

1.1 NATURE OF ORGANIZATION BEHAVIOUR

1.1.1 What are Organisations?

An organisation is a group of people working together to achieve the specified goal. A manager play a central role in grouping the people and activities, establishing authority and responsibility and interacting with people for the achievement of the organisational goal. He performs the functions of planning, organising, directing and controlling for smooth functioning of the organisation. Moreover, continuous influence of dynamic environment on the organisation requires new managerial techniques to manage these changes.

1.1.1.2 Concept of organisation

To understand basic concept of organisation, we need following dimensions of enquiry:

- ✓ What? - What do we mean by an organisation?
- ✓ Why? - Why is study of organisation needed?
- ✓ When? - When are organisations able to serve its purpose (or otherwise fail)?
- ✓ How? - How are organisations formed?
- ✓ Where? - Where to find people who can manage organisations well?
- ✓ Who? - Who are the people having ability to create excellent organisation?
- ✓ What do we mean by an organisation?

What do we mean by organization?

Stoner, Freeman, and Gilbert describe that at an organisation, two or more people work together in a structured way to achieve a specific goal or set of goals. Through this description, certain salient features of an organisation emerge. These are:

- ✓ Organisation is a conglomerate of multiple numbers of persons;
- ✓ Relationship among people working together is defined through a structure. Through structure, communications take place among persons working in the organisation. Such structure may be relatively rigid, as in the case of formal structure, or the structure may be relatively loose, as in the case of informal structure.

Robbins describes an organisation as a consciously coordinated social entity, with a relatively identifiable boundary, that functions on a relatively continuous basis to achieve a common goal or set of goals. The additional salient features of this description of organisation are following:

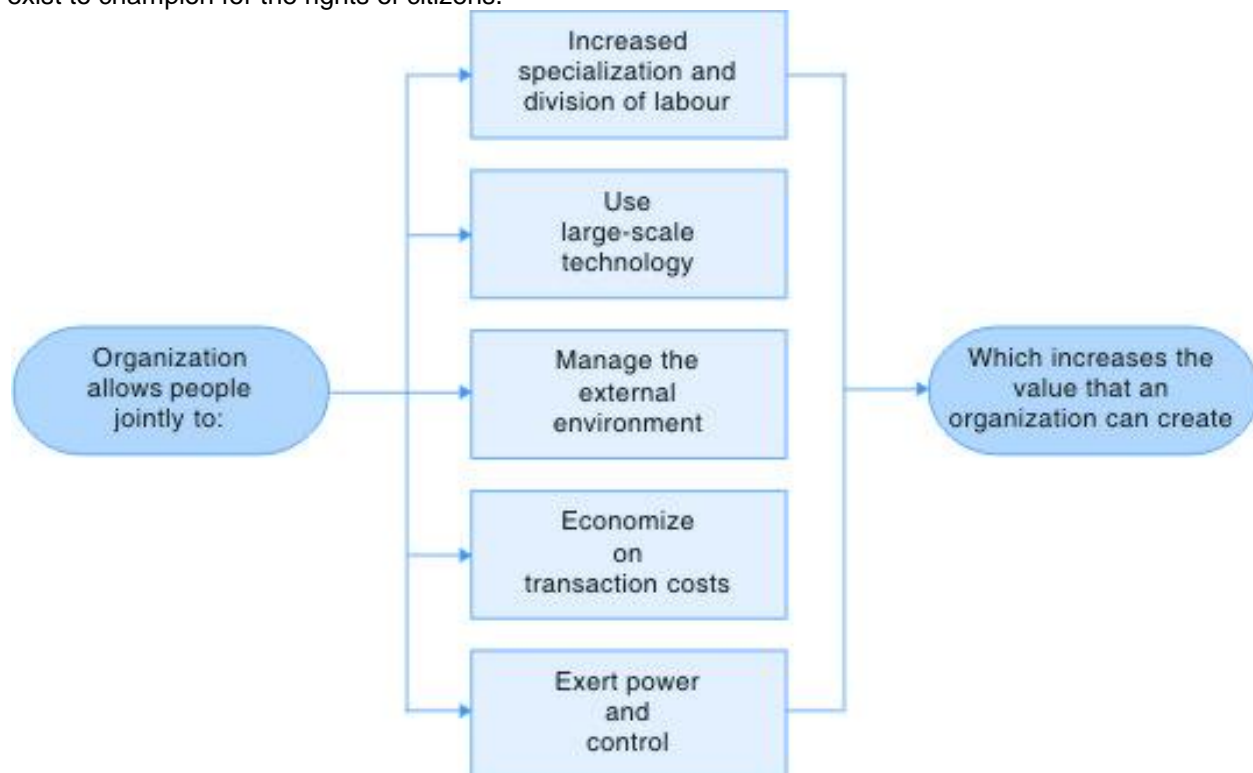
- ✓ The activities at an organisation are consciously coordinated. It means affairs at organisation are properly managed. It implies importance of management in organisation;
- ✓ The term relatively identifiable boundary implies that organisation works within a flexible yet definable boundary.
- ✓ Any organisation with a significant size has three layers of boundaries. The innermost boundary contains of the internal stakeholders i.e. employees, shareholders, and board of directors. The next layer consists of external stakeholders i.e. customers, competitors, financial institutions, suppliers, government, labor unions, media, and special-interest group. The outermost boundary consists of major. macro variables like economic variables, technological variables, political variables, legal variables, and social variables.⁹

