**PRIYADARSHINI COLLEGE OF ENGINEERING, NAGPUR**

**Course: Organizational Behaviour**

**Handouts**

**Topic: Importance of Organizational Behaviour**

**Importance of OB:**

Organisational behaviour is the analysis of an organization’s structure, func­tions, and the behavior of its people. The behavioral study encompasses both groups as well as individuals. It is an interdisciplinary field and has its roots in sociology and psychology. Organizational behavior is based on sociol­ogy, as the word organization itself represents social collectivity. It is linked to psychology because the subject encompasses the study of people, individu­ally and in groups at the workplace (essentially, an organization).

Individual and group behaviour is again the function of many factors, which extend to other interdisciplinary fields such as economics, political science, social an­thropology, engineering, and human resource management. The scope of organizational behavior is therefore extensive. An organization needs to manage all these aspects so that it can sustain itself in a competitive market.

The following basic importance is below;

* It builds a better relationship by achieving people’s, organizational, and social objectives.
* It covers a wide array of human resources like behavior, training and development, change management, leadership, teams, etc.
* They bring coordination which is the essence of management.
* It improves the goodwill of the organization.
* It helps to achieve objectives quickly.
* They make optimum utilization of resources.
* It facilitates motivation.
* It leads to higher efficiency.
* They improve relations in the organization.
* It is multidisciplinary, in the sense that it applies different techniques, methods, and theories to evaluate the performances.

Theoretically, it is difficult for us to draw a line between management and organizational behavior. It can say that one supplements the other. Some organizational behavior issues have their roots in management processes. The study of management began much before the study of organiza­tional behavior. Studies in organizational behavior started in the middle of the twentieth century.

Organizational behavior studies, therefore, draw from management theories to understand aspects such as organizational structure, the behavior of people in an organization, and the issues concerning external and internal fit. Successful management of organizational behavior largely depends on the management practices that prevail in an organization. Understanding organizational behavior, therefore, requires a clear understanding of the basics of management.

**Study of organisational behaviour helps in studying:**

i. Why people behave in a particular way?

ii. Why one person is more effective than the other?

iii. Why one group is more effective than the other?

iv. Why one person is more effective in one organisation as compared to the other organisations?

The study of above things gives sound knowledge about human behaviour and this knowledge can be applied in shaping the behaviour and taking various decisions related to policy making in human resource management.

**Organizational behavior is concerned with studying what people do in an organization and how that behavior affects the organization’s performance.**

[OB studies put focus on motivation](https://www.iedunote.com/motivation-process), leader behavior and power, interpersonal communication, group structure and processes, learning, attitude development and perception, change processes, conflict, work design, and work stress.

OB draws heavily from behavioral and social sciences, most importantly from psychology.

There are [several practical reasons why we study Organizational](https://www.iedunote.com/why-study-organizational-behavior)behavior;

1. OB is the study of learning how to predict human behavior and then apply it in some useful way to make the organization more effective. It helps in the effective utilization of people working in the organization and guarantees the success of the organization.
2. OB helps managers to understand the basis of motivation and what they should do to motivate their subordinates.
3. OB helps maintain cordial industrial relations, which helps to increase the industry’s overall productivity.
4. It helps greatly in improving bur inter-personal relations in the organizations.
5. It helps [managers apply appropriate motivational techniques](https://www.iedunote.com/impression-management-techniques) in accordance with the nature of individual employees who exhibit a learning difference in many respects.

**Need for the study of Organizational Behaviour**

The rules of work are different from the rules of play. The uniqueness of rules and the environment of organizations forces managers to study organisational behaviour to learn about normal and abnormal ranges of behavior.

Organizational behavior is essentially an interdisciplinary approach to study human behavior at work. It tries to integrate the relevant knowledge drawn from related disciplines like psychology, sociology, and anthropology to make them applicable for studying and analyzing organizational behavior.

## Conclusion

**Organizational behavior is the study and application of knowledge about how people, individuals, and groups act in organizations. It does this by taking a system approach.**

That is, it interprets people-organization relationships in terms of the whole person, the whole group, the whole organization, and the whole social system.

Its purpose is to build better relationships by achieving human, organizational, and social objectives. OB encompasses a wide range of topics, such as human behavior, change, leadership, teams, etc.

Organizational behavior has a great impact on individuals and also on organizations that cannot be ignored. To run businesses effectively and efficiently, studying organizational behavior is essential.

Source credit:

Mahek S. *Organizational Behaviour.* <https://www.economicsdiscussion.net/management/organisational-behaviour/31869>

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