12th Revised Edition

Organisational Behaviour

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Preface to the Twelfth Revised Edition

Organisational Behaviour is coming out in its Twelfth edition. But not before incorporating several changes on the following lines:

Additions

Chapter 1:   New and updated table on the best companies to work for; Additional inputs to the text.

Chapter 2:   Additional inputs to the text.

Chapter 3:   Three new challenges to OB: Career management, Talent management and Globalisation. New closing case.

Chapter 4:   New chapter on Ethics and Social Responsibility.

Chapter 5:   MARS model of behaviour is added; New exercises included.

Chapter 6:   New opening case; New section on types of intelligence; Additional inputs to the text.

Chapter 7:   New opening case; New closing case; Text recast.

Chapter 8:   New opening case; Additional inputs to the text.

Chapter 10: New opening case; Social Information Processing Model added; Responses to job dissatisfaction rewritten.

Chapter 11: New section on Motivation across Cultures added.

Chapter 12: New section on Employee Engagement.

Chapter 13: Additional inputs to the text.

Chapter 15: New exhibit.

Chapter 17: Chapter renamed; New sections added on Psychological Contract, Trust and Deviance.

Chapter 18: New EDP techniques such as Coaching, Action learning, Staff meetings, Lateral transfers, Seminars and conferences, Case studies and Corporate universities; New section on Leadership across cultures.

Chapter 19:   Additional inputs on Channel; E-mail; Choosing a channel; TA for Effective communication.

Chapter 21: New write-up on leader's embedding values on organisational culture.

Chapter 22: New section on Reasons why change fails to produce change; New exercise.

Others

A new feature is unique to the present edition: Key Terms. Key terms with definitions are appended to each chapter. Definitions are catchy and close to the real-life happenings.

Learning objectives for all the chapters have been rewritten. In each chapter, connectivity among learning objectives, text and summary has been maintained by indicating numbers of objectives in the text and summary. Likewise, key terms are page-numbered.

May I submit that the Twelfth edition of *Organisational Behaviour* is much enriched. It is upto the esteemed readers to comment on it.

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Preface to the First Edition

Organisational behaviour is a fascinating subject. The more one reads about it the more absorbing does it become. From practical application point of view also, probably the subject "Organisational Behaviour" ranks first among other management-oriented disciplines. It is for these reasons that the subject is recommended as one of the disciplines of study for M.Com., MBA and various diploma courses in management.

Unfortunately, not many books are written by Indian authors on organisational behaviour. A reader is, therefore, forced to depend upon books authored by foreign writers. Though the foreign books are of high standard, they only reflect the cultural ethos of the countries in which they are written and published. What is needed for an Indian student is a book which can help blend principles of organisational behaviour with the cultural moorings of our people.

Organisational Behaviour is a small attempt in this direction. As can be seen in the subsequent pages of this book, anecdotes drawn from our own cultural milieu have been used to explain the principles of organisational behaviour more tellingly.

Organisational Behaviour is divided into four parts. Part-I introduces the subject, Part-II covers discussion on individual behaviour, Part-III focuses on inter-individual behaviour, and Part-IV includes discussion on organisations. The arrangement of chapters is logical. Figures have been used extensively to reduce monotony of reading. Further, instead of simply explaining a concept and leaving it at that, we have tried to bring out the managerial implications of each principle. We hope that the book will be highly useful to the readers.

In preparation of the text, we have consulted several sources which have been acknowledged at relevant contexts. We wish to place on record our grateful thanks to Prof. O.R. Krishnaswami, former Dean, Department of Commerce and Management, Bangalore University, for his encouragement and advice which were of immense help to us.

We thanks Shri. D.P. Pandey of Himalaya Publishing House Pvt. Ltd. for bringing out this book.

— K. Aswathappa

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A PRELUDE TO ORGANISATIONAL BEHAVIOUR

"I am not smart. I try to observe. Millions saw the apple fall, but Newton was the one who asked why."

— B. Baruch

"Wise men talk because they have something to say; fools, because they have to say something."

— Plato

Learning Objectives

After reading this chapter, you should understand —

1. Nature of organisations, reasons why they exist and their effectiveness
2. Nature of OB
3. Foundations for OB
4. Reasons why one should study OB
5. Shortcomings of OB
6. Behavioural sciences that have contributed to OB
7. Scope of OB
8. Approaches to the study of OB
9. Evolution of OB
10. Model that helps study of OB in a systematic way.

✎... Opening Case
A Tale of Twists and Turns

Rudely shaken, Vijay came home in the evening. He was not in a mood to talk to his wife. Bolted inside, he sat in his room, lit a cigarette, and brooded over his experience with a company he loved most.

Vijay, an M.Com. and an ICWA, joined the finance department of a Bangalore-based electric company (Unit 1), which boasts of an annual turnover of ₹ 400 crore. He is smart, intelligent, but conscientious. He introduced several new systems in record-keeping and was responsible for cost reduction in several areas. Being a loner, Vijay developed few friends in and outside the organisation. He also missed promotions four times though he richly deserved them.

G.M. Finance saw to it that Vijay was shifted to Unit 2 where he was posted in the purchase department, though purchase was not his cup of tea. Vijay went into it whole hog, streamlined the purchasing function and introduced new systems, particularly in vendor development. Being honest himself, Vijay ensured that nobody else made money through questionable means.

After two years in purchase department, Vijay was shifted to stores. From finance to purchase and then to stores was too much for Vijay to swallow.

He burst out before the unit head, 2 and unable to control his anger, Vijay put in his papers too. The unit head was aghast at this development but did nothing to console Vijay. He forwarded the papers to the V.P. Finance, Unit 1.

The V.P. Finance called in Vijay, heard him for a couple of hours, advised him not to lose heart, assured him that his interests would be taken care of, and requested him to resume duties in purchase department of Unit 2: Vijay was also assured that no action would be taken on the papers he had put in.

Six months passed by. Then came the time to effect promotions. The list of promotees was announced and to his dismay, Vijay found that his name was missing. Angered, Vijay met the unit head 1 who coolly told Vijay that he could collect his dues and pack off to his house for good. It was great betrayal for Vijay.

We now take you to an exciting field of human behaviours in organisational settings. Such behaviours reveal varied and differing stories about individuals working in organisations. Some are inspiring and others are almost devastating (see opening case). Organisational Behaviour (OB) tells us the stories illustrating with the causes for actions, their consequences, and corrective measures if things go wrong. Before understanding the nature of OB, it is useful to gain knowledge about the organisations themselves.

Few things touch our daily life as much as organisations do. We depend on organisations for education, employment, food, clothing, shelter, health, wealth, recreation, travel, and much more. They touch every aspect of human life, from birth-to-death. In fact, life becomes unlivable *sans* organisations.

But most of us have a casual attitude towards organisations. We notice their importance when they fail to deliver their goods and services to us. For example, when trains stop running, we take notice of the indifferent services rendered by railways. When electricity fails, we blame the State Electricity Board for its incompetent and corrupt administration. When doctors in a Government hospital strike work, we blame the Government, and so on. It is essential for us to understand what these organisations are, how do they function and how to make them more effective in their functioning. These and other related issues are addressed in this book.

WHAT ARE ORGANISATIONS?(LO1)

Organisations are as old as the human race itself. Archaeologists have discovered massive temples dating back to 3500 **BC** that were constructed through the organised actions of many people. The fact that these impressive monuments were built suggest that not only did complex organisations exist, but that the people in them worked cohesively for common causes.

We have equally impressive examples of contemporary organisations such as Hong Kong's new island airport at Chek Lap Kok, the Hiberria Oil Platform off the East Coast, North America, and the complex network of computer connections — the Internet.

What, then, are these powerful constructs that we call organisations? They are groups of people who work independently towards some purpose. Organisations are not physical structures; rather, they are people who work together to achieve a set of shared goals. People who work in organisations have structured patterns of interactions, meaning that they expect each other to complete certain tasks in an organised way.

Who creates these organisations? Often an individual (See Exhibit 1.1) or a group of people, who believe that they possess the necessary skills and knowledge, form an organisation to produce goods and services. At times, several people form a group to respond to a perceived need by creating an organisation. People with a lot of money may invest jointly to build a vacation resort. A group of people with similar beliefs may build a new place of worship or citizens of a State may float a new political party.

EXHIBIT 1.1: ANJI (NEYA) FROM TADEPALLI

Anji is the short form of Anjineya, which in turn is the vernacular of the monkey god Hanuman, in *Ramayana,* is reported to have brought cure to ailing Laxmana, the younger brother of Rama. Anji (read Anji Reddy) is also providing medicines to cure ailments of millions of people today. In the bargain, his company, Reddy Laboratories Ltd., earned ₹ 132.2 bn in sales (2013). His is the first pharmaceutical company from the Asia-Pacific region to be listed on the New York Stock Exchange and the Nasdaq. Dr. Reddy was chosen the Businessman of the Year 2001 by *Business India*. And all this in a short span of 15 years. Reddy has shown what is possible to do in India even with all the hurdles and handicaps Indian businesses have to overcome.

Reddy hails from Andhra Pradesh and spent his childhood in a small village across the Krishna River near Vijayawada, where his father was a prosperous farmer growing turmeric. His early education took place in the Hindu College and the Andhra Christian College, Guntur. After his B.Sc. in Guntur, Reddy joined the UDCT in Bombay to study pharmacy.

He then went to the National Chemical Laboratory, Pune, to study for a doctoral degree. This is when he decided to switch his field from pharmacy to chemical engineering, in which he later prospered.

He later joined the IDPL, the newly established bulk drug manufacturing unit in public sector in Hyderabad. After a few years, he could not stand the non-entrepreneurial culture and quit to form a company with a little seed money, called Uniloyds. It made a successful foray into pharmaceuticals, but his partner wanted control though he had no idea about the business. Reddy quickly encashed his share and joined an old classmate C.R. Reddy to found Standard Organics Ltd., (SOL). SOL, under Reddy's leadership, soon became the largest producer of sulfamethaxaole and even won an R&D award from the Indian Chemical Manufacturer's Association. But his partner had other plans on diversification and Reddy came out of it to establish Dr. Reddy's Lab. and Cheminor for bulk drug manufacture in the mid-1980s.

The early-1990s saw an upheaval in both Dr. Reddy's Lab. and Cheminor. Key people left, the two units got merged, son and son-in-law were inducted, and the Reddy Laboratories was on the way to prove all the cassandras, who were saying that only big pharma companies with research budgets of billions of dollars could do drug discovery, dead wrong.[1]

Anji is well poised doing it and has emerged the Anjineya of modern days. (Sadly he expired in 2013)

In general, entrepreneurship is the term used to describe the process by which people recognize opportunities, garner resources and put them to use to produce goods and services. The rewards of entrepreneurship are as varied as the spiritual satisfaction derived by the believers who build a place of worship, or the profit generated for the founders and shareholders of a resort that successfully responded to people's recreational needs.