1.1.2 Why does organization exist?

Organisations exist because groups of people working together can achieve more than the sum of the achievements which the individuals in the organisation could produce when working separately. Organizations exist for different purposes, including meeting the objectives of external stakeholders, a community or a market segment. Others are formed to engage or utilize collective abilities. Business-oriented organizations are formed to make and maximize profits. Community-based organizations are formed to empower members and the community.

An organization is a social unit such as an entity or institution that is designed and managed to meet a specific need or pursue collective objectives. A business organization consists of an individual or group of persons that collaborate to achieve specific commercial goals. Some business organizations, such as banks and insurance agencies, are formed to earn income for the shareholders. Not-for-profit organizations are formed to meet the needs of the public. These organizations, which include NGOs,

mobilize funds from donors and use their resources to support public projects. The objective of faith-based organizations is to spiritually nourish the public. Other organizations, such as human rights activist groups, exist to champion for the rights of citizens.



All organizations have a management structure that defines activities and relationships among members, and splits and assigns roles, functions and authority to execute various tasks. An organization can either be formal or informal. Formal organizations have defined structures, such as articles of association, and have specific knowledge to discharge work-related mandates. Informal organizations may be formed merely to accomplish a particular short-term objective.

1.1.3 Nature of organization behavior

1. A separate field of study & not a discipline

By definition, a discipline is an accepted science that is based on a theoretical foundation. But, O.B. has a multi-interdisciplinary orientation and is, thus, not based on a specific theoretical background. Therefore, it is better reasonable to call O.B. a separate field of study rather than a discipline only.

2. A Interdisciplinary approach

The very nature of O.B. is applied. What O.B. basically does is the application of various researches to solve the organizational problems related to human behaviour. The basic line of difference between pure science and O.B. is that while the former concentrates on fundamental researches, the latter concentrates on applied researches. O.B. involves both applied research and its application in organizational analysis. Hence, O.B. can be called both science as well as art.

3. A normative science

Organizational Behaviour is a normative science also. While the positive science discusses only cause effect relationship, O.B. prescribes how the findings of applied researches can be applied to socially accept organizational goals. Thus, O.B. deals with what is accepted by individuals and society engaged in an organization. Yes, it is not that O.B. is not normative at all. In fact, O.B. is normative as well that is well underscored by the proliferation of management theories.

4. A humanistic and optimistic approach

Behaviour applies humanistic approach towards people working in the organization. It, deals with the thinking and feeling of human beings. O.B. is based on the belief that people have an innate desire to be independent, creative and productive. It also realizes that people working in the organization can and will

actualize these potentials if they are given proper conditions and environment. Environment affects performance or workers working in an organization.

