

UNIT-1

Organizational Behaviour (OB) is the study of how people interact within groups in a workplace setting. It combines elements from psychology, sociology, management, and anthropology to understand and improve employee performance, motivation, leadership, communication, group dynamics, and organizational culture.

Key Concepts in Organizational Behaviour:

1. Individual Behaviour:

- **Personality** – Traits influencing behaviour (e.g., MBTI, Big Five).
- **Perception** – How people interpret and understand their environment.
- **Motivation** – What drives people (e.g., Maslow's Hierarchy, Herzberg's Two-Factor Theory, McGregor's Theory X & Y).
- **Learning** – How individuals acquire and apply knowledge.

2. Group Behaviour:

- **Group Dynamics** – How people behave in groups.
- **Teamwork** – Building effective teams and collaboration.
- **Communication** – Formal and informal communication channels.
- **Conflict Management** – Resolving disputes constructively.

3. Organizational Structure & Culture:

- **Organizational Design** – Hierarchies, departmentalization, and job roles.
- **Culture** – Shared values, beliefs, and practices.
- **Power and Politics** – How influence is used within the organization.

4. Leadership:

- **Styles** – Autocratic, democratic, laissez-faire.
- **Theories** – Trait theory, Behavioral theory, Transformational leadership.

5. Change Management:

- **Resistance to Change** – Why people resist and how to overcome it.
- **Organizational Development** – Planned changes to improve effectiveness.
- **Models** – Lewin's Change Model, Kotter's 8-Step Model.

Importance of OB

1. Improves Organizational Effectiveness – Helps achieve goals through better employee management.

2. **Enhances Employee Performance & Satisfaction** – Understands what motivates individuals.
3. **Encourages Innovation** – Facilitates a culture of creativity and adaptability.
4. **Improves Leadership & Communication** – Develops effective leaders and clearer communication.
5. **Aids Conflict Resolution** – Manages and reduces workplace conflicts.
6. **Promotes Teamwork** – Builds effective work groups and collaboration.
7. **Helps Manage Change** – Prepares organizations for internal and external changes.

Historical Background of OB

Organizational Behaviour has evolved through several phases:

1. **Classical Management Theory (1900s–1920s)**
 - Focus: Structure, efficiency, hierarchy.
 - Key Thinkers: **Frederick Taylor (Scientific Management)**, **Henri Fayol (Administrative Theory)**.
2. **Human Relations Movement (1930s–1950s)**
 - Focus: Employee needs and social factors.
 - Key Study: **Hawthorne Studies** (Elton Mayo) – revealed the importance of human factors in productivity.
3. **Behavioural Science Approach (1950s–1970s)**
 - Focus: Psychology and sociology to understand behaviour.
 - Key Theorists: **Maslow (Hierarchy of Needs)**, **Herzberg (Motivation-Hygiene Theory)**, **McGregor (Theory X & Y)**.
4. **Modern OB (1980s–Present)**
 - Focus: Systems approach, organizational culture, leadership styles, change management.
 - Integration of **technology, globalization, and diversity** into the study of OB.

Fundamental Concepts of OB

1. **Individual Differences** – Every person is unique in terms of personality, values, and attitudes.
2. **Perception** – People interpret things differently, which affects their behaviour.
3. **Motivation** – Understanding what drives people to work and perform.
4. **Learning** – How experiences change employee behaviour over time.
5. **Values and Attitudes** – Influence workplace behaviour and commitment.
6. **Group Dynamics** – People behave differently in groups vs. alone.
7. **Communication** – Essential for coordination, leadership, and trust.

8. **Leadership** – Influencing and guiding employees.
9. **Power and Politics** – How influence and control work in organizations.
10. **Organizational Culture** – Shared beliefs and values that shape behaviour.

Impact of Organizational Behaviour on Organizational Success

Organizational Behaviour (OB) plays a vital role in the success and effectiveness of any organization. It helps understand, predict, and manage human behaviour, which directly impacts productivity, job satisfaction, and overall organizational performance.

1. Improved Employee Performance

By understanding what motivates employees, OB helps managers design better reward systems, job roles, and work environments, leading to higher productivity.

2. Enhanced Communication

Effective communication strategies, studied through OB, ensure clarity, reduce misunderstandings, and improve coordination across departments.

3. Increased Job Satisfaction

OB focuses on employee needs and well-being, contributing to a happier workforce with lower turnover and absenteeism.

4. Better Teamwork and Collaboration

OB improves group dynamics and interpersonal relationships, fostering teamwork and collaboration, which is essential for complex problem-solving.

5. Effective Leadership

OB provides insights into various leadership styles and helps leaders adapt according to the situation and team, resulting in more effective management.

6. Organizational Culture Development

A strong, positive organizational culture shaped through OB leads to a sense of identity, belonging, and shared values among employees.

7. Conflict Resolution

OB equips managers with tools and techniques to handle conflicts constructively, maintaining a peaceful and productive workplace.

8. Adaptability to Change

With OB principles, organizations can better manage change through planned interventions, training, and communication, ensuring smoother transitions.

UNIT – 2

◆ **Meaning of Personality**

Personality refers to the **unique and relatively stable set of characteristics** and traits that influence an individual's behavior, thoughts, and emotions in various situations.

Definition:

Personality is the combination of psychological traits—such as thoughts, feelings, and behaviors—that make a person unique and consistent over time.

Key Features of Personality:

1. **Unique** – Every individual has a distinct personality.
 2. **Relatively Stable** – It remains consistent over time but may change gradually.
 3. **Influences Behaviour** – Affects how people respond to different situations.
 4. **Developed Over Time** – Influenced by heredity (genes) and environment (family, culture, experiences).
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Examples of Personality Traits:

- Extroversion / Introversion
- Agreeableness
- Conscientiousness
- Emotional Stability
- Openness to Experience

These are commonly described by the **Big Five Personality Traits (OCEAN)** model.

Big Five Personality Traits (OCEAN)

The **Big Five model** describes personality based on **five broad dimensions**. These traits are relatively stable over time and help predict behaviour in work and social environments.

1. Openness to Experience (O)

- **High Score Traits:** Creative, imaginative, curious, open to new experiences, enjoys exploring new ideas and concepts.
- **Low Score Traits:** Practical, prefers routine, traditional, resistant to change.

 *In the workplace:* High openness helps in **innovation, creative problem-solving**, and **adapting to change**.

2. Conscientiousness (C)

- **High Score Traits:** Organized, dependable, disciplined, achievement-oriented, responsible.
- **Low Score Traits:** Careless, impulsive, disorganized, unreliable.

 *In the workplace:* Highly conscientious individuals are **efficient, goal-driven**, and often show **high job performance**.

3. Extraversion (E)

- **High Score Traits:** Outgoing, energetic, talkative, assertive, sociable.
- **Low Score Traits (Introversion):** Reserved, quiet, prefers solitude, low energy in social situations.

 *In the workplace:* Extraverts excel in **leadership roles, teamwork, and customer-facing jobs**.

4. Agreeableness (A)

- **High Score Traits:** Kind, cooperative, trusting, empathetic, generous.
- **Low Score Traits:** Competitive, critical, suspicious, uncooperative.

 *In the workplace:* High agreeableness leads to **good teamwork, collaboration, and conflict resolution**.

5. Neuroticism (N) (*Sometimes referred to as Emotional Stability*)

- **High Score Traits:** Anxious, moody, emotionally unstable, prone to stress and negative emotions.
- **Low Score Traits (Emotionally Stable):** Calm, relaxed, emotionally resilient, secure.

 *In the workplace:* Low neuroticism (emotional stability) is associated with **better stress management, decision-making, and mental health.**

◆ Extroversion / Introversion

Extroversion and Introversion describe where people draw their energy from and how they interact with the world around them.

◆ 1. Extroversion (E)

- **Meaning:** Extroverts are outgoing, social, and energized by interactions with others.
- **Characteristics:**
 - Talkative and expressive
 - Enjoy group activities and teamwork
 - Thrive in busy environments
 - Take initiative in social situations
 - Comfortable with external stimulation (e.g., noise, crowds)

 *In the workplace:* Extroverts are often suited for roles involving communication, leadership, sales, and public interaction.

◆ 2. Introversion (I)

- **Meaning:** Introverts are inward-focused and energized by spending time alone or in quiet environments.
- **Characteristics:**
 - Reflective and reserved
 - Prefer deep, one-on-one conversations over large groups
 - Value privacy and personal space
 - May need time to recharge after socializing
 - Think before speaking or acting

 *In the workplace:* Introverts excel in roles that require **focus, independent work, research, or creative problem-solving.**

◆ Impact of Personality on an Organization

Personality refers to individual differences in characteristic patterns of thinking, feeling, and behaving. It plays a crucial role in shaping how employees interact, work, and contribute to an organization's success.

◆ 1. Job Performance

- Certain personality traits like **conscientiousness** are strongly linked to higher productivity and efficiency.
 - People with high **emotional stability** handle stress better and make rational decisions under pressure.
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◆ 2. Teamwork and Collaboration

- Personality influences how well an individual **works in teams**.
 - High **agreeableness** promotes cooperation, trust, and reduces conflict within groups.
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◆ 3. Leadership Style

- Traits like **extraversion** and **openness** are commonly found in successful leaders.
 - Personality affects a leader's communication, motivation style, and ability to inspire teams.
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◆ 4. Organizational Culture

- The collective personalities of employees contribute to the overall **organizational culture**.
 - For example, high openness may foster innovation, while high conscientiousness promotes discipline and structure.
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◆ 5. Workplace Behavior

- Traits like **neuroticism** can lead to negative workplace behaviours such as absenteeism, anxiety, or conflicts.
 - Positive traits support good behavior, ethical decision-making, and commitment.
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◆ 6. Adaptability to Change

- People with high **openness to experience** adapt more easily to organizational change and innovation.
- Rigid personalities may resist change, affecting organizational transformation.



Major Determinants/ Development of Personality

Personality is influenced by a combination of **biological**, **psychological**, and **environmental** factors. These determinants shape how individuals think, feel, and behave.

◆ 1. Heredity (Genetics)

- Personality traits are partly inherited from biological parents.
- Genes influence physical features (like body type) and psychological characteristics (like temperament or emotional stability).
- **Example:** A child may inherit traits like shyness or boldness from parents.



“Nature” component of personality.

◆ 2. Environment

- The surroundings in which a person is raised play a key role in personality development.
- Includes culture, family background, education, peer groups, and life experiences.
- **Example:** A child raised in a supportive family becomes more confident and cooperative.



“Nurture” component of personality.

◆ 3. Situation

- Situational factors temporarily influence behavior and may override personality traits in specific contexts.
- **Example:** An introverted person may act extroverted during a presentation or job interview.



! Personality is stable, but behaviour may vary based on situations.

◆ 4. Culture

- Culture shapes values, attitudes, and acceptable behaviors.
- Different societies encourage different traits (e.g., independence in the West vs. collectivism in the East).



Cultural norms influence personality development.

◆ 5. Family and Social Groups

- Family dynamics, parenting style, and early childhood relationships influence emotional and social development.
- Peer groups help shape identity during adolescence.

 *Family teaches values and norms; peers influence habits and social behavior.*

◆ 6. Physical Factors

- Physical appearance, health conditions, and physical disabilities can impact how a person sees themselves and how others treat them.
- Example: A person with a chronic illness may develop resilience or anxiety.

Importance of Personality for Organization

Personality plays a crucial role in the success and functioning of any organization. Here's why personality is important for organizations:

1. Influences Work Behavior:

Personality determines how employees behave, communicate, and interact within the workplace. Positive traits like conscientiousness and agreeableness contribute to better teamwork and productivity.

2. Affects Job Performance:

Certain personality traits align better with specific job roles. For example, extroverted people may excel in sales or leadership, while detail-oriented individuals perform well in analytical tasks.

3. Enhances Team Dynamics:

Understanding personalities helps in forming balanced teams where different traits complement each other, leading to effective collaboration and problem-solving.

4. Improves Leadership Effectiveness:

Leaders with strong emotional intelligence and adaptive personalities can inspire, motivate, and manage their teams more efficiently.

5. Facilitates Employee Satisfaction and Retention:

When employees' personalities fit well with the organizational culture and job roles, they tend to be more satisfied, committed, and less likely to leave.

Social Learning Theory

Social Learning Theory was developed by **Albert Bandura** and emphasizes that people learn new behaviors by observing others in their environment, rather than just through direct experience or reinforcement.

Key Concepts:

1. Learning through Observation (Modeling):

- People acquire new behaviors by watching others (models) and imitating their actions.
- Example: A new employee learns office protocols by observing a senior colleague.

2. Imitation and Identification:

- Individuals imitate behaviors they see and identify with people who are similar, admired, or have authority.

