**CHAPTER TWO**

**UNDERSTANDING AND MANAGING BEHAVIOR**

**Introduction**

Dear student, welcome to the second chapter of the module! Here two important issues will be addressed. The first part deals with individual behavior, whereas the second part emphasizes on group behavior. In the first section, foundations of the individual behavior which include biographical characteristics, ability, personality and learning will be discussed and next, perception, values, attitudes and job satisfaction will be taken care of.

In the second part of the chapter, you will be introduced to group behavior that incorporates what a group is, its types, reasons for its formation, stages of its development, and factors that determine group performance and satisfaction. Enjoy reading each section sequentially.

**Learning Objectives:**

After completing the study of this chapter, you should be able to

* know the foundations of individual behavior
* comprehend what perception is and identify those factors that allow a stimuli to be perceived or not
* realize the major factors that may distort our perception on others and appreciate their role in individual as well as organizational life
* differentiate among values, attitudes and job satisfaction
* define what a group is and identify the reasons why people join groups
* know the types of groups and the stages of group development
* list down group member resources

**2.1. The Individual Behavior**

The outcomes of an organization depend partly on how its individual members behave. Thus, it is important to understand individual behavior. According to Agarwal, a manger has to deal with a large number of people inside as well as outside his organization. Inside his organization, he interacts with his subordinates, peers, and superiors. He has to get things done through and with his subordinate, seek the cooperation and support of his peers for his job performance, and constructively respond to the initiatives of his superiors. Outside the boundaries of his organization, he has to deal with a large number of people including customers, suppliers, competitors, legislators, public officials, etc. His success as a manager significantly depends on his ability to get the desired responses from the people with whom he deals.

In order to achieve his ends with and through others, he must understand why people behave as they do, why they act, react, and respond the way they do. This understanding of the causation of behavior will help him in two ways. First, it will help him in being able to predict the actions, reactions, and responses of others to his initiatives, and to environmental stimuli. For example, let us assume that a manager wants one of his subordinates to finish some urgent work even if he has to stay after office hours. Before initiating this request or order, the manager will like to predict the subordinate’s response. Will he, or will he not comply with it; and if he will comply, will he do so willingly or unwillingly? Or, if will not, why will not he do it? This will help the manager in formulating his strategy for dealing with the subordinate. Similarly, if he wants to ask his superior for additional office space, he ought to anticipate or predict his response. Such predictions of responses of people with whom a manager deals help him in formulating effective strategy for dealing with people.

Second, a manager has also to influence other’s behavior in order to achieve his ends. In our daily lives, we are most of the time directly or indirectly, consciously or unconsciously trying to influence the behavior of the people with whom we interact. We try to make these others think, believe, do or not do things to the end of serving our own ends. A manager does the same thing because he needs others’ help and coordination for his success. In relation to his subordinates, it is his responsibility as a leader to influence their behavior so as to optimize their contribution to the organization, and minimize their dysfunctional and negative behavior. He also needs to influence the behavior of his peers in order to secure from them their contribution and support for his effective performance. He is also required to influence his superiors’ behavior and policies in such away that he gains their favor and other things which he wants.

Understanding human behavior with the objective of predicting and influencing it is as difficult as important it is to the manager. However, some generalizations have been developed about human behavior which helps us in gaining its understanding.

**2.1.1 Foundations of the Individual Behavior**

Our behavior is somewhat shaped by our personalities and the learning experience we have encountered. In this section four individual level variables-biographical characteristics, ability, personality and learning- will be discussed. Finally, how these variables affect employee performance and satisfaction will be addressed.

**a. Biographical characteristics**

These are personal characteristics such as age, sex, and marital status as well as the length of the service.

