

An ORGANIZATION is a group of individuals working together to achieve one or more objectives. OR.

An organisation is an organised group of people with a particular purpose usually a business or government department. Organisation is the structural framework of duties and responsibilities acquired by personnel in performing various functions with a view to achieve business goals through organization.

ORGANIZATIONAL BEHAVIOR (OB)

OB is the study of what people do in an organization and how their behavior affects the organization's performance. Organisation is a place where two or more people work together in a structured way to achieve a specific goal or set of goals.

In a simple term, OB refers to the behavior of persons in an organization.

OB provides a useful tool set of tools at many levels of analysis.

- 1) It helps managers to look at the behaviors of individuals within an organization.
- 2) It also helps the managers in the understanding

of the complexities involved in interpersonal relations.

- 3) It Helps to coordinate their effort when two or more groups work together. Eg:- when engineering & sales. work together.

- 4) Finally organisations can also be viewed and managed as "whole systems" that have interorganisational relationships. (e.g. joint ventures).

FUNDAMENTAL CONCEPTS

OB starts with a set of fundamental concepts revolving around the nature of people and organisations. These concepts are the enduring principles that form a strong foundation for OB.

- This include
1) Nature of People and
2) Nature of organisations.

NATURE OF PEOPLE

In simple words nature of people is the basic qualities of a person or the character that personifies an individual they can be similar or unique.

Talking at the organisational level some major factors that affect the nature of people include.

- 1) Individual difference
- 2) Perceptions
- 3) A whole person.
- 4) Motivated behaviors and
- 5) Value of person

1) Individual Difference

It is the managerial approach towards each employee individually, that is one-to-one approach and not the statistical approach, that is avoidance of single rule. Eg: Manager should not be biased towards any particular employee rather should treat them equally and try not to judge anyone on any other factors apart from their work.

2) Perception

It is a unique ability to observe, listen and conclude something. It is believing in our senses. In short, the way we interpret things and have our point of view is perception. Eg: Aman thinks late night parties spoil youth while Anamika thinks late night parties are a way of making new friends.

Here we see both Aman & Anamika have different perceptions about the same thing.

3) A Whole Person

Some organisations may wish that they could employ only a person's skill or brain. But actually they are employing the whole person rather than certain characteristics. Skills come from background and knowledge. Our personal life cannot be totally separated from our work life, just like emotional

conditions are not separable from physical conditions
so people function as total human beings.

Motivated Behavior

It is the behavior implanted or caused by some motivation from some person, group or even a situation. In an organization we can see two diff. types of motivated employees.

a) Positive Motivation means encouraging others to change their behaviors or say complete a task by linking them with promotions or any other profits. Eg:- "If you complete this, you will gain this".

b) Negative Motivation forcing or warning others to change their behaviors, else there can be serious consequences. Eg:- If you don't complete this, you will be deprived from the office.

Value of the Person

Employees want to be valued and appreciated for their skills and abilities followed by opportunities which help them to develop themselves.

NATURE OF ORGANISATIONS

Nature of org. states the motives of the firm.

It is the opportunities an org. provides in the global market. It also defines the employees' standard. In short, it defines the character of the company by acting as a mirror reflection of the company. We can understand the nature of any firm with its social system, the mutual interest it shares and the work ethics.

Let us take a quick look at all these factors -

- The factors include
- 1) social system
 - 2) mutual interest and
 - 3) ethics

Social System:

Every org. socialises with other firms, their customers, all the employees are simply the outer world. Every people in an org. have their own social roles and status. Their behavior is mainly influenced by their group as well individual drives. The social system are of two types.

They are formal and informal.

Formal are groups formed by people working

together in a form or people that belong to the same club is considered as formal social system. Eg:- A success party after getting a project.

Informal is a group of friends or people socializing with others freely, enjoying, partying or chilling. Eg:- B'day party.

MUTUAL INTEREST

Every org. needs people and people need org's salarries to survive and prosper. Basically it is a mutual understanding b/w the org. and the employees that helps both to attain their goals.

Eg:- We deposit our money in the ^{bank} branch, in return the bank gives us loan, interest etc.

ETHICS

-They are moral principles of an individual, group and organization. In order to attract and keep valuable employees, ethical treatment is necessary and some standards need to be set. In fact, companies are now establishing codes of ethics training reward for notable ethical behavior.

