



SATHYABAMA

**INSTITUTE OF SCIENCE AND TECHNOLOGY
(DEEMED TO BE UNIVERSITY)**

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SCHOOL OF ELECTRICAL AND ELECTRONICS

DEPARTMENT OF ELECTRONICS AND COMMUNICATION ENGINEERING

UNIT 3 – PRINCIPLES OF MANAGEMENT AND PROFESSIONAL ETHICS - SBA1101

UNIT – III ORGANISATIONAL BEHAVIOUR

OB-Definition-Nature & Scope- Contributing Disciplines-Importance of OB to Managers. Personality-Definition-Theories-Factors Influencing Personality. Motivation-Definition-Theories. Theory X & Y-Transactional Analysis. Morale & Job Satisfaction-Factors Influencing Job Satisfaction

ORGANISATION:

An organization is a group of people working together in a formally organized way to achieve a common objective. The main objective is profit maximization.

Features of an organization :-

Group of people

Formally organized people/structure Co-ordination among people Rationality

Purposefully created to achieve a common goal

BEHAVIOUR:

It is how a person behaves. It is an observable and measurable activity of human being.

ORGANISATIONAL BEHAVIOUR

organizational behavior -- refers to individual and group dynamics in an organizational setting -- and "macro" organizational theory which studies whole organizations, how they adapt, and the strategies and structures that guide them.

To this distinction, some scholars have added an interest in "meso" -- primarily interested in power, culture, and the networks of individuals and units in organizations -- and "field" level analysis which study how whole populations of organizations interact..

Whenever people interact in organizations, many factors come into play. Organizational studies attempt to understand and model these factors. Like all social sciences, organizational studies seeks to control, predict, and explain. There is some controversy over the ethics of controlling workers' behaviour. As such, organizational behaviour or OB (and its cousin, Industrial psychology) have at times been accused of being the scientific tool of the powerful.[citation needed] Those accusations notwithstanding, OB can play a major role in organizational development and success.

Definition: - Stephen P Robbins

It is a field of study that investigates the impact that individuals, groups , structures have on behaviour within the organization, for the purpose of applying such knowledge towards improving organizational effectiveness”.

Hence based on the definition we can say that

- ☐ OB is a field of study
- ☐ It studies individuals, groups and structures
- ☐ It applies the knowledge to improve organizational effectiveness. There fore Organization Behaviour is concerned with two aspects:-

- ☐ How people behave in an organization?
- ☐ How their behaviour does affect their performance?

“Organizational Behaviour is the study and application of knowledge about how people act with in the organization”. **Definition – Keith Davis**

KEY ELEMENTS OF ORGANISATIONAL BEHAVIOUR

1. People
2. Structure
3. Technology
4. environment

OB studies the following aspects

- ☐ People: Individuals & Groups
- ☐ Structure: Official Relationship
- ☐ Technology: Physical, Economic resources
- ☐ Environment: Political, Legal an Natural

NATURE OF OB**1. It is just a field of study and not a discipline:**

OB is accepted science with theoretical foundation and it serves as a base of research. It is a recent field of study which has its origin from management. It is broad based and inter disciplinary in nature. Hence it is not a discipline but a field of study.

2. It is interdisciplinary in nature:

It is broad based and inter disciplinary in nature because it has its origin from subjects like psychology, sociology, anthropology, medical sciences, political science etc.,

3. It is normative science and value centered :(cause and effect application):

A positive science analyses only the cause and effect relationship but a normative science analyses the cause and effect and also its application to achieve organizational results.

It is also value centered as it analyses what is acceptable to employees based on the values they have.

4. It is applied science: The principles of OB are proven and can be applied to solve organizational problems.

5. It has humanistic approach: OB considers human feelings , their values and attitudes and considers that human beings are not machines and they too be cared for.

6. It has optimistic approach: It has positive approach and views that the employees well contribute positively to achieve the objectives of the organization.

7. It is directed towards achievement of organizational objectives: Organizational objectives are given more importance then individual objectives.

8. It has rational approach: It believes that there is a reason being every behaviour of man and works on the same formula.

9. It is developmental in nature: It aims at the development of the its employees and help them to attain their goals.

10. It is part of management science: OB is a study that has emerged form the discipline of management .Hence is a part of management science.

11. It is both science and art: OB is both science and art .

It is science because, like science OB is also a systematic body of knowledge, its analyses is also consistent in nature, it can be systematically explained and critically evaluated, the analyses are based on the findings of management theorists.

It s art because it is related to bringing desired result, it is application of skills like leadership skills, managerial skills, training skills etc.,

12. It has total systems approach: It takes all variables in consideration. It studies individuals and groups in formal and informal relations in organizations.

FOUNDATIONS OF OB / BASIC CONCEPT OF OB

1. Individual differences exists: Every individual has a unique personality, which is stable in nature. Hence each person is different from the other based on his physiological, psychological and social characteristics. Three aspects should taken care while studying human behaviour:

2. Behaviour is caused:

Behaviour is what a person does and it is cause and effect relationship. It means that there is a reason behind every single behaviour on any individual. Hence the cause should be evaluated by the manager in an organization.

3. Behaviour is complex: Though OB believe that behaviour is caused , yet it is very difficult to understand human behaviour.

4. Value of a person: Human value is given importance. It means one should be treated with respect and dignity. Values and attitudes should be considered. Men at workplace should be considered

5. Whole person concept

The concept states that a individual employed by the organization is cannot be separated form his personal life aspects .Though an organization employs a person"s skill & brain in his organization, yet it is a fact that an individual cannot be separated from his home life and work life.

6. Role of a person

A role is a pattern of actions expected of a person in activities involving others. Each individual plays different roles in his life time.(Parent, son , Friend , Spouse, team member, supervisor, follower, advisor, consumer, investor etc.,).Hence it becomes necessary for him to understand the role clearly and act accordingly.

7. Difference between individual behaviour and group behaviour:

Individual behaviour may be good but group behaviour may be bad .Group behaviour may be good but Individual behaviour may be bad. As Individual behaviour may vary form group behavior, human behaviour should be studied in both the aspects.

SCOPE OF OB

OB can be studied in three different levels: -

1. Individual-

- ☐ Intra Individual- Understanding human behaviour i.e. how and why an individual behaves and to understand the factors affecting human behaviour
 - ☐ Inter Individual- To understand the working relationships, role analysis and transaction analysis of individual with others.
- 2. Group**

- Intra Group – understand the group pressure on individuals , influence of group norms on individuals , communication process in organization.
- Inter Group – Relationship between groups, achievement of group objectives and group objectives.,

3.Organization:

- Intra- Organization- use of human power in organizations , leadership qualities, communication in organization.
- Inter –Organization- organization change, external relationships, Development standards and concepts for future, Scientific and rational approach to Human Behaviour.