WHY DO ORGANISATIONS EXIST?[(LO1)]

In the beginning of this chapter, we stated that life is unlivable without organisations. This is a broad statement about the usefulness of organisations in any society. Specifically, organisations play five different roles (See Fig. 1.1), thus, reiterating their role. As seen from the figure, an organisation allows people to jointly increase specialisations and division of labour, use large-scale technology, manage the external environment, economise on transaction costs, and exert power and control — all of which, increase the value the organisation can create.[2]
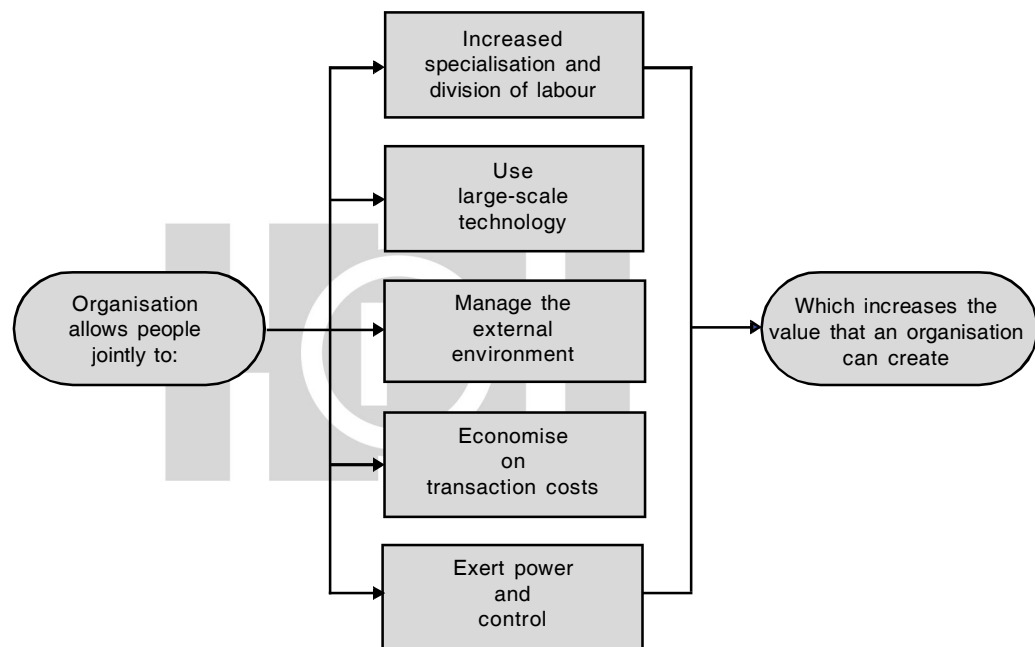
**Figure 1.1:
Five Reasons why
Organisation
Exist**

To Increase Specialisation and Division of Labour: People who work in organisations may become more productive and efficient at what they do than people who work alone. For many kinds of productive work, the use of an organisation allows the development of specialisation and division of labour. The collective nature of organisation allows individuals to focus on a narrow area of expertise, which allows them to become more skilled or specialised at what they do.[3]

There are several firms, such as Wipro, TCS, Infosys, IBM, Apple and Facebook which have provided enabling environments for individuals to enhance their skills for organisation and individual growth.

To Use Large-scale Technology: Organisations are able to take advantage of the economies of scale and scope that result from the use of modern automated computerised technology. **Economies of scale** are the cost savings that result when goods and services are produced in large volumes by automated production. **Economies of scope** are the cost savings that result when an organisation is able to use underutilised resources more effectively because they can be shared across several different products or tasks. Economies of scope (as well as of scale) can

be achieved, for example, when it is possible to design an automated production line that can make different types of products simultaneously.

To Manage the External Environment: Pressures from the environment in which organisations operate necessitate organising productive resources. An organisation's environment includes not only economic, social and political factors but also the sources from which it obtains inputs and the marketplace into which it releases its outputs. Managing complex environments is a task beyond the abilities of most individuals, but an organisation has the resources to develop specialists to anticipate or attempt to influence the many demands from the environment. This specialisation allows the organisation to create more value for itself, its members, and its customers.[4]

To Economise on Transaction Costs: When people co-operate to produce goods and services, certain problems arise as they learn what to do and how to work with others to perform a task effectively. People have to jointly decide who will do which tasks (the division of labour), who will get paid what amounts, and how to decide if each worker is doing his or her share of the work. The costs associated with negotiating, monitoring and governing exchanges between people are called **transaction costs.** Organisation's ability to control the exchanges between people reduces the transaction costs associated with the exchanges.

To Exert Power and Control: Organisations can exert great pressure on individuals to conform to task and production requirements in order to increase production efficiency. To get a job done efficiently, it is important for people to come to work in a predictable fashion, to behave in the interest of the organisation and to accept the authority of the organisation and its managers. All these requirements make production less costly and more efficient but put a burden on individuals who must conform to these regulations. When individuals work for themselves, they need to address only their own needs. When they work for an organisation, however, they must pay attention to the organisation's needs as well as their own. Organisations can discipline or fire workers who fail to conform and can reward good performance with promotion and increased rewards. Because employment, promotion, and increased rewards are important and often scarce, organisations can use them to exert power over individuals.

Taken together, these five factors help explain why more value can often be created when people work together, co-ordinating their actions in an organised setting, than when they work alone. Over time, the stability created by an organisation provides a setting in which the organisation and its members can increase their skills and capabilities, and the ability of the organisation to create value additions by leaps and bounds. In the last 30 years, for example, Infosys has grown to become the most powerful software company in the world because Narayana Murthy, its founder, created an organisational setting in which people are given the freedom to develop their skills and capabilities to create valuable new products.

Organisations are ranked yearly based on perceptions of employees. Popularly called "best employers to work for", such rankings boost image of the rated companies and help them attract and retain talent. Table 1.1 shows ranking of companies for the year 2013.

Organisational Effectiveness

It is essential that organisations should function effectively if they are to be useful. Ineffective organisations are no better than sick people. Organisations are said to be effective when they produce quality goods and services at reasonable cost without compromising on profit-making. The other requirement of effectiveness is that the organisations should seek to satisfy their diverse stakeholders. Stakeholders are all the people and groups affected by, or that can affect, an organisation's decisions, policies, and operations.[5] Some of the stakeholders are so primary that an organisation's existence and activities depend on them. These stakeholders include customers, suppliers, employees and investors. But an organisation's stake goes beyond these primary

TABLE 1.1:
BEST COMPANIES TO WORK FOR (2013)

	(Top 10 Companies)	
Rank	**Company**	**No. of Employees**
1	Google Indian Pvt. Ltd.	1625
2	Intel Technology India (Pvt.) Ltd.	3644
3	Marriott Hotel India (Pvt.) Ltd.	5200
4	American Express India	8129
5	SAP Labs India (Pvt.) Ltd.	4635
6	Adobe Systems India (Pvt.) Ltd.	2553
7	Godrej Consumer Products Ltd.	2121
8	Intuit Technology Services (Pvt.) Ltd.	773
9	Ujjvan Financial Services (Pvt.) Ltd.	4096
10	Cactus Communications (Pvt.) Ltd.	297

(**Source:** *Great Place to Work Institute.*)

interest groups and extends to such groups which are affected by the firm's primary activities and decisions. These groups, called secondary stakeholders, include local communities, Government departments, foreign Governments, social activist groups, media and the general public. The connections of these groups with organisations are many and often conflicting. It is the duty of managers to keep all the stakeholders satisfied and the extent of satisfaction derived by stakeholders speaks about the effectiveness of an organisation.

NATURE OF ORGANISATIONAL BEHAVIOUR[(LO2)]

Organisational Behaviour (OB) helps firms achieve effectiveness in their activities. Organisations, as stated earlier, comprise people and OB helps in utilising these resources for achieving organisational effectiveness. People generally possess physical strength, skills of some kind, executive skills and organising abilities. OB helps harness these qualities and use them for achieving organisational goals.

Definition and Meaning of OB

Definitions on OB are many. However, three features need to be emphasised in any definition:

- OB is the study of human behaviour;
- The study is about behaviour in organisations; and
- Knowledge about human behaviour would be useful in improving an organisation's effectiveness.

Combining the above three features, OB may be understood to be the study of human behaviour in organisational settings, of the interface between human behaviour and the organisation and of the organisation itself. Knowledge gained from such a study is useful in improving organisational effectiveness. The following definitions are appropriate:

OB refers to the behaviour of individuals and groups within organisations and the interaction between organisational members and their external environments.[6]

OB is a field of study that investigates the impact that individuals, groups and structure have on behaviour within organisations for the purpose of applying such knowledge towards improving an organisation's effectiveness.[7]

To sum up, OB obviously comprises individual behaviour, group behaviour and of the organisation itself. Understanding of the subject is complete when all the three are studied carefully. The study of individual behaviour alone is incomplete because the actions of the employee influence and are influenced by the organisation where he or she works. Again, studying only organisations without learning about the people amounts to looking at only a part of the picture.

The influence of environment on the interface between individuals and organisations cannot be overlooked. Fig. 1.2 illustrates the integrative study of OB. It shows the linkages among human behaviour in organisational settings, the individual-organisational interface, the organisation, as well as the environment surrounding the organisation.

The field of OB is both exciting and complex. Many variables and concepts accompany the interaction shown in Fig. 1.2 and together these factors greatly complicate the manager's ability to understand, appreciate and manage people in an organisation. They also provide unique opportunities to enhance personnel and organisational effectiveness.
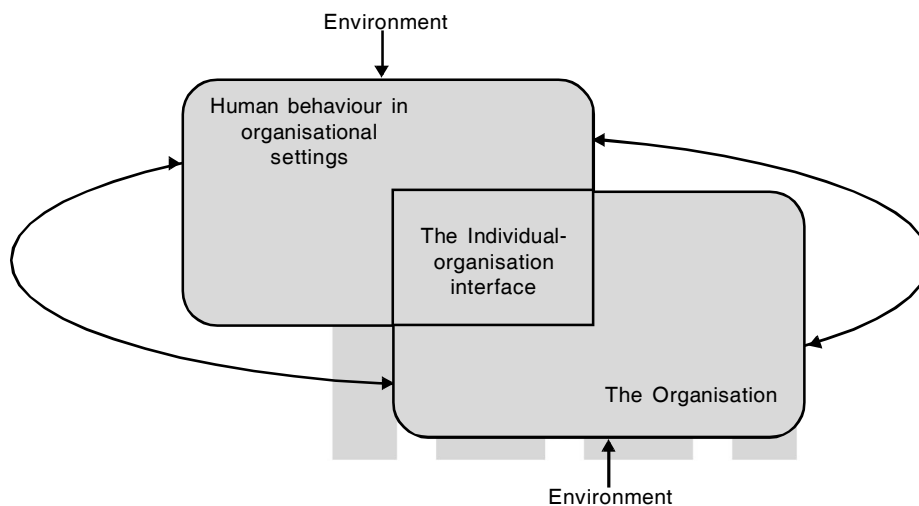
Figure 1.2: The Essence of OB

(*Source:* Gregory Moorhead and Ricky W. Griffin, *Organisational Behaviour*, p. 5.)

OB is relevant not just in commercial organisations alone. Its principles are applicable to all types of firms – big or small, public or private, and profit or not-for-profit organisations. OB is not a mere descriptive subject. It is an applied discipline and is based on strong behavioural sciences such as psychology and sociology. Every principle of OB is empirically tested, validated and accepted as a tool to motivate employees for better performance.

OB should not be mistaken as representing the whole management. It represents only the behavioural or people approach to management. Other recognised approaches to management include the process, quantitative systems and contingency approaches.

FOUNDATIONS OF OB(LO3)

The subject OB is based on a few fundamental concepts which revolve around the nature of people and organisations. These concepts are not peculiar to the field of OB. Every discipline, be it a social science or a physical science, will flourish on definite assumptions. For example, the famous principle which runs through financial accounting is that for every debit there shall be a corresponding credit. Similarly, the law of gravity is common whether it is in Mumbai or Bengaluru.

Coming to OB, the basic assumptions distinct to the discipline are (See Fig. 1.3):

- There are differences between individuals.
- A whole person.
- Behaviour of an individual is caused.
- An individual has dignity.
- Organisations are social systems.
- Mutuality of interest among organisational members.
- Holistic organisational behaviour.
- Need for management.

