DHRM
GOLDEN HUMANS

DOB - 1002
Organization Behavior

how people as individuals and as groups act within organizations in order to identify ways in which people can cat more effectively.

ORGANIZATION BEHAVIOR

After studying this Chapter, You should be able to -

1. Describe what managers do.
2. Define organizational behavior (OB).
3. Explain the value of Systematic Study of OB.
4. Identify the Contributions made by major behavioral science disciplines to OB.
5. List the major challenges and opportunities for managers to use OB concepts.

Effective versus Successful Managerial Activities (Luthans)

1. **Traditional Management**
   - Decision Making, Planning, and Controlling

2. **Communication**
   - Exchanging routine information and Processing – Paperwork

3. **Human Resource Management**
   - Motivating, disciplining, managing conflict, staffing and training

4. **Networking**
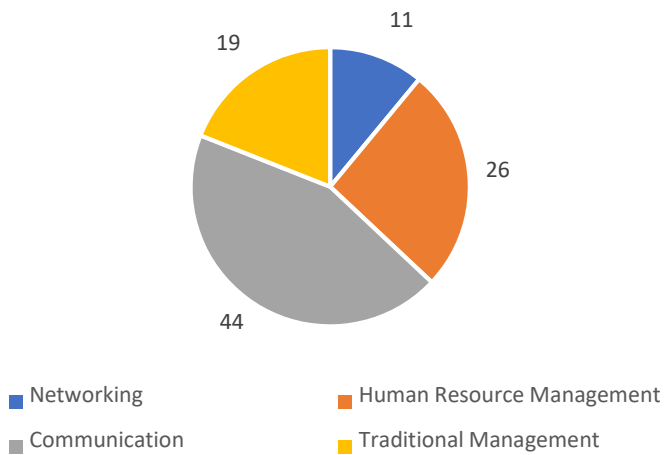   - Socializing, Politicking and interacting with others.

Average Managers

■ Networking		■ Human Resource Management	
■ Communication		■ Traditional Management	

Average Managers

■ Networking		■ Human Resource Management	
■ Communication		■ Traditional Management	

Effective Managers

■ Networking		■ Human Resource Management	
■ Communication		■ Traditional Management	
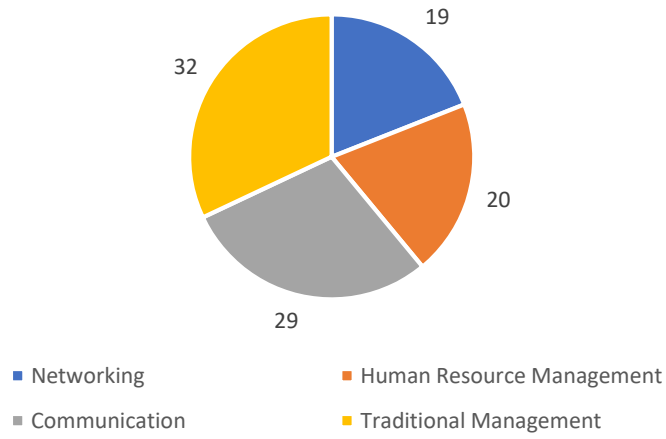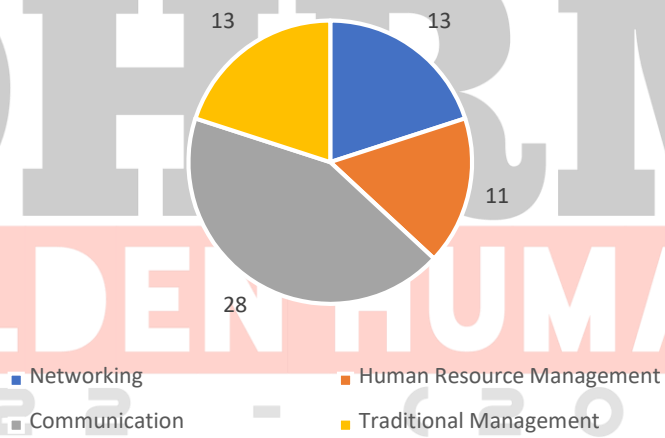
Organizational Behavior (OB)

Organizational behavior is the study and application of knowledge about how people **as individuals and as groups** act within organizations in order to identify ways in which people can cat more effectively.