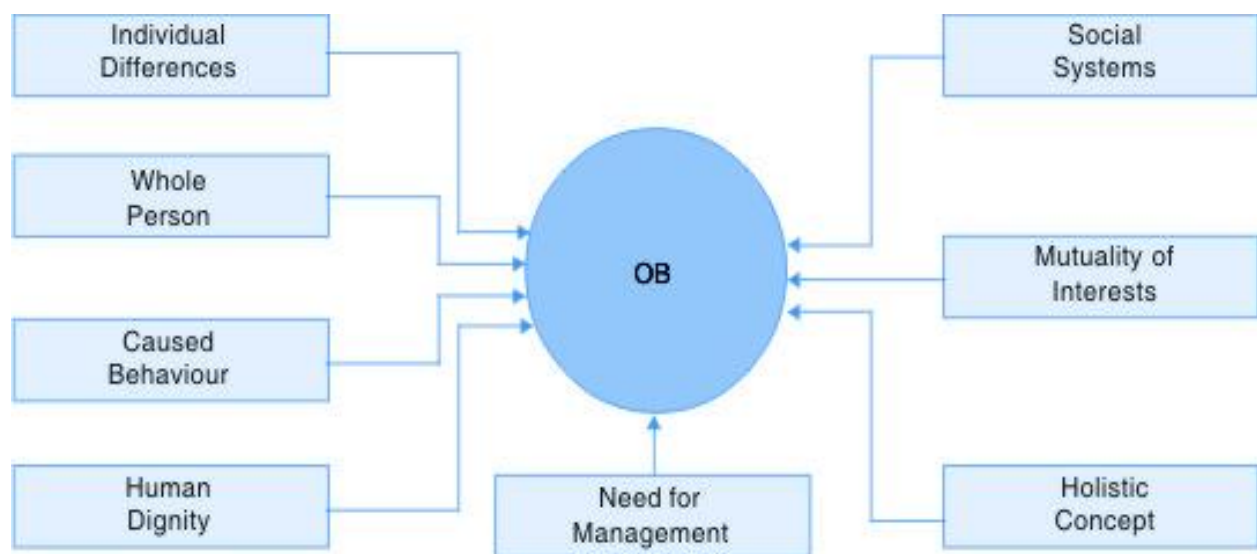
5. An applied science

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6. A total system approach

The system approach is one that integrates all the variables, affecting organizational functioning. The systems approach has been developed by the behavioral scientists to analyze human behaviour in view of his/her socio-psychological framework. Mans socio-psychological framework makes man a complex one and the systems approach tries to study his/her complexity and find solution to it.

1.1.4 Foundation of organizational behaviour



OB is based on few fundamental concepts that revolve around the nature of people and organization. Every whether social science or physical science flourishes on definite assumption OB no exception for that, example; the principles that runs with financial accounting, that every debit there will be credit; laws of gravity is same irrespective Cochin or Trivandrum.

Differences between individuals are: (1) a whole person, (2) behaviour of the individual is caused, (3) an individual has dignity, (4) organization is social systems, and (5) mutuality of interest prevails over organizational members, (6) holistic organisational behavior & need for management. The first four assumptions are related to the individuals, last two is related organization.

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

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

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

(3) Caused behaviour: The behaviour of the employee is caused and not random. This behaviour is directed towards someone that the employee believes, rightly or wrongly, is in his/her interest. Thus, when a worker comes late to his or her work, pelts stones at a running bus, or abuses the supervisor, there is a cause behind it. The manager must realize this basic principle and correct this behaviour and tackle the issue at its root.

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

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

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

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

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

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

(8) Need for management: While describing the nature of OB above, we made an observation that the knowledge about the subject would be useful in improving an organization's effectiveness. Now, who would use the knowledge about OB for organisational effectiveness? The answer is 'management'. Management is the attainment of organisational goals in an effective and efficient manner through planning, organising, leading and controlling organisational resources, of course making use of the knowledge about OB. The people who plan, organize, lead and control constitute 'managers' popularly called 'executives'. Success or failure of an organisation squarely depends on these people.

