

# ***Organizational Behaviour***

VITBS

VIT Bhopal



# **What Is Organizational Behavior?**

After studying this chapter, you should be able to:

1. Describe what managers do
2. Define organizational behavior (OB)
3. Explain the value of the systematic study of OB
4. Identify the contributions made by major behavioral science disciplines to OB
5. List the major challenges and opportunities for managers to use OB concepts

## What Managers Do

### Managers (or *Administrators*)

Individuals who achieve goals through other people

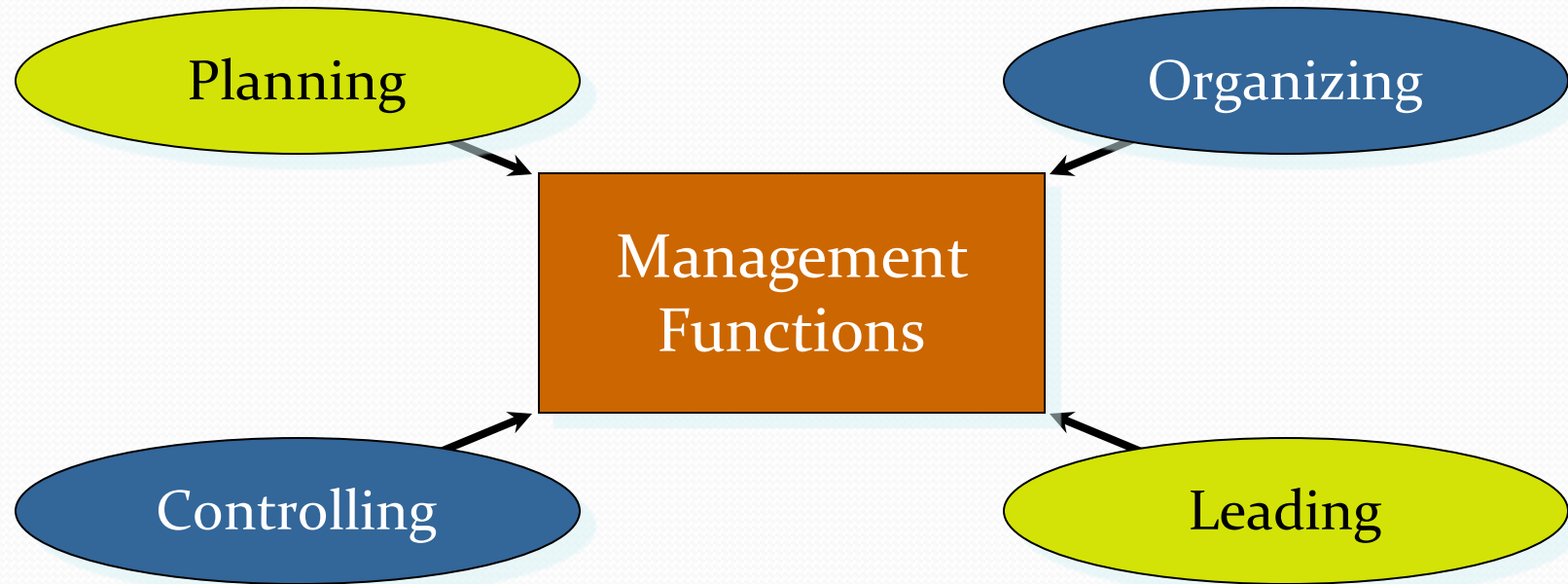
#### **Managerial Activities**

- Make decisions
- Allocate resources
- Direct activities of others to attain goals

## Organization

**A consciously coordinated social unit, composed of two or more people, that functions on a relatively continuous basis to achieve a common goal or set of goals**

# Management Functions



## Management Functions (cont'd)

### Planning

A process that includes defining goals, establishing strategy, and developing plans to coordinate activities



## Management Functions (cont'd)

### Organizing

Determining what tasks are to be done, who is to do them, how the tasks are to be grouped, who reports to whom, and where decisions are to be made





## Management Functions (cont'd)

### Leading

A function that includes motivating employees, directing others, selecting the most effective communication channels, and resolving conflicts



## Management Functions (cont'd)

### Controlling

Monitoring activities to ensure they are being accomplished as planned and correcting any significant deviations

# Mintzberg's Managerial Roles

## Interpersonal

Figurehead	Symbolic head; required to perform a number of routine duties of a legal or social nature
Leader	Responsible for the motivation and direction of employees
Liaison	Maintains a network of outside contacts who provide favors and information

## Mintzberg's Managerial Roles (cont'd)

### Informational

Monitor	Receives wide variety of information; serves as nerve center of internal and external information of the organization
Disseminator	Transmits information received from outsiders or from other employees to members of the organization
Spokesperson	Transmits information to outsiders on organization's plans, policies, actions, and results; serves as expert on organization's industry

