CHAPTER 1: EMOTIONS AND MOODS

1. Emotions

Explanation:

Emotions are intense, short-term feelings that are directed toward a specific object, person, or event. They involve physiological reactions (such as heart rate, facial expressions) and are usually visible to others.

Emotions strongly influence how employees think, behave, and interact at work.

Why important in OB:

Emotions affect:

- Job performance
- Decision making
- Leadership effectiveness
- Negotiation outcomes
- Teamwork and cooperation

Managers who understand emotions can better manage people.

Example:

If your manager praises you in front of colleagues, you feel happy and proud, which increases your motivation and confidence.

2. Moods

Explanation:

Moods are less intense emotional states that last longer than emotions and are often not linked to a specific cause. People may not clearly know why they are in a certain mood.

Difference from Emotions:

- Emotions: Intense, short-term, specific cause
- Moods: Mild, long-lasting, unclear cause

Why important in OB:

Moods influence:

- Workplace attitudes
- Job satisfaction
- Decision making
- Interpersonal behavior

Example:

Feeling cheerful or irritated throughout the day without any clear reason.

3. Positive and Negative Affect

Explanation:

Affect refers to a person's general emotional tendency.

- Positive Affect: Feeling enthusiastic, active, and alert
- Negative Affect: Feeling nervous, stressed, or upset

Some individuals naturally experience more positive or negative affect due to personality traits.

Why important in OB:

Employees with positive affect tend to:

- Be more satisfied
- Perform better
- Cooperate more

Negative affect may lead to stress and conflict.

Example:

Two employees face the same workload:

- One stays calm and optimistic (positive affect)
- One feels anxious and overwhelmed (negative affect)

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4. Basic Emotions

Explanation:

Research suggests that humans experience a set of basic, universal emotions that are biologically determined and recognized across cultures.

Basic Emotions Include:

- Happiness
- Sadness
- Anger
- Fear
- Surprise
- Disgust

Why important in OB:

Understanding basic emotions helps managers interpret employee reactions correctly.

Example:

Fear before giving an important presentation.

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5. Moral Emotions

Explanation:

Moral emotions are emotions that help individuals distinguish right from wrong and guide ethical behavior. They encourage moral actions and discourage unethical conduct.

Common Moral Emotions:

- Guilt
- Shame
- Pride
- Compassion

Why important in OB:
Moral emotions promote:
- Ethical decision making
- Trust
- Responsible behavior

Example:
Feeling guilty after taking credit for someone else's work.

---

6. Sources of Emotions and Moods
Explanation:
Emotions and moods at work are influenced by several factors, including:
- Personality
- Time of day
- Stress levels
- Sleep quality
- Weather conditions
- Social interactions
- Physical activity

Why important in OB:
Understanding sources helps managers reduce negative emotions and improve well-being.

Example:
Lack of sleep leads to irritability, causing conflict with coworkers.

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7. Emotional Labor
Explanation:
Emotional labor refers to the requirement to manage and display emotions that are appropriate for a job, even if they are not genuinely felt.
Types of Emotional Labor:
- Surface Acting: Faking required emotions
- Deep Acting: Trying to actually feel the required emotions

Why important in OB:
High emotional labor can cause stress and burnout if not managed properly.
Example:
Flight attendants smiling politely even when tired or stressed.

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8. Affective Events Theory (AET)
Explanation:

Affective Events Theory states that specific workplace events trigger emotional reactions, which then influence employees' attitudes and behaviors.

Why important in OB:

Daily work events shape:

- Job satisfaction
- Commitment
- Performance

Example:

- Promotion → happiness → increased commitment
- Harsh criticism → anger → reduced performance

---

9. Emotional Intelligence (EI)

Explanation:

Emotional Intelligence is the ability to understand, manage, and use emotions effectively.

Components of EI:

1. Self-awareness
2. Self-management
3. Social awareness
4. Relationship management

Why important in OB:

High EI improves:

- Leadership quality
- Conflict management
- Team performance

Example:

A manager notices stress in an employee and offers support instead of criticism.

---

10. Emotion Regulation

Explanation:

Emotion regulation is the ability to control or modify emotional responses to suit the situation and organizational norms.

Why important in OB:

Helps employees:

- Avoid conflicts
- Make better decisions
- Maintain professionalism

Example:

Remaining calm during a heated discussion with a coworker.

---

11. Emotions and Decision Making

Explanation:

Emotions strongly influence decision making:

- Positive moods encourage creativity and flexibility
- Negative moods encourage careful and risk-averse decisions

However, strong emotions can distort judgment.

Why important in OB:

Managers must control emotions to make rational and ethical decisions.