1. **Age**: seems to have no relationship with productivity. Older people and those with longer tenure are less likely to resign. In other words, the older you get; the less likely you are to quit your job. This is true because as workers get older, they have fewer alternative job opportunities and also older workers are less likely to resign because their longer tenure tends to provide them with higher wage rates, longer paid vacations, and more attractive pension benefits. Generally, older employees have lower rates of avoidable absence than do younger employees. However, they have higher rates of unavoidable absence. This is probably true due the poorer health associated with aging and the longer recovery period that older workers need when injured.
2. **Marital Status**: there are not enough studies to draw any conclusions about the effect of marital status on productivity. But consistent research indicates that married employees have fewer absence, turnover and reporting higher job satisfaction than do unmarried ones. This information can help managers in making choice among job applicants. Marriage imposes increased responsibilities that may make a steady job more valuable and important.
3. **Number of Dependents**: strong evidence indicates that the number of children an employee has is positively correlated with absence, especially among females. Similarly, the evidence seems to point to a positive relationship between number of dependents and job satisfaction. In contrast, studies relating number of dependents and turnover produce mixed results. Some indicate that children increase turnover; others show that they result in lower turnover.
4. **Tenure**: extensive reviews ofthe seniority-productivity relationship have been conducted. While past performance tends to be related to output in a new position, seniority by itself is not a good predictor of productivity. In other words, holding all other things equal, there is no reason to believe that people who have been on a job are more productive than those with less seniority. As to the relationship between tenure to absence is quite straight forward. Studies consistently demonstrate seniority to be negatively correlated to absenteeism. Research also indicates that tenure on an employee’s previous job is a powerful predictor of that employee’s future turnover.

**b. Ability:**Ability refers to an individual’s capacity to perform the various tasks in a job. Everyone has strengths and weaknesses in terms of ability that make him/her relatively superior or inferior to others in performing certain tasks or activities. The issue from management’s point of view is to know how people differ in abilities and using that knowledge to increase the likelihood an employee will perform his or her job well.

Jobs differ in the demands they place on incumbents to use their intellectual abilities. Generally speaking, the more information processing demands that exist in a job, the more general intelligence and verbal abilities will be necessary to perform the job successfully. The specific intellectual or physical abilities required for adequate job performance depend on the ability requirements of the job. Ability directly influences an employee’s level of performance and satisfaction through ability – job – fit. Ability – job – fit can be ensured by employing the following methods.

1. by ensuring effective selection process
2. Conducting promotion and transfer decisions affecting individual employees in organization according to abilities of candidates.
3. By providing training for employees

**c. Personality*:*** as coined by Luthans, through the years there has not been universal agreement on the exact meaning of personality. Much of the controversy can be attributed to the fact that people in general and those in the behavioral science in particular define” personality” from different perspectives. Personality means how people affect others and how they understand and view themselves, as well as their pattern of inner and outer measurable traits and the person- situation interactions.

Robbins asserts that personality is the sum total of ways in which an individual reacts and interacts with others. Though not the only factor, heredity plays an important part in determining an individual’s personality. Factors that exert pressures on our personality are the culture in which we were raised, the norms among our family, friends and social groups. An individual’s personality is now generally considered to be made up of both heredity and environmental factors, moderated by situational conditions.

Heredity refers to those factors that were determined at conception. Physical stature, facial attractiveness, sex, temperament, muscle composition, and reflexes, energy level, and biological rhythms are characteristics that generally considered to be either completely or substantially influenced by who your parents were, that is, by their biological, physiological, and inherent psychological makeup.

The environment we are exposed to plays a substantive role in shaping our personalities. For example, culture in which we are grown up establishes our norms, attitudes, and values that are passed along from one generation to the next and create consistencies over time. An ideology that is intensely fostered in one culture may have only moderate influence in another.

Popular characteristics include shy, aggressiveness, submissive, lazy, ambitious, loyal, and timid. These characteristics, when exhibited in a large number of situations are called personality traits. The more consistent the characteristics and the more frequently it occurs in diverse situations, the more important that traits is in describing the individual. In recent years, an impressive body of research supports that five basic personality dimensions underlie all others. They are referred to as the Big Five Factors. They are:

* Extraversion: sociable, talkative, assertive
* Agreeableness: good-natured, cooperative, and trusting
* Conscientiousness: responsible, dependable, persistent, and achievement oriented
* Emotional stability: calm, enthusiastic, secure(positive) to tense, nervous, depressed, and insecure(negative)
* Openness to experience: imaginative, artistically sensitive, and intellectual.