1.1.5 Contemporary organization behavior

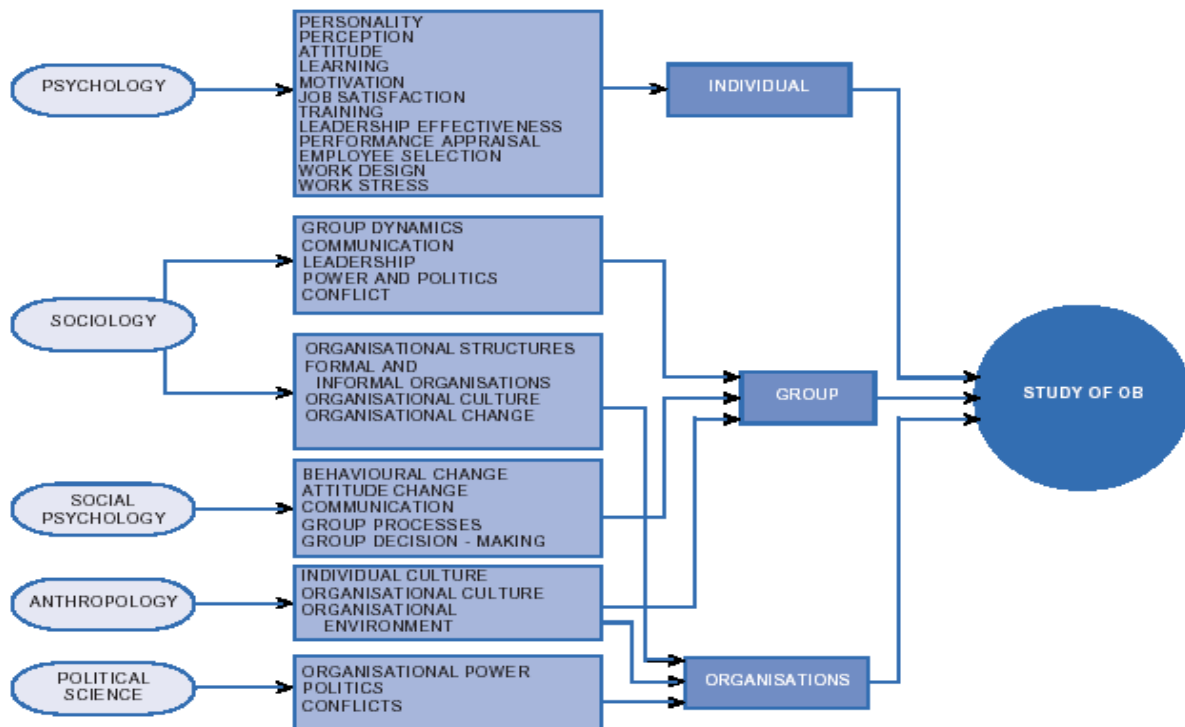
Three aspects of the subject deserve mention here:

1. OB is interdisciplinary in focus;

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

An Interdisciplinary Focus: OB is an applied behavioral science. It has drawn heavily from a number of applied behavioral sciences such as psychology, sociology, and anthropology. It has also drawn from such subjects as political science, engineering and medicine (Also See Fig). A question arises- why borrow from different disciplines? Does not OB have its own body of knowledge? Answers to those questions are simple. Borrowing from other disciplines is inevitable. Organisations play key roles in society, so they are the subject of many social sciences. Besides, organisations consist of people who interact with one another, so there is an inherent intersection between OB and disciplines which study human behaviour.

But there is a criticism against borrowing. By importing more than exporting, OB creates "trade deficit". By relying on themes developed in other fields, OB knowledge necessarily lags rather than leads in knowledge creation. In contrast, OB-related theories allow researchers to concentrate on the quality and usefulness of the theory.



Note on each contributor to OB as follows;

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

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

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

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

(2) Sociology: If psychology is the study of individual behaviour, sociology addresses itself to the study of group behaviour. It studies the behaviour of people in relation to their fellow human beings. Sociologists

have enriched organisational behaviour through their contribution to the study of interpersonal dynamics like leadership, group dynamics, communication, formal and informal organisations, and the like.

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

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

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

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

(5) Political Science: Contributions from political scientists for a better understanding of OB are significant. Political scientists study the behaviours of individuals and groups within a environment. Specific political topics of concern to political scientists include conflict resolution, group coalition, allocation of power, and how people manipulate power in their self-interest. In the past, the term 'politics' was considered to be a dirty word. Not any more now Organisations are becoming political entities and a better understanding of them cannot be had without understanding the political perspective as well.

