

## Unit - I

### organisation Behaviour

organisation -

"organisation means people that work Together"

In simple words, org. refers to a group of two or more persons who work Together for Achieving Common Goals.

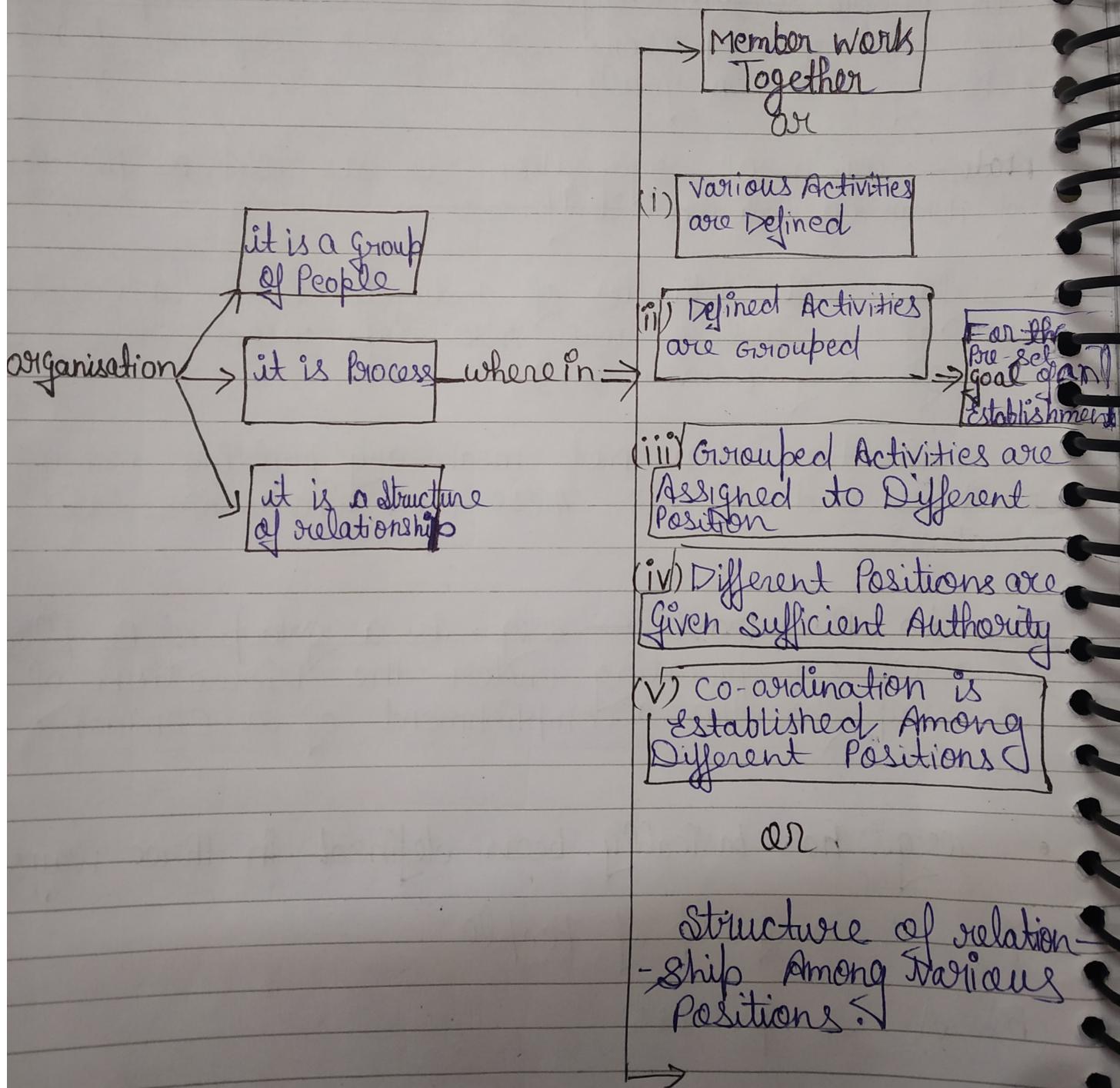
Note - origin of organisation is as old as history of Human civilization itself.

- In fact all activities of individuals in a country or of the whole are also supervised only through org. (Government).
- organisation does not mean any building, money, machines and methods. These are environmental factors.

Acc to R.C Davis - org. is a group of people who are co-operating under the direction of leadership for the accomplishment of a common end.

- org. has basically been defined in three ways
  - (A) As a group of people
  - (B) As a process
  - (C) As a structure

organisation ~~is~~ A group of Person working together for Attainment of Pre-set Goals.



## Definition of OB —

organisation Behaviour is can be defined as the understanding, Prediction and Management of Human Behaviour both individually or in a group that occur within ~~an org~~ an org.

Acc to Robbin —

org. Behaviour - "it is field of study that investigates the impact that individual, group and structure have on behaviour within org."

⇒ org. Behaviour as a branch of the social science that seeks to build theories that can be applied to predicting, understanding and controlling behaviour in work organisation.

Note— concept of O.B

organisation Behaviours

organisation

it is a group of people who are collected to works for a common goal with Collective effort.

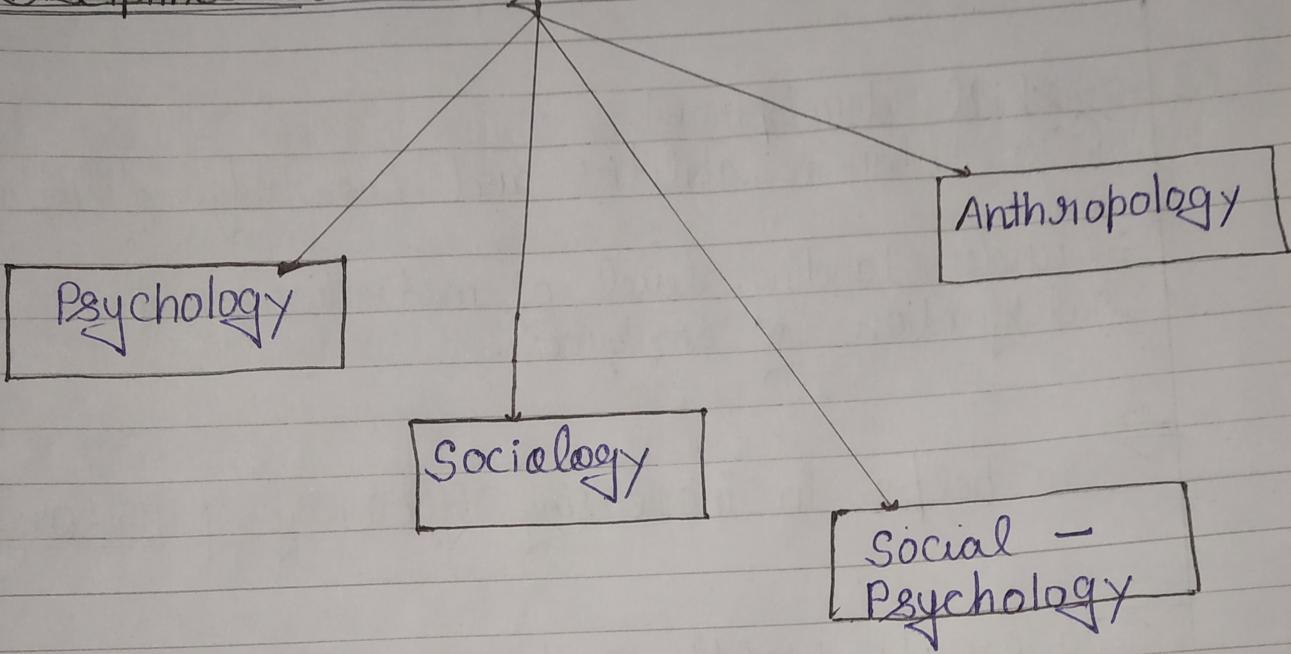
Behaviour

it is verbal or physical response shown by a person as a consequence of the impact of his/her surroundings.

