

# People Management Module 1: Fundamentals of Organisational Behaviour

#### **Video 1: Module Overview**

Hi, welcome to module 1 of the course People Management. In this video, I'm going to provide you an overview of the topics that will be covered in the first module. But let me share some stats with you. In a recent study by Fios Inc, 86% percent of corporate executives surveyed cited lack of educated collaboration as a cause for workplace failure. In fact, in the same survey, it was found that more than 97% of those surveyed believed the lack of alignment within a team, which of course directly impacts the outcome of any given task or project.

The result indicates that there is a huge discrepancy in the behavioural skills that are needed to perform tasks efficiently and effectively at any workplace. Does that give you a clue about the skills needed for contemporary managers? Well, Bill Gates expressed in these words exactly. "There is an essential human factor in every business endeavour.

It doesn't matter if you have a perfect product, production plan and marketing pitch. You still need the right people to lead and implement those plans." It's no secret that organisations are all about people. People are the most important asset. No matter how brilliant and imaginative you maybe, there is a greater power in great minds working together.

At a mid-level management especially, one thing that's really crucial is tackling tricky behavioural issues. A mid-level manager basically acts as an interface between the top and the low-level hierarchies at work. And naturally, dealing with people day in day out becomes an integral part of the job. Hence, for any manager, behavioural challenge weighs much more than technical challenges. You could be sound in technical aspects but being behaviourally sound is one aspect that will get your success in your job, and you will create hurdles if not tackled them well. So, as a manager you need people skill.

A large part of your job involves handling people for which human or behavioural skills are important. And therefore, organisational behaviour, has many facets, is the study of how humans behave in organisational settings.

By now, you must have understood the importance of the module, People management. Note that unless and until you understand your own behaviour and your sensory cases, it's nearly impossible to manage and deal with behavioural issues of others at work. So, let's begin with the first

module of this course. In this module, we will define organisational behaviour and its nuances.

We will explore the paradigm shifts that may be needed to confront and overcome the unknown challenges of present and future. We will explore the methodologies that can be used to generate knowledge that facilitates understanding of OB. I'm super excited to be your instructor for this course, are you? So, let's get started with module 1, that is Fundamentals of Organisational Behaviour.

### Video 2: Introduction to Organisational Behaviour

Hi. Let me take you through the introduction to OB. We know that business is all about people. So, in this video you will understand about behaviour of people at work. So in this video, I'm going to define what OB is and I'll outline its importance in a workplace context. So, the points that will be covered in this video are as follows. We will begin with understanding what organisations are and how they are defined. We will move on to understand a little bit about behaviours as well. And thereafter, we will move on to understand the importance of organisational behaviour.

So, let's first understand how we define organisations. Now, imagine a social unit in which: A, two or more people work together. B, their tasks might be done individually or done in groups, however, are some way or the other intertwined and interdependent. And next, these people work towards a common goal. This goal could be one or more. Note that, even though the goals might not be fully agreed upon at times, this social entity will be called as an organisation. So, what are the characteristics of an organisation? Some of them include groups of people who work interdependently towards some purpose, have a structured pattern of interactions, it could be based on the nature, structure, climate of the workplace and so on.

Coordinated tasks and common objectives - Note that these common objective at times are not fully agreed upon, which is fine. So, you are working with your friend on a business idea and trying to operationalise it further, will also make it an organisation. In this organisational setup, in fact, you both decide to work on activities together or probably pull them sequentially. You both might not be on the same page always, but you have each other's agreement on the bigger goals of the organisation.

It could be profit maximisation, it could be gaining social capital or whatever. It depends upon the objective of the firm. For different organisations therefore, the goals could be different. Now that you have understood organisations, let's have a quick look at understanding behaviours. Behaviours are interaction between personality, attitude, perceptions, values, motivations, emotions and so on. It also includes characteristics of situational factors as well. Hence, they are function of

individuals' response to their environment. Well, we are going to study behaviours in detail in upcoming modules. Behaviours define human's way of conduct in social settings. So, that's how we define organisations and behaviour.

Now, let's quickly understand the definition of OB, even though it looks self-explanatory now. Isn't it? Organisational behaviours can be defined as a multi-disciplinary field that seeks knowledge of behaviour in organisational settings by systematically studying individuals, groups and organisational processes. Have you ever wondered why people behave in a certain way at work? Why your colleague, say Ramesh, is not motivated enough to be part of the team project anymore? Or let's say, why's Seema despite being super motivated in the team, does not give an outstanding performance? Or why is your boss more inclined to favour some people than others?

