

ORGANISATIONAL BEHAVIOUR

UNIT 1:

ORGANISATION

An *organization* is a group of people who work together, like a neighborhood association, a charity, a union, or a corporation.

Oxford English Dictionary:

An organized group of people work together with a particular purpose, such as a business or government department.

BEHAVIOUR:

Behaviour is how someone acts. It is what a person does to make something happen, to make something change or to keep things the same.

Behaviour is a response to things that are happening:

- internally - thoughts and feelings
- externally - the environment, including other people.

ORGANISATIONAL BEHAVIOUR

Meaning:

Organizational behavior describes how people interact with one another inside of an organization, such as a business.

Organizational Behavior (OB) is the study of human behavior in organizational settings, the interface between human behavior and the organization, and the organization itself.

Definition of OB:

“Organizational behavior is directly concerned with the understanding, prediction, and control of human behavior in organizations.” — **Fred Luthans**.

“Organizational behaviour is a field of study that investigates the impact that individuals, groups and structure have on behaviours within the organizations for the purpose of applying such knowledge towards improving an organizations effectiveness”- **Stephen P Robbins**

Importance of OB:

- Organizational behavior is the study of both group and individual performance and activity within an organization.

- This area of study examines human behavior in a work environment determines its impact on job structure, performance, communication, motivation, leadership, etc.
- It is the systematic study and application of knowledge about how individuals and groups act within the organizations where they work. OB draws from other disciplines to create a unique field.
- For example, when we review topics such as personality and motivation, we will again review studies from the field of psychology. The topic of team processes relies heavily on the field of sociology.
- When we study power and influence in organizations, we borrow heavily from political sciences.
- Even medical science contributes to the field of Organizational Behavior, particularly in the study of stress and its effects on individuals.

Objectives of Organizational Behavior

The organizations in which people work have an effect on their thoughts, feelings, and actions. These thoughts, feelings, and actions, in turn, affect the organization itself.

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

NATURE AND SCOPE OF OB

Organizational Behaviour is concerned with the understanding, prediction and control of human behaviour in organizations. It focuses on the individuals, the groups and the organization and also on their interactional relationships. It is the study and application of knowledge about how people act with organizations.

Features (Characteristics) of OB

1. OB is a part of general management and not the whole of management. It represents behavioural approach to management.
2. OB contains a body of theory, research and application associated with a growing concern for people at the work place. It helps in understanding human behaviour in work organizations.

3. OB is a human tool for human benefit. It helps in predicting the behaviour of individuals.
4. OB is inter-disciplinary field of study. It tries to synthesize knowledge drawn from various behavioural and social sciences such as Psychology, Sociology, Anthropology, Political-science, Economics, etc. In fact, OB is an applied behavioural science.
5. OB involves three levels of analysis of behaviour-individual behaviour, group behaviour and behaviour of the organization itself.
6. OB is an action-oriented and goal-directed discipline. It provides a rational thinking about people and their behaviour
7. OB is both a science and an art. The systematic knowledge about human behaviour is a science. The application of behavioural knowledge and skills clearly leans towards being an art.
8. OB seeks to fulfill both employees' needs and organizational objectives.

Scope of OB

The scope of OB may be summed up in the words of S.P.Robbins as follows:

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

The scope of OB involves three levels of behaviour in organizations: individuals, groups and structure.

1. Individual Behaviour

- (i) Personality
- (ii) Perception
- (iii) Values and Attitudes
- (iv) Learning
- (v) Motivation

2. Group Behaviour

- (i) Work groups and group dynamics
- (ii) Dynamics of conflict
- (iii) Communication
- (iv) Leadership
- (v) Morale

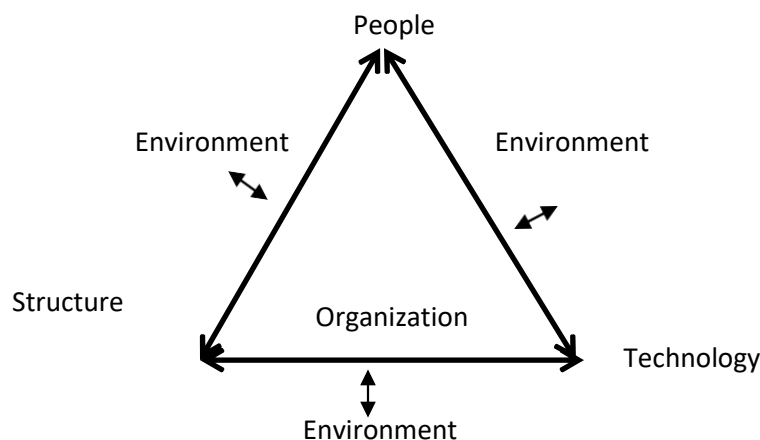
3. Organization: Structure, Process and Application

- (i) Organizational Climate

- (ii) Organizational Culture
- (iii) Organizational Change
- (iv) Organizational Effectiveness
- (v) Organizational Development

Key Elements in OB

The key elements in organizational behaviour are people, structure, technology and the environment in which the organizations operates. When people join together in an organisation to accomplish an objective, some kind of structure is required. People also use technology to help get the job done, so there is an interaction of people, structure and the technology as shown in fig.1. In addition, these elements are influenced by the external environment, and they influence it.



People: People make up the internal social system of the organisation. They consist of individuals and groups. There are formal and informal groups. Groups are dynamic. They form, change and disband. Organizations exist to serve people, rather than people existing to serve organizations.

Structure: Structure defines the formal relationships of people in organisations. Different jobs are required to accomplish all of an organisation's activities. There are managers and employees, accountants and assemblers. These people have to be related in some structural way so that their work can be effectively co-ordinated. These relationships create complex problems of co-operation, negotiation and decision-making.

Technology: Technology provides the resources with which people work and affects the tasks that they perform. The technology used has a significant influence in working relationships. The great benefit of technology is that it allows people to do more and better work, but it also restricts people in various ways. It has costs as well as benefits.

Environment: All organizations operate within an external environment. A single organisation does not exist alone. It is part of a larger system that contains many other elements such as Govt, the family, and other organizations.

All of these mutually influence each other in a complex system that creates a context for a group of people. Individual organizations, such as factory or a school, cannot escape being influenced by this external environment. It influences the attitudes of people, affects working conditions, and provides competition for resources and power. It must be considered in the study of human behaviour in organizations.

FUNDAMENTAL OR BASIC CONCEPTS OR FOUNDATION OF OB

Organizational behaviour starts with a set of seven fundamental concepts revolving around the nature of people and organizations. They are as follows:

1. Individual Differences:

Each person is different from one to another in intelligence, physique, personality, diction, or any such trait. Individual differences mean that management can cause the greatest motivation among employees by treating them differently. It is because of individual differences that OB begins with the individual. Only a person can take responsibility and make decisions, a group, by nature, cannot do so. A group is powerless until individuals therein act.

2. A whole Person

When an individual is appointed, his or her skill alone is not hired, his/her social background, likes and dislikes, pride and prejudices are also hired. A person's family life cannot be separated from his or her work life. They not only strive hard to develop a better employee out of a worker, but also a better person in terms of growth and fulfillment.

3. Caused Behaviour

The behaviour of the employee is caused and not random. This behaviour is directed towards someone that the employee believes, rightly or wrongly, is in his/her interest. The manager must realize this basic principle and correct this behaviour and tackle the issue as its root. For ex: when a worker comes late to his or her work, pelts stones at a running bus, or abuse the supervisor, there is a cause behind it.

4. Human Dignity

This states that people want to be treated with respect and dignity. Every job, however simple, entitles the people who do it to proper respect and recognition of their unique aspirations and abilities. The concept of human dignity rejects the old idea of using employees as economic tools. Organizational behaviour always involves people, ethical philosophy is involved in one way or other in each action. Human decisions cannot and should not be made devoid of values.

5. Organizations are Social systems

We know that organisations are social systems; consequently activities there-in are governed by social laws as well as psychological laws. Just as people have psychological needs, they also have social roles and status. Their behaviour is influenced by their group as well as by their individual drives. In fact, two types of social systems

exist side by side in organisations. One is the formal (official) social system, and the other is the informal social system..

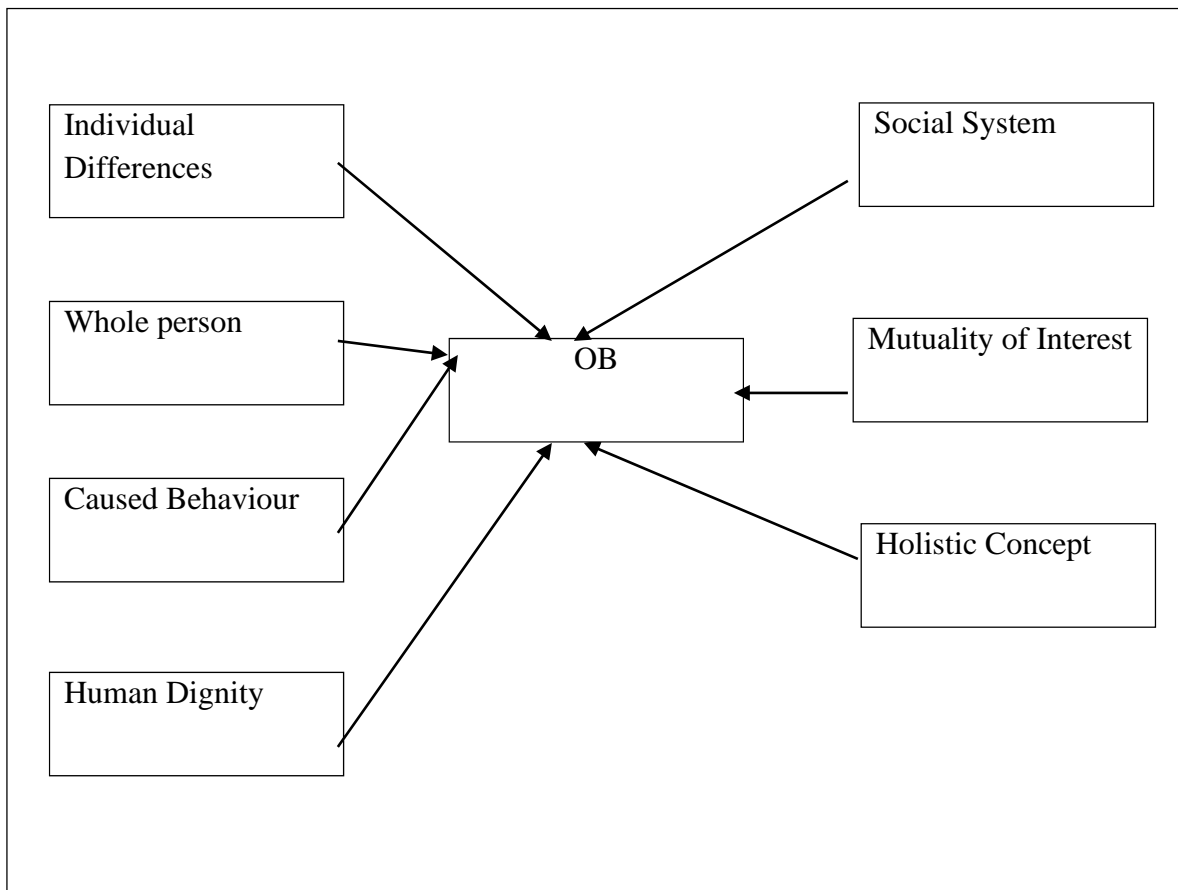
6. Mutuality of Interest

Organizations are formed and maintained on the basis of mutuality of interest among their participants i.e. organizations need people and people also need organizations. People see organizations as a means to help them reach their goals, while, at the same time, organizations need people to help attain Organizational objectives. Mutual interest provides a super ordinate goal that united the variety of needs that people bring to organizations.

7. Holistic Concept

This concept interprets people-organization relationships in terms of the whole person, whole group, whole organization, and the whole social system. It takes an all-encompassing view of people in organizations in an effort to understand as many of the possible factors that influence their behaviour. Issues are analyzed in terms of the situation affecting them rather than in terms of an isolated event or problem.

FUNDAMENTAL OR BASIC CONCEPTS OR FOUNDATION OF OB



BASIC APPROACHES TO OB

1. **A human resources (supportive) approach:** The human resources approach is developmental. It 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 and any society.

The human resources approach, on the other hand, is supportive. It helps employees become better, more responsible persons, and then tries to create a climate in which they may contribute to the limits of their improved abilities.

2. **A contingency approach:** Traditional management relied on the principle of “one best way” of managing. There was a correct way to organize, to delegate and to divide work. The correct way applied regardless of the type of organisation or situation involved. The contingency approach to organizational behaviour means that different situations require different behavioural practices for effectiveness.

The strength of the contingency approach is that it encourages analysis of each situation prior to action. The contingency approach also is more interdisciplinary, more system-oriented, and more research-oriented than the traditional approach. Thus it helps to use in the most appropriate manner all the current knowledge about people in organisations.

3. **A productivity approach:** Productivity is a ratio that compares units of output with units of input. If more outputs can be produced from the same amount of inputs, productivity is improved or if fewer inputs can be used to produce the same amount of outputs, productivity has increased. The idea of productivity does not imply that one should produce more output; rather it is a measure of how efficiently one produces whatever output is desired.

Productivity often is measured in terms of economic inputs and outputs, but human and social inputs and outputs are also important, For example. if better organizational behaviour can improve job satisfaction, a human output or benefit occurs.

Equations showing the role of organizational behaviour are work systems:

- | | | |
|----------------------------------|---|-----------------------------|
| 1. Knowledge x skill | = | Ability |
| 2. Attitude x situation | = | Motivation |
| 3. Ability x Motivation | = | Potential human performance |
| 4. Human performance x resources | = | organizational productivity |

4. A systems Approach: A system implies that there are many variables in organisations and that each of them affects all the others in a complex relationship. All people in organisations should be concerned with improving organizational behaviour. Managers represent the administrative system and their role is to use organizational behaviour to improve people – organisation relationships.