3. Vicarious Reinforcement:

- People learn not only by their own rewards or punishments but also by seeing others rewarded or punished.
- Example: An employee avoids late coming after seeing a coworker reprimanded.

4. Cognitive Processes:

- Learning involves attention, retention (memory), reproduction (ability to perform behavior), and motivation.
- These mental processes are essential for observational learning.

5. Reciprocal Determinism:

- Behavior, environment, and personal factors (like cognition) interact and influence each other continuously.
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Importance in Organizational Behaviour:

- Helps understand how employees learn from each other.
- Explains the impact of role models and leaders on employee behavior.
- Useful in designing training programs, mentoring, and behavior modification.

Psychoanalytical Theory of Personality

The Psychoanalytical Theory was developed by **Sigmund Freud**, and it focuses on the influence of the unconscious mind on human behavior and personality development.

Key Concepts:

1. Structure of Personality:

Freud divided personality into three parts:

- **Id:** The unconscious, instinctual part that seeks immediate pleasure and gratification (pleasure principle).
- **Ego:** The rational part that mediates between the id and reality; operates on the reality principle.
- **Superego:** The moral conscience that incorporates societal rules and values.

2. Levels of Consciousness:

- **Conscious:** Thoughts and feelings we are aware of.
- **Preconscious:** Memories and knowledge not in immediate awareness but accessible.
- **Unconscious:** Deep-seated desires, fears, and memories that influence behavior without awareness.

3. Psychosexual Stages of Development:

Personality develops through stages centered on erogenous zones:

- Oral (0-1 years)
- Anal (1-3 years)
- Phallic (3-6 years)
- Latency (6-puberty)
- Genital (puberty onwards)

Fixations or conflicts in these stages can affect adult personality.

4. Defense Mechanisms:

The ego uses defense mechanisms (like repression, denial, projection) to manage conflicts between id, superego, and reality.

Importance in Organizational Behaviour:

- Helps understand unconscious motives behind employee behavior.
- Explains personality conflicts and emotional reactions at work.
- Offers insight into leadership styles and interpersonal dynamics.

Attitudes: Definition

An **attitude** is a psychological tendency expressed by evaluating a particular entity (such as a person, object, idea, or situation) with some degree of favor or disfavor. In simple terms, it is a learned predisposition to respond in a consistently positive or negative way toward something.

Components of Attitude

Attitudes consist of three main components, often called the **ABC model**:

1. **Affective Component (Feelings):**
 - This involves a person's emotions or feelings toward an object, person, or situation.
 - Example: Feeling happy or angry about a work project.
 2. **Behavioral Component (Actions):**
 - This refers to the way a person intends to behave or actually behaves toward the attitude object.
 - Example: Choosing to help a colleague or avoiding them.
 3. **Cognitive Component (Beliefs/Thoughts):**
 - This involves a person's beliefs, thoughts, or knowledge about the attitude object.
 - Example: Believing that a new policy will improve productivity.
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Summary:

- **Affective:** How you feel
- **Behavioral:** How you act
- **Cognitive:** What you believe or think

Characteristics of Attitudes

1. **Learned**

Attitudes are not innate; they develop through experiences, social interactions, and learning.
2. **Consistent**

Attitudes tend to be relatively stable and consistent over time, guiding behavior in predictable ways.
3. **Directed Toward an Object**

Every attitude is aimed at a specific person, object, idea, or situation.
4. **Influences Behavior**

Attitudes affect how individuals behave, although the influence is not always direct or guaranteed.

5. Evaluative Nature

Attitudes involve a positive or negative evaluation or judgment about the attitude object.

6. Dynamic

Although relatively stable, attitudes can change due to new experiences, information, or persuasion.

7. Complex

Attitudes are made up of multiple components (affective, behavioral, cognitive) that may sometimes conflict.

8. Generalization

Attitudes are generalized tendencies that apply broadly to categories rather than specific isolated instances.

Why Attitudes are Necessary for Organizational Behaviour Studies

1. Influence on Employee Behavior:

Attitudes directly affect how employees behave at work—whether they are motivated, committed, or cooperative.

2. Job Satisfaction and Performance:

Positive attitudes towards the job, colleagues, and organization lead to higher job satisfaction and better performance.

3. Workplace Relationships:

Understanding attitudes helps in managing interpersonal relationships, teamwork, and reducing conflicts.

4. Predicting Organizational Outcomes:

Studying attitudes helps predict employee reactions to changes, policies, and management decisions.

5. Improving Organizational Climate:

Attitudes shape the overall work environment and culture; managing them leads to a healthier, more productive workplace.

6. Facilitating Change Management:

Knowing employee attitudes helps in planning and implementing organizational change smoothly by addressing resistance.

7. Enhancing Employee Commitment and Retention:

Positive attitudes foster loyalty and reduce turnover.

Types of Attitudes

Attitudes can be classified into different types based on their focus and nature. Here are the main types:

1. Positive Attitude

- Involves favorable feelings toward a person, object, idea, or situation.
- Leads to constructive behavior and cooperation.

- Example: Enthusiasm for work or support for company policies.

2. Negative Attitude

- Involves unfavorable feelings or dislike toward something.
- Can lead to resistance, conflict, or poor performance.
- Example: Discontent with management or reluctance to change.

3. Neutral Attitude

- Neither strongly positive nor negative; indifferent or apathetic.
- May result in lack of involvement or interest.
- Example: Indifference toward a new organizational policy.

4. Explicit Attitude

- Attitudes that a person is aware of and can consciously express.
- Example: Saying "I like my job."

5. Implicit Attitude

- Attitudes that influence feelings and behavior unconsciously.
- Often revealed through behavior rather than words.
- Example: Subtle bias against a coworker without openly admitting it.

6. Job-Related Attitude

- Specific to work and organizational aspects such as job satisfaction, organizational commitment, and work involvement.

7. Social Attitude

- Relates to feelings and beliefs about social issues, groups, or societal norms.

Job Satisfaction

Definition:

Job satisfaction refers to the positive emotional state or feeling that an employee has about their job resulting from the appraisal of its characteristics, such as the nature of work, work environment, pay, and relationships with colleagues and supervisors.

In simple terms:

It's how happy or content a person feels about their job.

Importance of Job Satisfaction:

- Leads to higher motivation and productivity.
- Reduces absenteeism and turnover.
- Improves employee morale and commitment.
- Enhances overall organizational performance.

Causes of Job Satisfaction

Job satisfaction depends on several factors related to the job itself, the work environment, and individual expectations. Here are the main causes:

1. Work Itself

- Meaningful, challenging, and varied tasks increase satisfaction.
- Having autonomy and responsibility also boosts job satisfaction.

2. Pay and Benefits

- Fair and adequate salary, bonuses, and benefits contribute to feeling valued.

3. Work Environment

- Safe, comfortable, and well-equipped workplaces enhance satisfaction.
- Positive relationships with coworkers and supervisors are crucial.

4. Recognition and Appreciation

- Receiving acknowledgment and rewards for good performance improves morale.

5. Job Security

- Feeling secure about continued employment reduces stress and increases satisfaction.

6. Opportunities for Growth and Advancement

- Chances for promotion, skill development, and career progression motivate employees.

7. Work-Life Balance

- Flexible hours and understanding of personal needs help maintain satisfaction.

8. Organizational Culture and Leadership

- Supportive management and a positive organizational culture foster a happy workforce.

How Job Satisfaction is Measured

Job satisfaction is typically measured using various methods that assess employees' feelings and attitudes toward their job. Here are the common approaches:

1. Questionnaires and Surveys

- **Standardized Scales:** Tools like the **Job Descriptive Index (JDI)** or **Minnesota Satisfaction Questionnaire (MSQ)** ask employees to rate different aspects of their job (e.g., work itself, pay, supervision).
- **Likert Scale:** Employees indicate their level of agreement or satisfaction on a scale (e.g., 1 to 5).

2. Interviews

- One-on-one or group interviews provide qualitative insights into job satisfaction by exploring employees' opinions and feelings.

3. Observation

- Observing employee behavior and morale can give indirect clues about satisfaction levels (e.g., enthusiasm, absenteeism).

4. Focus Groups

- Small group discussions help explore common themes related to job satisfaction.

5. Exit Interviews

- Feedback from employees leaving the organization can reveal dissatisfaction reasons.

UNIT - 3

Perception: Definition

Perception is the process by which individuals organize, interpret, and give meaning to sensory information received from their environment. It is how people become aware of and understand the world around them.

Nature of Perception

1. Selective Process:

People do not perceive everything around them; they selectively focus on certain stimuli while ignoring others.

2. Subjective:

Perception is influenced by personal experiences, attitudes, and emotions, so different people may perceive the same situation differently.

3. Active Process:

Perception involves actively organizing and interpreting sensory input, not just passively receiving information.

4. Continuous Process:

It is ongoing as people constantly receive and interpret new information from their environment.

5. Perception is Relative:

Perception depends on the context and comparison with other stimuli.

6. Influenced by Past Experiences:

Previous knowledge and experiences shape how new information is perceived.

Importance of Perception in Organizational Behaviour

1. Affects Decision Making:

How managers and employees perceive situations influences their decisions and actions.

2. Influences Communication:

Effective communication depends on accurate perception between sender and receiver.

3. Helps Understand Behavior:

Perception explains why different employees react differently to the same situation.

4. Impacts Motivation:

Employees' perception of fairness, recognition, and opportunities affects their motivation levels.

5. Reduces Conflicts:

Understanding perceptual differences can help resolve misunderstandings and conflicts.

6. Aids Leadership:

Leaders need to perceive employee needs and organizational issues accurately to lead effectively.

Factors Influencing Perception

Perception is shaped by several factors related to the **perceiver**, the **object being perceived**, and the **situation**. Here are the main factors:

1. Factors Related to the Perceiver

- **Experience:** Past experiences influence how we interpret new information.
 - **Motives and Needs:** What a person wants or needs can affect what they notice and how they interpret it.
 - **Attitudes:** Pre-existing attitudes and beliefs shape perception.
 - **Personality:** Traits like optimism or pessimism affect perception.
 - **Emotions:** A person's emotional state can distort perception (e.g., stress may cause negative interpretation).
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2. Factors Related to the Perceived Object

- **Novelty:** New or unusual objects attract more attention.
 - **Motion:** Moving objects are more likely to be noticed.
 - **Sounds:** Loud or distinct sounds can influence perception.
 - **Size:** Larger objects are more noticeable.
 - **Background:** Objects that stand out from their background are more likely to be perceived.
 - **Proximity:** Objects physically closer to the perceiver tend to get more attention.
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3. Factors Related to the Situation

- **Context:** The environment or setting affects perception (e.g., formal vs. informal).
- **Time:** Time of day or duration of exposure influences perception.
- **Social Setting:** Presence of others can influence how something is perceived.

Perceptual Selectivity

Definition:

Perceptual selectivity is the process by which individuals **selectively focus on certain stimuli while ignoring others** in their environment. Because people are constantly bombarded with more information than they can process, they filter out some information and pay attention only to what seems relevant or important to them.

Why Perceptual Selectivity Happens:

- **Limited attention span**—we cannot process all stimuli at once.
 - **Past experiences and interests** guide what we focus on.
 - **Motives and needs** influence what we perceive as important.
 - **Expectations** shape how we notice or ignore information.
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Examples of Perceptual Selectivity:

- An employee might focus more on praise and ignore criticism.
 - A manager might notice only performance issues that align with their biases.
 - During a meeting, participants might focus only on points related to their department.
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Importance in Organizational Behavior:

- Influences how employees perceive tasks, feedback, and communication.
- Can lead to misunderstandings if selective perception causes distorted views.
- Managers need to be aware of selectivity to ensure clear, unbiased communication.

Various Perceptual Errors

Perceptual errors occur when individuals misinterpret or distort the information they perceive, leading to inaccurate judgments. In organizations, these errors can affect decisions, communication, and relationships.

Here are common types of perceptual errors:

1. Halo Effect

- Judging someone based on one positive trait or impression, which influences overall perception.
- Example: Assuming a good-looking employee is also competent in all tasks.

2. Horns Effect

- Opposite of halo effect; judging someone based on one negative trait.
- Example: Thinking an employee is inefficient because of a single mistake.

3. Selective Perception

- Seeing only what one expects or wants to see, ignoring other information.
- Example: A manager only notices employees who agree with them.

4. Projection

- Attributing one's own feelings, motives, or characteristics to others.
- Example: A shy manager assumes all employees prefer minimal social interaction.

5. Stereotyping

- Assigning generalized traits to individuals based on their group membership (age, gender, ethnicity).
- Example: Believing younger employees are less responsible.