## Need and Importance of OB

- Skill development  
(To Enhance abilities and knowledge of Employees)
- understanding level of motivation and satisfaction of employees.
- To helps in increasing efficiency of the org.
- To create healthy and ethical environment in the organisation?
- O.B helps in utilizing the resources to the optimum level.
- It helps in predicting behaviour of group and individuals.  
Overall, it improves the goodwill of the org.

## Disciplines Contributing to OB



1- Psychology —  
it is a science that seeks to measure, explain and sometimes change the behaviour of humans as well as animals.

Domains of OB inherited from psychology —

- a - Learning
- b - motivation
- c - Perception
- d - Personality
- e - Attitude
- f - Job satisfaction
- g - work stress

Individual related Behaviour

## 2- Sociology -

As Psychology focus on individuals while Sociology studies people in relation to social env.

Domains of OB inherited from sociology are

- organisational culture
- organisational structure
- Power and Politics
- organisation Communication

## 3 - Social - Psychology -

Social - Psychology is inherited from Sociology and Psychology.

Social - Psychology studies the influence of people on one another. It is more oriented towards group behaviour

Domain of OB inherited from social - Psychology are -

- Group Decision making
- Communication
- Behavioural change

#### 4- Anthropology -

it is a field that seeks to study various societies to learn about human beings and their activities.

#### Domain of O.B inherited -

- Cross cultural Analysis
- organisation culture
- Comparative values

#### Nature of org. Behaviour

- A separate field of study and not a single discipline
- An interdisciplinary Approach  
Information comes from various discipline
- An applied Science
- A Normative Science
- it is a science as well as Art
- Cause and Effect relationship
- A Humanistic and optimistic Approach
- A branch of social science

## objectives of organisation Behaviour

The main objective of organizational Behaviour is to understand and the human interactions in an organisation.

organisation Behaviour's objectives is to set up an org. culture, hiring the best people and creating meaningful connections among them, resolving the conflicts, developing the qualities of the employees, and establish a firm and clear leadership chain.

There are most imp. objectives of O.B as —

- 1 → Job satisfaction (some factors that can foster or hamper Job satisfaction, such as org. rewards & punishments)
- 2 → Finding the right People — (org. behaviour can help find the right mix of talents)
- 3 → organizational culture - (communication channels and leadership structure that can reinforce organisational culture)
- 4 → Leadership and conflict resolution  
(O.B can provide the leadership and the arbitrages dynamics required for turning conflicts into — Constructive idea Exchange)
- 5 → Understanding the Employees Better  
(O.B studies help us understand why employee Behave the way they and predict also.)

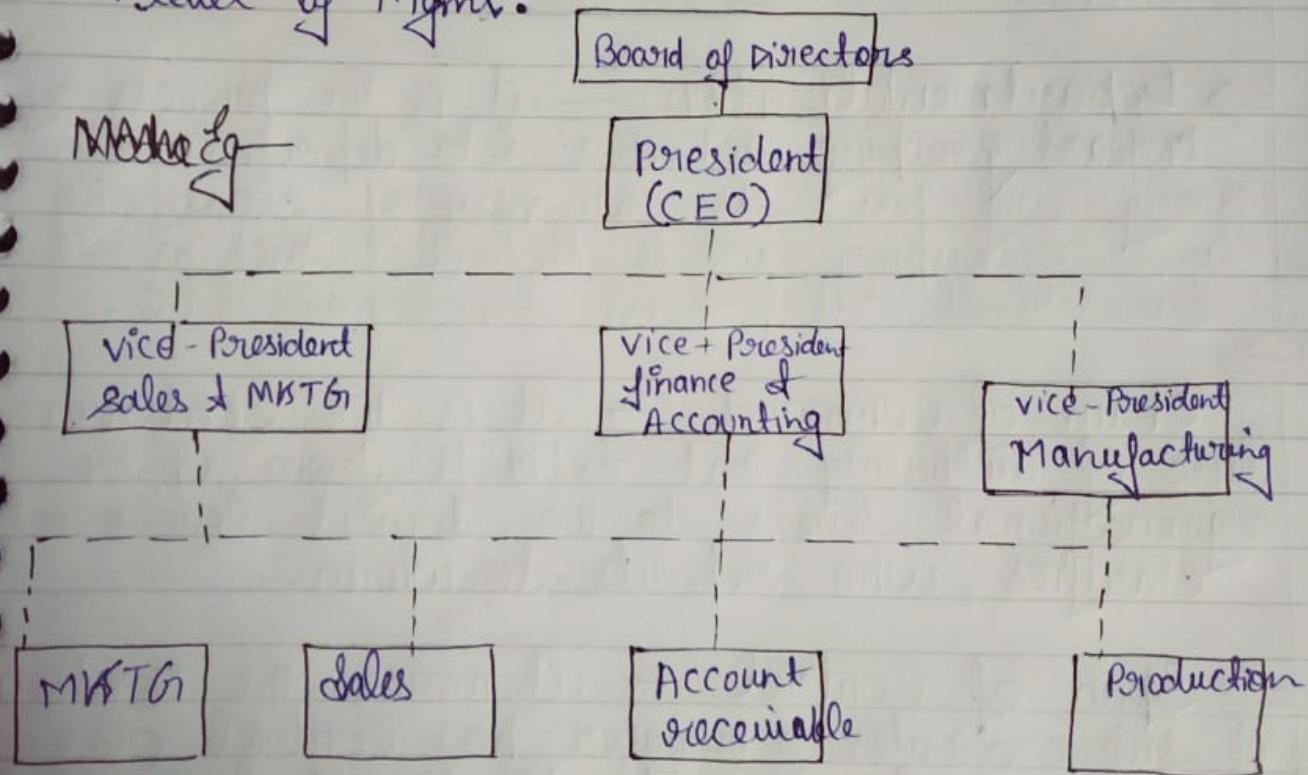
- 5 → Understand how to develop good leaders  
(To predicting who among the employees have potential to become leaders.)
- 6 → To Develop a good team  
(Teamwork theories of O.B are essential tools in the hands of manager.)
- 7 → Higher productivity (The most imp. goal of achieving the highest productivity in realizing the visions and goals of any org.)

O.B scientifically tries to understand the employee behaviour within the organization and tries to control, improve, develop it.

## Organisation Structure

organisation structure is "the system of arrangements which determines the pattern or network of relation b/w the various positions and their holder".

An org. structure defines how functions, power and responsibilities are distributed and co-ordinated in an org. It also determines the hierarchy within the org. and the information flow between different levels of Mgmt.



Every organisation depends on how the activities are carried out.

"Org. chart is a diagram that displays a reporting or relationship hierarchy, and relative ranks of its parts and positions/jobs."

## Key Elements / Components of org. structure

Developing or changing an organizational structure is called Engaging in organisation design. This process involves decisions about most imp. six elements —

- 1 → Work Specialization — To describe the degree to which tasks in an org. are divided into separate jobs as per their specialization / skills.
- 2 → Departmentalization — it is the process of grouping activities into departments. Every org. has its own way of classifying and grouping work Activities such as functional & process functional etc.
- 3 → Chain of command — it is the continuous line of authority that extends from upper organisational levels to the lowest levels and clarifies, who reports to whom.
- 4 → Span of control — it means the Number of subordinates a manager has control over. Span of control also tells the No. of levels and Managers of an org. if the Span is wider and larger, then org. is considered as more efficient because less managers control more Number of employees.

5 → Centralization — the degree to which decision-making is concentrated at a single point in the organization.  
organizations in which Top managers make all the decisions and lower-level employees simply carry out those orders.

Decentralization — org. in which decision-making is pushed down to the managers who are closest to the activities.  
Decentralization provides opportunity for Employee Empowerment.

6 → Formalization — The degree to which jobs within the org. are standardized and the extent to which employee behavior is guided by rules and procedures.

Highly formalized jobs offer little power over what is to be done. Low formalization means fewer restriction on how employees do their work.

Note - organizing

Organizing refers to the way in which the work of a group is arranged and distributed among members to efficiently achieve the objectives of a org.