ORGANIZATIONAL DEVELOPMENT.

Org. development also known as (OD) has a number of meanings. OD is the study of successful organizational change and performance. It is a technique of planned change. It seeks to change beliefs, attitudes, values and structures in an organisation, so that the organisation may better adapt to technology and live with the pace of change. Thus OD can be considered as a comprehensive strategy for organisation improvement.

The objectives of OD are

- 1) Improvement in the performance of the organisation
- 2) Improvement in the ability of the org. to adapt to its environment.
- 3) Improvement in inter-personal and inter-group behaviors to secure team work.

Thus the ultimate goal of OD may be the creation of a new team, changing the attitudes of organisation members and developing new values. It is a long range strategy for organisational innovation & renewal. Trained specialists are required.

5 MODELS OF ORGANISATIONAL BEHAVIOUR

Organisational behavior reflects the behaviour of the people and management altogether. It is considered as a field study not just a discipline. A discipline is an accepted science that is based upon theoretical foundation, whereas OB is an interdisciplinary approach where knowledge from different disciplines like psychology, sociology, anthropology etc are included. It is used to solve organizational problems, especially those related to human beings.

There are 4 different types of models in OB. They are 1) Autocratic Model
2) Custodial Model
3) Supportive Model
4) Collegial Model.

Autocratic Model

The root level of this model is power with a managerial orientation of authority. The employees in this model are oriented towards obedience and discipline. They are dependent on their boss. The employee requirement ^{that} is met ^{is} with subsistence. The performance result is less.

The major drawback of this model are people are easily frustrated, experience misuse, feeling, depression.

dependency on superiors, minimum performance because of minimum wage.

CUSTODIAL MODEL

The root level of this model is economic resources, with a managerial orientation of money. The employees in this model are oriented towards security and benefits provided to them. They are dependent on the organization. The employee requirement that is met is security.

This model adopted by firms having high resources as the name suggest. It is dependent on economic resources. This approach directs to depend on firm rather than on manager or boss. They give passive cooperation as they are satisfied but not strongly encouraged.

SUPPORTIVE MODEL

The root level of this model is leadership with a managerial orientation of support. The employees in this model are oriented towards their job performance & participation. The employee requirement that is met is status and recognition. The performance result is awakened drives.

The model is dependent on leadership style. It gives a climate to help employees grow and

accomplish the job in the interest of the organization.
Management job is to assist the employees job performance. Employees feel a sense of participation.

COLLEGIAL MODEL

The root level of this model is partnership with a managerial orientation of teamwork. The employees in this model are oriented towards responsible behavior and self-discipline. The employee requirement that is met is self-actualization. The performance result is moderate zeal.

This is an extension of supportive model. The team work approach is adapted for this model. Self-discipline is maintained. Workers feel an obligation to uphold quality standard for the better image of the company. A sense of "accept" and "respect" is seen.

HYBRID MODEL

Hybrid model of organizations include private sector organisations that include franchising, joint ventures and business groups.

A hybrid org. is an organization that mixes elements, value systems and action logics (e.g.)

social impact and profit generation) of various sectors of society. i.e. the public sector, the private sector and the voluntary sector.

- They have
 - 1) Shared ownership
 - 2) Goal incongruence and institutional logics in the same organisation.
 - 3) Variety in the sources of financing
 - 4) Differentiated forms of economic and social control.

Eg:- The World Bank defines a hybrid organisational structure as one in which more than one organisational design is used. This allows a company more flexibility in distributing work and assigning job roles. It can be especially beneficial in small business, where there are fewer employees to manage daily operations.

	Autocratic	Custodial	Supportive	Collegial	System
Basis of model	Power	Economic resources	Leadership	Partnership	Trust, community meaning
Managerial orientation	Authority	Money	Support	Teamwork	Caring, compassion
Employee orientation	Obedience	Security and benefits	Job performance	Responsible behavior	Psychological ownership
Employee psychological result	Dependence on boss	Dependence on organization	Participation	Self-discipline	Self-motivation
Employee needs met	Subsistence	Security	Status and recognition	Self-actualization	Wide range
Performance result	Minimum	Passive cooperation	Awakened drives	Moderate enthusiasm	Passion and commitment to organizational goals

7 ORGANIZATIONAL BEHAVIOR SYSTEM

An organization's base rests on management's

- Philosophy
- Values
- Vision and
- Goals.