The major personality attributes influencing organizational behavior include:

* **Locus of control**: some people believe that they are masters of their own fate. Others see themselves as pawns of fate; believe that what happens to them in their lives is due to luck or chance. The first types, those who believe they control their destines, have been labeled as internals, whereas the latter, who see their lives as being controlled by outside forces, are called externals.
* **Machiavellianism**: an individual who is high in Machiavellianism is pragmatic, maintains emotional distance, and believes that ends can justify the means.
* **Self Esteem**: people differ in the degree to which they like or dislike themselves. This trait is called self esteem.
* **Self Monitoring**: this refers to an individual’s ability to adjust his or her behavior to external, situational factors.
* **Risk Taking**: people differ in their willingness to take risks. This propensity to assume or avoid risk has been shown to have an impact on how long it takes managers to make a decision and how much information they require before making their choices.

**d. Learning**: as affirmed by Robbins, learning is any relatively permanent change in behavior that occurs as the result of experience. It is the process by which people acquire the competencies and beliefs that affect their behavior in organizations. Ironically, we can say that changes in behavior indicate learning has taken place and that learning is a change in behavior.

Mishra opined that learning is the process by which individuals acquire the knowledge and experience to be applied in future behavior. The learning process may be intentional or incidental. It encompasses the total learning process from the beginning of life to its end, going through reflexive responses to knowing abstract concepts and complex problems solving.

**The Learning Process**

The outcome of learning is a permanent change in behavior. Therefore, learning is a permanent change in behavior as result of a cognitive process. A temporary change in behavior is not learning because it is purely reflexive. Change in behavior is the necessary outcome of learning. A cognitive change process in the mind of an employee resulting in behavioral change is learning. Learning is the process by which an activity originates or is changed by reacting to an encountered situation, provided that the characteristics of the change in activity cannot be explained on the basis of native response tendencies, maturation or temporary states of the organism.

Behavior is learned through a cognitive process. It is not a spontaneous and natural process. Hence, a learning process is a mental and habit formation process. Attention is paid to certain stimuli used for learning which are recognized and transited into reinforcement and behavior. The learning process is depicted in the figure below.

Translation

Stimuli

Recognition

Attention

Reinforcement

Behavior

Reward

Efforts

Motives

Habit

***Figure 2.1The Learning Process****:* Adopted from S.P.Robbins: ‘Organizational Behavior’, Prentice Hall of India, 1996, P.105.

Below each of the elements included in the above figure are briefly described for easy understanding of the matter.

1. **Stimul**i: are any objects and language which draw the attention of people. The stimuli available at work are numerous. Social, political, cultural, and geographical factors provide varieties of stimuli for learning.
2. **Attention**: the degree of attention depends on the nature of stimuli. All stimuli are not paid attention to. The personality level of employees influences their desires to learn, motives for need fulfillment and tension reduction. Attention is the allocation of our mental capacity to various stimuli that take place in our surroundings.
3. **Recognition**: attention paid stimuli is recognized as acceptable factors of improvement and new life styles. The level of recognition depends upon the levels of values, preferences, needs, and desires of the employee.
4. **Translation**: recognized stimuli are evaluated at the mental level to eliminate the irrelevant points for accepting a part of the stimulus for changing behavior. The evaluation and appraisal of the recognized stimuli helps in reinforcement.
5. **Reinforcement**: perception itself is not learning unless it is reinforced. Repeated action is reinforced. Reinforcement can be positive, negative, punishment or extinction.
6. **Behavior**: employees expect rewards for learning. If the translated behavior provides a reward, it is accepted; otherwise, it is not accepted.
7. **Habits**: a permanent change in behavior becomes a habit which helps continuous improvement in behavior and performance. Habits help the development of capability and capacity of employees.
8. **Motives**: depend on the level of satisfaction. Employees getting more satisfaction through learning develop high motives while less satisfied learners have low motives.
9. **Efforts**: habits help achieve good efforts and performance. This is a continuous process. Efforts are the automatic outcomes of good habits which are acquired through the learning process.

**2.1.2. Perception and the Individual Behavior**

Perception can be defined as a process by which individuals organize and interpret their sensory impressions in order to give meaning to their real environment. However, perception is not necessarily the same as reality, nor is the perception of two people necessarily the same. This means what one perceives can be substantially different from objective reality. Perception is a way of forming impressions about oneself, other people and daily life experience. People respond to situations in terms of their perception.