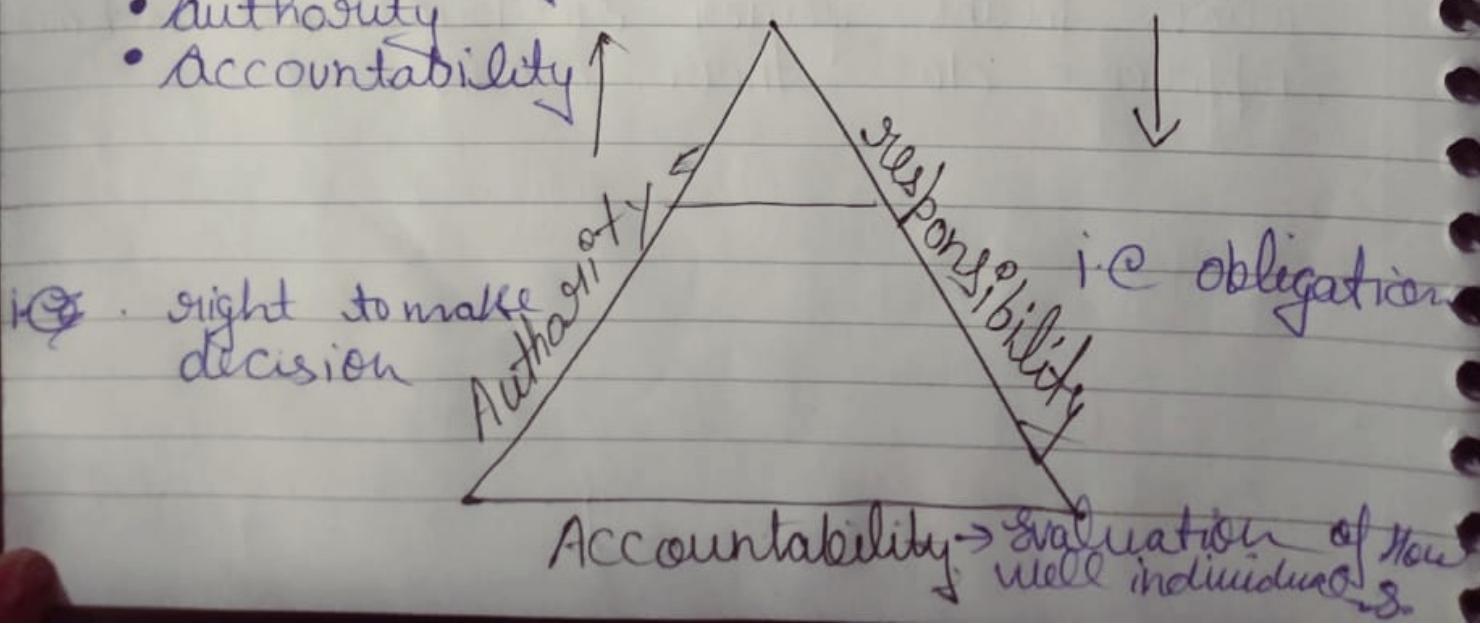
What organisation structure means —

it is a systematic arrangement of people working for the organization in order to achieve certain goals.

⇒ it is a framework of authority relationships among individuals and groups in an organization.

⇒ relationship between —

- responsibility
- Authority
- Accountability ↑



## Principles of organisation

- ⇒ unity of command → report to only one supervisor.
- ⇒ unity of direction → All activity and all the tasks should be directed.
- ⇒ chain of command - A clear, unbroken chain of command should link employees with someone at a higher level.
- ⇒ span of control - No. of subordinates reporting to a manager.
- ⇒ Division of work - Division of work as per skills, abilities and Expertness, Specialization.
- ⇒ Standardization - Developing uniform practices that employee are follow doing their job.
- ⇒ Co-ordination - All Department, section should works together to Accomplish org. Goals.
- ⇒ Delegation - Process of Assigning responsibility

## Types / forms of organization structure

1- Line organization

2- Line and staff organization

3- Functional organization

4- Project organization

5- Matrix organization

6- Committee org.

## 1- Line organization -

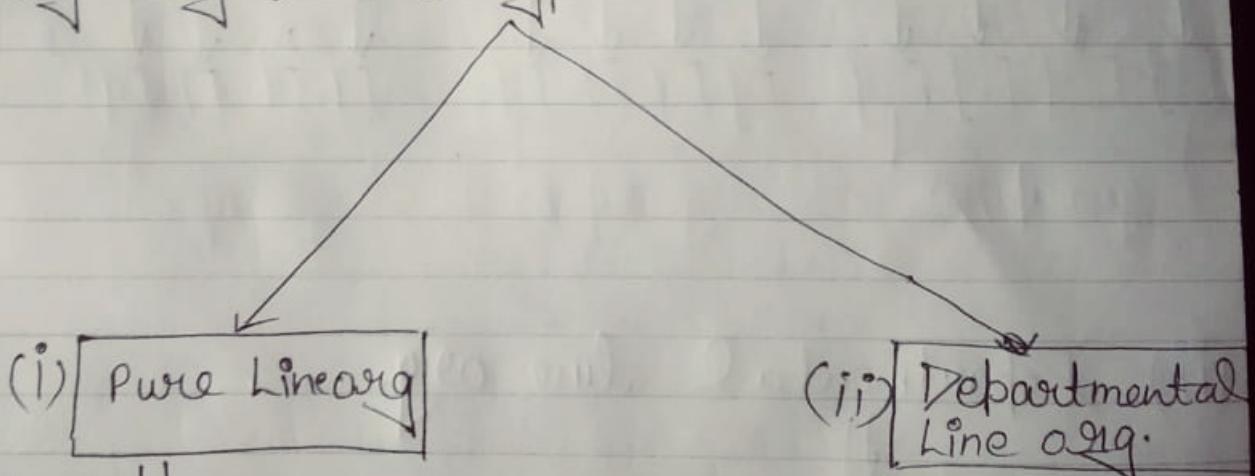
it is the oldest and simplest form of organization structure.

it is also known as Military, vertical, Departmental and Hierarchical org. structure.

In line org., Authority flows from the top to bottom vertically in a straight line manager.

Responsibility and accountability flows in an opposite but equally direct vertical manner.

