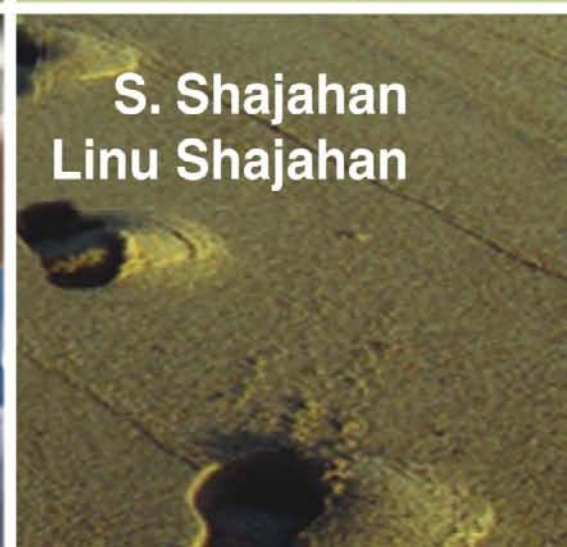
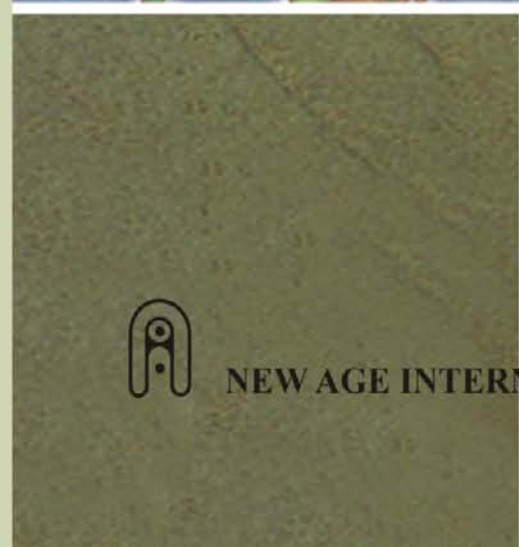
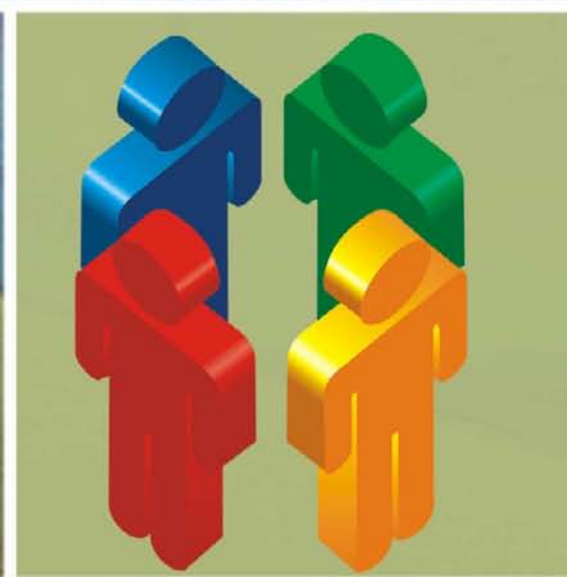


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# Organization Behaviour

**(Text and Cases including Internet Exercises and Skill Tests)**



S. Shajahan  
Linu Shajahan



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# **ORGANIZATION BEHAVIOUR**

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# **ORGANIZATION BEHAVIOUR**

**(Text and Cases Including Internet  
Exercises and Skill Tests)**

**Dr. S. Shajahan**

**(Management Consultant and Faculty Member)  
ICFAI Business School, Chennai**

**and**

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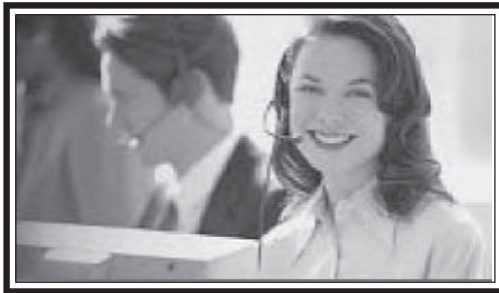
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*“Organization does not really accomplish anything. Plans donot accomplish anything either. Theories of Management don’t much matter. Endeavours succeed or fail because of the people involved. Only by attracting the best people organisation accomplish great deeds. It’s people who count.”*

– **COLIN POWELL**  
(US Secretary of State)

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## A TRIBUTE TO PROF. CHRIS ARGYRIS

*Many of the author's writing is influenced by the thinking of Prof. Argyris a living legend in Psycho dynamics. The author sincerely hopes that the following write-up will helps to energetise the thinking of new order managers and organization.*

'ONE OF THE CHIEF' preoccupations of the behavioural science movement in industry have been to find way to motivate employees. To Prof. Chris Argyris, who has been in the field longer than most, which is not the problem. In his view every body is already motivated. The problem facing companies is how to take the motivation in the right direction. According to Argyris a balding, studious, good looking man, every individual has **psychological energy** to expend. Exerting that energy in a way that helps him fulfills his own social and egoistic needs, is what motivates an individual. Therefore, provided a company is structured in such a way that an individual is able to meet these self-fulfillment needs, the psychological energy will be used in the company's interests. If the reverse is the case the psychological energy can easily be used to thwart the company's aims.

Convinced of this belief, Argyris has sent much of his long academic and consulting career seeking ways to match corporate needs with those of the individual. He is a professor of education and organizational behaviour at Harvard University's Graduate Schools of Education and Business. He has an academic background that has fitted him well for his field of research. A bachelor degree Psychology, a master's degree in Economic and a Doctorate in Organizational Behaviour are among his qualifications. His consulting work has taken him into a broad range of organizations. Among the large concerns that have retained him are international business machines, Dupont and Shell oil. He has served as a special consultant to the US State Dept. on problems of executive development and productivity has been sought by the Governments of the US, France, Norway, Sweden, Germany, Italy, Greece and the Netherlands. His research findings have been poured into 15 books and over 100 articles.

Argyris, who is married and has two children, is seen by many to have a prickly, sometimes abrasive personality. Yet he is highly respected by fellow behavioural scientists and industrialists. In 1969 the National Industrial Conference Board took a survey to find which behavioural scientists had the greatest impact on corporate management. Among the 241 US companies expressing interest in behavioural science, Argyris ranked fourth in the number of mentions. Dr. Gordon Lippitt, Professor of Behavioural Science at George Washington University, believes that Argyris greatest contribution to his field was his illumination of the idea that formal organizations are basically anti-maturing and therefore act against employees achieving a sense of self actualisation. Argyris described this theory in a book called *Personality and Organization* published in 1967, which was regarded by many as a classic work on the steadily expanding field of behavioural science.

"I believe this book was outstanding", says Lippitt. "It pointed out that as parents we bring children into the being multi-skilled. But when they grow up and go for a job they are told to be an accountant, or an engineer, or are told to spend their time fitting a right rear wheel to a Chevrolet. They're put into conditions which are anti-maturing. Fundamentally, *Argyris research suggests that what an adult does at work can be understood by the extent to which he has matured from the infantile ways of babyhood. Argyris identified seven basic developments in the progression from infancy towards maturity. These are : (a) From infant passivity towards adult activity; (b) from dependence towards relative independence; (c) from limited behaviours to many different behaviours from erratic, shallow, brief*



interests to more stable, deeper interests; (d) from short time perspective to longer time perspective; (e) from a subordinate social position to an equal or superior social positions; (f) from lack of self-awareness to selfawareness and self-control.

With this maturing process goes the possibility for the full and constructive release of psychological energy. The trouble, as Argyris sees it, however, is that the typical approach to the management of organizations, and the lack of interpersonal competence in them, prevents people becoming mature in outlook and fails to arouse their full psychological energy. To assist corporate leaders to change leaders, to change their organizations so that they take individual aspirations more into account. Argyris has developed a concept he calls the "mix mode". This contrasts the factors which direct an individual's psychological energy towards the best interest of the firm with those that alienate him from the firm. Factors alienating him from the firm include too much central control and working within the narrow framework of a single department without recognising its role in the total organization. By contrast, the individual's aim directed towards the company when it has an atmosphere of open communication and there is a more democratic distribution of power. *But does this model for change amount to a significant scientific theory ?* Does it, for example rank with Dr. Robert Blake's Grid, which attempts to identify managerial styles by balancing a concern for production against a concern for people ? Can it be compared to Dr. Rensis Likert's four systems which itemize the factors governing the transition from an autocratic to a democratic organization ?

"No, if you want to give it a brand image. Yes, if you study it", says Neville Osmond, a UK personnel specialist, "Argyris has evolved a framework which is not unique. He has derived it from many sources. *His principal aim is to force the organization. Whether it wants to or not, to provide the necessary framework for people to develop.* Argyris castigates and no doubt he is rating this most organizations for requiring less than the full abilities of people. As he sees it, people too often remain shortsighted in their actions on the job. They are concerned with present advantages and unable to see future consequences. They shirk responsibility and are uninterested in opportunities. Their approach to their work is apathetic" Argyris attributes part of the blame to the very nature of industrial organizations with pyramidal structures, formally designated roles, divisions of labour, lines of authority, and rigidly defined communication channels. *In Argyris view, these formal systems, born out of the scientific management movement, totally ignore the social and egoistic needs of the individual.* These social and egoistic needs include a sense of personal esteem, a means of involvement in creative, work, a feeling of contributing on a worthwhile level to the work groups to which the employee belongs and recognition for this contribution. The employee also needs an opportunity to participate in the planning, decision making and execution of matters affecting him.

To a certain extent, Argyris believes these requirements can be met by adapting organizations to conform to human needs. He advocates, for example, that in many cases the "one-man-boss" concept can be discarded in favour of temporary work groups that cut across formal organizational lines and bring together people with a collection of appropriate skills to tackle a given job. He also favours the project management approach to organization or the "free-floating task group" concept in which authority shifts with expertise. Argyris also promotes the idea of job enlargement at the worker level. He believes it is necessary to redesign a broad range of jobs in order to fit an individual's particular set of interests and skills to the organization's objectives, rather than the converse approach of fitting the man to the job.

*Argyris also believes that one of the greatest barriers to turning what he calls “sick” organizations into healthy ones is a lack of interpersonal competence. He has therefore been a strong advocate of sensitivity training techniques, which aim at creating an open atmosphere between individuals. He says the reason he feels this is necessary is because “when it comes to confronting issues that are related to personalities, interpersonal relations, inter-group, rivalries, the tendency is to hid the facts. This leads to the following paradox: “Under these conditions, the others, to whom I have been polite and civilised, sense that I am communicating somewhat defensively. They will wonder why. Since they are also programmed to behave the same way I do, they hide their feelings and begin to be careful in what they say and what they believe. Since I am alert to the possibility that the others may become upset, I sense their defensiveness and use it as proof that I was correct in my original diagnosis. So the processes are self-sealing.”* Argyris point out that this discrepancy has major implications for inter-personal relationships in an organization, since it is the executive’s theory in use that people follow not his espoused theory. All the evidence we have indicated that the key issue for credibility is not what a person says but what he does.

Argyris illustrates this point with an anecdote about a company chairman who was notorious for declaring. “I like will ducks”. When his back was turned the vice-chairman would add: “yes, all flying in the same direction”. Some behavioural scientists are critical of what they believe to be Argyris preoccupation with individual personalities in his work, rather than taking the broader perspective that other social scientists do by looking at over-all company cultures.” *With the exception of one study published ten years ago, Argyris’ work seems to be focused exclusively on the problems of the individual,* notes Dr. Blake. Another criticism of Argyris is that his strong inclination towards candour sometimes errors on the side of abrasiveness or even aggression.” *If he goes into a company and doesn’t like what is going on, he tells them”* says David C. McClland, a fellow professor at Harvard. “*He’s lost a lot of clients that way. He told the US State department that they were ridiculous because they didn’t fit his model of the way they should be organized*”. Another behavioural scientist notes that sometimes on a consulting assignment “he gets into a win-loss situation, and forgets why he is there in the first place”. He thinks this trait may have its roots in sibling competitiveness with an identical twin brother who is a successful medical doctor. However, Lippitt, who has worked with Argyris on consulting assignments, firmly believes that Argyris’ confrontive methods are part of his technique. “*One of his intervention techniques is to stock the hell out of the client and really needle him by confronting him with the fact that he has a sick organization*”.

**Dr. S. SHAJAHAN**

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# PREFACE

A Dominant theme affecting organization is change. Change has become a constant. After liberalisation process, the domestic firms have been passing through a period of transition, from a seller's market to buyer's market and from rationing shortages to marketing of surpluses. Now effective use of Information Technology has been identified as an important strategy for enhancing the competitiveness of any organization in this millennium. Today, the global economy is increasingly influenced by Internet Technology and the Global Internet trade is expected to reach \$ 56.8 trillion in 2004, which is amounting to 8.6% of global trade. Effects of an emerging global economy. Internet, customer relationship management and free flow of information and people across the national boundaries and culture. In response, the book has adopted the latest concepts, practices and cases of organization behaviour. I believe in the potential of internet and information technology in revolutionising the ongoing organization restructuring and practices in India. Hence six internet exercises were incorporated in the chapter 15 for strengthening the knowledge and current practices of global companies.

In a bid to strengthen the organization, "Organization Behaviour" is included as one of the fundamental subjects for various Management and Technology courses offered in Indian Universities. This book presents an overview of updated, multifaceted, and latest global information systems. This book covers syllabi requirements of MBA, MCA, BBA, BCA, MIT, MIB and other Post Graduate, Degree, and Diploma level Engineering and Management course of Indian Universities. This book comprises 15 chapters organized under five sections, 14 self improvement tests, 5 cases, 6 internet exercises and the latest OB concepts and practices like virtual team, empowerment, development management potential performance programming, indigenisation of western management of varying lengths and levels of difficulty. Chapter 14 highlights the latest trends in OB concepts and practices. Chapter 15 gives more emphasis on internet based OB applications and live cases which offer students to more ideas, insights and research findings. This will stimulate classroom discussions of real world OB issues. Improved approach to pedagogy supported with self improvement techniques like 'Test Yourself', discussion question, student exercise and endnotes designed to enhance student learning. Further chapters are categorised under five sections : Overview of OB in the new millennium, Individual process, Team and Inter - personal process, Organizational process and case study and internet exercise. Details of the framework and chapterisation of the book is explained at the end of chapter 1.

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**Dr. S. SHAJAHAN**

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## CHAPTER 1

### OVERVIEW OF ORGANIZATION IN THE MILLENNIUM

#### LEARNING OBJECTIVES

*This chapter aims at introducing the following concepts as a pre-requisite for explaining the Organization Behaviour theories and practices to the readers:*

- *Fundamental concepts in Organization Behaviour*
- *Major characteristics*
- *Nature and scope*
- *Fundamental theories in Organization Behaviour*
- *Value systems*
- *Scientific and Human relation approaches in Organization Behaviour*
- *Organization Behaviour in the new millennium*
- *Interactionalism*
- *Virtual organization*
- *Cultivating global mind set and*
- *Limitations of Organization Behaviour*



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## CHAPTER – 1

# Overview of Organization Behaviour in The New Millennium

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This book is about the people. It is also about the organization itself and the managers who operate it. The study of organizations and of the people who work in them together constitute the field of organizational behaviour. In this introductory chapter, we begin with a comprehensive definition of organizational behaviour and discuss a framework for its study. Then we trace the field's historical roots and its emergence as an independent field. Next, we discuss contemporary organizational behaviour and present an overview of the rest of this book. Finally, we examine several contextual perspectives that provide a general framework for a more comprehensive examination of human behaviour at work. Organizational behaviour is the study of human behaviour in organizational settings, the interface between human behaviour and the organization, and the organization itself.

### 1.1 BACKGROUND

An organization is a system of two or more persons, engaged in cooperative action, trying to reach some purpose. Organizations are bounded systems of structured social interaction featuring authority relations, communication systems, and the use of incentives. Example of organizations includes businesses, hospitals, colleges, retail stores, and prisons. The term organizational behaviour is a little misleading because it actually refers to the behaviour of people in organizations—organizations themselves do not behave. Organizational behaviour tries to understand the behaviour, attitudes, and performance of people in organizations. Organizational theory focuses on the design and structure of organizations. Organizational behaviour is an applied behavioural science that is built upon contributions from a number of behavioural disciplines. Now, as perhaps never before, there is a growing awareness that the success of our organizations is directly dependent on the effective use of human resources based on the applied behavioural sciences. To meet these challenges we need special tools and the skills to use these tools. This is what this book is all about. It not only presents fundamental behavioural science concepts and theories but also suggests proven simple-to-use tools based on the behavioural sciences.

We have all known courageous men and women who have provided the vision and energy to make things happen in very difficult situations. But even after decades of research, we are still unable to identify with certainty the specific causal factors that determine managerial success at a specific time and place. This is because real-life situations are never static. They are in a constant state of change, with many factors or variables interacting at the same time. Because of this, the behavioural sciences, unlike the physical sciences, deal in probabilities. In developing these ideas and skills, we wanted to build upon the considerable legacy of the behavioural sciences by using a common language so managers could easily master the key ideas and skills. Many of our most critical problems are not in the world of things but in the world of people. Our greatest failure as human beings has been the inability to secure cooperation and understanding with others. Shortly after World War II, Elton Mayo recognized this problem when he reflected, “*the consequences for society of the unbalance between the development of technical and of social skills have been disastrous.*”

Much of what you read in this book may have an impact on your knowledge and attitudes, but this book becomes relevant only if you are willing to “try on” some new behaviours. This means that a behavioural scientist integrates concepts and theories and the results of empirical studies from the areas of cultural anthropology, economics, political science, psychology, sociology, and social psychology. At the same time, a behavioural scientist also borrows from other areas such as engineering, physics, quantitative analysis, and statistics. For example, force field analysis, developed by Kurt Lewin, which we will be talking about later in this book, is directly related to concepts in Physics. So, perhaps the best way to look at the field is to say that a behavioural scientist attempts to integrate all of those areas or disciplines that can be useful to us as practitioners in better understanding, predicting, and having an impact on the behaviour of individuals and groups. The predominant areas are psychology, sociology, social psychology, anthropology, and political science. As we shall learn, psychology’s contributions have been mainly at the individual or micro level of analysis; the other four disciplines have contributed to our understanding of macro concepts such as group processes and organization. Table 1.1 presents an overview of the major contributions to the study of organizational behaviour.

**Table 1.1. Toward on OB discipline**

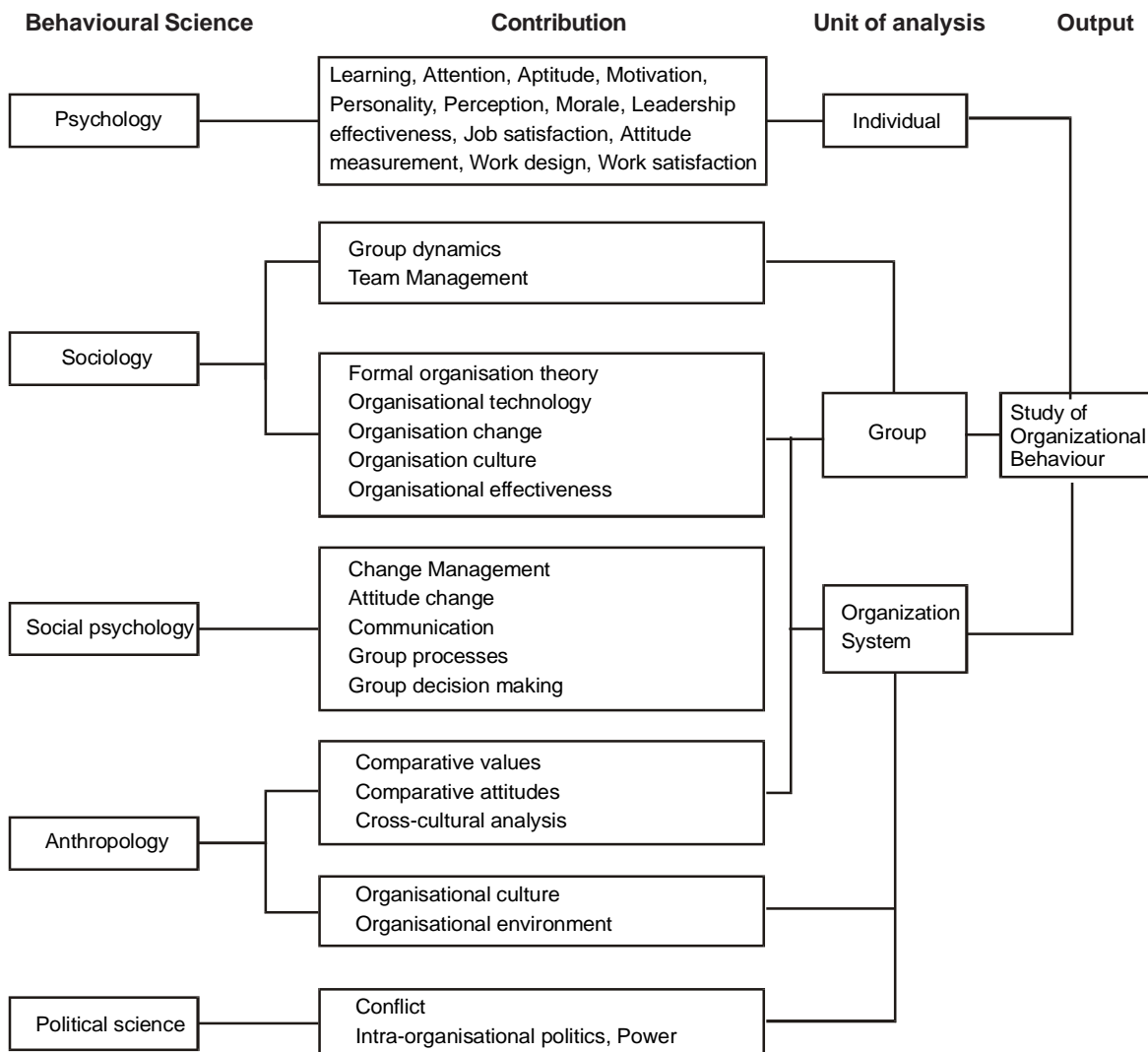


Figure 1.1 illustrates this view of organizational behaviour. It shows the linkages among human behaviour in organizational settings, the individual - organization interface, the organization, and the environment surrounding the organization. Each individual brings to an organization a unique set of personal background and characteristics, and experiences from other organizations. In considering the people who work in organizations, therefore, a manager must look at the unique perspective each individual brings to the work setting

## 1.2 FUNDAMENTAL CONCEPTS IN ORGANIZATION BEHAVIOUR

In the words of Keith Davis, “Human relations are the integration of people into work situation that motivates them to work together productively, cooperatively and with economic, psychological and social satisfaction”. According to McFarland, “Human relation is the study and practice of utilising human resources through knowledge and understanding of the activities, attitudes, sentiments and interrelationship of people at work”. Raymond Miles defines this subject, as “Human relations approach was simply to, treat people as human beings in the productive process”. The above definitions reveal the following important characteristics of human relations :

The human relations approach focuses on people. When people stimulate more and better work, there will be sound in a given situation in order to achieve a balance of objectives that will yield greater human relations in the Organization. It is a process of study of effective motivation of individuals satisfaction and to the company as well. It is an integration of people into work situation that motivates them to work through the satisfaction of economic, social, psychological needs. The ultimate goal of creating sound human relations is to help make workers more productive and cooperative.

