism through which most people express their feelings.

Components of Attitude

Attitudes have three components namely affective component, cognitive component and intentional component.

Affective Component

- How we feel toward the Situation?

Intentional Component

- how we intend to behave toward the situation

Cognitive Component

- why we feel that way?

The affective component of an attitude reflects ‘feelings and emotions’ that an individual has toward a situation. The cognitive component of an attitude is derived from ‘knowledge’ that an individual has about a situation. Finally, the intentional component of an attitude reflects how an individual ‘expects to behave’ toward or in the situation. For example, attitude towards a firm which supply the products irregularly as well as inferior could be described as follows:

“I don’t like that company” - Affective component.

“They are the worst supply firm I have ever dealt with” - Cognitive component.

“I will never do business with them again” - Intentional component.

People try to maintain consistency among the three components of their attitudes. However, circumstances sometimes arise that lead to conflicts. The conflict that individuals may experience among their own attitudes is called 'cognitive dissonance'.

Attitude Formation and Change

Individual attitudes form over time as a result of repeated personal experiences with ideas, situations or people. Attitudes that are situationally specific and learned is one very important way to understand individual behaviour in organisations.

An attitude may change as a result of new information. A manager may have a negative attitude about a new employee because of his lack of job-related experience. After working with the new person the manager may come to realise that he is actually very talented and subsequently may develop a more positive attitude toward him.

Work-Related Attitudes

People in an organisation form attitudes about many things - about their salary, promotion possibilities, superior, fringe benefits, food in the canteen, uniform, etc. Especially some important attitudes are job satisfaction or dissatisfaction, organisational commitment and job involvement.

Job Satisfaction :

Job satisfaction is an attitude that reflects the extent to which an individual is gratified by or fulfilled in his or her work. Extensive research conducted on job satisfaction has indicated that personal factors such as an individual's needs and aspirations determine this attitude, along with group and organisational factors such as relationships with co-workers and supervisors and working conditions, work policies and compensation.

A satisfied employee also tends to be absent less often, to make positive contributions, and to stay with the organisation. In contrast, a dissatisfied employee may be absent more often, may experience stress that disrupts co-workers, and may be continually looking for another job.

Organisational factors that influence employee satisfaction include pay, promotion, policies and procedures of the organisations and working conditions. Group factors involving relationship with co-workers and supervisors also influence job satisfaction. Similarly, satisfaction depends on individual factors like individual's needs and aspirations. If employees are satisfied with their job, it may lead to low employee turnover and less absenteeism and vice-versa.

1.11 ORGANISATIONAL COMMITMENT AND INVOLVEMENT :

Two other important work-related attitudes are organisational commitment and involvement. Organisational commitment is the individual's feeling of identification with and attachment to an organisation. Involvement refers to a person's willingness to be a team member and work beyond the usual standards of the job. An employee with little involvement is motivated by extrinsic motivational factor and an employee with strong involvement is motivated by intrinsic motivational factors.

A number of factors lead to commitment and involvement. Both may increase with an employee's age and years with the organisation, sense of job security and participation in decision-making. If the organisation treats its employees fairly and provides reasonable rewards and job security, employees are more likely to be satisfied and committed. Involving employees in decision-making can also help to increase commitments. In particular, designing jobs which are interesting and stimulating can enhance job involvement.

1.12 LEARNING:

Learning is another important psychological process determining human behaviour. Learning can be defined as "relatively permanent change in behaviour that occurs as a result of experience or reinforced practice". There are four important points in the definition of learning:

1. Learning involves a change in behaviour, though this change is not necessarily an improvement over previous behaviour. Learning generally has the connotation of improved behaviour, but bad habits, prejudices, stereotypes, and work restrictions are also learned.
2. The behavioural change must be relatively permanent. Any temporary change in behaviour is not a part of learning.
3. The behavioural change must be based on some form of practice or experience.
4. The practice or experience must be reinforced in order for learning to occur.

1.12.1 Components of Learning Process

The components of learning process are: drive, cue stimuli, response, reinforcement and retention.