The perceiver, the target, and the situation are among the major factors that influence perception. Characteristics in the target that is being observed can affect what is perceived. Loud people are more likely to be noticed in a group than quiet ones. Again the situation affects our perception. The time at which an object or event is seen can influence attention, as can location, light, heat or any number of situational factors.

Numerous stimuli are constantly confronting everyone. The noise of the air conditioner or printer, the sound of people talking and moving, and outside noises from cars, planes, or street repair work are a few of the stimuli affecting the senses plus. Sometimes the stimuli are below the person’s conscious threshold, a process called subliminal perception. With all these stimuli impinging on people, how and why do they select out only a very few stimuli at a given time? Part of the answers can be found in the principles of perceptual selectivity which are described as follows:

1. **Intensity**: this principle states that the more intense the external stimuli, the more likely it is to be perceived. A loud noise, strong odor, or bright light will be noticed more than a soft sound, weak odor, or dim light. Advertisers use intensity to gain the consumers’ attention.
2. **Size**: this principle states that the larger the object, the more likely it will be perceived.
3. **Repetition**: as to this principle, a repeated external stimulus is more attention getting than a single one. Thus, a worker will generally ‘hear’ better when directions are given more than once.
4. **Motion**: people will pay more attention to moving objects in their field of vision than they will to stationary objects.
5. **Novelty and Familiarity**: this principle states the novel and familiar external situations can serve as an attention getter. New objects or events in familiar setting or familiar objects or events in a new setting will draw the attention of the perceiver.

**Factors That May Distort our Judgment on Others**

In this section the major factors that may distort our judgment on others like selective perception, hallo effect, contrast effect, projection, and stereotyping will be discussed.

**1. Selective perception**: any characteristic that makes a person, object, or event stand out will increase the probability it will be perceived. Why? Because it is impossible for us to assimilate everything we see-only certain stimuli can be taken in. Since we can not observe every thing going on about us, we engage in selective perception. We selectively interpret what we see on the basis of our interests, attitudes, background and experiences. For example, we are more likely to notice items like our own. Generally, individuals perceive what they want to perceive not everything they come across in their surroundings.

***2.* Hallo Effect*:*** is concerned with drawing general impressions about an individual in the basis of a single character. When we draw a general impression about an individual based on a single characteristic such as intelligence, sociability, or appearance, a halo effect is operating. Hallo effect is operating when interviewers make an error in judging a person’s total personality and/or performance on the basis of a single positive trait such as intelligence, appearance, dependability, or cooperativeness.

***3.* Contrast Effects**: we do not evaluate a person in isolation. Other persons we have encountered influence our reaction to one person. An illustration of how contrast effects operate is an interview situation in which one sees a pool of applicants. Distortions in any candidate’s evaluation can occur as result of his or her place in the interview schedule. The candidate is likely to receive a more favorable evaluation if preceded by mediocre applicants, and a less favorable evaluation if preceded by strong applicants.

**4. Projection*:*** it is easy to judge others if we assume they are similar to us. For instance, if you want challenge and responsibility in your job, you assume others want the same. People who engage in projection tend to perceive others according to what they themselves are like rather than according to what other people being observed is really like. We assume that others are similar to us. For example, if manager is trust worthy, he may also treat his subordinates as if they were trustworthy.

**5. Stereotyping:** is judging some one on the basis of one’s perception of the *group* to which he/she belongs. Generalization is a means of simplifying a complex world. Assume that you want to hire someone who is ambitious, hardworking, who can deal well with adversity. You have had good success in the past by hiring individuals who participated in athletics during college. So you focus your search by looking for a candidate who participated in college athletics. In so doing, you have cut down considerably on your search time.

Stereotyping is based on an ideal situation or the type of impression formed about the group. It is the consideration of individual’s characteristics as being representative of the whole group. According to it, if an employee is found to well behaved, the whole group of employees is considered to be good.