## Mintzberg's Managerial Roles (cont'd)

### **Decisional**

Entrepreneur	Searches organization and its environment for opportunities and initiates projects to bring about change
Disturbance handler	Responsible for corrective action when organization faces important, unexpected disturbances
Resource allocator	Makes or approves significant organizational decisions
Negotiator	Responsible for representing the organization at major negotiations

# Management Skills

## Technical Skills

The ability to apply specialized knowledge or expertise

## Human Skills

The ability to work with, understand, and motivate other people, both individually and in groups

## Conceptual Skills

The mental ability to analyze and diagnose complex situations



# Effective Versus Successful Managerial Activities (Luthans)

## 1. Traditional Management

- Decision making, planning, and controlling

## 2. Communication

- Exchanging routine information and processing paperwork

## 3. Human Resource Management

- Motivating, disciplining, managing conflict, staffing, and training

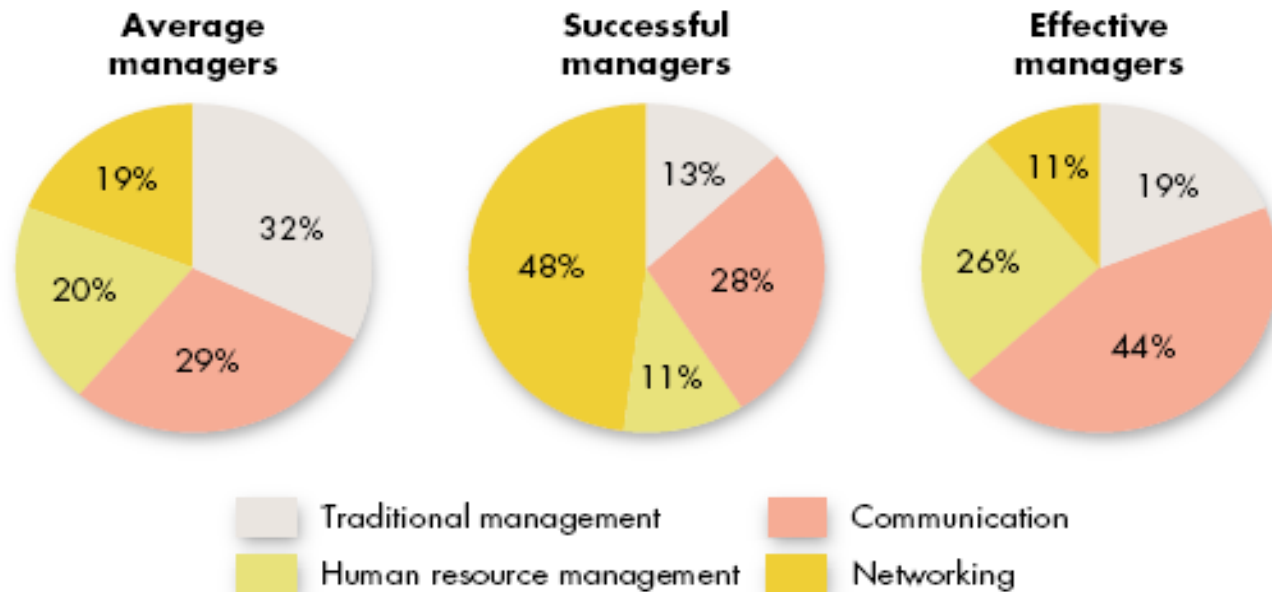
## 4. Networking

- Socializing, politicking, and interacting with others

## Allocation of Activities by Time

**Exhibit 1-2**

Allocation of Activities by Time



Source: Based on F. Luthans, R. M. Hodgetts, and S. A. Rosenkrantz, *Real Managers* (Cambridge, MA: Ballinger, 1988).



## Organizational Behavior

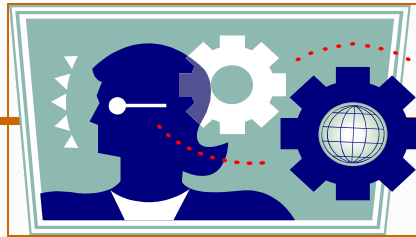
### Organizational Behavior (OB)

A field of study that investigates the impact that individuals, groups, and structure have on behavior within organizations, for the purpose of applying such knowledge toward improving an organization's effectiveness

# Complementing Intuition with Systematic Study

## Intuition

“Gut” feelings about “why I do what I do” and “what makes others tick”