Example:

Making a rushed or unfair decision when angry.

CHAPTER 2: PERSONALITY AND VALUES

1. Personality

Explanation:

Personality refers to the stable and enduring patterns of behavior, thoughts, and emotions that differentiate one individual from another. It develops from a combination of genetics, environment, upbringing, and experiences. Personality is relatively consistent over time and situations.

Why important in OB:

Personality helps organizations:

- Predict job performance
- Identify leadership potential
- Understand stress management
- Improve team compatibility

Managers use personality to place the right person in the right job.

Example:

An extroverted employee enjoys teamwork, meetings, and presentations, while an introverted employee prefers independent tasks and quiet environments.

2. Person–Job Fit

Explanation:

Person–Job Fit refers to the degree to which an employee's personality, skills, abilities, and interests match the requirements of a specific job. When the fit is good, employees feel comfortable and confident in their roles.

Why important in OB:

Good person–job fit leads to:

- Higher job satisfaction
- Better performance
- Lower stress
- Reduced turnover

Poor fit causes frustration and poor performance.

Example:

A creative person working as a graphic designer performs better than the same person working in accounting.

3. Person–Organization Fit

Explanation:

Person–Organization Fit is the alignment between an employee's values, beliefs, and personality and the organizational culture and values. It focuses on *whether the person belongs in the organization*, not just the job.

Why important in OB:
Good fit results in:
- Strong commitment
- Ethical behavior
- Job satisfaction

Poor fit leads to:
- Stress
- Low morale
- High employee turnover

Example:
An employee who values honesty and transparency feels uncomfortable working in an organization that promotes unethical practices.

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4. Myers-Briggs Type Indicator (MBTI)

Explanation:
MBTI is a personality assessment tool that classifies individuals into 16 personality types based on four dimensions:
- Introversion (I) vs Extraversion (E)
- Sensing (S) vs Intuition (N)
- Thinking (T) vs Feeling (F)
- Judging (J) vs Perceiving (P)

It focuses on preferences, not abilities.
Why important in OB:
MBTI is widely used for:
- Team building
- Self-awareness
- Communication improvement

However, it is less scientifically reliable compared to other models.
Example:
An introverted (I) employee prefers working alone and thinking deeply before speaking, while an extraverted (E) employee enjoys group discussions.

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5. Big Five Personality Traits (MOST IMPORTANT)

Explanation:
The Big Five model is the most scientifically accepted personality framework in organizational behavior. It identifies five major traits:
1. Openness: Creativity, curiosity, openness to new ideas
2. Conscientiousness: Discipline, reliability, responsibility
3. Extraversion: Sociability, assertiveness
4. Agreeableness: Cooperation, trust, kindness

5. Neuroticism: Emotional instability, anxiety, mood swings

Why important in OB:

- High conscientiousness is the best predictor of job performance
- Low neuroticism is linked to emotional stability
- Agreeableness improves teamwork

Example:

A highly conscientious employee meets deadlines, follows rules, and performs consistently well.

---

6. Dark Triad

Explanation:

The Dark Triad consists of three negative personality traits that can harm organizations if present in leaders or employees:

- Machiavellianism: Manipulative, deceptive behavior
- Narcissism: Excessive self-love, need for admiration
- Psychopathy: Lack of empathy, guilt, or remorse

Why important in OB:

Individuals high in Dark Triad traits may:

- Exploit coworkers
- Engage in unethical behavior
- Damage organizational culture

Example:

A narcissistic manager takes credit for team success and blames others for failures.

---

7. Core Self-Evaluations (CSE)

Explanation:

Core Self-Evaluations refer to how positively or negatively people evaluate themselves. It includes four elements:

- Self-esteem
- Self-efficacy (belief in own ability)
- Emotional stability
- Locus of control

Why important in OB:

Employees with high CSE:

- Are more motivated
- Handle stress better
- Perform better
- Are more satisfied with their jobs

Example:

An employee confident in their abilities takes challenging tasks without fear of failure.

8. Proactive Personality

Explanation:

A proactive personality describes individuals who take initiative, anticipate problems, and actively create change rather than reacting to situations. They do not wait for instructions.

Why important in OB:

Proactive employees:

- Improve organizational performance
- Drive innovation
- Adapt quickly to change
- Often become leaders

Example:

An employee suggests process improvements without being asked by management.

---

9. Values

Explanation:

Values are basic beliefs about what is right, important, and desirable. They influence:

- Ethical behavior
- Motivation
- Attitudes
- Decision making

Values are relatively stable and guide daily behavior at work.