6. Contrast Effect

- Evaluating someone relative to others recently encountered rather than on absolute terms.
- Example: Rating an average performer as poor because the previous employee was exceptional.

7. First Impression Error

- Forming a lasting opinion based on the first encounter, ignoring later information.
- Example: Judging a candidate as suitable or unsuitable from their first interview.

8. Recency Effect

- Giving undue weight to recent events or behaviors when evaluating someone.
- Example: Remembering only the last few weeks of an employee's performance.

How Perception Influences Decision Making:

1. Perception is the First Step:

- Decision making begins with gathering information about a situation.
- Perception shapes how individuals **select, interpret, and understand** this information.

2. Perceptual Filtering:

- People perceive information selectively based on their needs, beliefs, and past experiences.
- This selective perception influences which facts are noticed and considered in decisions.

3. Interpretation Affects Judgments:

- How a person interprets information affects their evaluation of options.
- Misperceptions or biases can lead to incorrect assessments.

4. Perceptual Errors Impact Choices:

- Errors like stereotyping, halo effect, or selective perception can distort reality.
- Such errors can cause poor or biased decisions.

5. Perception of Risk and Opportunity:

- People's perception of risks and benefits affects their willingness to take action or choose alternatives.

6. Feedback Loop:

- Decisions are based on perception, and the outcomes of decisions further influence future perceptions.

Attribution Theory

Definition:

Attribution Theory explains how individuals interpret and assign causes to behavior and events. It focuses on how people explain their own and others' actions by attributing them to internal or external factors.

Key Concepts:

1. Internal Attribution (Dispositional):

- Behavior is attributed to personal factors such as ability, effort, personality, or mood.
- Example: An employee is late because they are careless.

2. External Attribution (Situational):

- Behavior is attributed to factors outside the person's control, such as luck, task difficulty, or other external circumstances.
 - Example: An employee is late because of heavy traffic.
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Why It Matters in Organizations:

- Helps understand how managers and employees explain successes or failures.
- Influences how people react to others (e.g., blaming, praising).
- Affects motivation, feedback, and conflict resolution.

Stereotyping and Halo Effect

1. Stereotyping

Definition:

Stereotyping is the process of assigning generalized and often oversimplified traits or characteristics to a person based on their membership in a particular group (e.g., race, gender, age, nationality).

Example:

Assuming all young employees are tech-savvy or all older employees resist change.

Impact in Organizations:

- Can lead to unfair judgments and discrimination.
 - Limits individual assessment and undermines diversity.
 - May cause conflicts and lower morale.
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2. Halo Effect

Definition:

The halo effect is a perceptual bias where one positive trait or impression about a person influences the overall perception of them, leading to a generalized favorable judgment.

Example:

If a manager thinks an employee is very punctual, they might also assume the employee is hardworking and competent in all areas, even without evidence.

Impact in Organizations:

- Can result in overlooking faults or poor performance.
- Leads to biased evaluations and favoritism.
- Affects fair performance appraisal and decision-making.

UNIT - 4

Motivation: Definition in Organizational Behavior (OB)

Motivation in Organizational Behavior refers to the internal forces, drives, or desires that stimulate and direct a person's behavior towards achieving certain goals or fulfilling needs within the workplace.

More formally:

Motivation is the process that initiates, guides, and sustains goal-oriented behavior in individuals. It explains why people behave in certain ways and what drives their efforts and persistence in their work.

Key points about Motivation in OB:

- It is the **psychological process** that arouses, directs, and maintains human behavior.
- Motivation affects **how much effort** employees put into their tasks.
- It influences **performance, job satisfaction, and organizational effectiveness**.
- Motivated employees tend to be more productive, creative, and committed.

Theories of Motivation:

Maslow's Hierarchy of Needs Theory

Developed by: Abraham Maslow (1943)

Concept: Human needs are arranged in a hierarchy, and people are motivated to fulfill these needs in a specific order — from the most basic to higher-level needs.

Maslow's Five Levels of Needs:

1. Physiological Needs

- Basic survival needs: food, water, shelter, clothing, rest, air.
- These are the most fundamental and must be satisfied first.

2. Safety Needs

- Protection from physical and emotional harm: security, stability, safe working conditions, job security, health.

3. Social (Belongingness) Needs

- Need for relationships, love, affection, friendship, and acceptance in social groups or work teams.

4. Esteem Needs

- Desire for respect, self-esteem, recognition, status, achievement, and appreciation.

5. Self-Actualization Needs

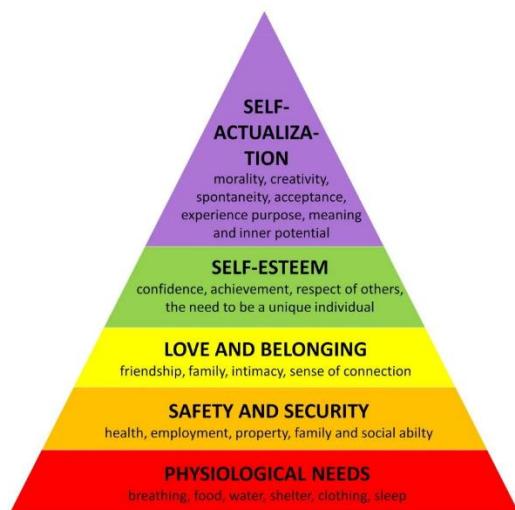
- The need to realize one's full potential, growth, creativity, and personal development.

How the Theory Works:

- People are motivated to satisfy **lower-level needs first** (starting with physiological).
 - Once a lower-level need is **fulfilled**, the next higher need becomes the primary motivator.
 - If a lower-level need is **not satisfied**, it dominates motivation and behavior.
-

Example in the Workplace:

- If an employee is worried about salary or job security (physiological and safety needs), they won't focus much on esteem or self-actualization.
- Once basic and safety needs are met, social needs (teamwork, friendships) become important.
- Higher-level needs like recognition and personal growth motivate employees after that.



McGregor's Theory X and Theory Y

Proposed by: Douglas McGregor (1960)

Concept:

McGregor proposed two contrasting views about employees and human motivation — called **Theory X** and **Theory Y** — which reflect different assumptions made by managers about their workers.

● Theory X – Negative Assumptions

Managers who believe in **Theory X** assume:

1. Employees inherently dislike work and will avoid it if possible.
2. They must be forced, controlled, or threatened with punishment to achieve goals.
3. Most people prefer to be directed and avoid responsibility.
4. Workers have little ambition and primarily seek job security.

 **Management Style:** Autocratic, strict supervision, external control, centralized decision-making.

Theory Y – Positive Assumptions

Managers who believe in **Theory Y** assume:

1. Work is as natural as play or rest – people enjoy working.
2. Employees will exercise self-direction and self-control if committed to objectives.
3. Commitment to goals is a function of rewards associated with achievement.
4. People seek responsibility and are capable of creativity and innovation.
5. Employees can learn to accept and even seek responsibility.

 **Management Style:** Participative, supportive, decentralized decision-making, empowerment.

Application in Organizations:

- **Theory X** works in environments needing tight control (e.g., repetitive jobs, crisis settings).
- **Theory Y** is suited for innovative roles where motivation, creativity, and ownership matter.

Herzberg's Motivation-Hygiene Theory

Also known as: Two-Factor Theory

Proposed by: Frederick Herzberg (1959)

Core Idea:

Herzberg studied employee satisfaction and found that there are **two separate sets of factors** that influence motivation and job satisfaction:

● 1. Motivational Factors (Intrinsic)

These factors lead to **job satisfaction** and encourage employees to work harder.

They are related to the **nature of the work itself** and how challenging or meaningful it is.

Examples:

- Achievement
- Recognition
- Work itself (interesting or challenging tasks)
- Responsibility
- Advancement
- Personal growth

➡ **If present:** Employees feel **satisfied and motivated**

➡ **If absent:** Employees may **lack motivation**, but not necessarily be dissatisfied

● 2. Hygiene Factors (Extrinsic)

These factors do **not motivate**, but their absence causes **dissatisfaction**.

They are related to the **work environment** rather than the job itself.

Examples:

- Company policies
- Salary
- Job security
- Working conditions
- Supervisor's quality
- Relationships with coworkers

➡ **If present:** Employees feel **neutral** (not dissatisfied)

➡ **If absent:** Employees feel **dissatisfied**

Application in the Workplace:

- Provide meaningful work and opportunities for achievement (motivators).
- Ensure fair policies, good pay, and safe working conditions (hygiene).
- Don't rely only on salary increases to boost motivation.

Motivational Factors (Intrinsic) vs. Hygiene Factors (Extrinsic)

(from Herzberg's Two-Factor Theory)

Aspect	Motivational Factors (Intrinsic)	Hygiene Factors (Extrinsic)
Definition	Factors that increase job satisfaction and motivation	Factors that prevent job dissatisfaction
Nature	Intrinsic (related to the job content itself)	Extrinsic (related to job environment or conditions)
Effect if Present	Leads to job satisfaction and motivation	Prevents dissatisfaction, but does not motivate
Effect if Absent	Employee is not motivated , but not necessarily dissatisfied - Achievement - Recognition - Responsibility - Growth - Advancement	Leads to job dissatisfaction - Salary - Company policies - Job security - Supervision - Work conditions
Examples	Work itself	Work environment
Focus Area	Performance, creativity, commitment	Comfort, security, basic needs
Encourages Better		

! Criticism of Herzberg's Motivation-Hygiene Theory:

While Herzberg's Two-Factor Theory is widely known and used, it has received **several criticisms** from researchers and managers:

◆ 1. Methodological Issues

- Herzberg used the **critical incident technique** (asking people to describe good and bad job experiences), which may lead to **bias**.
- People tend to **attribute success to themselves** (motivators) and **blame failures on external factors** (hygiene), making the data **subjective**.

◆ 2. Over-Simplification

- The theory assumes that factors causing satisfaction are completely **separate** from those causing dissatisfaction, but in reality, **some factors (like pay or recognition)** can affect both.

◆ 3. Not Universally Applicable

- The theory was based on **professional and skilled workers** (engineers, accountants) in the U.S., so it **may not apply to all jobs, industries, or cultures**.
 - For **blue-collar or low-level jobs**, hygiene factors like pay or working conditions **may act as motivators** too.
-

◆ 4. Individual Differences Ignored

- It does not consider **personality, age, or individual preferences**, which can influence what people find motivating.
-

◆ 5. Static View of Motivation

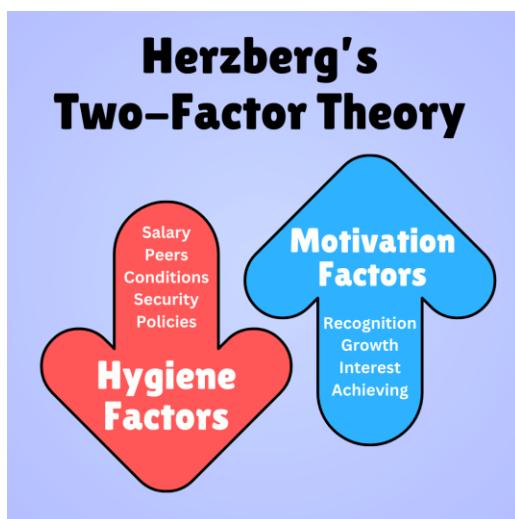
- The theory assumes once motivators are in place, satisfaction will follow — but **motivation is dynamic** and can **change over time**.
-

◆ 6. Lack of Clear Measurement

- It's **difficult to measure** motivators and hygiene factors clearly and **separate their effects** in real-life settings.
-

Despite these criticisms, Herzberg's theory is still valuable for understanding that:

- Removing dissatisfaction is not the same as creating motivation, and
 - Job enrichment and meaningful work are critical to employee motivation.
-



Comparison: Maslow vs. Herzberg		
Aspect	Maslow's Hierarchy of Needs Theory	Herzberg's Motivation-Hygiene Theory
Proposed by	Abraham Maslow (1943)	Frederick Herzberg (1959)
Core Idea	Human needs are arranged in a 5-level hierarchy; one level must be satisfied before the next motivates	Job satisfaction and dissatisfaction arise from two independent sets of factors
Structure	Five levels of needs: Physiological → Safety → Social → Esteem → Self-actualization	Two factors: Motivators (satisfaction) and Hygiene factors (dissatisfaction)
Focus	Focuses on overall human needs	Focuses on factors affecting job satisfaction/dissatisfaction
Motivation Cause	Motivation comes from unsatisfied needs, starting from the bottom of the pyramid	Motivation comes from the presence of motivators ; hygiene factors only prevent dissatisfaction
Nature of Needs/Factors	All needs are treated as motivators	Only motivators are true motivators; hygiene factors just avoid dissatisfaction
Application	Broad human motivation (not specific to workplace only)	Specifically developed for workplace and job design
Order of Needs	Needs are arranged in a fixed order	No strict hierarchy; factors can act independently
Examples of Motivators	Esteem, Self-actualization	Achievement, Recognition, Responsibility
Examples of Hygiene Factors	Not distinctly mentioned	Salary, Job security, Company policies
Criticism	Rigid sequence, not always applicable to all individuals or cultures	Methodology issues, not applicable to all types of jobs

✓ Alderfer's ERG Theory of Motivation

Proposed by: Clayton Alderfer (1969)

Full form of ERG:

- **E** – Existence Needs
- **R** – Relatedness Needs
- **G** – Growth Needs

🔍 Core Idea:

Alderfer **condensed Maslow's five levels of needs into three categories**, and introduced **flexibility** in how individuals move through these needs.