An org. achieve their goals by creating, communicating and operating and organizational behavior system. This system exist in every org.

in various forms.

The primary purposes of org. behavior systems are to identify and manipulate the major human and organizational variables that affect the result ^{of goal} of the org.

Philosophy (model) means the behavior held by management consists of integrated set of assumptions + beliefs about the way things are, the purpose for these activities and the way they should be. These philosophies are sometimes explicit and occasionally implicit in the minds of manager. The five major org. behavior philosophies includes autocratic, centralial, supportive, collegial & systems.

The 2 sources of Philosophy of OB include.

1) Fact Premise and 2) Value Premise.

Fact premise are acquired through direct and indirect life long learning and are very useful in guiding our behavior.

Value Premise represent our views of the desirability of certain goals + activities. Value premises are variable beliefs we hold and are therefore under our control.

VALUES

The rules by which we make decisions about right and wrong, should and shouldn't, good + bad are considered as values. They also tell us which are more or less important, which is useful when we have to trade off meeting one value over another.

Integrity, professionalism, accountability, independence, initiative etc are examples of value statements.

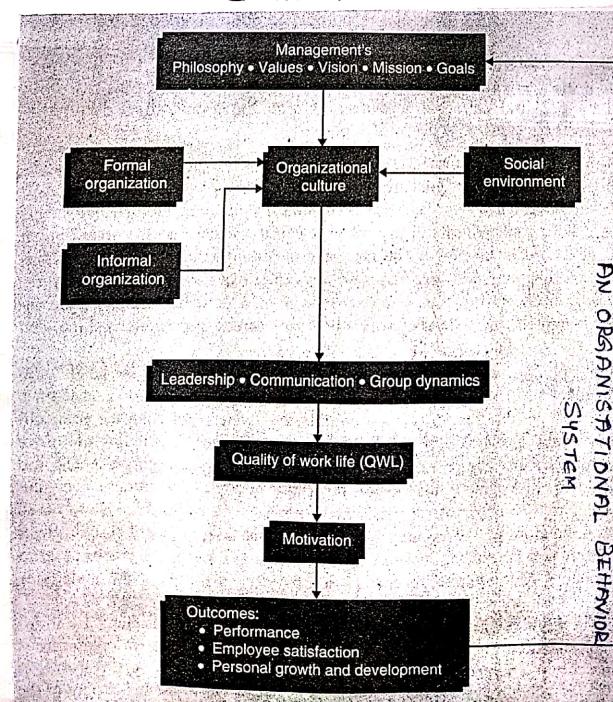
VISION

It represents a challenging portrait of the org: and its members can be - a possible, and

desirable future. Leaders need to create exciting projections about ^{where} the organisation should go and what major changes lie ahead. Once the vision is established, persistent and enthusiastic communication is required to sell it throughout the ranks of employees so they will embrace it with commitment.

GOALS

are relatively concrete formulations of achievements the org. is aiming for within set periods of time, such as 1 to 5 years. Goal setting is a complex process, for top managements' goal need to be merged with those of employees, who bring their psychological, social and economic needs with them to an organisation



Douglas Mc Gregor, divides management styles into two contrasting theories.

1) Theory X

2) Theory Y.

Theory X	Theory Y
<ul style="list-style-type: none">• The typical person dislikes work and will avoid it if possible.• The typical person lacks responsibility, has little ambition, and seeks security above all.• Most people must be coerced, controlled, and threatened with punishment to get them to work. <p>With these assumptions the managerial role is to coerce and control employees.</p>	<ul style="list-style-type: none">• Work is as natural as play or rest.• People are not inherently lazy. They have become that way as a result of experience.• People will exercise self-direction and self-control in the service of objectives to which they are committed.• People have potential. Under proper conditions they learn to accept and seek responsibility. They have imagination, ingenuity, and creativity that can be applied to work. <p>With these assumptions the managerial role is to develop the potential in employees and help them release that potential toward common objectives.</p>

Module III Syllabus:

Organisational Behaviour - Definition - Development - Fundamental concept - Nature of People - Nature of organization - An organizational Behavior system - Models - Autocratic Model - Hybrid Model.

These should be 2 questions from Module III and IV

Each question carries 10 Marks.

Total Students will have to answer any three questions out of 4 ($3 \times 10 = 30$ Marks).