Example:

An employee who values honesty refuses to manipulate data even under pressure.

---

10. Terminal and Instrumental Values

Explanation:

Values are categorized into two types:

- Terminal Values: Desired end states or life goals (e.g., success, happiness, security)
- Instrumental Values: Preferred modes of behavior to achieve goals (e.g., honesty, hard work, responsibility)

Why important in OB:

Understanding values helps managers:

- Predict behavior
- Reduce conflict
- Improve ethical decision making

Example:

An employee values success (terminal) and believes hard work (instrumental) is the way to achieve it.

CHAPTER 3: PERCEPTION AND DECISION MAKING

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1. Perception

Explanation:

Perception is the process by which individuals organize and interpret sensory information to give meaning to their environment. It is not about reality itself, but about how people see and understand reality.

Different people can perceive the same situation differently based on their experiences, attitudes, and expectations.

Why important in OB:

Perception affects:

- How managers evaluate employees
- How employees interpret instructions
- Communication effectiveness
- Performance appraisals

Incorrect perception can lead to conflict, bias, and poor decisions.

Example:

A manager gives feedback:

- One employee perceives it as helpful guidance
- Another perceives it as personal criticism

---

2. Factors Influencing Perception

Explanation:

Perception is influenced by three main factors:

a) The Perceiver

Includes:

- Attitudes
- Motives
- Interests
- Experience
- Expectations

b) The Target

Includes:

- Appearance
- Behavior
- Sound, size, background

c) The Situation

Includes:

- Time
- Work setting

- Social context

Why important in OB:

Understanding these factors helps managers reduce misunderstandings and bias.

Example:

A tired manager (perceiver) may judge an employee more harshly during a stressful day (situation).

---

3. Attribution Theory

Explanation:

Attribution theory explains how people assign causes to behavior. When observing behavior, individuals decide whether it is caused by:

- Internal factors (personality, effort, ability)
- External factors (situation, luck, environment)

Key Attribution Factors:

- Distinctiveness
- Consensus
- Consistency

Why important in OB:

Managers' attributions influence:

- Performance evaluations
- Rewards and punishments
- Leadership effectiveness

Example:

Employee arrives late:

- Manager says "He is careless" → internal attribution
- Manager says "Traffic was bad" → external attribution

---

4. Perceptual Shortcuts (Perceptual Biases)

Explanation:

Perceptual shortcuts are mental simplifications used to judge others quickly. They save time but often lead to errors and unfair judgments.

Common Perceptual Errors:

a) Halo Effect

Judging someone based on one positive trait.

b) Horn Effect

Judging someone based on one negative trait.

c) Stereotyping

Judging someone based on group membership.

d) Projection

Assuming others share your traits or beliefs.

Why important in OB:
These biases can cause:
- Unfair hiring
- Biased appraisals
- Workplace discrimination

Example:
Assuming a well-dressed employee is highly competent (halo effect).

---

5. Decision Making

Explanation:
Decision making is the process of identifying problems and selecting a course of action from available alternatives.
In organizations, decisions are made by managers and employees at all levels.
Why important in OB:
Quality of decisions affects:
- Organizational success
- Employee satisfaction
- Resource utilization

Example:
Choosing the best candidate among job applicants.

---

6. Rational Decision-Making Model

Explanation:
The rational model assumes decision makers:
- Have complete information
- Are objective and logical
- Choose the option that maximizes outcomes

Steps:
1. Identify the problem
2. Identify criteria
3. Weigh criteria
4. Develop alternatives
5. Evaluate alternatives
6. Select best option

Why important in OB:
It is an ideal model used as a benchmark.
Limitation:
Rarely used in real life due to time and information limits.

Example:
Carefully comparing job offers based on salary, location, and growth.

7. Bounded Rationality

Explanation:

Bounded rationality recognizes that humans have limited information, limited time, and limited mental capacity. Therefore, people make decisions that are satisfactory rather than optimal.

This leads to satisficing behavior.

Why important in OB:

Explains real-world managerial decision making.

Example:

Hiring the first candidate who meets basic requirements instead of searching for the best possible one.

---

8. Common Decision-Making Biases

Explanation:

Biases are systematic errors that affect judgment and decision quality.

Important Biases:

- Overconfidence Bias: Overestimating own abilities
- Anchoring Bias: Relying too heavily on first information
- Availability Bias: Using easily remembered information
- Confirmation Bias: Seeking information that supports existing beliefs

Why important in OB:

Biases lead to poor strategic and ethical decisions.

Example:

Manager relies only on recent performance while ignoring past records.

---

9. Ethics in Decision Making

Explanation:

Ethical decision making involves choosing actions that are fair, just, and morally acceptable.