It is a **Scientific discipline**, which Combines knowledge from **Psychology, sociology and other Science with business management** specifically to dead with the human factor in an organization.

OB - Introduction Continued

OB Provides to managers many managerial tools and information useful to understand and manage :

- ✓ **Individual behavior**
- ✓ **Interpersonal behavior**
- ✓ **Group dynamics**
- ✓ **Intergroup behavior, and**
- ✓ **Inter organizational Behavior**

The goals of organizational behavior are to Understand, Describe, Predict and Control humans.

Enter Organizational Behavior

A field of study that investigates the impact that individuals' groups and structure have on behavior within organizations, for the purpose of Appling such knowledge toward improving an organization's effectiveness.

A systematic study and careful knowledge about people – as individual or as group – act within organizational.

What is OB ?

Organizational Behavior

Provides a set of tools that allow

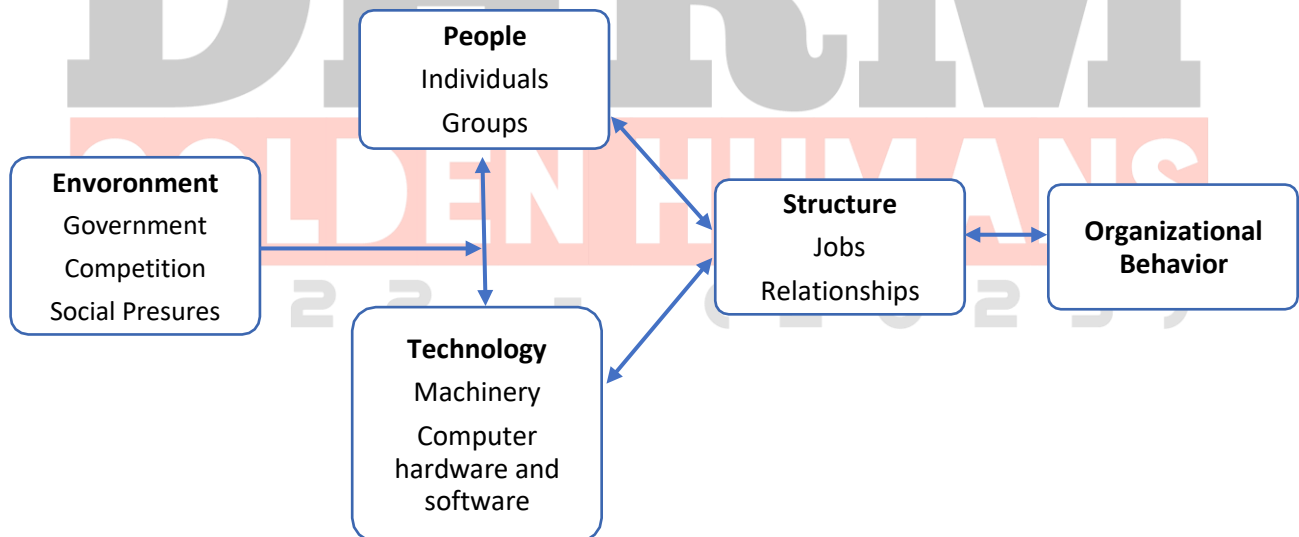People to understand analyze and describe behavior organizations

Managers to improve, enhance or change work behaviors so that whole organization can achive thair goals.

Forces Affecting organizational Behavior

The forces affecting organizational behavior are:

- ✓ **People**
- ✓ **Structure**
- ✓ **Technology**
- ✓ **Environment**

Forces Affecting OB

Fundamental Concepts of OB

Relating to the Nature of People

- Individual differences
- Perception
- A whole Person
- Motivated behavior
- Desire for involvement
- Value of the Person

Relating to the Nature of organization

- Social System
- Mutual interest
- Ethics

OB

Individual differences :

- Law of individual differences suggests that each person is different from all others: more so Psychologically that Physiology.
- Management can motivate the employees best by treating them differently Hence in dealing with the employees, there cannot be any standard, one best, across - the board (uniform) way.