When organizational behaviour is applied with a systems approach it creates a triple reward system in which human, organizational and social objectives are met. People find more satisfaction in work when there is cooperation and teamwork.

MODELS OF ORGANISATIONAL BEHAVIOUR

From industrial revolution, four models of organizational behaviour have been followed by managers of different organizations at different times. These are autocratic, custodial, supportive and collegial as shown in table 1.

Table 1: Models of Organizational Behaviour

Model	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 organization	Participation	Self – discipline
Employee needs met	Subsistence	Security	Status and recognition	Self – actualization
Performance result	Minimum	Passive co-operation	Awakened drives	Moderate enthusiasm

Autocratic Model

- The **autocratic model depends on power**. Those who are in command must have the power to demand, an employee who does not follow orders will be penalized.
- In an autocratic environment the **managerial orientation is formal**, i.e., official authority. This authority is delegated by right of command over the people to it applies.

- The psychological result for employees is dependence on their boss, whose power to hire, fire, and almost absolute.
- The **boss pays minimum wages because minimum performance is given by employees**. They are willing to give minimum performance—though sometimes reluctantly—because they must satisfy subsistence needs for themselves and their families.
- Some **employees give higher performance because of internal achievement drives**, because they personally like their boss, because the boss is —a natural-born leader, or because of some other factor; but most of them give only minimum performance.

The Custodial Model

- A successful custodial approach **depends on economic resources**.
- This approach **depends on money to pay wages and benefits**.
- Since employee's physical needs are already reasonably met, the employer looks to security needs as a motivating force. If an organization does not have the wealth to provide pensions and pay other benefits, it cannot follow a custodial approach.
- The custodial approach leads to employee dependence on the organization. Rather than being dependence on their boss for their weekly bread, employees now depend on organizations for their security and welfare.
- Employees working in a custodial environment become psychologically preoccupied with their economic rewards and benefits. As a result of their treatment, they are well maintained and contented.

The 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 organization.
- The leader assumes that workers are not by nature passive and resistant to organizational needs, but that they are made so by an inadequately supportive climate at work. They 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 to simply support 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 organization. Employee may say —we instead of —they when referring to their organization.
- Employees are more strongly motivated than by earlier models because of their status and recognition needs are better met.

The Collegial Model

- A useful **extension of the supportive model is the collegial model**. The term —collegial relates to a body of people working together cooperatively.
- The collegial model depends on management's building a feeling of partnership with employees. The result is that employees feel needed and useful. They feel that managers are also contributing, so it is easy to accept and respect their roles in their organization. Managers are seen as joint contributors rather than as bosses.
- The managerial orientation is toward teamwork. Management is the coach that builds a better team
- The employee's response to this situation is responsibility. For example employees produce quality work not because management tells them to do so or because the inspector will catch them if they do not, but because they feel inside themselves an

obligation to provide others with high quality. They also feel an obligation to uphold quality standards that will bring credit to their jobs and company.

- The psychological result of the collegial approach for the employee is self-discipline. Feeling responsible, employees discipline themselves for performance on the team in the same way that the members of a football team discipline themselves to training standards and the rules of the game.
- In this kind of environment employees normally feel some **degree of fulfillment, worthwhile contribution, and self-actualization**, even though the amount may be modest in some situation. This self-actualization will lead to moderate enthusiasm in performance.

The System Model

- An emerging model of organization behavior is the system model. It is the result of a strong search for higher meaning at work by many of today's employees; they are being asked to spend many hours of their day at work, they want a work context there that is ethical, infused with integrity and trust, and provides an opportunity to experience a growing sense of community among coworkers.
- To accomplish this, managers must increasingly demonstrate a sense of caring and compassion, being sensitive to the needs of a diverse workforce with rapidly changing needs and complex personal and family needs.
- In response, many employees embrace the goal of organizational effectiveness, and reorganize the mutuality of company-employee obligations in a system viewpoint. They experience a sense of psychological ownership for the organization and its product and services.
- As a result, the employee needs that are met are wide-ranging but often include the highest-order needs (e.g., social, status, esteem, autonomy, and self actualization). Because it provides employees an opportunity to meet these needs through their work as their work as well as understand the organization's perspectives, this new model can engender employees' passion and commitment to organizational goals. They are inspired; they feel important; they believe in the usefulness and viability of their system for the common good.

The Major Theories Of Organizational Behavior

Organizational behavioral theories study human behavior in the real world—how employees interact with one another and the organization itself. It further helps businesses apply that knowledge and inform them how they should work to improve efficiency, motivate employees and boost profits. Some of the most influential theories to date include:

1. Scientific Management Theory

One of the oldest management theories, the Scientific Management Theory, was pioneered by **Fredrick Winslow Taylor**. This particular branch of scientific management came to be known as Taylorism..

Taylor believed that encouragement alone wasn't sufficient to motivate employees and boost productivity. The procedure for carrying out tasks needed simplification and employees needed direction to perform better. Therefore, the Scientific Management Theory states that managers and employees should work closely and big tasks should be divided into small and manageable bits.

Taylor also believed in economic efficiency, where employees should be rewarded in line with their productivity levels. However, this theory was heavily criticized for ignoring the social aspects of management such as perspectives, attitudes, biases and expectations.

2. Human Relations Management Theory

Elton Mayo, a psychologist, developed the Human Relations Theory. It developed as a response to the Scientific Management Theory. Mayo believed that humans are complex beings who have unique needs and expectations. Multiple factors influence employee motivation and workplace behavior. Organizations need to focus on social and psychological needs as well. In addition to monetary incentives, healthy group dynamics and recognition of efforts are essential in driving workplace productivity.

3. X & Y Management Theory

It was Douglas **McGregor**, a management professor, who proposed the X & Y Management Theory. He suggested that there are two aspects of human behavior at work. Theory X highlights the importance of heightened supervision—a manager assumes that an employee has little ambition and avoids responsibility. In Theory Y, a manager assumes that a typical employee is keen to work, therefore minimizing supervision. In this scenario, a positive team environment and opportunities for growth are beneficial.

Leadership Theories In Organizational Behavior

Management and leadership skills are closely related to each other. Good managerial skills foster leadership qualities. Here are some of the most popular leadership theories in organizational behavior that were game-changers:

1. Trait Theory

The theory suggests that leaders have innate qualities or traits that help them excel in their roles. Such people are born with several qualities such as intelligence, accountability, creativity and responsibility.

2. Behavioral Theory

This theory shifted the focus from innate traits to behaviors and actions of leaders. Effective leadership is the result of skills acquired over time. Therefore, an individual can learn to become a good leader.

3. Contingency Theory

This theory states that there isn't one way of leading people. It recognizes the importance of various factors that influence a particular situation. A good leader considers those factors and adjusts their leadership style accordingly.

SELF ESTEEM

Self-esteem refers to a person's beliefs about their own worth and value. It also has the feelings that people experience from their sense of worthiness or unworthiness. Self-esteem is important because it heavily influences people's choices and decisions.

In other words, self-esteem serves a motivational function by making it more or less likely that people will take care of themselves and explore their full potential.

There are three (3) types of self esteem. They are inflated self esteem, low self-esteem and high self-esteem.

LOW SELF-ESTEEM:

People, who have low self esteem, think of themselves as below average. They do not believe in themselves, they do not trust in their abilities and they do not place value on themselves. Low self-esteem can affect a lot of things in one's life. Some of the effects of low self-esteem are poor relationships, addiction, depression and anxiety.

- **Poor relationships:** Low self-esteem causes poor relationships because of self-doubt and the belief that one is not good enough for anything of value and going to unbelievable lengths to please the wrong people.
- **Addiction:** People who have low self-esteem mostly tend to use hard drugs and substances to ease the negative feeling they have about themselves. They see the use of hard drugs or alcohol as an escape and thereby exposing themselves to detrimental effects.
- **Depression and anxiety:** Low self-esteem also causes depression and anxiety which is the feeling of sadness and worry or fear. Low self-esteem brings a lack of confidence that leads to anxiety and intense sadness.

HIGH SELF-ESTEEM:

People who have high self-esteem tend to love and accept themselves. They believe in themselves and their abilities. They have the confidence that whatever challenges might come, they will be able to surpass it. Some of the benefits of high self-esteem includes being able to be yourself without the fear of being judged, readiness to accept new challenges, not always searching for approval from other people, readiness to learn new things as you accept that you do not know everything and also take corrective criticism. People who have high self-esteem have enhanced initiatives and pleasant feelings and they are more pleasant to be around.

INFLATED SELF-ESTEEM:

People with inflated self-esteem tend to think of themselves as better than other people and are always ready to underestimate others. This is actually a very negative type of self-esteem because it prevents people who have it from forming meaningful and healthy relationships. They always want to be ahead and most times do not mind hurting people to achieve the success they desire, thinking that will bring them happiness.

People with inflated self-esteem do not have the ability to listen to others . Rather, they constantly blame others and undervalue them. They are always ready to brag to hide their incompetence and they have a great fear of rejection and failure hence the reason they feel the need to camouflage. People like this can change but it has to start with them accepting it. They need to realize that they are humans who are prone to fail and make mistakes.

SELF-CONCEPT is how an individual views based on their habits, skills and temperament.

SELF-CONCEPT AT WORK

Self-concept is the ability to reflect on one's own traits, skills and behavior. **Traits, competencies and values** are the three factors that are part of the self-concept theory.

Traits are specific patterns of behavior that exist within an individual.

Competencies are where an individual grows to understand what skills, abilities and knowledge they have in an organizational environment. Once these skills are identified, the individual will create a self-concept about where they excel at work.

Values are concepts and beliefs about their behavior. An individual's values can be determined by their actions and verbal expressions.

SELF-EFFICACY is the self-confidence in one's ability to accomplish and succeed in organizational tasks.

Self-efficacy is most commonly defined as an individual's belief in his or her capacity to execute behaviors necessary to produce specific performance objectives. It reflects confidence in the ability to exert control over one's own motivation, behavior, and social environment. The concept of self-efficacy helps on how people look at trying new experiences in a profound way.

Contributing disciplines to the field of OB

1. Psychology:

It is the science of human and animal behavior including the application of science to human problems. This field is interested in a very broad range of human thought and behavior. Its contributions have been mainly at the micro or individual level of analysis.

- Learning,
- Motivation
- Personality
- Emotions
- Perception
- Training
- Leadership effectiveness
- job satisfaction,
- Individual decision making

- Performance appraisal
- Attitude measurement
- Employee selection

Sociology

Sociology is the study of human behavior in a social setting consisting of human interaction, social ties, and growth of society, structure, and regulations. Sociology believes humans are social beings, they are in groups.

- Group dynamics
- Work teams
- Communication
- Formal Organisation theory
- Organisational technology
- Organisational change

Social Psychology

Social psychology is the combination of both psychology and sociology. It studies the social behavior and thought of people plus how people think, feel, process, and act. It explains the interaction, interdependence, and influence of people among one another.

The major contributions of social psychology to OB are as follows: –

1. Behavior change
2. Attitude change
3. Communication
4. Group process
5. Group decision-making

Anthropology

Anthropology is the science of humans. It studies the evolution or development stages of human beings consisting of human nature, different societies, and how different cultures are developed.

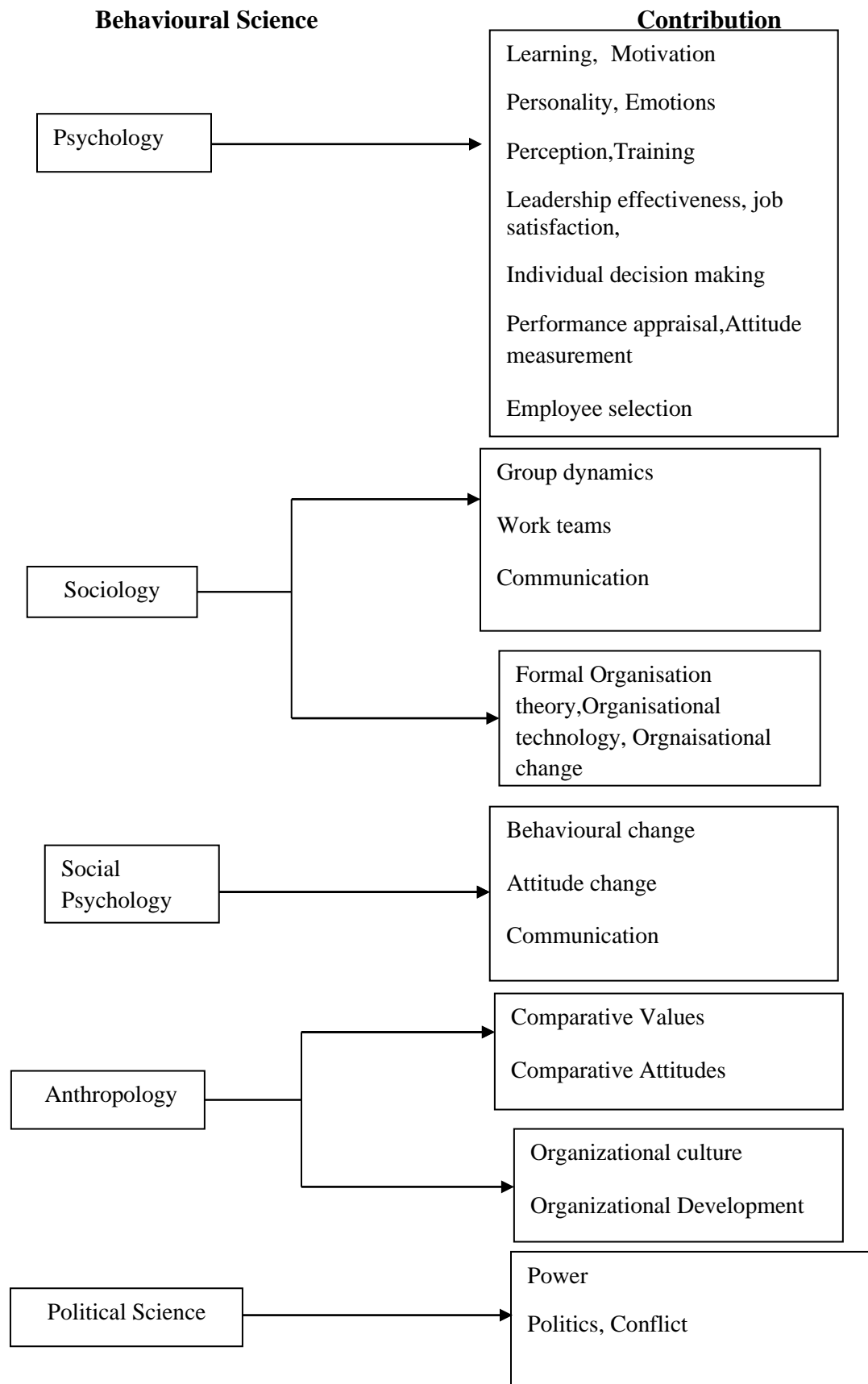
- Comparative Values
- Comparative Attitudes
- Organizational culture
- Organizational Development

Political Science

Political science deals with politics and its practices in different scenarios. It mainly concerns the allocation of power, conflict resolution, group coalition, and how to manipulate power for individual self-interest.