1. Drive

Learning frequently occurs in the presence of drive – any strong stimulus that impels action. Drives are basically of two types – primary or *physiological drives* and secondary or *psychological drives*. These two categories of drives often interact. Individuals operate under many drives at the same time. To predict behaviour, it is necessary to establish which drives are stimulating the most.

2. Cue Stimuli

Cue stimuli are any objects existing in the environment as perceived by the individual. The idea is to discover the conditions under which stimulus will increase the probability of eliciting a specific response. There may be two types of stimuli so far as their results in terms of response are concerned: *generalisation* and *discrimination*.

Generalisation occurs when a response is elicited by a similar but new stimulus. If two stimuli are exactly alike, they will have the same probability of evoking a specified response. The principle of generalisation has important implications for human learning. Because of generalisation, a person does not have to completely relearn each of the new tasks. It allows the members to adapt to overall changing conditions and specific new assignments. The individual can borrow from past learning experiences to adjust more smoothly to new learning situations.

Discrimination is a process whereby an organisation learns to emit a response to a stimulus but avoids making the same response to a similar but somewhat different stimulus. Discrimination has wide applications in organisational behaviour. For example, a supervisor can discriminate between two equally high producing workers, one with low quality and other with high quality.

3. Responses

The stimulus results in responses. Responses may be in the physical form or may be in terms of attitudes, familiarity, perception or other complex phenomena. In the above example, the supervisor discriminates between the worker producing low quality products and the worker producing high quality products, and positively responds only to the quality conscious worker.

4. Reinforcement

Reinforcement is a fundamental condition of learning. Without reinforcement, no measurable modification of behaviour takes place. Reinforcement may be defined as environmental events affects the probability of occurrence of responses with which they are associated.

5. Retention

The stability of learned behaviour over time is defined as retention and the converse is forgetting. Some of the learning is retained over a period of time; while other may be forgotten.

1.12.2 Learning Theories

Classical Conditioning

The work of the famous Russian Physiologist Ivan Pavlov demonstrated the classical conditioning process. When Pavlov presented a piece of meat to the dog in the experiment, Pavlov noticed a great deal of salivation. He termed the food an unconditioned stimulus and the salivation an unconditioned response. When the dog saw the meat, it salivated. On the other hand, when Pavlov merely rang a bell, the dog did not salivate. Pavlov subsequently introduced the sound of a bell each time the meat was given to the dog. The dog eventually learned to salivate in response to the ringing of the bell even when there was no meat. Pavlov had conditioned the dog to respond to a learned stimulus. Thorndike called this the “law of exercise” which states that behaviour can be learned by repetitive association between a stimulus and a response.

Classical conditioning has a limited value in the study of organisational behaviour. As pointed out by Skinner, classical conditioning represents an insignificant part of total human learning. Classical conditional is passive. Something happens and we react in a specific or particular fashion. It is elicited in response to a specific, identifiable event and as such it explains simple and reflexive behaviours. But behaviour of people in organisations is emitted rather than elicited, and it is voluntary rather than reflexive. The learning of these complex behaviours can be explained or better understood by looking at operant conditioning.

Operant Conditioning

Operant is defined as behaviour that produces effects. Operant conditioning, basically a product of Skinnerian psychology, suggests that individuals emit responses that are either not

rewarded or are punished. Operant conditioning is voluntary behaviour and it is determined, maintained and controlled by its consequences.

Operant conditioning is a powerful tool for managing people in organisations. Most behaviours in organisations are learned, controlled and altered by the consequences; i.e. operant behaviours. Management can use the operant conditioning process successfully to control and influence the behaviour of employees by manipulating its reward system. Reinforcement is anything that both increases the strength of response and tends to induce repetitions of the behaviour. Four types of reinforcement strategies can be employed by managers to influence the behaviour of the employees, viz., positive reinforcement, negative reinforcement, extinction and punishment.

1. Positive Reinforcement:

Positive reinforcement strengthens and increases behaviour by the presentation of a desirable consequence (reward). In other words, a positive reinforcer is a reward that follows behaviour and is capable of increasing the frequency of that behaviour. There are two types of positive reinforcers: primary and secondary. Primary reinforcers such as food, water and sex are of biological importance and have effects which are independent of past experiences. For instance, a primary reinforcer like food satisfies hunger need and reinforced food-producing behaviour. Secondary reinforcers like job advancement, recognition, praise and esteem result from previous association with a primary reinforcer. Primary reinforcers must be learned. In order to apply reinforcement procedures successfully, management must select reinforcers that are sufficiently powerful and durable.