Perception :

- Perception refers to the unique way in which each person sees, organizes and interprets thing.
- People have differences In their Perception

Selective Perception

- It refers to an individual's tendency to pay attention to those things that he likes or is familiar with and to discord those things that he does not like or is unfamiliar with in a particular work environment.

- Therefore, when a communication is made, manager must not believe that workers have perceived it as intended.

A whole Person

- Though the organization is interested only in the employee's skills or brain done. It has to hire the whole person with all his backgrounds and idiosyncrasies.

- The OB implication of this issue is that the management needs to care about the job's effect on the whole person and his life

Motivated Behavior

- Behind every behavior of a person, there is a motive
- Often the motive would be to satisfy a need or drive

- Hence, according to OB, a person could be motivated to work hard only in two ways

  - Ether by offering him that his needs or drives will be satisfied, if he works hard

  - Or by threatening him that he will be denied the opportunity to satisfy his needs or drive, if he is not working hard

Desire for involvement

- Generally, people have a desire for involvement.
- They don't' just like to be ordered and ruled. Insulted they would like to involve in the decision-making process.

- Hence, OB Suggests that workers would be better satisfied if they are given a chance for involvement and participation.

Value of the Person

- People deserve to be treated differently from other factors of production.

- They should be treated more humanly and decently and not as more working tools.

- In the modern business world, workers are increasingly demanding this.