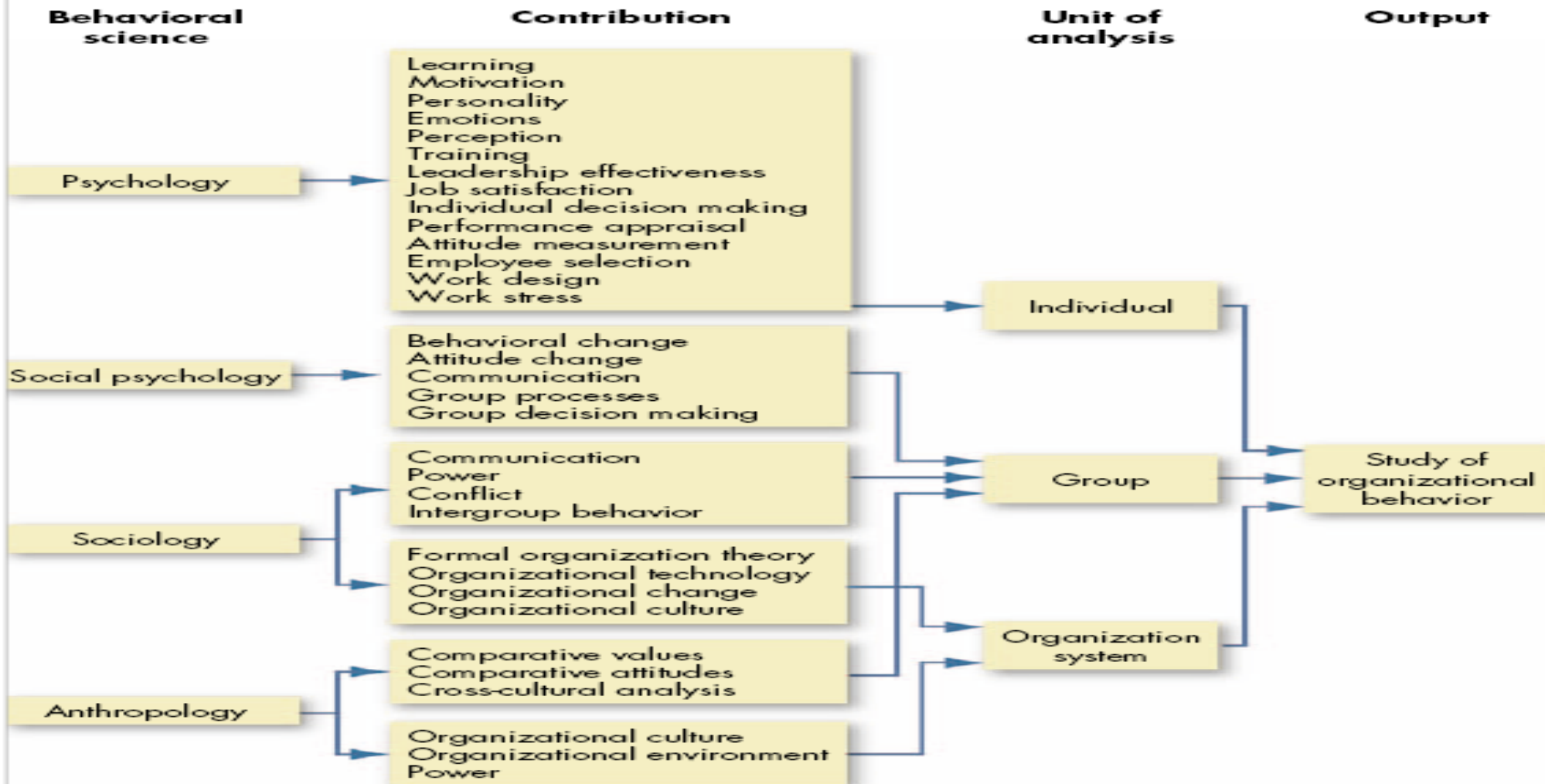


## Systematic Study

Looking at relationships, attempting to attribute causes and effects, and drawing conclusions based on scientific evidence

Provides a means to predict behaviors

## Exhibit 1-3 Toward an OB Discipline



# Contributing Disciplines to the OB Field

## Psychology

The science that seeks to measure, explain, and sometimes change the behavior of humans and other animals