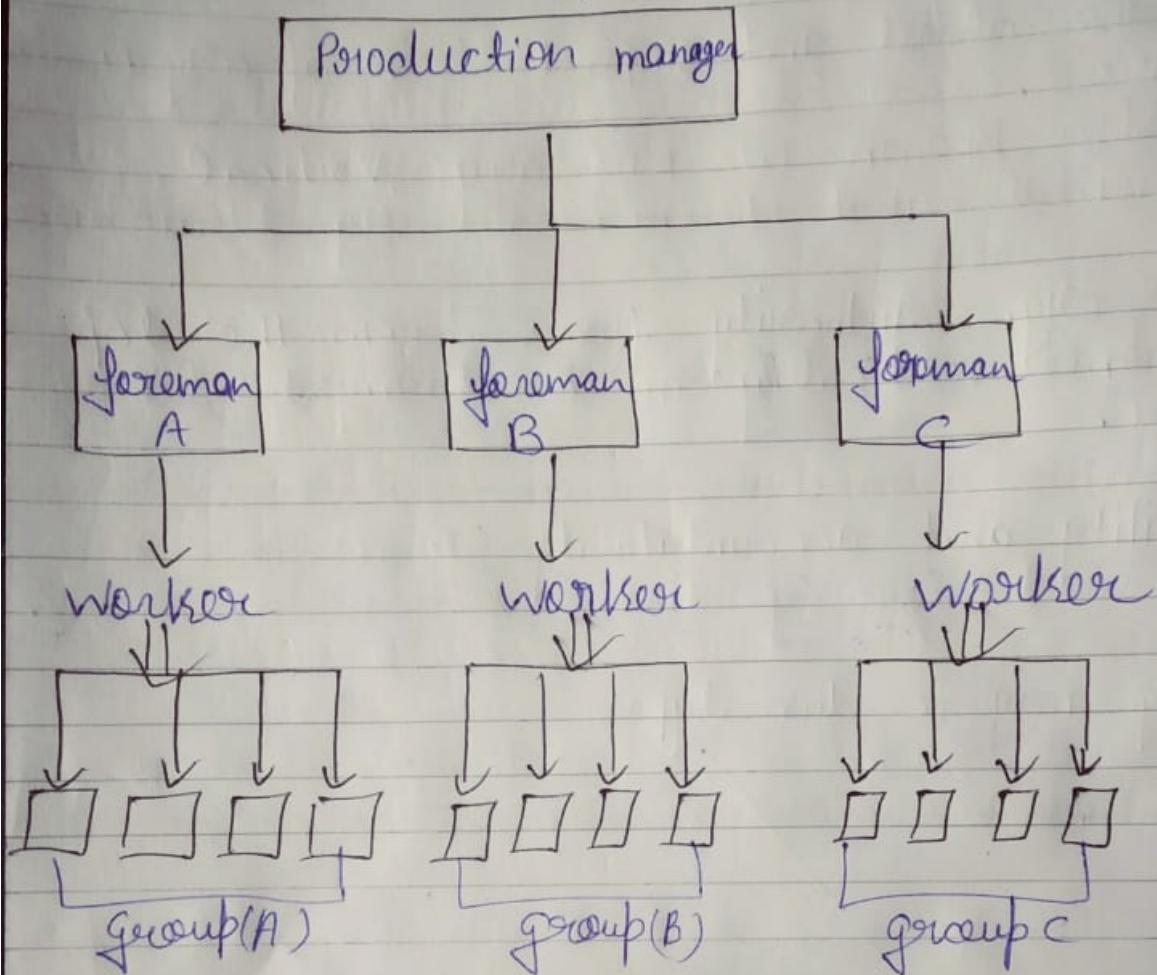
Line org. may be two types



### i) Pure org.

- Pure Line org. is one in which activities at a particular level are the same.
- Every employee at the same level performs and also same type of work.
- Departments are created for the sake of convenience to the supervisor.

Pure line org. —

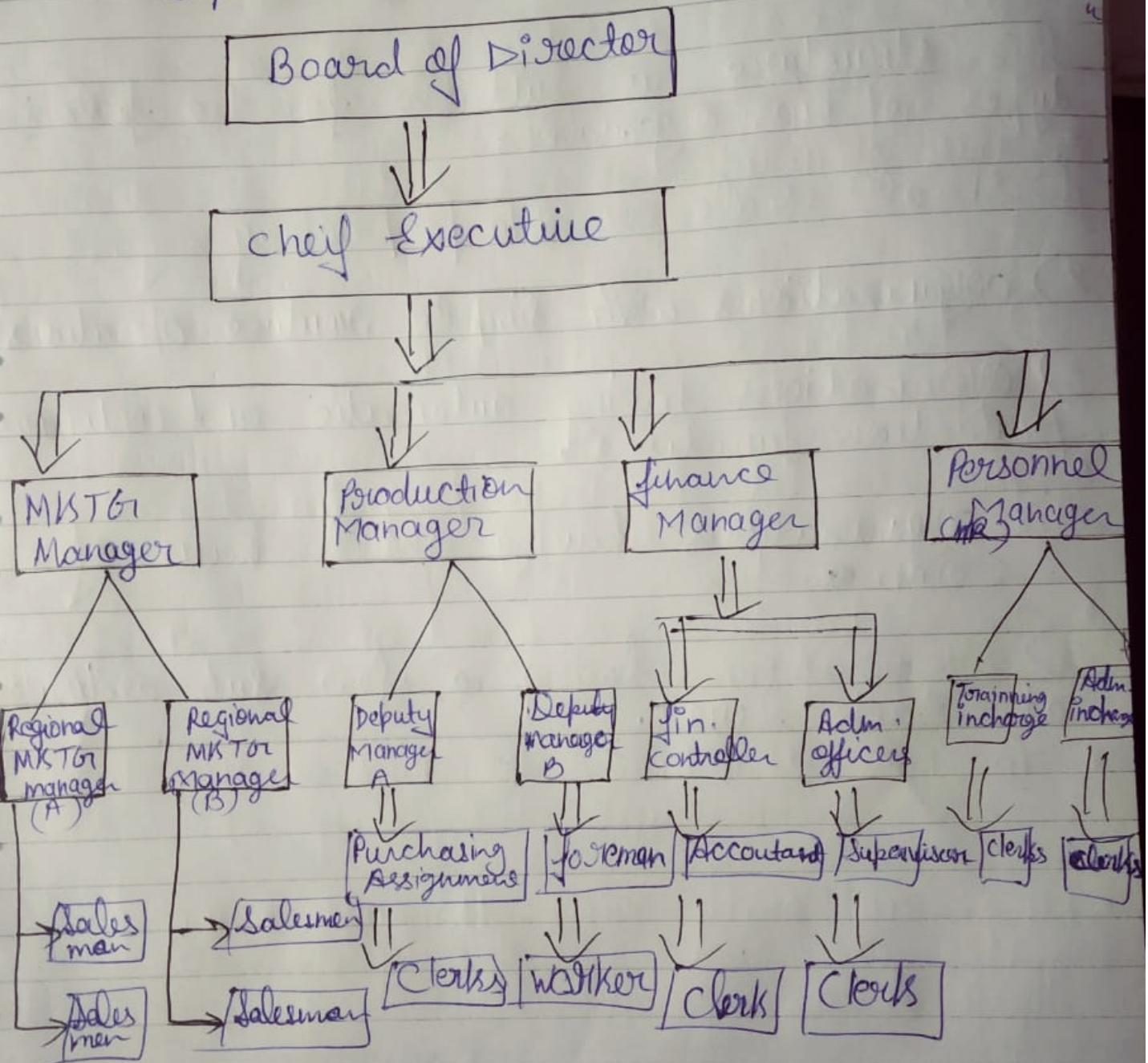


(ii) Departmental line org. —



- Whole work of the organization is divided into functional departments.
- Such as - HR, production, MKTG, finance etc.
- Each department work as a self sufficient unit under the supervision of a departmental manager.