Well, that's exactly what organisation behaviour covers. Under OB or people management module, we shall assess behaviours at micro, meso and macro-levels. I'll be telling you in detail what these things are. Let's understand the importance of people management. This course is important for everyone. Does not matter what role or position you are at in your organisation and does not matter what industry or domain you are part of. OB or people management is important for everyone, for all of us. In an organisation, people management will help you answer essential questions, such as what lead to success of people at work? What role self-awareness plays? How different personality types can initiate performance, yet create conflict at the same time? How different individuals perform in groups or teams? And why some teams perform better than the others?

### Video 3: Characteristics of Organisational Behaviour

Hi. In this video, we are going to understand some characteristics of OB. Know that a manager must go through the features of OB to bring the best in their people. So, in this video we will dig deeper in understanding the characteristics and some crucial points that are relevant with the study of OB.

Now OB depends upon a lot of fundamental assumptions. I'll be taking you through some of the important ones. The first one is that organisations work in an open system. Now what does that even mean? Think of a samosa vendor who used to stand outside the movie theatre back then.

The number of samosas sold were higher on some days than the other despite full planning in terms of its manpower, raw material, machines or tools that are required to convert their input into output. Yet, despite all the planning being done, there were some changes or tampering with the

number of samosas sold. And why is that happening? Now extrapolate the same situation or same argument on any business, big or small, no organisation can work in an isolated system. The current organisations are constantly interacting with the outside world. For example, the economic, political, environmental, social and technological factors strongly impact the company's internal structures regularly.

COVID for instance, was an environmental factor that disturbed and challenged the entire status quo of workplaces. The companies with better businesses and continuity plans were less threatened than their counterparts with no continuity plan. Isn't it? In case of your samosa vendor example, weather, seasonal fluctuations, a cricket match for that matter or festivals such as Holi or Diwali would temper with the sales of quantities being sold. Some other factors apart from political, environmental, social etc. include role of regulatory authorities such as changes in tax schemes. Another example includes the role of technological factors such as impact of 3G or 4G on telecommunication industry. There are so many examples but know that no company is working or can work in a closed system. Therefore, the internal business environment is constantly being affected by external factors that cannot be pre-planned or controlled, making any organisation for that matter an open system.

The next in the row is about organisations and how they are constantly changing and evolving. Now let me ask you this question, can you think of an industry or a company that's not innovative or that's been working on a SOP for so long? Well, could you think of anything? I know it's difficult to answer.

Can you think of an example where a company hasn't changed its modus operandi in past five to 10 or 20 years? I know it's difficult, right? Organisations require to keep updating themselves as change is the only constant. With changing external and internal business environment, it's difficult to have one model or framework that explains everything. And therefore, in OB know that no one model fits all. This is because organisations are becoming agile and changing. And therefore, there are significantly fewer absolutes in OB. That happened as OB is an amalgamation of various parallel fields of study.

So, it borrowed relevant concepts from multiple fields. For example, it borrowed topics from psychology such as motivation, personality, emotions, attitude and so on. It also borrowed topics from sociology such as decision-making, group processes, team dynamics etc. It also borrowed topics from anthropology such as organisational culture, climate, environment and so on. Situations and responses can be subjective and are context dependent.



OB offers varied theories in this regard and explanations on underlying mechanisms to explain phenomena pertaining to workplaces, to cover all the aspects of a workplace. So, you may also expect a lot of theories, well, not a lot, but a few theories that will make you understand what fits what.

Therefore, as we go along the course, we will get familiarity with different frameworks and contingencies, and refer it with a certain context. The next in the row is about the multiple levels of analysis that we are going to cover in the modules. People management is not about individuals only. I think, by now, you would have understood it. It's about managing individuals in different contexts and at different levels. Hence, and as I already explained that we are going to cover OB on three different levels. We are not just going to see how individuals behave in isolation, but we'll also capture the phenomenon related to individuals behaving in teams and at an institutional level.

The next in the row is about OB being multidisciplinary in nature. Know that management as a field itself is modern and not very old just like, unlike hard sciences. Therefore, Organisational Behaviour as a particular domain of management was evolved quite recently. However, the theories on which it's based are valid and have a history of many, many years.

### **Video 4: Skills Needed for Contemporary Managers**

Hi! In this video, I'll be taking you through the details of skills needed for contemporary managers. So, I'm going to help you understand the skills that you will need to progress yourself into management role in the 21st century. Some of the skills needed for contemporary managers are as follows.