# Contributing Disciplines to the OB Field (cont'd)

## Sociology

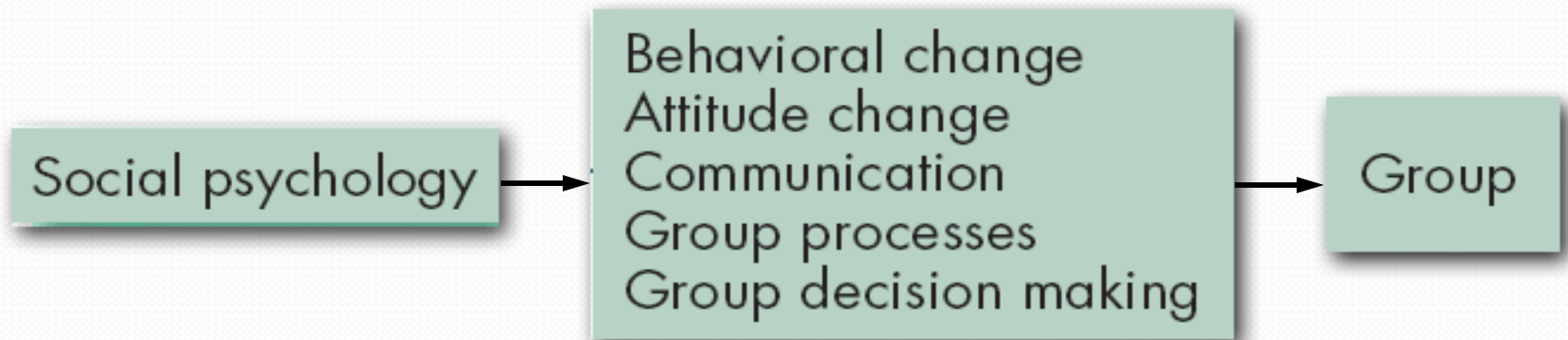
The study of people in relation to their fellow human beings



## Contributing Disciplines to the OB Field (cont'd)

### Social Psychology

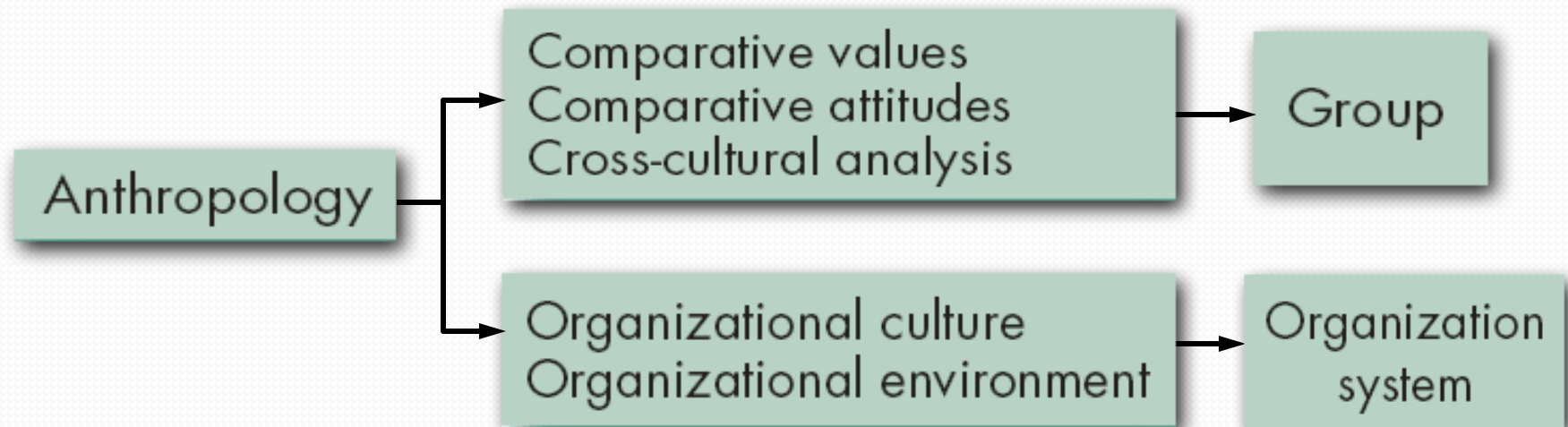
An area within psychology that blends concepts from psychology and sociology and that focuses on the influence of people on one another