### 1.2.1 Major Characteristics

*Following are the major characteristics of Organization behaviour :*

1. **Interdisciplinary.** Organizational behaviour is interdisciplinary orientation that integrates behavioural sciences in understanding behaviour and performance. It draws heavily on knowledge about behaviour generated in the social sciences of psychology, sociology, and anthropology.
2. **Behavioural Science Foundation.** The behavioural sciences—psychology, sociology and anthropology have provided the basic philosophy, characteristics of science, and principles that are so freely borrowed by the field of organizational behaviour. The social sciences of economics, political science, and history have had a secondary impact on the field.
3. **Scientific Method Foundation.** OB had inherited the tradition of scientific method in its investigations from its parent disciplines. The scientific methods emphasizes the use of logic and theory in formulating research questions and the systematic use of objective data in answering such questions.
4. **Three Levels of Analysis.** The OB is unique in its approach to behaviour because it encompasses three levels of analysis, individual, group, and formal organization. In addition, all three levels are treated with equal importance and needs to be scientifically studied.
5. **Contingency Orientation.** The term contingency orientation reflects the need to consider the situation and individuals involved before drawing conclusions about behaviour. The OB field has no universally applicable set of prescriptions for managers.
6. **Concern for Application.** The OB researcher must always be concerned with understanding real events in actual organizations and with communicating results in a meaningful fashion to practicing managers.

### 1.2.2 Nature and Scope

The field of organizational behaviour attempts to understand human behaviour in organizational settings, the organization itself, and the individual organization interface. As illustrated here, these areas are highly interrelated. Thus, although it is possible to focus on only one of these areas at a time, a complete understanding of organizational behaviour requires knowledge of all three areas. Thus, the field of organizational behaviour is both exciting and complex. Myriad variables and concepts accompany the interactions just described, and together these factors greatly complicate the manager's ability to understand, appreciate, and manage others in the organization. They also provide unique and important opportunities to enhance personal and organizational effectiveness. To most effectively use the knowledge provided by this field, however, managers must thoroughly understand its various concepts, assumptions, and premises

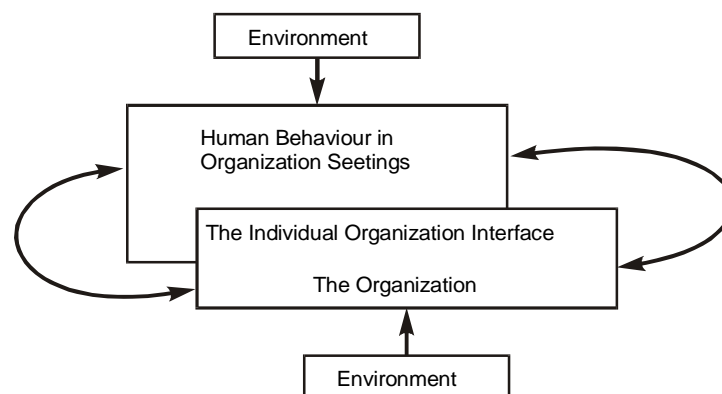


Fig. 1.1. Nature of Organization Behaviour.

**OB is a field of study and not a discipline or even emerging as a discipline.** A discipline is an accepted science with a theoretical foundation that serves as the basics for research and analysis.

**OB is interdisciplinary orientations.** It integrates behavioural sciences (psychology, sociology and anthropology) and social sciences (economics, political science and history).

- **OB has three levels of performance analyses.** OB has three levels of performance analysis- (1) The individual, (2) The group, and (3) The formal organization. All organizations, regardless of their industry affiliation, size and shape, are made up of individuals and groups. Organizations have unique characteristics in much the same sense, as do individuals and groups. There is a need to study the small group and such characteristics as group, structure, process, development and cohesion. A characteristic that provides some important insight about organization is its size, formalization policies, levels in hierarchy, degree of centralization, and locus of decision-making. These three levels of analysis are not mutually exclusive. In fact, the field of OB embraces therein as being complementary.
- **OB is a contingency orientation approach.** This approach is directed towards developing managerial actions that are most appropriate for a specific situation and the people involved. By considering and weighing situation and the relevant variables in a situation, the manager can proceed to develop the most appropriate action plan needed to accomplish important goals. Managers must be able to recognize, diagnose, and adapt to the given situation to use the contingency approach successfully. To develop most appropriate plan to solve a particular motivation, organizational design, performance appraisal or training problem, the manager must analyse carefully each important variable and link the variables together. Such analysis makes the contingency approach much more than an enticing suggestion for managerial action.

- **As a source of knowledge and a repository of information.** The field of OB is being recognized as a source of knowledge and repository of information by theorists, researchers and practitioners. Predicting behaviour and performance is certainly much more elusive. Individuals groups and organizations are separately studied and then interrelated parts before a manager can even hope to make some reasonably good prediction and conducting a through review of the variables and the theoretical and research literature, a manager must be satisfied that under the present circumstances a certain action is most appropriate. If not, the manager must decide on an alternative action.
- **OB is science and art, both.** The study of human behaviour in organizations is concerned the science and the skill and the knowledge applying towards the OB is an art.

### 1.3 FUNDAMENTAL THEORIES IN ORGANIZATION BEHAVIOUR

Management is a relatively new field of study, having emerged only within the last 100 years. Key contributors to scientific management included Frederick W. Taylor, Frank and Lillian Gilbreth, Henry Gantt, and Harrington Emerson. Taylor identified a phenomenon he called “soldiering” – the practice of working considerably slower than one can. Classical organization theory focused on how organizations can be structured most effectively to meet their goals. Key contributors to classical organization theory included Henri Fayol, Lyndall Urwick, and Max Weber. The bureaucracy model, as described by Weber, was an early universal approach to organization structure. In ideal form, a bureaucracy is logical, rational, and efficient. Robert Owen, Hugo Munsterberg, and Mary Parker Follett were among the first to recognize the importance of individual behaviour to organizations. The Hawthorne studies, conducted between 1927 and 1932, led to some of the first discoveries of the importance of human behaviour in organizations. Following the Hawthorne studies, the human relations movement emerged. Human relationists believed that employee satisfaction is a key determinant of performance. A prominent human relations writer, Douglas McGregor, developed the concepts of Theory *x* and Theory *y*. Theory *x* takes a negative and pessimistic view of workers, Theory *y* a more positive perspective. McGregor advocated the adoption of Theory *y*.

For scientist, **universal principles** provide simplicity and thus lead to models that can be applied in all situations. For managers universal principles provide ready guides to action in all situations. Some of the early writing predating the field of OB is of this universal type. For example, Max Weber prescribed the use of a highly structured bureaucracy for all organizations. His prescriptions were succeeded in the 1950s and 1960s by an equally prescriptive set of guides that argued the opposite. Rensis Likert and McGregor, for example, advocated it from fearless formality. Unfortunately, as most practising managers soon learn the real world is not so simple and refuses to lend itself to universal theories and principles. Abraham Maslow, another pioneer in the human relations movement, developed the well-known hierarchy of human needs. Organizational behaviour began to emerge as a mature field of study in the late 1950s and early 1960s. Contemporary organizational behaviour has an interdisciplinary focus, drawing from fields such as psychology, sociology, and other related areas. Organizational behaviour attempts to describe relationships between two or more behavioural variables. Basic concepts of organizational behaviour can be divided into three basic categories : individual processes, interpersonal processes, and organizational processes and characteristics.

Table 1.2. Showing Historical Phase of OB

Agrarian •	Industrial •	Post-Industrial •	Information •	?		
• Scientific and classical management	• Bureaucracy Human relations	• Group dynamics	• Decision-making approaches; leadership	• Socio-technical systems theory	• Contingency theory	• Global Management • Internet technologies • Quality, speed, customer focus • Diversity • Ethics
1910 – 1920s	1920s	1940s	1950s	1960–1970s	1980s	1990s – 2000

**Modern theory** is a sophisticated and scientific way of describing a complex organization. This theory has developed two major dimensions—systems dimension and contingency dimension. Based on these orientations, modern organization theory can be classified into two categories : (1) **Systems theory/approach** and (2) **Contingency theory/approach**.

*The systems theory visualizes organization as a system consisting of interacting parts. Specifically, the open-systems concept, which stresses the input-output analysis, has a marked impact on modern theory.* System analysis has its own peculiar points under which organization is considered as a system of mutually dependent variables. Social scientists, management thinkers, operation researchers, psychologists and others, all unanimously agree that organizations are systems. Charles Perrow concludes, “on one thing all the varied school of organization analysis now seemed to be agreed; organizations are system-indeed, they are systems.” Modern organization theory has its origin from the general systems theory, which is associated with the name of Kenneth Boulding. Boulding worked on various systems from simple to complex. He classified various systems as below :

1. **The Static Structure.** It also refers to the level of framework. The anatomy of the universe is good example to this system.
2. **The Simple Dynamic System.** It incorporates necessary predetermined motions.
3. **The Cybernetic System.** It is like a thermostat where there is automatic feedback control mechanism.
4. **The Open System.** It is a self-maintaining structure.
5. **The Genetic Social System.** It is generally typified by the plant and preoccupies the empirical work of the botanist.
6. **Animal System.** It is characterised by the increased mobility, technological behaviours, self-unawareness, and goal-oriented approach.
7. **Social System.** Here social organizations are formed and individuals assume organizational goals and
8. **Transcendental System.** Here social organizations are formed and individuals assume organizational goals.



The general system theory of Boulding has been criticized by Von Bertalanffy on the ground that it is descriptive rather than a strictly logical and prescriptive. Von Bertalanffy is credited with coining the “general systems theory”. However, the recent social scientist Scott contends that modern organization theory and the general systems theory are close together.

*Contingency approach is based on the modern theory of organization. It is an attempt to provide something more useful to the practicing managers in the present day complex organizations.* It seeks to understand the inter-relationship within and among organizational subsystems, as well as between the organized systems. Contingent approach strongly believes that there is no prescribed organizational design, which is appropriate to all situations. In the opinion of Fred Luthens, it is concerned with the relationship between relevant environment variables and appropriate management concepts and techniques that lead to effective goal attainment. According to Kast and Rosenzweig, “A contingency approach attempts to understand the interrelationship within and among organizational units as well as between the organization and its environment. It emphasizes the complex nature of organizations and attempts to interpret and understand how they operate under varying conditions and in specific situations. The approach strives to aid managers by suggesting organizational design strategies, which have the highest probability of succeeding in a specific situation. The success criteria revolve around the accomplishment of organizational goals.”

**Scientist theories and concepts** in much the same way that photographers use zoom lenses or lenses of different focal lengths. The consequences of behaviour can be examined using functional analysis, an analytical tool borrowed from anthropology. When anthropologists study a society, they divide their behavioural observations into two major groups. First, they decide whether the consequences of behaviour are manifest or latent. Then they determine whether the consequences are functional or dysfunctional for the society. Functional consequences are results of behaviour that are good for the organization and help its adjustment and adaptation. Such results contribute to the organization’s progress toward its goals. Dysfunctional consequences are results of behaviour that have a negative effect on the organization. These results restrict the organization adjustment and adaptation, impeding it from reaching its goals. Following are the major Scientific studies/principles contributed to the development of OB as a major subject in modern Management literature.

### **1.3.1 Scientific Management : Frederick W.Taylor (1911)**

The principal object of management should be to secure the maximum prosperity for the employer, coupled with the maximum prosperity for each employee. Those words are from the opening paragraph of Frederick W. Taylor’s book, *The Principles of Scientific Management*. Taylor felt he had developed a new approach to management that produced positive results for both employer and employee. Management wanted to maximize profits, and workers wanted the highest possible wages. Disputes between management and labour centered on what each viewed as mutually exclusive goals. Taylor felt his system of Scientific Management could maximize both goals. Both sides had to undergo a “mental revolution”. Each side had to rid itself of antagonistic views of the other. Taylor felt they should view profits as the result of cooperation between management and workers. In short, management needed the workers and workers needed management to get what they each wanted. Taylor based his Scientific Management on the following four principles :



- *Carefully study the jobs to develop standard work practices. Standardize the tools used by workers.*
- *Scientifically select each worker.*
- *Management and workers must cooperate to ensure that work is done according to standard procedures and*
- *Management plans and makes task assignments; workers carry out tasks assigned by managers.*

These four principles describe a division of work between management and workers. Managers planned and designed the work. They made task assignments, set performance goals, and made time schedules. Managers also selected and trained the workers to do the tasks according to standard procedures and gave the workers quick feedback about how they were doing. They rewarded increased individual productivity with economic incentives.

### 1.3.2 Towards a Theory of Administration : Henry Fayol (1919)

Fayol took a broad view of administration. He felt his theory of administration applied to all types of organizations, public or private. Fayol's five functions of management were planning, organizing, command, co-ordination, and control. Fayol's five management functions have endured the test of time. A review of research that focused on managerial activities showed that an impressive number of activities fell into Fayol's five functions. Managers not only did those classical functions, but they should do them. The time spent on these areas and the skills required to do them were associated with higher performance of the organization. Fayol believed that manager "all must observe the same general principles". These principles were central to his theory of administration. They are a set of tools a manager needs to perform the functions of management. He did not believe managers should apply his principles rigidly and absolutely in all circumstances. They must tailor the application of the principles to the specific circumstances they face, using a clear sense of proportion. Several relationships exist among the principles. Delegation of authority gets the desired degree of centralization or decentralization. Delegation also leads to a division of labour in the organization. Unity of command and unity of direction are guides for the design of the organization.

### 1.3.3 Bureaucracy : Max Weber (1922)

Max Weber was a prominent German political scientist, economist, and sociologist. He made a major contribution to several fields of study with his analysis of bureaucracy as a form of organization and management. He believed bureaucracy was an efficient and successful form of administration. Weber believed the following features account for the efficiency of bureaucracies :

- *Clearly defined and specialized functions.*
- *Use of legal authority.*
- *Hierarchical form.*
- *Written rules and procedures.*
- *Technically trained bureaucrats.*
- *Appointment to positions based on technical expertise.*
- *Promotions based on technical competence and*
- *Clearly defined career path.*

Weber felt bureaucracies were rational and predictable systems. The rationality followed from the objectivity and impersonality of decisions. Decisions were based on fact and made according to existing written rules and procedures so they would be consistent. The unusual features of any specific case were not to be considered. Predictability followed from the fixed formal relationships among clearly defined hierarchically organized functions.

### **1.3.4 Mary Parker Follett's Observations on Organizations and Management (1925)**

Many Parker Follett's worked mainly as a social worker among the poor in the Roxbury section of Boston. Although her work career did not involve management, she made several basic and enduring observations about organizations and management, during the mid-1920s to the early 1930s. The following describes three of her observations on organizations and management - power, conflict, and leadership. Follett conceived of power as capacity. Although her point was not completely clear, she apparently meant the capacity to get things done. Power cannot be delegated, but authority can. She clearly distinguished between power and authority, treating each separately in her analysis. Integration of desires was Follett's creative suggestion about how to manage conflict. This approach finds a solution that fully meets the goals of each party in dispute. Both parties get what they want. Neither party gives up anything. Invigoration of desire unshackles us from existing alternatives and lets us creatively discover alternatives that are not mutually exclusive. With integration, conflict is put to work to help discover new, creative solutions to problems and issues in organizations. Follett's view of the personal qualities of a leader gives a vivid picture of the characteristics of a good leader. "Tenacity, steadfastness of purpose, tactfulness, steadiness in stormy periods.

### **1.3.5 The Functions of the Executive : Chester I. Barnard (1938)**

Chester Barnard was an engineer who became the president of the New Jersey Bell Telephone Company and later the first executive head of the United Services Organization. His book, *The Functions of the Executive*, is rich in basic contributions to our thinking about organizations and management. Barnard believed organizations formed because individuals had a purpose or purposes, but also had limitations. The limitations could be knowledge, financial resources, or physical resources. The person with the purpose needed the cooperation of one or more other people to achieve that purpose. Purpose plus limitation leads to a system of cooperative action. Barnard distinguished between two types of motivation in organizations motivation to participate and motivation to perform. Motivation to participate is the motivation of an individual to join and stay with the organization and perform at a minimally acceptable level. Barnard felt managers must first attend to the motivation to participate. After they have solved the problem of membership, they can attend to the second type of motivation, the motivation to perform. This type of motivation focuses on performance level higher than the minimum expectation. Managers use both monetary and non-monetary incentives to get higher performance levels. In attempting to analyze this situation, Chris Argyris, has compared bureaucratic pyramidal values (the organizational counterpart to Theory X assumptions about people) that still dominate most organizations with a more humanistic/democratic value system (the organizational counterpart to Theory Y assumptions about people), as illustrated in Table 1.3 According to Argyris, following bureaucratic or pyramidal values leads to poor, shallow, and mistrustful relationships. Because these relationships do not permit the natural and free expression of feelings, they are phony or no authentic and result in decreased interpersonal competence. "Without interpersonal competence or a 'psychologically safe' environment, the organization is a breeding ground for mistrust, intergroup conflict, rigidity, and so on, which in turn lead to a decrease in organizational success in problem solving."

**Table 1.3. Two different value systems as seen by Chris Argyris**

<b>Bureaucratic/Pyramidal Value System</b>	<b>Humanistic/Democratic Value System</b>
1. Important human relationships—the crucial ones—are those related to achieving the organization's objectives, <i>i.e.</i> , getting the job done.	1. The important human relationships are not only those related to achieving the organization's objectives but those related to maintaining the organization's internal system and adapting to the environment as well.
2. Effectiveness in human relationships increases as behaviour becomes more rational, logical, and clearly communicated; but effectiveness decreases as behaviour becomes more emotional.	2. Human relationships increase in effectiveness as all the relevant behaviour (rational and interpersonal) becomes conscious, discussable, and controllable.
3. Human relationships are most effectively motivated by carefully defined direction, authority, and control, as well as appropriate rewards and penalties that emphasize rational behaviour and achievement of the objective.	3. In addition to direction, controls, and rewards and penalties, human relationships are most effectively influenced through authentic relationships, internal commitment, psychological success, and the process of confirmation.

According to Argyris, seven changes should take place in the personality of individuals if they are to develop into mature people over the years. First, individuals move from a passive state as infants to a state of increasing activity as adults. Second, individuals develop from a state of dependency upon others as infants to a state of relative independence as adults. Third, individuals behave in only a few ways as infants, but as adults they are capable of behaving in many ways. Fourth, individuals have erratic, casual, and shallow interests as infants but develop deeper and stronger interests as adults. Fifth, the time perspective of children is very short, involving only the present, but as they mature, their time perspective increases to include the past and the future. Sixth, individuals as infants are subordinate to everyone, but they move to equal or superior positions with others as adults. Seventh, as children, individuals lack an awareness of a "self." Argyris suggests that these changes reside on a continuum and that the "healthy". (See Table 1.4). Argyris contends that, in many cases, when people join the force, they are kept from maturing by the management practices utilized in their organizations. In these organizations, they are given minimal control over their environment and are encouraged to be passive, dependent, and subordinate; therefore, they behave immaturely. The worker in many organizations is expected to act in immature ways rather than as a mature adult.

**Table 1.4. Immaturities—Maturity Continuum**

<b>Immaturity</b>	<b>Maturity</b>
Passive	Active
Dependence	Independence
Behave in a few ways	Capable of behaving in many ways
Erratic shallow interests	Deeper and stronger interests
Short time perspective	Long time perspective (past and future)
Subordinate position	Equal or super ordinate position
Lack of awareness of self	Awareness and control over self

Argyris feels that these concepts of formal organization lead to assumptions about human nature that are incompatible with the proper development of maturity in human personality. He sees a definite incongruity between the needs of a mature personality and the formal organizations as they now exist.

### **1.3.6 Human Relations Approach**

The human relations theory lays emphasis on the motivation of the individual and heavily oriented towards psychology and sociology. It should be noted that the exponents of this theory have not produced a complete body of management theory. Their main contribution has been to provide new insights rather than new techniques of management. Industrial sociologists, social psychologists and cultural anthropologists have developed the human relations school. The credit of highlighting the importance of uniform social groups, good human relation, and the needs for managerial motivation, participation, better communication, good leadership and committee management goes to this school of thought. McGregor's theory 'Y' is heavily human relation oriented. The theory made it explicit that group relationships are the key to behaviour. It throws light on how and why individuals and group behaviour influences workers motivation, supervision, communication pattern and productivity. Human relations theories also helped to provide a better explanation of why people in Organizations behave as they do by stressing and exploring the role of group.