Whilst the first four concepts centre around people, the next two are concerned with organisations. The last two are a combination of the first five assumptions. A brief explanation of each assumption follows.
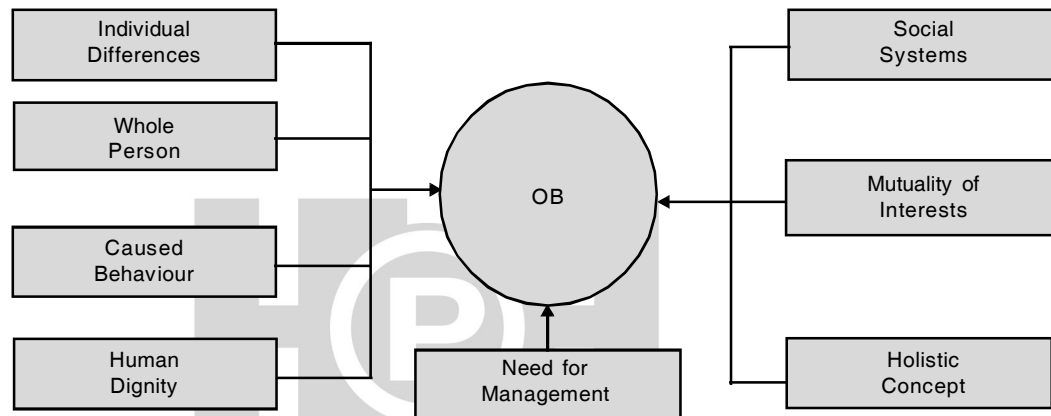
Figure 1.3: Foundations of OB

Individual differences: People have much in common (they become excited by the arrival of a new child in the family or they are grieved by the loss of a loved one), but each person in the world is also individually different. Each one is different from the others in several ways. Whether it is intelligence, physique, personality, diction, or any such trait, one can find striking differences. The idea of difference comes originally from psychology. From the day of birth, each person is unique and individual experiences after birth make people even more different. Individual differences mean that management can cause the greatest motivation among employees by treating them differently. If it were not for individual differences, some standard, across-the-board way of dealing with all the employees could be adopted and minimum judgement would be required thereafter.

It is because of individual differences that OB begins with the individual. Only a person can take responsibility and make decisions, a group, by nature, cannot do so. A group is powerless until individuals therein act.

A whole person: When an individual is appointed, his/her skill alone is not hired, his/her social background, likes and dislikes, pride and prejudices – are also hired. A person's family life cannot be separated from his or her work life. It is for this reason that managers should endeavour to make the workplace a home away from home. They not only strive hard to develop a better employee out of a worker, but also a better person in terms of growth and fulfilment.

Caused behaviour: The behaviour of the employee is caused and not random. This behaviour is directed towards some one that the employee believes, rightly or wrongly, is in his/her interest.

Thus, when a worker comes late to his or her work, pelts stones at a running bus, or abuses the supervisor, there is a cause behind it. The manager must realize this basic principle and correct this behaviour and tackle the issue at its root.

Human dignity: This concept is of a different order from the other three just discussed because it is more an ethical philosophy than a scientific conclusion. It confirms that people are to be treated differently from other factors of production because they are of a higher order in the universe. It recognizes that people want to be treated with respect and dignity and should be treated as such. Every job, however simple, entitles the people who do it to proper respect and recognition of their unique aspirations and abilities. The concept of human dignity rejects the old idea of using employees as economic tools.

Ethical philosophy is reflected in the conscience of humankind, confirmed by the experience of people in all ages. It has to do with the consequences of our acts to ourselves and to others. It recognises that life has an overall purpose and accepts the inner integrity of each individual. Since organisational behaviour always involves people, ethical philosophy is involved in one way or the other in each action. Human decisions cannot and should not be made devoid of values.

Organisations are social systems: From sociology, we learn that organisations are social systems; consequently activities therein are governed by social as well as psychological laws. Just as people have psychological needs, they also have social roles and status. Their behaviour is influenced by their group as well as by their individual drives. In fact, two types of social systems exist side by side in organisations. One is the formal system and the other is the informal social system.

The existence of a social system implies that the organisational environment is one of dynamic change, rather than a static set of relations as revealed in an organisational chart. All parts of the system are interdependent and are subject to influence by any other part.

Mutuality of interest: Mutual interest is represented by the statement that 'organisations need people and people also need organisations'. Organisations have human purpose. They are formed and maintained on the basis of some mutuality of interest among their participants. People see organisations as a means to help them reach their goals, while, at the same time, organisations need people to help attain organisational objectives. If mutuality is lacking, it makes no sense to try to assemble a group and develop co-operation, because there is no common base on which to build. Mutual interest provides a superordinate goal that unites the variety of needs that people bring to organisations. The result is that people are encouraged to attack organisational problems rather than each other.

Holistic concept: When the above six fundamental concepts of OB are placed together, a holistic concept emerges. This concept interprets people-organisation relationships in terms of the whole person, whole group, whole organisation and the whole social system. It takes an all-encompassing view of people in organisations in an effort to understand as many of the possible factors that influence their behaviour. Issues are analysed in terms of the situation affecting them rather than in terms of an isolated event or problem.

Need for Management: While describing the nature of OB above, we made an observation that the knowledge about the subject would be useful in improving an organisation's effectiveness. Now, who would use the knowledge about OB for organisational effectiveness? The answer is 'management'.

Management is the attainment of organisational goals in an effective and efficient manner through planning, organising, leading and controlling organisational resources, of course making use of the knowledge about OB. The people who plan, organise, lead and control constitute 'managers' popularly called 'executives'. Success or failure of an organisation squarely depends on these people.

Managers use a multitude of skills to perform the functions of planning, organising, leading and controlling. We will explain these skills latter. In the meanwhile, it is desirable that we should understand the four basic functions of management in detail.

Planning: Planning specifies where the organisation should be in the future and establishes appropriate strategies to reach the destination. The other functions, organising, leading and controlling are derivatives of the planning function.

All managers at every level of organisation engage in planning. Plans give them the goal and the actions needed to reach the objective.

Poor or lack of planning may ruin the organisation. It was precisely the lack of planning that resulted in the closure of once famous Binny Mills.

Organising: After plans and objectives have been developed, managers must design and develop an organisation that helps them accomplish the objectives. The organising function creates a structure of task and authority relationships that give a practical shape to all the functions of management. Infosys, WIPRO, TCS, L&T, Reliance and ICICI Bank have all organisational structures, reorganised them from time-to-time to accommodate changing needs. These firms use their respective structures to carry-out their stated activities.

Leading: Leading is motivating people to achieve organisational objectives. It involves creating a shared culture and values, communicating goals to employees and infusing them with the desire to perform at higher levels. Leading involves motivating entire departments and divisions as well as those individuals working closely with the manager. The ability to lead is called 'leadership' which is a great trait. In any successful organisation, it is one person called the leader, who makes difference to it. Such people who really made the difference are legion. Ratan Tata, Narayana Murthy, Azim Premji, Steve Jobs, Bill Gates and the likes are the names that shall find a place in the history of business management.

The quality of leadership or the leader need not be the top executive of the organisation. The person is there at every level and the quality is found in all human beings. A janitor making his juniors do a better job of sweeping is as much a leader as the CEO who inspires his or her followers for better performance.

Controlling: The last function of management is controlling. This seeks to ensure that the actual performance of the organisation conforms with what was planned for the firm. Controlling typically involves monitoring employees' activities, determining whether the organisation is on target towards its goals and making corrections as necessary. Managers must ensure that the organisation is moving towards its goals.

WHY STUDY OB?(LO4)

OB is a subject which not only makes an individual a better employee of an organisation but makes him or her a better person and a better citizen. By promoting positive attitudes and creating high tastes, OB contributes towards better quality of life.

Coming back to organisational settings, OB helps in several ways.

In the first place, **OB provides a road map to our lives in organisations.** Every one of us has an inherent need to know about the world in which we live. This is particularly true in organisations, as they have a profound effect on our actions and behaviours.

People bring to their workplace their hopes and dreams as well as their fears and frustrations. Much of the time, people in organisations may appear to be acting quite rationally, doing their fair share of work and going about their tasks in a civil manner. Suddenly, a few people appear distracted, their work slips and they even get withdrawn. Worse still, one may find someone taking advantage of others to further his or her personal interests (Recollect the opening case).

Occasionally, you are likely to get caught up in anxiety-provoking organisational changes that involve redeployments or even lay-offs. Such a range of human behaviours makes life in organisations perplexing. But those who know what to look for and have some advance ideas about how to cope with pressures are more likely to respond in ways that are functional, less stressful and even career-advancing.[8] We, therefore, need to map out organisational events so that we can function in a more secure and comfortable environment.

Second, **the field of OB uses scientific research to help us understand and predict organisational life.** This is not to say that this knowledge is absolute. The decisions and actions that people in organisations make are determined by a complex combination of factors. Besides, the field of OB is not a pure science. Nevertheless, it helps us make sense of the workplace and, to some extent, predict what people will do under various conditions.

Third, **OB helps us influence organisational events.** Though it is good to understand and predict organisational events, most of us want to influence the environment in which we live. Whether one is a marketing specialist or a computer programmer, he or she needs to know how to communicate effectively with others, manage conflict, make better decisions, ensure commitment to ideas, help work teams operate more effectively and the like. OB theories and concepts will help us influence organisational events.

Fourth, **OB helps an individual understand himself/herself and others better.** This helps improve interpersonal relations considerably. Of particular significance are topics like attitude, perception, leadership, communication, TA and conflict, an understanding of which will change the very style of talking and functioning of an individual. It is no exaggeration that the MBA graduate always remembers, with satisfaction, OB among all the subjects of his/her course, even after graduation.

Fifth, **a manager in a business establishment is concerned with getting things done through delegation.** He or she will be successful when he or she can motivate subordinates to work for better results. OB will help the manager understand the basics of motivation and what he or she should do to motivate subordinates.

Sixth, the field of OB is useful for **maintaining cordial industrial relations.** If an employee is slow in his or her work, or if his or her productivity is steadily declining, it is not always because of denial of promotion or a poor work environment. Similarly, if the union of workers gives a strike call, the basic issue may not be a demand for more wages, higher bonus, a better canteen, or for three pairs of uniform in the place of two. Often the indifferent attitude of the boss makes the worker lazy. Similarly, reluctance of the management to talk to union leaders about issues might provoke them to give a strike call. In other words, relations between management and employees are often strained for reasons which are personal issues, not technical. Human problems need to be tackled humanely. OB is very useful in this context as it helps understand the cause of the problem, predict its course of action and control its consequences (see Fig. 1.4). It is also a human tool for human benefit. The field of OB serves as the basis for human resource management.