(6) Engineering This discipline, too, has influenced OB. Industrial engineering, in particular, has long been concerned with measurement, productivity measurement, work flow analysis and design, and labor relations. Most recently, medicine has also come into play in connection with the study of OB, especially in the area of stress. Increasingly, research is showing that controlling the causes and consequences of stress, within and outside of organisational settings, is important for the well-being of both the individual and the organisations.

1.1.6 Scope of organization behavior

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

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

Interpersonal behaviour includes group dynamics; team dynamics inter group conflict, leadership, communication, and transaction analysis.

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

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

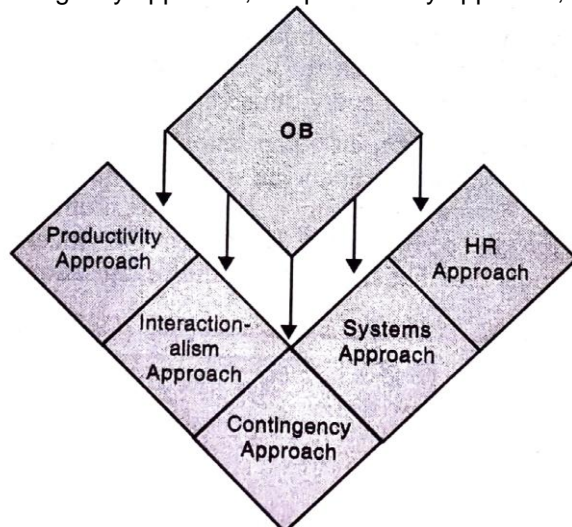
All the above, and other topics have been discussed in detail later in the book. It may be emphasized that the subject of OB applies to all types of organisations though the focus in this book is towards business establishments only. This is so because the book is primarily addressed to management students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

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

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

1.1.7 Contextual perspective of organization behaviour

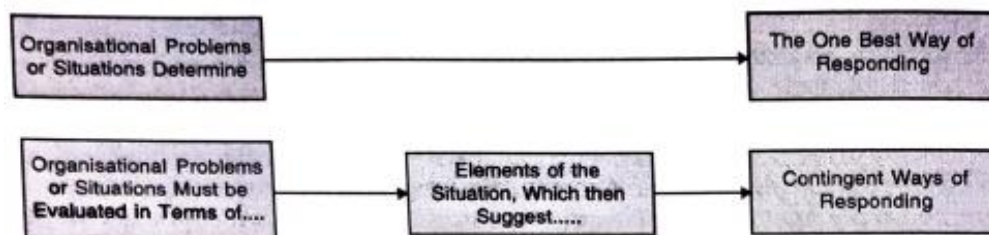
Several contextual perspectives have increasingly influenced OB: the human resource approach, the contingency approach, the productivity approach, the systems approach and the interactionalism approach



Approaches to the study of organizational behaviour

(1) Human Resource Approach: This approach recognizes the fact that people are the central resource in any organisation and that they should be developed towards higher levels of competency, creativity, and fulfillment. People thus developed will contribute to the success of the organisation. The human resources approach is also called the supportive approach, in the sense that the manager's role changes from control of employees to active support to their growth and performance. The supportive approach contrasts with the traditional management approach. In the Traditional approach, managers decide what employees should do and closely monitor their performance to ensure task accomplishment. In the human resources approach, the role of managers changes, as stated above, from structuring and controlling to supporting.