2. Negative Reinforcement:

The threat of punishment is known as negative reinforcement. Negative reinforcers also serve to strengthen desired behaviour responses leading to their removal or termination.

3. Extinction:

Extinction is an effective method of controlling undesirable behaviour. It refers to non-reinforcement. It is based on the principle that if a response is not reinforced, it will eventually

disappear. Extinction is a behavioural strategy that does not promote desirable behaviours but can reduce undesirable behaviours.

4. Punishment:

Punishment is a control device employed in organisations to discourage and reduce annoying behaviours of employees.

Observational Learning

Observational learning results in as a result of watching the behaviour of another person and appraising the consequences of that behaviour. It does not require an overt response. When Mr. X observes that Y is rewarded for superior performance, X learns the positive relationship between performance and rewards without actually obtaining the reward himself. Observational learning plays a crucial role in altering behaviours in organisations.

Cognitive Learning

Here the primary emphasis is on knowing how events and objects are related to each other. Most of the learning that takes place in the class room is cognitive learning. Cognitive learning is important because it increases the chance that the learner will do the right thing first time, without going through a lengthy operant conditioning process.

1.12.3 Learning Theory and Organisation Behaviour

The relevance of the learning theories for explaining and predicting of organisational behaviour is marginal. This does not mean that learning theories are totally irrelevant. Learning concepts provide a basis for changing behaviours that are unacceptable and maintaining those that are acceptable. When individuals engage in various types of dysfunctional behaviour (late for work, disobeying orders, poor performance), the manager will attempt to educate more functional behaviours.

Learning theory can also provide certain guidelines for conditioning organisational behaviour. Managers know that individuals capable of turning out superior performance must be given more reinforces than those with average or low performance. Managers can successfully use the operant conditioning process to control and influence the behaviour of employees by manipulating its reward system.

1.13 Attitude: Its Importance in Organisational Behaviour

Attitudes of both workers and management react to each other and determine mutual relationships.

Attitudes, that is, understanding or learning why employees feel and act the way, they do, helps supervisors in winning cooperation from them, so very essential for the efficient working of an organisation.

From a personal perspective, attitudes provide knowledge-base – or prepare our mental state, for our interaction with others, and with world around us, which directly affects organisational behaviour, and in turn organisational working.

1.14 Perception

Perception is an important mediating cognitive process. Through this complex process, persons make interpretations of the stimulus or situation they are faced with. Both selectivity and organisation go into perceptual interpretations. Externally, selectivity is affected by intensity, size, contrast, repetition, motion and novelty and familiarity. Internally, perceptual selectivity is influenced by the individual's motivation, learning and personality. After the stimulus situation is filtered by the selective process, the incoming information is organised into a meaningful whole.

Individual differences and uniqueness are largely the result of the cognitive processes. Although there are a number of cognitive processes, it is generally recognised that the perceptual process is a very important one that takes place between the situation and the behaviour and is most relevant to the study of organisational behaviour. For example, the observation that a department head and a subordinate may react quite differently to the same top management directive can be better understood and explained by the perceptual process.

In the process of perception, people receive many different kinds of information through all five senses, assimilate them and then interpret them. Different people used to perceive the same information differently.

Perception plays a key role in determining individual behaviour in organisations. Organisations send messages in variety of forms to their members regarding what they are

expected to do and not to do. In spite of organisations sending clear messages, those messages are subject to distortion in the process of being perceived by organisation members. Hence managers need to have a general understanding of basic perceptual process.

1.14.1 Basic Perceptual Process :

Perception is influenced by characteristics of the object being perceived and of the person and by situational processes.

- Characteristics of the object include contrast, intensity, movement, repetition and novelty.
- Characteristics of the person include attitudes, self-concept and personality.

The details of a particular situation affect the way a person perceives an object; the same person may perceive the same object very differently in different situations. The processes through which a person's perceptions are altered by the situation include selection, organisation, attribution, stereotyping, the halo effect and projection. Among these, selective perception and stereotyping are particularly relevant to organisations.