DISCIPLINES CONTRIBUTING TO OB

1. **Psychology:** It is science that focuses directly on understanding and predicting Individual behaviour. Personality, perception attitude opinion, learning and motivation are the aspects of OB contributed by psychology.
2. **Sociology:** It is the study of people in relation to their fellow human beings, The field of sociology has made valuable contributions in the study of group of individuals, group dynamics, formation of groups, communication, formal and informal organizations etc.,
3. **Anthropology :** It is the study of societies to learn about human beings and their activities. It helps us to understand values,attitudes and behaviour between people in different regions and organizations.
4. **Economics:** It is the science that deals with the production, distribution, and consumption of goods and services, or the material welfare of humankind.
5. **History:** It is the study of the origin and evolution of man kind. It help us to understand the behaviour of people and their origins
6. **Political science:** It helps us to study the current political and legal scenario and the role of the study of human behaviour under the current situations.

PERSONALITY

The term personality has been derived from the Latin term person which means to „speak through“. It refers to the mask worn by actors in ancient Greece or Rome in plays which signifies the role which the actor displays to the public. Personality of an individual is unique personal and a major determinant of his behaviour.

Meaning:

Personality is the sum total of ways in which an individual reacts and interacts with others.

Definitions:

Carl Rogers views personality in terms of self, an organized, permanent, subjectively perceived entity.

Gordon Allport defines “Personality is the dynamic organization within the individual of those psychological systems that determine his unique adjustment to his environment.”

It refers to what an individual really is, as an internal „something“ that guides and directs all human activities.

“It is better to consider individual aspects of personality as bricks and total personality as a house made of bricks”..... James

Factors Influencing Individual Behaviour

Implications of Individual Differences:

- ☐ Every Individual has his/her own character
- ☐ Personality of each individual is unique hence it should be properly diagnosed by a manager.
- ☐ Manager should understand the differences and manage employees accordingly.
- ☐ He should act differently to different people .
- ☐ He should assign job, motivate and lead every employee accordingly.

Foundations of Individual Behaviour

INDIVIDUAL VARIABLES	SITUATIONAL VARIABLES
Physiological Variables <ol style="list-style-type: none"> 1. Age 2. Gender 3. Physiological Characters 4. Heredity Psychological Variables <ol style="list-style-type: none"> 1. Intelligence 2. Learning 3. Personality 4. Attitude 5. Motivation Social Cultural Variables <ol style="list-style-type: none"> 1. Value systems 2. Cultural Background 3. Traditions 	<ol style="list-style-type: none"> 1. Type of Organization 2. Type of supervision 3. Type of subordinates 4. Type of Co- employees 5. Type of incentives 6. Training 7. Social environment at work place Physical and Job variables <ol style="list-style-type: none"> 1. Method of work 2. Design of work 3. Physical working conditions 4. Condition of work equipment

THEORIES OF PERSONALITY

- 1. PSYCHOANALYTICAL THEORY**
- 2. SOCIO-PSYCHOLOGICAL THEORY:**
- 3. TRAIT THEORY**
- 4. SELF THEORY**

PSYCHOANALYTICAL THEORY

Sigmund Freud and other associates formed this theory. Clinical techniques were used to develop this theory. Patient's behaviour was studied to derive this theory. According to this theory Man is motivated by unforeseen forces than he is controlled by conscious and rational thought. Freud says that personality of a person is determined by a constant interplay of the three parts:

1. The Id,
2. The Ego,
3. The Super Ego.

THEORIES OF PERSONALITY

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Personality is made up of 3 parts:

The Id:

It is the unconscious emotional part . It is a sea of biological urges and drives where different instincts exist. E.g. Hunger, thrust, sex(libido).

It works on the principles of pleasure and pain. Any person seeks to satisfy his raw, animalistic needs and urges, obeys no laws and rules, wants to seek immediate gratification of biological or instinctual needs. It would proceed unchecked to satisfy motives. As an individual matures he learns to control id.

Ego:-

It is the logical and conscious part or the rational practical and factual side . It evaluates on the principle of what is possible and not possible. It works on the principle of right and wrong . It keeps id in check through realities of the environment by intellect and reason.

Super Ego:

It is the ethical moral side. The individual not only cares about right and wrong but also care about the societal norms. Hence it controls the above two parts and directs them constantly.

SOCIO-PSYCHOLOGICAL THEORY:

Human personality depends on his inter-relationship in society. This model suggests that human behaviour results from three predominant- interpersonal orientations.

Based on which Individual can be categorized as:

Aggressive people:

Motivated by the need for power. They want good positions more power. They go for challenging jobs and want to raise high in positions. They are not attached with the society and hence go against the society

Detached people:

These are self sufficient people who are not more attached with the society. They are happy in their solitude. They do not depend on others. They are away from the society.

Complaint people:

These people are more depended on society. They live to be with friends and families. They seldom quit organization. They do not have any lust for position, power and money. They move towards the society.

TRAIT THEORY

Some psychologists have tried to understand personality on the basis of individual's traits. This theory attempts to understand how a set of set of personality variables exerts on one's behaviour .This theory defines that individual personality is composed of definite predisposition attributes called traits. Traits in an individual define his personality. Traits are stable, traits are common but may vary is absolute quantities in individuals and also traits can be inferred form the measurement of behavioural indicators. The author Catell has developed a set of traits through construction of tests on various individuals. These traits can be classifies as surface traits and source traits.The source traits defines the basic trait in individual and the surface traits define the qualities in an individual based on his source trait.

Source traits (Deep inner traits in an individual)

- Affectionthymia Vs Sizothymia

(Meaning: Good nature and trust full ness VS critical and Conspicuous)

- ☐ Ego Strength Vs Emotionality
(Meaning: Maturity and realism Vs Immaturity and Evasiveness)
- ☐ Dominance Vs Submissiveness
- ☐ Cheerfulness and Depression

Surface traits (visible traits in an individual)

Wise foolish

Affectionate – Cold

Sociable-Seclusive

Honest- Dishonest

SELF THEORY

Carl Rogers has developed this theory. This theory is also described as phenomenological which studies individuals subjective experience, feelings and his concepts of world and self. In this theory the following four factors are included:-

- ☐ **Self image: what you think you are?**
- ☐ **Ideal self: What you want to be?**
- ☐ **Looking glass self-What you think other think of you?**
- ☐ **Real Self-What you really are?**

Self image : It is the way one sees oneself. Every person has certain beliefs about who he is and these beliefs form his self image.

Ideal self: It denotes the way one would like to be. Any individual admires personalities (family members or outsiders) in his environment and tries to imitate them. This forms the basis for his ideal image.

Looking glass self: It is a perception about how others are perceiving oneself. It is formed on the basis of the interactions and conversations of others.

Real Self: There are three stages in which an individual perceives about himself. The self image, ideal self and looking glass self. All the three help the individual to know about himself based on which he gets tips to develop his personality, evaluates himself and adjusts his self image with other three.

It is a comprehensive inner behavioural process.

MOTIVATION

Motivation is the willingness to exert high level of the effort towards organizational goals , conditioned by the efforts ability to satisfy same individual needs. Stephen p Robbins.