Ethical decisions consider:

- Rights of individuals
- Fairness and justice
- Long-term consequences

Why important in OB:

Unethical decisions can damage:

- Organizational reputation
- Employee trust
- Legal standing

Example:

Refusing to falsify financial data even under pressure.

---

10. Creativity and Innovation

Explanation:
- Creativity: Ability to generate novel and useful ideas
- Innovation: Successful implementation of creative ideas

Creativity is the idea stage, while innovation is the action stage.

Why important in OB:

Organizations need creativity and innovation to:
- Stay competitive
- Solve complex problems
- Adapt to change

Example:

An employee proposes a new app feature (creativity), and the company launches it successfully (innovation).

CHAPTER 4: MOTIVATION – CONCEPTS & APPLICATIONS

1. Motivation
Explanation:
Motivation refers to the process that accounts for an individual's intensity, direction, and persistence of effort toward achieving a goal.
- Intensity: How hard a person tries
- Direction: Effort toward organizational goals
- Persistence: How long effort is maintained

Why important in OB:
Motivation determines:
- Employee performance
- Job satisfaction
- Commitment to organization

Even skilled employees perform poorly if they are not motivated.
Example:
A student studies daily for exams because they are motivated to achieve good grades.

---

2. Maslow's Hierarchy of Needs
Explanation:
Maslow proposed that human needs are arranged in a five-level hierarchy, and lower-level needs must be satisfied before higher-level needs motivate behavior.
Levels of Needs:
1. Physiological: Food, water, salary
2. Safety: Job security, safe work conditions
3. Social: Friendship, teamwork
4. Esteem: Recognition, status
5. Self-Actualization: Growth, creativity, reaching full potential

Why important in OB:
Managers must understand which need level motivates an employee.
Example:
An employee worried about job security (safety need) will not focus on promotion (esteem need).

---

3. Two-Factor Theory (Herzberg)
Explanation:
Herzberg proposed that job satisfaction and dissatisfaction are influenced by two separate sets of factors:
a) Hygiene Factors (Prevent Dissatisfaction)
- Salary

- Company policy
- Work conditions
- Job security

b) Motivators (Create Satisfaction)
- Achievement
- Recognition
- Responsibility
- Growth

Why important in OB:
- Hygiene factors do not motivate, but their absence causes dissatisfaction
- Motivators increase motivation and performance

Example:
Good salary prevents dissatisfaction, but promotion and recognition truly motivate employees.

---

4. McClelland's Theory of Needs

Explanation:
McClelland identified three learned needs that motivate behavior:
1. Need for Achievement (nAch): Desire to excel
2. Need for Power (nPow): Desire to influence others
3. Need for Affiliation (nAff): Desire for relationships

Why important in OB:
Different jobs require different dominant needs.

Example:
A sales manager high in need for achievement sets challenging targets.

---

5. Expectancy Theory (VERY IMPORTANT)

Explanation:
Expectancy theory states that motivation depends on three beliefs:
Motivation = Expectancy × Instrumentality × Valence
- Expectancy: Effort → Performance
- Instrumentality: Performance → Reward
- Valence: Value of reward

If any factor is zero, motivation becomes zero.

Why important in OB:
Employees work harder when they believe:
- Effort will improve performance
- Performance will be rewarded
- Rewards are valuable

Example:

An employee works harder when they believe good performance will lead to a bonus they value.

---

6. Goal-Setting Theory
Explanation:
Goal-setting theory states that specific and challenging goals, with feedback, lead to higher performance than easy or vague goals.
Key Characteristics of Effective Goals:
- Specific
- Challenging
- Measurable
- Time-bound
- Feedback available

Why important in OB:
Goals focus attention, increase effort, and encourage persistence.
Example:
"Increase sales by 10% in 3 months" is more motivating than "Do your best."

---

7. Equity Theory
Explanation:
Equity theory suggests that employees compare their input-to-outcome ratio with others. Motivation depends on perceived fairness.
- Inputs: Effort, skills, experience
- Outcomes: Salary, promotion, recognition

Why important in OB:
Perceived unfairness leads to:
- Reduced effort
- Absenteeism
- Turnover

Example:
An employee works less hard if they feel underpaid compared to coworkers.

---

8. Job Characteristics Model (JCM)
Explanation:
This model states that jobs are more motivating when they possess five core characteristics:
1. Skill variety
2. Task identity
3. Task significance
4. Autonomy

5. Feedback

These lead to higher motivation, performance, and satisfaction.

Why important in OB:

Designing meaningful jobs improves motivation.