The Three ERG Needs:

1. Existence Needs

- Concerned with **basic survival**: food, water, air, salary, benefits, job security, and physical working conditions.
(Combines Maslow's physiological and safety needs.)

2. Relatedness Needs

- Focus on **interpersonal relationships**: interactions with co-workers, family, friends, supervisors, and social recognition.
(Similar to Maslow's social and part of esteem needs.)

3. Growth Needs

- Desire for **personal development** and **self-fulfillment**: creativity, achievement, advancement, and meaningful work.
(Combines Maslow's esteem and self-actualization needs.)

McClelland's Theory of Needs (Acquired Needs Theory)

Proposed by: David McClelland (1961)

Also called: Learned Needs Theory or Acquired Needs Theory

Core Idea:

McClelland argued that individuals develop certain types of needs over time based on **life experiences and environment**, and these needs drive their motivation and behavior at work.

Three Key Needs:

1. Need for Achievement (nAch)

- Desire to excel, achieve goals, and succeed.
- People with high **nAch** prefer:
 - Challenging but achievable tasks.
 - Personal responsibility for outcomes.
 - Feedback on performance.
- Example: An employee who sets high goals and enjoys solving complex problems.

2. Need for Power (nPow)

- Desire to influence or control others and situations.
- Two types:
 - **Personal Power** – controlling others for personal gain (can be negative).
 - **Institutional/Social Power** – influencing others to achieve group goals (positive).
- Example: A team leader who enjoys taking charge and organizing group activities.

3. ● Need for Affiliation (nAff)

- Desire to build close, friendly relationships and be accepted by others.
- People with high **nAff**:
 - Prefer cooperative work.
 - Avoid conflict.
 - Seek social approval and harmony.
- Example: An employee who values teamwork and avoids confrontations.

Vroom's Expectancy Theory of Motivation

Proposed by: Victor Vroom (1964)

Core Idea:

Motivation is based on the **expected outcome** of actions.

Employees are motivated when they believe that:

1. Their effort will lead to good performance,
2. That performance will lead to rewards, and
3. The rewards are valuable to them.

Three Key Components (VIE Model):

Component	Meaning	Question Asked by Employee
Expectancy (E)	Belief that effort will lead to successful performance	<i>"If I try hard, will I succeed?"</i>
Instrumentality (I)	Belief that successful performance will lead to rewards	<i>"If I perform well, will I be rewarded?"</i>

Component	Meaning	Question Asked by Employee
Valence (V)	Value an individual places on the reward	"Do I value the reward offered?"

Motivation Formula:

$$\text{Motivation} = \text{Expectancy} \times \text{Instrumentality} \times \text{Valence}$$

- If any one of the three is **zero**, motivation will be zero.
 - All three must be **positive and high** for strong motivation.
-

Example:

Suppose an employee is asked to work on a difficult project:

- **Expectancy:** Believes they have the skills to do it successfully 
 - **Instrumentality:** Believes the company will reward them with a promotion 
 - **Valence:** Greatly values the promotion 
- **Result:** High motivation.

But if they **don't trust the manager** to deliver the reward (Instrumentality = 0), motivation drops to zero.

Comparison: Positive Motivation vs. Negative Motivation

Aspect	Positive Motivation	Negative Motivation	
Definition	Encouraging desired behavior by offering rewards or benefits	Encouraging desired behavior by instilling fear or punishment	
Based On	Incentives, appreciation, recognition, rewards	Fear, penalties, pressure, criticism, or threat of loss	
Effect on Employees	Creates enthusiasm, engagement, and satisfaction	May create stress, anxiety, or fear	
Work Environment	Friendly, motivating, and supportive	Tense, strict, and fear-driven	
Examples	- Bonus for good performance - Promotion - Praise	- Salary cut warning - Demotion threat - Fear of losing job	
Long-term Impact	Builds loyalty, commitment, and intrinsic motivation	May lead to burnout, resentment, or low morale	
Preferred For	Sustainable growth and high-performing teams	Emergency or short-term correction situations	

UNIT -5

Group Behaviour in organizational behaviour (OB) refers to the actions, attitudes, and performance of individuals when they are part of a group. Understanding group behaviour is essential because much of the work in organizations is done in teams or groups.

◆ **Definition of Group Behaviour:**

Group behaviour refers to the ways in which people behave, interact, and influence each other when they are part of a group. It includes how groups are formed, how they function, and how they influence individual behaviour.

Stages of Group Development (Tuckman's Model)

In 1965, Bruce Tuckman proposed that groups develop through a sequence of stages, which help understand how groups grow, face challenges, and mature to become effective teams.

1. Forming

- **What happens?**

Group members come together and get acquainted. They are polite, cautious, and somewhat uncertain. Members try to understand the group's purpose, boundaries, leadership, and their roles.

- **Characteristics:**

- High dependence on leader for guidance and direction.
- Members are tentative, anxious, and reserved.
- Little conflict or open disagreement occurs.
- Focus on orientation and information gathering.

- **Challenges:**

- Lack of clarity about tasks and group goals.
- Ambiguity in member roles.

- **Goal:**

Build relationships and establish trust.

2. Storming

- **What happens?**

This is the conflict stage. Group members start expressing their individual opinions, which may lead to disagreements and competition.

- **Characteristics:**

- Conflicts over leadership, authority, and group goals.
 - Members may challenge the leader and test boundaries.
 - Cliques or subgroups may form.
 - Resistance to control and task demands.
- **Challenges:**
 - Power struggles and interpersonal conflicts.
 - Potential for decreased group morale and productivity.
 - **Goal:**

Resolve conflicts and establish norms.
-

3. Norming

- **What happens?**

After resolving conflicts, the group begins to develop cohesion. Norms (shared expectations) are established, and members start cooperating more effectively.
 - **Characteristics:**
 - Increased trust and respect among members.
 - Clearer roles and responsibilities.
 - Shared group identity and unity.
 - Open communication and collaboration.
 - **Benefits:**
 - Higher group morale and motivation.
 - Better problem-solving and support.
 - **Goal:**

Strengthen cohesion and focus on group goals.
-

4. Performing

- **What happens?**

The group reaches maturity and works effectively toward goals. Members are competent, autonomous, and able to handle decision-making without supervision.
- **Characteristics:**
 - High productivity and performance.
 - Strong cooperation and flexibility.
 - Members are motivated and knowledgeable.

- Group energy is directed at tasks, not conflicts.
- **Benefits:**
 - Effective problem-solving and innovation.
 - Efficient task completion.
- **Goal:**

Achieve group objectives successfully.

5. Adjourning (or Mourning)

- **What happens?**

This final stage was added later by Tuckman. It occurs when the group disbands after completing its task or project.
- **Characteristics:**
 - Members may experience sadness or anxiety.
 - Reflection on accomplishments and failures.
 - Planning for future individual activities or groups.
- **Challenges:**
 - Managing transitions and emotions.
 - Ensuring closure.
- **Goal:**

Celebrate achievements and properly dissolve the group.

Characteristics of Groups in an Organization

1. **Two or More Members**

A group consists of at least two or more individuals who interact with each other.
2. **Common Goals**

Members share common objectives or purposes that motivate them to come together.
3. **Interdependence**

Group members rely on each other to accomplish tasks and goals. Their actions affect one another.
4. **Interaction and Communication**

Members communicate, share information, and influence each other through verbal and non-verbal interactions.
5. **Structure**

Groups have a defined structure including roles, norms, and hierarchy that guide behaviour and interactions.

6. Group Norms

Shared rules or standards develop within the group to regulate member behaviour and maintain order.

7. Cohesiveness

The degree of attraction among group members and their motivation to stay part of the group.

8. Shared Identity

Members see themselves as part of the group, fostering a sense of belonging.

9. Stability

Groups tend to be stable over time, although membership may change.

10. Size

Groups vary in size, but usually, smaller groups facilitate better communication and coordination.

Importance of Groups in an Organization

1. Achieving Organizational Goals

Groups combine individual skills and efforts, making it easier to accomplish complex tasks and objectives that would be difficult for individuals alone.

2. Enhanced Creativity and Problem Solving

Groups bring diverse perspectives and ideas, leading to more creative solutions and better decision-making.

3. Social Interaction and Support

Being part of a group satisfies the human need for belongingness, providing emotional support, motivation, and reducing feelings of isolation.

4. Improved Communication

Groups facilitate information sharing and coordination among members, leading to better understanding and cooperation.

5. Learning and Development

Group members learn from each other's experiences, knowledge, and skills, which promotes personal growth and organizational learning.

6. Increased Motivation and Job Satisfaction

Working in groups often increases commitment, enthusiasm, and satisfaction because members feel valued and supported.

7. Division of Labour and Specialization

Groups allow work to be divided among members based on their strengths, improving efficiency and productivity.

Requisites of an Effective Group

1. Clear Purpose and Goals

The group must have a well-defined objective that all members understand and are committed to achieving.

2. Strong Leadership

Effective leadership is needed to guide the group, resolve conflicts, motivate members, and keep the group focused.

3. Open Communication

Members should communicate freely and honestly, sharing ideas, feedback, and concerns without fear.

4. Defined Roles and Responsibilities

Each member must have a clear role and know their responsibilities to avoid confusion and overlap.

5. Cohesiveness

Group members should have a sense of belonging and mutual respect, encouraging cooperation and commitment.

6. Mutual Trust and Respect

Trust among members promotes openness and collaboration; respect ensures differences are valued.

7. Group Norms and Discipline

Established norms guide behaviour and maintain order; members must adhere to these standards.

8. Ability to Manage Conflict

The group should handle disagreements constructively without harming relationships or productivity.

Types of Groups

Groups in organizations can be classified based on their formation, purpose, and characteristics. The main types include:

1. Formal Groups

• Definition:

Groups officially created by the organization to achieve specific goals or tasks.

• Purpose:

To fulfill organizational objectives.

• Characteristics:

- Structured with defined roles and responsibilities.
- Have formal authority and hierarchy.
- Members are assigned by management.
- Follow organizational rules and procedures.

• Examples:

- Departments (HR, Finance).
 - Project teams.
 - Committees.
-

2. Informal Groups

- Definition:
Groups that form naturally based on personal relationships and social interactions, not officially created.
 - Purpose:
To satisfy social and emotional needs.
 - Characteristics:
 - Spontaneous and unofficial.
 - Based on friendship, common interests.
 - Influence attitudes and behaviour through peer pressure.
 - Help provide emotional support.
 - Examples:
 - Friendship circles.
 - Interest groups.
-

3. Primary Groups

- Definition:
Small groups with close, personal, and enduring relationships.
 - Characteristics:
 - Intimate, face-to-face interaction.
 - Strong emotional ties.
 - Members identify closely with the group.
 - Examples:
 - Family.
 - Close friends within an organization.
-

4. Secondary Groups

- Definition:
Larger, more formal groups based on specific goals or tasks with impersonal relationships.
 - Characteristics:
 - Goal-oriented.
 - Limited emotional involvement.
 - Interaction is formal and task-focused.
 - Examples:
 - Work teams.
 - Departments.
-

5. Task Groups

- Definition:
Groups formed to accomplish a specific task or project.
 - Characteristics:
 - Temporary or permanent.
 - Focused on achieving specific goals.
 - Examples:
 - Project teams.
 - Task forces.
-

6. Interest Groups

- Definition:
Groups formed around shared interests or goals unrelated to formal organizational tasks.
- Characteristics:
 - Focus on promoting a common cause or hobby.
 - May influence organizational policies indirectly.
- Examples:
 - Environmental awareness group.
 - Sports club.

7. Reference Groups

- **Definition:**
Groups that individuals compare themselves to for guidance in behaviour and attitudes.
- **Characteristics:**
 - Influence self-identity and social norms.
 - Can be formal or informal.
- **Examples:**
 - Professional associations.
 - Peer groups.

