

GHANA
INSTITUTE OF
MANAGEMENT
AND PUBLIC
ADMINISTRATION



THE NATURE OF ORGANIZATIONAL BEHAVIOUR

Nature of Organizations



- Organisations in one form or another have always been an integral feature of human civilisation.
- All organisations have some **function to perform**.
- They exist to **achieve objectives and to provide satisfaction** for their members.
- These corporate objectives could not be achieved **without efforts of individuals**.

Nature of Organizations



- Organisations are structures of people.
- Through **co-operative action**, members of an organisation provide **synergistic effect for production**.
- Organisations form an **integral part of society comprising the public and private sectors and charities other voluntary entities**.

Common Factors in Organisations



- Organisations comprise of individuals with **character, culture and sense of identity with different attributes, processes and methods of working.**
- Despite the differences, there are at least three factors common to all organisations:
 - .. **People**
 - .. **Objectives**
 - .. **Structure.**

Corporate Structure

- An interaction between **people aimed** order to **achieve objectives** of organisation.
- **Structures** are needed because people interact regularly through co-ordination.



Management.



- **Management** responsibility is to **direct and control efforts of members in pursuit of objectives.**
- The actual effectiveness of the organisation is dependent upon the **quality of its people, its objectives structure, and the resources available.**

Watson's Common Aspects of Organisational Life



- Firms are supposed to be creative, critical and situation-defining characteristics of individuals
- There **variety of interests and goals of individuals and groups** in the organisation which **brings conflict and political behaviour**
- The interactions between the organisation and the general environment.

Formal Organisation



- According to Schein, formal organizations a **planned co-ordination of activities of people** for the **achievement of common, explicit purpose or goals,**
- **Division of labour and function**
- **Hierarchy of authority and responsibility**

Elements of Formal Organisation



- **Deliberately planned** and created concerned with co-ordination of activities
- **Hierarchically structured** with clear stated objectives
- Based on **principles** of task specification
- Defined **relationships of authority and responsibility.**

The organisation as a coalition



- Formal organisation is a **coalition of individuals with sub-coalitions**/groupings
- Membership dependent upon type of organisation's rules
- Example are Managers, Senior Staff, Volunteers, Shareholders, Suppliers, Trade Union Officials, Leaders of interest Groups
- Others include Clients, Donors, Specialists, Consultants and Reps of External Agencies.

Five Basic Components of an Organisation

- Top Management
- Middle Management
- Operational Core
- Organizational Support
- Operational Support



Private Enterprise Organisations



- **Owned and financed by individuals, partners, or shareholders** in a joint stock company
- **Are accountable to owners or members.**
- **Type and scope of goods and services provided.**
- **Main aim is of a commercial nature for profit, ROCE, ROI**

Public Sector Organisations



- Created by government in the form of **Ministries, Department & Agencies**
- As government entities **profit is not their goal.**
- At local level, **owned' by local payers**
- **Financed through council taxes, rates, government grants, loans and charges for certain services.**

Public Sector



- At central government level are **'state owned'** and financed by **funds approved by parliament.**
- Public sector organisations have **political goals** and **do not distribute profits.**
- Surplus of revenue over expenditure may be **reallocated through improved services or reduced charges.**
- **Aim is to provide service for the well-being of the community.**

Privatisation/State Enterprises



- Other public sector organisations **aim at commercial and public service interest.**
- Nationalised organizations with **autonomy of day-to-day management**
- Degree of commercial freedom with **ultimate government control in the national interest.**

Privatisation/State Enterprises

- State ownership and '**privatisation**',
- **Need to balance between** commercial and social interests is determined by government of the day.



Not-for-Profit Organizations

- Not-for-profit organisations include **charities, private societies and most religious organisations**, and on the other hand National Health Service, Universities, Prisons Service and most Government and Local Authority Departments.



Measurement of social value



- **Need to address social problems or needs that are unmet by private markets or governments**
- **Are motivated primarily by social benefits** – social entrepreneurs fighting for social cause
- **Generally work with, not against, market forces** – social entrepreneurs pay attention to market signals without losing sight of their underlying mission.

Measurement Effectiveness of Social Enterprises

Organisations in terms of five ways

- **Citizen satisfaction**
- **Identifying and acquiring adequacy of funding to meet its mission**
- **Efficiency of operations and the effective use of resources**
- **Successful attainment of goals of organisation**
- **Ability to adapt to dynamic environment and changing circumstances.**



Types of Authority and Organisations

- **Traditional organisation with authority legitimised power by custom and longstanding beliefs**
- Examples, authority of the pope, kings or queens etc



charismatic organisations

- **Charismatic organisations**, authority is legitimised by belief in the personal qualities of the leader
- **Authority is based on the leader's strength, personality and inspiration.**



Bureaucratic Organisations



- **Bureaucratic organisations, authority is based on the acceptance of law of formal rules and procedures**
- **Impersonal principles supported by legal–rational authority which stems from hierarchical position in the organisation and not from personality.**

Classification By Purpose



- **Economic Organisations** – Business firms
- **Public Service Organisations** – Government Departments, Local Authorities and Hospitals
- **Protective Organisations** – Military, Trade Unions and Police Forces
- **Social or Associative Organisations** – Clubs
- **Religious Organisations** – Churches
- **Political Organisations** – Political parties
- **Educational Organisations** – Universities, Colleges