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

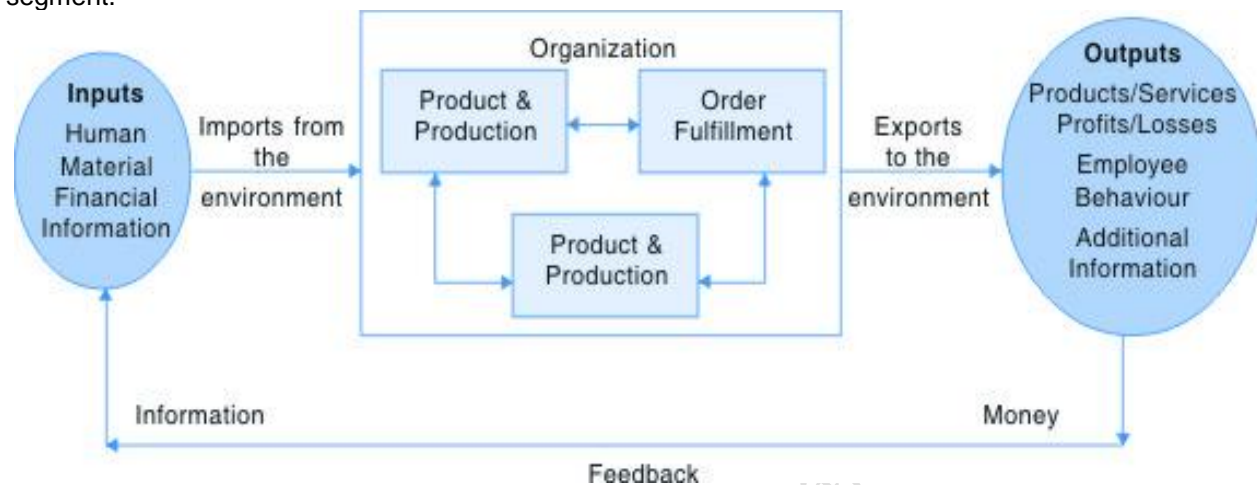


Universal approaches Vs Contingency approach

from the figure, the contingency approach to OB differs from the universal approach. The universal model, shown at the top of the figure, presumes a direct cause and effect linkage between variables. For instance, it suggests that whenever a manager encounters a certain problem or situation (such as motivating employees for higher efficiency and greater output), a universal approach does exist (such as raising pay), that will lead to the desired outcome. The contingency approach, on the other hand, acknowledges that

several other variables affect the relationship. In other words, the appropriate managerial action or behaviour in any given situation depends on the elements of that situation.

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



Systems approaches to organization

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

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

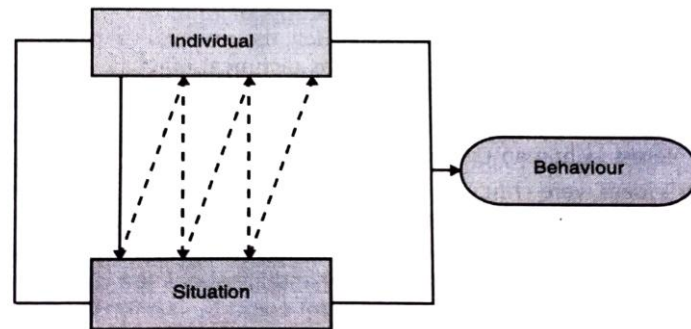
The systems approach has functional consequences for managers. For one thing, it underscores the importance of an organization's environment. Failing to acquire the appropriate resources and to heed feedback from the environment, for instance, can be disastrous. The systems approach also helps, managers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

(4) Productivity Approach: Productivity, which is the ratio of output to input, is a measure of an organization's effectiveness. It also reveals the manager's efficiency in optimizing resource utilization. The higher the numerical value of this ratio, the greater the efficiency.