### **1.3.7 The Hawthorne Studies (1939)**

The Hawthorne Studies were done at the Hawthorne Plant of the Western Electric Company from the late 1920s to the mid-1930s. The plant produced various parts for telephone switching systems. This research was a landmark work done in the social sciences in the United States. The Hawthorne Studies were preceded and stimulated by the illumination experiments done in the Hawthorne Plant in the early 1920s. These studies were designed to determine whether various lighting levels affected human productivity. The experimental design used a control group where lighting was not varied. An experimental group experienced changes in light levels. The results of the experiments baffled the investigators. They increased the lighting and productivity went up. Then it was decreased, and productivity went up. The lighting was severely reduced, and productivity went up. The lighting for the control group was not changed, but the groups' productivity also increased. Eventually, the researchers concluded that simply being part of the experiment, which focused new and greater attention on the workers, increased productivity. Previously, interaction between supervisors and coworkers was limited. It had focused mainly on the work, not on the workers themselves.

Following the illumination experiments, several researchers from Harvard University began studying some groups of workers in the plant. Their goal was to understand the factors that contributed to differences in human productivity. The researchers concluded that a more empathic or people - oriented form of management led to more productivity than a directive, authoritarian, and money - oriented form of management. People wanted more than monetary incentives for working. Some researchers doing secondary analyses of data published in the original reports have come to varying conclusions. One researcher found support for a driving form of management and use of monetary incentives. He felt the researchers moved from presenting descriptive results to promoting a new form of management. By doing so, the original Hawthorne researchers went well beyond the results of their research. The importance of the Hawthorne went well beyond the results of their research organizations should not be diminished by disputes about research design and research results. Although strong conclusions cannot be drawn directly from the research studies were impetuses to further developing our understanding about behaviour in organizations.

### 1.3.8 Theory X and Theory Y : Douglas McGregor (1960)

Douglas McGregor, an MIT psychologist, proposed two sets of assumptions about human motivation that a manager can hold. McGregor called the assumptions Theory X and Theory Y. A manager's behaviour toward his workers and his management style will differ based on the assumptions guiding his behaviour.

- *The average person dislikes working and will avoid it if possible.*
- *Because people dislike working, they must be directed, tightly controlled, and pressured to get them to work toward organizational goals.*
- *The average person wants security, avoids responsibility, and has little ambition and*
- *McGregor believed that many managers held Theory X assumption about workers. Such managers give their workers little latitude, closely supervise them, and punish poor performance. They use few rewards and typically give only negative feedback.*

#### The Theory Y assumptions are as follows

- *The average person does not dislike work; it is as natural as play.*
- *If a person is committed to a set, he will work towards them without an external control.*
- *Goal commitment follows from the satisfaction of a person's desire to achieve.*
- *The average person can learn to accept responsibility. Lack of ambition is not a basic human characteristic.*
- *Creativity, ingenuity, and imagination are human characteristics that are widely dispersed in the population and*
- *Modern organizations only partially use and tap the potentialities of its workers.*

Managers who hold Theory Y assumptions have a positive view of people; believe they have much hidden potential, and that people will work toward organizational goals. These managers will give workers more job responsibility and rely on self-motivation more than coercion. These two sets of different assumptions reigned in the academic literature for many years. They were widely understood by practicing managers. Although called a theory, they are not theories as described earlier. They are assumptions or beliefs about human motivation that can strongly affect management behaviour.

### 1.3.9 The Twentieth Century's Management Guru : Peter F. Drucker (1995)

Austrian born Peter F. Drucker ranks among the most widely read and widely quoted management scholars of the twentieth century. Drucker is a professor of management at Claremont College in California, a post he has held since 1971. He has written almost 30 books and continued his writing activity into the late 1990s. His 1954 book, *The Practice of Management*, launched him as a significant management writer. Among his most lasting observations was his proposed philosophy of management by objectives and self-control. General Electric was the first company to adopt management by objectives (MBO) and put it into practice with Drucker's help as a consultant. Drucker has an insatiable appetite for statistics. He examines them for a pattern often finds pattern that others miss. Here are his predictions for events unfolding until about 2010.

- *A rise in alliance, partnership, and joint ventures on a global scale. Technology will help link these parts of an emerging "Network Society".*
- *A compelling need for decentralized organizations in an increasing uncertain environment.*
- *A related increased in the use of teams in organizations.*

- *An increase in the number of knowledge workers (for example, computer technologists and medical workers) and continual decline in the number of blue-collar and agricultural workers in all developed free-marked countries. The knowledge workers will need continuous learning, a characteristic with implications for educational systems.*
- *The twenty-first century will see the evolution of knowledge societies in developed countries. These societies will have three sectors : Business, government, and nonprofit. The last is new and helps people's social development. Nonprofit volunteer activities will characterize English-speaking countries but appear fewer elsewhere and*
- *An unquestionable forming of a world economy in which world markets will become more important than domestic markets.*

#### 1.4 ORGANIZATIONAL BEHAVIOUR IN THE 21ST CENTURY

Information technology is a major force driving change. We are experiencing the rapid integration of information across all industries everywhere, yet it is still people who invent, direct, guide, and manage change in their own careers and in the boundary less organization. This text relates organizational behaviour topics to managing dynamic body of knowledge that can be used to understand and manage a wide technological change as a driver of performance and integration. “Business @ the speed of thought” is a major factor of competitive advantage. Another set of success factors that lead to competitive advantage are developing and sustaining world-class products and services with Internet speed and meeting and exceeding customer demand. Organizations are adapting by reengineering, reinventing, restructuring, and rethinking their strategies, structures, and expertise around web-based, Internet-integrated business processes. Not all organizations are changing at the same pace or on the same scale. However, Internet-driven networks and software applications have produced a type of “digital Darwinism”.

The information-based organization has knowledge workers who are specialists and who resist command-and-control procedures based on the military model. Everyone takes responsibility in these workplaces. Structures become flatter. Clear, simple, common objectives that lead to action are required. Changing managerial unified vision in the organization; devising a management structure for task forces; and ensuring the supply, preparation, and testing of top management people. Finally, because of the internationalization of business and continuous merger, acquisition, and divestiture activities, yet another aspect of managerial work is being revised. Rosabeth Moss Kanter calls the new managerial work and practices “post-entrepreneurial” because “they involve the application of entrepreneurial creativity and flexibility to established businesses”. Post-entrepreneurial practices include managers involving themselves in networks outside individual empires and thinking cross-functionally and strategically to contribute to other faces of the business. The era of the **boundaryless** or seamless corporation has arrived. Emphasis is placed on developing co-operative relationships among internal, external, and virtual teams who are part of an expanding economic (or what may become a “Webonomic”, *i.e.*, Internet integrated) enterprise. High-performance teams are organized with empowered individuals who work creatively to add value to their company as well as to their units. Knowledge of organizational behaviour and a repertoire of people skills are essential in building and sustaining face-to-face and virtual relationships.

##### 1.4.1 Interactionalism : People and Situations

Interactionalism is a relatively new approach to understanding behaviour in organizational settings. First presented in terms of interfunctional psychology, this view assumes that individual behaviour results from a continuous and multidirectional interaction between characteristics of the person and characteristics of the situation. More specifically, interactionalism attempts to explain how people select,



interpret, and change various situations. When people enter an organization, their own behaviours and actions shape that organization in various ways. Similarly, the organization itself shapes the behaviours and actions of each individual who becomes a part of it. This interactionist perspective can be useful in explaining organizational behaviour.

- Organizational behaviour is the study of human behaviour in organizational settings, the interface between human behaviour and the organization, and the organization itself. The study of organizational behaviour is important because organizations have a powerful influence over our lives.
- Serious interest in the study of management first developed around the beginning of this century. Two of the earliest approaches were scientific management (best represented by the work of Taylor) and classical organization theory (exemplified by the work of Weber).
- Organizational behaviour began to emerge as a scientific discipline as a result of the Hawthorne studies. McGregor and Maslow led the human relations movement that grew from those studies.
- Contemporary organizational behaviour attempts to describe, rather than prescribe, behavioural forces in organizations. Ties to psychology, sociology, anthropology, political science, economics, engineering, and medicine make organizational behaviour an interdisciplinary field.
- The basic concepts of the field are divided into three categories : individual processes, interpersonal processes, and organizational process and characteristics. Those categories form the framework for the organization of this book and
- Important contextual perspectives on the field of organizational behaviour are the systems and contingency perspectives, interactionalism, and contemporary applied perspectives.

#### 1.4.2 Virtual Organization

*Virtual Organization popularly known as 'E' Organization will have the following characteristics:*

1. **There are no generally accepted rules.** There are no established and proven e-org models or strategic plans. What worked in March may be scrapped in May. E-orgs in their infancy and players are being forced to experiment.
2. **Victory goes to the quick.** Fast is no longer fast enough. It used to be that the big would eat the small. In an e-world, the fast eat the slow. Competition is forcing e-organizations to make decisions quickly, develop new products and services in record time, move into market fast, and be able to respond to competitive actions immediately. The old saw "Ready, Aim, Fire" has been replaced by "Fire, Ready, Aim".
3. **Location doesn't matter.** In the past, the people you hired, the suppliers you used, and the customers you serviced were largely defined by your geographic location. For instance, you hired from the labour pool from Bangalore to New Delhi or tried to entice prospective employees to move from where they lived to where your organization was located. Now, through network linkages, employers in remote locations can have access to the best and brightest. And talented people no longer have to move their residence to pursue job opportunities in faraway places.
4. **Integrated information is everything.** Intranets, extranets and the internet have changed the way that information can move inside organizations. Open and integrated information systems allow bypassing of traditional organizational hierarchies; making it easy for employees and managers alike to track projects, democratizing internal decision making; and closely linking organizations to their suppliers, partners, and customers.

## Individual Behaviour

E-orgs create social isolation and uncertainty. These conditions foster a need by employees for strong emotional bonds. Managers in e-orgs should consider, therefore, encouraging employees to more openly express their emotions than should managers in more traditional organizations. As the line separating employee's home life and work life increasingly blurs, employees need guidance as to which online behaviours are and are not acceptable. Managers need to inform employees if, when, and how their work will be monitored; and managers need to create clear policy guidelines to reduce ethical ambiguities. Motivating employees in an e-org creates unique challenges for managers. For example, managers need to make jobs interesting to minimize the distraction of "going online". And to hire and keep professional and technical employees, who are in short supply, management should design creative compensation and benefit program that will appeal to these employee's varied needs. Communication in e-orgs is able to cut across vertical and horizontal levels. Employees can communicate instantly anytime, with anyone, anywhere. But this openness also increase the likelihood that employees will experience communication overload. To help employees, managers should encourage people to screen communications carefully, prioritised demands on their time, and engage in other time-management techniques.

Managers who have worked in both traditional and e-organizations say that leadership is difference in e-orgs because of the increased importance of speed, flexibility, and the need to provide direction through vision. Additionally, the change and instability typical in an e-org places a higher premium on managers creating a trusting climate with their employees. Politics in e-org is not limited to face-to-face interaction. Traditional political activities, such as water cooler conversation, are expanded in e-orgs to include cyber-schmoozing via the electronic grapevine. Effective managers in e-orgs will recognize this added dimension to political channels and attempt message. Monitoring electronic communications is made further necessary to ensure that the Internet and e-mail are not used to harass or discriminate against others. Electronic communication networks are reshaping the workplace and redesigning jobs. But they are also putting employees in front of CRT monitors for hours at a time and increasing the risk of fatigue, eyestrain, and repetitive - motion injuries. Management, in cooperation with architects and industrial engineers, need to design workplace that are ergonomically effective. The success or failure of an organization depends, to a large degree, on the quality of the people it hires. Managers in e-orgs need to pay particular attention in hiring to finding job candidates who are not only competent in their area of expertise, but who can handle high levels of uncertainty and change, who work well on teams, can endure long hours, and handle intense work pressures.

### 1.4.3 Designing a Global Organization in the New Millennium-some Thought

Imagine that you make electronic components for the auto industry. You receive a large order from a global auto manufacturer for rapidly designing and delivering a new type of electronic sensors in three different sizes. Completing the order requires frequent consultation among design experts, materials suppliers, software developers, and strategic allies who are stationed in three different time zones, and speak five different languages. Or, you are a manufacturer and exporter of industrial chemicals. You find that you must frequently communicate with vendors, customers, chemical experts, freight forwarders, foreign banks, regulatory agencies, and customs officials from all across the globe to effectively run your business. More and more business now finds themselves operating amidst such global scenarios. Increasingly, they find the need for consultative interaction among diverse experts, separated by functional lines, geographic boundaries, and language barriers. Dramatic changes in science, information technology, consumer lifestyle, and government legislation has globalised markets and complicated business decision-making, thereby intensifying the need for frequent managerial consultation and information exchange.



To effectively facilitate this exchange, firms must restructure their organization. The emphasis in this new organization will not be on managing men and material flow but on managing human intellect and information flow. To be congruent with this shift in focus, managerial philosophy, structural forms, and management practices must also correspondingly change.

#### (a) Traditional Vs. Today's Organization

The traditional organization aimed at operational efficiency that yesterday's markets and competitive environment demanded. Markets of the past were homogenous, stable, and, most importantly, regional. Customer tastes were stable and local, technological change was predictable, and foreign competitive entry in the form of superior products was non-existent. The single factor contributing to competitive success in this steady environment was efficiency in current operations. Companies achieved this by standardising tasks and sequentially organizing work. Any behaviour-related deviation to this arrangement was controlled through rules and standard operating procedures. Market-related deviations were controlled by vertical integration strategies. What emerged was a rigid organization that guaranteed efficiency by performing the current task repeatedly and preventing change. That was a machine bureaucracy.

Today's environment demands an organization that is flexible, besides being efficient, and global. Customer tastes have become differentiated and a firm should customise design, packaging, and delivery to effectively serve multiple segments. Technologies are rapidly changing and it is imperative for a firm to frequently innovate and offer higher quality products at standard prices to remain competitive. Markets have become global and a firm must employ global procurement, processing, and distribution strategies to be effective. It must design products in one place, make the components in another, assemble them in a third place, and market/deliver them globally. To be successful in this environment, a firm must have the ability to efficiently manage and move information across the globe rapidly. Moving materials, from one stage of processing to the next, will be uneconomical and unwise in the emerging scenario. The focus in today's organization is thus on the management and transfer of knowledge and information globally as opposed to the management and transfer of tangible materials.

#### (b) Create a Learning Environment

If information sharing is a vital attribute for a global firm, its personnel must be capable of sending and receiving critical information. To effectively achieve this, organizational members must be well informed all the time. A learning environment is thus sine qua non for a global firm. Managerial decisions and organizational systems in this firm must emphasize continuous company-wide learning as a dominant value. For a learning environment to emerge, top management commitment toward pursuit and acquisition of new information, distribution mechanisms to share learned information, and an adaptive mentality must be present. To realise these, managers must act more as coaches, information providers, and facilitators of knowledge acquisition, rather than as allocators and controllers of organizational resources. They must aggressively empower employees and additionally foster a **risk-driven** organizational culture, wherein employees experiment and encounter failures but learn from their mistakes. 3-M, Sony, and Motorola are some examples of successful global firms that adopt an experimentation approach in organizing to encourage risk-taking and consequent learning. Seeking management's permission to try a new method is considered as loathsome in these firms. What is viewed as an appropriate behaviour is, **asking forgiveness rather than requesting permission.**

Some successful global firms use benchmark techniques as a learning tool. Ford Motor Company learned how to create an "invoice-less system" in its supplier relations by benchmarking Mazda's accounts payable operations. Xerox learned to be efficient in order fulfillment by benchmarking L.L. Bean's order filling techniques. Japanese firms generally use job rotation techniques for learning and

some use temporary assignment of personnel to the customer, supplier, or strategic alliance partner sites for this purpose. Some, such as 3-M, create a university type of environment within the firm by organizing educational seminars through which R & D personnel share their research results. Others regularly invite academicians for this purpose or send their personnel to seminars/workshops conducted by outsiders. Yet others provide company-paid foreign travel to employees as a means to learn. Organizational learning is not just about acquiring new knowledge or updating current insights. It is also about unlearning what was previously learned. To be successful, learning strategies should include unlearning outmoded assumptions (for example, it is extremely difficult for Indian products to enter and successfully compete in the U.S. market) and old methods that are now obsolete. By encouraging employees to accept change and rewarding them for it, a firm can bring about the unlearning of previously learned information that is no longer relevant.

### **(c) Adopt a Network Structure**

A global organization is one that transcends its home base by competing in international markets. To be successful as a global firm, it must be capable of responding to customer needs from diverse and distant markets, rapidly and effectively. Not only is virtual information flow from these markets to the firm's headquarters critical, but the headquarters should be capable of processing the received information effectively. A network structure is an appropriate arrangement for this purpose. It has a well-informed headquarters staff; arranged according to functional lines, but with minimal hierarchy and maximal horizontal interaction that is achieved through cross-functional teams and committees. The field staff, spread across the globe, consists of specialist firms with whom the headquarters has a temporary relationship. Thus, one firm in the field may design the product, the second may make the components, the third may assemble the end product, and so on, whereas the headquarters is responsible for coordinating activities among the field units.

The network is thus a flexible organization with several loosely hanging satellites as members of the network. Members are held together by partnership or alliance contracts that emphasize the pursuit of common goals. Membership in the network often changes, depending on the needs of the headquarters firm or when a member is no longer needed because goals have been met. Nike is a good example of a network organization with field subcontractors operating in China, South Korea, Taiwan and Thailand. The subcontractors act as independent units, making and selling sneakers globally while Nike engages in R & D activities, providing design information to the subcontractors. Nike is able to respond faster to changes in the fashion environment by rearranging the network.

### **(d) Cultivate a Global Manager Mindset**

A global firm requires a band of managers with a global knowledge—frame and mindset. These managers must have the knowledge, attitude, and requisite competence to effectively deal with foreign government agencies and non-business stakeholder. This means proficiency in communication and in cross-country politics, cultures, and economics. Managers of global firms should especially be: familiar with the functioning of the supranational entities such as the WTO and the European Union, and various regional trading blocks such as ASEAN and NAFTA; skilled in representing his/her company at international business gatherings, trade shows, and conferences; able to effectively handle foreign TV media and press conferences; aware of the norms and values of predominant foreign cultures; and well-informed about diplomatic protocol, etiquette, and practice. By encouraging managers to take university courses that cover the gamut of international politics, diplomacy, and trade issues, a firm can satisfy its needs in this area. Alternatively, these criteria may be included in managerial selection and in house training.

To summarise, designing a global organization is complex and requires several competing elements to be judiciously balanced. No model recipe exists and one can proceed in this area only through incremental adjustments. By fine-tuning organizational elements in a methodical and systematic manner, a firm must be able to arrive at a structure that is ideal for its purpose.

### 1.5 LIMITATIONS OF OB

*Following are the limitations of OB taking in a theoretical sense, however for a practitioner the same appears to be offering greater challenge and job satisfaction.*

**1. OB will not abolish conflict and frustration; it can only reduce them.** It is a way to improve, not an absolute answer to problems. Furthermore, it is but part of the whole cloth of an organization. We can discuss organizational behaviour as a separate subject, but to apply it we must tie it back to the whole of reality.

**2. Improved organizational behaviour will not solve unemployment.** It will not make up for our deficiencies. It cannot substitute for poor planning inept organizing, or shoddy controls. It is only one of many stems operating within a larger social system.

**3. Existence of behavioural bias.** Behavioural bias, which gives them a narrow viewpoint that emphasizes “meaningful” employee experiences while overlooking the broader system of the organization in relation to all its publics. Behavioural bias can be so misapplied that it harms employees as well as the organization. Some people, in spite of their good intentions so overwhelm others with care that they are reduced to dependent and unproductive indignity. They become content, not fulfilled. They find excuses for failure rather than taking responsibility for progress. They lack self-discipline and self-respect.

**4. Overemphasis on an organizational behaviour practice.** This may produce negative results, as indicated by the law of diminishing returns. It is a limiting factor in organizational behaviour the same way that it is in economics. In economics the law of diminishing returns refers to a declining amount of extra outputs when more of a desirable input is added to an economic situation. The law of diminishing return in organizational behaviour works in a similar way. It states that at some point increases of a desirable practice produce declining returns, eventually zero returns, and then negative returns as more increases are added.

**5. Use of autonomy.** Employ autonomy is a higher-order need that is frequently emphasized. One reason probably is that excess prevents coordination toward central goals. Different units of the organization cannot work together, so the labour of employees is wasted. At another end of the continuum, the lack of autonomy also is ineffective. When autonomy declines below an appropriate level, the organization fails to develop and use the talents of employees. The result is that effectiveness declines with both excessive use and miserly use of autonomy.

**6. Manipulation of people without regard for human welfare.** A significant concern about organizational behaviour is that its knowledge and techniques can be used to manipulate people as well as to help them develop their potential. People who lack respect for the basic dignity of the human being could learn organizational behaviour ideas and use them for selfish ends. They could use what they know about motivation or communication to manipulate people without regard for human welfare. People who lack ethical values could use people without regard for human welfare. People who lack ethical values could use people in unethical ways. The possibility of manipulation means that people in power in organizations need to be people of high ethical and moral integrity who will not misuse their power. Without ethical leadership, the new knowledge that is learned about people becomes a dangerous instrument for possible misuse.

## 1.6 THE FRAMEWORK OF THE BOOK

### The Major assumptions

The author believes the people start learning when they join any organization then all other individual process will be centered around their personality. Again, any relationship that will be formed later also based on the job characteristics. Hence Interpersonal and group activities are centered around the job. Finally the organization starts functioning only when there is a free flow of communication through-out the organization. This will lead to developing criteria for measuring individual and organization process. In that assumption OB Text and Cases starts with learning principles in Chapter 1, then Chapter 6 connect job related factors, Chapter 9 communication process and ends with case study and Internet Exercise in Chapter 15. The author believes the indigenisation of western management is a must for enhancing the productivity of organization and work force. The author is of the opinion that self management is the management of the new order organization. In this context, more literature is added on potential performance programming, development management in Chapter 14 and Appendix 1.