Example:

A job allowing autonomy and feedback motivates employees more.

---

9. Job Design and Flexible Work Practices

Explanation:

Organizations use job design techniques to enhance motivation:

- Job rotation: Switching tasks
- Job enrichment: Adding responsibility
- Job enlargement: Increasing tasks
- Flexible work: Telecommuting, flextime

Why important in OB:

Reduces boredom and improves work-life balance.

Example:

Employees working from home feel more satisfied and motivated.

---

10. Rewards and Recognition

Explanation:

Rewards are used to motivate behavior and can be:

- Extrinsic: Salary, bonuses
- Intrinsic: Achievement, pride, recognition

Effective reward systems align employee behavior with organizational goals.

Why important in OB:

Recognition increases morale and commitment.

Example:

Employee of the Month award motivates high performance.

CHAPTER 5: ORGANIZATIONAL CHANGE

1. Organizational Culture

Explanation:

Organizational culture refers to the shared values, beliefs, norms, and ways of doing things that are accepted by members of an organization. It defines *"how things are done around here."*

Culture influences how employees:

- Think
- Feel
- Behave at work

Why important in OB:

Organizational culture:

- Guides employee behavior
- Creates identity and belonging
- Influences ethical standards
- Affects performance and satisfaction

Example:

A company that values innovation encourages employees to share new ideas without fear.

2. Strong vs Weak Organizational Culture

Explanation:

- Strong Culture: Core values are widely shared and strongly held by employees.
- Weak Culture: Values are unclear or not strongly accepted.

Why important in OB:

- Strong culture → consistency, commitment, control
- Weak culture → confusion, low morale, inconsistent behavior

Example:

In a strong culture, all employees understand and follow ethical guidelines.

3. How Organizational Culture Is Learned

Explanation:

Employees learn organizational culture through:

- Stories: Narratives about founders or past events
- Rituals: Repeated activities (meetings, ceremonies)
- Symbols: Office layout, dress code, logos
- Language: Special terms, slogans

Why important in OB:

Helps new employees understand acceptable behavior.

Example:
A company story about rewarding honesty reinforces ethical behavior.

---

4. Functions of Organizational Culture

Explanation:
Organizational culture serves several functions:
- Gives employees identity
- Encourages commitment beyond self-interest
- Maintains stability
- Acts as a control mechanism

Why important in OB:
Strong culture reduces the need for strict rules.

Example:
Employees naturally follow rules because they believe in company values.

---

5. Organizational Culture as a Liability

Explanation:
While culture is usually beneficial, it can become a liability when:
- It resists change
- It encourages unethical behavior
- It limits diversity and innovation

Why important in OB:
Rigid cultures can harm long-term success.

Example:
An organization refusing to adopt new technology due to "old traditions."

---

6. Organizational Change

Explanation:
Organizational change refers to modifications in structure, technology, strategy, or people to adapt to internal or external pressures.

Change is necessary due to:
- Technology advancement
- Competition
- Economic conditions
- Social trends

Why important in OB:
Organizations that fail to change risk decline or failure.

Example:
A company shifting from physical offices to remote work.

---

7. Resistance to Change

Explanation:

Resistance to change occurs when employees oppose or fear change. It can be individual or organizational.

Causes of Resistance:
- Fear of unknown
- Habit
- Job insecurity
- Lack of communication

Why important in OB:

Unmanaged resistance can cause change failure.

Example:

Employees resisting new software due to fear of learning it.

---

8. Lewin's Three-Step Change Model (VERY IMPORTANT)

Explanation:

Lewin proposed that successful change occurs in three stages:
1. Unfreeze: Prepare employees by breaking old habits
2. Change: Implement new processes or behaviors
3. Refreeze: Stabilize change and make it permanent

Why important in OB:

Provides a simple and effective change framework.

Example:

Training employees before introducing new technology, then reinforcing it.

---

9. Kotter's Eight-Step Change Model

Explanation:

Kotter expanded Lewin's model into eight detailed steps:
1. Create urgency
2. Build a guiding coalition
3. Develop a vision
4. Communicate the vision
5. Empower employees
6. Generate short-term wins
7. Consolidate gains
8. Anchor change in culture

Why important in OB:

Useful for managing large-scale organizational change.

Example:

Leadership clearly communicating reasons for restructuring.

10. Organizational Development (OD)

Explanation:

Organizational Development is a planned, long-term effort using behavioral science to improve organizational effectiveness and employee well-being.

Common OD techniques:

- Training programs
- Team building
- Survey feedback

Why important in OB:

Improves adaptability, communication, and performance.

Example:

Team-building workshops to improve collaboration.