**2.1.3. Attitudes and Job Satisfaction**

**a. Attitudes:** Like values, attitudes are important organizational behavior component. Attitudes are evaluative statements either favorable or unfavorable concerning objects, people or events. They reflect how one feels about something. When someone says “I like my job,” he/she is expressing his/her attitude about the work. An attitude is predisposition to respond in a positive or negative way to some one or something in one’s environment. In contrast to values, your attitudes are less stable.

Beliefs and values create attitudes that predispose behavior.

**Types of Attitudes**

A person can have thousands of attitudes, but organizational behavior focuses on a very limited number of job related attitudes. These job related attitudes tap positive or negative evaluations that employees hold about aspects of their work environment. Below the major job related attitudes including job satisfaction, job involvement, organizational commitment and organizational citizenship are discussed.

1. **Job satisfaction**: the term job satisfaction refers to an individual’s general attitude towards his/her job. A person with a high level of job satisfaction holds positive attitudes towards the job; a person who is dissatisfied with her/ his job holds negative attitude about the job. This will be discussed in detail latter.
2. **Job Involvement**: this term is a more recent addition to the organizational behavior literature. It measures the degree to which a person identifies psychologically with his or her job and considers his/ her perceived performance level important to self worth. Employees with a high level of job involvement strongly identify with and really care for the kind of job they do.
3. **Organizational Commitment**: it is defined as a state which an employee identifies with a particular organization and its goals, and wishes to maintain membership in the organization. So high job involvement means identifying with one’s specific job; high organizational commitment means identifying with one’s employing organization. For example, an employee may be dissatisfied with his or her particular job and considers it as a temporary condition, yet not be dissatisfied with the organization as a whole.
4. **Organizational citizenship**: refers to the behavior that contributes to the well-being of the organization. Organizational citizenship behavior results from job satisfaction. It involves more than just performing your job.

**Determinants of Job Satisfaction**

* **Mentally challenging work**: employees tend to prefer jobs that give them opportunities to use their skills and abilities and offer a variety of tasks, freedom, and feed back on how well they are doing. These characteristics make work mentally challenging. Jobs that have too little challenge create boredom, but too much challenge creates frustration and feelings of failure. Under conditions of moderate challenge, most employees will experience pleasure and satisfaction.
* **Equitable rewards**: employees want pay systems and promotion polices that they perceive as being just, unambiguous, and in line with their expectation. When pay is seen as fair based on job demands, individual skill level, and community pay standards, satisfaction is likely to result.
* **Supportive working conditions**: employees are concerned with their work environments for both personal comfort and facilitating doing a good job. Most employees prefer working relatively close to home in clean and relatively modern facilities and with adequate tools and equipment.
* **Supportive colleagues**: For most employees work does not only satisfy financial needs but also the need for social interaction. Thus, having friendly and supportive coworkers lead to increased job satisfaction. Employee satisfaction is increased when the immediate supervisor understands and friendly, offers praise for good performance, listens to employee’s opinions and shows a personal interest.

**2.2. Group Behavior**

Marvin Show defines a group as any number of persons who interact with each other in such a manner that the behavior of one is influenced by the behavior of other persons. It seems from this definition that group involves interactions among two or more people. It may be added that these interactions should be accompanied by psychological awareness of one another, and interacting people should perceive themselves as a group. Another aspect of group that emerges from the above definition is that behavior of group members is influenced by one another. In fact, behavior of group members influenced not so much by one another as by group norms that develop through continuous interactions among members.

**2**.**2.1. Types of Groups**

Groups can be either formal or informal. These two forms of groups are described here under.

1. **Formal Groups**: are those defined by the organization’s structure, with designated work assignments to accomplish tasks. In formal groups, the behavior that one should engage in are stipulated by and directed toward organizational goals.
2. **Informal Groups**: are alliances that are neither formally structured nor organizationally determined. These groups are natural formation in the work environment that appears in response to the need for social contact. Three employees from different departments who regularly eat lunch together are example of an informal group. Informal groups provide a very important service by satisfying their member’s social needs.
3. **Command Group**: are made up of individuals performing the same basic tasks and who directly report to a given superior in the structure. It is also referred to as a functional group. It is determined by the organizational chart.
4. **Task Groups**: refers to employees who work together to complete a project or a job. These are also organizationally determined. A task group’s boundaries are not limited to its immediate hierarchical superior. It can cross command relationships.
5. **Interest Groups:** are people may or may not be aligned into common command or task groups who may affiliate to attain a specific objective with which each is concerned. For example, employees who band together to have their vacation schedule altered, to support a peer who has been fired, or to seek increased fringe benefits represent the formation of a united body to further their characteristics, that is the formation of interest groups.
6. **Friendship Groups**: groups often develop because the individual members have one or more common characteristics. We call this formation friendship group.