*This book will focus on four levels of change in people; (1) knowledge changes, (2) attitudinal changes, (3) behavioural changes, and (4) group or organizational performance changes. This is enforced through the application of Internet technology, Case study method, student exercise, test yourself- an individual management skill developing inventory. Discussion questions, Review questions and End notes. The plan of this five-part book is based on arranging topics from a micro to macro level of analysis :*

### PART – I : Overview of Organization Behaviour

**Chapter 1: Overview of Organizational Behaviour in the New Millennium** sets the agenda for integrating the themes of the text. Emphasis is placed on discussing contemporary organizational settings and challenges; identifying change agent and management frameworks and tools as they relate to OB principles and applications; providing a framework for managing diversity and the international and ethical dimensions of workplace behaviour; and using diagnostic models to examine OB issues.

### PART – II : Individual Processes

**Chapter 2: Learning, Aptitude, Interest and Attention** of an Individual narrates basic theories and application of industrial psychology in the organization context.

**Chapter 3: Attitude, Value, Perception and Attribution** of an Individual describes Attitude formation, value system, perception and attribution theory, with particular reference to workforce diversity and cross-national workforces. How individuals see, avoid stereotyping, and evaluate problems and opportunities is a first step in understanding organizational problems.

**Chapter 4: Personality** focuses on the individual as the “unit” of analysis. The importance of personality and the personal system is emphasised as ways to understand and read individual differences and work effectiveness are examined. Personality characteristics that hinder and facilitate relationships are discussed

**Chapter 5: Motivation** deals with content and process theories and contemporary issues and guidelines for diagnosing and motivating members of work force. How to motivate professionals during organizational changes is also discussed. Also analysed the power of financial incentives as a motivator.

### **PART – III : Team and Interpersonal Process**

**Chapter 7: Leadership** explains the distinctive competencies of organizational leaders and how leaders can be viewed as partners with followers. Organizational behaviour at the team and individual levels are greatly affected by the leadership's choice of vision and mobilization around strategy. The role of leadership skills in setting a vision and formulating a strategy for obtaining it is emphasized. Classical studies and approaches to leadership are summarized.

**Chapter 8: Power and Politics** describes models and skills for effectively using and managing power and politics in organizations in socially responsible ways. A changed model that incorporates power is also presented.

**Chapter 9: Conflict and Communication** process in organization presents different sources of conflict and various approaches for resolving conflict, effective communication skills in organizations with reference to international and culturally diverse work forces. Interpersonal communication and issues related to effectively managing electronic communication is addressed.

**Chapter 10: Group Dynamics** narrates various type and formation of groups, group decision making process and techniques in detail.

**Chapter 11: Team Management** describes the process of group information and includes characteristics of high-performance, self-managed, virtual, and international teams. Cross-cultural, diversity perspectives on team performance are also discussed.

### **PART – IV : Organizational Processes**

**Chapter 6: Job Design, Job Satisfaction and Other Job Related Concepts** presents contemporary and classical methods for designing and redesigning jobs. Issues regarding meaningfulness, morale, and relevance of jobs in changing contexts are discussed.

**Chapter 12: Organizing and Managing Change** presents additional organizational development (OD) strategies and interventions for managing organization-wide change.

**Chapter 13: Culture and Organizational Effectiveness** define culture and describe symptoms of cultures in trouble and attributes of those that are successful. Methods for diagnosing and changing culture are presented. International perspectives that influence organizational culture are given. A holistic model was developed for assessing the effectiveness of organization.

**Chapter 14: Emerging Organization Development Concept in the New Millennium** discusses the current topic of research and gives an inside view of development management, self management, potential performance programming , OB in Indian perspective and research studies on India management

### **PART – V : Casestudy and Internet Exercise**

**Chapter 15: Case Method Analysis and Internet Exercise** provide the state of the art cases from the global and Indian scenario for providing a comprehensive coverage of the corporate world and issues in OB to the students .At the end, all chapters are provided with **TEST YOURSELF**, which will help the reader to assess himself or herself and also provide an opportunity to chat with the author for further consultation . **Review questions** focus on the *Examination type questions* and **discussion questions and student exercises** assist the student to *extend the learning to the real world situation*. INFANT THIS IS ONE OF THE EARRY ATTEMPT OF AN INDIAN AUTHOR IN THIS SUBJECT TO DO SO .

### SUMMARY OF KEY POINTS

- By its very nature, management requires an understanding of human behaviour, to help managers better comprehend those at different levels in the organization, those at the same level, those in other organizations, and themselves.
- The manager's job can be characterized in terms of four functions, three sets of roles, and four skills. The basic managerial functions are planning, organizing, leading, and controlling. The roles consist of three interpersonal roles, three informational roles, and four decision-making roles. The four basic skills necessary for effective management are technical, interpersonal, conceptual, and diagnostic skills.
- Several organizational challenges confront managers. One major organizational challenge is downsizing and cutbacks. Another is increasing workforce diversity. The new workforce also poses significant organizational challenges for managers, as does organization change. Information technology and new ways of organizing are two other important organizational challenges.
- There are also several important environmental challenges to consider. Determining the most effective competitive strategy and matching people to that strategy is one important challenge. Today, global competition is one of the most critical environmental challenges. Ethics and social responsibility are significant as well. The manager must also emphasise product and service quality and manage technology successfully.
- Managing for effectiveness involves balancing a variety of individual-level, group and team-level, and organization - level outcome variables.

In short, we can summarise Organizational Behaviour is the study of human behaviour in Organization. It is an inter disciplinary approach and studies individuals, groups, organizations and the environment. It borrows heavily from theories, models and concepts from the behavioural sciences. Knowledge about human behaviour would be useful in improving Organizational effectiveness. Organizational behaviour offers both challenges and opportunities for managers. It recognizes differences and helps managers to see the value of workforce diversity and practices that may need to be changed when managing in different countries. It can help improve quality and employee productivity by showing managers how to empower their people as well as how to design and implement change programs. Finally, OB can offer managers guidance in creating an ethically healthy work climate.

### TEST YOUR SELF

#### 1.1 Are you an Human Relation Oriented Manager ?

Gauge your ability as a Human relation oriented manager by responding to the following statements, and mark the options closest to your experience. Be as honest as you can; if your answer is **never**, mark option 1; if it is **always**, mark option 4; and so on. Add your scores together, and refer to the Analysis to see how you scored. Use your answers to identify the areas that need improving.

#### Options

1. Never
2. Occasionally
3. Frequently
4. Always



1. I apply Theory-Y management principles rather than Theory X.
 

<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4
----------------------------	----------------------------	----------------------------	----------------------------
2. I avoid office politics and discourage others from politicking.
 

<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4
----------------------------	----------------------------	----------------------------	----------------------------
3. I involve people in issues at the earliest possible opportunity.
 

<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4
----------------------------	----------------------------	----------------------------	----------------------------
4. I thank people for good work face to face or by handwritten note.
 

<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4
----------------------------	----------------------------	----------------------------	----------------------------
5. If I feel it is necessary, I bend the rules and avoid working by the book.
 

<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4
----------------------------	----------------------------	----------------------------	----------------------------
6. I look out for and move people who are not using their full potential.
 

<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4
----------------------------	----------------------------	----------------------------	----------------------------
7. I seek opportunities for radical change and take them where possible.
 

<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4
----------------------------	----------------------------	----------------------------	----------------------------
8. I reward, recognize, and promote on merit alone.
 

<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4
----------------------------	----------------------------	----------------------------	----------------------------
9. I give reasons for my actions and for any disagreements with people.
 

<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4
----------------------------	----------------------------	----------------------------	----------------------------
10. I seek consensus and encourage others to do the same.
 

<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4
----------------------------	----------------------------	----------------------------	----------------------------
11. I react to failure not by blame but by analysis and correction.
 

<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4
----------------------------	----------------------------	----------------------------	----------------------------
12. I try to persuade and influence staff rather than force them to do what I want.
 

<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4
----------------------------	----------------------------	----------------------------	----------------------------
13. I try to ensure that work is enjoyable for my staff.
 

<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4
----------------------------	----------------------------	----------------------------	----------------------------
14. I interview people who leave to find out their reasons for going.
 

<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4
----------------------------	----------------------------	----------------------------	----------------------------
15. I use my knowledge of non-verbal communication to influence discussions.
 

<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4
----------------------------	----------------------------	----------------------------	----------------------------
16. I am honest with my staff and keep them as informed as possible.
 

<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4
----------------------------	----------------------------	----------------------------	----------------------------
17. If I enquire into staff attitudes, I make a point of acting on what I find.
 

<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4
----------------------------	----------------------------	----------------------------	----------------------------
18. I seek a balance between firm control and giving people independence.
 

<input type="checkbox"/> 1	<input type="checkbox"/> 2	<input type="checkbox"/> 3	<input type="checkbox"/> 4
----------------------------	----------------------------	----------------------------	----------------------------

19. I make conscious efforts to improve on my motivational skills.  1  2  3  4
20. I change benchmarks to keep targets at stimulating heights.  1  2  3  4
21. I revise the system in order to remove obstacles to performance.  1  2  3  4
22. I look at more than just financial results when assessing staff performance.  1  2  3  4
23. I encourage people to be open about how much they and others are paid.  1  2  3  4
24. In appraisal interviews, I request and receive appraisals of myself.  1  2  3  4
25. I get full, clear feedback from people whose behaviour I have had to criticize.  1  2  3  4
26. I organize work so that one person can own and complete an entire task.  1  2  3  4
27. I look at assignments and moves as ways to develop people.  1  2  3  4
28. I encourage people to act on their own initiatives.  1  2  3  4
29. I delegate work that does not have to be done by me.  1  2  3  4
30. If difficult “people decisions” are needed, I take them without hesitation.  1  2  3  4
31. I act to avert or settle disputes and personality clashes.  1  2  3  4
32. I make changes only after full consultation with those affected.  1  2  3  4

### Analysis and Interpretation

Now you have completed the self-assessment, add up your total score and check your performance by reading the corresponding evaluation.

- 32-64** : You are demotivating rather than motivating people. Find actions that work and practice them often to achieve results.
- 65-95** : Your motivational skills are fairly sound, but your weak points need to be addressed.
- 96-128** : You are a great motivator. Be careful not to become complacent or to let your high standards slip.

FOR MORE DETAILS, MAIL YOUR SCORE AT [shaangrila@rediffmail.com](mailto:shaangrila@rediffmail.com)



### 1.2 Review Questions

1. What do you mean by Organization behaviour ? How important it is for an organization in the 21<sup>st</sup> century ?
2. Comment on the human relation approach of OB.
3. Explain system theory of OB.
4. ‘Theory *x* and theory *y* helped managers to practise OB as a discipline’. Explain.
5. How do you visualise the application of fundamental concepts of OB in an e-commerce organization?

### 1.3 Discussion Questions

1. In what ways is organizational behaviour comparable to functional areas such as finance, marketing, and production ? In what ways is it different from these areas ? Is it similar to statistics in any way ?
2. Identify some managerial jobs that are highly affected by human behaviour and others that are less so. Which would you prefer ? Why ?
3. Get a recent issue of a popular business magazine and news papers like Business Week, Business standard, Economic Times or Fortune and scan its major articles. Do any of them reflect concepts from organizational behaviour ? Describe.
4. The author believes that ‘we cannot understand organizations without understanding the behaviour of the people within them’. Do you agree or disagree with him ? Why ?
5. Interview a local manager or business owner to find out his or her views on the importance of individual behaviour to the success of the organization. Report your findings to the class.
6. What advice would you give managers to help them prepare better to cope with changes in workforce demographics ?
7. How information technology changed your role as a student ? Have the changes been positive or negative ?

### 1.4 Student Exercise

Visit your nearest Business organization say India Cements and comment on the Organization practices followed by them for nurturing both its internal and external customers. Compare with the theories, which you have read in the chapter and comment on its impact on its survival.

### 1.5 References

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## CHAPTER 2

# LEARNING, APTITUDE, INTEREST AND ATTENTION OF AN INDIVIDUAL

### LEARNING OBJECTIVES

*This chapter aims at introducing the concepts in learning, aptitude, interests and attention as a pre requisite for explaining the Organisation Behaviour theories and practices to the readers such as:*

- *Learning*
- *Theories of learning*
- *Learning process and principles*
- *Climate for learning*
- *Organisational learning and behaviour modification*
- *Learning curve*
- *Aptitude*
- *Interest*
- *Attention and*
- *Sustained attention and span of attention in business*

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# Learning, Aptitude, Interest and Attention of an Individual

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## FUNDAMENTAL CONCEPTS—BACKGROUND

As a starting point for understanding the behaviour of people in organizations, we examine the basic concepts in individual and organization behaviour. Understanding such concepts helps us appreciate the nature of individual differences. These differences, in turn, play a critical role in determining various important workplace behaviours of special relevance to managers. A psychological contract is a person's set of expectations regarding what he or she will contribute to the organization and what the organization, in return, will provide to the individual. Specifically, a psychological contract is a person's overall set of expectations regarding what he or she will contribute to the organization and what the organization will provide in return. An individual's contributions to an organization include such things as effort, skills, ability, time, and loyalty. Organizations provide inducements to individuals in the form of tangible and intangible rewards. All organizations face the basic challenge of managing psychological contracts. They want value from their employees, and they need to give employees the right inducements. For instance, underpaid employees may perform poorly or leave for better jobs elsewhere. Overpaying employees who contribute little to the organization, though, incurs unnecessary costs. We begin with principles of learning, attention, perception, attitude, value and describe how it influence the individual and organisation behaviour

### 2.1 LEARNING

According to Norman Munn, "Learning can be defined as the process of being modified more or less permanently by what happens in the world around us, by what we do or what we observe". It again means the acquisition of knowledge, both learned and unlearned. To start with, we learn to make simple responses. This simple learning involves the modification of inborn responses and is often referred to as conditioned - response learning. Next in the order of learning may be learning motor skills of simple types. Stage by stage, motor skills of increasing complexity is added to our repertoire. Along with this we begin to acquire verbal skills. While acquiring motor skills and verbal skills, we are also developing problem solving ability. We acquire information about ourselves and the whole world around us, there by facilitating the acquisition of skills and the solutions of problems. In short learning is a slow process, which changes from simple form to problem solving. It must be of great interest to know that during the process of learning we also learn how to learn.

According to Hilgard and Bower, "Learning is the process by which an activity originates or is changed through reacting to an encountered situation, provided that the characteristics of the change activity cannot be explained on the basis of native response tendencies, maturation, or temporary states

of the organism. In the words of Bernard, Bass and James Vaughn, “Learning is a relatively permanent change in behaviour which occurs as a result of experience”. According to Fred Luthans; “Learning can be defined as relatively permanent change in behaviour that occurs as a result of experience or reinforced practice”.

**(a) Other Important Definitions of Learning can be Summarised as**

1. *Learning is a modification of perception and experience (Hernard).*
2. *Learning is a process of progressive behaviour of attitude, experience and training. (C.F. Skinner).*
3. *Learning is a modification of behaviour through training, activity and experience. (Gates and others).*
4. *Learning is a change in performance through conditions such as activity, training and experience (operational definition by Mc George and Iron) and*
5. *Learning is a process by which behaviour (in the broader sense) is originated or changed through activity and training (Hunter and Hilgard).*

Learning has other social implications also. By learning we mean only the improvement of those qualities, which are accepted by the society, and that it does not challenge the norms. Hence he would say that learning is a life long process, which starts right after birth and goes on till the end although much learning is done after the “process of socialisation”. A generally accepted definition of learning is any relatively permanent change in behaviour that occurs as a result of experience. Ironically, we can say that changes in behaviour indicate that learning has taken place and that learning is a change in behaviour.

**(b) Characteristics of Learning**

1. Learning is an inferred process that is believed to influence behaviour.
2. Learning results in a relatively permanent change in behaviour.
3. Learning is only one of several factors that influence behaviour.
4. Some behaviour may simply be a matter of instinct or genetic inheritance; that is, such behaviours were not learned, nor are they capable of change through learning.
5. There is distinction between changes in behaviour that occur as matter of learning and those that occur because of maturation or aging. Maturation (as well as aging) and learning have separate influences on behaviour in at least two ways: (i) some patterns of behaviour change simply as a child or adult grows older as a result of normal socialization processes, (ii) the potential to learn some skills in influence by aging.
6. The practice of learning must be reinforced in order to occur. If reinforcement does accompany, the behaviour will gradually disappear.

From the above discussions, one can easily get a vivid picture of the whole process of learning. Hence we can summaries by saying.

1. *Learning is process and not a product.*
2. *Learning is improvement.*
3. *Learning is maturation.*
4. *Learning is adaptation and*
5. *Learning is attaining proficiency.*

### 2.1.1 Theories of Learning

Theories of learning fall into two main groups. Those classified as field theories and association theories. In the field theories, the importance is given to changes in the field and the learner's perception of the field while in the case of association theories it is the response of the learner and its association with the particular stimulus and the changes within the learner. The Field theories are those emphasising cognition and sign learning whereas the Association theories place importance to contiguity and reinforcement. The main theories of learning are as follows:

(a) **Classical conditioning** grew out of experiments to teach a dog to salivate in response to the ringing of a bell conducted at the turn of the century by a Russian physiologist, Ivan Pavlov. A simple surgical procedure allowed Pavlov to measure accurately the amount of saliva secreted by a dog. When Pavlov presented the dog with a piece of meat, the dog exhibited a noticeable increase in salivation. When Pavlov withheld the presentation of meat and merely rang a bell, the dog did not salivate. Then Pavlov proceeded to link the meat and the ringing of the bell. After repeatedly hearing the bell before getting the food, the dog began to salivate as soon as the bell rang. After a while, the dog would salivate merely at the sound of the bell, even if no food were offered. In effect, the dog had learned to respond that is, to salivate - to the bell. Classical conditioning is passive. Something happens and we react in a specific way. It is elicited in response to a specific, identifiable event. As such, it can explain simple reflexive behaviours. But most behaviours — particularly the complex behaviour of individuals in organisations — is emitted rather than elicited. It is voluntary rather than reflexive.

(b) **Operant conditioning** argues that behaviour is a function of its consequences. People learn to behave to get something voluntary or learned behaviour in contrast to reflexive or unlearned behaviour. The tendency to repeat such behaviour is influenced by the reinforcement or lack of reinforcement brought about by the consequences of the behaviour. Reinforcement, therefore, strengthens a behaviour and increases the likelihood that it will be repeated. What Pavlov did for classical conditioning, the Harvard psychologist B.F. Skinner repeated the same for operant conditioning. Building on earlier work in the field, Skinner's research extensively expanded our knowledge of operant conditioning.

Behaviour modification (as operant conditioning) is an effective instrument of changing employee behaviour. This theory also stresses stimulus response (S-R) connection as a basic unit of learning. This theory has been advocated by Hull and Skinner from the behavioural school. The key process in instrumental conditioning is the reinforcement or reward of desired behaviours. The study of learning through reinforcement dates to the work of Watson, at about the same time Pavlov was carrying out his studies. Watson was of the opinion that behaviour was influenced by rewards from the environment. In other words, people change their behaviour by repeating acts that are rewarded and not repeating acts that the environment fails to reward. Hull and his associates developed a formal learning model based on the law of effect that incorporates three important elements:

1. **Drive.** Drive is an internal state of need. Drives act as motives and they instigate action.
2. **Habit.** Habit is the S-R connection that is learned through conditioning. Habits determined choice in behaviour at any given point in time.
3. **Reinforcement.** It is presentation of an event following the desired behaviour that serves to strengthen the habit. Reinforcement may be classified under four heads:
  - *Positive Reinforcement*
  - *Negative Reinforcement*
  - *Extinction; and*
  - *Punishment*

The fundamental purpose of behaviour modification is to achieve the desired objective, say, of an employee attending his work in time. This object can be achieved either by reinforcing the desired behaviour, which is coming in time, or reducing the undesired behaviour, may be ensured either positive reinforcement or negative reinforcement. Positive reinforcement includes rewards, which are of a negative nature. For example, an employee coming late is not harassed or is not reprimanded for his act of coming late. On the other hand, the undesired behaviour of coming late may reduce either by extinction or punishment. Extinction means the process or the methods leading to decrease the occurrence of undesired behaviour. Under extinction positive reinforcement is with-held so that over the time the undesired behaviour of coming late disappears. Punishment is the other method or reducing the occurrence of undesirable behaviour. For instance, the boss may harass, reprimand or enforce a pay cut in respect of the employee coming late to work.

(c) **Social Learning.** Individuals can also learn by observing what happens to other people and just by being told about something, as well as by direct experiences. So, for example, much of what we have learned comes from watching models - parents, teachers, peers, motion picture and television performers, bosses, and so forth. This view that we can learn through both observation and direct experience has been called social learning theory. Although social - learning theory is an extension of operant conditioning, that is, it assumes that behaviour is a function of consequences - it also acknowledges the existence of observational learning and the importance of perception in learning. People respond to how they perceive and define consequences not to the objective consequences themselves. Other important theories are summarised as:

**1. Hull's Theory :** Learning is described as the process by which an activity was originated or changed as a result of practice. His theory is a conceptual descendent of Thorndike in as much as he adopts reinforcement as an essential characteristic of learning. He gives importance to contiguity in time of 'S' and 'R' as an essential characteristic of learning. On the basis of his experiments. He put forward a large number of postulates.

**2. Gestalt Theory (By the Gestalt Psychologists) :** Here the emphasis is placed upon configuration and structure. The Gestaltists insisted that experience is always structured and that we do not react to a mere mask of separate detail but to a complex organisation or pattern of stimuli. More over we attempt to perceive stimuli in organised wholes and not in disconnected parts *i.e.* perception does not occur piece meal and the process involved in perception apply to learning too such as figure and ground, similarity, proximity, closure etc.

