

Organisational Behaviour

Introduction:

The study of Organizational Behavior (OB) is very interesting and challenging too. It is related to individuals, group of people working together in teams. The study becomes more challenging when situational factors interact. The study of organizational behavior relates to the expected behavior of an individual in the organization. No two individuals are likely to behave in the same manner in a particular work situation. It is the predictability of a manager about the expected behavior of an individual. There are no absolutes in human behavior. It is the human factor that is contributory to the productivity hence the study of human behavior is important. Great importance therefore must be attached to the study.

Meaning & Definition :

In words of **K Aswathappa**,“ OB is the study of human behaviour in organisational setting, of the interface between human behaviour and organisation and of the organisation itself.”

In words of **Stephen P. Robbins**,“ OB is a field of study that investigates the impact that individuals, groups and structures have on behaviour within organisations for the purpose of applying such knowledge towards improving an organisation’s effectiveness.”

According to **L. M. Prasad**,“ Organisational behaviour can be defined as the study and application of knowledge about human behaviour related to other elements of an organisation such as structure, technology and social systems.”

According to **Davis and Newstrom**,“ Organisational behaviour is the study and application of knowledge about how people act within organisations.”

NATURE OF OB:

1. A Separate Field of Study and Not a Discipline Only:

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. An Interdisciplinary Approach:

Organizational behaviour is essentially an interdisciplinary approach to study human behaviour 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 analysing organizational behaviour.

3. An Applied Science:

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.

4. 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 accepted 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.

5. A Humanistic and Optimistic Approach:

Organizational 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 actualise these potentials if they are given proper conditions and environment. Environment affects performance of workers working in an organization.

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 behavioural scientists to analyse human behaviour in view of his/her socio-psychological framework. Man's socio- psychological framework makes man a complex one and the systems approach tries to study his/her complexity and find solution to it.

SCOPE OF OB :

- Impact of personality on performance
- Employee motivation
- Leadership
- How to create effective teams and groups
- Study of different organizational structures
- Individual behavior, attitude and learning
- Perception
- Design and development of effective organization
- Job design

- Impact of culture on organizational behavior
- Management of change
- Management of conflict and stress
- Organizational development
- Organizational culture
- Transactional analysis
- Group behavior, power and politics
- Job design
- Study of emotions

The field of the organizational behavior does not depend upon deductions based on gut feelings but attempts to gather information regarding an issue in a scientific manner under controlled conditions. It uses information and interprets the findings so that the behavior of an individual and group can be canalized as desired.

Large number of psychologists, social scientists and academicians has carried out research on various issues related to organization behavior. Employee performance and job satisfaction are determinants of accomplishment of individual and organizational goals.

Organizations have been set up to fulfill needs of the people. In today's competitive world, the organizations have to be growth-oriented. This is possible when productivity is ensured with respect to quantity of product to be produced with zero error quality. Employee absenteeism and turnover has a negative impact on productivity.

Employee who absents frequently cannot contribute towards productivity and growth of the organization. In the same manner, employee turnover causes increased cost of production. Job satisfaction is a major factor to analyze performance of an individual towards his work. Satisfied workers are productive workers who contribute towards building an appropriate work culture in an organization.

Organizations are composed of number of individuals working independently or collectively in teams, and number of such teams makes a department and number of such departments makes an organization. It is a formal structure and all departments have to function in a coordinated manner to achieve the organizational objective.

It is therefore important for all employees to possess a positive attitude towards work. They need to function in congenial atmosphere and accomplish assigned goals. It is also important for managers to develop an appropriate work culture.

Use of authority, delegation of certain powers to subordinates, division of labor, efficient communication.

Benchmarking, re-engineering, job re-design and empowerment are some of the important factors so that an organization can function as well-oiled machine.

This is not only applicable to manufacturing organizations but also to service and social organizations.

FUNCTIONS:

Planning: Involves selecting the objectives and actions to achieve them. The planning stage involves decision making and choosing future courses of action from the various alternatives.

Organizing: Role of each person in any organization is fixed. The concept of role is who will be doing what, should be known, to achieve organizational targets efficiently. It is intended that all the tasks necessary to achieve targets are assigned to people who can do the best.