Informal Group

- **Definition:**
An informal group is formed naturally among employees based on personal relationships, common interests, or social interactions — not created by the organization's formal structure.
- **Characteristics:**
 - Develop spontaneously without official authority.
 - Based on friendship, shared values, or social needs.
 - Members communicate freely and socially.
 - Influence attitudes and behaviour through peer pressure and social norms.
 - Can improve job satisfaction and morale.
- **Examples:**
 - A group of coworkers who regularly have lunch together.
 - Employees who share hobbies or interests forming a club.
- **Role in Organization:**
 - Provides social support and emotional comfort.
 - Facilitates informal communication and information flow.
 - Can influence formal group decisions positively or negatively.
 - Helps reduce stress and fosters belonging.

Secondary Group

- **Definition:**
A secondary group is a larger, more impersonal group formed around specific goals or tasks. Members interact formally to achieve organizational objectives.
- **Characteristics:**
 - Task-oriented and goal-focused.
 - Members have defined roles and limited personal interaction.
 - Relationships are formal and professional.
 - Interaction is often structured and scheduled.
 - Membership is usually assigned by the organization.
- **Examples:**
 - A project team working on product development.
 - A department like marketing or finance.
 - Committees and task forces.
- **Role in Organization:**
 - Helps accomplish specific organizational tasks.
 - Facilitates coordination and division of labour.
 - Supports formal communication and authority structures.

Group Decision

Group decision refers to the process where multiple members of a group come together to analyze problems, consider alternatives, and choose a course of action collectively.

Key Features of Group Decision

- Involves collaboration among group members.
 - Decisions are made through discussion, debate, and consensus.
 - Combines diverse knowledge, skills, and perspectives.
 - Often used for complex or important organizational issues.
 - Aims to improve decision quality by leveraging group inputs.
-

Advantages of Group Decision Making

- 1. More Information and Knowledge**
Group members bring varied expertise and insights.
 - 2. Diversity of Perspectives**
Different viewpoints lead to better understanding and creativity.
 - 3. Better Understanding and Acceptance**
Participants are more likely to accept and support decisions they helped make.
 - 4. Increased Commitment**
Shared responsibility boosts motivation to implement decisions.
 - 5. Error Checking**
Group discussion helps identify mistakes and risks.
-

Disadvantages of Group Decision Making

- 1. Time-Consuming**
Discussions and consensus-building take longer.
- 2. Risk of Groupthink**
Desire for harmony can suppress dissenting opinions.
- 3. Conflict Potential**
Differences in opinions may lead to disagreements.
- 4. Dominance by Few Members**
Some individuals may overpower discussions.
- 5. Ambiguity in Accountability**
Shared decisions can dilute individual responsibility.

Stages of Group Decision Making

Group decision making typically follows a systematic process, often broken down into the following stages:

1. Problem Identification

- Recognize and clearly define the problem or issue the group needs to address.
 - Ensure all members agree on what the problem is.
-

2. Information Gathering

- Collect relevant data, facts, and opinions related to the problem.
 - Group members share their knowledge and insights.
-

3. Generation of Alternatives

- Brainstorm multiple possible solutions or courses of action.
 - Encourage creativity and avoid criticism at this stage to allow free flow of ideas.
-

4. Evaluation of Alternatives

- Analyze the pros and cons of each alternative.
 - Consider feasibility, risks, costs, benefits, and alignment with group goals.
-

5. Selection of the Best Alternative

- Choose the most suitable solution based on group discussion, consensus, or voting.
 - Sometimes compromises are made to satisfy all members.
-

6. Implementation of the Decision

- Develop a clear action plan to put the chosen alternative into practice.
 - Assign responsibilities and set timelines.
-

7. Follow-up and Evaluation

- Monitor the results of the decision.
- Assess if the problem is resolved or if further action is needed.
- Learn from the outcome to improve future decision-making.

Nominal Group Technique (NGT)

Nominal Group Technique is a structured group decision-making and brainstorming method designed to encourage contributions from all members and prevent domination by a few.

Purpose of NGT

- To generate ideas and prioritize them in an organized way.
- To ensure equal participation and reduce influence of dominant personalities.
- To help groups reach consensus effectively.

UNIT – 6

Communication in Organizational Behavior (OB)

Definition:

Communication in OB refers to the process by which information, ideas, and feelings are exchanged between individuals or groups within an organization to achieve common goals.

Importance of Communication in OB

- **Facilitates Coordination:** Helps align individual and group activities toward organizational objectives.
- **Enhances Decision Making:** Sharing accurate information aids better decisions.
- **Builds Relationships:** Encourages trust, understanding, and cooperation among employees.
- **Motivates Employees:** Clear communication can boost morale and motivation.
- **Reduces Conflict:** Proper communication can prevent misunderstandings and resolve conflicts.
- **Promotes Organizational Culture:** Helps spread values, norms, and expectations.
- **Enables Change Management:** Communication is key during organizational changes.

Communication Process in OB

The communication process is a series of steps through which a message is transmitted from one person to another. It ensures that information is exchanged effectively within an organization.

1. Sender (Source)

- The person or entity who initiates the communication.
- Has an idea, thought, or information to share.
- Responsible for encoding the message.

2. Encoding

- The process of converting the sender's ideas into symbols, words, gestures, or signs.
- The sender chooses how to express the message clearly (spoken words, written text, body language).
- Important to choose the right language and symbols so the receiver can understand.

3. Message

- The actual content or information that is being communicated.
- Can be verbal, written, non-verbal, or symbolic.

- Needs to be clear and meaningful.

4. Medium (Channel)

- The channel or pathway through which the message is transmitted.
- Examples include face-to-face conversation, phone calls, emails, memos, reports, or social media.
- The choice depends on urgency, complexity, and formality.

5. Receiver

- The person or group who receives the message.
- The receiver must pay attention and be willing to understand the message.

6. Decoding

- The receiver interprets or makes sense of the sender's message.
- Understanding depends on the receiver's experience, attitudes, and knowledge.
- Misinterpretation can happen if decoding is not accurate.

7. Feedback

- The response or reaction of the receiver to the sender.
- It confirms whether the message was understood correctly.
- Feedback helps close the communication loop, making it a two-way process.

8. Noise

- Any disturbance or interference that distorts or blocks the message at any stage.
- Can be physical noise (loud sounds), psychological noise (stress, emotions), semantic noise (language barriers), or technical noise (poor network).
- Noise reduces the effectiveness of communication.

Importance of Feedback

Feedback is the receiver's response to the sender's message. It is a critical component of the communication process because it helps ensure that the message has been understood correctly and facilitates continuous improvement.

Why Feedback is Important in OB Communication:

1. Confirms Understanding

- Feedback lets the sender know whether the message was received and interpreted accurately.

- It reduces misunderstandings and misinterpretations.

2. Encourages Two-Way Communication

- Feedback transforms communication from one-way to interactive, creating dialogue rather than just information delivery.
- It promotes open and effective communication culture in organizations.

3. Improves Performance and Productivity

- Timely and constructive feedback helps employees know how well they are doing and what areas need improvement.
- It supports learning and development.

4. Facilitates Problem-Solving and Decision Making

- Feedback helps identify issues, misunderstandings, or obstacles early.
- It aids managers and teams in making informed decisions.

5. Enhances Motivation and Morale

- Positive feedback boosts confidence and motivation.
- Constructive criticism, when delivered properly, encourages growth and improvement.

Directions of Communication

In organizations, communication flows in different directions depending on the source and destination of the message. Understanding these directions helps in managing information flow effectively.

1. Downward Communication

- **From:** Higher levels of the organizational hierarchy (managers, supervisors)
 - **To:** Lower levels (employees, subordinates)
 - **Purpose:**
 - To give instructions, guidelines, policies, and procedures.
 - To provide performance feedback, job roles, and organizational goals.
 - **Examples:** Memos, manuals, announcements, performance appraisals.
-

2. Upward Communication

- **From:** Lower levels (employees, subordinates)

- **To:** Higher levels (managers, supervisors)
 - **Purpose:**
 - To provide feedback, report progress, express opinions, and suggest improvements.
 - To communicate problems or challenges faced by employees.
 - **Examples:** Reports, suggestion boxes, grievance letters, performance feedback.
-

3. Horizontal (or Lateral) Communication

- **Between:** Employees or departments at the same hierarchical level
 - **Purpose:**
 - To coordinate tasks, share information, solve problems, and collaborate.
 - To foster teamwork and cooperation across departments.
 - **Examples:** Meetings between departments, emails among peers, coordination on projects.
-

4. Diagonal Communication

- **Between:** Different levels and different departments (cutting across hierarchy and functions)
- **Purpose:**
 - To speed up processes, reduce delays caused by hierarchical barriers.
 - To facilitate cross-functional cooperation and decision-making.
- **Examples:** Communication between a junior employee in marketing and a senior employee in finance.

Common Barriers to Effective Communication:

1. Physical Barriers

- External environmental factors that disrupt communication.
- Examples: Noise, poor lighting, distance between sender and receiver, faulty equipment, interruptions.

2. Psychological Barriers

- Mental and emotional factors affecting communication.

- Examples: Stress, anger, mistrust, fear, lack of confidence, prejudices, personality clashes.

3. Semantic Barriers

- Problems caused by misunderstanding the meaning of words or symbols.
- Examples: Use of jargon, technical terms, ambiguous language, differences in interpretation.

4. Organizational Barriers

- Structural and procedural issues within the organization that affect communication flow.
- Examples: Complex hierarchies, information overload, restrictive rules, lack of proper channels.

5. Cultural Barriers

- Differences in cultural backgrounds and norms causing miscommunication.
- Examples: Language differences, non-verbal cues, customs, values, and etiquette variations.

6. Perceptual Barriers

- Differences in perception and viewpoints between sender and receiver.
- Examples: Selective perception, stereotypes, prejudices that influence understanding.

7. Language Barriers

- Differences in language or vocabulary used by sender and receiver.
- Examples: Different mother tongues, accents, unclear pronunciation.

8. Technological Barriers

- Problems related to the use of communication technology.
- Examples: Poor internet connectivity, software issues, incompatible communication tools.

Negotiation in Organizational Behavior

Definition:

Negotiation is a process by which two or more parties with different interests or perspectives communicate and bargain to reach a mutually acceptable agreement or resolve a conflict.

Importance of Negotiation in Organizations

- Helps resolve conflicts and disputes peacefully.
- Facilitates collaboration and cooperation.
- Ensures better decision-making and problem-solving.
- Helps allocate resources effectively.
- Builds long-term relationships and trust among stakeholders.

Grapevine in Organizational Behavior

Definition:

The grapevine is an informal communication network within an organization through which unofficial and often informal messages and information spread rapidly among employees.

Characteristics of Grapevine

- **Informal:** It operates outside the formal communication channels.
- **Fast:** Information travels quickly through social interactions.
- **Unstructured:** No fixed pattern or official route.
- **Spontaneous:** Messages are spread casually, often by word of mouth.
- **Sometimes Accurate, Often Distorted:** Information can be true, partially true, or completely false.
- **Pervasive:** Exists in almost every organization regardless of size.

UNIT - 7

Leadership: Definition

Leadership is the process of influencing and guiding individuals or groups towards achieving common goals. It involves setting a vision, motivating others, making strategic decisions, and fostering teamwork. A leader not only directs but also inspires and empowers people to give their best effort.

In simple terms: Leadership is the ability to influence others to work willingly and enthusiastically to achieve organizational objectives.

Importance of Leadership

1. Provides Direction and Vision

A leader defines a clear vision and sets goals, helping team members understand the organization's purpose and their role in it.

2. Motivates Employees

Good leadership inspires and motivates employees to work hard, stay committed, and perform at their best.

3. Builds Team Spirit

Leadership fosters collaboration, trust, and unity among team members, creating a positive work culture.

4. Facilitates Change

Leaders guide organizations through change and uncertainty by providing support, clarity, and confidence.

5. Improves Efficiency and Productivity

Effective leadership helps streamline processes, reduce conflicts, and enhance performance, leading to higher productivity.

6. Develops Future Leaders

Strong leaders mentor and groom future leaders, ensuring long-term organizational success.

7. Enhances Decision-Making

Leaders assess situations critically and make informed decisions that benefit the organization.

Leadership Styles

Leadership style refers to a leader's characteristic approach in directing, motivating, guiding, and managing teams. It reflects how a leader makes decisions, communicates, and handles problems and subordinates.

◆ 1. Autocratic Leadership

Definition: The leader makes decisions unilaterally without input from team members.

- Features:**

- Centralized decision-making
 - Strict supervision and control
 - Clear expectations

- Advantages:**

- Fast decision-making

- Useful in crises
- **Disadvantages:**
 - Reduces creativity
 - Low employee morale

Example: Military officers or factory supervisors in critical operations.

◆ **2. Democratic (Participative) Leadership**

Definition: The leader involves team members in decision-making but retains final authority.