But to begin with, let's ponder over this question. What makes a great manager? This question has sparkled countless write-ups, blogs, posts and books. Know that gone are the days when managers were supposed to get work done through others. People don't leave their jobs. It's a known fact they leave the managers.

Currently, a manager is the one responsible for creating a competitive advantage in its organisation. And in the current era, especially post-COVID era, managers just don't have to monitor employees but also see what they're doing and how they're feeling. And find meaning in what they're doing.

So, it's no more the traditional managerial job anymore. As we grow up the ladder, behavioural skills become more important than the technical skills



required to perform managerial jobs. Further up the ladder, managers predominantly need conceptual skills for success.

To give you some examples, technical skills include things, such as specialised knowledge or expertise. For example, big data, cloud architect and so on. Behavioural skills, for example, include the ability to work with people, understand and motivate them. So, you should be good with negotiations, communication skills, conflict handling, emotional intelligence and so on. Third, the conceptual skills, they include the ability to analyse and diagnose complex situations.

Choosing best from the alternatives on hand and be able to evaluate them, decision-making at a macro level, spot bottlenecks, offer solutions are some of the important aspects of this skill. As per a recent Harvard article, which articulates seven skills needed for managers to manage teams. Some of the skills included emotional intelligence, clear communication, how approachable you are or how open you are with the subordinates. These are some of the most influential and highly needed skills currently. Hence, I would repeat as we go up the ladder and as we grow in our careers as managers, around 80% of the job is about handling people for which, of course, human or behavioural skills are the most important.

A mid-level manager acts as an interface and hence, having an understanding of behaviours of self and others play a crucial role in managing jobs. Now think and reflect. What would be the first few changes you would implement if you were hired or promoted at a managerial role? Think about it!

### Video 5: Organisational Challenges: Overview

Hi! In this video, I'll be giving you an overview of challenges for current and future organisations. We live in rapidly challenging times, especially for businesses. In this video, you will step into a few of the challenges that organisations are facing. The challenges faced by organisations are quite unusual and have really changed post-pandemic. More so because different firms have faced a unique set of challenges. For example, COVID impacted small, mid and big-sized companies differently. To give you some examples Wipro, Deloitte are such companies where virtual teams and infrastructure to conduct business were there online already.

Most of the employees were already well-versed with things such as Skype, Team maybe if not Zoom. These are via small setups did not have enough infrastructure to shift everything to online smoothly. For mid-sized companies, the challenge was additional. They now had to manage large

number of employees with limited resources. The challenges also vary from industry to industry. For a manufacturing setup, it's way too difficult to put everything together and get back on their feet right after the pandemic hit. In many companies, computers were hard wired to office network. For a while, they could not even get enough laptops, let alone major or critical resources.

Putting together, these are some significant challenges organisations faced recently are expected to confront in coming future as well.

# Video 6: Organisational Challenges: Remote Work and Hybrid Systems

Hi! In this video, I will be continuing with some more challenges that workplaces are facing. So, let's talk about remote work and hybrid systems. Don't be surprised if I mention that the US saw a 125% increase in remote work usage, although many people are asked to return to their workplaces. In fact, several studies over the past few months show productivity while working remotely from home is better than working in an official setting. Relatable, right? On an average, those who work from home spend 10 minutes less a day being unproductive, work one extra day a week, are 47% more productive.

Their performance is increased up to 13% by working from home. Interesting, isn't it? A study by Stanford of 16,000 workers over nine months found that working from home increases productivity by 13%. This increase in performance was due to more calls per minute attributed to a quieter, more convenient working environment and working more minutes per shift because of fewer breaks and sick days. In the same study, workers also reported improved work satisfaction and attrition rates were cut by 50%. In fact, a Gartner survey of more than 10,000 digital workers from the US, Europe, APAC shows that workers in that segment are likely to feel that flexibility is key to their productivity.

In fact, they confessed that during the pandemic, working in employer-controlled workspaces isn't vital to their productivity or engagement. In fact, many of them saw a little reason to revert to old ways of working. According to the Gartner 2021, Digital Worker Experience Survey, 43% of respondents said that flexibility in working hours helped them achieve greater productivity and 30% of respondents said that less or no time commuting enabled them to be more productive. By 2022, 25% of global knowledge workforce will choose their home as primary workplace and 45% of the workforce will be working from home 2-3 days per week as per the report.