Selective Perception:

Selective perception is the process of screening out information that we are uncomfortable with or that contradicts our beliefs. For example, a manager has a very positive attitude about a particular worker and one day he notices that the worker seems to be goofing off. Selective perception may make the manager to quickly disregard what he observed. Suppose another manager has formed a very negative attitude about a particular worker and when he happens to observe a high performance from the worker, he too disregard it.

In one sense, selective perception is beneficial because it allows us to disregard minor bits of information. If selective perception causes managers to ignore important information, it can become quite detrimental.

Stereotyping:

Stereotyping is the process of categorising or labeling people on the basis of a single attribute. Perceptions based on stereotypes about people's sex exist more or less in most work

places. Typically, these perceptions lead to the belief that an individual's sex determines which tasks he or she will be able to perform. For example, if a woman sitting behind the table in the office is, very often, perceived as a clerk and not an executive but would make the opposite assumption about a man. Stereotyping consists of three steps: identifying categories of people (like women, politician), associating certain characteristics with those categories (like passivity, dishonesty) and then assuming that any one who fits a certain category must have those characteristics. For example, if dishonesty is associated with politicians, we are likely to assume that the next politician we meet is also dishonest.

Perception and Attribution

Perception is also closely linked with another process called attribution. Attribution is a mechanism through which we observe behaviour and then attribute causes to it. According to attribution theory, once we observe behaviour we evaluate it in terms of its consensus, consistency and distinctiveness. Consensus is the extent to which other people in the same situation behave in the same way. Consistency is the degree to which the same person behaves in the same way at different times. Distinctiveness is the extent to which the same person behaves in the same way in other situations. The forces within the person (internal) or outside the person (external) led to the behaviour.

For instance, if you observe that an employee is much more motivated than the people around her (low consensus), is consistently motivated (high consistency), and seems to work hard no matter what the task (low distinctiveness) you might conclude that internal factors are causing the behaviour. Another example, is that suppose a manager observes that an employee is late for a meeting, the manager might realise that this employee is the only one who is late (low consensus), recall that he is often late for other meetings (high consistency), and subsequently recall that the same employee is sometimes late for work (low distinctiveness). This pattern of attributions might cause the manager to decide that the individual's behaviour is something that should be changed. At this point, the manager might meet with the subordinate to establish some punitive consequences for future tardiness.

Impression Management

Whereas social perception is concerned with how one individual perceives other individuals, impression management is the process by which people attempt to manage or control

the perceptions others form of them. There is often a tendency for people to try to present themselves in such a way as to impress others in a socially desirable way. Thus, impression management has considerable implications for areas such as the validity of performance appraisals and a pragmatic, political tool for one to climb the ladder of success in organisations.

1.15 MOTIVATION

The word motivation is derived from the word 'motive' which is defined as an active form of a desire, craving or need which must be satisfied. Motivation is the key to organisational effectiveness. The manager in general has to get the work done through others. These 'others' are human assets or resources. They are to be motivated to work to attain the organisational objectives.

Definition

Motivation is defined as, "the set of forces that cause people to choose certain behaviours from among the many alternatives open to them".

"Motivation is the desire within an individual that stimulates him or her to action" – George R. Terry.

"The complex of forces starting and keeping a person at work in an organisation" – Robert Dubin.

Viteles defines motivation as, "an unsatisfied need which creates a state of tension or disequilibrium, causing the individual to move in a goal directed pattern towards restoring a state of equilibrium, by satisfying the need".

"Motivation refers to the degree of readiness of an organism to pursue some designated goals and implies the determination of the nature and locus of force inducing degree of readiness" – Encyclopaedia of Management.

On the basis of above definitions, the following observations can be made regarding motivation:

- Motivation is an inner psychological force which activates and compels the person to behave in a particular manner.