**3. Topological Theory (Kurt-Lewin) :** A derivative of Gestalt theory, contents that the total pattern or field of events determines learning but differs in the greater emphasis placed upon motivation. Another important factor, according to Lewin is the result of change in cognitive structures. Lewin saw each person as existing with in a field of forces. This field of forces to which the individual is responding is called his "Life Space". This is a vector approach, dealing with forces acting on the individual and he has taken a lot of his concepts from topology.

**4. Sign-Gestalt-Expectation Theory (Tolman's Theory) :** If the Gestalten formulations apply mainly to perception and Kurt Lewins topological theory to behaviour, Edward Tolman's theory of sign learning applies primarily to learning. According to him more than one kind of learning may occur. Important concepts are : (1) Response Learning; (2) Cognition; (3) Latent-Learning; (4) Intermittent Learning and (5) Place learning.

### 2.1.2 Character of Learning Process

1. Learning is a continuous process.
2. People learn through their actual personal experience, simulated experience and from others experience (by using the knowledge, which represents experience of others).
3. People learn step by step, from known to unknown and simple to complex .
4. There is a need for repetition in teaching to improve skill and to learn perfectly.
5. Practice makes a man perfect. Hence, opportunity should be created to use, transfer the skills, knowledge and abilities and acquired through learning. It gives satisfaction to the learner and
6. Conflicts in learning. Conflict in learning arises when the trainer knows or has developed some habits, which are incorrect in terms of the method being learned.

#### (a) Learning Principles

Models of human learning are studied in order to find out the reasons for fast accurate learning. The principles of learning developed by Sikula are as follow:

- (a) *All human beings can learn.*
- (b) *An individual must be motivated to learn .*
- (c) *Learning is active but not passive.*
- (d) *Learners may acquire knowledge more rapidly with guidance. Feedback ensures improvement in speed and accuracy of learning.*
- (e) *Appropriate material (like case studies, tools, problems, reading etc.) should be provided.*
- (f) *Time must be provided to practice learning.*
- (g) *Learning methods should be varied. Variety of methods should be introduced to offset fatigue and boredom.*
- (h) *The learner must secure satisfaction from learning. Education must fulfil human needs, desires and expectations.*
- (i) *Learners need reinforcement of correct behaviour.*
- (j) *Standards of performance should be set for the learner.*
- (k) *Different levels of learning exists*
- (l) *Learning is an adjustment on the part of an individual.*
- (m) *Individual differences play a large part in effectiveness of the learning process.*
- (n) *Learning is a cumulative process.*
- (o) *Ego involvement is widely regarded as a major factor in learning.*
- (p) *The rate of learning decreases when complex skills are involved.*
- (q) *Learning is closely related to attention and concentration.*
- (r) *Learning involves long-run retention and immediate acquisition of knowledge.*
- (s) *Accuracy deserves generally more emphasis than speed.*
- (t) *Learning should be relatively based and*
- (u) *Learning should be a goal-oriented.*



### (b) The Climate for Learning

Conducive climate for learning should be provided in view of its significance in training. It consists of ideal physical and psychological environment. Ideal physical environment, consisting of suitable location with space, adequate accommodation, audio-visual aids, air conditioning, ventilation, lighting and other facilities like canteen, facilities for relaxation, should be provided. Ideal psychological environment, which consists of business atmosphere, friendly environment, frequent communication, follow-up regarding performance and progress, enthusiastic, helpful and broad-minded trainer etc., should be created and provided. Provision for measuring learner's progress through tests should also be made in order to regulate, correct and follow-up the training programmes.

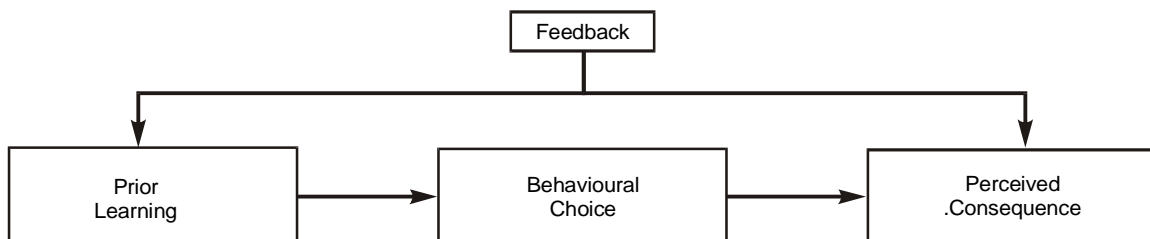
### (c) Learning Problems

The instructor should have the knowledge of the possible learning problems. He should identify the problems of trainees and takes steps to solve them. The possible learning problems are:

- (a) *Lack of knowledge, skill, aptitude and favourable attitude.*
- (b) *Knowledge and skill not being applied.*
- (c) *Existence of anti-learning factors: Most operational situations contain a number of elements, which will restrict the development of learning regardless the methods employed.*
- (d) *Psychological problems like fear and shy.*
- (e) *Inability to transfer of learning to operational situation.*
- (f) *Heavy dependence on repetition, demonstration and practice.*
- (g) *Unwilling to change.*
- (h) *Lack of interest about the knowledge of results.*
- (i) *Absence of self-motivation and*
- (j) *Negative attitude about involvement and participation.*

### 2.1.3 Learning as a Cognitive Process

Contemporary thinking suggests that individual learning is a cognitive process. Specifically, the idea is that prior learning influences our behavioural choices. The perceived consequences of the choices we make regarding behaviour become in turn a part of our learning and affect future behavioural choices.



**Fig. 2.1. Learning as a Cognitive Process.**

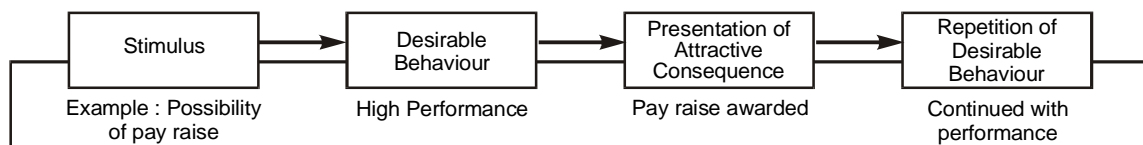
There are four ways in which to shape behaviour: through positive reinforcement, negative reinforcement, punishment, and extinction. Following a response with something pleasant is called positive reinforcement. This would describe, for instance, the boss who praises an employee for a job well done. Following a response by the termination or withdrawal of something unpleasant is called

negative reinforcement. If your college instructor asks a question and you don't know the answer, looking through your lecture notes is likely to preclude your being called on. This is a negative reinforcement because you have learned that looking busily through your notes prevents the instructor from calling on you. Punishment is causing an unpleasant condition in an attempt to eliminate an undesirable behaviour. Giving an employee a two-day suspension from work without pay for showing up drunk is an example of punishment. Eliminating any reinforcement that is maintaining a behaviour is called extinction. When the behaviour is not reinforced, it tends to gradually be extinguished. College instructors, who wish to discourage students from asking questions in class, eliminate this behaviour by ignoring those who raise their hands to ask questions. Reinforcement theory is based on the idea that behaviour is a function of its consequences. Reinforcement is the consequences of behaviour. Positive reinforcement is a reward or other desirable consequence that a person receives after exhibiting behaviour.

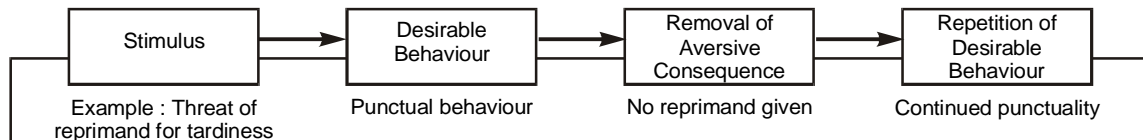
**Kinds of Reinforcement**

The four basic kinds of reinforcement managers can use to motivate employee behaviour. The first two, positive reinforcement and avoidance, can be used to motivate employees to continue to engage in desirable behaviours (such as working hard) the other two, extinction and punishment, might be used to motivate employees to change undesirable behaviours. Schedules of reinforcement indicate when or how often managers should reinforce certain behaviours.

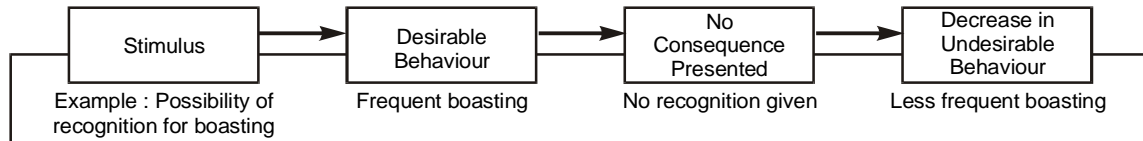
**Positive Reinforcement**



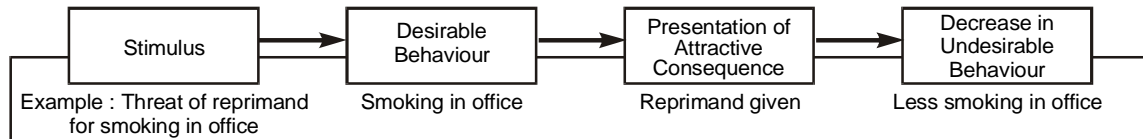
**Avoidance**



**Extinction**

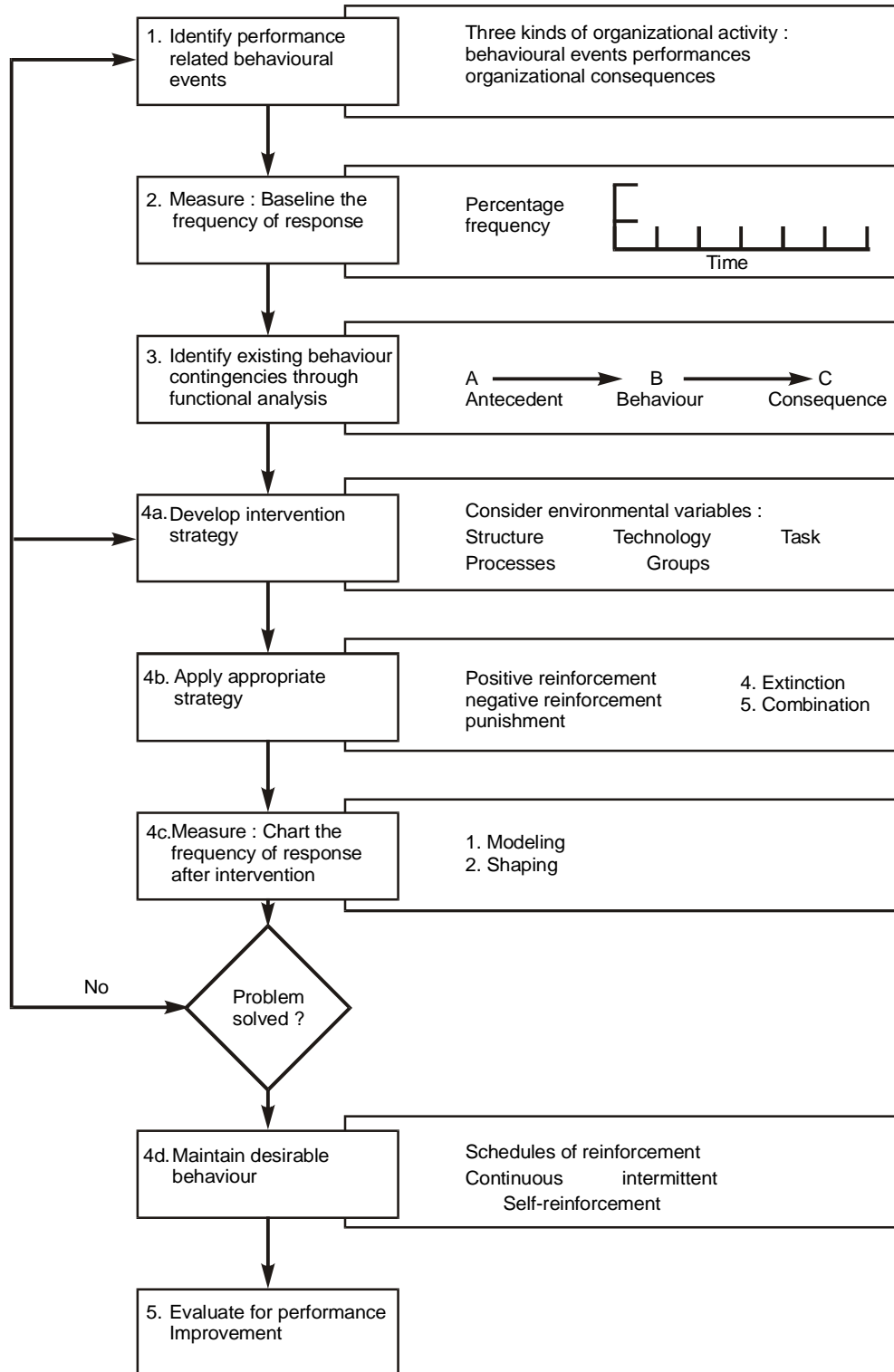


**Punishment**



**Fig. 2.2 Kinds of Reinforcement.**

**Source :** *Organisation Behaviour Managing People and Organisations, Houghton Mifflin Company, USA 2000.*



**Fig. 2.3. Steps in Organisational Behaviour Modification.**

**Source :** Personnel, American Management Association, New York, 1974.

**Table 2.2. Showing schedule for reinforcement**

Schedule of Reinforcement	Nature of reinforcement
Continuous	Behaviour is reinforced every time it occurs.
Fixed-interval	Behaviour is reinforced according to some predetermined, constant schedule based on time.
Variable-interval	Behaviour is reinforced after periods of time, but the time span varies from one time to the next.
Fixed-ratio	Behaviour is reinforced after according to the number of behaviour needed to gain reinforcement held constant.
Variable-Ratio	Behaviour is reinforced according to the number of behaviours exhibited, but the number of behaviours needed to gain reinforcement varies from one time to the next.

Reinforcement generalisation is the process through which a person extends recognition of similar or identical behaviour - reinforcement relationships to different settings. Reinforcement discrimination is the process of recognising differences between behaviour and reinforcement in different settings. Social learning occurs when people observe the behaviours of others, recognise their consequences, and alter their own behaviour as a result. Organizational behaviour modification, or OB mod, is the application of reinforcement theory to people in organizational settings.

#### 2.1.4 Teaching Principles

In addition to learning principles, teaching principles should also be taken care for effective training.

- (a) The employee must be taught to practice only the correct method of work.
- (b) Job analysis and motion study techniques should be used.
- (c) Job training under actual working conditions should be preferred to classroom training.
- (d) Emphasis should be given more on accuracy than speed.
- (e) Teaching should be at different time-intervals.
- (f) It should be recognised that it is easier to train young workers than old workers due to their decreasing adaptability with the increase in age.

Because learning takes place on the job as well as prior to it, managers will be concerned with how they can teach employees to behave in ways that most benefit the organisation. When we attempt to mold individuals by guiding their learning in graduated steps, we are **shaping behaviour**.

(a) **Conditioning.** Conditioning consists of eliciting a response by means of a previously neutral or **inadequate stimulus**. Through contiguity of stimulus and response a stimulus that was inadequate in arousing a response becomes capable of doing so. When the unconditioned response is made to the conditioned stimulus it is called the conditioned response (Rc) and the change or modification that occurred is called conditioned Reflex. The main concepts in learning are as follows:

1. The conditioned/Unconditioned stimulus.
2. Conditioned/Unconditioned Responses.
3. Conditioned Reflex.
4. Extinction and Spontaneous recovery.
5. Generalization and discrimination of stimulus.

(b) **Trial and Error.** Thorndike holds that learning consists of forming bonds or connections between S and R. In this the involvement of the Organism (i.e. the learner) is basic and significant. New bonds are formed through experience and frequency intensity and vividness of the experience, mood

and capacity of the subject, similarity of situations influence the formation of these bonds. Satisfaction or reinforcement is basic in conditioning theory. In trial and error there is a motive or goal. The responses are many. There is progressive elimination of useless responses and confirmation of successful ones.

(c) **Problem Solving.** May be done by trial and error by Gestalt method i.e. by perceiving the thing as a whole. Mier gave the greatest contribution. Considered to be the highest type of learning because responses are not dependent upon past experiences, associations and conditioning alone rather response is dependent upon the ability to manipulate abstract ideas to use concepts and modification of previous learning and to perceive small differences problem solving demands the creation not the repetition of responses when a situations arises.

(d) **Discriminative Learning.** Lastly conducted experiments on rays for a detailed study of the discriminative learning. It consists of discriminating between two things. Skinner is also of the opinion that discrimination is an important aspect of effective learning. One is able to detect likeness and differences. Discrimination is the detection of differences in a series of like situation. Generalization and discrimination or differentiations are correlative aspect of the learning process.

(e) **Learning by Insight.** It involves foresight or hindsight. Kohler found that the animal could solve the problem all of a sudden as if it could understand the meaning and significance of a particular action in relation to the problem at hand. Useless actions are avoided but they give some due or hypothesis for further action. It means there is a trial and error approach initially. Insight is a function of Neuro muscular development of the organism and of the problem situations.

(f) **Learning and skill formation.** Proficiency in the performance of a particular task is called skill. Let it be any task. If the task is mainly averting activity involving muscular activity, then it is called Motor skill. Where as, if it is the use of language it is called verbal skill. Skill is there in learning a lesson and in problem solving. But it has been found that to attain proficiency there must be inducements to learn i.e. many forms of incentives should be used to motivate the learner.

(g) **Learning through demonstration.** A method adopted to teach a trade is to demonstrate the whole press. This is based on the conviction that in such cases learning takes place through imitation. If learning by imitation is to happen then the learner should utilise many other things and must be able to utilise his other abilities suitably from the repertoire. Strictly speaking, he may learn to imitate a particular action but he does not learn by simple limitation alone.

### 2.1.5 LEARNING CURVE

The results of ones attempts to learn may be described in part by measuring the amount of his learning at various points while learning is taking place and presenting the measurements graphically in the form of a curve is called the learning curve. It is a quantitative way of describing what has been learned and it depicts serially the stages a learner has gone through in acquiring knowledge or a skill. As learning proceeds the curve will rise if the measure of achievements is positive such as the amount of information retained or number of correct responses made. The curve will fall if the measure of achievement is negative such as frequency of errors. However the form of the curve is more important than whether it falls or rises. According to Skinner this curve is the charting of the acquisition of skills.

(a) **Different types of learning Curves.** There is no one typical curved of learning because learning takes many forms depending on the learner, the material to be learned, the learning situation etc.

1. **Negative accelerated curve.** It is a curve on which early increments of performance are relatively large but become smaller as practice continues is called negative by accelerated curve or convex curve. May be done for the difficult nature of the problem or lack of motivation.

2. **Positively accelerated curve.** Another type of learning curve on which increments of performance are relatively small at first but becomes larger as practice continues is called positive by accelerated curve or concave curve. It occurs when practice leads to proficiency or due to transfer of learning.
3. **Zero acceleration curve** (or constantly accelerated curve). Here we get a straight line increasing steadily as the member of trials and number of errors goes up.
4. **S shaped curve** (or sigmoid curve or concave-convex curve). It is a curve that is positive by accelerated first and then passed through a period of no apparent again and followed by negative acceleration. This is a typical curve of a child learning to read or an adult learning a foreign language.

(b) **Plateaus in the Learning Curve.** Periods of no visible or apparent progress followed by improvement are called plateaus. In other words the 'flat' parts of the learning curves preceded and followed by a rise are called plateaus. This is the stage when the student does not improve in his reading. When the guitarists feel no apparent progress, the gymnast is not haltering his performance etc. It may be due to fatigue/boredom lack of interest etc. Occurrence of plateaus cannot be completely avoided. But they can be minimised with Motivation, by stopping the learning for a while, by doing a different job, by changing the method etc.

(c) **Limits of Learning- Basically there is no limit for learning : however we identified the following are the bottleneck for learning more**

*The knowledge limit, Motivational limit and Physiological limit*

In acquiring any skill a person reaches a limit beyond which he cannot go no matter how hard he tries.

## 2.2 APTITUDE

According to Frank S. Freeman an aptitude is a combination of characteristics indicative of an individual's capacity to acquire (with training) some specific knowledge skill or set of organised responses, such as ability to speak a language to become a Musician, to do mechanical work. Aptitude is differentiated from skill and proficiency. By aptitude we mean the capacity to acquire proficiency under appropriate conditions, in his potentialities at present as shown by his performance. Hence an aptitude test therefore is one designed to measure a person's potential ability. It is an activity of a specialised kind and within a restricted range. Performance on intelligence tests is sometimes indicative of aptitude for certain lines of occupation. High scores on Intelligence tests indicate "**Scholastic Aptitude**". Aptitude is more or less specific. An individual may have a high aptitude for one job and not for other job. Some people may have many aptitudes. Some are good scholars, athletes mechanical minded at the same time. In contrast to this, there are people who have a very narrow range of aptitude. Psychologists have now devised standard aptitude tests for a wide variety of occupations. There are two important reasons for measuring the aptitudes.