So, what is the challenge here? The discussion on hybrid work environment is just starting and most organisations might not have a concrete plan as of now to handle such a challenge, but we'll have to figure out as they go along. With the idea of hybrid work environments, come some of the challenges such as: How do we monitor our employees? Do managers need to watch or monitor them more closely or with enough autonomy and flexibility? Let them be on their own and trust them instead of controlling their routine? So, all these questions are crucial to understand the challenges around hybrid workplaces.

And last but not the least, the challenge is around how they establish hybrid setups and manage performances accordingly.

# Video 7: Organisational Challenges: Employee Engagement & Learning and Development

Hi! So, in this video again we are going to look into some more challenges that workplaces are facing currently. The next in the line is about employee engagement and learning and development. We live in rapidly challenging times, especially for businesses.

In this video, you will step into a few of the challenges that organisations are facing in terms of managing and engaging their employees. Managers now have cumbersome jobs, agree or not. In addition to mundane tasks that managers do, the post-pandemic era has brought about a gamut of extra responsibilities for them. For example, the engagement of employees and how to manage them has a new perspective altogether.

How to maintain the affiliation of employees with their employers is another challenging task. The next in the line is focusing on mental health and well-being of the employees. Further helping them reduce the spillover between work and family and also extending support and care during the crisis to them and their families. Besides this, there are some more challenges.

For example, policies that are being made more flexible and accessible to all, not just at the top level but also at a mid and lower level. So for example, leadership addressing low and mid-level employees regularly with most authenticity possible should be some of the new parameters being included engagement programs.

So, what's the challenge? The challenge is how to redefine engagement programmes at work. Now, next up is understanding the challenges around learning and development. Now, that's another challenge that managers are facing in terms of having inability to generate substitutes for unavailable



employees. To give you an instance, during pandemic employees went through varied set of challenges. Not all of them could come back to work.

But this issue created a considerable difficulty in filling the gap. As more often than not, employees lack transferrable skills. Transferable skills are essential as many workers are now doing tasks they never could have imagined a few weeks ago.

For example, just take the pandemic situation again. Employees in apparel companies, like Brooks Brothers and New Balance, have started producing surgical masks and gowns. Tesla, Ford, General Motors, DRDO have retooled their factories to produce ventilators. Hence, it's high time to reskill and upskill the people.

Cross-functionality in this regard is relevant so that the others can step in and get the job done when others are reluctant to turn up. So, to summarise the challenge, in the era of digitisation and the increasing importance of knowledge intensive jobs, managers need to upscale themselves and their employees. Managers must motivate and incentivise their employees to take up new tools, learn new technologies and increase their domain knowledge to prepare them for the unforeseen.

## Video 8: Organisational Challenges: Managing Diversity and Inclusion

Hi! So in the series of challenges that we learn about managers and organisations. I am taking you through some more serious challenges in terms of managing diversity and inclusion. In this video, you will step into some of the challenges that managers are facing in terms of managing diversity, and allowing and letting people to feel inclusive at work.

Let me mention the discussion that Forbes recently published. The Survey shows that one in three mothers, see their careers jeopardise because of COVID-19. I'm sure you're not shocked. In another study, by ILO among the blue collar segment, it's been found that 41% of women were employed in sectors at high risk for jobs, or working our losses from the pandemic compared with 35% of men.

Economic pressures, in fact, may make it harder for businesses to maintain their focus on an investment in diversity, equity and inclusion, says a report. Well, don't get confused here. Diversity is not just about genders. Diversity, in fact, is quite wide in terms of its coverage. Its coverage in terms of different races, culture, sexual orientation, religion, class, gender, identity differences. In the workplace, diversity means - your staff consist of heterogeneous set of individuals who bring new perspectives and ideas to



### the table. While the organisations are focusing on maintaining diversity at work no doubt, the essence of it seems to be missing.

Diversity cannot serve the purpose unless the workplace is inclusive enough. In fact, inclusion appears to have been missed and the focus is indeed inclined on hiring diverse set of people only. So, what about inclusivity? How do I belong? Empowering all employees and recognising the special talent is part of creating an inclusive company. For example, a very recent initiative by HSBC recently, in terms of promoting diversity and inclusion in their company. They introduced a Career Comeback Programme for experienced professionals, both men and women to restart their career after a break of 12 months or more.

How interesting is that! Such a programme is an inclusive idea of supporting re-launch the career of people who took a gap of a year or more for various reasons and would want to resume their careers. Now, this is a task for you. Think about your company. Think about how you can uplift people. How can you make them feel more inclusive and more belong to their workplace?