## Contributing Disciplines to the OB Field (cont'd)

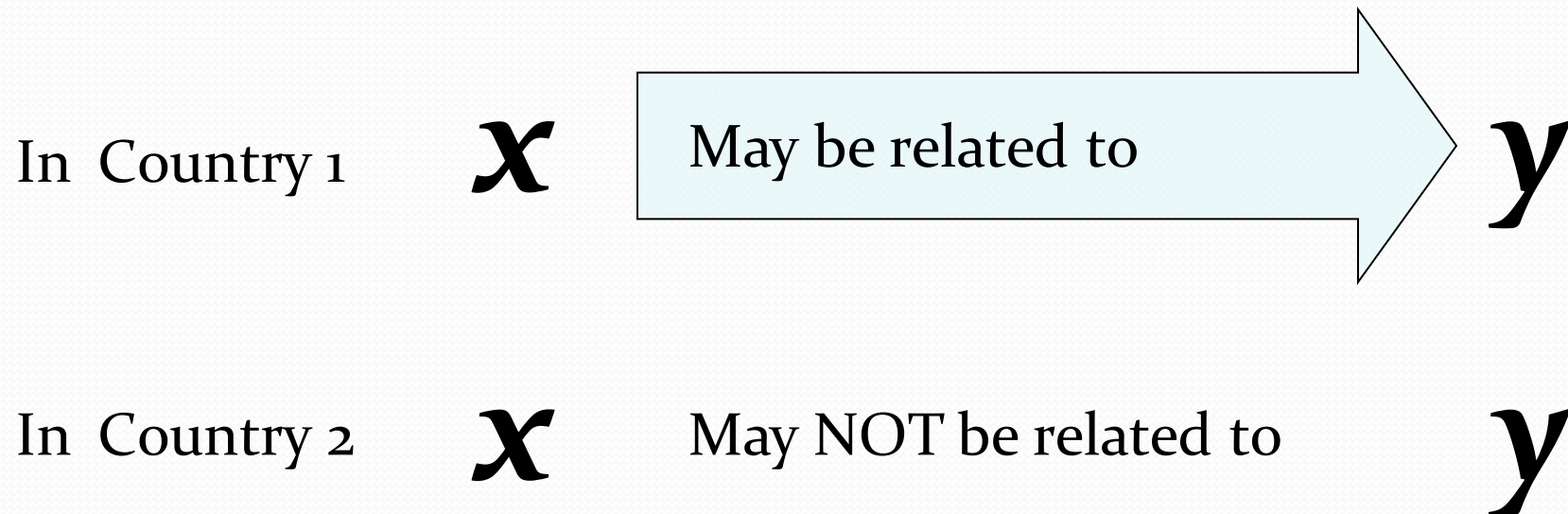
### Anthropology

The study of societies to learn about human beings and their activities



## Contingency variables: “It Depends!”

Situational factors that make the main relationship between two variables change—e.g., the relationship may hold for one condition but not another





# Major Workforce Diversity Categories

Gender

Disability

National  
Origin

Age

Religion

Race

Domestic  
Partners

# Challenges and Opportunities for OB

- **Responding to Globalization**

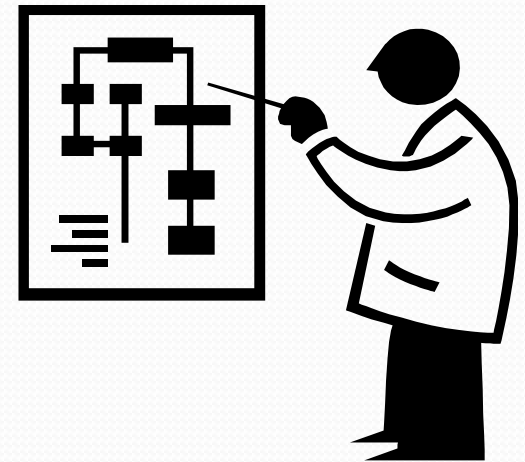
- Increased foreign assignments
- Working with people from different cultures
- Coping with anti-capitalism backlash
- Overseeing movement of jobs to countries with low-cost labor
- Managing people during the war on terror

- **Managing Workforce Diversity**

- Embracing diversity
- Changing U.S. demographics
- Implications for managers
  - Recognizing and responding to differences

# Challenges and Opportunities for OB (cont'd)

- **Improving Quality and Productivity**
  - Quality management (QM)
  - Process reengineering
- **Responding to the Labor Shortage**
  - Changing work force demographics
  - Fewer skilled laborers
  - Early retirements and older workers
- **Improving Customer Service**
  - Increased expectation of service quality
  - Customer-responsive cultures



## Challenges and Opportunity for OB (cont'd)

- Improving people skills
- Empowering people
- Stimulating innovation and change
- Coping with “temporariness”
- Working in networked organizations
- Helping employees balance work/life conflicts
- Improving ethical behavior
- Managing people during the war on terrorism

# What Is Quality Management?

1. Intense focus on the customer
2. Concern for continuous improvement
3. Improvement in the quality of everything the organization does
4. Accurate measurement
5. Empowerment of employees