1. *To advise people concerning the fields of activity in which they are most likely or least likely to be successful (For Vocational guidance).*
2. *To select the best suited for a particular job (For vocational selection).*

Some of the most commonly administered aptitude tests are :

1. *Mechanical aptitude tests.*
2. *Clerical aptitude tests.*
3. *Music aptitude tests.*
4. *Graphic aptitude tests.*

5. *Aptitude in medicine.*
6. *Aptitude in Law.*
7. *Aptitude for teaching. and*
8. *Aptitude to science and engineering and many others.*

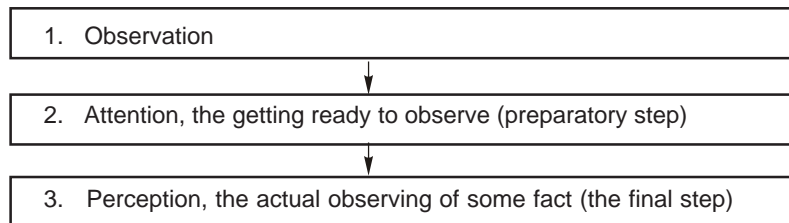
### 2.3 INTEREST

Interests are largely a matter of personality and can be measured by using Interest Inventories. Interests are always relevant since the individual is more likely to succeed in occupations, which interest him than in those, which do not. The relationship between interest and job than in those, which do not. The relationship between interest and job satisfaction is shown by a study conducted by Mc Rase (1959). The strength and direction of individual's interests are very important aspects of personality. Interest tests are highly useful for vocational and educational counseling. Specific Interest tests are :

1. *Strong Vocational Interest Blank (Vocational guidance counseling).*
2. *Kuder Preference Record.* But such tests also have their pitfalls of “faking”.

### 2.4 ATTENTION

To attend is to concentrate one's activity. The fact that every one does attend more or less is a fundamental characteristic of the behaviour of organisms. When a teacher says, “please give me your attention”, he or she really means please attend to what I am going to say. Hence one may think it is better to have to term Attending Attention since attending is an action not an activity. But in psychological sense of the term, Attention is used as a noun form of the process it involves. To attend is to get set and be ready to perceive a certain object or to perform a certain act. When somebody is said to have greater power of attention, it means he can attend strongly to something he is trying to observe in particular. Hence a logical sequence would be described below :



Most of the troubles that many people have in memorising things are due to poor observation of facts. What they do not observe they cannot hope to remember. In fact when somebody says “look here”, “Observe this”, “Notice this”, we want you to have you attend to something, hoping that you will perceive something important. Hence poor observation could make some one in attentive and careless in perceiving facts. Increased Attention is marked by:

(a) **Selective nature of responses.** The organism, instead of responding equally to the numerous stimuli received at a given moment, responds according to the need and demand focusing on one stimulus or one group of stimuli practically neglecting others. In short, at a particular time you are attending to a particular object out of the many. (How we all wish we could attend to many things at the same time, a limitation of our power ?).

(b) **Set.** It is the State of readiness or preparedness to receive an anticipated stimulus, say, the runners on the marks waiting for the pistol shot, or a cat slouching behind to catch a rat.



(c) **Added clearness or awareness or the conscious state of mind.** That is when we are attending to something that particular object is brought to consciousness and the rest of the stimuli getting related to the fringe.

(d) **Sustained attention.** It is a set to continue an activity. This especially happens during heavy distractions.

(e) **Involvement of the Nervous System.** Both reception and effective take active part in attention. The body adjustment or posture brings in the Central Nervous system.

#### 2.4.1 How to catch and hold one's Attention?

The Psychological problem is to find out what kinds of things are more likely to catch and hold out attention. Here we should remember that to catch and hold our attention to a particular object or thought, we have to extricate ourselves from the environment, which consists of many such stimuli or objects. Hence we often ask the question what people attend to. Many stimuli (S) are competing to catch the organism's (O) attention to get a particular Response (R). Hence, the three important aspects in attention are S-O-R. The following factors shown below may be kept in mind:

<b>S-Factors</b>
1. <i>Unity and Meaningfulness</i>
2. <i>Arousal of Imagery</i>
3. <i>Creation of Feelings</i>
4. <i>Appeal to Motive (depending on the need)</i>

<b>O-Factors</b>
1. <i>Needs or wants</i>
2. <i>Interest, Emotional State etc.</i>
3. <i>Attitude, habits etc.</i>
4. <i>Set</i>
5. <i>Aspirations, prejudice etc.</i>

It has been found that certain kinds of stimuli have the advantage of attracting attention. They are:

(a) **The Intensity of the Stimulus.** Say loud voice, which has the advantage over a low murmur, or a bright flash over a faint twinkle.

(b) **Size of the object.** For visible objects, size has the same effect as intensity. A large object is likely to catch more attention than a small object.

(c) **Repetition: i.e. Summation of stimuli.** If you get out 'Fire', 'Fire', it may catch attention while a single 'Fire', would go unnoticed.

(d) **Change (Sudden Change).** Say you could get used to the sound of the air conditioner. But if it suddenly stops there it would catch your attention. Similarly when something starts moving suddenly.

(e) **Contrast or Difference.** Anything, which was a different colour from that of the surrounding, is likely to be conspicuous. Say something written to blank on a clean, white wall. Besides, Novelty, location etc. also play important roles in catching attention. Since novelty can reduce monotony to greater extent it may also be a factor. All these five factors can again be attributed to S.Factors. With regards to O-Factors, we can think of them being Internal factors. They are: **Structural or permanent factors of the individual i.e. Habitual Attention.** He was learned to attend to certain things and disregard other things. A good driver has the habit of listening to his motor running which would tell him if it has running.



### 2.4.2 Temporary Internal Factors

(a) **Interest.** One notices what is in line with his interest at the moment. When you do window-shopping that article which you want to buy catches your attention even when other articles are more prominently displayed. You bother for the price only at a later stage and then you notice the insignificant price tag.

(b) **Indole tag Attention.** This is like a reflex action. Even when we are attending to other things, object or situation may force himself or herself upon us as and who the situation demands say, while reading a novel if an ant bites you, you attend to it automatically. But this involuntary action is only momentary. Very soon you get back to the book and continue reading.

(c) **Voluntary Attention.** In this case the individual has to take extra pains to keep the focus of his attention in the conscious level when he finds that it slips away by other distractions.

(d) **To catch attention is one thing, to hold it is another.** Although factors such as novelty and intensity attract attention, some genuine interest must be there to hold the attention for long. Here the principle of Re-enforcement comes into play.

### 2.4.3 Some Phenomena of Attention

(a) **Sustained attention.** Attention tends to shift quickly from one object to another. Say when you are watching scenery you keep shifting the position of your eyes for watching many things. Attention is more mobile than the eyes, for often while the eyes remain fixed on an object, the attention would shift away from it. In spite of this shift there is something like sustained attention. Say, when you watch the one-day limited over cricket match you don't let your mind wander away from the match. Your eyes may be following (shifting) the fielders, batsman and ball, which is constantly changing its course. It means (attention) does not wander outside the field of your interest. Then how can a speaker or writer hold the attention of his audience? (By creating interest in the audience and then lead the way to the answer without too many examples which could lead the audience astray, *i.e.*, the examples may be remembering not the point).

(b) **Span of Attention or Apprehension or Retention.** is the number of items, which can be correctly estimated, in a single glancing of the items. The height of the bar the jumper can just barely clear might be called his high-jump-span. It is his limit. There is also a limit; to the amount of the material that one can grasp or 'apprehend' in a single act of perception and this limit is his span of apprehension. The materials could be sports, lines, beans, oranges, digits etc.

(c) **Distraction of Attention.** It is created by the interference of other stimuli. It affects the quality and quantity of the work that one is doing. It is overcome by (1) bringing in extra energy (2) by some other automatic response that doesn't require attention.

(d) **Division of Attention.** *i.e.* Doing more than one thing at a time. It would mean a simultaneous focusing up on two separate activities.

### 2.4.4 Determination of Attention

This can be measured by administering the following tests:

- (a) *Immediate Verbal report*
- (b) *Memory tests and*
- (c) *Eye movement and fixation.*

### 2.4.5 Importance of Attention in Business

As we have seen, attending, is a pre-requisite of perception, learning, problem solving, Memory and other higher psychological processes. Attention factors - both for catching and holding - can be effectively made use of in advertising and in sale of goods and articles by attracting the attention of the general public. An advertisement, first of all must catch the attention. Illuminated street signs make much use of intensity and striking colours the flashing signs depend on change and repetition and the big signs outbid the little ones. Newspapers and Magazines use similar methods. A picture used in the advertisement like campaign for ICICI Bank especially one with people in it, is often effective in catching the reader's attention for a moment. But to hold his attention it must appeal to his interest.

### SUMMARY OF KEY POINTS

1. Learning is a relatively permanent change in behaviour or behavioural potential resulting from direct or indirect experience.
2. Classical conditioning is a simple form of learning that links a conditioned response with unconditioned stimulus.
3. Learning is an important part of the motivational process. It enables employees to recognise which behaviours their employer will reward or not. People can also generalise and discriminate among different behaviour-reinforcement situations and are affected by social / earning process.
4. Aptitude, interest and attention play important roles in moulding employee character and performance in the industrial settings.

### TEST YOUR SELF

#### 2.1 Your Locus of Control

Read each pair of statements below and indicate whether you agree more with statement A or with statement B. There are no right or wrong answers. In some cases, you may agree somewhat with both statements; choose the one with which you agree the most.

1. \_\_\_\_\_  
 A. Making a lot of money is largely a matter of getting the right breaks.  
 B. Promotions are earned through hard work and persistence.
2. \_\_\_\_\_  
 A. There is usually a direct correlation between how hard I study and the grades I get.  
 B. Many times the reactions of teachers seem haphazard to me.
3. \_\_\_\_\_  
 A. The number of divorces suggests that more and more people are not trying to make their marriages work.  
 B. Marriage is primarily a gamble.
4. \_\_\_\_\_  
 A. It is silly to think you can really change another person's basic attitudes.  
 B. When I am right, I can generally convince others.
5. \_\_\_\_\_  
 A. Getting promoted is really a matter of being a little luckier than the next person.  
 B. In our society, a person's future earning power is dependent upon her or his ability.
6. \_\_\_\_\_  
 A. If one knows how to deal with people, they are really quite easily led.  
 B. I have little influence over the way other people behave.
7. \_\_\_\_\_  
 A. The grades I make are the result of my own efforts; luck has little or nothing to do with it.  
 B. Sometimes I feel that I have little to do with the grades I get.
8. \_\_\_\_\_  
 A. People like me can change the course of world affairs if we make ourselves heard.  
 B. It is only wishful thinking to believe that one can readily influence what happens in our society at large.

9. \_\_\_\_\_  
 A. A great deal that happens to me probably is a matter of chance.  
 B. I am the master of my life.
10. \_\_\_\_\_  
 A. Getting along with people is a skill that must be practiced.  
 B. It is almost impossible to figure out how to please some people.

### ANALYSIS AND INTERPRETATION

Give yourself 1 point each if you chose the following answers: **1B, 2A, 3A, 4B, 5, 6A, 7A, 8A, 9B, 10A**. Sum your scores and interpret them as follows:

- 8 – 10 = high internal locus of control  
 6 – 7 = moderate locus of control  
 5 = mixed internal / external locus of control  
 3 – 4 = moderate external locus of control  
 2 – 1 = high external locus of control

**Source :** *J.B. Rotter, "External Control and Internal Control", Psychology Today, June 1971.*

### 2.2 Review Questions

1. Discuss the classical conditioning theories of learning ? How it is applied to a manager ?
2. Explain learning curve ? How is it relevant to a HR manager ?
3. Discuss social learning in detail.
4. Distinguish between interest and aptitude.
5. Discuss the importance of attention in business communication and promotion.

### 2.3 Discussion Questions

1. Have you ever-experienced classical conditioning ? If so, what were the circumstances ?
2. Think of occasions on which you experienced each of the four types of reinforcement.
3. What are the components of an individual's aptitude ?
4. Identify and describe important workplace behaviours of your choice.

### 2.4 Student Exercise

Think of a person that you know who seems to have positive affectivity. Think of another who has more negative affectivity. How constant are they in their expressions of mood and attitude ? As a manager, how would you go about trying to make someone a better organisational citizen? **GIVE YOUR COMMENT BASED ON THE THEORY EXPLAINED IN THE CHAPTER**

### 2.5 References

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## CHAPTER 3

# ATTITUDE, VALUE, PERCEPTION AND ATTRIBUTION OF AN INDIVIDUAL

### LEARNING OBJECTIVES

*This chapter aims at introducing the concepts in attitudes, values, perceptions and attribution of an individual as a pre requisite for explaining the Organisation Behaviour theories and practices to the readers such as:*

- *Attitudes*
- *Characters and components of attitude*
- *Attitude formation*
- *Change in attitude*
- *Measurement of attitude*
- *Attitude scales*
- *Values*
- *Perception*
- *Factors influencing prejudice and discrimination*
- *Perceptual distortions*
- *Selective perception*
- *Stereo typing and halo effect*
- *Attribution and*
- *Workforce diversity and international setting*

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## Attitude, Value, Perception and Attribution of an Individual

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### 3.1 ATTITUDE

An attitude is a learned predisposition to respond in a consistently favourable or unfavourable manner with respect to a give object. The object of an attitude can be anything in a person’s environment, including physical objects, issues, ideas, events, and people. The evaluative or affective part of the definition is central to the concept of attitude. It is the affective part that conceptually distinguishes and attitude from other psychological concepts such as need, motive, and trait.

(a) **Characteristics of Attitude.** Rao and Narayana identified the following characteristics of attitudes.

1. **Valence.** It refers to the magnitude of degree of favorableness or unfavourableness toward the event. While measuring attitudes we are basically concerned with the valence. If a person is extremely favourable or unfavourable toward an attitude object, then his attitude will have a high valence.
2. **Multiplexity.** It refers to the number or elements constituting attitude. For example, an employee may loyal to the organization, but another may loyal hardworking, respectful, and dependent also.
3. **Relation to Needs.** Attitudes can also vary in relation to the needs they serve. Attitude of an individual toward the pictures may serve only entertainment needs. On the other hand, attitudes of an individual toward task may serve strong needs for security, achievement, recognition, and satisfaction.
4. **Centrality.** This refers to the importance of the attitude object to the individual. Centrality indicates the importance of the object. The attitude which has high centrality for an individual will less accessible to change.

(b) **Components of Attitude.** A person’s attitude comprises of three components; namely, affective, cognitive and overt. The “affective” or “feeling” component refers to the emotions associated with an attitude object. It basically consists of the “feeling” a person has toward an attitude object. The “cognitive” component represents the beliefs of a person about an attitude object. Cognitive component is very important and consist of the individual’s perceptions, beliefs, and ideas about an object. The “overt” component is concerned with the way one intends to behave toward a particular attitude object. Both the affective and cognitive components (feeling and beliefs) influence the way a person intends to behave towards an attitude object. An attitude has three separate but related parts.

<i>Cognitive</i>	<i>Perceptions and beliefs about the object of the attitude, the person’s perception of the distinguishing features of the object.</i>
<i>Affective</i>	<i>Evaluation and feelings about the object of the attitude; a person’s feeling of like or dislike for the object.</i>

**Behavioural Intentions** *How the person wants to behave and what the person says about his behaviour towards the object. It is not always the same as the behaviour observed following the expression of the attitude.*

(c) **Functions of Attitude.** According to Katz, attitude serves the following important functions:

1. **Adjustment Function.** This function is based on the hedonistic principle, which means people strive to maximize the rewards and minimize the penalties in their external environment.
2. **The ego-defensive function.** People normally spend a great deal of their energies in the process of learning to live with themselves. Attitudes serve the function of defending self-image.
3. **The value-expressive function.** This function, according to Katz, not only gives clarity to the self-image but also bring that self-image closer to the heart's desire.
4. **The Knowledge function.** This function is based on the need for understanding and making sense of the world. For example, certain attitudes that are suitable to a situation are retained and an employee discards those, which are unsuitable or outdated.

The most common work attitudes studied by researchers are organizational commitment, satisfaction, and job involvement. These attitudes are important aspects of work experience and play a role in employee turnover. A person with strong attitudes about an object, issue, idea, or another person will usually behave in accord with that attitude. You have undoubtedly seen such strong attitudes in action.

(d) **Attitude Formation.** A person's beliefs about an object and the amount and type of information the person has about the object both contribute to the formation of an about the object. If a person has positive beliefs about an object, the person forms a positive attitude about it. If the person believes the object had negative attributes, the emerging attitude will be negative.

(e) **Change in Attitudes.** Kolasa classified attitude changes into two groups; congruent and incongruent change. Congruent change means a movement in the same direction; for example, a less serious and idle worker may be converted into a more efficient and serious worker by resorting to attitude change. Incongruent attitude, on the other hand, is a change resorted to other end of the continuum. For example, turning dislike into like, favourable into unfavourable, etc. When a manager attempts to change an individual worker's attitudes, he should keep in mind the following factors.

1. **The characteristics of the communicator.** These include the status and prestige, whether the manager is attractive and liked.
2. **The method of communication.** This is another important factor in attitude change. The communication should be easy and convincing so that it creates change without any discomfort.
3. **The characteristics of the target.** The most important factor influencing the attitude change is the degree of commitment of the employee (target) to the initial attitude. Moreover, an openly stated attitude is more difficult to change because the person concerned has already shown commitment.
4. **The situational factors.** The situational factors play a greater role in influencing the change in attitude of an individual. How one picks up the message is apart, the most important part is the situation or the prevailing context.

Attitudes are dynamic change over time. The sources of attitude change are within the person and in the person's social environment. Attitude change happens because (1) something persuades the person to shift his attitudes; (2) the norms of a social group important to the person affect his attitudes; or (3) the person becomes uncomfortable with some aspects of his beliefs about certain things. Common sources of attitude change are the persuasive communications designed to affect our beliefs such as



those found in radio, television, newspaper, and magazine advertising. Persuasive communication tries to change the cognitive part of an attitude and assumes the affective part will change in either a positive or negative direction. The second major approach to attitude change views people as embedded in a social context and affected by the norms or standards held by the social groups a person experience. People who hold attitudes different from those of a group important to them will feel social pressures to conform to the norms of the group. Such pressures come from the tendency of social groups to reject people who do not conform to their norms.

### 3.1.1 Measurement of Attitude

According to F.S. Freeman, An attitude is a dispositional readiness to respond to certain situations, persons or objects in a consistent manner, which has been learned and has become ones typical mode of response. An attitude has a well-defined object of reference. The degree or strength of a person's attitude may vary from extremely positive to extremely negative. An attitude is acquired or learned by the individual, it may be rational or irrational. Attitude based on opinion may be more intense than attitude based on facts. Blum & Naylor by attitudes we mean the beliefs, feeling and action tendencies of an individual or groups of individual towards objects, ideas and people. Observed that are reflected by the opinion or views that we hold. Prejudices are also attitudes. For any person attitudes are related to values, personality motives and emotions. Large part of a social line is a result of our attitudes. Attitudes do not always predict behaviour. Attitudes may change rapidly. One of the tasks of the Industrial Psychologists is to study the factors and determinants of the attitude of employers and employees. When management wants to know the source of employee-dissatisfaction and correct them, attitude surveys are justified.

#### (a) Method of Scaling

1. Thurston's technique of scaling or the Methods of equal appearing intervals.
2. Likert's method. These two are the main types of constructing an attitude scale. Methods of measuring attitudes are many.
  1. **Impressionistic Method.** Non-statistical based on observation of behaviour and attitudes.
  2. **Guided Interview.** Purposeful conversation.
  3. **Unguided Interview.** Non-directive
  4. **Questionnaire.**
  5. **Attitude.** Scales and
  6. **Indirect Method.** For deeper levels according to Weschler and Bernberb 1950. A favourable attitude from the employees side is a must for higher production and industrial peace for which the management must utilise the information that they obtained from the attitude surveys.

#### (b) Projective Techniques

The term projective method is derived from the word projection, which means projecting one's own thoughts, ideas and attitudes to others. The word projection is used to mean the tendency to describe to another person feelings, thoughts, or attitudes present in oneself or to regard external reality as embodying such feelings etc. in someway. Projective and other indirect tests are used when people may not be willing to discuss controversial issues or to reveal intimate information about the themselves, or one reluctant to express their time attitudes, if they believe that such attitudes are generally disapproved. It may be possible that they are unable to give the desired information either because they cannot easily

put their feelings into specific words or they themselves are not aware about their own feelings. Projective tests are expected to elicit responses involving not only cognitive factor but also affective factor. Most of these projective tests involve some degree of deception and some invasion on the privacy, because an individual is induced to respond under some.

In projective techniques the individual who is being observed or interviewed is not aware of the fact that he is being interviewed. This is so because the style of putting the question is not direct. He is indirectly brought into the main focus of analysis by means of some tests. For instance, he may be shown some ink blots of haphazard shapes or some photos, drawing, finger paintings and so on. Then, his reaction is studied, which can be very helpful for knowing his mental attitude, alertness, intelligence, thinking power and so on. There are many tests, *e.g.*, Thematic Apperception Test (T.A.T.), Picture Arrangement Test, Doll-Play Test, Sentence-completion Test, and so on. Apart from these, there are psycho-dramatic and socio-dramatic techniques. All these can serve as the basis for studying the personality, sentiments and behaviour of individuals. Projective techniques are obviously objective as shown in the Table 3.1 This technique is still in its infancy, and is being modified to make it more useful.

Psychologists have long recognized that direct questioning of patients is frequently of little value for diagnostic purposes. The patient is usually unable and often unwilling to give accurate answers to direct questions. To solve this problem, a number of techniques have been devised to obtain information by indirect means. Most of these techniques employ the principle of projection. That, is, the subject is given a non-personal, ambiguous situation and asked to describe it. The person giving the description will tend to interpret the situation in terms of his or her own needs, motives, and values. The description, therefore, involves a projection of characteristics of personality to the situation described. These techniques include word association, sentence completion tests, interpretation of pictorial representations, and other devices that have been developed as a means of inducing people to project their feelings. They have been most widely used for studies on those consumer products that are similar in quality, performance, and price—notably for such products as automobiles, soaps and detergents, gasoline, cigarettes, food products, beverages, and drug sundries.