Need satisfaction process

Unsatisfied Need----tension---drive ---search behaviour--- satisfied need--- reduction in tension

- ☐ An unsatisfied needs created tension that stimulates drives with in an individual.
- ☐ These drives generate an search behaviour to find particular goals and attain them.
- ☐ If the goal is attained, the need is satisfied and the tension is reduced.
- ☐ Since the organizational goals are important , the individuals must be compatible to the org. goals.
- ☐ Motivation is anything that induces a person to act in a desired manner.
- ☐ Motivation is what makes a person to work and satisfaction is the resultant happiness. It follows a cause and effect relationship.

THEORIES OF MOTIVATION

1. MASLOW'S NEED HIERARCHY THEORY OF MOTIVATION
2. HERZBERG'S TWO FACTOR THEORY OF MOTIVATION
3. MCGREGOR'S THEORY „X“ AND THEORY „Y“
4. MCLLELAND „S NEED THEORY
5. VROOMS VALENCE EXPECTANCY THEORY
6. PORTER AND LAWLER'S MODEL OF SATISFACTION

MASLOW'S NEED HIERARCHY THEORY OF MOTIVATION:

According to this theory man is motivated based his needs. Any individual has five categories of needs. The need emerges in a hierarchal order i.e. from lower order needs to higher order needs. Self actualization

The five levels of needs are

Lower order needs

1. Physiological needs
2. Security needs

3. Social needs

Higher Order Needs

4. Self esteem needs

5. Self actualization needs

Physiological needs:

This need is considered to be the starting point of motivation. These are needed for the survival and maintenance of human life. Eg: Food, Clothing, Shelter, Air Water and also other necessities of life.

Security needs:

After an individual's physiological need is satisfied, his next level of need for security emerges, i.e. he wants the assurance of maintaining an economic level, in terms of job security of income source, provision for old age, insurance against risk etc.

Social needs:

Man is social being. He is interested in conversation, sociability, exchange of feelings, grievances and ideas. He wants companionship, recognition and belongingness. Simply he needs the comfort of people/society to fulfill this need.

Self esteem need (status):

Egoistic needs take inward or outward orientations. Inward directed ego needs embrace factors like self confidence, independence, achievement, competency, knowledge, success. These needs have to be earned by an individual; through his intelligence and hard work. They want recognition in the society where they live. On the other hand outwardly directed ego needs are concerned with prestige status respect and it could be gained in the form of position and control over economic, social and political power from the society or organization.

Self Actualization needs (self fulfillment needs):

The final or the priority model is the need for self fulfillment or the need is the need to fulfill what a person considers to be his mission in life. After a man's other needs are fulfilled, his desire for personal achievement increases. He wants to do something, which is challenging and gives his full energy to work and win. This need gives him psychological satisfaction if achieved.

Maslow felt that these needs have definite sequence of domination. I.e. second level needs does not dominate until first level need is satisfied and this would continue till the last hierarchy. Hence based on this 5 levels of need Maslow establishes that man is a social animal, he always wants something the other. There is no end to his needs. Hence he can be motivated throughout, condition is know what his need is at that particular point of time, He can be motivated accordingly.

HERZBERG'S TWO FACTOR THEORY OF MOTIVATION

Herzberg and his fellow men conducted a research on zoo engineers and accountants who worked in 11 different firms in Pittsburg area. These men were asked to recall specific incidents in their experience which made them feel good or bad about their jobs. These findings set as a model to derive this theory. According to this theory Herzberg has defined two distinct factors of motivation

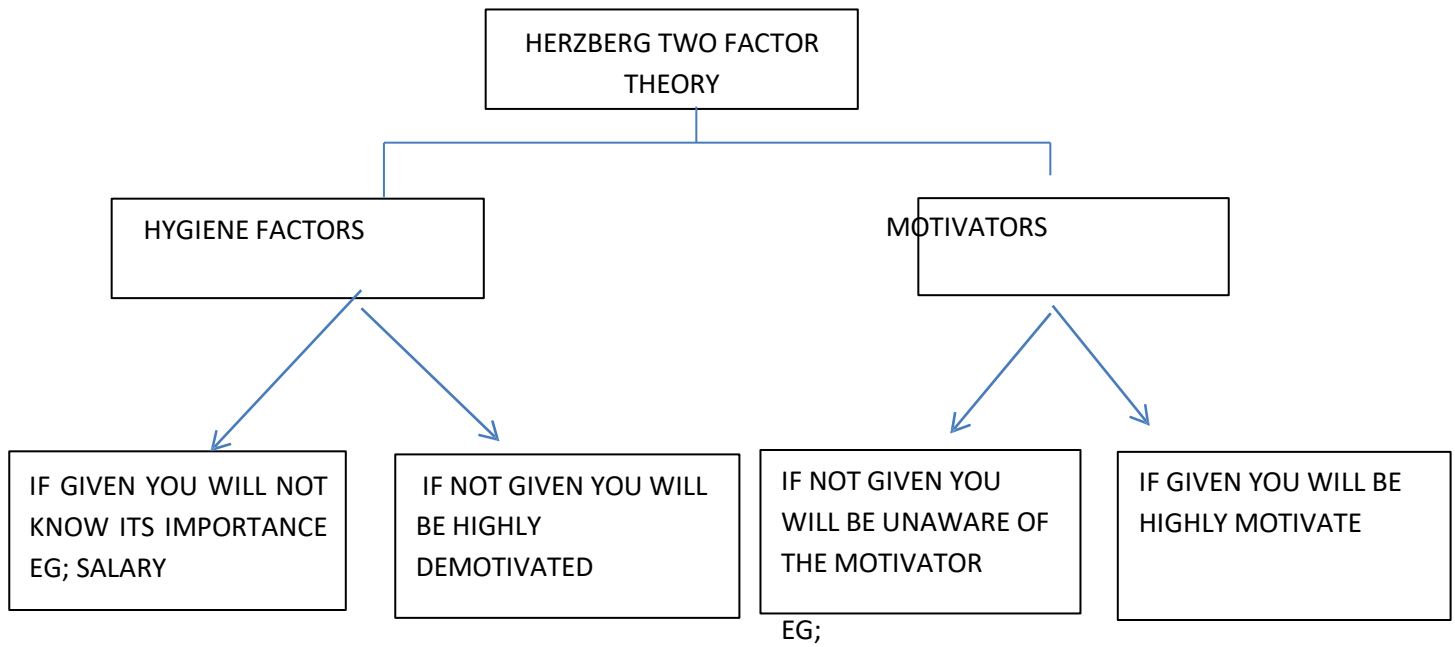
HYGIENE FACTOR	MOTIVATORS
1. Companies policies	1. Work itself
2. Companies administration	2. Recognition
3. Supervision	3. Responsibility
4. Salary	4. Advancement
5. Relationship with colleagues	5. Growth
6. Work environment	

.Hygiene factors

It was found that hygiene factors were those factors, which if provided will not motivate the employees, but if not provided will definitely de-motivate the employees

. Motivators :

They are factors which when not provided the employee will not be ware if it , but if provided the employee gets highly motivated and works effectively.



