

UNIT-1

ORGANIZATIONAL BEHAVIOUR

Organization Meaning:

Organization is an identifiable aggregation of human beings, created for a set of objectives. Organizations are complex entities that contain a series of elements and are affected by many diverse factors.

Organization Definition:

- Organisation is the form of every human association for the attainment of common purpose-**Mooney & Railey**“.
- Organizations are defined as collectivities that have been established for the pursuit of relatively specific objectives on a more or less continuous basis-**W.R.Scott**

Organization Concept:

The term organization is used in two ways: Organization as a process and organization as a unit.

As a Process: Organization as a process relates to the four characteristics such as communication, cooperation, common objectives and common norms. These are deliberately constructed and reconstructed to seek specific goals.

As a Unit: As a unit it relates to the system of consciously coordinated activities or forces of two or more persons. Organization is different from other social units such as community, family, clan, etc in the specific character of rationality.

Characteristics of Organization:

The features or characteristics of organization are:

- **Identifiable Aggregation of Human Beings:** Organization is an identifiable aggregation of human beings. The identification is possible because the human group is not merely a number of persons collected at random but it is a group of persons who are interrelated.
- **Deliberate and Conscious Creation:** This character implies that the relationship between an organization and its members is contractual. They enter into the organization through the contract and can be replaced also, unsatisfactory persons can be removed and others assigned their tasks.
- **Purposive Creation:** The organization is a purposive creation that is all the organizations have some objectives or set of objectives. The objectives are mutually agreed upon by the members of the group.

- **Coordination of Activities:** In the organization, there is a coordination of closely relevant activities of the members. The coordination is necessary because all the members contribute to commonly agreed goals.
- **Structure:** The coordination of human activities requires a structure wherein various individuals are fitted. The structure implies that each individual or unit submits to some kind of authority for the sake of achievement of common objectives.
- **Rationality:** There is rationality in coordination of activities or behaviour. Every organization has some specified norms and standards and every member of the organization is expected to behave according to these norms or standards.

Importance of Organization:

- **Individual Limitations:** Human beings as individuals have many limitations. In order to overcome the problems of these limitations, they organize together. By means of organization, man increases his capabilities and overcomes his limitations.
- **Social Reasons:** Human beings are by nature gregarious. They always want a relationship with others. Besides the economic satisfaction, organizations also provide social satisfaction such as sharing, coping etc.
- **Material Reasons:** Organizations are formed due to the following three material reasons. They enlarge the abilities, specialization and accumulated knowledge of previous generations.

ORGANIZATIONAL BEHAVIOUR

Meaning:

Organizational behaviour is primarily concerned with that aspect of human behaviour which is relevant for organizational performance. It studies human behaviour at individual level, group level and organizational level. It applies the knowledge gained towards the optimum results. Organizational behaviour is the study and application of knowledge about human related to other elements of the organization such as structure, technology and other social system

Organizational Behaviour Definition:

- Organizational behaviour is a subset of management activities concerned with understanding, predicting and influencing individual behaviour in organizational settings - **Callahan.Et.Al**
- A field of study that investigates the impact that individuals, groups, and structure have on behavior within organizations for the purpose of applying such knowledge toward improving an organization's effectiveness - **Stephen P.Robbins**

Nature of Organizational Behaviour:

- **Field of Study and not a Discipline:** A discipline is an accepted science with a theoretical foundation that serves as the basis for research and analysis. Organizational behaviour because of its broad base, recent emergence and interdisciplinary orientation is not accepted as science. Therefore it is called a field of study rather than a discipline.
- **Inter-Disciplinary:** Organizational Behaviour is not a subject by itself. It takes relevant things from such behavioural science subjects as psychology, sociology and anthropology. It is, therefore, interdisciplinary in nature.
- **It is an Applied Science:** Pure science focuses on fundamental research. Organizational behaviour, as an applied science, makes use of research findings to solve organizational problems relating to human behavioural aspects.
- **Humanistic and Optimistic Approach:** OB focuses the attention on people from a humanistic point of view. It is based on the belief that the needs and motivation of people are of high concern. Further there is optimism about the innate potential of man to be independent, creative, productive and capable of contributing positively to the objectives of the organization.
- **Oriented Towards Organizational Objectives:** Organizational behaviour being an applied science and emphasizing the human aspect of the organization, it is oriented towards organizational objectives. For this purpose, it suggests various behavioural approaches.
- **Total System Approach:** Organizational behaviour is total system approach where in, the living system of an organization is viewed as an enlargement of man. The system approach is an integrative approach which takes into account all the variables affecting organizational functioning.