## Departmental line org.



Suitability of line org -



This structure is suitable for the following types of bus. organisations

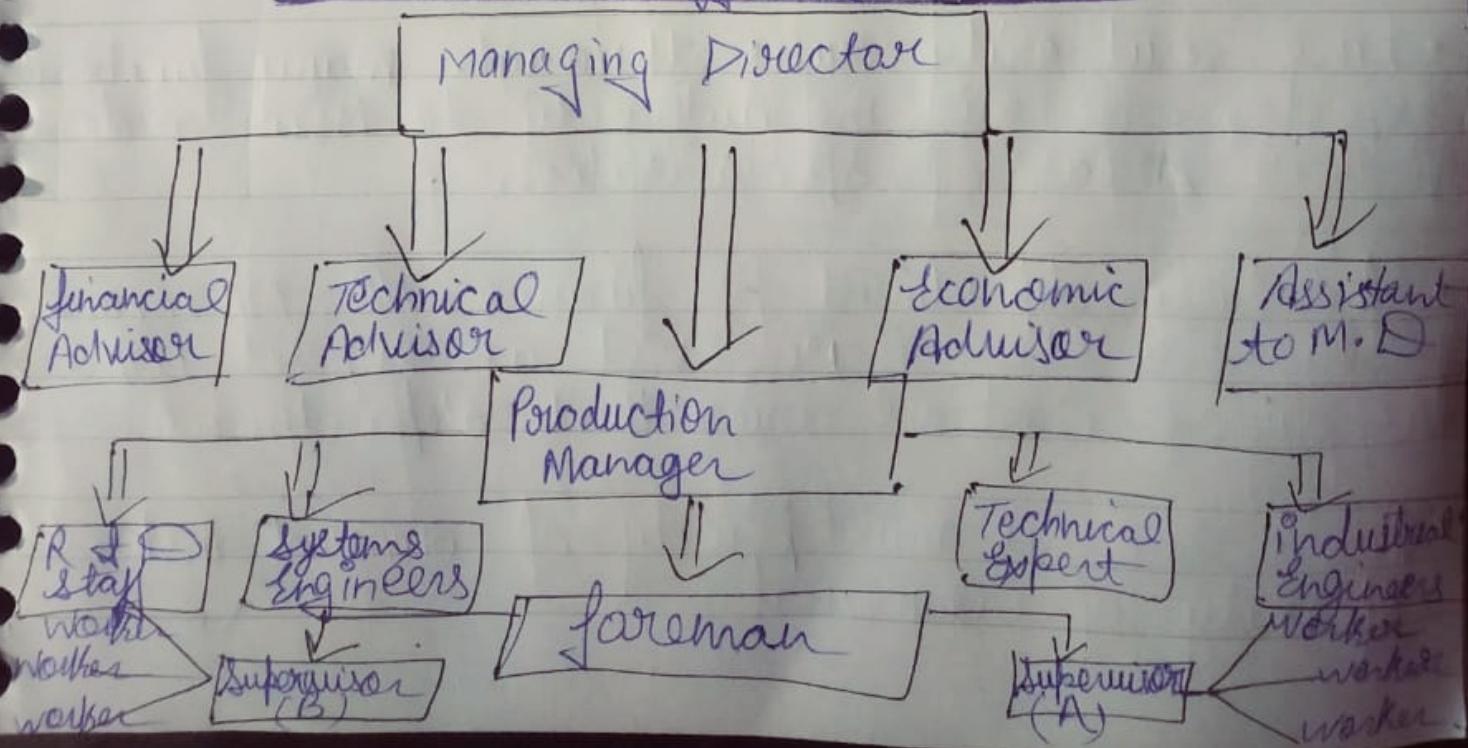
- 1) small scale or sole proprietary org.
- 2) organizations with simple routine operations
- 3) organizations having automatic and continuous production functions.
- 4) organizations having short chain of command.
- 5) organizations having a few subordinates at each level.

## 2) Line and staff organization

it is a modification over the basic line structure

- This structure combines the staff specialists / experts with the line managers.
- The vertical flow of authority and responsibility remain the same as in line structure.
- Additionally, staff specialists are associated with line managers.
- Staff specialists / experts are the persons / departments, who provide technical advice or service to the line managers.
- Line manager may or may not use their specialists.

### line & staff organisation



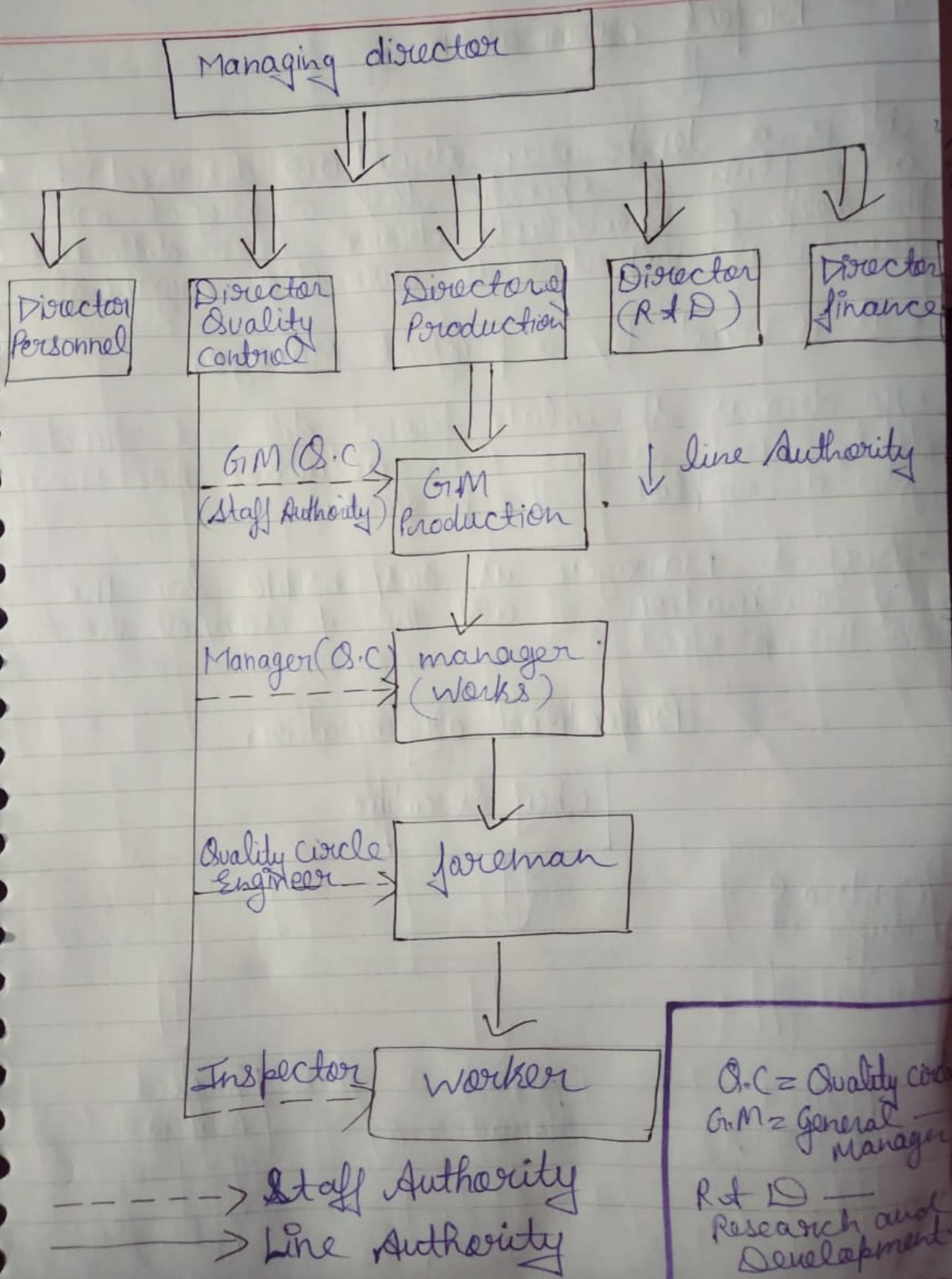
## Suitability of line and staff organizations

- it is most suitable for medium and large organizations.
- This structure is not suitable for small org. on account of high cost involved in it.

### 3) Functional organisation —



- This credit for developing functional organization structure goes to F.W. Taylor.
- This structure is based on the concept of functional foremanship.
- In this structure, the line authority is channelized through the staff specialists.
- Line authority runs through many functional experts, who hand the authority to issue orders in their areas of specialisation.
- for every department — finance, HR, Mktg and production etc. there exist an expert, who has direct control over that department.
- Thus, there is multiplicity of command instead of unity of command.