Disadvantages of Herzberg's theory:

- ☐ The theory emphasizes on job satisfaction rather than motivation.
- ☐ The methodology adopted is limited by the fact that, when things go smooth they take internal credit, but when things go wrong they blame external factors.

They theory has over simplified the complex working condition

Difference between Maslow's theory and Herzberg's theory

Maslow's theory	Herzberg's theory
<ol style="list-style-type: none">1. He has divided the structure into five layers.2. Emphasis is on needs3. Hierarchy is followed4. Pay is a motivation5. It is a descriptive theory6. Relevant to people of all cadre	<ol style="list-style-type: none">1. He has divided the theory into two 2 factors2. Emphasis is on satisfaction3. All need arise at the same time4. Pay comes under the hygiene factor5. It is a prescriptive theory

MCGREGOR'S THEORY „X“ AND THEORY „Y“

The theory is based on assumptions about employees by the manager or employer

- ☐ One basically negative- Theory“X“
- ☐ One basically positive-Theory„Y“cGregor has generated two different theories based in Employer's /Boss's assumption on employees. But it is also to be noted that employees tend to become what the boss thing about them. McGregor prefers theory „X“ to theory „Y“. It is also concluded that participative decision making, challenging jobs and decentralized form of environment and supportive style of leadership would motivate employees.

According to this theory a Boss holds either positive or negative assumptions about their employees.

THEORY „X“	THEORY „Y“
<ol style="list-style-type: none"> 1. Subordinates dislike work 2. Employees avoid responsibility 3. Employees are incapable and hence have to be guided 4. Employees have to be forced or controlled to make them work. 5. Employees are self centered and they are indifferent to the organization 6. Boss follows a centralized system of work 7. Boss are suspicious 8. Boss follows authoritative style. 9. Boss is task oriented. 	<ol style="list-style-type: none"> 1. Employees always have a natural liking for work. 2. Employees will seek for responsibility and accept them 3. Employees have considerable skills 4. Employees have natural inclination to work and they have self control 5. Employees are not self centered and are concerned about organizational goals. 6. Boss tends to keep the system in decentralized manner. 7. Boss trust employees 8. Boss supports employees 9. Boss are task oriented.

PROCESS THEORIES VROOMS VALENCE EXPECTANCY THEORY

Vroom's expectancy theory assumes that behavior results from conscious choices among alternatives

Vroom realized that an employee's

performance is based on individual factors such as personality, skills, knowledge, experience and abilities. He stated that effort, performance and motivation are linked in a person's motivation. He uses the variables Expectancy, Instrumentality and Valence to account for this. T

his theory was propounded by

Vrooms, and this theory states about the importance of factors which lead to motivation

Expectancy is the belief that increased effort will lead to increased performance i.e. if I work harder then

this will be better. This is affected by such things as:

- Having the right resources available (e.g. raw materials, time)
- Having the right skills to do the job
- Having the necessary support to get the job done (e.g. supervisor support, or correct information on the job)

Instrumentality is the belief that if you perform well that a valued outcome will be received. The degree to which a first level outcome will lead to the second level outcome. i.e. if I do a good job, there is something in it for me. This is affected by such things as:

Clear understanding of the relationship between performance and outcomes – e.g. the rules of the reward 'game'

Trust in the people who will take the decisions on who gets what outcome

Transparency of the process that decides who gets what outcome

Valence is the importance that the individual places upon the expected outcome. For the valence to be positive, the person must prefer attaining the outcome to not attaining it. For example, if someone is mainly motivated by money, he or she might not value offers of additional time off.

The three elements are important behind choosing one element over another because they are clearly defined: effort-performance expectancy (E>P expectancy) and performance-outcome expectancy (P>O expectancy). The theory is based on the formula:

$Motivation(F) = \sum Valence \times Expectancy$

Key words: Valence Expectancy, 1st level outcome, 2nd level outcome, Instrumentality

Valence:

It is the strength of individual's preference for a particular outcome. It ranges from -1.....0.....+1. where when

V is positive(+1) = Individual prefers to attain the outcome.

V is neutral (0)= Individual is indifferent towards the outcome.

V is negative (-1) = Individual does not prefer to attain the outcome.

Expectancy:

It is the probability that a particular outcome will lead to the desired first level outcome.

The probability will range from (0-----1). If the probability is high, the score is high and it is low when the probability is low. Expectancy relates to the effort to the first level outcome.

1st level outcome :It is the efforts put based on the expectations of getting the same, which means performance will be based on the persons expectancy towards perceived reward. i.e. promotion.

2nd level outcome:It is the result acquired out of the expectations and effort. e.g. getting promotion Instrumentality: It is the belief that the performance is related to rewards.

Probability attached by the individual to each possible performance. It refers to the degree to which the first level outcome leads to second level outcome.

1. Motivated to get a promotion
2. Promotion expectancy = high/moderate/ low
3. Effort - high/moderate/ low or No effort
4. Out come 1- Guaranteed promotion
5. Out come 2- May / May not get a promotion
6. Out come 3- No chances of getting a promotion

Hence the theory states that it is the motivational force in an individual which makes him Believe that he can attain a particular out come, based on this expectancy he performs and he gets the rewards.

PORTER AND LAWLER'S MODEL OF SATISFACTION

Lyman Porter and Edward Lawler came up with a comprehensive theory of motivation, combining the various aspects. Porter and Lawler's model is a more complete model of motivation. The Porter and Lawler theory of motivation is based on the assumption that rewards cause satisfaction and that sometimes performance produces reward. It is a complete model of motivation. The research covered the applicability to managers. They brought about the relationship between job attitude, job performance and job satisfaction. The whole model is designed on the traditional assumption that there is a positive relationship between satisfaction and performance. It is a multivariate model to explain the relationship between satisfaction and performance. In this model of motivation or effort does not directly lead to performance but factors like one's personal traits , role perceptions , the value he has given for a particular rewards and his perception towards his abilities to achieve the reward work together to achieve the reward. Once he has achieved what he has expected to achieve, he is satisfied or else the process continues..This model has been