- **Features:**
 - Team input is encouraged
 - Open communication
 - Shared responsibility
- **Advantages:**
 - High employee satisfaction
 - Encourages creativity
- **Disadvantages:**
 - Time-consuming decision process

Example: Project managers in software companies encouraging team discussions.

◆ **3. Laissez-Faire Leadership**

Definition: The leader gives full freedom to employees to work on their own with minimal interference.

- **Features:**
 - Hands-off approach
 - High autonomy
 - Leader provides tools and support when required
- **Advantages:**
 - Encourages innovation and independence
- **Disadvantages:**

- Can lead to confusion and lack of direction

Example: Creative industries like advertising or R&D departments.

◆ **4. Transformational Leadership**

Definition: The leader inspires and motivates followers to exceed expectations through vision and enthusiasm.

- **Features:**

- Focus on change and innovation
- Encourages personal growth
- Visionary leadership

- **Advantages:**

- High employee engagement
- Promotes innovation

- **Disadvantages:**

- Requires high energy and emotional intelligence

Example: Elon Musk or Steve Jobs.

◆ **5. Transactional Leadership**

Definition: Based on a system of rewards and punishments to manage followers.

- **Features:**

- Task and result-oriented
- Clear goals and expectations
- Follows formal structure

- **Advantages:**

- Effective in routine and structured environments

- **Disadvantages:**

- Lacks innovation and flexibility

Example: Sales managers with performance-based bonuses.

◆ 6. Servant Leadership

Definition: The leader puts the needs of others first and helps people develop and perform at their best.

- **Features:**

- Empathy, listening, and stewardship
- Focus on follower development

- **Advantages:**

- Builds trust and strong team culture

- **Disadvantages:**

- May be seen as too passive

Example: Non-profit leaders or educational heads.

◆ 7. Charismatic Leadership

Definition: Based on the personal charm and influence of the leader.

- **Features:**

- Strong emotional connection
- Highly inspirational

- **Advantages:**

- Can rapidly motivate followers

- **Disadvantages:**

- Overdependence on the leader's presence

Example: Martin Luther King Jr., Narendra Modi.

Managerial Grid Theory (Leadership Grid)

Definition:

The **Managerial Grid** is a **two-dimensional model** that identifies different leadership styles based on a manager's **concern for people** and **concern for production (task)**.

It helps evaluate and improve leadership behavior.

The Two Axes:

1. Concern for People (Y-axis):

- Ranges from 1 (low) to 9 (high)
- Reflects how much a leader values team members' needs, development, and relationships.

2. Concern for Production (X-axis):

- Ranges from 1 (low) to 9 (high)
 - Reflects how much a leader emphasizes efficiency, productivity, and goal achievement.
-

The Five Main Leadership Styles in the Grid:

Style	Score (Production, People)	Explanation
1.1 – Impoverished Management	(1,1)	Low concern for both task and people. Ineffective leadership. Minimal effort just to keep job.
9.1 – Task/Authoritarian Management	(9,1)	High task, low people. Focus only on productivity. May ignore human needs. Strict rules and structure.
1.9 – Country Club Management	(1,9)	High people, low task. Friendly, comfortable environment, but poor productivity. Avoids conflict.
5.5 – Middle-of-the-Road Management	(5,5)	Moderate concern for both. Balanced approach. Acceptable results, but not outstanding.
9.9 – Team Management (Ideal Style)	(9,9)	High concern for both. Builds committed team with high performance and strong morale. Most effective style.

Why Managerial Grid is Important:

- Helps diagnose leadership behavior
- Encourages a **balanced leadership style**
- Useful in **training programs** for leadership development
- Focuses on **both human relations and task achievement**



Transactional vs. Transformational Leadership

1. Transactional Leadership

Definition:

Transactional leadership is based on a system of rewards and punishments. The leader sets clear goals, and team members are rewarded or disciplined based on performance.

Key Features:

- Focuses on **short-term goals** and efficiency
- Leader provides **specific tasks** and expectations
- Motivates using **extrinsic rewards** (bonus, promotion)
- Follows a **structured, rule-based approach**
- **Manages** the present rather than inspiring future growth

Leadership Behaviors:

- Clarifies roles and responsibilities
- Monitors performance closely
- Reacts to deviations or errors
- Uses formal authority and rules

Best Used When:

- Tasks are routine or procedural
- Clear performance targets exist
- Time is limited and structure is needed

Example: Sales manager giving bonuses based on meeting monthly targets.

2. Transformational Leadership

Definition:

Transformational leadership inspires and motivates followers to achieve more than they thought possible by appealing to higher ideals and moral values.

Key Features:

- Focuses on **long-term vision and innovation**
- Builds **emotional connection** and trust

- Encourages **intrinsic motivation** (passion, purpose)
- Promotes **personal and professional growth**
- **Leads change**, not just processes

Leadership Behaviors:

- Inspires a shared vision
- Acts as a role model (idealized influence)
- Encourages creativity and problem-solving
- Provides individualized consideration

Best Used When:

- Organization is undergoing **change or growth**
- Innovation and creativity are key
- A strong culture or sense of purpose is needed

Example: Steve Jobs motivating Apple teams to "think differently" and innovate beyond limits.

◆ **Democratic Leadership (Participative Leadership)**

Definition: A leadership style where the leader **involves team members in decision-making**, encourages participation, and values their opinions.

 **Key Features:**

1. **Participation-Oriented:**
 - Employees are actively involved in decisions.
 - Leader consults the team before making decisions.
2. **Open Communication:**
 - Free flow of ideas and feedback.
 - Encourages suggestions and discussions.
3. **Empowerment:**
 - Delegates authority.
 - Employees feel responsible and motivated.
4. **Teamwork Focused:**
 - Promotes collaboration and cooperation.

- Enhances group morale.

5. High Motivation & Job Satisfaction:

- Employees feel valued.
- Leads to greater loyalty and creativity.

6. Time-Consuming:

- Decision-making is slower due to consultation.

7. Effective in Skilled Teams:

- Works well when employees are experienced and responsible.

Example: A project manager in a software team asking for team input before finalizing a plan.

◆ **Autocratic Leadership (Authoritarian Leadership)**

Definition: A leadership style where the leader **makes decisions unilaterally**, gives clear orders, and expects obedience without input from others.

 **Key Features:**

1. Centralized Decision-Making:

- Leader has full control and authority.
- No or minimal employee involvement.

2. Directive Communication:

- One-way communication from leader to team.
- Instructions are given, not discussed.

3. Strict Supervision:

- Close monitoring of employees.
- Rules and procedures are rigid.

4. Quick Decision-Making:

- Suitable in emergencies or time-sensitive tasks.

5. Low Team Morale (*often*):

- Employees may feel undervalued or stressed.
- Limited opportunity for personal growth.

6. Dependence on Leader:

- Team cannot function well without the leader.

7. Best for Unskilled or Inexperienced Teams:

- Works when clear direction is necessary.

Example: A military commander giving orders during a crisis.

How a Leader Creates a Culture of Trust and Transparency

◆ **1. Leading by Example (Role Modeling)**

- **Walk the talk:** The leader must demonstrate honesty, ethical behavior, and accountability.
- If a leader is transparent in actions and decisions, employees are more likely to follow suit.

Example: A leader admits mistakes openly and takes responsibility.

◆ **2. Open and Honest Communication**

- Encourage **two-way communication:** Listening as much as speaking.
- Share relevant information clearly and regularly (no hidden agendas).
- Use team meetings, newsletters, or open-door policies.

Example: A CEO updates employees monthly on company performance and future plans.

◆ **3. Consistency in Words and Actions**

- Avoid **favoritism, double standards**, or sudden changes without reason.
- Employees trust leaders who **consistently stick to their values and promises**.

◆ **4. Empowering Employees**

- Trust employees with **responsibility and decision-making** power.
- Avoid micromanaging; instead, offer guidance and support.

Example: Delegating tasks and allowing team members to take ownership of projects.

◆ **5. Providing Constructive Feedback**

- Give **regular, respectful feedback** aimed at growth.
- Accept feedback **from employees** as well – and act on it when needed.

Example: 360-degree feedback system in organizations like Google.

◆ **6. Encouraging Ethical Behavior**

- Promote and reward integrity, fairness, and ethical conduct.
- Establish clear **ethical policies and codes of conduct**.

◆ **7. Creating Psychological Safety**

- Make employees feel safe to **voice concerns, ideas, or mistakes** without fear.
- Build an environment of **respect, empathy, and understanding**.

Example: Leaders publicly recognize team members who speak up with new ideas or concerns.

◆ **8. Recognizing and Appreciating Efforts**

- Show **genuine appreciation** for team members' work.
- Public and private recognition builds trust and loyalty.



How to Identify a Leader vs. Manager in Behavioural Terms

Aspect	Leader (Behaviour)	Manager (Behaviour)
Vision	Focuses on creating a vision for the future	Focuses on setting goals and achieving specific results
Approach	Inspires , motivates, and influences others	Plans , organizes, and coordinates tasks
Decision-making	Takes risks , encourages innovation	Takes calculated decisions , prefers predictability
Communication Style	Two-way, inspiring, persuasive	Directive and informative
People Orientation	Builds relationships and empowers team members	Builds systems , supervises people
Change Orientation	Embraces and drives change	Manages change and maintains stability
Focus	Focus on people and long-term impact	Focus on process and short-term performance
Power Base	Based on personal influence (charisma, trust)	Based on formal authority (position or title)
Motivation Style	Encourages intrinsic motivation (passion, purpose)	Uses extrinsic motivators (rewards, penalties)
Conflict Handling	Acts as a mediator or motivator	Resolves conflict by rules or structure
Innovation	Promotes creative thinking and experiments	Relies on established methods

UNIT- 8

Organizational Politics refers to activities that are not officially sanctioned but are undertaken to influence others and achieve personal or organizational goals. It involves the use of power, authority, and social networking to affect decision-making or resource allocation within an organization.

Definition:

Organizational politics can be defined as:

“The use of informal, unofficial, and sometimes behind-the-scenes efforts to influence an organization, increase power, or achieve other targeted objectives.”

Characteristics:

1. **Informal and unofficial.**
2. **Self-interest driven** – often aimed at gaining power, promotions, or resources.
3. **Influence-based** – involves persuasion, alliances, and manipulation.
4. **May go against organizational goals** if unethical.
5. **Highly dependent on organizational culture.**

Causes of Organizational Politics:

1. **Scarcity of resources**
2. **Ambiguous roles and goals**
3. **Individual ambitions**
4. **Complex decision-making structures**
5. **Organizational change**
6. **Lack of transparency**

Impact of Organizational Politics:

Positive Impacts:

- Can help promote innovation and change.
- Provides opportunities for skill development in persuasion and leadership.
- May allow for better negotiation and compromise.

Negative Impacts:

- Can lower morale and increase stress.
- Leads to favoritism and unfair practices.
- Can result in conflict, decreased productivity, and high turnover.

Factors Contributing to Political Behaviour in Organizations

Political behavior in organizations arises due to various **individual** and **organizational** factors. These factors influence how and why people engage in political activities to gain power, advantage, or resources.

◆ 1. Individual Factors

These are personal traits or characteristics that make individuals more prone to political behavior:

1. High Self-Monitors

- People who are very aware of how they are perceived and can adapt their behavior accordingly.
- More likely to engage in impression management and political maneuvering.

2. Internal Locus of Control

- Individuals who believe they can control outcomes tend to engage in politics to influence results.

3. Machiavellianism

- A personality trait characterized by manipulation, a lack of morality, and a focus on self-interest.

4. Risk-Seeking Personality

- Individuals who are willing to take chances for personal gain may engage in political behavior.

5. Need for Power and Ambition

- Strong desire for advancement or leadership roles can drive political actions.
-

◆ 2. Organizational Factors

These are structural or cultural elements within the organization that create an environment for political activity:

1. Scarcity of Resources

- Limited promotions, budgets, or opportunities increase competition and political tactics.

2. Ambiguity in Roles and Goals

- Unclear job descriptions or organizational objectives create opportunities for manipulation.

3. Organizational Change

- Restructuring, mergers, or new leadership create uncertainty, which can increase political activity.

4. Lack of Formal Rules and Policies

- In the absence of clear guidelines, employees may rely on informal tactics to get ahead.

5. Unequal Power Distribution

- When power is centralized or poorly distributed, people may use politics to access or challenge authority.

6. Promotion and Reward System

- If promotions and rewards are perceived as biased or based on favoritism, employees may use political behavior to succeed.

7. Organizational Culture

- Cultures that tolerate or even reward political behavior will see more of it.