## A Downside to Empowerment?

### Exhibit 1-5

© 2000 Ted Goff



**"Congratulations! You're now  
empowered to accept all the blame!"**

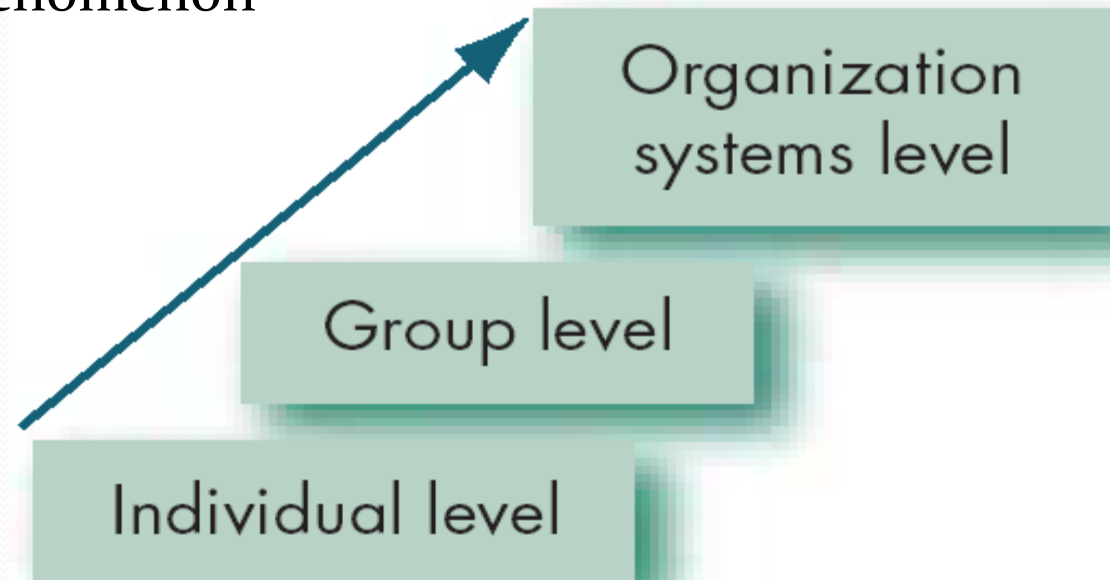
Source: © 2000 Ted Goff.

# Basic OB Model, Stage I

## Model

An abstraction of reality

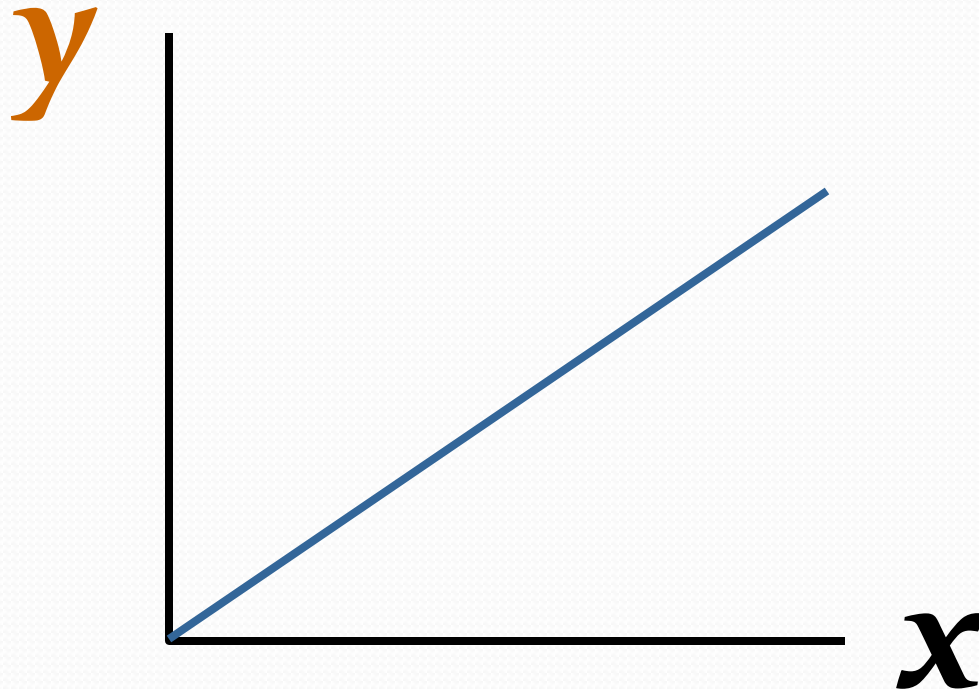
A simplified representation of some real-world phenomenon



# The Dependent Variables

## Dependent Variable

A response that is affected by an independent variable (what organizational behavior researchers try to understand)