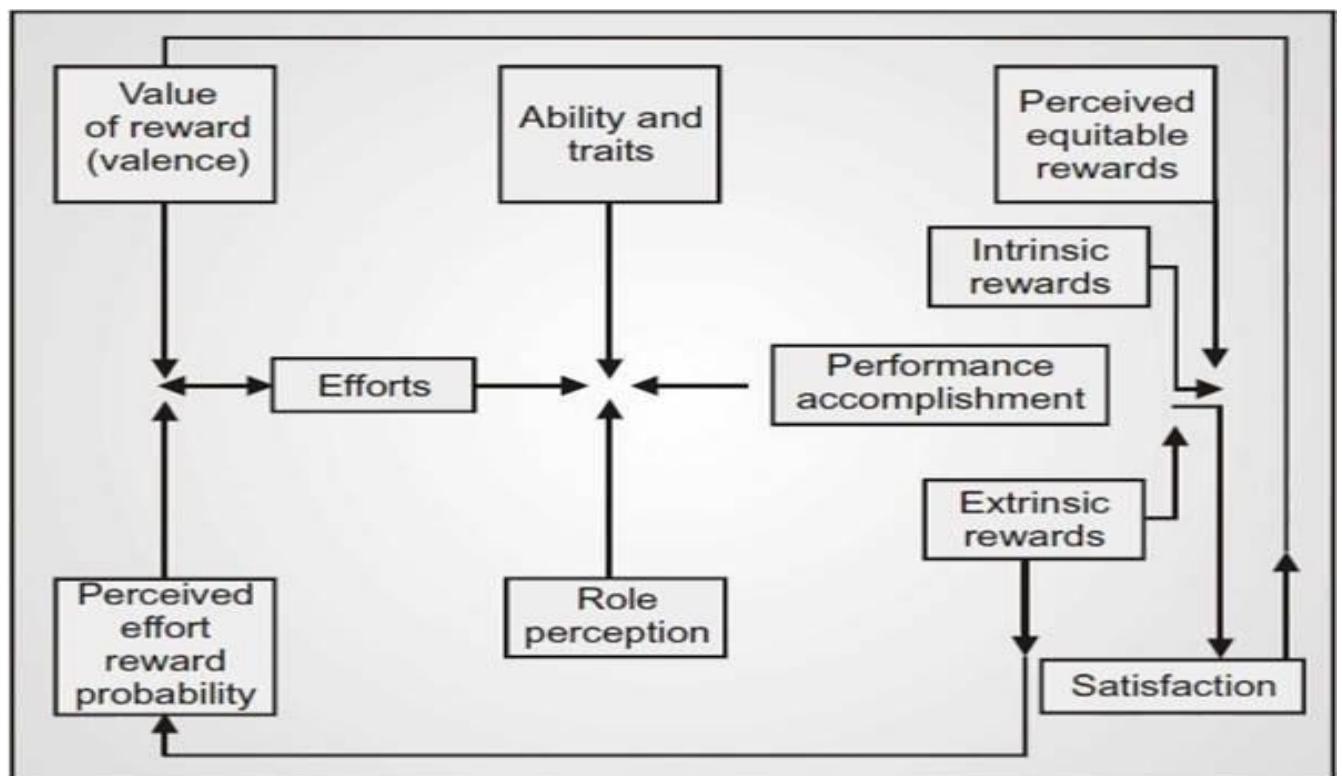
practically applied also in their study of managers. This is a multivariate model which explains the relationship that exists between job attitudes and job performance. This model is based on four basic assumptions about human behaviour :

- As mentioned above, it is a multivariate model. According to this model, individual behaviour is determined by a combination of factors in the individual and in the environment.
- Individuals are assumed to be rational human beings who make conscious decisions about their behaviour in the organizations.
- Individuals have different needs, desires and goals.
- On the basis of their expectations, individuals decide between alternative behaviours and such decided behaviour will read to a desired outcome.

PORTER AND LAWLER'S MOTIVATIONAL MODEL

The Various Elements of Porter and Lawler Model

1. Effort,
2. Performance and
3. Satisfaction.



Let us briefly discuss the main elements of the model :

1. Effort : Effort refers to the amount of energy an employee exerts on a given task. How much effort an employee will put in a task is determined by two factors: (i) value of reward and (ii) perception of effort-reward probability.
2. Performance : One's effort leads to his/her performance. Both may be equal or may not be. However, the amount of performance is determined by the amount of labour and the ability and role perception of the employee. Thus, if an employee possesses less ability and/or makes wrong role perception, his/her performance may be low in spite of his great efforts.
3. Satisfaction : Performance leads to satisfaction. The level of satisfaction depends upon the amount of rewards achieved. If the amount of actual rewards meet or exceed perceived equitable rewards, the employee will feel satisfied. On the contrary, if actual rewards fall short of perceived ones, he/she will be dissatisfied.
4. Rewards may be of two kinds - intrinsic and extrinsic rewards. Examples of intrinsic rewards are such as a sense of accomplishment and self-actualization. Extrinsic rewards may include working conditions and status. A fair degree of research supports that the intrinsic rewards are much more likely to produce attitudes about satisfaction that are related to performance.

Employees can be motivated by giving incentives

Incentive

s

Man is driven by different types of needs. Any management tries to govern the behaviour of the employees by satisfying their needs. The objects that are perceived to satisfy the human needs are called incentives. The term incentives means an inducement which rouses or stimulates one to action in a desired direction. An incentive has an motivational power. Incentives can be broadly classified in two categories.

Financial
Incentives

And Non Financial Incentives.

Financial Incentives

Money is an important motivator. Common use of money as incentive are in the form of wages and salaries, bonus, retirement benefits, medical reimbursement etc., Management needs to increase these financial incentives making wages and salaries competitive between various organizations so as to

attract and hold force. Money plays an important role in satisfying physiological and security needs. As money is recognized as a basis of status, respect and power, it also helps to satisfy the social needs of the people.

Non Financial incentives

Every employee certainly appreciates more money, but money does not buy happiness, nor does it buy engagement and loyalty. Non-financial incentives inspire and engage employees in ways that money is incapable of doing. Non-financial incentives are the types of rewards that are not a part of an employee's pay. Typically, they cost the company little or no money, yet carry significant weight. Incentives of this nature are particularly effective for workers who are comfortable with their salaries or have been in the position for a long time.

The following non- financial incentives help management to satisfy its employees needs.

FINANCIAL INCENTIVES	NON FINANCIAL INCENTIVES
Wages and Salary, Bonus, Allowance, Retirement benefits (pension- gratuity) , Medical benefits, Co-operative societies, Loans and allowances , Educational facilities (self), Housing facilities, School facilities, sports and recreation facilities, etc	Appreciation of the work done Status Promotions Giving additional responsibility Club memberships Recognition Competition Group incentives Knowledge of the results Workers participation in management Opportunity for growth Job enrichment

TRANSACTIONAL ANALYSIS

Transactional Analysis (TA) is a method of analyzing and understanding interpersonal behaviour.

Transactional Analysis (TA) offers a model of personality and the dynamics of self and its relationship to others that makes possible a clear and meaningful discussion of behaviour. When people interact, there is social transaction in which one person responds to another.

The study of these transactions between people is called Transactional Analysis. TA was developed by Eric Berne for psychotherapy in 1950.

An ego state is a pattern of behaviour that a person develops as he or she grows up, based on his or her accumulated network of feelings and experiences.

There are three ego states. People interact with each other in terms of three psychological positions or behavioral patterns known as ego states. Thus ego states are person's way of thinking, feeling, and behaving at any time.

The parent ego state: it comprises the judgmental, value-laden, rule making, and moralizing component of personality. It is comprised by advice, admonitions, "do's and don'ts".

The adult ego state: It is authentic, direct and reality based. It is rational, fact seeking and problem solving.