Politically Tactics That Are Ethically Questionable in Organizations

Ethically questionable political tactics are strategies used to gain power, influence, or advantage within an organization that may violate moral, ethical, or professional standards. These tactics often prioritize personal gain over organizational goals or fairness.

◆ 1. Manipulation of Information

- **Withholding critical information** from others to make them dependent.
 - **Distorting facts** to influence decisions in one's favor.
 - **Selective disclosure** to control perceptions or outcomes.
-

◆ 2. Backstabbing and Sabotage

- Secretly harming a colleague's reputation or performance.
 - Deliberately undermining others' work to gain a competitive edge.
-

◆ **3. Favoritism and Nepotism**

- Supporting friends or relatives for promotions or rewards regardless of merit.
 - Building alliances based on personal loyalty instead of professional competence.
-

◆ **4. Spreading Rumors or Gossip**

- Sharing unverified or false information to damage others' credibility.
 - Using grapevine communication to manipulate perceptions.
-

◆ **5. Flattery and Ingratiation**

- Excessive praise or false compliments to gain favor from superiors.
 - Pretending to agree with someone for personal benefit.
-

◆ **6. Credit Stealing**

- Taking credit for others' work or ideas.
 - Failing to acknowledge team contributions.
-

◆ **7. Playing “Divide and Rule”**

- Creating conflict between coworkers or departments to weaken others and strengthen one's own position.
-

◆ **8. Intimidation or Coercion**

- Using threats, fear, or pressure to manipulate others into compliance.
-

◆ **9. Blame Shifting**

- Avoiding responsibility by blaming others for failures.
- Using scapegoats to deflect accountability.

◆ **10. Exploiting Organizational Policies**

- Using loopholes or manipulating rules for personal gain.
 - Misusing power or authority under the guise of policy compliance.
-

◆ **Why Are These Tactics Unethical?**

- They **violate trust** and **erode teamwork**.
- They create a **toxic work culture**.
- They often result in **unfair treatment** and **low morale**.
- They prioritize **personal success** over **organizational goals** and values.

Methods for Managing Political Behaviour in Organizations

Managing political behavior is essential to maintain a healthy work environment, boost employee morale, and ensure fairness and transparency. Here are **practical and effective methods** to manage political behavior in organizations:

◆ **1. Promote a Transparent Work Culture**

- Encourage **open communication** at all levels.
 - Share information equally to avoid power-based information hoarding.
 - Make decisions openly and involve relevant stakeholders.
-

◆ **2. Establish Clear Rules and Policies**

- Define **roles, responsibilities, and expectations** clearly.
 - Implement **strict codes of conduct** and ethical guidelines.
 - Ensure **fair and merit-based policies** for promotions, appraisals, and rewards.
-

◆ **3. Lead by Example (Ethical Leadership)**

- Leaders should model ethical, honest, and inclusive behavior.
- Avoid favoritism or manipulation in decision-making.
- Address unethical political actions immediately and fairly.

- ◆ **4. Encourage a Performance-Based Culture**

- Recognize and reward performance rather than personal influence or connections.
 - Use **objective metrics** and regular feedback systems to evaluate work.
-

- ◆ **5. Provide Training and Awareness**

- Conduct **ethics and communication workshops** to educate employees.
 - Train managers to handle and reduce internal politics constructively.
-

- ◆ **6. Develop Strong Conflict Resolution Mechanisms**

- Provide platforms for employees to **voice concerns anonymously**.
 - Set up **grievance redressal systems** for handling unethical behavior or political disputes.
-

- ◆ **7. Encourage Teamwork and Collaboration**

- Promote **cross-functional teams** to reduce silos and alliances.
 - Foster an environment of **mutual respect, trust, and cooperation**.
-

- ◆ **8. Monitor Organizational Climate**

- Use regular **employee satisfaction surveys** to detect political tension.
 - Pay attention to rumors or signs of unrest that may indicate harmful politics.
-

Organizational Power

Organizational power refers to the ability of individuals or groups within an organization to influence decisions, control resources, and affect the behavior of others to achieve desired outcomes.

- ◆ **Definition:**

Power in an organization is the capacity or ability to influence the behavior of others, make decisions, and control valuable resources.

It is a key element of organizational behavior, leadership, and politics.

- ◆ **Characteristics of Power:**

1. **Relational** – exists between people or groups.
2. **Situational** – depends on the context and environment.
3. **Dynamic** – can change over time.
4. **Potential** – having power doesn't mean using it all the time.
5. **Neutral** – power itself is neither good nor bad; its use defines its nature.

UNIT-9

The **Conflict Process** describes the stages through which a conflict develops in an organization or between individuals. It helps in understanding how conflicts begin, escalate, and can be resolved. A well-known model includes **five stages**:

- ◆ **1. Potential Opposition or Incompatibility**

This is the **antecedent stage**, where the groundwork for conflict is laid due to:

- **Communication problems** (e.g., misunderstandings or lack of clarity)
- **Structural factors** (e.g., hierarchy, limited resources)
- **Personal variables** (e.g., values, personality differences)

These do **not always lead to conflict**, but they create the potential.

- ◆ **2. Cognition and Personalization**

This stage marks the **recognition** of conflict:

- **Cognitive conflict**: Awareness that conflict exists.
- **Emotional conflict**: Frustration, hostility, or anxiety.

At this point, conflict is either perceived or felt.

- ◆ **3. Intentions**

This stage involves **decisions to act in a certain way**. Intentions may not always match behavior.

Common conflict-handling intentions:

- **Competing** (assertive, uncooperative)
 - **Collaborating** (assertive, cooperative)
 - **Avoiding** (unassertive, uncooperative)
 - **Accommodating** (unassertive, cooperative)
 - **Compromising** (middle ground)
-

◆ 4. Behavior

This is the **visible part** of conflict:

- **Statements, actions, and reactions** of the involved parties.
- It can range from **subtle resistance** to **aggressive disputes**.
- Conflict **escalation and de-escalation** can occur here.

Effective conflict management or intervention often happens in this phase.

◆ 5. Outcomes

The result of the conflict:

Functional Outcomes:

- Better decision-making
- Increased innovation
- Clarification of issues
- Improved relationships after resolution

Dysfunctional Outcomes:

- Reduced group cohesion
- Poor communication
- Decreased productivity
- Stress or turnover

Conflict Management – Overview

Conflict Management refers to the practice of **identifying, handling, and resolving conflict** in a constructive manner. The goal is to **minimize negative outcomes** and **enhance learning and group outcomes**.

- ◆ **Importance of Conflict Management**

- Maintains a **positive work environment**
- Enhances **communication and teamwork**
- Promotes **creative problem-solving**
- Prevents **escalation into dysfunctional conflict**

Conflict Management Techniques (Paragraph Format)

1. Open Communication:

Open communication is a fundamental technique in managing conflict. It involves encouraging employees to express their views and concerns freely, without fear of judgment or retaliation. This transparency reduces misunderstandings, builds trust, and helps in identifying issues before they escalate into major conflicts.

2. Clarification of Issues:

Many conflicts arise due to unclear roles, responsibilities, or goals. Clarifying the root cause of the conflict and focusing on the facts rather than personal emotions can help resolve disputes efficiently. This technique is particularly useful in minimizing confusion and improving accountability within teams.

3. Active Listening:

Active listening means paying full attention to the speaker, understanding their message, and responding thoughtfully. It shows respect and empathy, which can calm emotions and foster mutual understanding. This technique is essential in organizations to ensure that all voices are heard and valued.

4. Negotiation:

Negotiation involves both parties discussing their differences and reaching a mutually acceptable solution. It often includes compromise and cooperation. In an organizational context, negotiation ensures that conflicts are resolved fairly while maintaining healthy working relationships.

5. Mediation:

Mediation is a technique where a neutral third party assists the conflicting parties in reaching a resolution. This method is especially useful when direct communication has failed or when the conflict is emotionally intense. In organizations, it helps in restoring professional relationships and creating unbiased solutions.

6. Collaboration:

Collaboration is a win-win approach where both parties work together to find a

solution that satisfies everyone's needs. This technique promotes creative problem-solving, trust, and teamwork. In the workplace, collaboration leads to stronger bonds and more sustainable solutions.

7. Avoidance:

Sometimes, avoiding a conflict temporarily is a wise choice, especially when the issue is minor or emotions are running high. Avoidance gives individuals time to cool down or reassess the situation. However, overuse of this technique may result in unresolved issues.

Traditional View of Conflict

The **traditional view** of conflict considers it as something **negative, harmful, and destructive** to an organization. This perspective prevailed from the **1930s to the mid-1970s**, where conflict was seen as a sign of poor management, communication failure, or structural inefficiency. The goal was to **eliminate conflict completely** through strict control, hierarchy, and formal procedures. Conflict was considered dysfunctional and something that should be avoided or suppressed at all costs.

Modern (Contemporary) View of Conflict

The **modern view**, also known as the **interactionist or contemporary view**, sees conflict as **inevitable and sometimes beneficial** in an organization. It emerged in the **late 1970s and onwards**, acknowledging that not all conflict is bad. According to this view, **constructive or functional conflict can promote innovation, creativity, better decisions, and change**. Modern managers aim not to eliminate conflict but to **manage it** effectively to enhance team performance and organizational adaptability.

Traditional vs. Modern View of Conflict – Comparison Table

Aspect	Traditional View	Modern View
Perception of Conflict	Always negative and harmful	Can be both positive and negative
Main Belief	Conflict should be avoided	Conflict is inevitable and can be useful
Cause of Conflict	Poor communication or management	Natural result of diversity in teams/goals
Approach	Eliminate or suppress conflict	Manage and use conflict constructively
Focus	Stability and order	Innovation, adaptation, and problem-solving
Outcome of Conflict	Dysfunctional, disrupts work	Can be functional or dysfunctional
Management Style	Autocratic, rule-based	Participative, open communication
Goal	Conflict-free organization 	Effective conflict management

◆ Functional Conflict

Functional conflict, also called **constructive conflict**, refers to disagreement that **supports the goals of the organization** and improves performance. It stimulates **healthy debate**, encourages **innovation**, and helps in **problem-solving** by bringing different perspectives to light. Functional conflict leads to better decision-making and enhances group dynamics when managed properly.

Characteristics:

- Focuses on issues, not personalities
- Encourages open communication and collaboration
- Stimulates creativity and change
- Strengthens team cohesion and commitment
- Helps in identifying and solving problems early

Example:

A team debating different approaches to complete a project, leading to the selection of the best method.

◆ Dysfunctional Conflict

Dysfunctional conflict, also known as **destructive conflict**, harms the organization by obstructing goals, lowering morale, and reducing productivity. It often arises from personal differences, miscommunication, or power struggles. Dysfunctional conflict creates tension, leads to mistrust, and disrupts cooperation among team members.

Characteristics:

- Focuses on personal issues rather than tasks
- Causes hostility, stress, and reduced communication
- Leads to decreased motivation and job satisfaction
- Creates barriers to teamwork and cooperation
- May result in absenteeism and turnover

Example:

Two employees arguing about personal grudges, which affects the overall team atmosphere and performance.

◆ Common Bargaining Strategies

1. Distributive Bargaining (Win-Lose Strategy):

- Focuses on dividing a fixed amount of resources (the "fixed pie").
- Each party tries to maximize their own share.
- Often competitive and adversarial.
- Example: Salary negotiations where one's gain is another's loss.

2. Integrative Bargaining (Win-Win Strategy):

- Focuses on mutual interests and creating value for all parties.
- Encourages cooperation, problem-solving, and expanding the "pie."
- Both parties work towards solutions that benefit everyone.
- Example: Business partnerships finding ways to increase overall profits.

3. Avoidance:

- Deliberately postponing or avoiding negotiation.
- Useful when the issue is trivial or when more information is needed.

4. Accommodation:

- One party gives in to the other's demands to maintain harmony.
- Useful when the relationship is more important than the issue.

5. Compromise:

- Both parties give up something to reach a middle ground.
- Often used when time is limited or parties have equal power.

◆ **Usefulness of Bargaining Strategies in Organizations**

- Helps reach agreements that satisfy diverse interests.
- Maintains or improves working relationships through cooperation.
- Facilitates efficient conflict resolution.
- Encourages creative solutions and long-term partnerships.
- Prevents costly deadlocks and prolonged disputes.

◆ **Negotiation Process**

Negotiation is a structured process through which two or more parties communicate to reach a mutually acceptable agreement. The process usually involves the following key stages:

1. Preparation and Planning

- Understand your own goals, needs, and limits.
 - Research the other party's interests, strengths, and weaknesses.
 - Determine your BATNA (Best Alternative to a Negotiated Agreement).
 - Plan your negotiation strategy and possible concessions.
-

2. Opening or Initial Discussion

- Parties meet and start the dialogue.
 - Establish a positive tone and build rapport.
 - Exchange initial positions or proposals.
-

3. Clarification and Justification

- Each party explains their demands, interests, and reasoning.
 - Ask questions and clarify misunderstandings.
 - Provide supporting information or evidence for your position.
-

4. Bargaining and Problem Solving

- Parties discuss offers and counteroffers.