- Motivation process is influenced by personality traits learning abilities, perception and competence of an individual.
- Highly motivated employee works more efficiently and his level of production tends to be higher than others.
- Motivation originates from the needs and wants of an individual. It is a tension of lacking something in his mind which forces him to work more efficiently.
- Motivation is also a process of stimulating and channelising an energy of an individual for achieving set goals.
- Motivation also plays a crucial role in determining the level of performance. Highly motivated employee will get higher satisfaction which may lead higher efficiency.
- Motivating force and its degree, may differ from individual to individual depending on his personality, needs, competence and other factors.
- The process of motivation helps the manager in analysing and understanding human behaviour and finding out that how an individual can be inspired to produce desirable working behaviour.
- Motivation may be positive as well as negative. Positive motivation includes incentives, rewards and other benefits while negative motivation implies some punishment, fear, use of force etc.
- The process of motivation contributes to and boosts up the morale of the employees. And high degree of motivation may lead to high morale.

Check your progress

Notes a) Write your answer in the space given below

b) Compare your answer with the one given at the end of the unit.

4. What are the dimensions of personality?

.....

5. Define attitude.

.....

6. Define learning.

.....

7. Define motivation.

.....

1.15.1 Characteristic Features of Motivation

- Motivation is an internal feeling and forces a person to action.
- Motivation is a continuous activity.
- It varies from person to person and from time to time.
- It may be positive or negative.

1.15.2 Importance of Motivation

Motivation is an important part of managing process. A team of highly qualified and motivated employees is necessary for achieving objectives of an organisation. It is only through motivation process, they contribute maximum for accomplishing objectives.

- Highly motivated employees make optimum use of available resources for achieving objectives.
- Motivation is directly related to the level of efficiency.
- Highly motivated employees make full use of their energy and other abilities to raise the existing level of efficiency.
- Highly motivated employees would make goal-directed efforts. They are more committed and cooperative for achieving organisational objectives.
- Highly motivated employees are more loyal and sincere, and wants to remain with the organisation for longer period of time. These factors help reduce absenteeism and labour turnover.
- Motivation is considered as a backbone of good industrial relations.
- Effectively motivated employees get more job satisfaction and carry high morale.
- Motivation also helps in improving the image of the organisation.

The motivation framework is a good starting point for understanding how people choose certain behaviours.

The motivation process begins with needs that individuals identify for themselves. For example, a worker feels that he is underpaid. This deficiency becomes a need that the worker seeks to satisfy, perhaps, by asking for a raise, by working harder to earn a raise or by seeking a new job. Once he chooses to pursue one or more of these options and then enacts them (working harder while simultaneously looking for a job, for example), he evaluates his success. If his hard work resulted in a pay rise, he probably feels satisfied and will continue to work hard.

But if no raise has been provided he is likely to try another option. Since people have many different needs, the satisfaction of one need or set of needs is likely to give rise to the identification of other needs. Thus, the cycle of motivation is being constantly repeated.

Understanding human motivation is crucial for managing people. Many people have done extensive research to find out what make people work and how to motivate them. This include managers, social scientists, behaviourists and psychologists. A number of theories have been developed, even though there is no university accepted motivation theory. Understanding these theories assist managers to get a better insight into the human behaviour.

1.15.3 Need-Based Theories to Motivation

Need-based theories try to answer the question, “what factor(s) motivate people to choose certain behaviours?” Some of the widely known need-based theories are discussed below:

Maslow’s Hierarchy of Needs:

Maslow Abraham proposed his theory in 1940s. Maslow’s hierarchy of needs assumes that people are motivated to satisfy five levels of needs: physiological, security, belongingness, esteem and self-actualisation needs.



According to Maslow’s hierarchy physiological needs for food, sex, water and air which represent basic issues of survival. In organisational settings, most physiological needs are

satisfied by adequate wages and by the work environment itself, which provides employees with rest rooms, adequate lighting, comfortable temperatures and ventilation.

Next are security or safety needs - the requirements for a secure physical and emotional environment. Examples include the desire for adequate housing and clothing, the need to be free from worry about money and job security, and the desire for safe working conditions. Security needs are satisfied for people in the work place by job continuity, a grievance redressal system and an adequate insurance and retirement benefit package.

Belonging needs are related to the social aspect of human life. They include the need for love and affection and the need to be accepted by one's peers. For most people these needs are satisfied by a combination of family and community relationships outside of work and friendships on the job. Managers can help ensure the satisfaction of these important needs by allowing social interaction and by making employees feel like part of a team or work group.