# The Dependent Variables (cont'd)

## Productivity

A performance measure that includes effectiveness and efficiency

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## Effectiveness

Achievement of goals

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## Efficiency

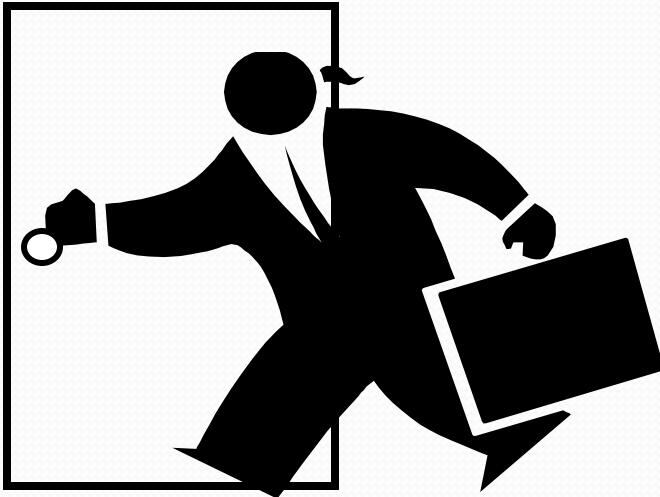
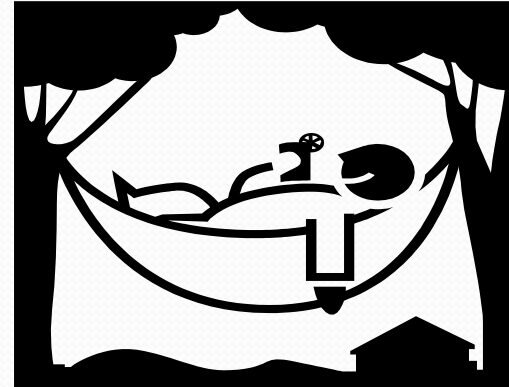
Meeting goals at a low cost

# The Dependent Variables (cont'd)

## Absenteeism

The failure to report to work

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## Turnover

The voluntary and involuntary permanent withdrawal from an organization

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# The Dependent Variables (cont'd)

## Deviant Workplace Behavior

Voluntary behavior that violates significant organizational norms and thereby threatens the well-being of the organization and/or any of its members



## The Dependent Variables (cont'd)

### Organizational Citizenship Behavior (OCB)

Discretionary behavior that is not part of an employee's formal job requirements, but that nevertheless promotes the effective functioning of the organization



# The Dependent Variables (cont'd)

## Job Satisfaction

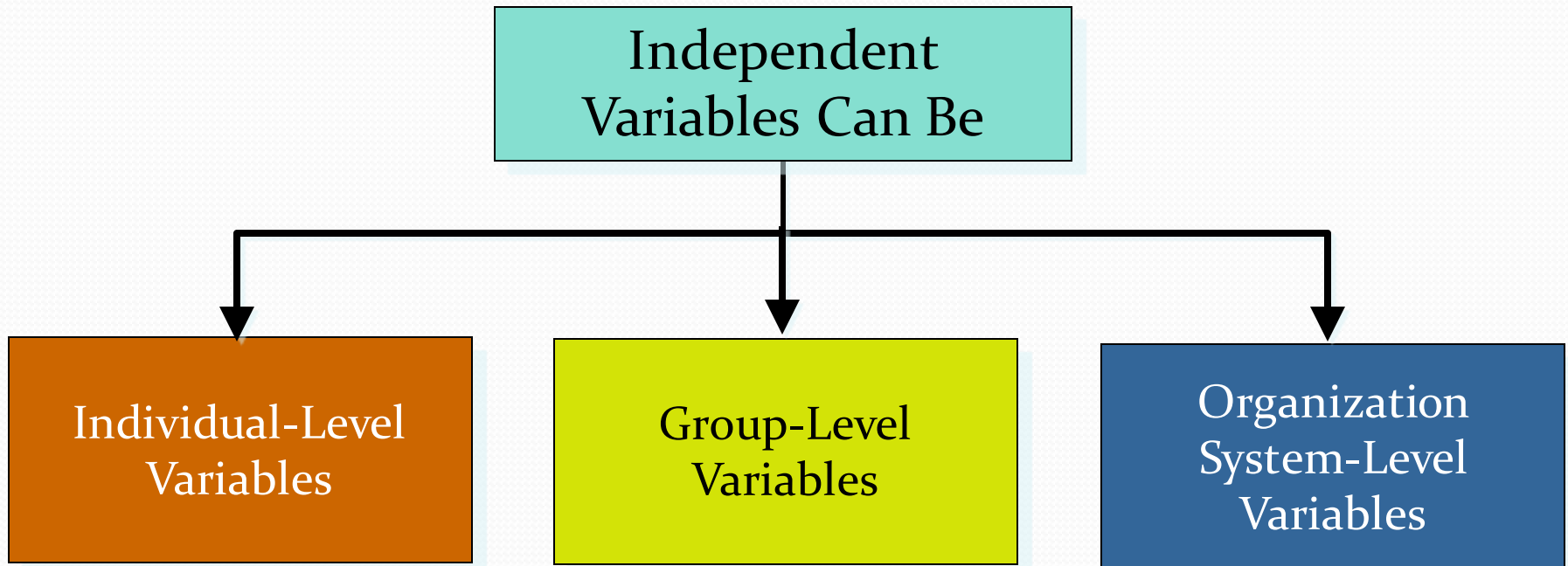
A general attitude (not a behavior) toward one's job; a positive feeling of one's job resulting from an evaluation of its characteristics