Scope of Organizational Behaviour:

- **Individuals:** Organizations are the association of individuals. Individuals differ in many aspects. The study of individuals, therefore, includes aspects such as personality, perception, attitudes, values, job satisfaction, learning and motivation.
- **Groups of Individuals:** Groups include aspects such as group dynamics, group conflicts, communication, leadership, power and politics, and the like.
- **Organization Structure:** The study of organization structure includes aspects such as formation of organizational structure, culture and change and development.

Features of Organizational Behaviour:

- **Individual:** the individual employees are the focal point of an organisation; each employee has its own physical, psychological and social needs for which he uses his own traits and experience.
- **Groups:** Individual behaviour and group behaviour are distinctively observed in an organisation. Group performance is more effective than individual performance, it is an accepted fact that a group sets goals, behaves, thinks and acts channelized towards goal achievement.
- **Structure:** the former relationships of people is the structure of organisation. The structural relationship is the basis for formalized policies, and procedures, organisational culture, hierarchical authority and responsibilities. Organisation chapter two different goals of structure of points for their goal achievement.
- **Technology:** Technology has its own behaviour and functions. Technology helps better work because it incorporates technical skills which encompass the ability to specialise knowledge. Interpersonal and managerial functions are improved with use of Technology
- **Environment:** the environment has its own behaviour which encircles the people's behaviour at work. Government policies, social systems, family and economic conditions, employee's psychology and other factors have mutual influence on each other's behaviour. Organisation behaviour cannot be segregated from the behaviour of the environment.

Importance of Organizational Behaviour:

- **Skill Improvement:** Study of Organisational Behaviour helps to improve skills. This includes the ability of employees and use of knowledge to become more efficient. It also improves managers as well as other employees' work-skills.
- **Understanding Consumer Buying Behaviour:** It is also an important part to improve the marketing process by understanding consumer buying behaviour.
- **Employee Motivation:** OB helps to understand the basis of Motivation and different ways to motivate employees properly.
- **Nature Of Employees:** Understanding of personnel and employee nature is important to manage them properly. With the help of Organizational behaviour, we can understand whether employees or people are; Introvert, Extrovert, Motivated, Dominating, Other.
- **Anticipating Organisational Events:** The scientific study of behaviour helps to understand and predict organisational events. For example Annual Business Planning, Demand Management, Production Planning, Resources Scheduling, Logistics etc.

- **Efficiency & Effectiveness:** Study of organisational behaviour helps to increase efficiency and effectiveness of the organisation
- **Better Environment Of Organisation:** OB helps to create a healthy, ethical and smooth environment in an organisation.
- **Optimum Or Better Utilization Of Resources:** Study of OB helps to understand employees and their work style and skill better. By understanding this, management can train and motivate employees for optimum utilization of resources.
- **The Goodwill Of Organization:** Organisational Behaviour helps to improve Goodwill of organization.

Limitations of Organizational Behaviour:

- **Emphasis on principles, not practice:** Organizational behavior is mostly a theoretical subject, it does not lay much emphasis on improving behavior.
- **Descriptive only, not prescriptive:** Organizational behavior is the only descriptive subject. It does not offer any solutions, commands, or instructions for problem-solving, it is limited to the disclosure of problems.
- **Improvement in industrial relations:** Organizational behavior has not been successful in preventing industrial disputes, conflicts, and production block activities in the subject organization. In spite of implementing the procedures of organizational behavior, there has been no reduction in incidents like strikes, lockouts, sabotage, in the institutions.
- **Dual Personality:** The only dual character has been created in organizational behavior management. Managers talk only about ideals in the name of change or development, but their own behavior is double. They emphasize bringing changes in the behavior and attitudes of the employees without changing themselves. Managers give the status of servants to the employees and behave inhumanly. All this reveals his dual personality.
- **Prejudice:** There is a possibility of favoritism with some individuals in organizational behavior. Those who do not get justice, they remain dissatisfied. They do not take any interest in performing tasks and discharging responsibilities.