**Table 3.1. Projective techniques and responses**

Technique	Response Requested
Construction Thematic Apperception Test (TAT) Item Substitution Test	The respondent is asked to respond for or to describe a character in a simulated situation.
Association Word-association test Rorschach Test Cloud pictures Auditory projective techniques	The respondent is asked to reply to a stimulus with the first word, image, or percept that occurs to him or her.
Completion Sentence-completion test Picture completion study Psychodrama	The respondent is given an incomplete expression, image, or situation and asked to complete it however he or she chooses.

**(c) Attitude Scales**

Attitude scales are carefully constructed sets of rating scales designed to measure on or more aspects of an individual's or group's attitude toward some object. The individual's responses to the various scales may be aggregated or summed to provide a single attitude for the individual. Or, more commonly, the responses to each scale item or sub-group of scale items may be examined independently of the other scale items. Examples are as follows:

- (i) Thurstone's Equal Appearing Intervals scale,
- (ii) Likert's Summated Scale,
- (iii) Guttman's Cumulative Scale, and
- (iv) Osgood's Semantic Differential Scale

**1. Thurstone's Differential Scale**

Thurstone adopted four steps in attitude scale construction.

- (a) A large number of simple statements regarding the subject or issue had to be collected. As many as a hundred or more statements were assembled.
- (b) Each of these statements had to be judged by a panel of experts who were asked to place each statement at some point an attitude continuum ranging between unfavourable attitude and favourable attitude.
- (c) A scale score was assigned to each item, depending on the median of the scale position assigned by different members of the panel of judges.
- (d) Items for the attitude scale in its final form were selected by choosing items, which spread more or less evenly from one extreme to the other along the scale. Out of a large number of items, only those were chosen on which there was agreement among the panel of judges, with regard to scale position. In this way out of over 100 items, usually about 20 or 25 items would be chosen to make up the final scale.

Below is an example of part of a 50-item Thurstone scale, which was designed by Uhrbrock to determine the attitude of employees of a company toward their employer. The scale values are shown here but would not be on the instrument when it is used.

**Table 3.2. Example of a Thurstone scale**

Scale value	Statement
104	I think this company treats its employees better than any other company.
95	If I had to do it over again I would still work for this company.
93	They do not play favourites in this company
89	A man can get ahead in this company if he tries.
87	I have as much confidence in the company physician as I have in my own doctor.
85	The company is sincere in wanting to know what its employees think about it.
79	A wage incentive plan offers a just reward for the faster worker.
74	On the whole, the company treats us about as well as we deserve.
63	I think a man should go to the hospital for even a scratch, as it may stop blood poisoning.

54	I believe accidents will happen, no matter what you do about them.
51	The workers put as much over on the company as the company puts over on them.
44	The company does too much welfare work.
41	Soldiering on the job is increasing.
36	I do not think applicants for employment are treated courteously.
32	I believe many good suggestions are killed by the bosses.
29	My boss gives all the breaks to his lodge and church friends.
25	I think the company goes outside to fill good jobs instead of promoting men who are here.
21	You have got to have 'pull' with certain people around here to get ahead.
15	In the long run this company will "put it over" on you.
10	The pay in the company is terrible.
08	An honest man fails in this company.

**Source :** R.S. Unrbrock, "Attitudes of 4,430 Employees", *Journal of Social Psychology*, 1934, 5, p. 365-377.

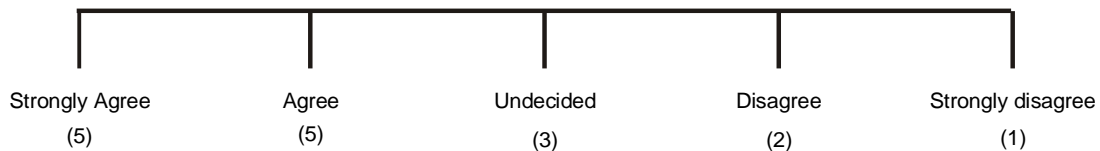
Thurstone model questionnaire on attitudes towards tutorial colleges is illustrated in the Exhibit 2.3. Items in the questionnaire are arranged in a random sequence, and the respondent is instructed to put a tick mark against the items with which he agrees. After developing the scale as stated above, the respondents are asked during the administration of the scale to check the statements with which they agree. The median value of the statements that they check is worked out and this establishes their score or quantities their opinion. It may be noted that in the actual instrument the statements are arranged in random order of scale value. If the values are valid and if the opinionnaire deals with only one attitude dimension, the typical respondent will choose one or several contiguous items (in terms of scale values) to reflect his views. However, at times divergence may occur when a statement appears to tap a different attitude dimension.

The Thurstone method has been widely used for developing differential scales, which are utilised to measure attitudes towards varied issues like freedom of expression, right for knowing information etc. Such scales are considered most appropriate and reliable when used for measuring a single attitude. But an important deterrent to their use is the cost and effort required to develop them. Another weakness of such scales is that the values assigned to various statements by the judges. As this method may reflect their own attitudes, it is not completely objective. It involves ultimately subjective decision process.

## 2. Summated Scales (*Likert-Types Scales*)

Summated scales (Likert-type scales) are developed by utilising the item analysis approach wherein a particular item is evaluated on the basis of how well it discriminates between those persons whose total score is high and those whose score is low. Those items or statements that best meet this sort of discrimination test are included in the final instrument.

The summated scale was developed by R. Likert and was referred to as Likert type of scale. This scale is frequently used in the study of social attitudes and other social science researches. In this scale, the respondent indicates his several degrees of agreement or disagreement with each item that constitutes the scale instead of indicating his agreement for only a few items. Each response is given a numerical score indicating his degree of agreement or disagreement based on 5 point or 7 point responses of category. For example, when asked to express opinion whether one considers his job quite pleasant, the respondent may respond in any one of the following ways:



Point mention in the bracket carries a score against each opinion. Response indicating the least favourable degree of job satisfaction is given the least score (say 1) and the most favourable is given the highest score (say 5). The sum of the scores of the individuals responses to all the separate items gives his total score which is interpreted as representing his position on the scale of favourable and unfavourable attitudes towards the job. Thus, one would expect an individual with a favourable attitude to respond favourably to many items, and an individual with an unfavourable attitude to respond unfavourably to many items.

The procedure for developing Likert type scale consists of the following steps :

- (a) The investigator assembles a large number of items considered relevant to the attitude being investigated, either clearly favourable or clearly unfavourable.
- (b) These items are administered to a group of subjects representative of those with whom the questionnaire is to be used. The subjects indicate their response to each item by checking one of the categories of agreement or disagreement.
- (c) The response to various statements are scored in such a way that a response indicative of the most favourable attitude is given the highest score of 5 and that with the most unfavourable attitude is given the lowest score of 1.
- (d) Then the total score of each respondent is obtained by adding his scores that he received for separate statements.
- (e) The next step is to array these total scores and find out those statements, which have a high discriminatory power. For this purpose, the researcher may select some part of the highest and the lowest total scores say the top 25 percent and the bottom 25 percent. These two extreme groups are interpreted to represent the most favourable and the least favourable attitudes and are used as criterion groups by which to evaluate individual statements. This way, the researchers determine which statements consistently correlate with low favourability and which with high favourability.

### 3. Factors Scales (*Osgood's Semantic Differential Scale*)

Factor scales are developed through factor analysis or on the basis of inter correlations of items, which indicate that a common factor accounts for the relationships between items. Factor scales are particularly useful in uncovering latent attitude dimensions and approach scaling through the concept of multiple - dimension attribute space. More specifically the two problems, viz, how to deal appropriately

with the universe of content which is multidimensional and how to uncover underlying (latent) dimensions which have not been identified, are dealt with through factor scales. An important factor scale based on factor analysis is semantic differential (S.D.) and the other is multidimensional scaling.

Semantic differential scale or the S.D. scale developed by Osgood, Suci and Tannenbaun (1957), is an attempt to measure the psychological meaning of an object to an individual. This scale is based on the presumption that an object can have different dimensions of connotative meanings, which can be located in multidimensional property space, or what can be called the semantic space in the context of SD scale. The scale consists of a set of bipolar rating scales, usually of concepts on each scale item. For instance, the SD scale items for analysing candidates for leadership position may be shown as under.

Osgood and others did produce a list of some objective pairs for attitude research purposes and concluded that semantic space is multidimensional rather than unidimensional. They made sincere efforts and ultimately found that three factors viz., evaluation, potency and activity, contributed most to meaningful judgements by respondents.

### 3.2 VALUES

**Values** represent basic convictions that “a specific mode of conduct or end-state of existence is personally or socially preferable to an opposite or converse mode of conduct or end-state of existence. They contain a judgmental element in that they carry an individual’s ideas as to what is right, good, or desirable. Values have both content and intensity attributes. The content attribute says that a mode of conduct or end-state of existence is important. The intensity attribute specifies how important it is. When we rank an individual’s values in terms of their intensity, we obtain that person’s value system. All of us have a hierarchy of values that forms our value system. This system is identified by the relative importance we assign to such values as freedom, pleasure, self-respect, honesty, obedience, and equality.

#### Importance of Values

Values generally influence attitudes and behaviour. Suppose that you enter an organisation with the view that allocating pay on the basis of performance is right, whereas allocating pay on the basis of seniority is wrong or inferior. How are you going to react if you find that the organisation you have just joined rewards seniority and not performance? You’re likely to be disappointed and this can lead to job dissatisfaction.

**Table 3.3. Showing value survey of Rokeach**

Executives		Union Members		Activists	
Terminal	Instrumental	Terminal	Instrumental	Terminal	Instrumental
1. Self-respect	1. Honest	1. Family security	1. Responsible	1. Equality	1. Honest
2. Family security	2. Responsible	2. Freedom	2. Honest	2. A world of peace	2. Helpful
3. Freedom	3. Capable	3. Happiness	3. Courageous	3. Family security	3. Courageous
4. A sense of accomplishment	4. Ambitious	4. Self-respect	4. Independent	4. Self-respect	4. Responsible
5. Happiness	5. Independent	5. Mature love	5. Capable	5. Freedom	5. Capable

**Source :** Based on W.C. Frederick and J. Weber, “The Values of Corporate Managers and Their Critics: An Empirical Description and Normative Implications” in W.C. Frederick and L.E. Preston (eds.), *Business Ethics: Research Issues and Empirical Studies* (Greenwich, CT: JI Press, 1990), pp. 123-44.

Milton Rokeach created the Rokeach values survey (RVS). The RVS consists of two sets of values, with each set containing 18 individual value items. One set, called terminal values, refers to desirable end-states of existence. These are the goals that a person would like to achieve during his or her lifetime. The other set, called instrumental values, refers to preferable modes of behaviour, or means of achieving the terminal values.

### 3.3 PERCEPTION

For a layman perception may be in terms of his inner experiences. For instance the awareness that he has while listening to pop-music or the smell of coffee percolating and so on. But for us it is in the form of a private event. Psychological research in this field is confined to events that can be observed and verified. Hence perception is not concerned with awareness of stimulation as such but with observable changes in performance. Just like the neurophysiological processes are fundamental to sensing and learning, they can account for the phenomenon of perception also. The word "perceive" is often used, as a synonym for "see". But in this connection we must understand that perceiving is not the same as seeing. Perception may involve in any sense modality i.e. hearing, tasting, smelling, and feeling as seeing. Similar to learning it applied to those events coming between input and output called "transformation variables".

**Perception** can be defined as a process by which individuals organise and interpret their sensory impressions in order to give meaning to their environment. However, what one perceives can be substantially different from objective reality. It need not be, but there is often disagreement. For example, it is possible that all employees in a firm may view it as a great place to work favorable working conditions, interesting job assignments, good pay, an understanding and responsible management - but, as most of us know, it is very unusual to find such agreement. Perception is a cognitive process that lets a person make sense of stimuli from the environment. These stimuli affect all senses: Sight, touch, taste, smell, and hearing. The stimuli can come from other people, events, physical objects, or ideas. The perceptual process includes both the inputs to the person and the selection of inputs to which the person attends. A person's perceptual process learns from repeated exposure to stimuli and stores recallable images, which process inputs faster later. A person's perceptual process is a mechanism that helps him adapt to a changing environment. The target of perception emerges over time from its surrounding context, sometimes slowly and sometimes quickly. People discriminate a high - contrast target quickly from its background, but an ambiguous target takes time to see. The degree of contrast can come from the target's size, color loudness, or smell. Aspect of the person also affects the speed of emergency. People differ in their degree of motivation to attend to stimuli coming from their environment. They attend more quickly to positively valued stimuli than to negatively valued stimuli. For example, an achievement - oriented employee might notice announcements about promotion opportunities faster than an employee with less achievement motivation might. In short, perception is the process by which people organize, interpret, experience, process and use stimulus materials in the environment so that they satisfy their needs. Kolsds defines perception as the selection and organization of material which stems from the outside environment at one time or the other to provide the meaningful entity we experience. Perception clarifies the following :

1. People's actions, emotions, thoughts and feelings are triggered by their perceptions of their surroundings.
2. Perceptions are the intellectual process by which a person access the information for the environment, organize it and obtain the meaning from it.



3. Perception is the phase of operation that takes place after the information being received by one that is well high indistinguishable from it.
4. Perception is the basic cognitive or psychological process. The manner in which a person perceives the environment affects his behaviour.

### 3.3.1 Perception as a Social Information Process: Five Steps

Perception, as a social information process, includes at least five steps. **First**, we as individual observe and sense (i.e. select and screen out) external stimuli through internal factors, which include, among other things, our personality traits and our personal systems. **Second**, this information is interpreted; **third**, it is categorized (i.e., encoded and simplified) and **fourth**, information is stored and retained in our memory. **Fifth**, our judgements and decisions are made by retrieving and responding to this stored information. At the first step, our initial perception—*i.e.*, how we sense and see the world in any given situation—is affected by our personality, previous learning, level of motivation, moods, attitudes, and cultural conditioning. We do not select information from the environment in a totally objective way. For example, research indicates that authoritarian personality types with a low tolerance for ambiguity screen reality differently than do egalitarian personalities. The former act more directly, taking fewer notes of nuances and differences in the social environment from their perceptions; the latter are more inclusive and participative.

The second and third steps in the process of social information perception are our encoding and simplifying, interpreting, and translating of the raw data into our own cognitive categories or schemata (i.e., mental images and summaries of stimuli and events). It is during these steps that several perceptual distortions and barriers can enter the process. A point to keep in mind here is that we never store data in its first-observed, original form. We frame it through our schemata. **Schemata** help us to make sense of incoming information. Four general types of schemata include self-schemata, other-person schema, script schema, and person-in-situation schema. Self-schemata refer to the interpretation of information about our behaviour, appearance, and personality. That is, we categorize what we determine to be our best and most effective ways that we view as unacceptable. The term other-person schemata refer to interpretations of information we have on other's behaviours and modes of thinking. For example, we may form an initial prototype of what constitutes an exceptional performer or a poor performer. Thereafter, we use stereotypes - positive and/or negative - to identify exceptional and poor performers from our prototypical schemata. A third type, script schemata, is used to describe what we consider appropriate steps or sequences of events (*i.e.*, cognitive memory structures that consist of objects, events, roles, conditions, sentiments, and outcomes that happen in sequential patterns in known or familiar tasks and situations). We understand that certain steps should be taken or certain sequences should occur, script schemata enable us to decide whether this is happening and thereby to develop reasonable expectations. Finally, a person-in-situation schema refers to combining categories of self, person, and script schemata. For example, we tend to categorize how meetings, encounters, and interactions should proceed and terminate.

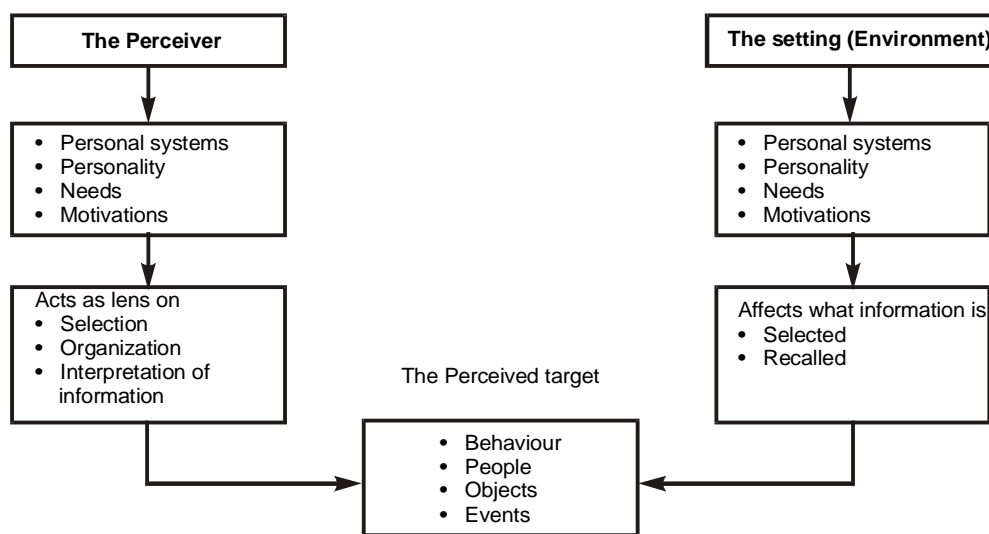
The fourth step in the perception process is the storage and retention of observed information in our long-term memory. Long-term memory consists of schemata in which we store information on events, people, and networks of detailed traits and behaviours. How accurately we perceive the information before we store it is always questionable because it is, by definition, subjective. The point here is that research suggests that we store our perceptions in categories and schemata, as just discussed. For instance, physical appearance of people, the topics they speak about, their tone of voice, and even their

accent as well as eye contact, facial expressions, body movements, and posture are detailed ways we categorize others to use as interpretative mental references later. Finally, we retrieve information from our long-and short-term memories in response to questions, problems, events and issues. Again, the appropriateness of our response depends in large part on the accuracy of our perceptions and the particular construction of our schemata.

**3.3.2 The Perceiver, the Perceived (Target), and the Setting**

A related way to summarize the perception process is to view the key factors as (1) the perceiver, (2) the perceived or target, and (3) the setting (Table 3.4). All three dimensions are inextricably linked. When individuals discuss their plans, decisions, and evaluations about other people and events, they usually assume that their assessments are objective and mostly accurate. However, understanding the process of perception must include the perceiver’s subjectivity and therefore requires that the perceiver’s most basic assumptions (or her “lens”) be understood. First, the perceiver tends to view people, events, and objects from the vantage point of her own personality, needs, moods, desires, and attitudes. These internal factors of the perceiver serve as the perceptual schemata. Perception begins with the perceiver, but we would do well to recall the adage. “When Anil talks about Kumar, he is also talking about Anil “.

**Table 3.4. The perception and attribution process**



**(a) Role-of-O-Factors**

When stimulus situation or object is highly structured, the O-factors (Personal factors) play very little role. But when the situation is unstructured as in protective tests for personality (Rorschach, T.A.T. etc.) perception is highly influenced by the ‘want-system’ - One would always be projecting ones own needs or wants. Perceptual sensitizations, perceptual defence, or perceptual distortion takes place according to ones own needs and other personality factors. If the situation or object is a pleasant one and enhances one’s self respect, then there will be a perception sensitization *i.e.* - to perceive it more quickly and to retain it better. If the object or situation is an obstacle to ones’ own needs or unpleasant

to the ego, then instead of perceptual sensitization, it leads to perceptual - defence. (This is a sort of a mechanism which enables the individual not to perceive it clearly and to forget it immediately) and perceptual distortion. However, it should be noted that a strong threat to one's self will be perceived quickly, though it happens to be an unpleasant one. Perception of 'self' (individual or group) and perception of 'others' (Individual or group) are important in interpersonal and intergroup interactions. Narrowing down the differences in perception of 'self' and others may reduce the interpersonal and intergroup tensions and conflicts as in Union Management Relations in an industrial organisation. It is of utmost importance to keep in mind that **“we perceive people, object, self not as they are but as we are”**.

Perception is a process that allows individuals to make short-term adjustments in their behaviour as situation differs. But perception is mostly criticized on the grounds that it is highly subjective, perceived world is radically different from reality, accurate perception of people is almost difficult, and impossible to change behaviours. Individual can make two major perceptual errors: Perceptual set and stereotyping. Perceptual set refers to beliefs about a target based on previous experience with that target. These beliefs act like a set of instructions for processing the information the person gets about the target. The beliefs could have developed from prior association with the target or the person learned them during early family socialization. A person with a perceptual set about a target expects to find certain attributes or qualities associated with the target. Since perception is a subjective process, different people may perceive the same environment differently based on what particular aspects of the situation they choose to selectively absorb, how they organise this information, and the manner in which they interpret it to obtain a grasp of the situation. Thus, the subjectively perceived “reality” in any given setting may be different for different people. Managers should sharpen their perceptual skills so that they are, as close to perceiving people, events and objects as they truly are. When “misperceptions” occur due to perceptual errors and distortions, managers are bound to make poor or improper decisions. By understanding the perceptual process managers can enhance their own perceptual skills.

Also perception cannot be observed in behaviour directly but must be inferred from observations of performance and particularly from changes in performance. The scientific study of perception was given emphasis, first, by Webber and Fechner in their work of Psychophysics. Their research was concerned with establishing Liemen or thresholds points at which changes in the environment becomes noticeable. The Gestalt School of Psychology has also given wonderful contributions in this field.