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

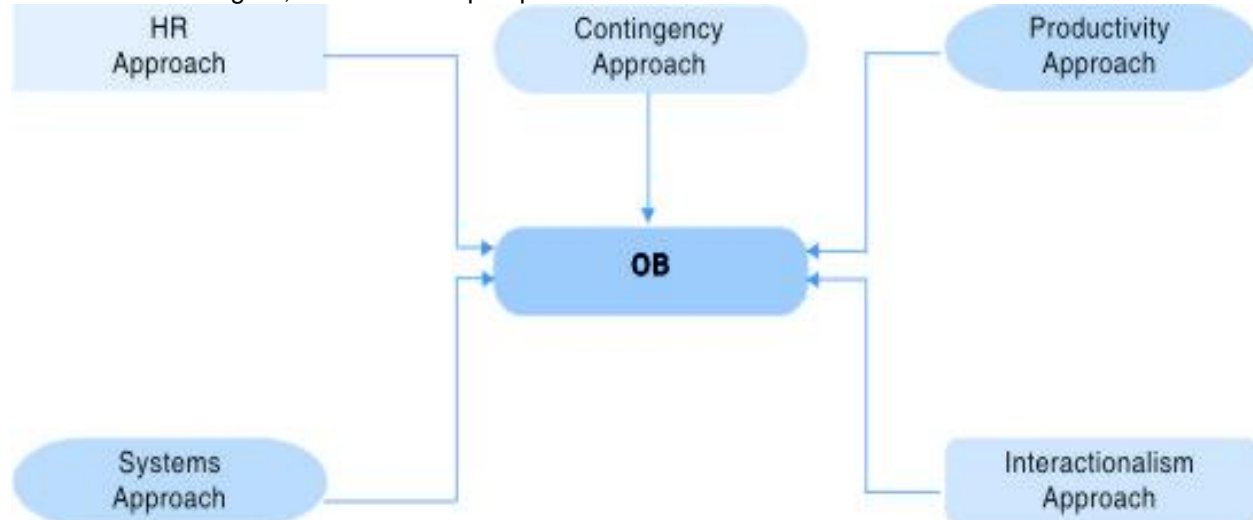
In the same manner, when employee development programmes lead to a by-product of better citizens in a community, a valuable social output occurs. OB decisions typically involve human, social, and/or economic issues, and so productivity, usually a significant part of these decisions, is recognized and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

(5) Interactionalism; is a relatively new approach to understanding behaviour in organisational settings. First presented in terms of interactional psychology, this view assumes that individual behaviour results from a continuous and multidirectional interaction between characteristics of the person and of the situation.



Interactionalism perspective of organization behaviour

More specifically, interactionalism attempts to explain how people select, interpret, and change various situations. Above figure, illustrates this perspective. It should be noted that the individual and the situation



are presumed to interact continuously. This interaction is what determines an individual's behaviour.

1.1.8 Evolution of Organization Behaviour

Five stages are distinct in the evolution of OB: Industrial Revolution, Scientific Management, Human Relations Movement, Hawthorne Studies and OB itself. Experts of human behaviour have tried to chronicle the growth of the subject only from the beginning of the 19th century. The early part of the 19th century is significant because it was during this period that the Industrial Revolution took place that resulted in the total transformation of the then industrial environment.

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

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

Nearer home, around this time J.N. Tata took a special interest in the welfare of his workers He installed the first humidifiers and fire sprinklers in his factories. In 1886, he instituted a pension fund, and in

1895, began to pay accident compensation. He was decades ahead of his time and miles ahead of his competitors. The Empress Mills experiments showed that not only profits but people mattered to him.

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

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

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

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

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

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

Scientific management was criticized by employees and theorists for its overemphasis on task accomplishment and monetary incentives at the cost of respect for human beings. A new approach that treated workers as human beings was desired.

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

The stock exchange crash of 1929 in America marked the beginning of the Great Depression. The consequences of the Depression were widespread unemployment, decline of purchasing power, collapse of markets, and lowering of the standard of living of people. This phenomenon was worldwide and not confined to America alone. One positive outcome of the Depression was that management began to realize that production alone could not be its major function. Marketing, finance, and personnel were also required in order for a business to survive and grow. The Depression's aftermath of and insecurity brought to the surface, human unemployment problems that managers were now forced to recognize and cope with. Personnel departments were either created or given more emphasis, and most managers now began to develop a new, awakened view of the human aspects of work. Human relations took an increased significance as an indirect, and in some cases, direct result of the Depression.

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

(3) Labor Movement: Continued exploitation made workers realize that their protection lay in their own hands. They formed strong unions and this had the desired effect on management began to place primary emphasis on employee relations, and secondary attention was given to wages, hours of work, and conditions of employment. Unfortunately, the human relations role also often came about for wrong reasons. In too many cases, it was forced on managers by labor, threatening them with consequences of noncompliance. Ideally, it would have been better, had, human relations developed because of intrinsic motivation of practicing managers, to better understand and provide for the welfare of their employees.