Staffing: Staffing function includes keeping the various organizational positions fixed. This activity is done by identifying work force requirements, keeping the records of the performance of people working with the organization. So that suitable people can be prompted and at the same time people performing not up to the mark could be sent for training. If all the above activities are taking place in a nice way in any organization, it will give rise to minimum work force turnover.

Directing: Directing means influencing people, so that they will contribute to the organization's targets. Directing involves motivation, leadership styles and proper communication.

Controlling: It is the process of comparing the plans with the results. If there is deviation, action is taken to bridge the gap between plan and actual results.

Coordinating: The essence of management is the achievement of coordination among people coordination is a complex process following the principles by which organization activity can be accomplished. Coordinative is possible only if all the personnel working in the organization accept the target of the organization. This target must be clearly defined and 'sold 'to every one concerned.

Process of Organizing

Organizing is a process that manages how the task is distributed amongst the employees and departments and determines the policies to be followed. The process of organizing consists of seven steps; they are as follows:



1. Determining Targets

The first stage of organizing process should be to determine the targets to be fulfilled. Employee association, products, market, all rely upon the nature of the [business](#). Both financial, as well as social targets, should be determined accordingly in a scheduled manner and then managing them according to their priority and categorize them as primary, secondary, long-term and short-term targets.

2. Determining Actions

The second step is to find out and make a list of required actions to achieve the desired targets of the organization such as preparing accounts, computing sales, record-keeping, quality control, inventory control, etc. All such actions have to be arranged and classified into units.

3. Coordination of Actions

After determining actions, it is necessary to coordinate actions, i.e., organizing jobs into uniform work units, departments, and segments, and all such functions come under departmentalization. For grouping purpose, distinct groups such as territorial, process, functional, product and customer can be used, which helps to protect specialization.

4. Distribution of Duties and Responsibilities

The next step after coordination of actions should be a distribution of duties and responsibilities to the distinctive individual based on their ability and aptitude. The duties and responsibilities must be explicitly delegated to each individual to avoid the duplication of the work, as the best-suited individual will give his best to his specific delegated work.

5. Assignment of Authority

To perform the delegated work, an individual along with responsibilities also needs authority or power to make decisions regarding his work so that he/ she can perform his/her task productively. As one cannot perform their work without necessary powers and authority and such authorities are given according to their work and level. With the delegation of work, a proper chain of command runs from top-level to bottom level of employees.

6. Formation of Organization Charts and Manuals

After delegating the work and authority to the employees, organization charts and manuals are prepared on the basis of the power, authority and responsibility. Manuals are prepared based on the organization charts stating the instructions for performing daily actions.

7. Organizing Actions

Synchronizing all the actions and attempts of all the employees is necessary to establish the effectiveness of the specialized functions. The Interrelation between tasks and employees must be pre-defined so that everyone knows that, to whom they are answerable and from whom they have to take orders.

Exhibit 1: Effective organizations demonstrate strength in five key areas



Source: Framework developed by Bain & Company and adapted by Bridgespan

- **Leadership:** Nonprofit leaders tend to establish strong visions and build strong teams. These same leaders, however, seem to be less effective at translating a compelling vision into a set of explicit goals and corresponding priorities. They're even less effective at communicating priorities throughout their organizations.
- **Decision making and structure:** The ability of people to coordinate and work well together across organizational boundaries is an area where nonprofits tend to run into difficulties. Decision-making roles and processes also appear to be a significant weakness.
- **People:** Nonprofits appear to attract good talent and do well placing the right people in the right jobs. However, these employees do not feel that their work is well aligned to the priorities of the organization. What's more, organizations on average have some difficulty evaluating, developing, and rewarding staff consistent with the organizations' priorities. This finding is not surprising, given leadership scores on setting and communicating priorities. Further, nonprofits in general do not appear to prepare adequately for leadership transitions and succession; this area emerged as the biggest weakness overall.
- **Work processes and systems:** Nonprofit employees, on both the program and administrative sides, appear to be skilled and motivated. Working conditions, however, hamper their effectiveness. In particular, work processes are not well defined and resources are scarce. While this last point did not emerge strongly in the survey data, in our work with

nonprofit organizations working conditions crop up repeatedly as a major impediment.