Social System
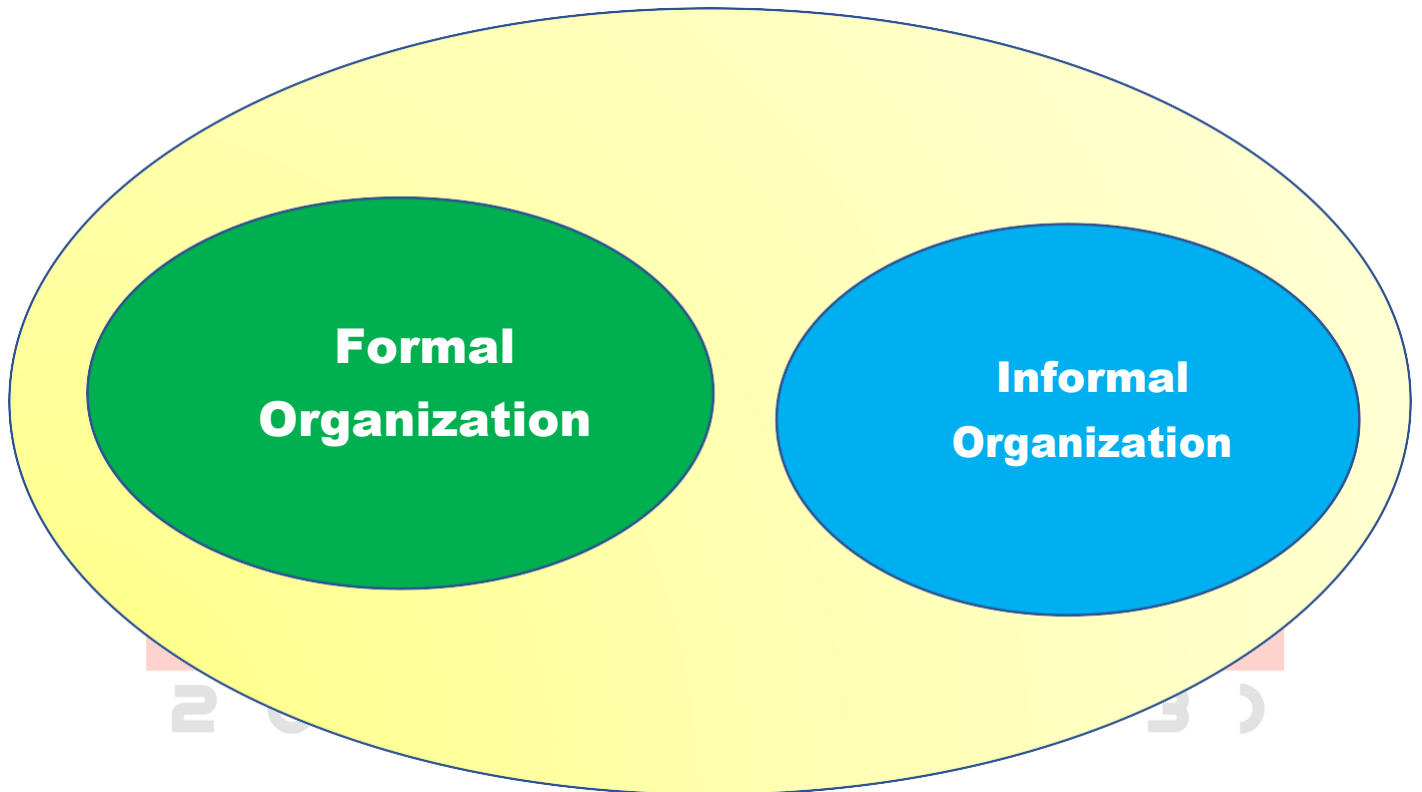
Mutual Interest

- The Relationship between the organization and workers is one of mutuality of interest.
- Organization needs workers for achieving its objectives and workers need organization for achieving their objectives.
- **hence, "A free hire and fire" Policy would not be very appropriate for organizations to adopt**

Ethics :

- In the modern times, everyone in an organization and the society at large expect both the management and the workers to be ethical in their behavior.

- Now that, many organizations are implementing a variety of programs to ensure a high standard of ethical performance by managers and employees a like

- **OB Focuses on the necessity of such ethical behavior in any organization**
- **Complementing Intuition with Systemic Study**

Intuition

'Feelings' which are not necessarily supported by research or facts.

Systemic Study

Look at relationships, attempting to attribute causes, effects and drawing conclusions based on scientific evidence.

(Event Based Management)

Provides a means to predict behaviors

What is Quality Management ?

- Intense focus on the customer satisfaction.
- Concern for continuous improvement
- Improvement in the Quality of everything the Organization does.
- Accurate measurement
- Empowerment of employees

Challenges and Opportunities for OB (Cont'd)

- Improving People skills

- Empowering People

- Stimulating innovation and change

- Coping with "temporariness"

- Working in networked organizations

- Helping employees balance work/life conflicts

- Improving ethical behavior

- Managing people during the war on terrorism

Major Workforce Diversity Categories

Gender

Disability

Religion

Age

Race

National Origin
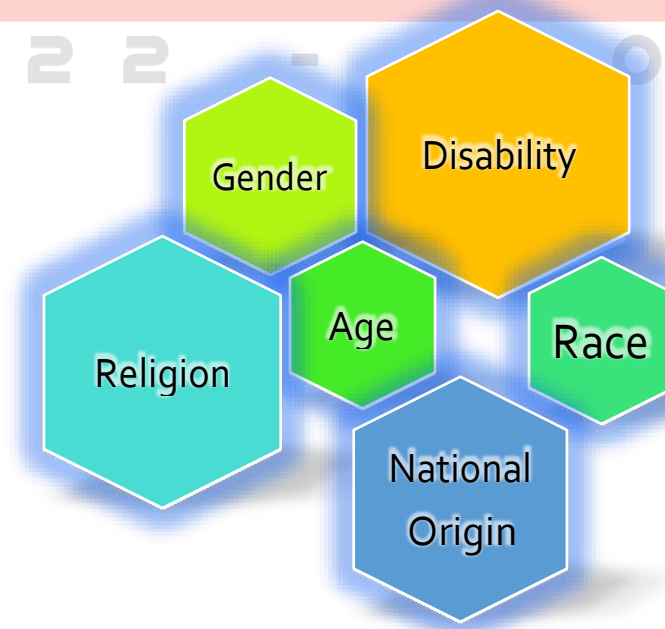
Challenges and Opportunities for OB (Cont'd)