- Power
- Politics,
- Conflict

DISCIPLINES CONTRIBUTING TO THE OB



EVOLUTION OF OB

- The great Greek philosopher PLATO had written about the “importance of Leadership”.
- Great philosopher Aristotle had addressed the topic “Persuasive Communication”.
- In 500 B.C Chinese philosopher Confucius had started “Emphasizing ethics and leadership”.
- In 1776, Adam Smith, economist in his book “Wealth of Nations” he propounded new form of organizational structure based on “Division of labour and Work specialization”.
- Robert Owen is an important name in the history of OB because he was one of the first industrialists who argued for :-
 - Regulated hours of work for all workers
 - Child labour laws
 - Public education
 - Company supplied meals at work
 - Business involvement in community projects.
- German Sociologist, Max Weber developed “a theory of authority structures and described organizational activity based on authority structures”.
- Soon after Max Weber, F.W. Taylor introduced a “systematic use of goal setting and rewards to motivate employees” and also defining clear guidelines for improving production efficiency by his one of the paper called “The Principles of Scientific Management”.
- Henry Fayol, Real father of modern Management defined the universal functions that all managers perform and the principles (14 principles of Management) that constitute good management practices.
- In the late 1950’s people like Abraham Maslow, Douglas McGregor, David McClelland, Fred Fiedler, Herzberg, Freud Sigmund and other behavioural scientists propounded many theories on employee behaviour.

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Unit-II

Definition

Personality can be described as how a person affects others, how he understands and views himself and his pattern of inner and outer measurable traits.

DETERMINANTS OF PERSONALITY

Hereditary:

It is the biological transmission of physical and mental characteristics from parents to children. A person generally inherits the following characteristics:

- The physical structure of a person-height, weight, colour of skin, hair and eyes
- The capacity to learn and respond
- Temperament
- Level of enthusiasm

Social factors:

Social factors also play a crucial role in shaping the personality of an individual.

Parents: parents play a significant role in the personality development of a child. Home is the first school of every child. The child learns basic manners and also acquires certain habits from its parents.

Peer group: It consists of group of persons who all have similar likes and dislikes. If an individual is associated with a group of intellectuals, needless to say he will also be an intellectual.

Situational factors:

The particular situation in which one is placed also puts pressure on him to behave in a particular fashion. A person who appears to be quiet may perform well in crisis. On the other hand, there may be another person who may look aggressive always fail in the critical situation.

TYPES OF PERSONALITY

Introvert

People who are introverts are by nature, quiet. They may be intellectuals but may interact only with a few persons who are close to them. Such people can be successful in assignments of research activities.

Extrovert

Extroverts are those who mingle freely with everyone. They always want to be in the company of a group. Such people can be successful in assignments of sales liaison work.

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Conservatism

Individual who are conservative cannot adapt themselves to the changes. Such people are only fit for work of a routine and repetitive works.

Dynamism:

Such person are flexible and they adapt to the changes undertake in the work involving the use of skill and technical knowledge.

Locus of control:

Internal locus of control: such individual belief that everything happens within his control.

External locus of control: such individual belief that everything happens beyond his control.

Machiavellianism:

It refers to the tendency to influence others for the sake of achieving one's goals.

Type A personality:

Type A people are impatient. They act fast and are always achievement oriented.

Type B personality:

Type B personalities are relaxed and easy going.

THEORIES OF PERSONALITY

Trait theory

The trait theory explains the personality on the basis of the traits of a person. Traits are the distinguishing characteristics of an individual. For Example: every individual has intelligence. But some have a very high level of IQ. Likewise, everyone has the capacity to communicate but some are exceptionally good in their communication ability.

It is not uncommon to identify individuals as honest or dishonest. Generous or stingy, dependable or undependable, energetic or lethargic and so on.

Psycho Analytical Theory

This theory is based on the assumption that human behaviour is influenced more by unseen or unconscious forces rather than conscious and rational thoughts.

It consist of three elements

Id: it refers to an individual inherited psychological impulse or drive. It forces the individual to satisfy certain urges particularly thirst, hunger and sex.

A person, who is starving, may even resort to stealing to satisfy his hunger.

Ego: it makes him to understand reality .ego disciplines a person in the process of satisfying his need and desires by telling him that there is an appropriate time and place for everything.

Super Ego: it denotes the system of norms, values and ethics. It guides the individual in knowing whether his actions are in conformity with the norms of the society.

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Social learning theory:

A person acquires certain behaviour or modifies his behaviour by learning. He learns to behave by observing the actions of others and the consequences of such actions. The behaviour of an individual is influenced by the situation.

Self-theory:

It is based on what a person says about himself. It focuses on the following factors:

Self-image: how one sees oneself

Ideal image: what one would like to be

Looking glass self: perception of a person about how others are perceiving his qualities

Real image: what one actually is

LEARNING

It is the process by which new behaviours are acquired.

Definition

“Relatively permanent change in behaviour potentiality that results from reinforced practice or experience.”

FACTORS DETERMINING LEARNING

Motivation

Nothing occurs without motivation. Needless to say, for learning too motivation is essential. For example, an average student should have motivation to strive hard and become a bright student. If he decides to remain as an average student, a change in performance cannot take place.

Feedback

It is important that the learner gets feedback information of his performance at regular intervals. This enables him to know how far he is progressing and where he stands in relation to requirements. In the absence of such feedback information, the learner may be complacent about his performance.

Reinforcement

Is anything done to strengthen or support desired behaviour. This increases the frequency of desirable behaviour. For example, an employee who is very good in his work is usually given a reward, the reason being that he will excel every time. Such an approach is known as positive reinforcement.

Negative reinforcement

It is necessary to restrain a person from doing what is considered undesirable. For example, an employee coming late always may be imposed a penalty. The reason, obviously, is to discourage the occurrence of such behaviour.

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Environment

The physical environment, first of all be conducive for learning. The interpersonal relationship that determines the social environment is equally important. For example, if among a group of learners, majority is disinterested it will affect a few who are keen to learn

Practise

Practise makes a man perfect.it has greater relevance in learning. The interpersonal relationship that determines the social environment is equally important.

THEORIES OF LEARNING

Classical Conditioning Theory

The credit for developing the classical conditioning theory is given to Ivan Pavlov, a Russian psychologist.

The classical conditioning theory is based on Pavlov's experiments to teach a dog to salivate in response to the ringing of a bell. Pavlov offered the dog meat and noticed that the dog was salivating. Afterwards, without offering meat he merely rang a bell the dog has no salivation.

As the next step he rang the bell before giving the dog meat. This went for some time. Thereafter, Pavlov merely rang the bell without offering meat and noticed that the dog was salivating. The dog, thus learnt to relate the ringing of the bell to the presentation of meat.

The classical conditioning theory has some relevance in understanding human behaviour at work places. For examples the employees can link their pay hike to the better financial position of the employer. In other words, they expect a hike in their pay when they know that the financial position of the organisation is very sound.

Operant Conditioning Theory

B.F.Skinner, a Harvard psychologist is given the credit for his contributions to operant conditioning. According to this approach, behaviour is the function of his consequences. A particular behaviour is likely to be repeated if its consequences are favourable.

The operant conditioning theory, thus focuses on the relationship between behaviour and its consequences.

When an employee who has performed his tasks well, is rewarded, he is likely to repeat his performance in future too. Whatever we don in our daily life is in anticipation of appreciation by others.

Cognitive theory

Cognition is the act of knowing. The cognitive theorist are of the view that the learner forms a cognitive structure in memory that preserves and organises information about the various events that occur in the learning situation. Knowledge of the cognitive theory is also useful in understanding the concept of motivation better.

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Social Learning Theory

It is based on the view that a person learns by observing others-parents, teachers, friends, film artist, superiors and fellow –work men.

The following processes determine the influence that a model will have on an individual.

Attention process: a person learns from a model that has impressed him the most. It is not uncommon to find people taking certain film personalities as their role models and trying to emulate their qualities.

Retention process: the extent to which the individual remembers and retains the actions and traits of the model is yet another important determinant.

Reproduction process: by this we mean the capacity of the individual to reproduce the actions of the model.

Reinforcement: if the individual, reproducing the actions of the model is rewarded by positive incentives, he will be motivated to repeat such actions often.

PERCEPTION

Definitions:

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

“Perception can be defined as the process of receiving, selecting, organizing, interpreting, checking and reacting to sensory stimuli or data” –**Udai Pareek and others**

ELEMENTS OF PERCEPTION

1. Perceiver
2. Target
3. Situation

PROCESS OF PERCEPTION

Stimuli play a vital role in perception. The word ‘stimuli’ is the plural form of ‘stimulus’ which means anything that excites or arouses a person.

The process of perception involves six stages – receiving, selecting.

Stage I Receiving Stimuli:

We receive stimuli through our sense organs- eyes, ears, hands, nose and tongue. Stimuli may be in the form of objects, events or people. Our sense organs receive not only physical objects but also those that have been suppressed.

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Stage II selecting Stimuli:

Of the various stimuli an individual may come across, only some are important and relevant. Several factors influence the selection of stimuli. These are classified into external and internal factors.

Stage III organizing stimuli:

After having selected the stimuli from the environment the next step is to organise these in a proper manner to make the same meaningful.

Stage IV interpreting stimuli:

The next step after the organization of stimuli is interpretation. Interpretation is the process of assigning meaning to the stimuli received and organized. It is influenced by a number of factors. Important among them are the following:

- a. Mind set
- b. Attribution
- c. Stereotyping
- d. Halo effect
- e. Contextual influence

Stage V checking stimuli:

The next stage in the process of perception is that the perceiver has to check whether the interpretation made by him is correct or not. One way of checking that the perceiver should ask himself certain questions and the answers to the questions would reveal whether his perception about someone or something correct.

Stage VI interpreting stimuli:

As the last step, the perceiver has to react to what he has perceived about someone or something. The reaction, obviously, will be positive if the perception is favorable and it will be negative if the perception is unfavorable.

PERCEPTUAL SELECTIVITY/FACTORS AFFECTING PERCEPTION

Perceptual selectivity refers to the tendency to select certain objects from the environment for attention such that these objects are consistent with our existing beliefs, values, and needs.

There is various external and internal factors influence our process of stimuli selection they are

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External factors:

- **Size:** *The larger the size of the object, the more likely that it will be noticed. We are most likely to notice things that stand out because of their size relative to other things in that area. Ex: tall man can easily identify in the crowd.*
- **Intensity:** *Intensity refers to brighter, louder and more colorful objects as compared to other objects around. If all objects are very bright, then the intensity of brightness does not necessarily activate our senses.*
- **Contrast:** *If an object in some way contrasts with its surroundings, it is more noticeable. For example, a warning sign in a plant, such as “DANGER” written in black against a yellow background would be noticed more quickly because of the contrast factor.*
- **Repetition:** *A repeated message is more likely to be perceived than a single message. Work instructions that are repeated tend to be received better. Marketing managers and advertisers use this principle in order to get the customers’ attention.*
- **Movement:** *Moving objects are more likely to be perceived than stationary objects. A flashing neon sign is more easily noticed.*
- **Novelty and familiarity:** *This principle states either the familiar or the novel factor can serve as an attention getter. New objects in a familiar setting or familiar objects in a new setting will draw attention.*

Internal / personal factors:

- **Learning and perception:** *Learning is an important factor in developing perceptual sets. A perceptual set is basically what a person expects from the stimuli on the basis of his learning and experience relative to same or similar stimuli. This is also known as cognitive awareness by which the mind organizes information and forms images and compares them with previous exposure to similar stimuli.*
- **Motivation and perception:** *Motivation also plays an important role in influencing the process of perception. A hungry person would be very sensitive to sight or smell of food than a non-hungry person. When an employee walks into the lunch room, he may go to the table where several of his co-workers are sitting, rather than a table that is empty.*

ATTRIBUTION THEORY

Attribution Theory suggests that when we observe an individual’s behavior, we attempt to determine whether it was internally or externally caused. That determination depends largely on three factors:

- Distinctiveness

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- Consensus
- Consistency

Clarification of the differences between internal and external causation:

- Internally caused behaviors are those that are believed to be under the personal control of the individual.
- Externally caused behavior is seen as resulting from outside causes; that is, the person is seen as having been forced into the behavior by the situation.

Distinctiveness refers to whether an individual displays different behaviors in different situations. What we want to know is whether the observed behavior is unusual.

- If it is, the observer is likely to give the behavior an external attribute.
- If this action is not unusual, it will probably be judged as internal.