- **Culture:** Culture is a clear strength. Interestingly, however, ability to execute change is a weakness. This finding may also correlate to the relatively low leadership score in setting priorities. Nonprofit leaders cannot effectively change the direction of their organizations if they do not know what their priorities are and what they want the change to accomplish.

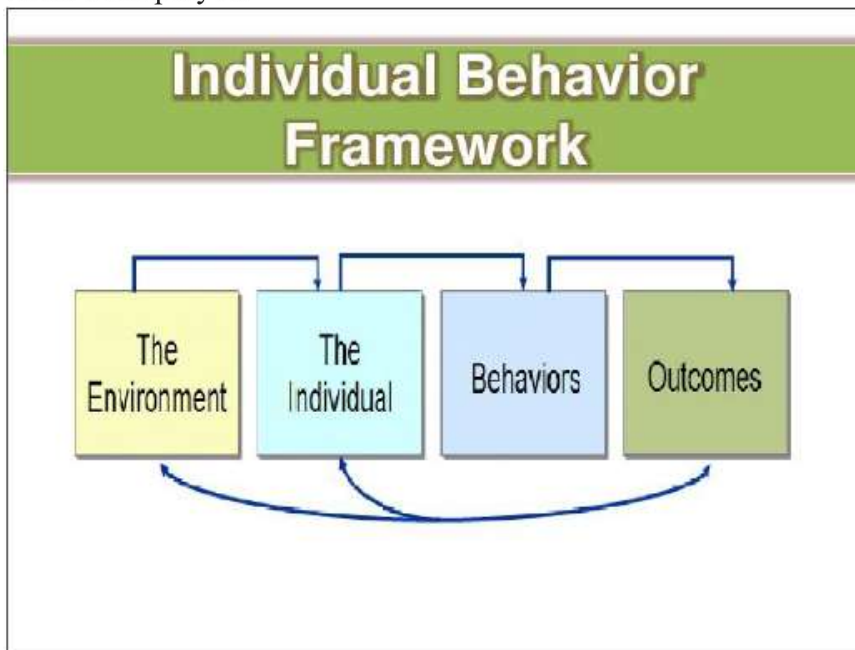
Individual Behavior

On the basis of these elements, psychologist Kurt Lewin stated the Field theory and outlined the behavior framework. This psychological theory studies the patterns of interaction between an individual and the environment. The theory is expressed using the formula

$$B = F(P, E)$$

where, B – Behavior, F - Behavior Function, P – Person, and E - Environment around the person.

Say for example, a well paid person who loses his job in recession may behave differently when unemployed.



It consists of the following features –

- **Perception** – Result of different senses like feeling, hearing etc.
- **Values** – Influences perception of a situation, decision making process.
- **Personality** – Patterns of thinking, feeling, understanding and behaving.
- **Attitude** – Positive or negative attitude like expressing one's thought.

ATTITUDE :

An attitude is a positive, negative, or mixed evaluation of an object expressed at some level of intensity. It is an expression of a favorable or unfavorable evaluation of a person, place, thing, or event. These are fundamental determinants of our perceptions of and actions toward all aspects of our social environment. Attitudes involve a complex organization of evaluative beliefs, feelings, and tendencies toward certain actions.

Perception:

Different individuals have different thinking styles, beliefs, feelings and objectives etc. and almost every individual behaves accordingly. Just because of these factors different people take different meaning for the same things. For some, a particular thing is right where as for some it is totally wrong. It is all because how you take things, what is your point of view, how you look at things.

LEARNING:

Learning can be defined as the permanent change in behavior due to direct and indirect experience. It means change in behavior, attitude due to education and training, practice and experience. It is completed by acquisition of knowledge and skills, which are relatively permanent.

PERSONALITY :

Personality can be defined as those inner psychological characteristics that both determine and reflect how a person think and act in an environment.

The inner characteristics of personality are specific qualities, attributes, traits, factors and mannerism that distinguish one individual from other individuals. Personalities are likely to influence the individual's product and store choices. They also affect the way consumer responds to a firm's communication efforts.