The child ego state: it constitutes the emotional, creative, spontaneous and impulsive component of personality.**Note:**

- ☐ Ego states are not affected by the chronological age of the
- ☐ persons. Ego states are affected by the behavioural aspects of age.
- ☐ An individual is able to move from one ego state to another.
- ☐ There is no specific time period for the existence of the ego state.
- ☐ This ego state is related to real world behavior and not related to Sigmund Freud's id, ego and super ego.

Parent ego state	Adult ego state	Child ego state
Nurturing parent Caring, securing, understanding, advising	Reasoning, Seeking Providing-Information interacting, Worthy	Natural: affectionate impulsive, sensuous and does things naturally.
Critical parent Threatening, scolding, finding faults etc.	Responsible, Logical Helpful, trustworthy.	Adaptive: submissive, calm, understanding. Rebellious: anger, fear, adamant, frustrated.

Transaction: A transaction is a basic unit of social interaction. It consists of an exchange of words and behaviour between two persons. The heart of transactional analysis is the study and diagramming of the exchanges between two persons. In this analysis, the learner identifies the ego states that both the initiator(stimulus) and the respondent exhibit in the transactions or interaction between them.

Thus when a stimulus from a person is being responded by another person, a transaction is said to occur. The transaction is routed from ego states. Depending on the ego states of the persons involved in transactions, there may be four types of transactions-

Complementary, non complementary ulterior and gallow transactions

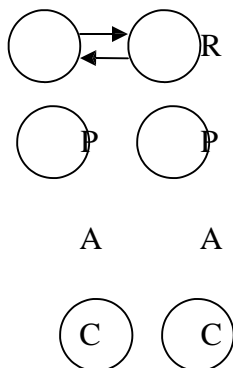
Complementary transaction: When the stimulus and response patterns from one ego state to another is parallel. It means the message by a person (stimulus) gets the predicted response from other person (responder).

There can be nine complementary transaction between two parties. P-PARENT EGO

A- ADULT EGO C- CHILD EGO

S- STIMULUS R-RESPONSE

S



A

A

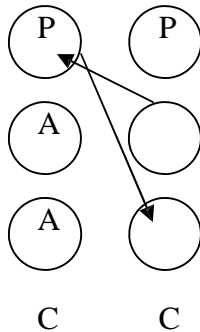
C

C

Non complementary transactions: they are also called crossed transactions, they occur when the stimulus and response are not parallel. These transactions occur when the stimulus does not get the

response in the expected manner. For example. The foreman tries deal with the employee in the parent to child bases but the employee response in the adult to parent basis.

Foreman Employee



Ulterior transaction : In this ulterior transaction, the communication has double meaning. At the surface level, there is a clear adult message, where as, there is a hidden message at the psychological level. ,For example, one may show his hospitality on the surface but may pull the leg of the same person in the other form.

Gallow transaction It is signified by inappropriate love or smile in the transaction. A smile in response to a person"s misfortune may serve as gallow transaction.

For
example

A teacher getting amused by the stupid behaviour of her favourite student. A mother laughing of the falling of her child.

MORALE

Definition:

Flippo has described morale "as a mental condition or attitude of individuals and groups which

determines their willingness to co-operate. Meaning:

Morale is an overall attitude of an individual or group towards all aspects of their work e.g., the company, the job, the supervisors, fellow workers, working conditions, etc.

- Employee morale is a description of the emotions, attitudes and feelings of employees within their workplace environment. Employees that are happy and show a positive attitude at work are known to have high morale, but employees who don't favor their work environment have low morale.

- A few aspects of a workplace that can influence an employee"s morale include working conditions, support from management and job security. For example, If Jane sits down with her manager and she

is communicated that she is on task with her work, then she'll have a higher likelihood of feeling emotionally at ease and feel less pressure because of receiving a vote of confidence from management.

- ✓ Good morale is evidenced by employee enthusiasm, voluntary confirmation with regulations and orders, and a willingness to co-operate with others in the accomplishment of an organization's objectives.

- ✓ Poor morale is evidenced by surliness, insubordination, a feeling of discouragement and dislike of the job, company and associates." In the words of Yoder, "morale is a feeling, somewhat related to esprit de corps, enthusiasm or zeal.

- ✓ For group of workers, morale, according to a popular usage of the word, refers to the over-all tone, climate or atmosphere of work, perhaps vaguely sensed by the member

Types:

The following are the two types of morale:

1. Individual and Group Morale:

Individual morale is a single person's attitude towards work, environment etc. Whereas group morale reflects the general attitude of a group of persons. Group morale is everybody's concern and may go on changing with the passage of time. Individual and group morale are interested but not necessarily identical. They have an effect on each other. The individual's personal perception of the present conditions may be high but the group's perception may be low or vice-versa.

2. High or Low Morale:

Morale may be referred to high morale or low morale. In the words of McFarland, high morale exists when employee attitudes are favourable to the total situation of a group and to the attainment of its objectives. Low morale exists when attitudes inhibit the willingness and ability of an organization to attain its objectives. The words such as zeal, enthusiasm, loyalty, dependability denote high morale. Low morale may be described by words like lack of interest, laziness, apathy, bickering, jealousy, quarrelsome, pessimism, etc.

Impact of Employee Morale in the work atmosphere

Morale and Motivation:

Morale and motivation are inter related but differ from each other. Morale refers to the attitude of a person towards his work and environment while motivation is a process to inspire people. Motivation is an inner feeling which energizes a person to work more for satisfying his unsatisfied demands.

Motivation revolves round needs and incentives while morale will determine the willingness to co-operate.

Morale is a group phenomenon while motivation is an individual's readiness to work more. Morale is related to the combination of various factors operating at work but motivation concerns to the job only. Motivation helps in mobilizing energy while morale is concerned with the mobilization of sentiments.

Morale and Productivity:

Morale reflects the attitude of employees towards their work, it will be of interest to know if it has any bearing on productivity. A number of research studies reveal that there is no direct relationship between morale and productivity. High morale may lead to higher productivity but in some cases production may go down even. It is generally felt there is a positive relation between morale and productivity but the degree may not be the same. For example, 10 per cent increase in morale may lead to higher productivity but production may not necessarily increase by 10 per cent.

Miller and Form have given four combinations of productivity and morale viz:

- (i) High productivity-high morale
- (ii) Low productivity high morale
- (iii) High productivity-low morale; and
- (iv) Low productivity-low morale.

The first situation occurs when the individual is satisfied from the job and prevailing environment. He will try to achieve high standards of performance which will lead to higher productivity. In the second situation (low productivity and high morale) the employee may be satisfied from his work and situations prevailing, showing high morale. Lack of proper teaching of the employee, lack of administrative skill of the supervisor, defective materials, out-dated technology may lead to low productivity in spite of high morale.

In the third-situation, management may use strict supervision, prescribe punishments for low productivity and use better technology for raising productivity in spite of low morale. The fourth

situation occurs where factors obtained in combination of high productivity high morale are lacking. There is a complexity of relationship between morale and productivity. This relationship cannot always be predicted. It may differ from organization to organization and from one time to another time.