Consensus occurs if everyone who is faced with a similar situation responds in the same way. If consensus is high, you would be expected to give an external attribution to the employee's tardiness, whereas if other employees who took the same route made it to work on time, your conclusion as to causation would be internal.

Consistency in a person's actions. Does the person respond the same way over time? The more consistent the behavior, the more the observer is inclined to attribute it to internal causes.

Errors in Attribution:

1. Fundamental Attribution:

There is substantial evidence that we have a tendency to underestimate the influence of external factors and overestimate the influences of internal or personal factors.

2. Self-serving bias Attribution:

There is also a tendency for individuals to attribute their own successes to internal factors such as ability or effort while putting the blame for failure on external factors such as luck. This is called "self-serving bias" and suggests that feedback provided to employees will be distorted by recipients.

BARRIERS TO PERCEPTUAL ACCURACY / FACTORS JUDGING OTHERS

Selective perception:

Any characteristic that makes a person, object, or event stand out will increase the probability that it will be perceived.

A group's perception of organizational activities is selectively altered to align with the vested interests they represent.

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Halo Effect:

The halo effect occurs when we draw a general impression on the basis of a single characteristic. This phenomenon frequently occurs when students appraise their classroom instructor. The reality of the halo effect was confirmed in a classic study.

Contrast Effects:

In the contrast effects we do not evaluate a person in isolation. Our reaction to one person is influenced by other persons we have recently encountered.

Projection:

This tendency to attribute one's own characteristics to other people—which is called projection can distort perceptions made about others.

Stereotyping:

It is judging someone on the basis of our perception of the group to which he or she belongs. It is a means of simplifying a complex world and it permit us to maintain consistency.

SPECIAL APPLICATIONS IN ORGANIZATIONS

1. Employment interview:

Evidence indicates that interviewers make perceptual judgments that are often inaccurate. Because interviews usually have so little consistent structure and interviewers vary in terms of what they looking for in a candidate, judgment of the same candidate can vary widely.

2. Performance Expectations:

Evidence demonstrates that people will attempt to validate their perceptions of reality, even when those perceptions are faulty. Self-fulfilling prophecy or Pygmalion effect characterizes the fact that people's expectations determine their behavior. Expectations become reality.

3. Performance Evaluation:

An employee's performance appraisal is very much dependent on the perceptual process. Although the appraisal can be objective, many jobs are evaluated in subjective terms. Subjective measures are, by definition, judgmental.

4. Employee Effort:

An individual's future in an organization is usually not dependent on performance alone. An assessment of an individual's effort is a subjective judgment susceptible to perceptual distortions and bias.

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ATTITUDE

Attitudes are evaluative statements either favourable or unfavourable concerning objects, people or events. They reflect how one feels about something.

FORMATION OF ATTITUDE

Personality traits:

Personality traits vary from one person to person. Certain individuals are by nature brisk enthusiastic energetic enterprising, ambitious, creative and so on. On the other hand who are basically lazy, dull, disinterested and dissatisfied. It is said that one man's food is another man's poison. A job found interesting and challenging by one individual may be found by another to be monotonous and efficient.

Direct experiences:

A person forms attitudes based on what he experiences in daily life. If a particular superior is hostile towards a subordinate, the latter may find the former unreasonable and of exploiting nature. The same superior may be kind to another subordinate and such a subordinate may find the superior friendly and kind.

Socio-economic background:

Attitudes are formed based on the socio economic background of a person. For example: a person belonging to the working class would consider any policy affecting the workers as an anti labour policy.

The employers hold the view that the workers are only keen on what is good for them rather than what is good for the organisation.

Learning

Attitudes are also learnt. A person usually learns and forms attitude due to the influence of his family, the peer group and the media.

Influence on the family:

The attitudes of a person towards religion, profession, type of food etc. are due to the influence of the members of his family.

Influence of the peer group:

The Influence of the peer group in moulding a person's attitude cannot be denied. The peer group consists of persons with similar likes and dislikes. A person may be subject to the influence of the peer group while at school or college or at the workplace. An individual who cannot be influenced by the peer group will find himself as isolated.

Influence of the media:

The media too play a significant role in the matter of attitude formation. A person's attitude towards political parties, cinema artists, sports personalities, educational institutions, degree courses etc. is certainly influenced by the media, particularly, TV newspaper .

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Organisational factors

The work related attitudes are:

Job satisfaction

A person has job satisfaction if he likes his job. Such a person, obviously has a positive job attitude. It is difficult to identify the particular factor that gives a person job satisfaction. Some of these are

- Pay
- Nature of work
- Decision making authority
- Scope for initiative
- Opportunities for advancement
- Inter personal relationships

Job involvement

The extent to which a person is able to identify himself with his job is aht is called job involvement. A person usually has job involvement if he:

- Regular for work.
- Attainment of the target
- innovative

Organisational commitment

An employee has organisational commitment. If he is able to identify with his organisation. The important indicators of organisational commitment are :

- Low rate of absenteeism
- Low rate of labour turnover
- Low rate of complaints and grievances
- Avoidance of strike and lock outs

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STRESS MANAGEMENT

Meaning

A person undergoes stress when he feels that he is ill-equipped to carry out the tasks assigned to him.

Causes of stress

PERSONAL FACTORS

The personal factors responsible for stress include the following:

Ability:

The mental and physical capacity of a person to face critical situations in life is probably one of the important personal factors that cause stress. Some people are capable of facing any type of crisis. On the other hand, there are people who do not have the capability to face critical situations.

Perception:

What is considered a critical situation by some may not be considered as such by others. In fact, whether a problematic situation has arisen in the organisation or not depends upon the perception of the people who are employed in it. Some people cannot perform any out of routine work because they perceive it to be difficult while there are people who are always prepared to accept any challenge.

Level of self confidence:

Some people basically lack self –confidence. Needless to say in a crisis for such people the level of self confidence deteriorates further and affects performance. People who have supreme self – confidence are not likely to undergo stress.

Experiences:

Well experienced employees would have come across difficult situations several times in their career and therefore are aware of the tactics to be used. They don't breakdown when a crisis arises. The inexperienced employees on the other hand are normally prone to stress conditions more.

Desire for work:

The desire of an employee for work is another important personal factor. An employee with a desire for work is always keen on performing his task and only completion of the task will give him peace and happiness.

ORGANISATIONAL FACTORS

Nature of job:

An employee who has to face greater challenges in his job, almost on a daily basis, undergoes stress often. It may not be so in the case of employees doing routine work. In this context sales representative and labour welfare officers face stress conditions more often than cashiers and accountants.

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Superior subordinate relationship:

Cordial superior- subordinate relationships are essential for the smooth functioning of any organisation. If the superiors adopt a friendly approach in their dealings with the subordinate staff are prepared to offer any kind of help, the subordinates working under such superiors are not likely to experience stress.

Inter –personal relationships:

Interpersonal relationships get strained due to unresolved conflicts. Such strained relationships affect cooperation and teamwork and also make the work environment unpleasant.

Targets to be reached:

An employee who is not able to attain the target set for him either because the target is unreasonable or he is ill-equipped. If the same trend continues he is sure to develop stress conditions.

Time pressure:

The target to be attained by an employee is always with reference to a time-frame. As the deadline, within which the work has to be completed, approaches fast the work pressure increases

Physical working conditions:

The existence of improper working conditions may also contribute to job stress. By improper working condition we mean absence of physical facilities like lighting, ventilation, drinking water, toilets etc. Poor working conditions affect both the physical & mental health of the employees.

Hours of work:

If the hours of work are too long the employee is made to work continuously without the required interval breaks. He is sure to become tired physically and mentally.

CONSEQUENCES OF STRESS

PHYSICAL PROBLEMS:

- Headache
- Hyper tension
- Lack of appetite
- Sleeplessness
- Indigestion

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PSYCHOLOGICAL PROBLEMS

- Frustration
- Emotional stability
- Nervousness
- Anxiety
- Irritable mood
- Depression

BEHAVIOURAL CHANGES

- Excessive smoking
- Abuse of alcohol
- Late coming
- Absenteeism
- Decline in performance

Problems faced by the organisation

- Low productivity
- Low quality output
- Loss of man hours
- Excessive complaints

MANAGING STRESS

These are basically three approaches to stress management

Prevent

- Assignment of work according to each individual's capabilities
- Provision of better working conditions
- Better superior –subordinate relationship
- Maintaining equality
- Equity in distribution of work load

Escape

- Seeking transfer
- Opting for voluntary retirement
- Finding alternative employment

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Cope with stress by the following measures:

- Understanding self- one strength & weakness
- Doing the work in the systematic manner
- Avoiding long hours of work
- Avoiding people who cause stress
- Maintaining a balanced healthy diet
- Doing regular physical exercise
- Relaxation of mind

MOTIVATION

Meaning

Motivation means a process of stimulating people to action to accomplish desired goals.

Motivation Process:

Motive → Goals → Behavior

Motive: It is the behavior of an individual

Goals: Motives are directed towards the goals

Behavior: Behavior is directed to achieve goal. It is also a series of activities to be undertaken.

Types of motivation

- Positive motivation

It deals with the reward given by organization in terms of appreciating the work of employees.

Factors of positive motivation

- Appreciation
- Increase in pay

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- Promotion
- Extra bonus
- Rewards

Negative motivation

It deals with the punishment given by the organization for the employees to discourage their work

Factors of negative motivation

- Demotion
- Transfer
- Loss of pay

Financial motivation

It deals with the financial incentives given to the employees.

Factors of Financial motivation

- Increase in salary
- Increase in bonus
- 'Profit sharing
- Fringe benefits

Non financial motivation

It deals with the appreciation provided by the organization to the employees.

Factors of non financial motivation

- Reward
- Appreciation
- Recreation activities

Theories of Motivation

- a. Maslow's Need Hierarchy Theory.
- b. Herzberg's two-factor Theory.
- c. McClelland's Need Theory.
- d. Vroom's Expectancy Theory.
- e. Theory x and y
- f. Theory z

Maslow's Need Hierarchy Theory

- Physiological Needs
- Safety needs
- Social needs
- Self-actualization needs and
- Esteem Needs.

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Physiological Needs

These are the primary or the basic needs of a person that must be fulfilled. These include, among others, food, clothing and shelter that are vital for the survival of mankind.

Safety Needs

The safety or security needs emerge once the basic or physiological needs of a person are fulfilled. Job security is one such need.

Social Needs

At this stage, a person wants friendship, companionship, association, love and affection of particularly those with whom he mingles often.

Esteem Needs

These needs arise in view of a person's desire to have his ego satisfied.

Self-actualization Needs

According to Maslow, a person, who reaches this stage, wants to achieve all that one is capable of achieving. In other words, a person wants to perform to his potentials.

Herzberg's two factor Theory

- a. Hygiene Factors and
- b. Motivational Factors

Hygiene Factors

According to Herzberg, hygiene factors do not actually motivate a person but their absence will lead to dissatisfaction. The levels of job satisfaction among the employees are:

1. Company policies and Administration
2. Type of supervision
3. Inter-personal relationships
4. Working conditions
5. Salary
6. Job security
7. Status

Motivational Factors

The motivational factors are also known as intrinsic factors. According to Herzberg, the presence of the intrinsic factors will motivate the employees but their absence will not lead to dissatisfaction.

1. Work itself
2. Achievement
3. Recognition
4. Advancement
5. Growth and
6. Responsibility

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McClelland's need Theory

McClelland developed a theory on motivation on identifying three needs that induce people to work. These are

- Achievement need
- Affiliation need and
- Power need

Achievement need

It Exhibit the following characteristics:

- Employees set goals that are neither impossible nor too easy to attain.
- These people are indifferent to rewards
- People with a desire for achievement always seek feedback information on their performance to assess themselves.
- Further, these people will always be thinking of the task they have undertaken and the ways of accomplishing it successfully.

Affiliation need

People with affiliation need want to be in the company of others. It is for this reason that informal groups are formed within a formal organization.

Power need

Power may be defined as the capacity of a person to influence others. Such a capacity may accrue to a person by virtue of his personality traits-his knowledge, skill, intelligence and so on. The official right of a person may also give him the capacity to command or influence others.

Vroom's Expectancy Theory

Vroom developed a theory on motivation called the 'expectancy theory'. He tried to explain motivation through the following concepts:

1. Valence,
2. Expectancy and
3. Instrumentality

Valence

Valence refers to the strength of a person's desire for a particular outcome.

Expectancy

The extent to which a person believes that his effort will lead to the desired performance is what is called expectancy.

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Instrumentality:

It is the relationship between valence and expectancy.

MC GREGOR'S THEORY X AND THEORY Y

This theory depicts the positive and negative approach to the employees in the workplace.

Theory X deals with the negative perspective and Theory Y deals with positive perspective.

Theory X

- People in general dislike work
- Most people are not ambitious but not responsibility
- People in general lack creativity
- Close supervision is required

Theory Y

- People love to do work
- With proper motivation people can certainly achieve goals
- Management has a positive approach towards employees which helps them to display their ideas and skills.
- Workers are good at self direction

WILLIAM OUCHI'S 'Z' THEORY

The proposals of ouchi in his 'z' theory are given below:

- Lifetime employment should be granted to all employees in order to establish a strong bond between them and the enterprise.
- In the matter of employee promotion. Ouchi favours horizontal mobility of employees instead of vertical mobility.
- To motivate employees, they must be made to work with their superiors on certain specific projects.
- Within the enterprise employees must be frequently shifted from one just to another. This would make them understand the significance of easily job.
- The mutual relationships between the individuals in the organisations must be based on trust, openness and co-operation.
- For the sake of satisfying multiple employee needs, the work environment must be made stable.

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MORALE

Meaning:

Morale is the attitude of an organization towards their job, the management, the fellow-employees, the superiors and the subordinates. Such an attitude may be positive or negative.

Positive: employee will perform their job with lot of enthusiasm and commitment.

Negative: employees will show no interest in work.