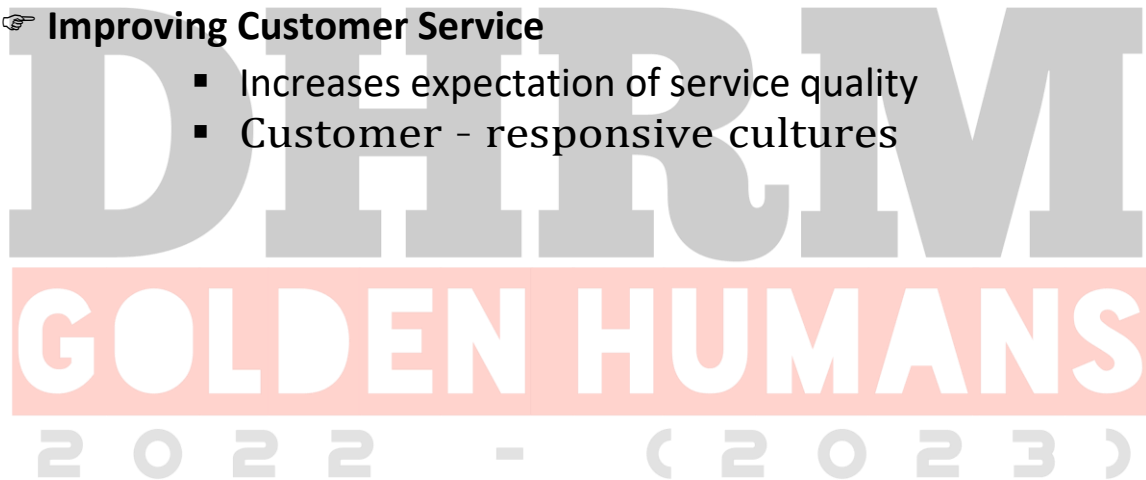☞ **Improving Quality and Productivity**
- Quality management (QM)
- Process reengineering

☞ **Responding to the labor shortage**
- Changing work force demographics
- Fewer skilled labors
- Farley retirements and older workers

☞ **Improving Customer Service**
- Increases expectation of service quality
- Customer - responsive cultures
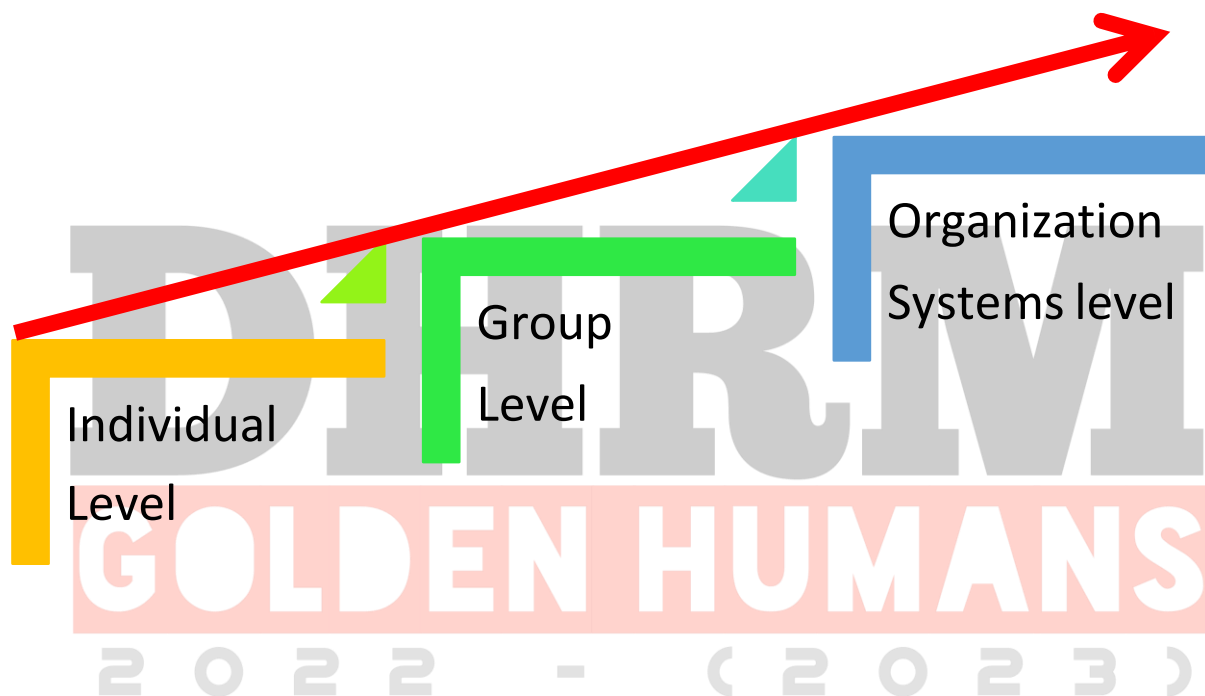
Basic OB Model - Stage 1