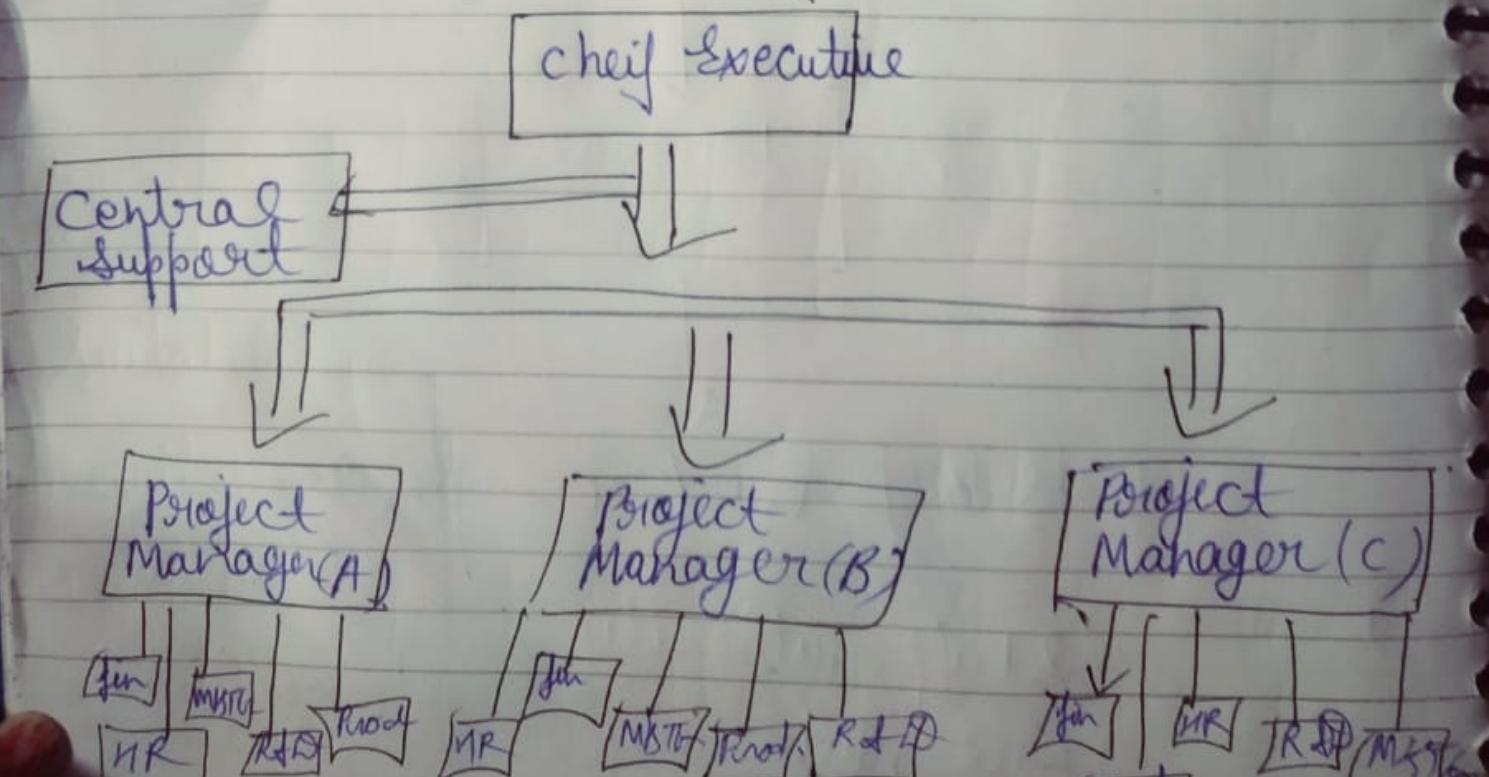


## 4 - Project organization

↓  
it is a temporary structure designed to accomplish a specific task on project with the help of specialists drawn from different functional departments within the organization.

- it is lead by a project Manager.
- He draws specialists from different functional dept. and assigns them activities necessary to accomplish the project.
- Project Manager is responsible for the co-ordination of all the personnel working on the project.

### Projectised organisation

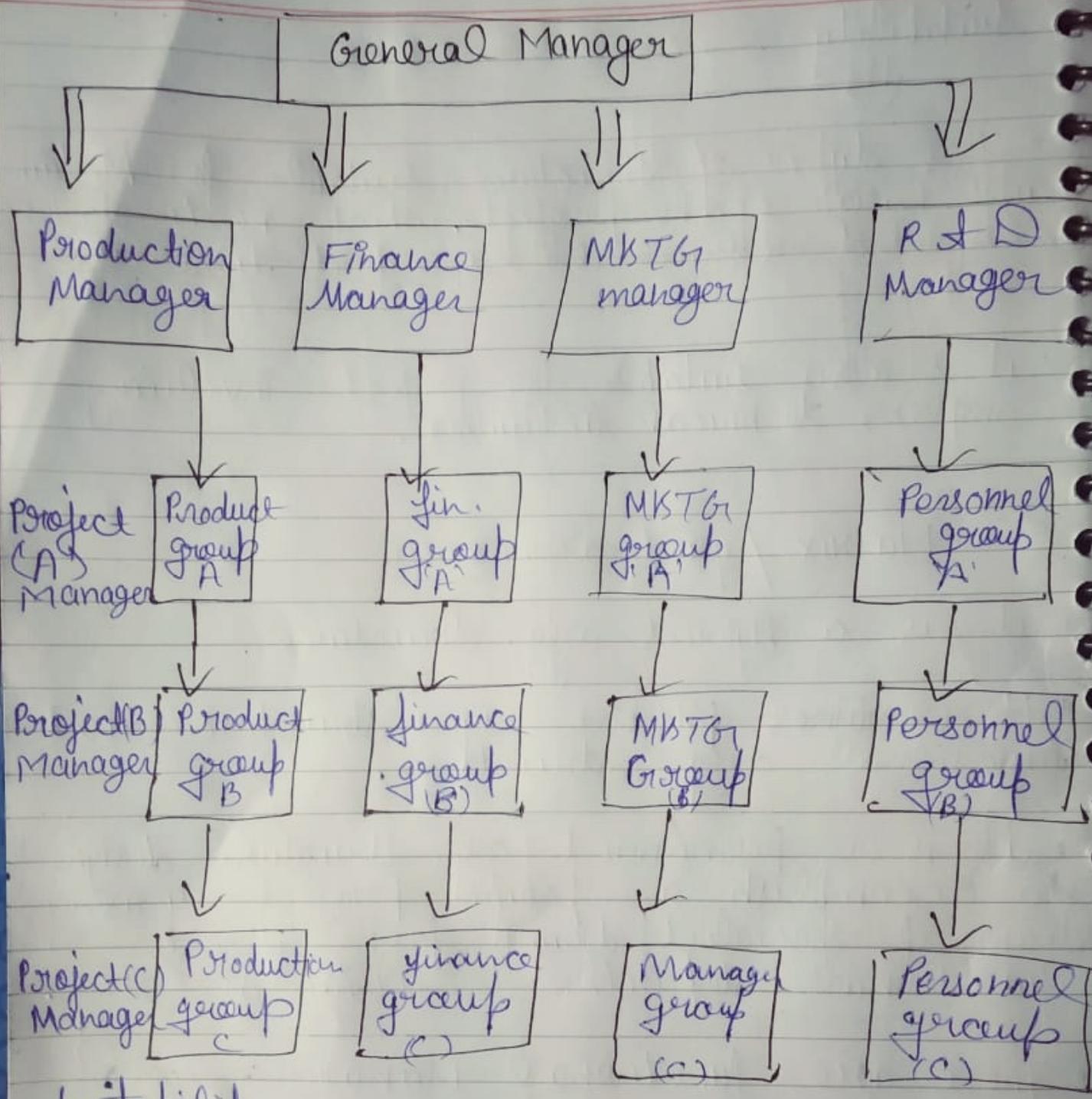


## Suitability —

- This type of structure is suitable for Medium and large scale projects, which needs to be completed within the specified time and cost.
- it is also suitable for projects involving complex, technical activities.

## 5- Matrix / Grid organization —

- it is a Hybrid org. structure.
- it combines project org. structure and functional org. structure.
- it is a permanent org. structure designed to accomplish a specific project by using team of specialist drawn from different functional departments within an org.
- There are functional Managers and project Managers.
- Team members are accountable to both functional manager and project Manager.