Esteem needs actually comprise of two different sets of needs: the need for a positive self-image and self-respect and the need for recognition and respect from others. Organisations can help address esteem needs by providing a variety of extrinsic symbols of accomplishment such as job titles, spacious offices and similar rewards as appropriate. At a more intrinsic level, organisations can also help satisfy esteem needs by providing employees with challenging job assignments that carry with them a sense of accomplishment.

At the top of the hierarchy are what Maslow calls the self-actualisation needs. These involve realising one's potential for continued growth and individual development. Because they are highly individualised and personal, self-actualisation needs are perhaps the most difficult for managers to address. In fact, it can be argued that individuals must meet these needs entirely by themselves. Organisations, can help, however, by creating a climate wherein self-actualisation is possible. For instance, an organisation can promote the fulfillment of these needs by providing employees with a chance to participate in making decisions about their work and with the opportunity to learn new things about their jobs and the organisation. The process of contributing to actual organisational performance (through decision-making) and learning more about the organisation are likely to help people experience the personal growth and development associated with self-actualising.

Maslow suggests that the five levels of needs are arranged in order of importance, starting at the bottom of the hierarchy (refer figure). An individual is motivated first and foremost to satisfy physiological needs. As long as these needs remain unsatisfied, the individual is motivated to fulfill only them. When those needs are satisfied, the individual is motivated and he 'moves up' the hierarchy and becomes concerned with security needs. This 'moving up' process continues until the individual reaches the self-actualisation level.

Maslow's concept of the need hierarchy has a certain intuitive logic and has been accepted by many managers. But research has revealed several short-comings of the theory. For example, some research has found that five levels of needs are not always present and that the order of the levels is not always the same as postulated by Maslow. Moreover, it is difficult for organisations to use the need hierarchy to enhance employee motivation.

1.15.4 New Approaches to Motivation in Organisation

New approaches are emerging to supplement the established models and theories of motivation. Two of the most promising are Goal-Setting Theory and the Japanese Approach.

Goal-Setting Theory

This approach to motivation has been pioneered in the USA by Edwin Locke and his associates in 1960s and refined in 1980s. Goal-setting theory suggests that managers and subordinates should set goals for the individual on a regular basis (as suggested by MBO). These goals should be moderately difficult and very specific and of a type that the employee will accept and make a commitment to accomplishing. Rewards should be tied directly to accomplished goals.

When involved in goal-settings, employees see how their effort will lead to performance, rewards and personal satisfaction.

Salient features of this theory are the following:

- Specific goal fixes the needs of resources and efforts
- It increases performance
- Difficult goals result higher performance than easy job
- Better feedback of results leads to better performances than lack of feedback.
- Participation of employees in goal has mixed result.
- Participation of setting goal, however, increases acceptance of goal and involvements.
- Goal setting theory has defined two factors which influences the performance. These are given below:
 - Goal commitment, and
 - Self efficiency.

The mere act of goal-setting does not ensure higher levels of motivation among employees. In fact, there appear to be three important criteria that goals must meet if they are to influence the behaviour of organisation members. They are goal specificity, goal difficulty and goal acceptance.

Goal Specificity

Goals must be stated in specific terms if they are to motivate effective performance. Goals must be set in terms of measurable criteria of work performance i.e. number of units produced, new sales etc. and must specify a time period within which the goal is to be attained. It also gives a sense of personal satisfaction and accomplishment to workers if he is able to meet the specific goal.

Goal Difficulty/Challenge

There exists a relationship between goal difficulty and work motivation. The more difficult and challenging the goal, the higher the level of motivation and performance. But it is essential that goals be set at levels that are realistic to a person. Goals that are very difficult to achieve, lose their capacity to motivate, since it is beyond the capacity of the individual.

Goal Acceptance

In order to influence motivation and performance, a goal must be internalised by the individual. In other words, the person has to feel some personal ownership of the goal and must have commitment to achieve it.

Goal Setting in Practice

The most obvious implication of goal-setting theory is that managers should be helping sub-ordinates to set goals that are specific and reasonably difficult and that sub-ordinates accept and internalise as their own. Besides this, there are a number of issues that arise in implementing goal-setting in practice.