(4) Hawthorne Studies: Although the Depression and the labor movement were at least, important indirect causes of the practice of human relations, the Hawthorne studies dominate the academic discussion on historical development. The studies gave academic status to the study of organisational behaviour. The studies were carried out at the Western Electric Company's Hawthorne works in Cicero, a suburb of Chicago, and are closely linked with the name of Elton Mayo. As Professor of Industrial Research at the Harvard School of Business Administration, Mayo was the person, most responsible for conducting the studies and publicizing their significance. Naturally, he is called the 'father of human relations movement'.

(5) Organisation Behavior: The human relations movement thus started, continued and flourished for a long time. Unfortunately, the movement grew so fast that much faddism and shallowness developed. Some practitioners began to emphasize the big smile, 'being nice to people, and "keep them happy', while subtly trying to manipulate employees. Naturally, the human relations movement received serious criticism.

In course of time, the term 'human relations' lost its flavor, although it continues to be used, especially at the operating level - because of its appropriateness. As the field became more mature and research based, the new term that arose to describe it was 'organisational behaviour'. Experts trace this development to the late 1950s and early 1960s. Organisational behaviour has made considerable strides since 1960s, although there have been occasional steps backward as well. Managers increasingly recognize the value of human resources and strive to better understand people and their role in complex organisations and competitive business situations. This realization has come from the subject, organisational behaviour.

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

1.1.9 Organization Behavior Model

There are different types of organisational behavior models. Organisations differ in the quality of the systems they develop and maintain and in the results they achieve. Varying results are substantially caused by different models of organisational behavior. These models constitute the belief system that dominates management's thought and affects management's actions in each organisation. Therefore, it is highly important that managers recognize the nature, significance, and effectiveness of their own models, as well as the models of others around them, four models of organisation behaviour. There are types of model (1) Autocratic (2) Custodial (3) Supportive (4) Collegial (5) System.

(1) 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 subsistence. The performance result is less. The major drawbacks of this model are people are easily frustrated, insecurity, dependency on the superiors, minimum performance because of minimum wage

(2) 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 is adapted 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.

(3) 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 and participation. The employee requirement that is met is status and recognition. The performance result is awakened drives.

This 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 employee's job performance. Employees feel a sense of participation.

(4) 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.

(5) Systems Model: In the system model, the organisation looks at the overall structure and team environment, and considers that individuals have different goals, talents and potential.

The system model attempts to develop feelings of mutual trust, where employee performance is driven through the integrated approach, the corporate culture, the employee’s role and perceived value in the organisation.

A more contemporary model: The system model is relatively common in today’s work environment. Rather than viewing employees in isolation, the system model looks to integrate employees and their skill set into the processes and functions of the organisation.

Employee Needs: The system model views employee needs in a broader context than just financial return – the model views employees as wanting a good working environment where they could work with integrity, supported by tools, processes, and a logical organisational structure.

This model contends that if the organisation respects and trusts their employees and assigns them appropriate tasks, then the employees will try their best to meet the standards and deliver good results for their organisation. And the employees to benefit through increased job skills, experience, and being a valuable member of the team.

Role of Management: Managers in the system model look to resolve any work issues with concern for the overall system and range of employees. Managers act as facilitators, or problem-solvers, to a large extent. Management considers the ever changing demands of work structure and organisational cultural needs in complex dynamic environments

The ‘System’: The word “system” comes from this view that the manager is responsible to hold together the team – just like one system – connected with each other through the feelings of mutual respect and from being an integrated overall process.

Impact on Performance: If the employees feel secure and happy with the organisation and perceive that they have a valuable role to play, then they become more committed to the organisation. This is because they will have a feeling of “ownership” of the roles and even part of the direction of the organisation.

COMPARISON OF 4 MODELS

	Autocratic	Custodial	Supportive	Collegial
Basis of model	Power	Economic Resources	Leadership	Partnership
Managerial orientation	Authority	Money	Support	Teamwork
Employee orientation	Obedience	Security and benefits	Job performance	Responsible behaviour
Employee psychological result	Dependence on boss	Dependence on organisation	Participation	Self-discipline
Employee needs met	Subsistence	Security	Status and recognition	Self-actualisation
Performance result	Minimum	Passive cooperation	Awakened drives	Moderate enthusiasm