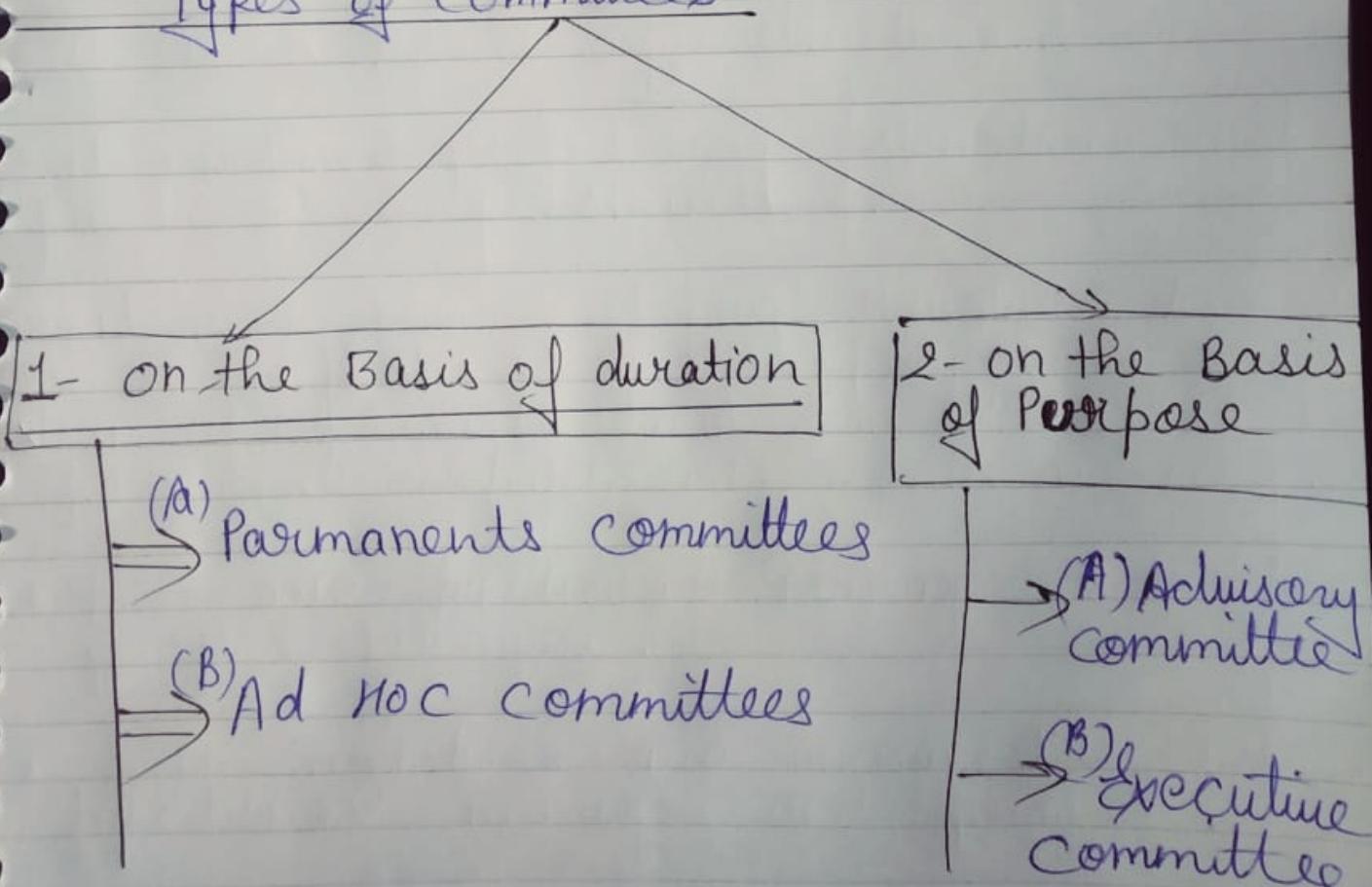
Suitability —

- Suitable for complex tasks
- Suitable for projects with specified time & cost
- Suitable for construction, Advertising, Hospital, which have specified time & cost.

## 6- Committee organization -

- ↓
- it is a form of staff org. formed for giving specialised advice to line managers.
  - A Committee is a group of two or more appointed, nominated or elected persons to consider, discuss, decide, recommend or report on some issue or matter assigned to them.

### Types of committees



## Models of org. Behaviour

Models are techniques which helps us to understand complex things and ideas in clear manner. Org. behaviour is the study of Human behaviour in the organization. Different Models are being followed by different manager in the organisation. These are the powerful guide to understand the Behaviour.

Four models of org. Behaviour have been followed by manager of different org. at Different times

- Autocratic Model
- Custodial Model
- Supportive Model
- Collegial Model

## 1 - Autocratic Model

This Model depends upon the power of the Boss. Those who are in command must have the power to demand.

In Autocratic Environment, the Managerial orientation is official authority. Management believes that it knows what is best and the Employees obligation is to follow orders.

## 2 - Custodial Model / Approach

The custodial approach led to employees dependence on the organisation rather than on the boss. The employees are satisfied and happy but they are not strongly motivated, so they only passive co-operative.

- workers being managed under Autocratic model often feel insecurity and frustration but the custodial model used by managers depends on Economic resources.

The Difficulty with this model is that — This model depends upon money as the best way to motivate Employees, However the workers have their psychological need also.

### 3- Supportive Model -



The Supportive Model depends upon leadership instead of authority or economic rewards. Through leadership, Mgmt provide a climate to help Employees grow and accomplish in the interest of the org.

under the Supportive Model, the workers feel a sense of participation and take involvement in the org. The Managers role is helping employees to solve their problems and accomplish their works.

### 4- Collegial Model



The term collegial relates to a body of persons having a common purpose. it is a team concept.

The Collegial Model is basically an extension of Supportive Model. it is useful in research laboratories and similar works environment. The Collegial Model depends upon mgmt's building a feeling of partnership with Employees.

The Managerial orientation under collegial Model is teamwork. The Employees feel an obligation to uphold quality standards for better image of their Company.

# 16-03-20(Org. behaviour)

## Types of variables in org. Behaviour

⇒ What is Variable -

In simple Terms, A variable represents a measurable attribute that changes or varies across the experiment whether comparing result b/w multiple groups.

"A characteristic, Number, or quantity that increase or decreases over time, or takes different values in different situation."

## Types of Study Variables

Two Basic Types  
are →

①

Independent (X)  
Variable

- The presumed cause of the change in the dependent variable (Y).

⇒ This is the variable that OB researchers manipulate to observe the changes in Y.

②

Dependent Variable  
(Y)

- This is the response that is affected by 'X' (independent variable)

⇒ This is what the OB researchers want to predict or explain

In our OB Model,  
The Dependent variable is - The Behaviour

Some of the Dependent variables in OB

- ⇒ Productivity → Transforming input to output.
- ⇒ Absenteeism → Failure to report to work  
A Huge cost to Employees
- ⇒ Turnover → voluntary & involuntary withdrawal from job.
- ⇒ Deviant Work Place Behaviour
  - ↳ voluntary Behaviour that violates significant org. Norms.
- ⇒ organizational citizenship Behaviour
  - ↳ Discretionary Behaviour that is not part of an employees formal Job requirements.
- ⇒ Job Satisfaction
  - A general Attitude (not a Behavior) towards one's Job, A positive feeling of one's Job resulting from an evaluation of its characteristics.

17/03/20 (Org. Behaviour - unit 1<sup>st</sup>)