Problem Prevention

UNDERSTANDING	**PREDICTION**	**CONTROLLING**
How strong are they?	What patterns of behaviour are present?	What solutions are possible?
How do they interrelate?	What is the cause-effect relationship?	Which variables can be influenced?
		How can they be influenced?
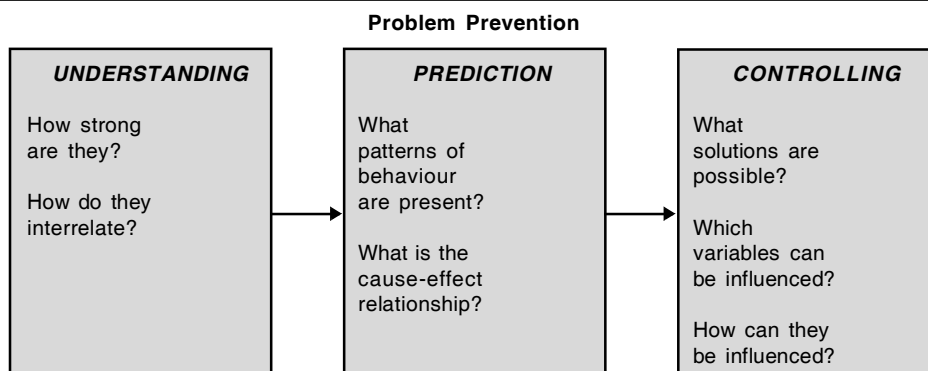
**Figure 1.4:
The Basic Process
of OB**

Seventh, the subject of OB is also **useful in the field of marketing**. In the dynamic mechanism of the flow of goods and services from producer to consumer, awareness of the nature of individual and social processes has an immediate or long-range contribution to the success or failure of the enterprise. Consumer choice behaviour, the nature of influence, and the channels involved, represent leading topics for behaviour research in this area. Innovation and the diffusion of new products, creativity, and the learning of responses are equally important social and individual phenomena that contribute to the total process.

Eighth, the most popular reason for studying OB is that the reader is **interested in pursuing a career in management** and wants to learn how to predict behaviour and apply it in some meaningful way to make organisations more effective. A successful manager should have good 'people skills' which include the ability to understand one's employees and use this knowledge effectively to make them more efficient.

Ninth, OB adds to the **bottom-line of an organisation**. Principles of OB, if applied effectively, will help motivate and retain talent. Motivated talent contributes to productivity and profitability. Every manager is interested in motivating his or her subordinates. He or she plays the role of OB expert while inspiring individuals to do better and better.

Finally, in the last couple of years, our economy has been witnessing an upward trend; every sector of the economy doing pretty well, registering a modest growth rate. In order to sustain this trend, effective management of all sectors of the economy, particularly the industrial sector, is of paramount importance. Effective management does not mean competent utilisation of technical or financial resources alone. Rather, it implies efficient management of human resources. This is where OB comes into the picture. It is a discipline which enables a manager to motivate his or her subordinates towards higher productivity and better results.

SUCCESSFUL MANAGER

How OB helps?

1. OB is one course that is remembered and cherished by every student throughout his or her life. It is one discipline which makes him or her understand self better and also understand others better.

2. Though five decades old, OB has not gone into archives. It is growing and is ably meeting challenges of globalisation, information technology, changing customer expectations, diversity and flattening organisations.

3. OB enables the practitioner use cognitive abilities to add new perspectives to old problems and equally matching solutions to new issues. (See table below)

TABLE

Old Mindset	New Wave Thinking
Boss has given job and is paying salary. Be grateful eternally	Customer is paying salary. Serve customer. You exist because of customer
Be quite. Don't get into controversies. For you, job and salary are important	Be innovative. Take initiative. Own wrong doing. Solve problems
Future is predictable. Past success means future success	Future is unpredictable. Constant learning ensures success in future

4. Makes an individual think of moving from the left to the right.
5. OB helps an organisation become ethically strong and socially conscious.

SHORTCOMINGS(LO5)

The shortcomings of the subject OB should not be lost sight of. To start with, though the subject helps an individual understand human behaviour better only in the workplace, he or she may be a failure on the domestic front. People who have a thorough grounding of behavioural disciplines have sometimes proved to be total wrecks in their personal lives.

The subject of OB has not contributed to improve employee relations in organisational settings. Jealousies, back-stabbing, leg-pulling, intrigues, harassment, and inequalities in rewards go side-by-side with nice lectures, training programmes, discussions, smiles, assurances, niceties and the like (Recollect the opening case). An employee is not sure when a pink slip will be handed out or when a reward will be announced. History seems to be repeating itself. In the earlier days, a worker was exposed to 12 to 14 hours of work and was made to work under inhuman conditions. An employee today, particularly in the new economy firms, does work 12 to 14 hours a day but under far better working conditions. The worker of the bygone days was stress-free. Today's employee is always under pressure and stress-ridden. While a worker of the earlier years died of lung diseases caused by fumes and dust; today's employee gets burnt out by the time he or she reaches 45 years of age (See also closing case).

The subject of OB has almost become a fad with managers in most organisations. Common uniforms, open offices, and shared canteens have, for example, been practised in several industrial establishments in the name of improving interpersonal relations. But wearing identical clothes has not changed the attitude of the boss towards his/her subordinates. Seldom is the subordinate treated as an equal, and rarely are his/her views respected and accepted. Removal of physical palisades in the office has not abolished the mental barriers between the manager and the managed. The boss and the subordinates may eat the same food in the same canteen. Still, the former expects his/her subordinate to serve him/her the food and treat him/her differently. The dual personalities of managers are often bewildering. Outwardly, they talk about participative

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Self-check

1. Which of the following statements brings out the nature of OB better?
   - (a) Study of human behaviour.
   - (b) Study of organisations.
   - (c) Study of animals in labs.
   - (d) Study of human behaviour in organisations.

2. Organisational effectiveness is achieved when
   - (a) Organisations are in existence for a long time.
   - (b) Employees feel satisfied.
   - (c) Organisations produce quality goods and services at reasonable cost, earn profit and satisfy all stakeholders.
   - (d) Organisations grow in size and volume.

3. Which of the following is a correct statement?
   - (a) Human behaviour is caused and not random.
   - (b) Human behaviour tends to be abnormal all the time.
   - (c) People always exhibit psychological disorders.
   - (d) People tend to avoid behaviours.

4. Sociology has recognised organisations as
   - (a) Mere brick and mortar.
   - (b) Social systems.
   - (c) Pollutants of the highest order.
   - (d) Epicentres of corruption and unethical behaviours.

Relook

(i) OB has been criticised as being of no effect under situations of high emotions, stressed circumstances and heightened conflicts. What are your arguments?

(ii) OB is said to contribute to organisational effectiveness. Will it compromise on an employee's well-being?

(iii) It is said that a course on OB is useful only for students who aspire to become managers. Do you agree?

Contd.

5. Organisations reap the advantage of economies of scope when

   (a) They achieve cost savings by effective utilisation of underutilised resources.

   (b) They diversify in all directions — vertically and horizontally.

   (c) Carry high breadth and width of product-lines.

   (d) Earn huge profits.

6. OB helps understand the causes of a problem, predict its course, and control its consequences. The above statement is —

   (a) True

   (b) Not true

   (c) OB is not a human being to identify, predict, and control a problem.

   (d) Too tall a claim.

7. OB offers —

   (a) Technical skills.

   (b) People skills.

   (c) Communication skills.

   (d) Wide knowledge.

8. At best, OB principles are applicable to boom periods. It offers little to recession-hit economies. Which of the following fits better with the above statement?

   (a) True

   (b) Untrue

   (c) Difficult to say

   (d) Too harsh.

9. OB draws heavily from other disciplines. It does not have its own inheritance. Which of the following better reflects the above statement?

   (a) True

   (b) Partly true

   (c) Difficult to say

   (d) Need time to think.

10. Match the terms in Column A with the descriptions given in Column B:

A	B
(i) Psychology	(a) Study of individuals and groups within political environment.
(ii) Anthropology	(b) Study of group behaviour.
(iii) Sociology	(c) Study of individual behaviour.
(iv) Social psychology	(d) Study of human race — particularly culture.
(v) Political science	(e) Study of the influence of people on one another.

11. Match the terms given in Column A with the statements given in Column B:

A	B
(i) HR Approach	(a) Human behaviour results from a continuous and multidirectional interaction between the person and the situation.
(ii) Contingency Approach	(b) People are central to the organisation and they must be developed to their potential.
(iii) Systems Approach	(c) Manager's efficiency depends on optimum utilisation of resources.
(iv) Productivity Approach	(d) The belief that there is no one best option available for an organisation.
(v) Interactionalism	(e) Organisation to be viewed as a united and purposeful system composed of interrelated parts.

Ans: 1. d   2. c   3. a   4. b   5. a   6. a   7. b   8. a   9. a

10. (i) – c; (ii) – d; (iii) – b; (iv) – e; (v) – a

11. (i) – b, (ii) – d, (iii) – e, (iv) – c, (v) – a

management, equality of opportunities, empowerment, and open door policies. Behind the veneer of all this pep talk, is the harsh reality that most of these bosses are feudal lords who expect the subordinates to be slaves. Any deviation from this makes the boss feel insecure. The smart subordinate is feared, hounded, and is finally made to quit.

OB is selfish and exploitative. It serves only the interest of the management. It is the product of capitalist societies. With high emphasis on motivation, efficiency, and productivity, the subject breeds a competitive spirit among the employees. They are not allowed to function and live in harmony with one another.

A serious problem that has plagued the subject is the tendency of managers to expect quick-fix solutions from behavioural programmes. This expectation makes the managers address the symptoms while neglecting the underlying problems or to fragment their efforts within the firms.

Critics of OB wonder whether the ideas that have been developed and tested during periods of organisational growth and economic plenty will endure with equal success under different conditions. Future environment shall be marked by shrinking demand, scarce resources, and more intense competition. When organisations stagnate, decline, or encounter a threat of closure, there will be conflict and stress. Under these conditions, will the conflict resolution strategies work? Will the motivational models be relevant? Will the leadership styles be practicable? No easy answers are available to these and other related questions.

Finally, OB will not totally abolish conflict and frustration, it can only reduce them. It is a means to improve, not an absolute answer to problems. It is only a part of the whole fabric of an organisation. We can discuss OB as a separate subject; but to apply it, we must relate it to reality. However improved, OB will not solve unemployment. It will not make up for our own deficiencies. It cannot substitute for poor planning, inept organising, or inadequate controls. It is only one of the many systems operating within a larger social system.

The shortcomings of OB, however, should not detract the reader from the greatest contribution of the discipline to understanding human behaviour. Life in and outside organisations would not be what it is if we fail to understand ourselves and our fellow beings better.

ORGANISATIONAL ARRANGEMENT FOR OB

What is the organisational arrangements for OB? Stated differently, who in a typical organisation, is responsible for applying principles of OB in the firm? We have human resource manager for managing people, we have finance executive to take care of financial dealings and we have marketing head to handle matters relating to sales. Likewise, do we have OB manager? The answer seems to be no. Who then is the person, that moulds behaviour of employees. The answer is everybody in the organisation.

CONTEMPORARY OB(LO6)

Three aspects of the subject deserve mention here:

1. OB is interdisciplinary in focus;
2. A particular set of concepts is accepted as defining the scope of OB; and
3. OB assumes that there is no 'one best' answer to a problem.