Definition:

1. Morale is a state of mind or willingness to work which in turn affects individual and organizational objectives.
2. It is the willingness to strive for the goals of a particular job.
3. According to **Michael .J.Jusius**, morale consists of
 - What it is?: It is an attitude of mind
 - What does it affect?- It affects output, quality of a product, cost, goodwill, group behavior of the organization
 - Where it is? –It resides in the minds and emotional feelings of an individual
 - Whom does it affect? –It affects customers, co-workers- public

Characteristics of Morale:

- It denotes group attitudes
- It is a psychological concept
- It may be high or low
- It is tangible
- It is relevance only for the human resources

Factors influencing morale:

- Nature of work
- Service conditions
- Type of managers
- Interpersonal relationships
- Work environment
- Personal factors

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Consequences of low morale:

- Lack of enthusiasm
- Low performance level
- Poor quality of work
- High rate of absenteeism
- High rate of labour turnover
- Excessive complaints and grievances
- Increase in conflict in the workplace
- Loss due to handling tools and machines
- Scope for industrial accidents
- Loss of goodwill

Morale and Productivity

High Morale and High Productivity: High employee morale results in high productivity when the following conditions are present.

- There is no clash between personal and organizational goals
- The superior and subordinate relationship is cordial
- There is perfect understanding between employees
- The working conditions are conducive for work
- The employees are properly motivated through financial and non financial rewards.

High Morale and Low Productivity:

- Lack of planning and execution of business activities
- Unavailability of raw materials
- Unavailability of power
- Break down of machines
- Fall in demand for the company's goods and services
- Lack of working capital

Low Morale and High Productivity

- Fear of pay cut
- Fear of disciplinary action
- Fear of losing job

[Type text]

- Enterprise relying more on machines

Low Morale and low Productivity

- Poor superior subordinate relationships
- Misunderstanding between employees
- Work pressure
- Inadequate supervision
- Personal worries

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Unit – III

CONFLICT

It is a dispute which arises between the people employed in the organization. It may also mean as a clash of interest.

Definition:

“Conflict is the condition of objective incompatibility between values and goals”-**Ralph and Kenneth Thomas.**

REASONS FOR CONFLICT

Difference in perceptions:

The main reason why conflict arises in the workplace is that the perception of employees of any organizational matter differs. If one person favors the management proposal to revise timings another person may oppose it.

Differences in values:

Difference in the value system of individual is yet another factor contributing to conflicts. For example, an employee, who has certain grievances, may want to show his protest to the management by striking work. On the other hand, another employee who also has grievances may show his protest by fasting in the workplace. It is mainly because of the differences in the value systems of different individuals.

Inter –dependence:

Conflicts arise due to the problem of inter-dependence between individuals and departments. For example, marketing depends on production, production depends on purchase of raw materials and availability of labor which in turn depends on the availability of finance. This provides a scope of a conflict.

Unattainable targets:

Some supervisors set targets for their subordinated that are unattainable. It might have been done intentionally or unintentionally. In any case it provides scope for conflicts in the workplace.

Goal differences:

Different work groups having different goals have in compatible goals. For example, in a cable television company, the salesperson goal was to sell as many new installations as possible. This created problem for the service department, because its goal was timely installations.

Values and ethics:

People also hold different beliefs and adhere to different values system. Older worker value company loyalty and probably would not take a sick day when they were not really sick. But the younger people value mobility. They may take a sick leave to get away from work.

TYPES OF CONFLICTS

- When conflicts occur within an individual is called as intrapersonal conflict.
- Conflict occur between two or more people is called as interpersonal conflict
- When conflict occurs between groups or teams it is called as intergroup conflict.
- Conflict that occur between two or more organization is called as interorganisational conflict

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STAGES OF CONFLICT

Latent conflict

At this stage conflict has not taken a definite shape. It may arise in the subconscious mind of a person. All the causes of conflict are lying hidden.

Perceived conflict:

This is the second phase of the conflict process. Here the parties become aware of the existence of the causes of conflict.

Felt conflict:

Having perceived the conflict the parties at this stage begin to feel it . They become emotionally involved in the conflict.

Manifest conflict:

At this stage the parties begin to show their hostile feelings outwardly. As a result interactions between the parties become less, flow of work gets affected and co-ordination becomes difficult.

Conflict Aftermath:

This is the last stage of the conflict process at this stage; the conflict may be either suppressed or resolved amicably depending upon the attitude of the parties and the prevailing conditions.

RESOLUTION OF CONFLICT

Avoidance:

Here the parties concerned may withdraw from the conflict physically or mentally. Both the parties show no interest in pursuing the issue after raising it. Avoidance however cannot solve the problem. It takes the parties to a “lose-lose” situation.

Smoothing:

In this approach one party to the conflict tries to accommodate the other party’s interest. It places emphasis on concern for others. The party accommodating may suffer detriment. It results in a “lose win” situation.

Forcing:

In this case, one party tries to be aggressive so that he can achieve his goal . he has no concern for the other party. It may result in a “win lose situation.”

Compromising:

It is a strategy in which one party is willing to give up something in exchange for gaining something else. By doing so the party is able to take care of himself and also the other party. Such a strategy may not produce any definite outcome.

Confronting:

In this case both the parties are determined to work to find a solution by a mutually acceptable plan. It is a problem solving approach. It seeks to maximize the attainment of both the party’s goals. It may take the parties to a win-win situation.

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GROUP

Meaning:

A group may consist of any number of persons. But the group members must have continued interaction with and must be psychologically aware of one another.

REASONS FOR FORMATION OF GROUPS

People come together to join and form groups for a variety of reasons important among these are:

Nearness and interaction

In the workplace, the employees work close to each other. During the course of their work, they may have to interact with one another. Such an environment may induce them to form groups.

Capacity to influence

The capacity of each individual in the organization to influence another by reason of work or work related issues is another factor that results in formation of groups.

Need for security

One of the main reasons for the formation of groups in organization is the need for security. If the employer creates an environment in which employees feel insecure, they have to come together as a group, namely, the union to safeguard their interests

Common interests

People with common interests, likes and dislikes often come together. This happens in an organization too. The subject matter of interest may be something connected with their work or it can be anything like politics sports, hobbies etc.

Recognition

A person who feels that all his endeavors must be recognized and appreciated will identify himself with some group in the organization.

TYPES OF GROUPS:

Group may be classified into the following types:

- Formal groups
- Informal groups
- Membership groups
- Reference groups
- In-out
- Out-group
- Open groups
- Closed groups
- Task group
- Command group
- Project group
- Committees
- Interest group

Formal groups

A group that is officially, deliberately and consciously created to perform certain tasks is known as a formal group. Such a group has a hierarchical structure.

Informal groups

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An informal group is one that is unofficially created. It arises owing to personal relationships between the individuals in an organization. Factors such as friendship language, religion, hobbies, personal likes and dislikes influence the formation of informal groups.

Membership groups

A membership group is one to which an individual actually belongs whether or not he is satisfied with the norms, values, belief and practices of such a group.

Reference groups

A reference group is one with which the individual actually identifies himself.

In-groups

An in-group is one to which we belong. The members of an in-group have certain values, beliefs, ideals and norms that act as a binding force.

Out-groups

The out-group is one to which we do not belong. It consists of members who hold values, beliefs, ideals and norms that are quite opposed to those of the members of the in-group.

Open groups

An open group is one that is in a constant state of change. Its membership keeps fluctuating, i.e., existing members may leave and new members may join.

Closed groups

A closed group is one that is quite stable. It maintains stable membership and does not shed established practices. It, therefore, can have proposals for a fairly longer period of time.

Task group

A task group comprises of a persons working together to complete a common task. However a task group can cross command relationships.

Project group

Project groups are formed to complete a specific project. The life of a project group normally coincides with the length of the project.

Command group

A command group is composed of a supervisor and the subordinates who report directly to that supervisor. A command group is determined by the organizational chart.

Committees

Committees are usually created outside the usual command group structure to solve recurring problems.

Interest group

Interest group is composed of individuals who may not be members of the same organization, but they are united by their interest in a common issue.

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STAGES OF GROUP FORMATION

FORMING:

The first stage for almost every group is an orientation stage. The members get to know each other and seek to establish the ground rules. This stage is marked by great deal of caution, courtesy and uncertainty

STORMING:

This stage is characterised by conflict, concern and criticism .The members come to resist control by group leaders and show hostility.

NORMING:

This is the stage in which close relationship among the members develops. The group evinces group cohesiveness. The group members now become united and find the way achieve organisational goal.

PERFORMING:

This is the highest level of group maturity. This stage is marked by teamwork, role clarity and task accomplishment. The members of the group are aware of group's processes and extent of their own involvement in the group to achieve the target.

ADJOURNING:

In this stage, the group achieves the common goal and the members decide to disband and close the group with sentimental feelings.

GROUP DECISION MAKING PROCESS

Diagnosing the Problem:

Decisions are made to solve the problems. Hence, the first step involved in decision making process is to identify the problem to be solved.

Developing Alternatives:

Decisions are made out of alternatives. Therefore alternatives are developed through different sources like experiences, practises in other organisations and ideas and suggestions from different parties related to the diagnosed problem.

Evaluating the Alternatives:

After developing the alternatives, those are evaluated one by one to know their positive and negative points.

Implementing & Monitoring the Decision:

The last step involved in the decision making process is implementing the selected alternative and then monitoring it. Monitoring include activities like seeing whether the activities are taking place according to the plan or not. If not, appropriate measures need to be taken to correct the situation.

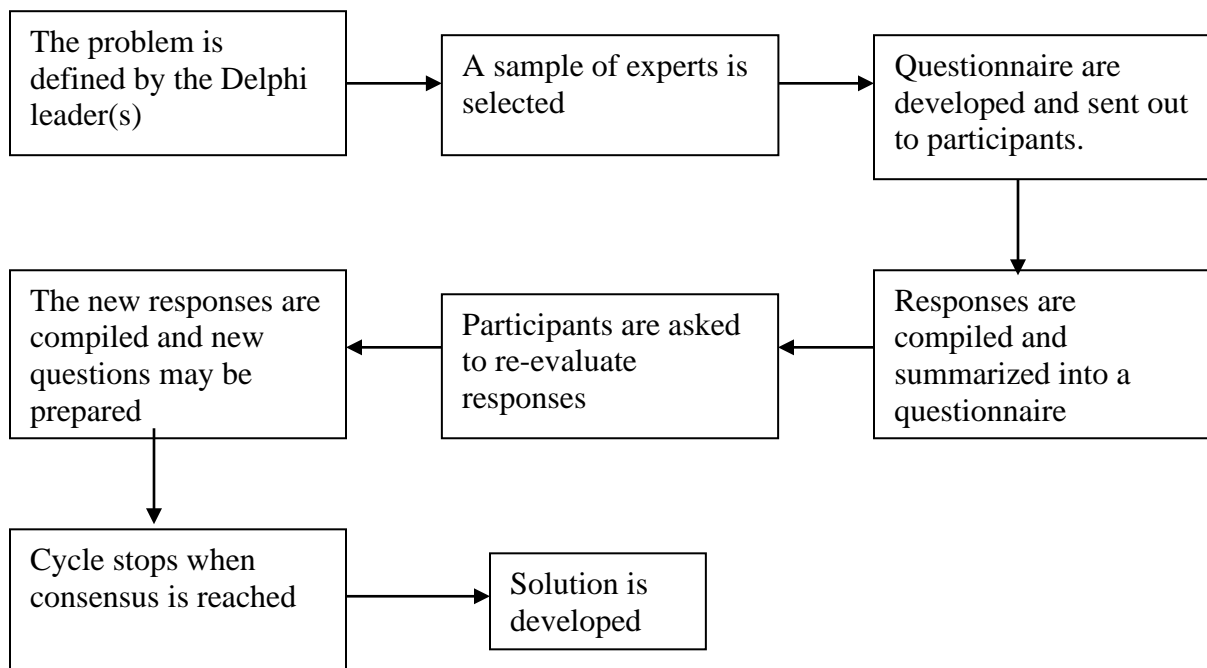
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Techniques of Group Decision Making

Brain Storming:

It was developed by Osborn in 1938 in an American company for encouraging creative thinking in groups of six to eight people. According to Osborn, brainstorming means using the brain to storm the problem. In this method the group of knowledgeable person will be connected with the problem directly or closely. It is based on the following four basic guidelines:

- Generate as many ideas as possible
- Be creative, freewheeling and imaginative
- Combine earlier ideas
- Withhold criticism of others ideas.



DELPHI METHOD:

The name indicates a shrine at which ancient Greeks used to pray for information about the future. In Delphi technique of decision making members are scattered over large distances and do not have face to face interaction for decision making. Members are selected because they are experts or have relevant information to share. A typical approach in decision making works as follows:

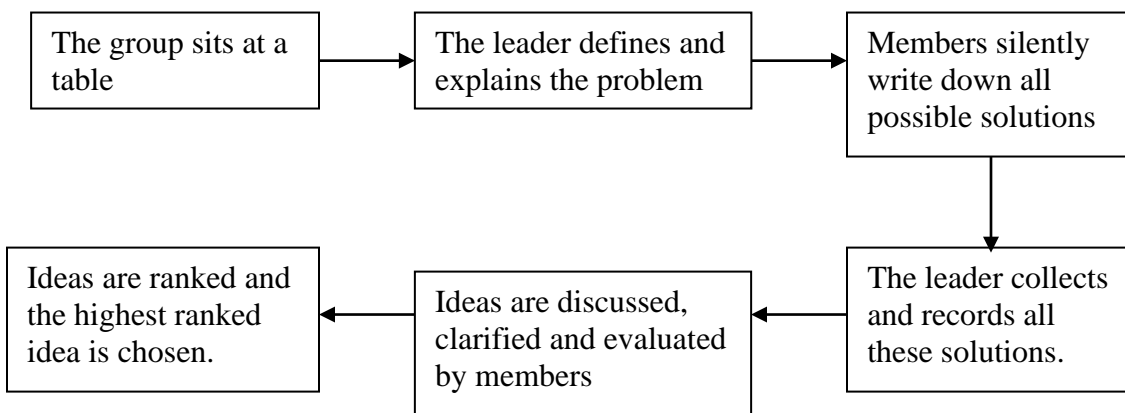
Firstly a small group of members designs a questionnaire which is administered in a larger group. The results so obtained are then tabulated and used in developing revised questionnaire. The questionnaire is then completed by the larger group. The results of the first round are fed back to the respondent group to use these in their subsequent responses. The process is repeated several times until the response converges satisfactorily.