Notes

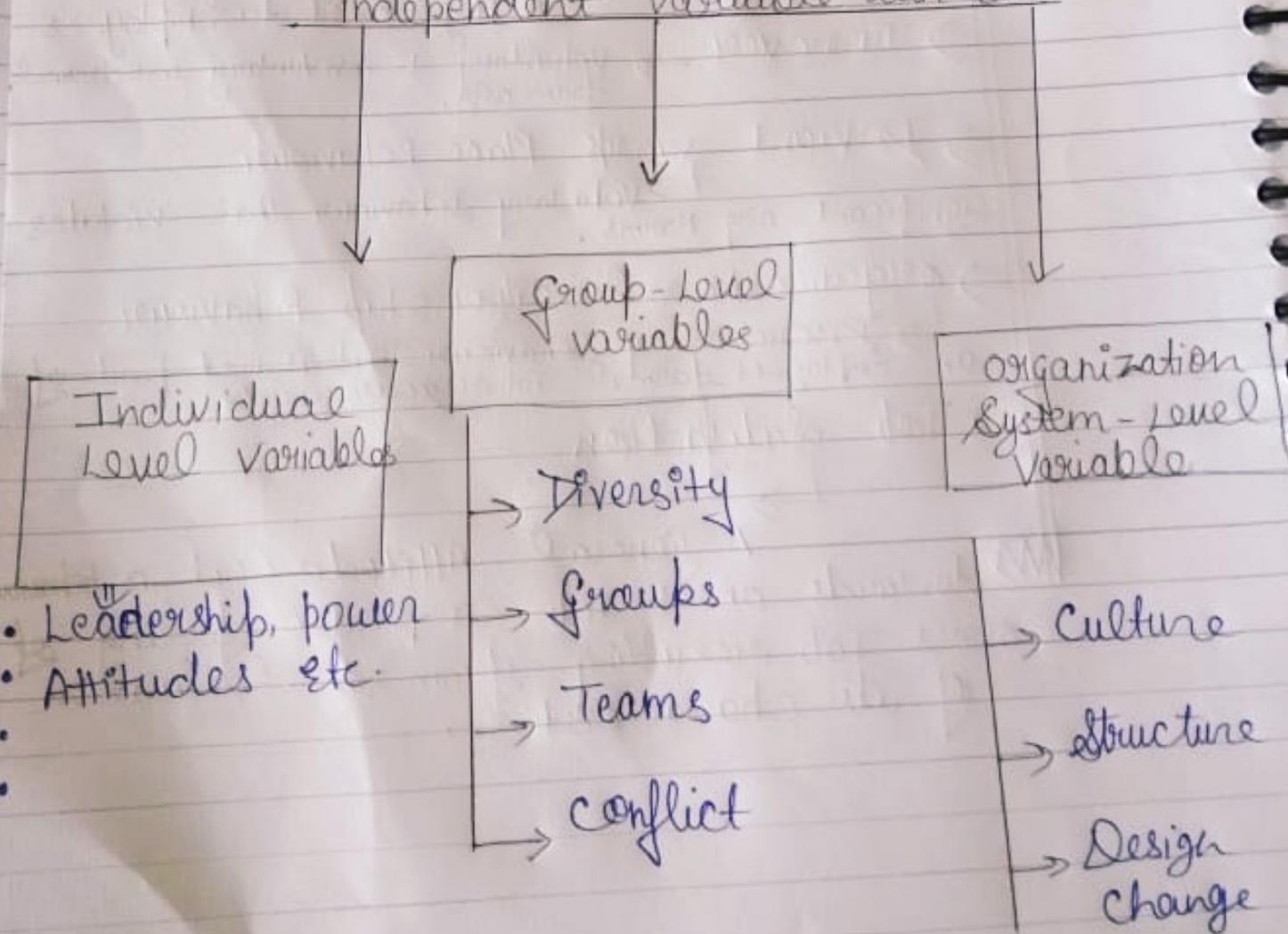
In our OB Model

Independent variable



The presumed cause of some change in the Dependent variable, major determinants of a dependent variable.

Independent variable can be



## Topic - Organisation in the Indian Context

An organisation is an Entity Comprising multiple people, such as an institution or an association, that has a particular purpose.

### The need

Types of org. There are different Types of org. and their purpose as —

→ Government org.

→ Non-Governmental Org.

→ Corporations

→ Hybrid org.

→ Voluntary association

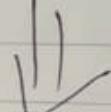
→ Political organisations

→ Partnership, Co-operative and Educational institutions

Private sector

Public sector

1 ⇒ Government organisation —



organisation of Indian Govt. assist the Indian Administration to pursue realistic development goals. most of the Indian Govt. org. takes the form of co-operatives

The org. of Indian Govt are engaged in the betterment of the Indian Economy. The Co-operatives are independent legal entities and are capable of taking independent crucial decisions.

Almost all of the organisations of Indian Govt. are controlled by its members.

Eg - BHEL (Bharat Heavy Electricals Limited), SAIL, NSIC, Indian Railways, Air India etc.

2 ⇒ Non-Governmental org. —

it is also known as NGOs, Non-Govt. org. are organisation that are independent of any govt. They are usually non-profit. many of them are active in humanitarian or social areas

Eg - Business friendly NGO, Environmental NGO etc.

### 3- Corporations -

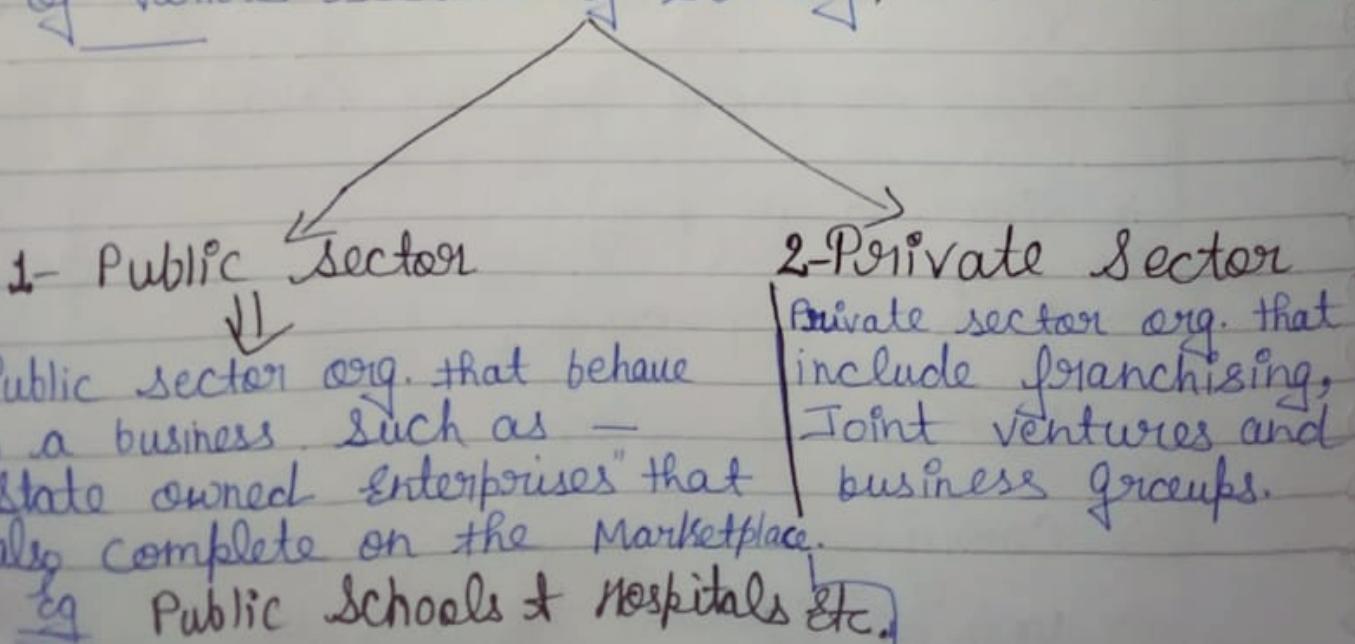
A Corporation is a org. or business formed by a group of people, and it has rights and liabilities separate from those of the individuals involved.

In simple terms - a corporation is an org. usually a group of people or a company, authorized by the state to act as a single entity and recognized as such in law for certain purposes.

Eg - Apple Inc., Walmart Inc., and Microsoft Corporation etc.

### 4- Hybrid organisation -

A Hybrid org. is an organisation that mixes elements, value systems and action logics of various sectors of society, i.e Two sector



## 5- Voluntary organisation -

Voluntary org. is a group of individuals who enter into an agreement, usually as volunteers, to form a org. to accomplish a purpose.

Eg - Trade associations, trade union, professional associations and Environmental groups.

## 6- Political organisation -

A political org. is any org. that involves itself in the political process, political parties and special interest groups.

Political parties are one type of political org. that may engage in some or all of those activities, they are distinct in that they typically focus on supporting candidates for public office, winning elections and controlling government.

In simple terms - Political org. is the political party. Political parties are directly involved in the processes of countries with party systems, such as single and democratic & multi-party systems etc.

Eg - Political org. are those engaged in political activities i.e lobbying, community organizing, campaign advertising etc.