An Interdisciplinary Focus: OB is an applied behavioural science. It has drawn heavily from a number of applied behavioural sciences such as psychology, sociology, and anthropology. It has also drawn from such subjects as political science, engineering and medicine (Also See Fig. 1.5).
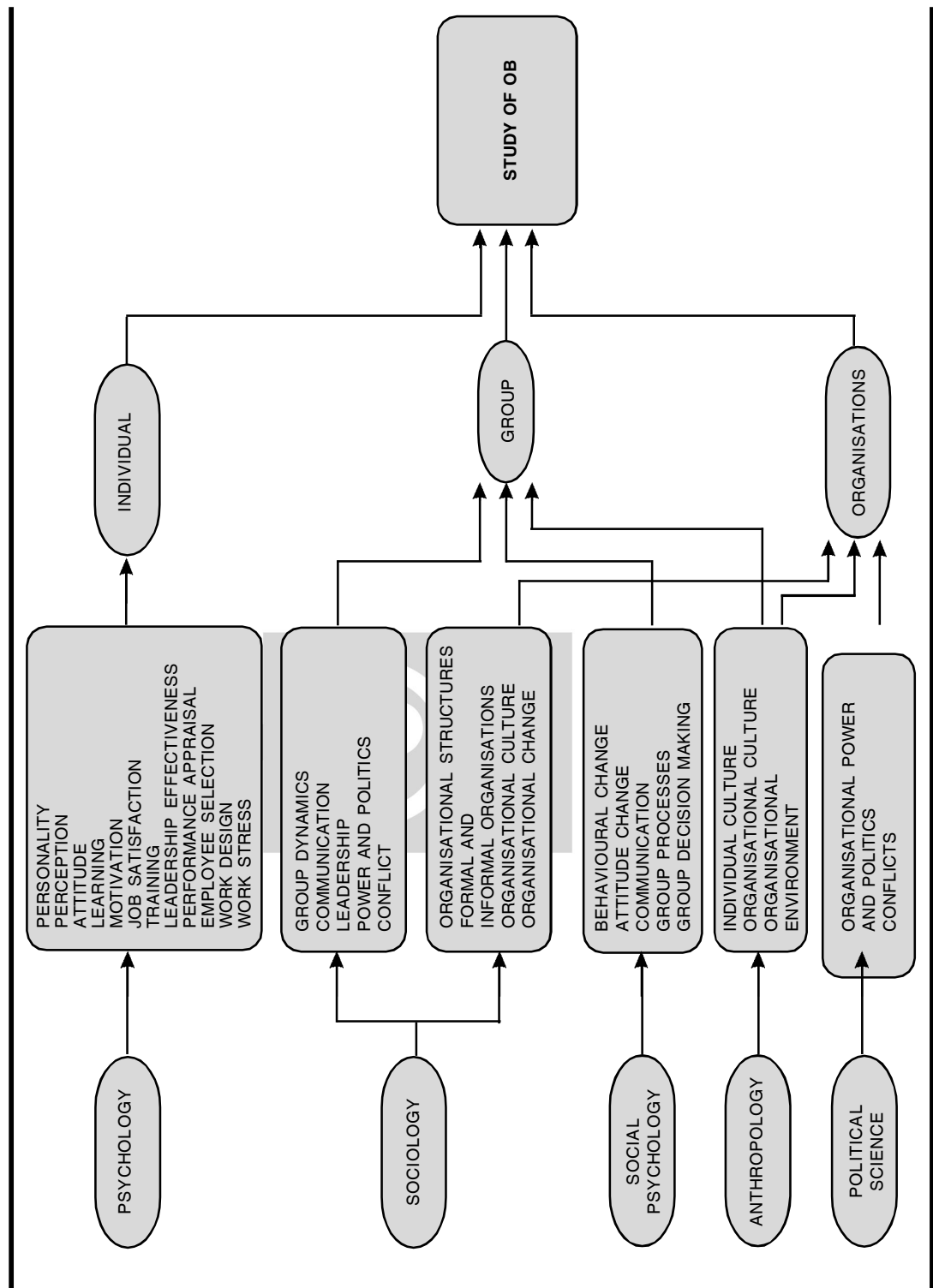
Figure 1.5:
Major Disciplines
and their
Contributions to
OB

Psychology: It is the study of behaviour of animals and humans. Through such a study, psychology seeks to measure, explain and change behaviour.

Animals like rats and monkeys are used for carrying out psychological experimentation and the conclusions drawn from such experiments are sought to be generalised with reference to human behaviour.

Psychology is concerned with individual behaviour and has contributed greatly to the intra-individual dynamics of human behaviour. In other words, intrapersonal aspects of organisational behaviour like motivation, personality, perception, attitude, opinion, and learning owe their study to psychology.

Psychologists themselves are becoming increasingly important these days and the number of professional psychologists has also been growing. They hold important positions in various sectors. Some are academicians with specialisation in experimental, social, or clinical psychology. Others can be found in business, industrial, and Government organisations. For example, there are educational psychologists and counsellors who work with school children. Some industrial psychologists function mainly in industry, where they are involved in screening and training employees. More recently, their functions have been expanded to include training, developing effective leadership, performance appraisal, job design, and work stress.

Sociology: If psychology is the study of individual behaviour, sociology addresses itself to the study of group behaviour. It studies the behaviour of people in relation to their fellow human beings. Sociologists have enriched organisational behaviour through their contribution to the study of interpersonal dynamics like leadership, group dynamics, communication, formal and informal organisations, and the like.

Social Psychology: This subject borrows concepts from both psychology and sociology. It focuses on the influence of people on one another. One of the areas receiving considerable attention from social psychology is change — how to reduce resistance to it and implement it successfully. Additionally, social psychology is useful in measuring, understanding, and changing attitudes, communication patterns, the ways in which group activities can satisfy individual needs, and in group decision making process.

Anthropology: It is the study of the human race, in particular, its culture. Culture has significant influence on human behaviour. It dictates what people learn and how they behave.

Every organisation will have its own distinct culture. Some organisations particularly, closely held ones, are secretive, publicity-shy, and are less inclined to encourage participative management.

Some organisations, the Tatas for example, take employee welfare and social responsibility as their main goals. The culture of the organisation will have an influence on the employee. His or her attire, perception about things – good and bad, and his or her style of functioning are influenced by the culture of his or her organisation.

Political Science: Contributions from political scientists for a better understanding of OB are significant. Political scientists study the behaviours of individuals and groups within a political environment. Specific topics of concern to political scientists include conflict resolution, group coalition, allocation of power, and how people manipulate power in their self-interest.

In the past, the term 'politics' was considered to be a dirty word. Not any more now. Organisations are becoming political entities (See Exhibit 1.2) and a better understanding of them cannot be had without understanding the political perspective as well. Chapter 16 explains politics in greater detail.

Engineering: This discipline, too, has influenced OB. Industrial engineering, in particular, has long been concerned with work measurement, productivity measurement, workflow analysis and design, and labour relations. Obviously, all these are important for OB as these will be made clear in the subsequent chapters.

- Organisational members enjoy power from various sources (e.g., position, expertise, group support, seniority, etc.), which help them in influencing each other. This creates complexity and contradictions in relationships; for instance, when a senior executive faces a trade union leader. Both have power, but the sources are different.

- The decision maker has to contend with and balance diverse and often contradictory demands arising from different constituencies (subordinates, bosses, peers, etc.). Since satisfying each group is vital for effective implementation of the decisions, the decision making process cannot remain a mere rational and objective exercise.

- By virtue of their role, certain people and departments are more important as compared to others for achieving organisational goals. Thus, while on paper all sections are equal, some are actually more important than others.

- In any organisation, people differ widely in terms of their need for power and control over. It would be natural for those with a greater need for power to interpret and respond to situations in ways that maximise their power.

- Most organisations work on the principle of resource organisation. Thus, for an organisation to function like a clock-work mechanism, the demands and resources have to be suitably matched. This is easier said than done, and so, lobbying for resources becomes a practical necessity for any well-meaning executive.

- Any viable decision needs to satisfy three kinds of goals: corporate, departmental, and individual. These three, in most situations, are not congruent with each other, and therefore, call for political skills from the decision maker.

(***Source:*** Madhukar Shukla, *Understanding Organisations*, New Delhi, Prentice-Hall of India, 1996, p. 12.)

Most recently, *medicine* has also come into play in connection with the study of OB, specially in the area of stress. Increasingly, research is showing that controlling the causes and consequences of stress, within and outside of organisational settings, is important for the well-being of both the individual and the organisations.[9] Stress management is covered, in greater detail in Chapter 13.

SCOPE OF ORGANISATIONAL BEHAVIOUR[(LO7)]

Organisational behaviour, as mentioned earlier, is the study of human behaviour within organisations. The subject encompasses the study of individual behaviour, interpersonal behaviour, and of the organisations themselves.

Intrapersonal behaviour covers such aspects as personality, attitude, perception, learning, opinion, motivation, job satisfaction, and stress management.

Interpersonal behaviour includes group dynamics, team dynamics, intergroup conflict, leadership, communication, transaction analysis, and the like.

About *organisations*, the study covers such aspects as their formation, structures, effectiveness and formal and informal organisations.

These three levels of analysis are not necessarily mutually exclusive. The field of organisational behaviour embraces them as being complementary. In the past, these three levels of analysis were pursued with little co-ordination by behavioural scientists. Now, however, a major contribution of those interested in OB is the attempt to integrate these three levels of analysis, although this will require much effort. The individual focus is no more important or valuable to the manager within an organisation than is the group or formal organisational focus. There is no need to choose one level of analysis and exclude the others. Managers in business, health care, education, government, and religious organisations all have problems in common that require an interdisciplinary approach. This can be provided by OB because it emphasises on all these levels of analysis — the individual, the group, and the formal organisation.

All the above, and other topics have been discussed in detail later in the book. It may be emphasised that the subject of OB applies to all types of organisations though the focus in this book is towards business establishments only. This is so because the book is primarily addressed to management students preparing themselves for occupying important positions in industrial and business enterprises.

There is No 'One Best' Way: What is the most effective way to motivate people? What style of leadership works best? Should groups or individuals make organisational decisions? Although questions such as these appear to be quite reasonable, there is a basic problem with all of them. That is, they suggest that there is one best approach: one best way to motivate, to lead and to make decisions.[10]

Specialists in the field of OB today agree that there is no one best approach when it comes to such complex phenomena. When it comes to studying human behaviour in organisations, there are no simple answers. OB scholars recognize that behaviour in work settings is the complex 'result of many interacting forces'. This fact has been recognised in what is known as the contingency approach (discussed in the next section), an orientation that is the hallmark of contemporary OB. OB literature is obviously replete with phrases such as 'it all depends', 'other things being equal', 'under certain conditions' and the like, implying that a certain behaviour is contingent or a solution is workable only under certain conditions.

CONTEXTUAL PERSPECTIVES OF OB[(LO8)]

Several contextual perspectives have increasingly influenced OB: the human resource approach, the contingency approach, the productivity approach, the systems approach and the interactionalism approach (See Fig. 1.6).
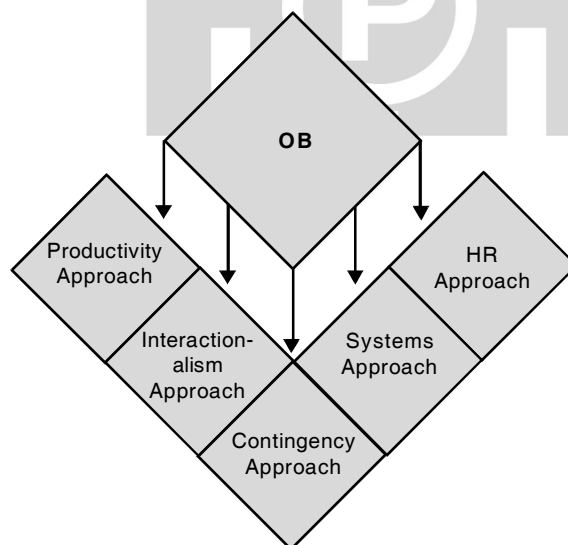
Figure 1.6: Approaches to the Study of OB

Human Resource Approach: This approach recognises the fact that people are the central resource in any organisation and that they should be developed towards higher levels of competency, creativity, and fulfilment. People thus developed will contribute to the success of the organisation.

The human resources approach is also called the *supportive approach*, in the sense that the manager's role changes from control of employees to active support to their growth and performance.

The supportive approach contrasts with the traditional management approach. In the traditional approach, managers decide what employees should do and closely monitor their performance to ensure task accomplishment. In the human resources approach, the role of managers changes, as stated above, from structuring and controlling to supporting.