1. Though specificity of goal is essential and measurability is desirable, it should not affect in identifying meaningful and valid objective measures of goal attainment.
2. The manager can stimulate goal acceptance in atleast three ways:
 - By involving sub-ordinates in goal-setting process.
 - By demonstrative a supportive attitude and approach toward his/her sub-ordinates.
 - By trying various rewards to the achievement of goals.

Management by Objectives (MBO) is a managerial technique for improving motivation and performance using goal-setting principles.

Cognitive Evaluation Theory

A researcher Charms in 1960, has reported that extrinsic motivation like pay or rewards for a job which has an intrinsic-motivation content prior to such rewards, tend to decrease overall level of motivation. This proposal is called “Cognitive Evaluation Theory” which has supported by a large number of research studies conducted subsequently.

Japanese Approach to Motivation

The Japanese approach to motivation has gained increasing popularity around the world during the past few years. This approach is not really a theory or model but instead a philosophy of management. The basic tenet of the Japanese approach is that managers and workers should

work together as partners. Since both of them see themselves as one group, all members are committed and motivated to work in the best interests of the organisation. No one is called an employee; instead everyone is a team member, team leader or coach and everyone owns 'share' of the company. Like goal-setting theory, the Japanese approach is likely to become more common in businesses throughout the world.

Integration of Motivation Theories

More number of theories complicate our understanding. Some of these theories are compatible and some are not. The real challenge facing researcher is to integrate all or atleast some of these together so that their inter and intra-relationships are established. This will also improve the understanding of motivation. Certain attempts are made in USA and elsewhere. However, it has not standardised or obtained wide approval or acceptance.

1.15.5 Enhancing Motivation in Organisations

Managers trying to enhance the motivation of their employees can, of course, draw on any of the theories described above. They may in practice adopt specific interventions derived from one or more theories or they may influence motivation through the organisation's reward system. The organisation can enhance motivation in following ways:

- Humanise the work environment: Respect the need to treat each employee as an individual.
- Publicise both short and long-term company goals: Encourage personal and departmental goal setting.
- Promote from within: It's great for morale and simplifies hiring procedures.
- Use incentive programs: If you're creative enough, you won't have to rely on expensive financial bonuses.
- Establish appropriate deadlines: Every project should have a deadline.
- Be liberal with praise: It's almost impossible to overpraise and easy to underpraise.
- Be consistent in your own work and in your relations with others.

- Show a personal interest in the people who work for you: Relations are always smoother between people who know each other on a personal basis than between people who merely want something from each other.
- Admit mistakes: People will respect you for it and will be less likely to hide their own mistakes.
- Don't whitewash unpleasant assignments: Prepare subordinates for them well in advance and offer what support you can.

1.15.6 Managerial Approaches for Improving Motivation

A number of approaches can help managers motivate workers to perform more effectively. Two approaches, however, have been especially effective: linking pay to job performance and quality of work-life programs.

The following steps promote intrinsic motivation:

- Workers Participation in Management (WPM)
- Management by Objectives (MBO)
- Organisation Behaviour Modification
- Job-Redesign
- Alternative Work Schedules.

Pay and Job Performance

Pay often can be used to motivate employee performance. But a pay plan also must:

- Create the belief that good performance leads to high levels of pay;
- Minimise the negative consequences of good performance; and
- Created conditions in which rewards other than pay are seen to be related to good performance.

Quality of Work Life Programs

Quality of Work Life (QWL) is defined as an attempt through a formal program to integrate employee needs and well-being with the intention of improved productivity, greater worker involvement and higher levels of job satisfaction.

Programs for QWL improvements range from those requiring minor changes in the organisation to those requiring extensive modifications in structure, personnel and the utilisation of resources. Three types of QWL programs are quality circles and the use of alternative work schedules.

Quality Circles:

Quality circles are small groups of workers who meet regularly with their supervisor as the circle leader to solve work-related problems. QCs give the employee opportunity for involvement, social-need satisfaction, participation in work improvement, challenge and opportunity for growth. They are, in essence, vehicles for providing employees with opportunities to satisfy lower and upper-level needs as stated by Maslow, through the motivators described in Herzberg's theory.