Factors Affecting Morale:

The employee morale is a very complex phenomenon and is influenced by many factors. Different authors like McFarland, Bradshaw and Krugman, Roach and Applewhite name given different criterion for the determination of morale.

On the basis of all these classifications, the important factors in the determination of levels of morale are as describe below:

1. The Organization:

The first factor affecting the employee morale is the organization itself. The organization influences the worker's attitudes to their jobs. The public reputation of an organization may build up for better or worse, their attitudes towards it.

2. The Nature of Work:

The nature of the work, the worker is expected to perform also affects his attitude towards the job as well as his morale. If the employee is expected to perform routine or specialized jobs, he will feel bored and alienated. Repetition of the same task again and again makes the working situation worse for the employees. Another factor is the large impersonal organizational structure. Sometimes, if the employee feels that he is just a cog in the machine instead of a person, his morale will become very low. Lack of

understanding of organizational goals may also affect the morale. Another factor which causes low morale is the assembly line operations moving at a constant speed.

3. The Level of Satisfaction:

The level of satisfaction, a worker derives from his job is another determinant of morale. If the job factors and the satisfaction they bring is perceived to be favourable by the employee morale will tend to be higher than if there factors seem to be unfavourable. The job factors include the factors such as opportunities for promotions, job security, steadiness of employment, opportunities to learn the job

and to use his own ideas, pay working conditions, recognition, cooperativeness of co-workers, group relationship etc.

4. The Level of Supervision:

The level of supervision received by an employee has a tremendous influence on his morale. High rate of employee turnover indicates that the leadership is ineffective. On the other hand, if employees are given freedom to do the job, their morale will be high. Nobody likes to be supervised all the time.

5. Concept of Self:

What is the employee's concept of himself? The answer to this question influences the attitudes of the employees to the organizational environment. How an employee perceives himself, is a very important question. The morale of persons who have lots of self confidence or who enjoy good mental and physical health is generally high as compared to those who lack self confidence or suffer from poor physical or mental health

6.Worker's Perception of Rewards System: The worker's perception of past rewards and future opportunities for rewards affect their morale to a substantial extent. If the workers regard the rewards as fair and satisfactory, their morale will tend to be higher than if the perception is in the opposite direction. Moreover, if the rewards and opportunities for the future tend to be bleak, morale will tend to be low as compared to the situation where the worker perceives opportunities for satisfaction and for attainment in the rewards that lie ahead in the future.

7. The Employee's Age:

Studies have reported that age and morale are directly related. Other things being equal, elder employees seem to have higher morale. This is because of the reason that perhaps younger workers are more dissatisfied with higher expectations than their elders. The older employees have more stability which comes with maturity, a serious attitude towards job. more reliability, less absenteeism, proven steady work habits, a sense of responsibility and loyalty and less tendency to be distracted by outside interest as influences.

7. The Employee's Educational Level:

Studies have concluded an inverse relationship in the educational level of the employee and his morale. Higher the educational level lower will be the job satisfaction and vice versa. The higher he thinks he should be the more dissatisfied he will be.

8. The Employee's Occupational Level:

The occupational level of the employee also influences his level of morale. The higher up in organisational hierarchy an employee is higher will be his morale. The morale of the people who are lower in the levels of hierarchy is generally low because they compare their own attainments with those of others.

10. The Off the Job Activities of the Employee:

The relationship of an employer with his family and work group influences his behaviour and attitude while he is on the job. His off the job activities e.g. whether his family life is happy or not, whether he has excessive drinking habits etc. The influences and pressures of a formal and informal group have a significant effect on the morale of workers.

Strategies to improve employee morale

- (i) **Create a cordial work environment** :The success of your organization can be determined based on how your workforce communicates with one another. Therefore, fostering positive behavior within your workplace is crucial to ensure your workplace can manage projects they're working on and interact with clients in a friendly way.
- (iii) **Create employee events that are focused on engagement** such as Happy Hours or gatherings that generate communication from your employees. This will increase the likelihood of earning potential for your business if you see positive feedback from clients and from employees during their performance reviews with their manager.
- (iv) (iii)**Evaluate managerial support and behavior**:Employees who work with clients on a day-to-day basis are brand ambassadors for your organization. Whether if it's sales, marketing or another department, employees may not receive direct feedback from clients about their performance. If you receive feedback from the client about an employee, present feedback in an honest manner, but ensure that you're making them feel like they're doing

well and are taking the necessary steps to better their performance when necessary. Check in with managers monthly to see if they're proceeding in enacting the steps to render employee feedback and what responses they're receiving.

(iv) **Involve employees in decision-making:** Another method of fostering an all-inclusive workplace is to elicit feedback from team members as to areas of growth on a specific strategy or tactic. Giving employees more autonomy when it comes to resource allocation, setting priorities and alignment or organizational and client goals is conducive to the success of your strategy. Also, it empowers employees to execute their tactics with clarity as they were in the same room as their team members who are working towards a common goal.

(v) **Note opportunities for training and advancement:** It's your responsibility to ensure that your workers are receiving the training necessary to perform their tasks. Communicate with your team members individually to see if these tasks are aligned with their career goals and express interest in advancing up the ranks of the organization. Their response should be an indicator of their project status on various tasks besides finding out where they see themselves.

JOB SATISFACTION

Job satisfaction is defined as the level of contentment employees feel with their job. This goes beyond their daily duties to cover satisfaction with team members/managers, satisfaction with organizational policies, and the impact of their job on employees' personal lives.

Job satisfaction, an unquantifiable metric, is defined as a positive emotional response you experience when doing your job or when you are present at work. Leading organizations are now trying to measure this feeling, with job satisfaction surveys becoming a staple at most workplaces.

It's important to remember that job satisfaction varies from employee to employee. In the same workplace under the same conditions, the factors that help one employee feel good about their job may not apply to another employee. For this reason, it is essential to have a multidimensional approach to employee satisfaction, covering the following areas:

- The challenging nature of work, pushing employees to new heights

- A level of convenience (short commutes, access to the right digital tools, and flexible hours)
- Regular appreciation by the immediate management and the organization as a whole
- Competitive pay, which employees maintain a good quality of life

- The promise of career progression in sync with employees' personal growth targets

Job Satisfaction:

Job Satisfaction is the favorableness or un-favorableness with which the employee views his work. It expresses the amount of agreement between one's expectation of the job and the rewards that the job provides. Job Satisfaction is a part of life satisfaction. The nature of one's environment of job is an important part of life as Job Satisfaction influences one's general life satisfaction.

Job Satisfaction, thus, is the result of various attitudes possessed by an employee. In a narrow sense, these attitudes are related to the job under condition with such specific factors such as wages. Supervisors of employment, conditions of work, social relation on the job, prompt settlement of grievances and fair treatment by employer.

However, more comprehensive approach requires that many factors are to be included before a complete understanding of job satisfaction can be obtained. Such factors as employee's age, health temperature, desire and level of aspiration should be considered. Further his family relationship, Social status, recreational outlets, activity in the organizations etc. Contribute ultimately to job satisfaction.