Theoretical framework of Organisational Behaviour:

Organisational behaviour is an extremely complex discipline in management that involves numerous inputs and dimensions. An overall model of organisational behaviour can be developed by making use of cognitive behaviouristic and environmental consequences.

Cognitive Approach: cognitive approach emphasizes the positive and freewill aspects of human behaviour and uses concepts such as expectancy, demand and intention. Cognition can be simply defined as the act of knowing an item of information. In cognitive framework, cognitions precede behaviour and constitute input into the person's thinking, perception, problem solving and information processing

Behaviouristic Approach: Pioneer Behaviourist Ivan Pavlov & Jon B. Watson stressed the importance of studying observable behaviour instead of the elusive mind. They advocate the behaviour could be best understood in terms of stimulus and responses (S-R). They examined the impact of stimulus and felt that learning occurred when the S-R connection was made. Does it is important to note that behavioristic approaches based on observable behaviour and environmental variables (which are also observable)

Socio-cognitive Approach:

Social learning theory takes the position that behavior can best be explained in terms of a continuous reciprocal interaction among cognitive, behavioral, and environmental determinants. The person and the environmental situation do not function as independent units but, in conjunction with behavior itself, reciprocally interact to determine behavior.

Relationship between Organizational Behaviour & Individual:

- **Motivation:** Motivation in employees allows them to sustain effort in a particular direction for some period of time. Naturally, management wants motivated employees. In Maslow's theory, for instance, needs are ordered from those of basic survival to metaphysical fulfillment. The lowest unmet need, according to theory, is the one driving an individual's behavior. Meshing the motivations of employees with a company's needs can help leaders achieve goals.
- **Reciprocity:** Social exchange theory refers to cooperative, reciprocal behavior that emerges when a person is the recipient of some benefit. A relationship begins when a benefactor bestows something upon another and the recipient, in turn, returns the favor by becoming the benefactor.
- **Group Belonging:** Social identity theory refers to the identity a person feels as a member of a group. A sense of group belonging can be a powerful force in an organization because people tend to favor others who are of their group as an extension of self. This can be damaging if the social identity is, for instance, based on race or gender. On the other hand, social identity can create a sense of camaraderie among members of a work team and give it a competitive edge.

- **Positivity:** Instead of trying to eliminate the negative, current psychological theory looks at accentuating the positive. Phrases such as "positive organizational behavior" or "positive organizational psychology" are used when positive psychology is applied to organizational behavior. Confidence, hope, resilience and optimism. These are the important positive psychological traits that lay behind constructive activity and organizational behavior.
- **Delegating Contributions to the Organization:** Mutual trust, the foundation of all employment relationships, is important for the proper delegation of work. Employers must trust their employees to handle crucial tasks in tandem with others. Employers need to clearly define employees' roles and responsibilities. Employees must have faith in their employer and each other in order to perform well as a team. A positive team spirit can unify and expedite organized labor, which ultimately increases productivity and profits.
- **Based on Trust:** The best employment relationships occur when employees are placed in positions that maximize their skills and talents. When everyone is doing what they love to do best, happy employment relationships occur. When people are happy, they are more apt to function harmoniously as a team. Teamwork necessitates that the employer and employees trust and respect each other. The success of a business hinges on mutual cooperation. Discord in employment relationships causes profits to lag. An employee who is unhappy at work will delay work and achieve less; and an employer who is disgruntled with an employee will have a tendency to be overly fault-finding, according to Business Incentives. "Trust influences the bottom line," according to The Memphis Journal.