Model

An abstraction of reality

A simplified representation of some real-world phenomenon

Individual Level

Group Level

Organization Systems level

The Dependent Variables

Dependent Variable

A response that is affected by an independent variable (What organization behavior researchers try to understand)
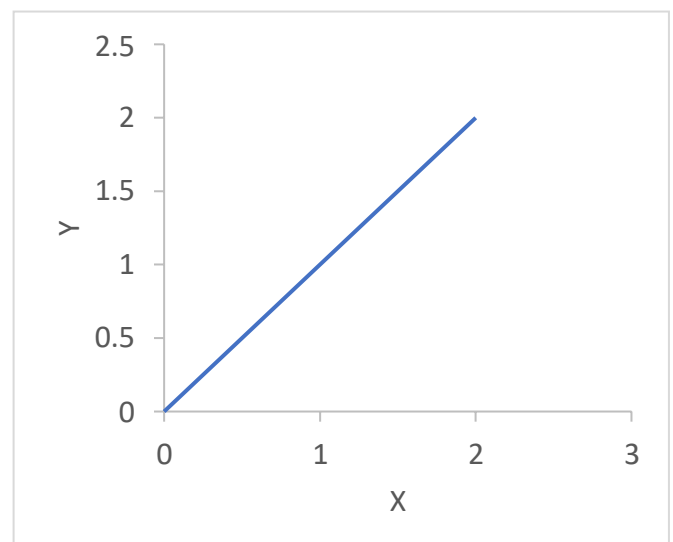
Productivity

A performance measure that includes effectiveness and efficiency

Effectiveness

Achievement of goals

Effciency

Meeting goals at a low cost

The Dependent Variables (Cont'd)

- Absenteeism

    The Failure to report to work

- Turnover

    The voluntary and involuntary permanent withdrawal from an organization

Deviant workplace Behavior

Voluntary behavior that violates significant Organizational norms and thereby threatens the well-being of the organization and/or any of its members.

Organizational Citizenship Behavior (OCB)

Discretionary behavior that is not part of an employee's formal job requirements, but that never the less promote the effective functioning of the Organization.

Job Satisfaction

A general attitude (not a behavior) toward one's job, a positive feeling of one's job resulting from an evaluation of its characteristic.

The Independent Variables

The Independent Variables

The presumed cause of some change in the dependent variable, major determinants of a dependent Variable

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                    │ Independent          │
                    │ Variables Can be     │
                    └──────────────────────┘
              ┌────────────┼────────────────┐
   ┌──────────────┐ ┌──────────────┐ ┌──────────────┐
   │ Individual - │ │ Group - Level│ │ Organization │
   │ Level        │ │ Variables    │ │ system -     │
   │ Variables    │ │              │ │ Level        │
   │              │ │              │ │ Variables    │
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