Contingency Approach: The contingency approach is another useful way of looking at OB. This approach assumes that there is no 'one best way' available in any organisation. It suggests that in most organisations situations and outcomes are contingent on, or influenced by, other variables (See Fig. 1.7).

Figure 1.7: Universal Approach vs. Contingency Approach
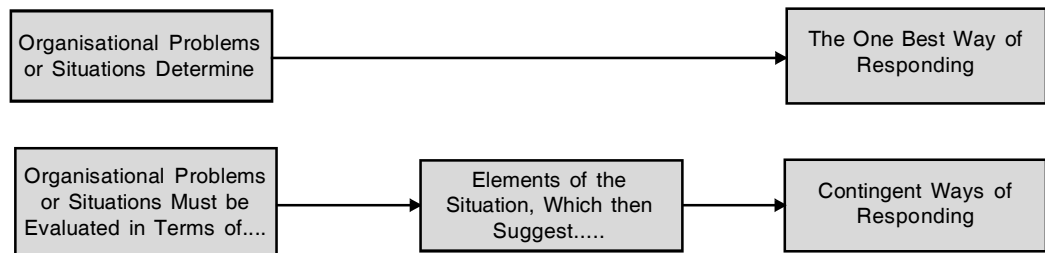
(**Source:** Moorhead and Griffin, *op. cit.*, p. 19.)

As seen from Fig. 1.7, the contingency approach to OB differs from the universal approach. The universal model, shown at the top of the figure, presumes a direct cause and effect linkage between variables. For instance, it suggests that whenever a manager encounters a certain problem or situation (such as motivating employees for higher efficiency and greater output), a universal approach does exist (such as raising pay), that will lead to the desired outcome. The contingency approach, on the other hand, acknowledges that several other variables affect the relationship. In other words, the appropriate managerial action or behaviour in any given situation depends on the elements of that situation.[11]

Systems Approach: The systems approach to OB views the organisation as a united, purposeful system composed of interrelated parts. This approach gives managers a way of looking at the organisation in totality: as a whole person, whole group and social system. In doing so, the systems approach tells us that the activity of any segment of an organisation affects, in varying degrees, the activity of every other segment.

According to this approach, an organisational system receives four kinds of inputs from its environment: material, human, financial, and informational. The organisation converts these inputs into products or services, employee behaviour, profits or losses, and additional information and supplies these to the environment. The system then receives feedback from the environment regarding the outputs (See Fig. 1.8). Thus, the organisation becomes an input-transformation-output system.

Figure 1.8: Systems Approach to Organisations
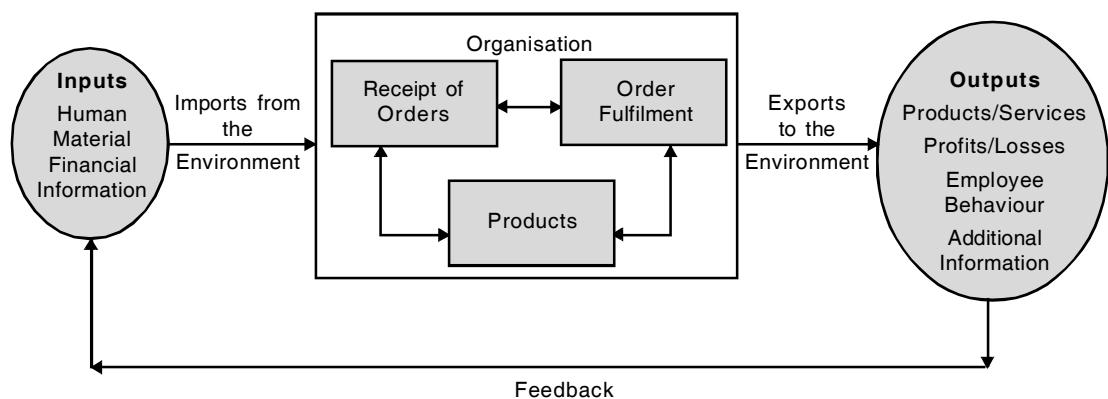
Managers should not become passive spectators of organisational systems. A key function of managing is to adapt to transform system elements to achieve goals within a dynamic environment. Managers need to work with people and allocate resources to carry-out tasks within an environment of change. The main purpose of this book is to train managers to manage organisational systems more effectively.

The systems approach has functional consequences for managers. For one thing, it underscores the importance of an organisation's environment. Failing to acquire the appropriate resources and to heed feedback from the environment, for instance, can be disastrous. The systems approach also helps managers conceptualise the flow and interaction of various elements of the organisation as they enter the system, are transformed by it, and then re-enter the environment.

Productivity Approach: Productivity, which is the ratio of output to input, is a measure of an organisation's effectiveness. It also reveals the manager's efficiency in optimising resource utilisation. The higher the numerical value of this ratio, the greater the efficiency.

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

In the same manner, when employee development programmes lead to a by-product of better citizens in a community, a valuable social output occurs. OB decisions typically involve human, social, and/or economic issues, and so productivity, usually a significant part of these decisions, is recognised and discussed extensively in the literature on OB.

Interactionalism: Interactionalism is a relatively new approach to understanding behaviour in organisational settings. First presented in terms of interactional psychology, this view assumes that individual behaviour results from a continuous and multidirectional interaction between characteristics of the person and of the situation. More specifically, interactionalism attempts to explain how people select, interpret, and change various situations. Fig. 1.9 illustrates this perspective.[12] It should be noted that the individual and the situation are presumed to interact continuously. This interaction is what determines an individual's behaviour.
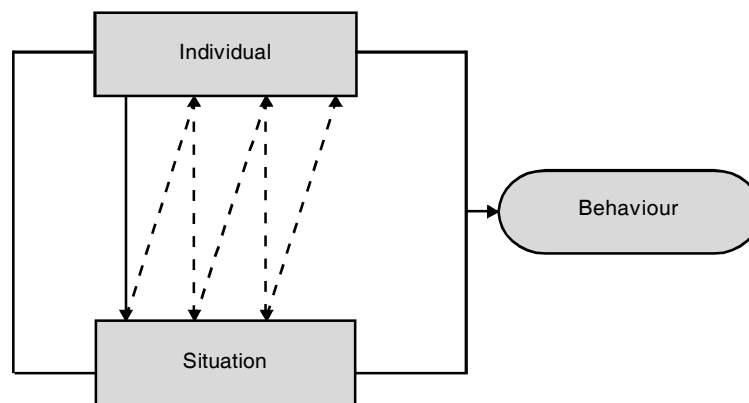
Figure 1.9: Interactionalist Perspective to OB

(***Source:*** Moorhead and Griffin, *op. cit.*, p. 20.)

EVOLUTION OF OB[(LO9)]

Five stages are distinct in the evolution of OB: Industrial Revolution, Scientific Management, Human Relations Movement, Hawthorne Studies and OB itself.

Experts of human behaviour have tried to chronicle the growth of the subject only from the beginning of the 19th century. The early part of the 19th century is significant because it was

during this period that the Industrial Revolution took place that resulted in the total transformation of the then industrial environment.

Industrial Revolution: Industrial Revolution brought about materialism, discipline, monotony, boredom, job displacement, impersonality, work interdependence, and related behavioural phenomena. Nevertheless, the Industrial Revolution was responsible for planting the seed for potential improvement. Industry created surplus of goods and knowledge that eventually gave workers increased wages, shorter hours, and more work satisfaction. In this new industrial environment Robert Owen, a young Welsh factory owner, about the year 1800, was one of the first to emphasise the human needs of employees. He refused to employ young children. He taught his workers cleanliness and temperance and improved their working conditions. Owen could demonstrate in his own factory that it paid to devote as much attention to 'vital machines' as to 'inanimate machines'. His methods entitled him to be called the 'father of personnel management'. This could hardly be called modern organisational behaviour, but a beginning in that direction was, however made.

In 1835, Andrew Ure published his *The Philosophy of Manufactures,* in which, he included the human factor as one of the factors of production, besides the mechanical and commercial parts. Believing in the importance of the human factor, Ure provided workers with hot tea, medical treatment, and sickness payments.

Nearer home, around this time J.N. Tata took a special interest in the welfare of his workers. He installed the first humidifiers and fire sprinklers in his factories. In 1886, he instituted a pension fund, and in 1895, began to pay accident compensation. He was decades ahead of his time and miles ahead of his competitors. The Empress Mills experiments showed that not only profits but people mattered to him.

The ideas of Owen, Ure and Tata were accepted slowly or not at all, and they often deteriorated into a paternalistic, do-good-approach than a genuine recognition of the importance of people at work.

Scientific Management: The very mention of scientific management brings Taylor to our memory. He is appropriately called the 'father of scientific management' as he converted broad generalisations into practical tools. He was also responsible for awakening interest in workers in the 1900s. Taylor advocated the selection of right people for right jobs, training them adequately, placing them in jobs for which they were best suited, and remunerating them handsomely. To be sure, Taylor's goal was technical efficiency, but at least management was awakened to the importance of human resources, which was hitherto neglected.

Taylor published his major work *Principles of Scientific Management* in 1911. During that decade, interest in human conditions at work was accelerated by World War I.

Taylor's ideas were criticised — particularly, his belief in rationalising everything and holding the assumption that human behaviour is based on 'rabble hypothesis'.

But Taylor's ideas are practised even today. As the *Talking Technology* story in Exhibit 1.3 describes, companies such as UPS, Google and Facebook are using. Some of the basic concepts introduced during the scientific management era in their efforts to become even more efficient. It is digital Taylorism now.

The scientists who were closely influenced by Taylor were the industrial psychologists Frank and Lillian Gilbreth. This husband-and-wife team pioneered time-and-motion study, a type of applied research designed to classify and streamline the individual movements needed to perform jobs with the intent of finding "the one best way" to perform them. Although this approach appears to be highly mechanical and dehumanising, Gilbreths had great concern for human beings. (Read Exhibit 1.4).

Scientific management was criticised by employees and theorists for its overemphasis on task accomplishment and monetary incentives at the cost of respect for human beings. A new approach that treated workers as human beings was desired. (See also the previous Chapter).

One of the keys to success in many competitive environments today is a successful merging of people and technology. It is people who do the work of the organisation and whose effectiveness ultimately determines a firm's long-term profitability. Technology, meanwhile, serves as a useful set of tools to make it easier for people to perform at their highest level of effectiveness. Perhaps no company today manages the relationship between people and technology any better than United Parcel Service (UPS). The basic technology that drives UPS is the simple stopwatch. In the 1920s, when James E. Casey founded UPS, he decided to increase its overall efficiency by turning to time-and motion study engineers. His charge to them was to focus on ways that UPS employees could do their jobs more efficiently. His approach to precision still pervades the company today.

For example, supervisors routinely monitor the efficiency of workers by calculating the time it takes them to walk to a customer's door. UPS has determined that the standard of three feet per second is optimal. Likewise, delivery people of UPS are taught to knock first rather than to waste precious seconds searching for a doorbell. Package sorters at UPS are expected to handle 1,124 packages an hour and are allowed to make a mistake less than once every two hours. Truck loaders are expected to fill the delivery vans at the rate of at least 500 packages per hour.

A casual observer might feel that such an emphasis on time and motion efficiency would lead to stress and burnout. Just the opposite has happened, however. The company has a stellar reputation as an effective employer, and its turnover rate is less than 4 per cent. One key to this success is the way the organisation views its employees. For example, the company starts its workers at relatively high wages and then offers them lucrative profit sharing and stock options based on their longevity with the firm. As a result, employees recognise that while they may be working at a very frantic pace, they are also sharing in the rewards of the company's success.