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NOMINAL GROUP TECHNIQUE:

The nominal group technique minimises the problems. In the NGT, a nominal group exists in name only. The members have minimal interaction prior to making a decision. The NGT follows the following process:

- Members are brought together and presented a problem
- Each member develops solution or ideas independently and write them on the cards
- Each members present his or her ideas to the group in around-robbin procedure.
- When the presentations of ideas by each member is over ,brief time is allotted to clarifications of ideas or solutions
- Group members individually rank their preferences for the best alternatives.
- Based on the above the group decision is announced



QUALITY CIRCLE MEETING

Quality circle is a work group of employees who meet regularly to discuss their quality problems, investigate causes, recommend solutions and take corrective measures. It is a small group of employees who work voluntarily on company time to address work related problems such as

- Improvement in quality of product manufactured
- Improvement in methods of production
- Development of employees participating in QC
- Promoting morale of employees
- Respect humanity and create a happy workplace worthwhile to work

POWER

It is the capacity of the persons to influence the other persons and events.

DEFINITION

‘‘Power is the ability to influence people or things, usually obtained through the control of important resources’’-**White and Bednar**

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SOURCES /TYPES OF POWER

Reward Power:

It refers to the leader's ability to control the payment of salaries, wages, commission, fringe benefits etc. it is based on the belief that "wealth is power".

Coercive Power:

It is the capacity of the leader to award punishment to subordinates in the form of suspension, transfer, demotion and so on.

Legitimate power:

It indicates the official power of the person. Legitimate power is formal in an organisation where the superior delegates his authority to the subordinates. For example, in our society, we recognise the power of the aged people to influence certain decisions.

Referent power:

It refers to certain unique qualities of a leader that induce his followers to emulate them. In our society many film personalities and sportsmen are able to influence their fans. The latter take the former as their role models.

Expert power;

It accrues to the individual by virtue of his knowledge and skill. It is based on the belief that "Knowledge is power"

POLITICS

When the person uses the same to favour some in the organisation much against the interest of others is called as politics.

DEFINITION

It refers to those activities that are not required as part of one's formal role in the organisation ,but that influence ,or attempt to influence ,the distribution of advantages and disadvantages within the organisation .

OUTCOME OF POLITICS /REASONS

- Suppressing facts
- Spreading rumours
- Leaking confidential information
- Lobbying for or against an individual
- Horse trading

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FACTORS CONTRIBUTING TO ORGANISATIONAL POLITICS

Financial needs

Every department or division in an organisation has its own financial requirements for undertaking developmental activities. In practise, the top management may not give equal treatment to the entire department in the matter of providing financial help.

The officials in certain departments who maintain good rapport with the top management are in a better position to get the funds they want.

Performance appraisal:

Every manager has to evaluate the performance of the subordinates working under him. He may certify those subordinates whom he likes and who are loyal to him as very good.

Promotion transfer:

Another area where there is greater scope for politics in the matter of employee promotion and transfer. An employee awaiting promotion may not be promoted. On the other hand another junior employee may succeed in getting promotion. Factors such as religion, caste, sex etc. play a crucial role in such matters.

Style of leadership

If the leader is democratic in his approach, there may not be much scope for politics. On the other, if he is an autocrat, the subordinates working under him may begin to work against him by forming groups and coalitions

Career advancement

Employees do expect career advancement benefits and for this reason they may have to enrich their academic qualifications and skills. Sometimes all the employees may not get equal opportunities to enrich themselves .this may prompt some employees who are good in lobbying may finally succeed.

MEASURES TO CONTROL POLITICS

Making policies & procedures clear:

The ambiguity in the organisational policies and procedures should be removed. If everything is stated in clear terms, the scope for politics can be considerably reduced.

Top officials serve as the role models

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The top officials in the organisation should be men of integrity. They should act as role models for others.

Warnings:

If any person in the organisation is found to be indulging in politics, he must be warned and informed that no such act would be tolerated in future.

Objective assessment of performance:

Assessment of performance should as far as possible, be objectively done. It is only subjective assessment that gives scope for politics.

Open communication

Clarity helps in maintaining dysfunctional effects of political behaviour. Open communication among people help to control over information and in turn discourages political behaviour among them.

Awareness:

Making people aware of the causes and consequences of politics make them to resist temptations of resorting to political behaviour.

LEADERSHIP

A leader is a person who guides and directs others called followers.

DEFINITION

“Leadership is the ability of a manager to induce their sub ordinates to work with zeal and confidence”- Knootz and Donell.

Qualities of a Leader

Self confidence:

A person cannot be successful leader if he lacks self confidence. If he has confidence in himself, he will be able to overcome resistance from anyone for its proposals.

Positive thinking:

Leader must be an optimist. He must always have a positive attitude towards his work. Only then he will be able to instill such a feeling in his followers.

Communication skill:

Successful leaders are always known for the communication skills. Such skills are essential to direct the followers to work for attaining the desired goal. Moreover, the leader will always be able to defend himself .If he possesses good communication skill.

Role model

The leader must set an example to his followers. He must practice what he preaches.he must say what he does and do what he says. He must be such a person that his followers always want to emulate him.

Ability to analyze:

The leader must be able to analyze any problem and offer an immediate solution. He should be alert mentally.

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Understanding:

The leader must be capable of taking certain bold decisions. For this he must have mental courage. He need not play safe by just endorsing the decisions of others.

Capacity to motivate:

The leader must be able to induce and motivate his followers to work for the mission he has undertaken.

Foresight:

The leader must be able to judge what is good under the given circumstances. Only then he will be able to evolve certain practical decisions.

LEADERSHIP STYLE

Autocratic leader: *(like military type, strict rules to be followed, no participative decision making)*

An autocratic leader wants his subordinates to work in the manner he wants. He tells them what to do, when to do, where to do, whom to do and how to do. The subordinates have to report him at regular intervals to show their progress of work.

Merits

- It is suitable only when the subordinates are lazy.
- It helps to make quick decisions.
- As subordinates are under constant threat of disciplinary action, they are always cautious.
- Inefficient and insincere workers can easily be identified and removed from service.

Demerits

It kills initiative of work and results in frustration among workers.

It often provides a chance for conflicts between the leader and his followers

After sometime subordinates may stop obeying the orders of the leaders

Democratic Leader *(otherwise called participative, discuss the problems and provide solutions)*

A democratic leader does not make unilateral or one sided decisions. He provides scope for his followers to participate in the decision making process. He allows his subordinates to discuss the problem and put forth their views freely.

Merits

- As the followers are able to participate in the decision making process, they feel motivated.
- The decision finally made is mutually acceptable.
- There is no resistance from the subordinates
- It improves the job attitude of the subordinate staff.
- The labor management relationship is bound to improve

Demerits

- It may result in delay of arriving a decision.
- It may sometimes, be very difficult to evolve a solution that is acceptable to everyone.

Laissez Faire/Free Rein Leader *(full freedom, self direction of employees supported with the leader)*

A laissez faire leader gives full freedom to his followers to act. He does not lay down guidelines within which his followers have to work. He neither influences the subordinate's

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decisions nor does he interfere in the process of decision making. He does not exercise the formal authority of a leader.

Merits

Subordinates have full freedom to act; their level of motivation is bound to be very high.

- Those subordinates who are highly efficient can make use of the freedom given to them to excel.
- The superior-subordinates relationship is bound to be very good.

Demerits

- The laissez faire leadership style will produce good results only if the subordinates are all highly efficient and capable of doing their work independently.
- Control become very difficult
- The leader does not exercise this formal authority

Institutional leader (*as leader by virtue of its office position*)

An institutional leader is one who has become a leader by virtue of his official position in the organization hierarchy. For example, a person appointed as the general manager of the concern.

Merits

- He has official authority to act.
- He can demand performance from subordinates irrespective of his own credentials.

Demerits

- As the institutional leader may not be an expert in his field of activity, he will not be in a position to offer proper guidance to his followers.
- Although the leader has the official right to demand performance from his followers, he may not have the moral right, as his own credentials are less

Paternalistic leader (*a kind of parental care with the qualities of leadership*)

A Paternalistic leader takes care of his followers in the way the head of the family takes care of his family members. He is concerned with the well being of his followers and is always ready to protect them. The paternalistic leader is able to be sociable but is not able to offer intellectual help.

Merits

- He assumes a paternal role to protect his followers.
- He is always ready to provide the necessary physical amenities to the subordinates.

Demerits

- He is not in the position to offer intellectual help to his followers.
- Those followers, who are capable and achievement oriented do feel frustrated, as the leader is not able to guide them to enrich their job knowledge and skill

LEADERSHIP THEORIES

1. Trait theory

This theory is based on the assumption that that a leader should possess certain qualities or traits. Many such traits are given below

- ✓ Intelligence

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- ✓ Communication skill
- ✓ Judgment
- ✓ Knowledge
- ✓ Mental ability
- ✓ Emotional ability
- ✓ Courage
- ✓ Imagination
- ✓ Physical appearance
- ✓ Determination

2. Behavioral Theory

According to this theory, the act of a person depends upon his personal traits. The behavior of a leader may attract his followers. The interaction between the leader and the follower, the goals and the environment will bring out the right behavior.

3. Situational Theory

This theory indicates that the behavior of a leader is influenced by the situation. It concentrates on the following

- The leader –subordinate relationship
- The nature if the task of the subordinate
- The ability if the leader to influence the subordinate

4. Life-Cycle theory:

This theory was developed by *Paul Herssy and Kenneth Blanchard*. This model focuses on the “maturity” of the subordinates can be designed as their ability and willingness to take responsibility for directing their own behavior in relation to a given task.

The levels of maturity are:

- Telling
- Selling
- Participating
- Delegating

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UNIT –IV

ORGANISATION CULTURE

Culture signifies values, beliefs & norms which prevail in society.

Ways to learn culture

- Formal learning
- Informal learning
- Technological learning

Ways to create organization culture:

Founders values and beliefs:

The founders of every organization have certain values and beliefs. The people employed by them must work with them to realize and sustain the goals and values for which the organization itself has been established.

A business organization, for example, may be established with the sole objective of selling essential consumer goods of good quality at the lowest price.

Critical incidents:

Critical incidents that may arise in an organization may also pave way for the creation of a certain culture.

A very high rate of labor turn over owing to low pay, for example, may force the management to evolve a sensible pay policy.

Basic types of culture

- Sub culture
- Dominant culture
- Strong culture
- Weak culture
- Authoritarian culture
- Participative culture

Sub culture

It refers to a set of values that are shared by the employees of a particular department in an organization.

Dominant culture:

It refers to the set of values that are shared by all the members of the organization.

Strong culture:

It refers to the core values that are intensely held and widely shared by all the members of an organization. The employees in such organization will possess positive attitude.

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Weak culture:

The core values are not intensely held and widely shared by all the members of an organization. The employees in such organization will obviously possess negative attitude. The rate of labor turn over is also likely to be high.

Authoritarian culture:

The leader of an organization exercise full control over the subordinates who have to strictly carry out the orders and instructions of the superiors.

Participative culture:

It is based on the belief that the subordinates are motivated to work better when they are involved in the process of decision making. In this culture employees and superior work together to achieve the common target.

Ways to create or maintain culture

Culture can be framed in an organization by two factors

- External factors
- Internal factors

External factors have to do with how the organization will find a niche in and cope with its constantly changing external environment. External factors include the following:

Mission and strategy: Identifying the primary purpose of the organization and selecting strategies to pursue this mission.

Goals: Setting specific targets to achieve.

Means: Determining how to pursue the goals, including selecting an organizational structure and reward system.

Measurement: Establishing criteria to determine how well individuals, teams and departments are accomplishing their goals.

Internal factors have to with the establishment and maintenance of effective working relationship among members of an organization. Internal factors include the following:

Language: Identifying methods of communication and developing a shared meaning for important concepts.

Groups and team boundaries: Establishing criteria for membership in groups and teams.

Power: Determining rules for acquiring, maintaining and losing power and status.

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Rewards and punishment: Developing systems for encouraging desirable behaviours and discouraging behaviors.

Ways to sustain a culture

Reaction to crisis: It is the manner in which the crisis is dealt with can either reinforce the existing culture or bring out new values and norms that change the culture in some way.

For example: an organisation facing a dramatic reduction in demand for its product might react by laying off or firing employees or it might reduce employee hours or rates of pay with no workforce reduction. The alternate chosen indicates the value placed on human resources and can reinforce and maintain the current culture or indicate a major change in the culture.

Rewards and punishments: Employees also learn about an organizations culture through its reward system. The rewards and punishments attached to various behaviors convey to employees the priorities and values of both individual managers and the organisation.

Recruitment, selection, promotion and removal: one of the fundamental ways that organisation maintain a culture is through the recruitment process. In addition, the criteria used to determine who is assigned to specific job or positions, who gets raises and promotions and why, who is removed from the organisation by firing or early retirement and so on reinforce and demonstrate basic aspects of an organisation culture.

Rites and ceremonies: Organizational rites and ceremonies are planned activities or rituals that have an important culture. Certain managerial or employees activities can become rituals that are interpreted as part of the organizational culture.

For example: Celebration of birthdays of employees, conducting sports activities, arranging for the potluck to the employees.

Organisation stories: Many of the underlying beliefs and values of an organization culture are expressed as stories that become part of its folklore. These stories transmit the existing culture from old to new employees and emphasize important aspects of that culture and same may for a long time.