- Use bargaining tactics and strategies to move closer to agreement.
 - Explore creative solutions and compromises that satisfy both parties.
-

5. Closure and Agreement

- Reach a final agreement that is acceptable to all parties.
 - Confirm terms clearly and ensure mutual understanding.
 - Formalize the agreement, often in writing.
-

6. Implementation and Follow-up

- Execute the agreed-upon terms.
- Monitor compliance and address any issues that arise.
- Maintain good relations for future negotiations.

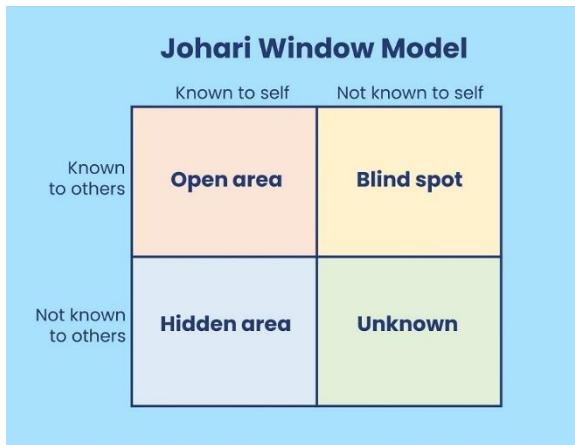
◆ Johari Window

The **Johari Window** is a psychological tool developed by Joseph Luft and Harrington Ingham in 1955. It helps people better understand their relationships with themselves and others. It is widely used in self-awareness, personal development, and communication training in organizations.

- ◆ **Usefulness of Johari Window in Organizations**
- **Improves self-awareness:** Helps individuals understand how they are perceived by others.
- **Enhances communication:** Encourages openness and honest feedback, reducing misunderstandings.
- **Builds trust:** Sharing in the open area promotes trust among team members.
- **Facilitates personal growth:** Identifying blind spots and hidden areas can lead to development.
- **Supports team building:** Helps teams improve collaboration by knowing each other's strengths and weaknesses.

Example

If a team member is unaware that they often interrupt others (blind spot), feedback can make them aware, reducing this behavior and improving team communication.



UNIT – 10

Organizational Design

Definition:

Organizational Design is the process of structuring an organization's roles, responsibilities, communication systems, and authority to achieve its goals effectively and efficiently.

Key Elements of Organizational Design:

1. **Work Specialization:**
Dividing work into specific tasks to improve efficiency.
2. **Departmentalization:**
Grouping jobs into departments based on function, product, geography, or customer.
3. **Chain of Command:**
The line of authority within the organization defining who reports to whom.
4. **Span of Control:**
The number of employees a manager can effectively supervise.
5. **Centralization vs Decentralization:**
Degree to which decision-making is concentrated at a single point or dispersed throughout the organization.
6. **Formalization:**
Extent to which policies, procedures, job descriptions, and rules are written and strictly followed.

Various Organizational Structures

1. Functional Structure

- **Description:** Groups employees by specialized functions such as marketing, finance, production, HR, etc.
 - **Best for:** Organizations with a stable environment and focused on operational efficiency.
 - **Pros:** Specialization, clear career paths, efficient use of resources.
 - **Cons:** Poor communication across departments, slower decision-making.
-

2. Divisional Structure

- **Description:** Groups employees based on product lines, customer segments, or geographic regions.
 - **Best for:** Large organizations with diverse products or markets.
 - **Pros:** Focus on specific markets/products, greater flexibility, accountability within divisions.
 - **Cons:** Duplication of resources, increased costs, possible inter-division rivalry.
-

3. Matrix Structure

- **Description:** Combines functional and divisional structures, with employees reporting to both a functional manager and a project/product manager.
 - **Best for:** Complex projects requiring cross-functional collaboration.
 - **Pros:** Efficient resource use, improved communication, flexibility.
 - **Cons:** Confusing reporting lines, potential power struggles, complex management.
-

4. Team-Based Structure

- **Description:** Organizes work around teams rather than traditional departments; teams are often cross-functional and empowered.
 - **Best for:** Organizations emphasizing innovation and collaboration.
 - **Pros:** Enhanced creativity, faster problem-solving, high employee involvement.
 - **Cons:** Role ambiguity, potential conflicts, requires cultural adaptation.
-

5. Network Structure

- **Description:** Central core organization outsources major functions to external specialists and partners.

- **Best for:** Highly dynamic and technology-driven industries.
 - **Pros:** Flexibility, cost savings, focus on core competencies.
 - **Cons:** Control challenges, dependency on partners, coordination issues.
-

6. Line Structure

- **Description:** A traditional, simple structure with direct, vertical lines of authority from top to bottom.
 - **Best for:** Small organizations with straightforward operations.
 - **Pros:** Clear authority and responsibility, easy decision-making.
 - **Cons:** Limited specialization, overburdened managers.
-

7. Line and Staff Structure

- **Description:** Combines line authority with specialized staff departments providing support and advice.
 - **Best for:** Organizations needing expertise alongside clear authority.
 - **Pros:** Balance of specialization and control, better decision-making.
 - **Cons:** Potential conflicts between line and staff, slower decision process.
-

8. Hybrid Structure

- **Description:** Mixes two or more structures to fit unique organizational needs (e.g., functional + divisional).
- **Best for:** Large, complex organizations operating in varied markets.
- **Pros:** Flexibility, tailored management approaches.
- **Cons:** Complexity, possible confusion in roles.

Effects of Organizational Structures on Human Behavior

1. Functional Structure

- **Behavioral Effects:**
 - Encourages specialization and expertise development.
 - Employees may feel a strong sense of identity within their function.

- Can create **silos** leading to limited communication and cooperation across departments.
 - May cause frustration if employees see limited opportunities beyond their function.
 - Clear roles reduce ambiguity, increasing job satisfaction for routine tasks.
-

2. Divisional Structure

- **Behavioral Effects:**

- Employees develop strong loyalty to their division, sometimes at the expense of the whole organization.
 - Encourages entrepreneurial behavior within divisions due to autonomy.
 - May create **competition or conflict** between divisions.
 - Greater flexibility can improve motivation and innovation.
 - Employees can identify with customer or product focus, increasing engagement.
-

3. Matrix Structure

- **Behavioral Effects:**

- Employees experience **dual authority** which can cause stress or role conflict.
 - Encourages collaboration and communication across functions.
 - Increases exposure to different perspectives, enhancing learning and creativity.
 - Can cause confusion about priorities and loyalty (to project vs. function).
 - Requires good interpersonal skills and adaptability from employees.
-

4. Team-Based Structure

- **Behavioral Effects:**

- Fosters cooperation, trust, and mutual support among team members.
- Encourages empowerment and participation, increasing job satisfaction.
- May reduce individual competition and promote shared accountability.
- Potential role ambiguity can cause conflict or stress if not well managed.

- Promotes flexibility and rapid problem-solving, which can be motivating.
-

5. Network Structure

- **Behavioral Effects:**

- Employees in core organization focus on coordination and relationship management.
 - Outsourced partners may feel less organizational commitment, leading to weaker loyalty.
 - Increased reliance on communication and trust across boundaries.
 - Flexibility can attract employees who value autonomy and entrepreneurial roles.
 - Possible uncertainty or insecurity for those in peripheral or contracted roles.
-

6. Line Structure

- **Behavioral Effects:**

- Clear authority lines reduce ambiguity and simplify decision-making.
 - Can result in **rigid hierarchy**, limiting employee initiative or creativity.
 - May cause frustration for employees seeking more participation or innovation.
 - Easier to enforce discipline and maintain order.
-

7. Line and Staff Structure

- **Behavioral Effects:**

- Specialized staff roles can increase feelings of expertise and respect.
 - Potential conflict between line and staff employees over authority and influence.
 - Employees may experience mixed signals from different sources of authority.
 - Can improve decision quality, benefiting employee confidence and motivation.
-

8. Hybrid Structure

- **Behavioral Effects:**

- Complexity may cause confusion and stress among employees due to multiple reporting lines.
- Offers opportunities for diverse experiences, learning, and flexibility.
- Can increase collaboration but also conflict if roles and responsibilities are unclear.
- Requires strong leadership and communication to maintain morale and cohesion.

Organizational Climate

Definition:

Organizational Climate refers to the **shared perceptions and attitudes** of employees about their work environment. It reflects the collective mood, atmosphere, and psychological environment within an organization.

Key Characteristics:

- It is **subjective** and based on employees' perceptions.
 - Influences how employees feel about their job, coworkers, and management.
 - Can be **positive** (supportive, motivating) or **negative** (hostile, stressful).
 - More about the "**feel**" of the workplace rather than formal structure or policies.
-

Factors Influencing Organizational Climate:

- Leadership style and behavior
- Communication patterns
- Workgroup relationships
- Organizational policies and procedures
- Physical work environment
- Rewards and recognition systems
- Job design and workload

Organizational Culture

Definition:

Organizational Culture is the **shared values, beliefs, norms, and assumptions** that shape the behavior and mindset of people within an organization. It's the “personality” of the organization that influences how employees interact, make decisions, and work together.

Key Characteristics:

- **Deeply embedded:** Often unconscious and taken for granted by members.
 - **Shared:** Common understanding across the organization.
 - **Stable:** Changes slowly over time.
 - **Influences behavior:** Guides how people behave and solve problems.
 - **Includes artifacts:** Visible elements like dress code, office layout, rituals, and symbols.
-

Components of Organizational Culture (Schein's Model):

1. **Artifacts:** Visible organizational structures and processes (e.g., dress code, office design, ceremonies).
2. **Espoused Values:** Stated strategies, goals, and philosophies.
3. **Basic Underlying Assumptions:** Unconscious beliefs, perceptions, thoughts, and feelings — the core of culture.

Virtual Organization

Definition:

A **Virtual Organization** is a network of geographically dispersed individuals, teams, or organizations that collaborate and operate mainly through electronic communication and information technologies rather than traditional physical presence.

Key Characteristics:

- No fixed physical location or headquarters.
- Teams or members work remotely from different locations.
- Heavy reliance on digital tools (video conferencing, cloud computing, email, instant messaging).
- Flexible and adaptable structure.
- Often temporary or project-based collaborations.
- Can include freelancers, contractors, suppliers, and customers.

Advantages:

- **Cost savings:** Reduced expenses on office space, utilities, and infrastructure.
 - **Access to global talent:** Ability to hire skilled people regardless of location.
 - **Flexibility:** Employees can work from anywhere, improving work-life balance.
 - **Faster decision-making:** Technology enables real-time communication.
 - **Scalability:** Easy to form and dissolve teams based on project needs.
-

Challenges:

- **Communication barriers:** Risk of misunderstandings without face-to-face interaction.
- **Trust building:** Harder to develop trust among remote members.
- **Coordination difficulties:** Managing time zones, schedules, and workflows.
- **Technology dependency:** Requires reliable and secure IT systems.
- **Employee isolation:** Potential feelings of loneliness or disconnection.

Sure! Here's an easy-to-understand comparison of **Organizational Culture** and **Organizational Climate**:

Aspect	Organizational Culture	Organizational Climate
What is it?	The values, beliefs, and rules that everyone in the company shares. It's like the company's personality.	How employees feel about their workplace right now. It's like the company's mood.
How deep?	Very deep and long-lasting.	More surface-level and can change quickly.
Focus	What the company believes and stands for.	How employees feel about their work environment.
Example	The company believes teamwork is very important.	Employees feel happy and supported at work.
Changes How Fast?	Changes slowly over time.	Can change quickly depending on leadership or policies.

Sure! Here's a clear comparison between the **Mechanistic Model** and the **Organic Model** of organization:

Aspect	Mechanistic Model	Organic Model	Export
Structure	Rigid and hierarchical	Flexible and flat	
Communication	Vertical, formal, and top-down	Horizontal, informal, and multi-directional	
Decision Making	Centralized	Decentralized	
Roles and Responsibilities	Clearly defined and specialized	Loosely defined and overlapping	
Adaptability	Low; suited for stable environments	High; suited for dynamic and uncertain environments	
Control	Strict rules, procedures, and supervision	Minimal rules; emphasis on trust and collaboration	
Innovation	Limited; focus on efficiency and routine tasks	Encouraged; focus on creativity and problem-solving	
Examples of Use	Traditional manufacturing firms, military	Tech startups, research organizations	
Employee Behavior	Task-oriented, follows rules	Collaborative, proactive, and flexible	