And UPS treats everyone with dignity. Top managers receive few perks. All employees battle for the same parking spaces, stand in the same cafeteria lines, and do their own photocopying. Not even the CEO has a personal secretary. Such practices maintain an environment of collaboration and equality that continues to serve UPS well.

(***Source:*** Moorhead and Griffin, *Organisational Behaviour*, p. 9.)

When you think of scientific management, the one word that most certainly comes to mind is "efficient". Indeed, Frederick Taylor and other proponents of scientific management were primarily concerned with developing ways of making people work as efficiently as possible whatever it took. Often this approach had dehumanising effects on people, treating them like machines required to move in certain ways and to complete tasks in specified periods of time. For those who suffered physical handicaps that limited their ability to move as required, such an approach was particularly demoralising. Because they could not perform many jobs in the most efficient manner, people with physical handicaps were considered undesirable employees by most proponents of scientific management.

Fortunately, two pioneers of scientific management, Frank and Lillian Gilbreth, found this rejection of human life to be completely unacceptable. They believed that disabled people should be encouraged to fulfil themselves by working at jobs they are capable of performing. Although this approach sounds perfectly acceptable by today's standards, it was quite unusual given the treatment of handicapped people that prevailed in the early part of the twentieth century. At that time, it was more typical to fit workers with the prosthetic devices necessary to perform jobs at acceptable levels. The Gilbreths believed that this practice was demoralising, and applied their expertise in scientific management to treating people with handicaps more humanely.

Frank Gilbreth advocated that the US Government train the disabled veterans of World War I so they could develop job skills that worked around their limitations. He believed that "handicapped" did not mean helpless, but "capable" — if proper jobs and training were available. In this respect, Gilbreth was decades ahead of his time. To help

advance this position, he created a slide presentation illustrating how people with disabilities easily could be incorporated into the workplace. Gilbreth argued that able-bodied people should be required to move to new jobs whenever doing so opens up that job to someone whose physical limitations make it difficult for them to do anything else. In short, Frank Gilbreth became an active spokesperson for vocational rehabilitation efforts.

On Frank's death, his wife Lillian developed ways of adapting home kitchens for people with physical handicaps. In fact, Lillian Gilbreth worked with General Electric to redesign kitchen appliances with the needs of handicapped in mind. She also developed ways of redesigning tools and equipment so that people with physical limitations could use them more easily. Interestingly, some of the ideas initially developed to help people with handicaps eventually found their way into widespread use for all (e.g., the automatic paper-feeding mechanism found in typewriters). Among the early pioneers of the study of people at work, Frank and Lillian Gilbreth will be remembered for their then radical position that the quest for individual dignity and self-respect is as important as the quest for efficiency. As they put it some eighty years ago, "The great need is that everyone shall realise that there is a part in the work for him [or her]. It is the work of the psychologist, of the economist, of the industrial expert. True! it is just as much the work of every man, woman and child in the community. It is active, practical interested co-operation that is needed — and it is needed NOW". Although this position is much better accepted today than it was when originally expressed by the Gilbreths, it is fascinating to note that these words are just as timely today.

(**Source:** Moorhead and Griffin, *Organisational Behaviour,* p. 9.)

The Human Relations Movement: Failure of Scientific Management gave birth to the human relations movement which is characterised by heavy emphasis on employee co-operation and morale. Under this, people were to be treated as human beings and not as machines, listening to their needs and problems and involving them in decision making in matters relating to working conditions. There are varied and complex reasons for this human relations position. Historically, three of the most important contributing factors would be the Great Depression, the labour movement, the results of the now famous Hawthorne Studies.

The stock exchange crash of 1929 in America marked the beginning of the Great Depression. The consequences of the **Depression** were widespread unemployment, decline of purchasing power, collapse of markets, and lowering of the standard of living of people. This phenomenon was worldwide and not confined to America alone.

One positive outcome of the **Depression** was that management began to realise that production alone could not be its major function. Marketing, finance, and personnel were also required in order for a business to survive and grow. The Depression's aftermath of unemployment and insecurity bought to the surface, human problems that managers were now forced to recognise and cope with. Personnel departments were either created or given more emphasis, and most managers now began to develop a new, awakened view of the human aspects of work. Human relations took an increased significance as an indirect, and in some cases, direct result of the Depression.

Mere creation or strengthening of personnel departments did not improve the plight of workers. Production still preceded people in order of importance in organisations. Decent hours of work, fair wages, and adequate working conditions were sacrificed for more production. There were people like Taylor, Ford, and Sloan who sincerely believed in giving the labour its due share. Such noble hearted souls were few and far between. In general, exploitation of labour continued.

Labour Movement: Continued exploitation made workers realise that their protection lay in their own hands. They formed strong unions and this had the desired effect on management. Management began to place primary emphasis on employee relations, and secondary attention was given to wages, hours of work, and conditions of employment.

Unfortunately, the human relations role also often came about for wrong reasons. In too many cases, it was forced on managers by labour, threatening them with consequences of non-compliance. Ideally, it would have been better, had, human relations developed because of intrinsic motivation of practising managers, to better understand and provide for the welfare of their employees.

Hawthorne Studies: Although the Depression and the labour movement were at least, important indirect causes of the practice of human relations, the Hawthorne studies dominate the academic discussion on historical development. The studies gave academic status to the study of organisational behaviour.

The studies were carried out at the Western Electric Company's Hawthorne works in Cicero, a suburb of Chicago, and are closely linked with the name of Elton Mayo. As Professor of Industrial Research at the Harvard School of Business Administration, Mayo was the person, most responsible for conducting the studies and publicising their significance. Naturally, he is called the 'father of human relations movement'. The previous Chapter contains more details on Hawthorne studies.

Organisational Behaviour: The human relations movement thus started, continued and flourished for a long time. Unfortunately, the movement grew so fast that much fadism and shallowness developed. Some practitioners began to emphasise the big smile, 'being nice to people', and 'keep them happy', while subtly trying to manipulate employees. Naturally, the human relations movement received serious criticism.

In course of time, the term 'human relations' lost its flavour, although it continues to be used, especially at the operating level — because of its appropriateness. As the field became more mature and research based, the new term that arose to describe it was 'organisational behaviour'.[12] Experts trace this development to the late 1950s and early 1960s.

Organisational behaviour has made considerable strides since 1960s, although there have been occasional steps backward as well. Managers increasingly recognise the value of human resources and strive to better understand people and their role in complex organisations and competitive business situations. This realisation has come from the subject, organisational behaviour.

OB MODEL(LO10)

We follow a model (See Fig. 1.10) for discussion in this book.

As seen from the figure, individual behaviour comprises such aspects as personality, perceptions, attitudes, learning, and motivation. Group behaviour covers such topics as group dynamics, leadership, power and politics, communication and conflict. Study of organisations includes the nature of organisations and organisational change and development. Now, individual behaviour will influence and is influenced by group behaviour, which in turn has impact on behaviour of organisations. The cumulative effect of all these behaviours is felt on organisational effectiveness which in turn has impact on individual, group and organisational behaviours.
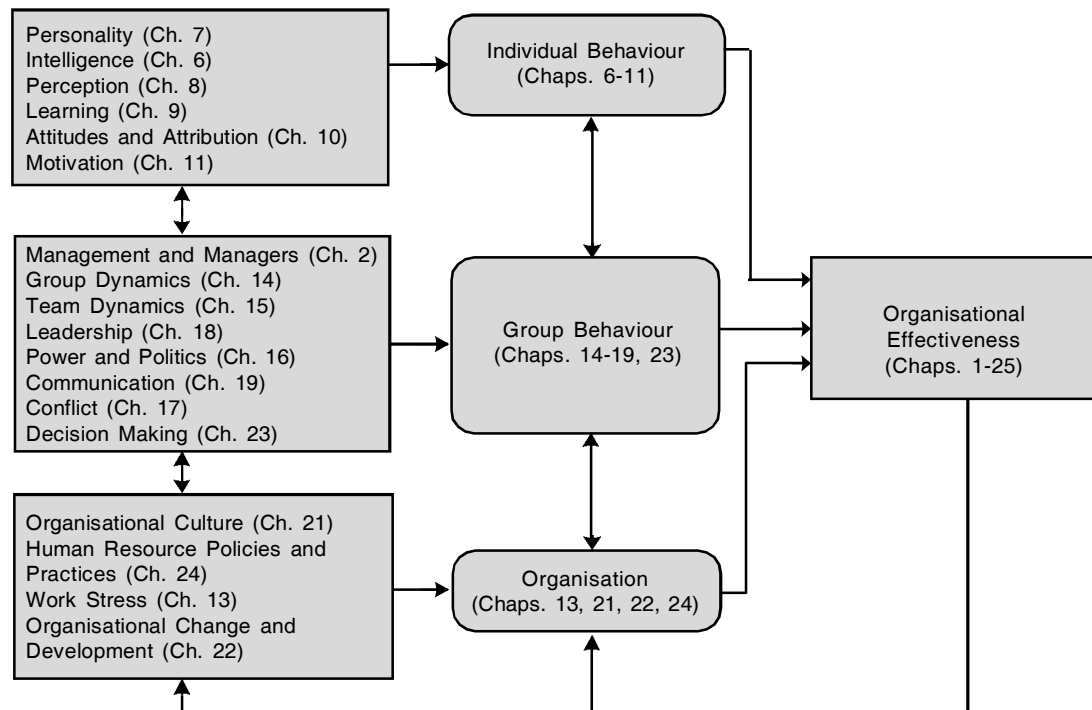
**Figure 1.10:
OB Model**

SUMMARY

- Organisations have no parallels insofar as effecting daily life is concerned. They are created by individuals alone or in groups. On being formed, organisations facilitate division of labour, manage large-scale technology, manage the external environment, minimise transaction costs, and exert power and control.LO1

- Organisational behaviour is highly useful in ensuring organisational effectiveness. Simply told, OB is the study of human behaviour in organisational settings.LO2

- OB is built on strong fundamentals which are: interpersonal differences, whole person concept, caused behaviour, human dignity, social systems, mutuality of interests, and holistic concept.LO3

- OB has its strengths and weaknesses. Among the strengths are: OB helps in shaping our organisational lives; it helps an individual understand his/her self and others better; it builds cordial industrial relations; and it is highly useful in the field of marketing.LO3

- Critics point out that OB is selfish and exploitative, and that it does not remove conflict and friction between individuals — it only minimises them.LO4

- OB is an interdisciplinary subject. It has enriched itself by drawing principles and concepts from psychology, sociology, anthropology, social psychology, political science, engineering, and even medicine.LO6

- Under the umbrella of OB, the topics covered are many and varied. Broadly, OB covers intra-individual behaviour, interpersonal behaviour, and behaviour of the organisations.LO7

- Several contextual perspectives have increasingly influenced OB. They are the human resource approach, the contingency approach, the productivity approach, the systems approach, and the interactionalism approach. All these approaches together, help us understand OB better.LO8

- Industrial relations, human relations movement, Hawthorne studies and OB constitute the milestones in the evolution of OB.[LO9]

KEY TERMS

1. *Organisational Behaviour:* A multidisciplinary field that seeks knowledge of behaviour in organisational settings by systematically studying individual, group and organisational processes.[6]

2. *Caused Behaviour:* Behind every behaviour there is a reason. Behaviour does not occur at random.[8]

3. *Whole Person:* An employee is not to be viewed as an individual possessing certain skills. He or she needs to be understood to carry family, background, culture and all other human baggage.[8]