ORGANISATION CHANGE

Change is any alterations occurring in the work environment that affects the ways in which the employees must act.

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FACTORS OF ORGANISATION CHANGE

INTERNAL FACTORS

Changes in leadership style

Leadership changes culture and values in the organisation to improve the efficiency of the organisation.

Changes in technology

Introduction of new technology in an organisation is bound to have consequences for other functions as well. For example: the computerisation of the accounts department affects other aspects as well, such as reporting relationships, span of control, coordination mechanism and so on.

Reaction to the crisis

Just like human life, some unforeseen happenings say crisis in the organisation makes continuation to be difficult. This makes the organisational condition unstable and this instability becomes the stimulus for thorough self-assessment and reform to change the organisation to overcome the crisis.

Dominos Effect

The dominos effect means one change triggers off a series of related changes. For example: the growth of cell phone industry may lead down the PCO industry.

EXTERNAL FACTORS

Political

The government is empowered to frame rules and regulations in order to regulate the business activities. Changes taking place owing to government regulations include :

- Take-Over
- Recruitment of Employees
- Wage Revision
- Privatisation
- Licensing

Technological

Advancement in science and technology is sure to bring about changes in work methods. Computers are used even in small offices that made use of the conventional typewriters once. All these changes are the outcome of technological breakthrough.

Economic conditions

Economic conditions do not remain stable always. Changes in economic conditions to bring about changes in the work pattern and working conditions. Demand, supply, price level, inflation are the various economic factors that necessitate changes.

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Changes in law

Various laws have been enacted in India to protect the working class. The changes made in any of the following acts may bring about changes in the work environment and conditions:

- The Factories Act
- The Workmen's Compensation Change
- The Minimum Wages Act
- The Industrial Dispute Act
- The Trade Union Act

Social factors

The ultimate aim of any business is to create a customer, satisfy him and also to retain him. The preferences of the people can be known through market surveys. An organisation that has failed to fully fill the needs of the buyers may have to effect the following changes in order to satisfy them:

- Better quality products
- Reasonable price
- Use of updated technology
- Better after sale service and so on

TYPES OF ORGANISATION CHANGE (Refer class notes)

PROCESS OF CHANGE

Unfreezing:

It involves encouraging individuals to discard old behaviours and the individuals are convinced to accept that change needs to occur.

Moving or changing:

Once the unfreezing process has been completed and the members of the organisation recognised the need for change and have been fully prepared to accept change their behaviour patterns have to redefine.

Compliance:

It is achieved by strictly enforcing the reward and punishment strategy for good and bad behaviour.

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Identification:

It occurs when members are psychologically impressed upon to identify themselves with some given role models who behaviour they would like to adopt and try to become like them.

Internalisation:

It involves some internal changing of the individuals thought processes in order to adjust to a new environment. Members are left alone to look within themselves and they are given freedom to adopt new behaviour

Refreezing:

It makes the employee to adapt to the new pattern of behaviour.

RESISTANCE TO CHANGE

How an individual react to the situation is called as resistance.

FACTORS TO RESISTANCE TO CHANGE

Insecurity:

One of the major reasons for resistance to change is uncertainty about the impact of the change, especially on job security. The fear of the unknown always has a major impact on the decisions of the individuals.

Lack of communication:

If the need for change is not communicated to the workers in time and in an acceptable manner then it can lead to resistance.

Emotional turmoil:

One of the major reason for resistance centres on the emotional turmoil that a change may cause, especially if the past experiences with changes have not been positive. This result in misunderstanding and lack of trust so that even when the change is well intended.

Loss of power & control:

These are times when a change will reduce the power base of an individual group or unit and the prospect of such loss of power will create resistance even though such change is considered good for the organisation

WAYS TO MANAGE CHANGE

Education and communication

If reason of resistance to change is misunderstanding about the change, it can be reduced by providing employees with details why change is needed. Employees can be educated about the change through one –to one discussions, memos, group discussions or reports.

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Participation and involvement

The process of change should be genuinely wanted by the employees so that they are enthusiastic about it. Participation will be easier to obtain from the individuals if they see some personal benefit to be gained from the change.

Leadership: the greater the prestige and credibility of the manager who is acting as a change agent will influence upon the employees who will be involved in the change process.

Timing of change : timing of introduction of change can have a considerable impact on the resistance. There is always a right time and wrong time for introducing something new.

Negotiation and agreement: it is the technique when costs and benefits must be balanced for the welfare of all concerned parties.

ORGANISATION DEVELOPMENT

It is the systematic application of the knowledge gained from behavioural science is bring about planned change .

OBJECTIVES OF ORGANISATION AND DEVELOPMENT

- It improves organizational performance as measured by profitability, market share and innovativeness.
- Makes organization better adaptive to its environment
- It improves the internal behavior patterns
- It helps the organization to contribute creative solutions for the organisation problems.

OD process

Initial Diagnosis

If the organisation has people who have knowledge of OD activities ,the task of planning and executing the OD programme can be undertaken by them .diagnose the problem include observation,interviews,analysis of documents and so on.

Data collection

The data necessary for determining the organisational climate and identifying the behavioural problems can be collected by means of the survey method. Such questions as what conditions contribute most of the job effectiveness of individuals and groups and what sort of changes they expect for better performance and so on are posed.

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Data Analysis and Review:

After the relevant data have been collected, the next step is to analyse and review the same. This task will be entrusted to various work groups formed for this purpose. During review the work groups mediate the areas of disagreement and establish priorities for change.

Preparation of Action Plans:

At this stage, the work groups prepare the necessary action plans to solve the specific problems identified. Such plans also fix responsibilities on individuals and groups.

Evaluations and follow up:

At this stage the results of the OD programme are evaluated. Additional programmes may also be developed to improve results in areas where the progress is not satisfactory.

ORGANISATIONAL CLIMATE

Meaning: it indicates the satisfaction level of employees towards the organization

Definition

It refers to a set of characteristics that describe an organisation, distinguish it from other organisations, endure over a longer period of time and influence the behaviour of people.

DETERMINANTS OF ORGANISATIONAL CLIMATE

- Rules and regulations of the organization
- Physical facilities available
- Extent of autonomy
- Available of rewards
- Interpersonal relationship
- Level of conflict
- Level of initiativeness
- Open communication

Unit V

Trends in Organizational Behaviour

Industries and technologies have reinvented themselves over the years. Businesses are more or less using these tools for their up move in profits. Industries have also realized that in order to keep the profits continuous and seamless, one has to ensure that human resources and the intellectual capital would need to be managed well. So long as a company has laid out effective Organizational Behavior strategies, it will always ensure that it has a firm foundation for success throughout.

- One of the most dangerous trends in Organizational Behavior which happening in many companies these days is that the term Organizational Behavior is highly hyped up and given more importance than business success and business profitability. Business realizing that retaining top talent with them is the key, have in some cases gone overboard to ensure that they stay happy at all times. This they do by a classic mix of submission and defensive reaction to the employees. In some cases, this may work, but to be honest, it will be extremely dangerous for the company to maintain its sustainability.
- Organizational Behavior is not treated as a Performance Management measure in many organizations. People have come up and said that Organizational Behavior is highly subjective and measuring at as a part of an employee's performance will be will very tricky. The truth is Organizational Behavior principle can be stream rolled in one check list and you may not provide the employees with a score but you could always do a value assessment of the candidate based on how he interacts with peers.
- When the company fails in one of his business objectives, hardly do the business managers look for faults in the OB model. Remember, OB model deals with people and you never know, people may have been angered by some new OB initiatives which has led to a dip in the performance. As an example, you have a manager who is not exactly living by his words and creating a lot of false vibes of the company to his employees. The Organizational Behavior principles are simple to put on text, and even simpler to practice and it is at its simplest when you are looking to crack complex, people -sensitive topics.

That said, companies which are implementing Organizational Behavior strategies are ensuring that the change management curve of the employees is taken well care of. This is partly due to the fact that the companies are scared of losing their talent due to internal organizational changes. The organizational behavior strategies have indeed given the companies a good amount of flexibility.

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GLOBAL SCENARIO OF ORGANIZATIONAL BEHAVIOUR

Due to globalization of economy, many organizations now operate in more than one country. These multinational operations add new dimensions to organizational behaviour. It is a step into different social, political and economic environments. Therefore, communication and control becomes difficult. The social, political and economic differences among countries" influence international organizational behaviour.

SOCIAL CONDITIONS

In many countries due to poorly developed resources, there is shortage of managerial personnel, scientists and technicians. Hence the required skills must be temporarily imported from other countries, and training programs need to be developed to train the local workers. Trained locals become the nucleus for developing others, thereby spreading the training through masses.

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 industries dominated. Naturally, the nature of their culture and work life will be different.

POLITICAL CONDITIONS

Political conditions that have a significant effect on organizational behaviour include instability of the government, restricting industries to a particular area and nationalistic drives such as self-sufficiency in latest technologies. When the government is unstable, organizations become cautious about further investments. This organizational instability leaves workers insecure and causes them to be passive and low in taking any initiatives.

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

In some nations, organized labor is mostly an arm of the authoritarian state and in some other nations labor is somewhat independent. In some nations, State tends to be involved in collective bargaining and other practices that affect workers. For example, workers' participation in management are restricted by law while in other countries they are 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 existing in countries influence the introduction of advanced technology and sophisticated organizational systems. A developed country can easily adopt advanced technology when compared to a less developed country. These limiting conditions cannot be changed rapidly because they are too well established and woven into the whole social fabric of a nation.

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MANAGING AN INTERNATIONAL WORKFORCE

Whenever an organization 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 fusion of cultures in which employees from both countries adjust to the new situation seeking a greater productivity for the benefit of both the organization and the people of the country in which it operates.

Barriers to Cultural Adaptation

- Managers and other employees who come into a host country tend to exhibit different behaviors and somewhat, see situation around them from their own perspectives. They may fail to recognize the key differences between their own and other cultures. These people are called, 'parochial'.
- Another category of managers called 'individualistic' place greatest emphasis on their personal needs and welfare. They are more concerned about themselves than the host country.
- Another potential barrier to easy adaptation of 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 may be the amount of cultural distance, it does affect the responses of all individuals to business. The manager's job is to make the employees adapt to the other culture and integrate the interests of the various 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

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- 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, who can withstand/adjust cultural shocks for international assignments* 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 re-adjust to the surroundings of their home country. Hence, organizations need repatriation policies and programs 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 the culture, social system, economic development and employee's values in the host country. Hence, the expatriate managers must learn to operate effectively in a new environment with certain amount of flexibility. Labor policy, personnel practices and production methods need to be adapted to a different labor force. Organization structures and communication patterns need to be suitable for local operations.

MANAGEMENT'S INTEGRATING ROLE

Once managers are 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 implemented depending on the requirement of employees of that particular nation.

Similarly, communication problems may also arise between the expatriate manager and the employees of the host country. Hence, managers need to make adjustments in their

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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 organizations with large international operations. These employees are 'trans-cultural' 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 in more than one language.

Trans-cultural employees are especially needed in large, multinational firms that operate in a variety of national cultures. 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 recognize each local culture, respect its integrity, acknowledge its benefits and use its differences effectively in their organization.

ICT (Intentional Change Theory)

Change is constant. It's an age-old adage that applies to individuals and organizations. People and systems can change in desired ways, but change is not sustainable without intention (Boyatzis, earlier article in this issue). It's the intention or direction that leaders, managers and change agents employ that puts them in the driver's seat of change in their lives and in their organizations. Intentional change theory (ICT) provides them with a platform to understand and deliver just that. ICT, as described by Boyatzis earlier in this issue, but also by him as early as 1970, applies to all levels of human or social organizations. Most of the work using ICT in the last three decades has focused on individual change. This article focuses on the application of ICT in organizational change. A case study of Roadway Express, an organization which has embarked on a journey of cultural transformation since 1999, illustrates a view of ICT at the organizational level. In Roadway's case, the company approached the goal of organizational change through a process called Appreciative Inquiry (AI). AI is a methodology for achieving positive, sustainable change to facilitate a cultural transformation (Boyatzis, Frick and Van Oosten, 2003; Boyatzis and Van Oosten 2003). The Roadway story provides us with a persuasive example of how and why change occurred and was sustained through observing the characteristics of ICT at the organizational level. And it offers us perspective as to why the change method, known as AI, was so successful.

Intentional Change Theory

Intentional Change Theory presents a window to view and interpret how individuals and organizations achieve desired, sustainable change (Boyatzis, earlier article in this issue). ICT outlines both the process and the phases of the process that are central for sustainable change to occur.

In considering ICT at the individual level, the discoveries represent various stages that a person cycles through in his/her journey toward desirable, sustainable change. "The 'change' may be in a person's actions, habits or competencies. . . their dreams or aspirations. . . how

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they look at events at work or life. It is ‘desired’ in that the person wishes it so or would like it to occur. It is ‘sustainable in that it endures.’” (Boyatzis, earlier article in this issue) The stages of the model are summarized below (Boyatzis, earlier article in this issue; Goleman, Boyatzis and McKee, 2002):

- First Discovery: My ideal self – Who do I want to be?
- Second Discovery: My real self – Who am I? What are my strengths and gaps?
- Third Discovery: My learning agenda – How can I build on my strengths while reducing my gaps?
- Fourth Discovery: Experimentation and Practice - Experimenting with and practicing new behaviors, thoughts and feelings to the point of mastery.
- Fifth Discovery: Developing supportive and trusting relationships that make change possible.

These discoveries all apply when considering ICT at the organizational level as well.

Next Generation Organizations

What exactly does a *next generation organization* look like or do? We offer this list of characteristics and draw on specific examples from two nonprofits to demonstrate how certain traits are operationalized.