FACTORS INFLUENCING JOB SATISFACTION

The major factors influencing job satisfaction are presented below:

SUPERVISION

To a worker, Supervision is equally a strong contributor to the job satisfaction as well as to the job dissatisfaction. The feelings of workers towards his supervisors are usually similar to his feeling towards the company. The role of supervisor is a focal point for attitude formation. Bad supervision results in absenteeism and labor turnover. Good supervision results in higher production and good industrial relations.

CO-WORKERS

Various studies had traced this factor as a factor of intermediate importance. One's associates with others had frequently been motivated as a factor in job satisfaction. Certainly, this seems reasonable

because people like to be near their friends. The workers derive satisfaction when the co-workers are helpful, friendly and co-operative.

PAY

Studies also show that most of the workers felt satisfied when they are paid more adequately to the work performed by them. The relative important of pay would probably changing factor in job satisfaction or dissatisfaction.

AGE

Age has also been found to have a direct relationship to level job of satisfaction of employees. In some groups job satisfaction is higher with increasing age, in other groups job satisfaction is lower and in other there is no difference at all.

MARITAL STATUS

Marital status has an important role in deciding the job satisfaction. Most of the studies have revealed that the married person finds dissatisfaction in his job than his unmarried counterpart. The reasons stated to be are that wages were insufficient due to increased cost of living, educations to children etc.

EDUCATION

Studies conducted among various workers revealed that most of workers who had not completed their school education showed higher satisfaction level. However, educated workers felt less satisfied in their job.

WORKING CONDITION

The result of various studies shows that working condition is an important factor. Good working atmosphere and pleasant surroundings help increasing the production of industry. Working conditions are more important to women workers than men workers.

DETERMINANTS OF JOB SATISFACTION:

While analyzing the various determinants of job satisfaction, we have to keep in mind that: all individuals do not derive the same degree of satisfaction though they perform the same job in the same job environment and at the same time. Therefore, it appears that besides the nature of job and job environment, there are individual variables which affect job satisfaction. Thus, all those factors which provide a fit among individual variables, nature of job, and situational variables determine the degree of job satisfaction. Let us see what these factors are.

(i) **Individual factors:** Individuals have certain expectations from their jobs. If their expectations are met from the jobs, they feel satisfied. These expectations are based on an individual's level of education, age and other factors.

(ii) **Level of education:** Level of education of an individual is a factor which determines the degree of job satisfaction. For example, several studies have found negative correlation between the level of education, particularly higher level of education, and job satisfaction. The possible reason for this phenomenon may be that highly educated persons have very high expectations from their jobs which remain unsatisfied. In their case, Peter's principle which suggests that every individual tries to reach his level of incompetence, applies more quickly.

(iii) **Age:** Individuals experience different degree of job satisfaction at different stages of their life. Job satisfaction is high at the initial stage, gets gradually reduced, starts rising upto certain stage, and finally dips to a low degree. The possible reasons for this phenomenon are like this. When individuals join an organization, they may have some unrealistic assumptions about what they are going to derive from their work. These assumptions make them more satisfied. However, when these assumptions fall short of reality, job satisfaction goes down. It starts rising again as the people start to assess the jobs in right perspective and correct their assumptions. At the last, particularly at the fag end of the career, job satisfaction goes down because of fear of retirement and future outcome.

(iv) **Other factors:** Besides the above two factors, there are other individual factors which affect job satisfaction. If an individual does not have favourable social and family life, he may not feel happy at the workplace. Similarly, other personal problems associated with him may affect his level of job satisfaction. Personal problems associated with him may affect his level of job satisfaction.

(v) **Nature of job:**

a. Nature of job determines job satisfaction which is in the form of occupation level and job content. *Occupation level:* Higher level jobs provide more satisfaction as compared to lower levels. This happens because high level jobs carry prestige and status in the society which itself becomes source of satisfaction for the job holders. For example, professionals derive more satisfaction as compared to salaried people: factory workers are least satisfied.

(vi) **Job content:** Job content refers to the intrinsic value of the job which depends on the requirement of skills for performing it, and the degree of responsibility and growth it offers. A higher content of these factors provides higher satisfaction. For example, a routine and repetitive

lesser satisfaction; the degree of satisfaction progressively increases in job rotation, job enlargement, and job enrichment.

- (vii) In the literature export barriers have been operationalized as export obstacles/ inhibitors, problems or impediments. They all refer to, attitudinal, structural, operational and other international operations (Leondidou, 1995). This definition of export barriers includes several factors, which go beyond the marketing domain. Lall (1991, p.139) restricted his definition only to marketing barriers. He defined marketing barriers as “those gaps, which need to be filled before the competitive producer becomes a successful exporter.” Since the focus of this research is on export marketing problems the latter definition is suitable to this study.

PROBLEMS AND KEY CHALLENGES ON THE BASIS OF REVIEW

- (i) **Sales & Marketing:** Heavy dependence on a few customers; Lack of in-house design capability; Complete dependence on customer for design; Multiple iterations during sampling increases overhead costs; Lack of standardisation of specifications.
- (ii) **Production:** Production planning and order fulfilment of large number of articles/styles with reducing lead times; High wastage of leather during production; Low productivity of manual intensive processes.
- (iii) **Material Management:** Availability of leather and accessories as per planned date; Supply order visibility; Inefficient material management.
- (iv) **Finance, HR & Other Processes:** Accounting not integrated to key business processes; Availability and affordability of skilled IT manpower.

Measure satisfaction

Hold individual meetings with your employees periodically to gauge the motivation they have to work their current position. When you get a response from the employee, you have a better idea what their motivations are and how to build on them. Performance reviews also can give the employee an avenue to express their opinions in writing about additional comments they may have about their current role.

- (i) Receive feedback from employees regularly
- (ii) Have a direct communication line with your employees that extends beyond one manager. It's important to have the manager's evaluation of the employees, but establishing an open-door policy

allows for free flowing conversation and opens up the silo between upper and lower-level employees.

- (iii) Give personal recognition
- (iv) Create an Employee of the Month initiative at your business to spotlight an employees's performance. Once the employee of the month is announced, have a meeting with your staff to congratulate them and their contributions to the team.
- (v) Another method is you can implement is to create a cash- or event-based incentive for employees that celebrates their performance from the past week. The more creative an approach is, their higher likelihood an employee will be engaged. For example, give your employees an opportunity to drive your company's CEO car for a week or the chance to leave work early. The more actionable an incentive is, the higher ceiling of fulfillment it has for the employee.
- (vi) Develop workers skills and potential
- (vii) Align training and education methods to your employee's career goals to help them be more productive and inventive in the workplace. Introduce personalized training initiatives for your team and gear it towards a particular skill.
- (viii) Have a sales team listen to a trainee's first cold call allows the trainee to earn hands-on experience right away while their peers cheer them on. After, the trainee can receive tips from management as to work with the scenario the employee had to encounter with the customer. This way, the sales team can take notes about they can improve their situational analysis with customers.