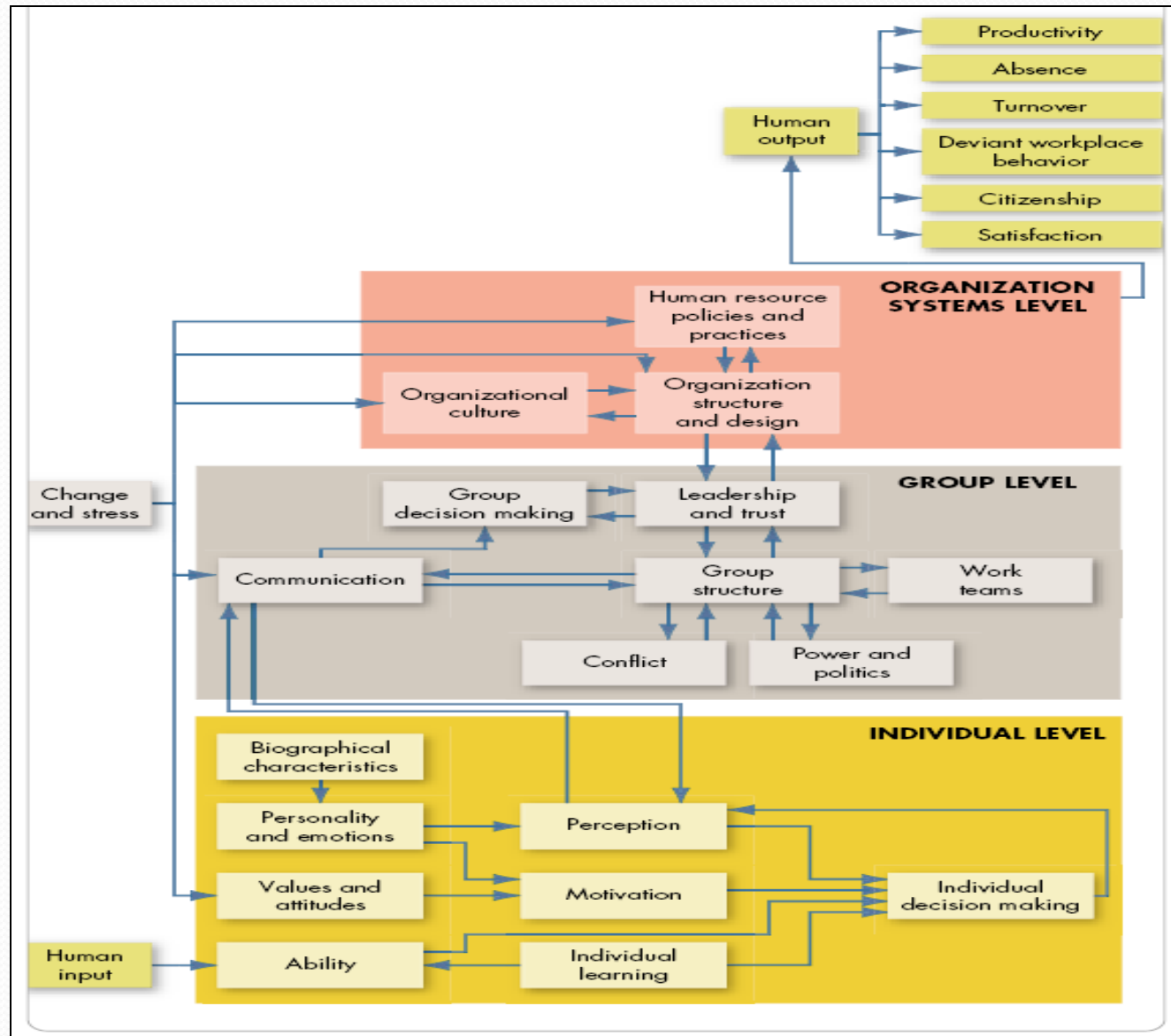


# The Independent Variables

## Independent Variable

The presumed cause of some change in the dependent variable;  
major determinants of a dependent variable





Basic OB  
Model, Stage II

THANK YOU