Our list of characteristics is not comprehensive and a next generation organization would not necessarily demonstrate every characteristic, but it would likely embody a number of these nine key traits:

1. Impact Driven
2. Finance and Business Savvy
3. Continuous Learning
4. Shared Leadership
5. Wired for Policy Advocacy
6. Multicultural and Culturally Competent
7. Ambiguity of Work-Life Boundaries
8. Constituents as Thought Partners
9. Boards as Value Add

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Trait 1: Impact Driven

This trait, impact driven, is in many ways the foundational ingredient for a next generation organization, and all other traits are largely a means toward this end. For next generation organizations, success is defined as mission impact. The drive to achieve permeates their organizational culture and working style.

Trait 2: Finance and Business Savvy

In next generation organizations, people at all levels of the staff and board are comfortable talking about and planning for the financial viability of their organization. For those who are not formally trained in nonprofit finance, developing financial literacy is expected and supported. Next generation organizations do not have an outdated notion of mission-based work that pits management against program. Instead, they effectively manage to a dual bottom line: financial viability and positive social impact.

Trait 3: Continuous Learning

In many ways, next generation organizations are similar to Peter Senge's definition of the "learning organization." He suggests that there are five characteristics that compose a learning organization:

- *Systems thinking*
- *Personal mastery*
- *Effective use and discarding of mental models*
- *Organizational shared vision*
- *Team learning*

Trait 4: Shared Leadership

Next generation organizations understand that they are more nimble and more effective when everyone in the organization shares responsibility for ensuring that their programs meet their community impact goals. They employ shared leadership or "leaderful" practices whereby all members of an organization are involved in decision making and have legitimate influence within the organization.

Trait 5: Wired for Policy Advocacy

The next generation nonprofit leader has the pursuit of social equity in her professional and personal DNA. So her job description includes public policy work in pursuit of structural changes that would ultimately eliminate or dramatically reduce the need for her community service agency to exist.

Trait 6: Multicultural and Culturally Competent

Multiculturalism creates an appreciation and utilization of cultural differences in personal interactions and in organizational practices. Groups that operate in a multicultural framework have inclusive practices, understand and work to undo social and economic inequity, and share resources and power.

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Trait 7: Ambiguity of Work-Life Boundaries

Many have criticized Baby Boom leaders for the unhealthy sacrificing of their personal lives for their mission-driven jobs. And while younger leaders expressly voice distaste for this pattern it is not because they work less or are less motivated. Rather, next generation leaders believe that maintaining good work/life balance is essential to staying effective in their jobs.

Trait 8: Constituents as Thought Partners

Although next generation organizations can be of any type or field—from arts to human services to advocacy—one thing they seem to have in common is a fundamentally different viewpoint of constituents.

Trait 9: Boards as Value Add

An organization's board of directors is also an important constituent group; yet, the nonprofit board has almost become synonymous with “dysfunctional,” “disengaged,” “problematic,” or worse yet “irrelevant.” This unfortunate summation of a board's worth is embedded in a problem of board purpose. As Chait, Ryan, and Taylor discuss in their work *Governance as Leadership*, nonprofit staff have become skillful managers, leaders, and stewards potentially rendering their boards of directors' role nebulous at best and ineffectual at worst.

Research Issues in Organizational Behaviour

Organizational vision & employee alignment with vision:

Organizational effectiveness involves an assessment before instituting change. Determining the problems that interfere with effective operation is one assessment to perform. Author Steven Covey (*The Seven Habits of Highly Effective People, Principle Centered Leadership*) suggests there are **seven chronic problems** in organizations. He advises there are no quick fixes for these problems and that one must apply “natural processes” . . . processes we understand when applied to natural systems like farming. Covey says to reap the harvest of the fall, we must plant in the spring and continue working— weeding, watering, fertilizing—through the summer. Somehow, says Covey, we fail to apply these natural processes when it comes to social systems . . . instead “we often practice quick fixes.”

Covey's list of chronic problems begins with a lack of mission, shared vision, and values. As Covey puts it, “. . . if you don't have a . . . constitution and govern everything else by that constitution, you will likely have the other six chronic problems in your organization, in spades.”

As you work to improve outcomes and provide the best services for your families, do any of these problems hamper your ability to do so?

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Problem 1—no shared vision and values: either the organization has no mission statement or there is no deep understanding of and commitment to the mission at all levels of the organization.

Resolving this problem often requires more than an administrator realizes, says Covey. In most cases, organizations have a mission statement but it's not part of the culture because people did not have a part in creating it. (Check your Supervisory CORE training notes—Managing Results, where mission statements were discussed.)

Problem 2—no strategic path: either the strategy is not well developed or it ineffectively expresses the mission statement and/or fails to meet the wants and needs and realities of the stream.

Covey explains that strategic thinking has changed from a “roadmap” to a “compass” perspective. The reason being the “stream” (environment) is so unpredictable that a map is of little value. People in the organization need compasses fixed on the “true north” of mission, vision, and values so they can react to the ever changing environment. He goes on to explain that the mission and the stream are both important and must be considered in any strategic planning effort.

Problem 3—Poor alignment: bad alignment between structure and shared values, between vision and systems; the structure and systems of the organization poorly serve and reinforce the strategic paths.

Covey recommends you ask yourself if every person who comes to the organization is committed to the constitution (mission, values, vision) . . . and does every system and process reflect the constitution? If not, he suggests that you have an alignment problem.

Problem 4—Wrong style: The management philosophy is either incongruent with the shared vision and values or the style inconsistently embodies the vision and values of the mission statement.

Covey mentions that you may have to adapt your style to match the vision and the values of the organization. He attributes this “need to adapt” to the great amount of diversity and mobility in our society and our workplaces. The old management styles may no longer reflect the mission, vision, and values of the organization . . . (Ref: Supervisory CORE Training; Situational Leadership, and DiSC /The Platinum Rule)

Problem 5—Poor skills: style does not match skills, or managers lack the skills they need to use an appropriate style.

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As Covey says, “Even if they have the desire, motivation, and physical ability, they still need improved skills to negotiate effectively.” He states further, “Their style and skills may be suited to only one kind of . . . terrain or weather condition” This problem is easily resolved with training and education. (Here’s an opportunity to develop your leadership team in conjunction with the training program. Contact the program for help in developing your team.)

Problem 6—Low Trust: staff has low trust, a depleted emotional bank account, and that low trust results in closed communication, little problem-solving and poor cooperation and teamwork.

Covey describes this problem as a “chicken or the egg” dilemma, advising that if you attempt to work on the trust issues without working on the other problems you will only exacerbate the situation. He defines trust as “the quality of the relationship between people” and suggests the best way to build trust is to work on the mission statement and alignment issues. (those of you who had the section on Core Variables in your supervisory training will recall being instructed to look close to the center (mission, goal and sometimes structures) when encountering problems with climate/morale, the external environment, and sometimes the structures themselves.) He cautions against keeping a closed management style when initiating your mission and alignment efforts since people won’t trust your words or motives if you’ve not changed your approach.

Covey feels that trust is more than integrity; “it also connotes competence.” He gives the example of an honest doctor . . . a doctor who must also be competent if you are going to trust her or him.

Problem 7—No integrity: values do not equal habits; there is no correlation between what I value and believe and what I do.

When Covey detects one of the seven chronic problems in an organization where managers blame everyone or everything else, he suggests they look in the mirror and ask themselves only one question, “Do I have integrity?” In other words, have I acted in ways that demonstrate my values . . . in ways that demonstrate commitment to the mission . . . in ways that build the emotional bank account . . . ? Have I adapted my style to the rigors and demands of the new stream?

Gender Sensitivity:

Gender is a key factor in social organizations, notably through the division of labour and the distribution of responsibilities, opportunities and rewards. Gender concerns intersect all development areas and sectors, because all policies, programs and projects have an impact on women. Lessons learned over the years point to one conclusion – that women do not

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automatically benefit from development initiatives, no matter how well intentioned, because of systematic barriers to their full and equal participation.

Access to socially valued and valuable resources is unequal. Women generally have less access than men to training, land, secure employment and leisure, as well as to the political process. Without identifying such differences, it is not possible to devise policies that meet the specific needs of women and men and address existing inequalities

Communication in Global Environment (Organizations)

Globalization of economy is the basic trend of 21st century. Most of the academic discussions concentrating on corporate communication which is important in the application of marketing techniques in the industry. The relevance of successful and coordinated corporate communication is unquestionable. Theoretically supported corporate communications are effective in the successful business and its effects identified by the leading companies. It is equally important as technology since application of technology need to communicate effectively in the corporate world. Without effective communication corporate relationship will be impossible. Proper communication will enable the business growth in an organization.

Now a days Information Technology and management are the recent trend in the career field. Most of the company is looking for the people who are able to make some changes. Communication skill is an essential element in this new generation job. Also employees should be able to take new challenges and to perform the job responsibility effectively. In this competitive world, employees should be able to understand the situation and to communicate the meaningful information in time.

The purpose of communication management is the accessibility of information flow from top management to bottom. It will be effective only when officials are communicating information effectively to all the employees. Thus all parties should be communicate and transfer the necessary information meaningfully and resourcefully. The development of the organization depends on its communication process. Since each and every business process communication is inevitable. It is an exchange of information and knowledge with the internal groups as well as stakeholders who have direct relationship with the organization, which will enhance the growth of the organization.

Corporate communication is the strong and consistent message which is influencing and motivating its employees and stakeholders and also it aims to attain business development success. If there is any change or business crisis, corporate communication plays a very vital role to handle it effectively. Everybody is looking forward how will the change or crisis affect the organization and how it handled by the authorities. They also have the curiosity to know how a company tackles the situations even after the event is over. In corporate life it is

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very indispensable; you need to put into words whatever you did. Moreover you need to communicate confidently.

Communication is the cornerstone function of every organization to build up its status in the corporate world as well as its stakeholders. Their work is very concerned with internal communications management from the standpoint of sharing knowledge and decisions from the enterprise with employees, suppliers, investors and partners. Communications is one of the most important link between an organization and the public.

Major companies are considered communication as an effective tool to intensifying its scope and rationalizing its service. They have renewed their communication strategy to expand their branches in various parts of the country. Organization interaction with the community, its stakeholders, staff and other interested groups always channelize its progress. Leading organizations have their own communication team with efficient communicators who are responsible for communication function with various national and international organizations.

Each communication department has its own Communicators and communications director is the head of the board. They have communication teams and department has its own right. Certain other organizations communications happen in the areas of public involvement, clients and the corporate affairs department. Communication can be a part of someone's job. Time demands are not concerned in the case of important communications. Communications professional's role is different based on their seniority and designation. It may also depend on whether they are working individually or group based. Usually their role is to make information about their organization which is to be accessed by their staff and public. It also aims to the accountability and their involvement in the reforms that are taking place.

Employee's involvement in the design and execution of work recognized by the managers and researchers and they emphasized bosses cannot control workers as per human resource approach. There is a cooperative balance between bosses and employees in the Revolutionizing management theory, where the human resources shifted the locus of control. A recent version of this approach reduces organizational excellence and productivity to the axiom "Work smarter, not harder."

Corporate Communications is the processes a company uses to communicate all its messages to key constituencies. It encodes and promotes a strong corporate culture, a coherent corporate identity, an appropriate and professional relationship with the media, and quick, responsible ways of communicating in a crisis. It also defines how an organization communicates with its stakeholders and how that brings a company's values to life. Corporate Communications are often defined as the products of communications, memos, letters, reports, Web sites, community engagement, social and environmental initiatives or programs. These make up most importantly an aggregate of messages that a company sends to its constituencies whether internal or external.

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It is important to build up an image of a company by demonstrating its integrity and to listen and

Employees are approaching their immediate head to get job related information which will affect their performance, satisfaction, team work and turn over. They are also seeking information from the top management to extent the scope of their efforts in the outcome especially productivity, commitment, morale, loyalty and trust. The crisis issues of the company like risk management, environment, social investment and community engagement are forcing companies to become more deliberately engaged through communicators.

Communication is the key factor in the creation, implementation, monitoring and reporting on all corporate activities. Through communication, stakeholders understand company's purpose, goals and values. Communication also aimed to influence employee's attitude toward the workplace loyalty and pride in the company in which they are working. Theoretically speaking, Corporate Communication plays a critical role in building and maintaining relationships with the stakeholders of a corporation. Communication is an unavoidable tool in the corporate sector. Media communications are an essential channel through which all stakeholders receive information and develop perceptions of a company.

Specific responsibilities of a corporate communicator include:

- Supervise the status of the organization
- Develop, execute and evaluate communications strategies
- Ensuring effective two-way internal communications
- Taking the lead on media handling, proactively placing good news stories, dealing with enquiries and producing media releases
- Developing links with other departments, which enhances the smooth functioning.
- Planning proactive communications
- Leading public relations, including customer services
- Playing a key role in issue management and planning
- Ensuring that other health organizations are kept fully briefed on developments, plans and any incidents in your organization
- Producing high quality information service
- Advising senior colleagues on strategic communications and related issues
- Engaging in business promotion campaigns

Typically, the following skills would be necessary for a communications role:

- Ability to work equally well both on your own and within a team
- Ability to write, speak and brief others clearly

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- Ability to assess and select appropriate communications routes for different messages and audiences
- Ability to remain calm under pressure
- Ability to recognize sensitive situations and act appropriately
- Negotiating and influencing skills
- Ability to work well with others at all levels both within and outside your company
- Ability to gain the trust and respect of senior colleagues
- Ability to provide creative input to projects
- Ability to think strategically

Now a days communication professional are facing lot of challenges in the areas of global corporate and brand positioning, internal relations in change situations, corporate identity shaping, and brand management. All communication is based on organizational strategy and the communication professionals are expected to fulfill the objectives of the organization.

Corporate Communication experts are the advocates for an organisation in managing the complex communications that take places between organizations and their external and internal audiences. These specialist communicators are representing the organization and make the organization to aware of public views and attitudes. Other responsibilities of corporate communicators include media contacts, drafting press release, arrange and conduct programs of internal and external communications.