Alternative Work Schedule :

Organisations also frequently use the modified work-week as a way to increase employee motivation. A modified work-week can be any work schedule that does not conform to a traditional 8 hours a day or 5 days a week format. The modified work-week helps individuals satisfy higher-level needs by providing more personal control over one's work schedule. It also provides an opportunity to fulfill several needs simultaneously.

Job-Redesign :

Job-Redesign or changing the nature of people's job is also being used more as a motivational technique. The idea here is that managers can use any of the alternatives – job rotation, job enlargement, job enrichment as part of motivational programme. Expectancy theory helps explain the role of work design in motivation.

1.16 PHYSICAL AND INTELLECTUAL QUALITIES

Physical differences among individuals are the most visible of all differences. They are also relatively easy to assess. Intellectual differences are somewhat more difficult to discern, but

they too can be assessed by fairly objective means. The abilities, skills and competencies of employees are both physical and intellectual qualities.

1.16.1 ABILITY

Abilities refer to an individual's skill and to perform effectively in one or more areas of activity, such as physical, mental or interpersonal work. Individuals with numerical ability for example, can be trained to apply their ability in the field of engineering, accounting and computer science. Abilities develop from an individual's natural aptitudes and subsequent learning opportunities. Aptitudes are relatively enduring capacities for performing some activity effectively. Learning opportunities translate aptitudes into abilities through practice and experience and formal training. Organisations have to ensure that people possess the necessary abilities to engage in the behaviours required for effective performance. This can be accomplished either by careful selection of people or by a combination of selection and training.

Skills are generally thought of as being more task-specific capabilities than abilities. For example, an individual with numerical ability who goes to school to learn accounting develops a numerical skill 'specific to that field'. Thus when a particular ability is applied to a specialised area (for example Accounting), it becomes a skill.

Competencies are skills associated with specialisation. Competencies are skills that have been refined by practice and experience and that enable the individual to specialise in some field. For example, an accountant with numerical ability and accounting skill takes a position in the Taxation Department and as time passes, he develops more competency as a tax expert.

Physical abilities such as strength, flexibility, endurance and stamina can be developed with exercise and training. Mental abilities such as reasoning, memory visualisation and comprehension and inter-personal abilities can also be developed through practice and education. Even in the absence of such formal programmes, many individuals manage their own careers in such a way as to continually upgrade their abilities, skills and competencies in order to remain valuable to their organisations.

1.17 UNIT END EXERCISES:

1. What do you understand by organisational behaviour? What are its elements?

2. What are the fundamental concepts of organisational behaviour?
3. Bring out the importance of studying organisational behaviour.
4. Discuss the different models of organisational behaviour.
5. Explain the importance of organisational behaviour to managers.
6. What are the limitations of organisational behaviour?
7. Explain the global scenario of organisational behaviour.
8. What are the barriers to cultural adaptation? Suggest measures to overcome those barriers.
9. Briefly state the factors that have an impact upon the individual behaviour in the organization.
10. Define personality. What are its major elements?
11. How does personality relate to organisational behaviour?
12. As a manager, how would you enhance employee motivation?

1.18 ANSWERS TO CHECK YOUR PROGRESS:

1. Define organizational behaviour.
“The study of human behaviour in organisational settings, the interface between human behaviour and the organisational context, and the organisation itself.”
2. what are the approaches to organizational behaviour?
 - A human resources approach
 - A contingency approach
 - A productivity approach
 - A systems approach
3. What are the psychological and physical differences?
 - Psychological Differences
 - Personality, Attitudes, Perception, Motivation, Learning
 - Physical Differences
 - Height, Weight, Body shape, Appearance, Complexion

4. What are the dimensions of personality?

The big five personality dimensions are – extroversion, agreeableness, conscientiousness, emotional stability and openness to experience.

5. Define attitude

An attitude is defined as, “a learned pre-disposition to respond in a consistently favourable or unfavourable manner with respect to a given object”.

6. Define learning

Learning can be defined as “relatively permanent change in behaviour that occurs as a result of experience or reinforced practice”.

7. Define Motivation.

Motivation is defined as, “the set of forces that cause people to choose certain behaviours from among the many alternatives open to them”.

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