## Video 9: Scientific Methods in Organisational Behaviour Research

Hi! In this video, I'm going to take you through some scientific methods in OB research. Don't worry. I'm going to decode each of these methods for ease of understanding. Through the years, OB researchers have used many methods, multiple methods to check how individuals, groups and organisations behave. Some of these methods are scientifically established, others are based on assumptions. I am going to help you understand the methods that you can follow, that you can apply in a very day-to-day decision making process when it comes to managing people at work.

First of all, know that OB theories are scientifically established. While they sound intuitive, they are really not. Some of the research methods commonly used to establish theories and results in the field of OB include survey methods, exploratory or qualitative studies, experimental or manipulation-based studies, meta-analysis, observation-based techniques.

Now, let's understand survey-based methods briefly. A survey questionnaire that is floated across the departments to understand aspects of jobs, such as if people are happy at work, if the boss is supportive, if necessary, resources are being supplied on time and so on are some of the questions that can be addressed through this method.

Next, exploratory or qualitative methods are the one where you talk to people one-on-one by understanding their narratives on issues requiring a small set of people are to be interviewed. It's more like taking an interview. Examples include detailed interviews to understand stories of, let's say, discrimination at work or how socialised people are at their work, or how lonely they are and so on.

The next one is experimental method where we do manipulations to understand the cause and effect of a phenomenon by controlling the external factors or variables and see the impact of rewards on employees. However, let me tell you that this method is a way too technical and probably the least followed method in a pragmatic scenario. The next in the series is meta-analysis method that combines more than one study, primarily secondary studies and analyse it to get results. For example, using all the previous engagement surveys done in company or in an outside agency to figure out crucial factors affecting employees' motivation. So, what you do is you basically compile all the secondary studies and make sense, making or meaning out of it.

The next in the series is observation method. This sounds simple and easy. However, it requires a lot of expertise and understanding how to go about it. So, instead of talking one-on-one or serving, the observation method allows the researcher to observe the phenomenon from a distance and record the situations to unfold one or more related issues. To give you an example, observing how a manager treats his employees and its impact on employees on a day-to-day basis.

Now, I have a task for you. Think of a scenario, where as a manager, you are trying to understand how safe your employees feel at work. By safe, I mean to mention the treatment they receive from others, if they feel any sort of discrimination or are they comfortable visiting their seniors' offices, especially for one-on-one meetings? Are they comfortable wearing attires whether it's ethnic or western, without having fear of being judged or harassed or pinpointed? In such an investigation where you're trying to understand emotional, physical and psychological safety of your employees, which method of investigation would you follow? Think about it. Would you follow a survey method or a one-on-one qualitative discussion? Well, before you answer, it's imperative to note that what method you follow and choose depends upon objective of your investigation, that is, what are you trying to achieve? The scope to collect data, that is, how easy or difficult it would be to collect data or reach out to people depending upon the method that you follow? Next, the nature of the data involved. Are you looking for an in-depth narrative or an in-depth qualitative interview? Or would survey-based data of, let's say, 5000 people would suffice? And last but not the least, the access to employees and so on.

For example, you might be willing to take one-on-one interview to understand the narratives of the discrimination that perhaps have happened with them in workplace. But are they comfortable talking to you one-on-one? That's another issue. So now, you have to understand in terms of all these factors and then choose a method depending upon the objective that you're trying to achieve, the ease of data collection, the reachability or the comfort of the employees and so on.

### **Video 10: Module Summary**

So, with this, we now come to the end of the module. Let's look at some of the salient points that we have covered in the module. So, we examined the skills that you as manager should possess to prepare your employees for the upcoming future. Next, we examined the current and future challenges, both at micro and macro-level, pertaining to current and future scenarios. In fact, these challenges are spanned across sectors and industries and are common among different company sizes. So, it does not matter whether you work in a company X or company Y, industry A or industry B or for that matter, at any level of hierarchy, the rules remain the same.

Finally, we have learned how to develop inclusive cultures, where every employee feels valued and respected. The study of people at work is easier said than done. It takes tremendous time and effort to successfully do it. We understand why people cannot work in silos and therefore, understanding the social context at work are crucial. So, congratulations on taking the first step towards understanding organisational behaviour. In the coming modules, we will take deeper and further into the details of OB. Until then, stay tuned. Thank you.\

#### **Citations**

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