**2.2.2. Group Formation**

There is no single reason why individuals join groups. Since most people belong to a number of groups, it is obvious that different groups provide different benefits to their members. Group formation has certain objectives. The purpose behind group formation may be task achievement, problem solving, proximity or other socio-psychological requirements. It is based on activities, interactions and sentiments. The most popular reasons among others why people join a group are the following:

1. **Physical (proximity) reasons**: workers placed together in similar jobs as result of their increased interaction form a group. The most basic theory explaining affiliation is propinquity which means individuals affiliate with one another because of spatial or geographical proximity. According to this theory, students sitting next to one another in class are more likely to form into a group than students sitting at opposite ends of the room. In an organization, employees who work in same area of the plant or office or managers with offices close to one another would more probably from into groups than would those who are not physically located together.
2. **Economic reasons:** work groups form because individuals believe that they can derive more economic benefits from their jobs if they are in groups.
3. **Socio Psychological reasons**: workers are motivated to form work groups to satisfy their security and social needs. People in groups feel more secured and such social interaction also helps them feel important. People cooperate with members of the group on social as well as economic grounds to reach satisfactory levels.
4. **Power**: what cannot be achieved individually often becomes possible through group action. There is power in groups.
5. **Goal achievement**: there are times when it takes more than one person to accomplish a particular task-there is a need to pool talents, knowledge, or power in order to get a job completed. In such cases management relies on formal groups. In any organization, task accomplishment is the reason for which different groups such as an engineering group, marketing groups, foremen’s groups and others are formed for achieving certain stated goals.

**2.2.4 Group Development**

Groups do not form over nights. They go through various common stages of development. The process of developing from a group of strangers to a unit of cohesive, well coordinated team requires time and a great deal of interaction among group members. Groups usually follow the following stages of development.

1. **Forming*:*** this stag*e is* characterized by a great deal of uncertainty about the group’s purpose, structure, and leadership.As the group comes together communication will be guarded and members are reluctant to express their true attitudes and feelings. This stage is trying out stage in which each person attempts to find out as much as possible about the rest of the group with out exposing much of his/her self.
2. **Storming*:*** at this stage the group members begin to communicate more openly with each other. Member’s individual goals or personal agendas are expected to be revealed. It is characterized by intra- group conflict – members accept the existence of the group but resist the constraints the group imposes on individuality. Further, there is conflict over who will control the group. Members storm their views. They put forth their views forcibly with strength, and this evidences interpersonal conflicts. Many problems are brought to the group for discussion and solution. Many conflicting views may be expressed.
3. **Normin*g***: close relationship and cohesiveness characterize this stage. The group establishes the norms and patterns of work under which it will operate. Disagreements and conflicts are resolved; group achieves unity, consensus about who holds the power and understanding of the role of members. This norming stage is complete when the group structure solidifies and the group has assimilated a common set of expectations of what defines correct member behavior.
4. **Performin*g***: the structure at this point is fully functional and accepted. Members enjoy belonging to the group and develop synergy. A strong sense of group identity and a companionship is developed. Group energy has moved from getting to know and understand each other to performing the task at hand. Here the group dominates the individuals; group norms have now been established to control individual behavior and the social structure of the group is now firmly established. The group begins to function and moves toward accomplishing its objectives.
5. **Adjourning**: for permanent work groups performing is the last stage in their development. However, for temporary committees, teams, task forces, and similar groups that have a limited task to perform, there is an adjourning stage. Adjourning can take place even before completing the task, due to misunderstandings, and storming. In this stage the group prepares to disbandment. High task performance is no longer their propriety. Instead, attention is directed toward wrapping up activities. Responses of group members vary in this stage. Some may be happy of the group’s accomplishment while others may be depressed due to the loss of friendships gained during the work group’s life.