4. *Economies of Scale:* Ability of an organisation to achieve cost savings through scaling up its operations. Higher the volumes lower the cost per unit.[4]

5. *Economies of Scope:* Ability of an organisation to make use of underutilised resources more effectively and gains savings in costs.[4]

6. *Transaction Costs:* Costs associated with negotiating, monitoring and governing exchanges between people.[5]

7. *Organisational Effectiveness:* Organisations become effective when they are able to produce quality goods at reasonable cost and earn profit at the same time.[5]

8. *Ethical Philosophy:* Deals with conscience of human kind, confirmed by the experience of people in all ages. It has to do with the consequences of our acts to ourselves. Recognises that life has an overall purpose and accepts the inner integrity of each individual.[9]

9. *Mutuality of Interests:* Interests flow both the ways. Organisations need people and people need organisations. One without the other has no meaning. Organisations sans people reflect ghosts. People cannot live without organisations.[8]

10. *Holistic Perspective*: This involves a big picture and interprets people-organisation relationships in terms of the whole person, whole group, whole organisation and the whole social system.[8]

11. *Management:* Refers to the process of attaining organisational goals in an efficient and effective manner through planning, organising, leading and controlling organisational resources.[9]

12. *Interdisciplinary Focus*: OB is not an independent subject. It has become one by drawing concepts and principles from a number of other disciplines such as — psychology, sociology, anthropology, social psychology and the like.[15]

13. *Psychology*: Study of behaviour both of humans and of animals. Study helps measure, explain, and even change behaviour of people and animals.[17]

14. *Sociology*: This refers to the study of group behaviour. The focus is on the behaviour of people in relation to their fellow human beings.[17]

15. *Social Psychology*: A wing of psychology, social psychology blends concepts from psychology and sociology and focuses on the influence of people on one another. Change, communication patterns, group decision making processes and attitudinal changes are the major areas of OB that receive attention in social psychology.[17]

16. *Anthropology*: This refers to the study of the human race, particularly its culture. The focus is on how human race adjusts and adapts itself to the environment. Particular area of OB that has vastly benefited from anthropology is organisational culture.[17]

17. *Supportive Approach*: Popularly called human resources approach, supportive approach to OB posits that people are central to any organisation and that the role of manager is not to control but support their growth and performance.[19]

18. *Contingency Approach*: This approach to the study of OB assumes that there is no one best way available to an organisation. It suggests that in most organisations situations and outcomes are contingent or influenced by other variables.[20]

16. *Systems Approach*: The systems approach views the organisation as a unified, purposeful system composed of interrelated parts. This approach gives managers a way of looking at the organisation in totality: as a whole person, whole group and social system.[20]

17. *Productivity Approach*: This approach desires that the managers should make optimum use of resources for the good of the organisation. Of all the resources, it is the human resource which needs to be used for the benefit of the organisation, in turn helping people grow and derive satisfaction.[21]

18. *Interactionalism*: First presented in terms of interactional psychology, interactionalism assumes that individual behaviour results from a continuous and multidirectional interaction between characteristics of the person and of the situation. More specifically, interactionalism seeks to explain how people select, interpret, and change various situations.[21]

QUESTIONS

1.1 Define Organisational Behaviour. Why do we study the subject?

1.2 Discuss how OB is an interdisciplinary subject.

1.3 State the various approaches to the study of OB. Explain each.

1.4 Explain the different foundations of OB.

1.5 Besides those cited in the Chapter, what other reasons can you think of for the importance of OB?

1.6 Identify some managerial jobs that are greatly affected by human behaviour and others not so. Which would you prefer? Why?

1.7 Identify two students in a class who exhibit contrasting behaviours. Using the knowledge you have gained from reading this chapter, analyse how and why such behaviours contrast.

1.8 Explain the following statement: "People influence organisations, and organisations influence people".

1.9 Do you use the contingency approach in your daily affairs? Explain the circumstances under which it is used.

1.10 Your friend suggests that OB courses are only useful to people who enter management careers. Do you agree with your friend? Why?

EXERCISE 1

Select the number 1 to 5 that best describes your use of the following behaviour and write it on the line before each statement.

(5) Usually   (4) Frequently   (3) Occasionally   (2) Seldom   (1) Rarely

_____ 1. I'm an optimist. I look for the good in people and situations, rather than the negative.

_____ 2. I avoid complaining about people, things, and situations.

_____ 3. I show a genuine interest in other people. I compliment them on their success.

_____ 4. I smile.

_____ 5. I have a sense of humour. I can laugh at myself.

_____ 6. I make an effort to learn people's names and address them by name during conversations.

_____ 7. I truly listen to others.

_____ 8. I help other people cheerfully.

_____ 9. I think before I act and avoid hurting others with my behaviour.

_____ 10. If I were to ask all the people I work/worked with to answer these nine questions for me, they would select the same responses that I did.

To determine your likeability, add the 10 numbers you selected as your answers. The number will range from 10 to 50. Place it here _____ and on the continuum below.

Unlikable   10_____20_____30_____40_____50 Likable

(***Source:*** Robert N. Lussier, *Human Relations in Organisations*, McGraw-Hill Irwin, 2002, p. 17.)

EXERCISE 2

Purpose

This exercise is designed to help you understand how knowledge of OB can help you understand life in organisations.

Instructions

Read each of the statements below and circle whether each statement, in your opinion is true or false. The class will consider the answers to each question and discuss the implications for studying OB. After reviewing these statements, the instructor will provide information about the most appropriate answer (**Note:** This activity may be done as a self-assessment or as a team activity).

1. True False   A happy worker is a productive worker.
2. True False   Decision makers tend to continue supporting a course of action even though information suggests that the decision is ineffective.
3. True False   Organisations are more effective when they prevent conflict among employees.
4. True False   It is better to negotiate alone than as a team.
5. True False   Companies are most effective when they have a strong corporate culture.
6. True False   Employees perform better when they don't experience stress.
7. True False   The best way to change an organisation is to get employees to identify and focus on its current problems.
8. True False   Female leaders involve employees in decisions to a greater degree than male leaders do.
9. True False   Male business students today have mostly overcome the negative stereotypes of female managers that existed twenty years ago.
10. True False   Top-level executives tend to exhibit a Type A behaviour pattern (i.e., hard-driving, impatient, competitive, short-tempered, strong sense of time urgency, rapid talkers).
11. True False   Employees usually feel about reward inequity when they are paid more than co-workers performing the same work.

(***Source:*** Steven L. McShane and Mary Ann Von Glinow, *Organisational Behaviour*, Tata McGraw-Hill, 2000, p. 29.)

Closing Case – I
Morale Gone Bust ...✍

Dinesh, an young executive in Softech Ltd., has become irritable, unpopular with colleagues and subordinates; and a problem for the boss. His performance has started to slacken and mistakes plague his every action and recommendation. What is surprising is just three months back Dinesh was quite opposite of all these. He also has a brilliant track record. With a gold medal from a prestigious B-school, Dinesh entered his vocational area of finance and proved an instant success. He has revamped the cost and budgetary control systems, set up a management accounting procedure, and created a reliable and efficient management information system. Dinesh received awards and is slated to climb up the organisational hierarchy further.

Yet, such a man has gone to pieces all of a sudden. Several things transpired against Dinesh. His only son has turned out to be a spastic child, he has been overlooked for a promotion, with a less flamboyant outsider being preferred for the No. 1 slot by the management, which has suddenly exhibited its preference to a traditional accountant and he has fallen foul of a powerful line executive.

To compound the problem further, what had been a mild flirtation with an office colleague has assumed the proportion of a major sex scandal.

With his emotional relationships in a mess and worried about his son's health and his own future in Softech, Dinesh's morale has gone bust. His self-confidence has been rudely shaken.

QUESTIONS

1. How would the knowledge of OB help describe these sudden happenings in the life of Dinesh?

2. Compare the character of Dinesh with Vijay (opening case) and draw similarities and dissimilarities.

3. What should Dinesh do now?

Closing Case – II
Conceptualise and Get Sacked ...✍

HSS Ltd., is a leader in high-end textiles having headquarters in Bangalore. The company records a turnover of ₹ 1,000 cr. plus a year. A year back, HSS set up a unit at Hassan (250 kms. away from Bangalore) to spin the home textiles. The firm hired Maniyam as GM-HR and asked him to operationalise the Hassan unit.

Maniyam has a vision. Being a firm believer in affirmative actions, he plans to reach out to the rural areas and tap the potentials of teenaged girls with plus two educational background. Having completed their 12th standard, these girls are sitting at homes, idling their time, watching TV serials endlessly and probably dreaming about their marriages. Junior Colleges are located in their respective villages and it is easy for these girls to get enrolled in them. But degree colleges are not nearby. The nearest degree college is minimum 10 kms. and no parents dare send their daughters on such long distances and that too for obtaining degrees, which would not guarantee them jobs but could make searching for suitable boys highly difficult.

These are the girls to whom Maniyam wants to reach out. How to go about hiring 1,500 people from a large number who can be hired? And Karnataka is a big state with 27 districts. The GM-HR studies the geography of all the 27 districts and zeroes in nine of them known for backwardness and industriousness.

Maniyam then thinks of the principals of Junior Colleges in all the nine districts as contact persons to identify potential candidates. This route is sure to ensure desirability and authenticity of the

candidates. The girls are raw hands. Except the little educational background, they know nothing else. They need to be trained. Maniyam plans to set up a training centre at Hassan with hostel facilities for new hires. He even hires Anil, an MBA from UK, to head the training centre.

All is set. It is a bright day in October 2006. MD and the newly hired VP-HR came to Hassan from Bangalore. 50 principals from different parts of the nine districts also came on invitation from Maniyam and Anil. Discussions, involving all, go on up to 2 p.m. At that time, MD and VP-HR ask Maniyam to meet them at the guest house to discuss some confidential matters.

In this meeting, Maniyam is told that his style of functioning does not gel with the culture of HSS.

He gets the shock of his life. He responds on expected lines by submitting his papers.

Back in his room, Maniyam wonders what has gone wrong. Probably, the VP-HR being the same age as he is, is feeling jealous and insecure since the MD has all appreciation for the concept and the way things are happening. Maniyam does not have regrets. On the contrary he is happy that his concept is being followed though he has, been sacked. After all, HSS has already hired 500 girls. With ₹ 3,000 plus a month each, these girls and their parents now find it easy to find suitable boys.

QUESTIONS

1. What made the MD change his mind and go against Maniyam? What role might the VP-HR have played in the episode?

2. If you were Maniyam, what would you do?

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ABOUT THE BOOK

The structure of the book is well sequenced and balanced. All the 25 chapters have been clustered into five parts, each part focusing on one dimension of Organisational Behaviour. Part 1 contains discussion on an overview of the subject; Part 2 has chapters that explain the dynamics of individual behaviour; contours of group behaviour have been brought out in Part 3; Part 4 details the organisation and its structures; and Part 5 describes international perspectives of Organisational Behaviour.

Majority of the cases in the book are India centric and the principles of Organisational Behaviour have been largely Indianised. Each page in the book has a figure and/or an exhibit thus making it highly attractive.

The book is rich with pedagogic aids. Every chapter contains learning objectives, opening and closing cases, self-check, relook, summary, key terms and exercises.

The present edition is much improved in terms of new cases, additional boxed items and enriched text. Two new features are unique in the tenth edition: 'Successful Manager' and 'Key Terms'. Key terms with definitions are appended at the end of each page in the book. Definitions are catchy and close to the real-life happenings. 'Successful Manager' boxed at different places contain takeaways from each chapter. The tidbits go away from the text and contain highly interesting and memorable promontories.

A must read for all students of commerce and management courses.

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