### **(b) Personality Factors**

1. *Individual needs and wants.*
2. *Frame of reference.*
3. *Set of readings.*
4. *Familiarity and Past experience.*
5. *Discrimination and generalization.*

### **(c) Sensory Adaptation**

*Dark adaptation (w.r.t. light).*

*Temp adaptation and so on (w.r.t. temperature).*

**(d) Perception of Movement**

*Projection of wants.*

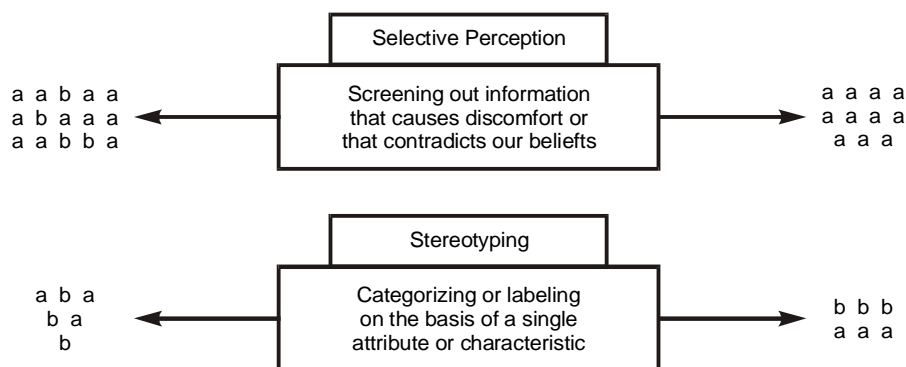
*Perception and Experience.*

*Perception of Motivation, Habits, reduced cues. and*

*Depth perception.*

In other words, an understanding of the nature of perception and factors involved in it is necessary to predict and control human behaviour. Different people see things differently. Even ‘facts’ may be ‘seen’ and interpreted differently. Since perception is a major determinant of behaviour it cannot be ignored. We can say now that perception involves attention to start with in sensation and interpretation of sensory data. Perception which involves attention (which again involves identification, discrimination and interpretation) is the process by which we gain knowledge about the external world. In perception the sensory are interpreted with reference to the totality of one’s past experience. As stated earlier perception is always perception of objects and situations and remembers not of stimuli. In other words, perception is always meaningful and selectively organised involving signs (cues) and meanings. These meanings attributed to signs or cues are the result of past experiences. The cognitive field of ‘appreciation -mass’ formed by the cumulative effect of one’s past experiences acts as a frame of reference to interpret any news stimulus or one. Above all, perception involves learning, besides it also involves a figure-ground relationship and discrimination and judgement.

Perceptual inputs encompass all stimuli that exist in our environment including people, events, objects, information, conversation, etc. In other words, everything in the setting where events occur or which contribute to the occurrence of events can be termed perceptual inputs. Perceptual throughputs or the transformation of perceptual inputs to outputs involves the three processes of selecting, organising, and interpreting the stimuli that are in the environment. Perceptual outputs encompass all that result from the throughout process. These would include such factors as one’s attitudes, opinions, feelings, values and behaviours resulting from the perceptual inputs and throughputs. Perceptual errors adversely affect the perceptual outputs. The lesser our biases in perception, the better the chances of our perceiving “reality” as it exists, or at least perceiving situations with the minimum amount of distortions. This will help us to form the right attitudes and engage in appropriate behavioural patterns, which in turn will be beneficial for attaining the desired organisational outcomes.



**Fig. 3.1. Basic perceptual process.**

### 3.3.3 Factors Influencing Perception

- (a) **Physical Features.** A substantial amount of behavioural research suggest that physical features such as sex, race, dress, facial expression, and body posture, influence both the attention we give to others and the judgements from us about them.
- (b) **Work Situation.** Elements in the surrounding environment or work situation also influence perception in predictable ways. The time at which a message is transmitted can influence attention and interpretation. For example, if an employee has become accustomed to receiving a given report during the first week of every month, he or she may completely ignore the report should it be transmitted at some other time, such as the last week of the months.
- (c) **Group Pressure.** The perception of a person automatically changes when he finds that others do not share his beliefs, attitudes or perception.
- (d) **Interaction.** Interaction among group members helps in improving perception about a person or situation.
- (e) **Needs and Desires.** The needs and desires of the person influence perception. Knott observes that perception of a frustrated individual is entirely different from that of a happy going person.
- (f) **Attributes of the Person.** Probably the most important sources of influence on perception are characteristics of the person, including his or her motives, expectations from the job and personality.
- (g) **Status.** Perception is also influenced by the status of the perceiver. Person at the higher status can exert influence on perception of an employee than a person of low status. For instance, when the general manager and superintendent call the employee at a particular time, the employees first attend the call of the general manager and later to the call of the superintendent.

### 3.3.4 Illusions or Normal Perceptual Inaccuracies

When most human beings perceive a particular set of stimuli in an incorrect manner, we say they are responding to an illusion. It may be due to false perceptual cause or due to misinformation.

### 3.3.5 Subliminal Perception

Perceptions that affect our behaviour without our being aware of it are called subliminal because they apparently take place below perceptual line or threshold (or below the threshold of awareness). This factor is used highly in advertising. The phenomena of subliminal threshold were brought to the attention of the general public by Vicary's in 1956 when he could cause theater patrons to buy certain products.

### 3.3.6 Extra-Sensory—Perception (*E.S.P*)

Gibson said, "perception is not sensation". Extra Sensory Perceptions are the perception that takes place without the aid of senses.

- (a) *Mental telepathy* – ability to send and receive thoughts.
- (b) *Chair Voyance* – to gain awareness of events or objects outside the range of the usual senses.
- (c) *Telekinesis* – to influence the movement of physical objects without physically contacting them.

### 3.3.7 Prejudice and Discrimination

Prejudice refers to a person's predetermined negative attitudes towards people based on some group identity. When an individual acts on his negative prejudicial attitudes, discrimination occurs. Discrimination is the result of prejudicial attitudes. Prejudices are generally deeply ingrained, learned beliefs and attitudes passed on by family, regional, and peer cultures. Negative prejudicial attitudes are not based on objective facts or reality but on biased belief systems.

### 3.3.8 Perceptual Distortions

(a) **Stereotyping** is a tendency to make generalizations, positive and/or negative about a group or category of people. Stereotyping involves applying, these generalizations to an individual.

(b) **The halo effect** is another perceptual distortion that occurs when a dominant feature of a person being observed overwhelms the observer's evaluation of the person being observed, resulting in bias. The observer's overall impression of the person for situation is skewed by a single characteristic of the person or situation. First impressions can involve the halo effect; for example, an initial meeting at a work with a newcomer who moves slowly and speaks softly might lead one to judge that person as being lethargic and easy going. In reality, the new comer may be recuperating from an illness or may be highly productive and intense worker who simply thinks carefully before acting. Major distortions are highlighted in Table 3.5

**Table 3. 5. Showing major perceptual distortions**

<b>Stereotyping</b>	Making positive or negative generalizations about a group of category of people, usually based on inaccurate assumptions and beliefs.
<b>Halo effect</b>	Developing one's overall impression of an individual or situation from a single characteristic about that individual or based on one situation.
<b>Selective perception</b>	Screening out information on objects, people, or events that is inconsistent with one's beliefs, values, and moods.
<b>Projection</b> <b>Self-fulfilling prophecy</b>	Attributing one's own feelings, attitudes, or perception to others. Having expectations about other's behaviours and justifying behavioural outcomes based on those expectations, regardless of the actual behaviours.

(c) **Selective Perception** is a common distortion by which people unconsciously focus on aspects of individuals, events, or situations that are consistent with, or reinforce, their pre-existing attitudes, moods, values, needs, or schemata even as they screen out other, relevant information as inconsistent with the pre-held beliefs. For example, a software development manager who values creativity more than productivity may evaluate a lower-level, creative but average software developer positively even though the employee had an unusual number of unexplained absences and poor product designs during the quarter. The manager is screening out the absences and rewarding the average creativity as a result of selective perception. Because of our human limitations, and defense mechanisms, we often tend to single out certain aspects of the environment to become a significant part of our perceptual inputs. Generally, these are the ones that tend to reinforce our values and beliefs, and match our need patterns. In short, we can say that perception is the process of knowing objects and objective facts on the basis of stimuli from the objects, which affect the senses *i.e.*



1. *We do not perceive stimuli, but objects and facts and situations.*
2. *Stimuli can be observed if the individual trains himself to attend to the stimuli themselves rather than the objects.*
3. *Psychology studies the signs (Stimuli) by which we perceive the meaning (objective facts). Often we are not aware of the signs, which furnish on the basis of perceptions. Symbols - which are arbitrary names standing for objects.  
Signs / Signals-stimuli coming directly from the objects. (Are reduced cues- say sketch of an object)*
4. *In perception a figure stands out naturally from a ground. Proximity, similarity and continuity and internal factors. Such as familiarity, set and pleasingness will help combine a figure.*
5. **Camouflage** *is the concealment of an object by reducing its figural characteristics.*
6. *The accuracy of perception is measured by tests of discrimination and estimation.*
7. *Illusions are false perceptions or errors in perception. They illustrate fundamental principles of perceptions.*

**(d) Perceptual process in Human behaviour can be summarised as follows :**

1. *Achieving environmental stability:* one of the major goals of perception is the attainment of environmental stability.
2. *Size and Colour Constancy* (Through Learning)
3. *Depth Perception* for distance, sound, light etc.

## 1. Projection

When one's own personal attributes are assigned to others, then projection takes place.

Self-fulfilling prophecy is the process by which we try to fit our attitudes, beliefs, and expectations to reality. What we perceive could then be governed by what we expect to find. **Self-perception** is the process by which people view of themselves. The self-view develops from social interaction within different groups. These groups now include the group encountered on the Internet. Self-perception has three parts. Self-concept, self-esteem, and self-presentation. **Self-concept** is the set of beliefs people have about themselves. It is the view people hold of their personal qualities and attributes. Several factors affect a person's self-concept including the person's observations of his behaviour, his recall of past significant events, and the effect of the surrounding social context. **Self-esteem** is the emotional dimension of self-perception. It refers to the positive and negative judgements people have of themselves. Self-concept is perceptual and cognitive; self-esteem is the feeling a person holds about his self-perception. People degree of self-esteem plays an important role in behaviour. People with low self-esteemed to be unsuccessful and do not adapt well to stressful events. Those with high self-esteem have the opposite experience. **Self-presentation**, the third part of self-perception, includes the behavioural strategies people use to affect how others see them and how they think about themselves. Self-presentations have two goals. To try to affect other people's impressions to win their approval, to increase the person's influence in a situation, or to ensure that others have an accurate impression of the person. Many people feel strongly motivated to have others perceive them accurately, whether positively or negatively.

## 2. Social Perception

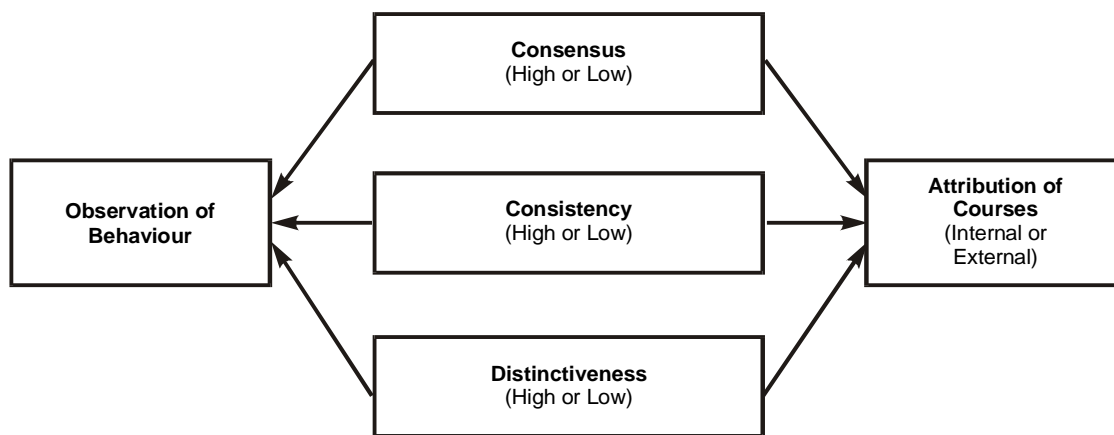
Social perception is the process by which people come to know and understand each other. When forming an impression of a person, a perceiver first observes the person, the situation surrounding the person, and the person's behaviour. The perceiver may form a quick impression by making a snap



judgement about the person, or the perceiver may follow the steps in the center of the figure, making attributions and integrating the attributions to form a final impression. People use three sets of clues when forming their impression of another person. These clues come from the person, the situation surrounding the person, and the observed behaviour of the person.

### 3.4 ATTRIBUTIONS AND THE ATTRIBUTION PROCESS

Perception refers to seeing, selecting, and recalling information. Attributions are causes and effects assigned to observed behaviour. Attributions are inferred causes; that is, the cause-and-effect connections are not necessarily based on actual behaviours. Attributions are assigned to other's behaviour based on whether these three factors are high or low in the perceiver's judgement—not necessarily in fact or reality. For example, a perceiver who determines the conditions of the target's behaviours as having high consensus, low consistency, and high distinctiveness, most likely attributes the target's behaviour to external causes.



*Fig. 3.2. Attribution process.*

Attribution refers to how a person tries to understand behaviour or events by interpreting them as caused by certain other factors. In other words, the person tries to explain why something happened or someone behaved in a particular way. Our perceptions of what is happening in the environment depend very much on the attributions we make. Attribution explains the ways in which we judge people differently, depending on what meaning we attribute to a given behaviour. Basically, the theory suggests that when we observe an individual's behaviour, we attempt to determine whether it was internally or externally caused. That determination, however, depends largely on three factors; (1) distinctiveness; (2) consensus, and (3) consistency. Distinctiveness refers to whether an individual displays different behaviours in different situations. Is the employee who arrives late today also the source of complaints by co-workers for being a "good-off"? What we want to know is whether this behaviour is unusual? If it is, the observer is likely to give the behaviour an external attribution. If this action is not unusual, it will probably be judged as internal. If everyone who is faced with a similar situation responds in the same way, we can say the behaviour shows consensus. Our late employee's behaviour would meet this criterion if all employees who took the same route to work were also late. From an attribution perspective, if consensus were high, you would be expected to give an external attribution to the employee's tardiness, whereas if other employees who took the same route made it to work on time, your conclusion as to causation would be internal. Finally, an observer looks for consistency in a person's actions. Does the

person respond the same way over time ? Coming in ten minutes late for work is not perceived in the same way for the employee for whom it is an unusual case (she hasn't been late for several months) as it is for the employee for whom it is part of a routine pattern (she is regularly late two or three times a week). The more consistent the behaviour, the more the observer is inclined to attribute it to internal causes.

### 3.5 PERCEPTIONS, ATTRIBUTION AND WORK FORCE DIVERSITY

Managing a diverse work force is not easy. “Organizational experts and experienced managers agree that managing diversity and working with people who are different is more complex than working with people who share the same attitudes, values, and work behaviours. Effectively integrating diverse work forces can produce a competitive advantage by using individual and group differences to enhance creativity and synergy. In addition to the perceptual distortions and barriers discussed earlier, prejudice and discrimination can also inhibit work force integration. Sources of prejudice and discrimination include intrapersonal, interpersonal, and societal reinforcement factors.

#### 3.5.1 Perception and Attribution Access International Settings

Perceiving is a “mind-set”, that is, a pattern of seeing and interpreting reality. A mind-set has been described as “a predisposition to see the world in a particular way that sets boundaries and provides explanations for why things are the way they are ... a filter through which we look at the world ... A ‘global’ mind-set means that we scan the world from a broad perspective, always looking for unexpected trends and opportunities to achieve our personal, professional, or organizational broader perspective as they constantly look for contexts from which to understand opportunities. They value work force diversity and multicultural teamwork as the basic form within which to achieve their objectives. They show sensitivity and flexibility in meeting the needs of diverse individuals while attaining project and organizational objectives. They accept life and its complexities as a balance of contradictory forces. They trust organizational processes more organizational structure as a way to manage the unexpected. Individuals with a global mind-set also flow with change and see ambiguity as an opportunity; they continuously search for improvement while being open to others.

(a) **Honing Perceptual Skills.** Perceptual skills can be enhanced by (1) knowing and perceiving oneself accurately; (2) being empathic; (3) having positive attitudes; (4) enhancing one's self-concept; (5) making a conscious effort to avoid the possible common biases in perception; (6) communicating with employees to erase incorrect perceptions; and (7) avoiding attributions.

(b) **Biases Contributing to Misperceptions.** In perceiving the stimuli in our environment, we are likely to make at least seven types of errors, some of which have already been mentioned. They are stereotyping, halo effects, selective perceptions, attributions, distortions, projections, and placing credence on self-fulfilling prophecies. Each of these errors is dysfunctional for good decision-making and management. Stereotyping is the tendency to perceive an individual as belonging to a single class or category and hence attributing favourable or unfavourable characteristics to the individual based upon a widely held generalization about the group. Halo effect is the tendency to perceive all the attributes of a person in a similar manner, based on one characteristic or trait of the individual. A stereotype is a form of perceptual set that holds beliefs and perceived attributes of a target person based on the group to which the target belongs. For example, a study of samples of Russian and American University students found that they held certain images of each other. The Russian students perceived Americans as independent, energetic, and spontaneous. The American as independent, energetic and spontaneous. The American students perceived Russians as conservative, orderly, restrained, and obedient.

### 3.5.2 A Managerial Checklist for Diagnosing Perceptual Biases

Managers can use the following checklist to help prevent perceptual biases. The use of the results from this checklist can also alert individual employees to their biases in decision making.

- What current state of mind and moods generally bias our objective ?
- What biases generally influence our perceptions and attributions regarding particular types of decisions ?
- What additional information is needed to correct and/or change our potential biases (stereotyping, halo effect, selective perception, projection, self-fulfilling prophecy) in our decisions ?
- What written policies and/or procedures can be designed and used to decrease individual and group biases ?
- Are we thinking and acting parochially and/or ethnocentrically in our decisions, or do we think and act globally ?
- How do our personality styles influence how ethically or unethically we perceive and assign fair and just causes to events and behaviours ?

### 3.5.3 Relationships Among Values, Attitudes, and Perceptions

Values represent an individual's standards or ideals about what a person, object, event, or activity ought to be. Attitudes can be defined as an individual's feelings about or inclinations towards other persons, object events, or activities. Attitudes encompass such affective feelings as likes and dislikes, and satisfactions and dissatisfactions. Our needs, past experiences, self-concept, and personality shape the beliefs, feelings, and opinions we hold towards the perceived world. Hellriegel, Slocum, and Woodsman (1986) adapt the scheme of Coffey, Athos, and Reynolds (1975) in capturing the five stages in the perceptual process and highlight the following.

1. *The observation phase depicts the environmental stimuli being absorbed by the five senses of the perceiver.*
2. *The selection of the stimuli for further consideration is governed both by factors external to the perceiver, such as the characteristics of the stimulus, and internal to the individual, such as the personality predisposition and motivations of the perceiver.*
3. *In the organising stage the perceiver is influenced by figure and ground, grouping, and several perceptual errors such as stereotyping, halo effects, projection, and perceptual defense (described later).*
4. *The interpretation stage is governed by the perceiver's assumptions of people and events and attributions about causes of behaviour and*
5. *The response of the perceiver takes on both covert and overt characteristic. Covert responses will be reflected in the attitudes; motives and feelings of the perceiver, and overt responses will be reflected in the actions of the individual.*

#### SUMMARY OF KEY POINTS

Perception is the process we use to screen and interpret reality. It involves selecting external stimuli and then interpreting and categorising the information, storing and retaining it in our memory, and finally retrieving and responding to external stimuli. Some of the common distortions are stereotyping, the halo effect, selective perception, projection and the self-fulfilling prophecy. Attribution is the inferred cause and effect that is assigned to events. Individuals with global mind sets, are described as people

who view reality with broader, less parochial perspective. Attitudes are a person's complexes of beliefs and feelings about specific ideas, situations, or other people. People who possess positive attitude are optimistic and have an overall sense of well-being and see things in a positive light. Values determine the basis of a action of any individual in the organisation settings.

### 3.1 Dealing With Your Own 'ATTITUDE'

#### Major Guidelines

Whether in school or college or at the work place the problems posed by a 'bad' attitude is real and ever-present. Professional circles abound with tales of persons having an attitude problem and sooner or later we are bound to meet and interact with such people. It is not uncommon to come across a person with a chip on his shoulder, one who takes delight in flaunting his abilities and looking down on all and sundry. When negative attitudes rear their ugly head at the work place, there are a few ways to rectify them.

#### I, Me, Myself

Suresh was a person who had an air about him. At meetings and discussions his colleagues could not get a word in edgeways, as Suresh thought he was an authority on everything under the sun! Negative vibes from others did not bother him. He was cocky and abrasive even in his personal interactions bringing in an air of discomfort, which made the whole team uneasy. He was a difficult person to get along with.

#### Inside Stuff

The first thing that snaps when you 'acquire' an attitude is communication. The person with the attitude feels that he has the right to say whatever he wants to and get away with it. Rude comments, garbled responses and withholding important information often accompany the I-don't-care-attitude. This attitude is most likely to be cultivated when a person has experienced a recent success, or been vested with a greater amount of authority. Such a person should be made aware that in today's flat hierarchical structures, power is not everything—what you do with it is what matters.

#### What is the best thing to do when an associate has an attitude problem ?

Analyse the root cause of the problem. Is the negative behaviour a result of insecurity, bad experiences, an indulgent up bringing, a recent success, or simply a bloated ego? Once the cause of the problem is ascertained, the solution becomes so much easier to work out. However, it should be handled with a lot of tact. First, try to get a chance to talk openly with the person. Get him to listen to you. Give suggestions and emphasise why you strongly feel he cannot get by behaving the way he is. Draw attention to how he can improve rather than merely highlighting his shortcomings. There are times when the person may be unapproachable. At such times, it is best that a superior or a senior is made aware of the matter.

#### Turnaround Tips

Here's what a person with an attitude problem can do to bring about a change.

- Listen, accept and be communicative.
- Acknowledge people. Try politeness and diplomacy especially in interactions and conversations.
- Cut out sarcastic talk and acrid remarks.
- Take hints from colleagues who might be trying help.
- The attitude problem is injurious.

Issues like caste, culture and language that may have contributed to the attitude problem can seriously affect some other members of the team.

Working towards creating a common and distinct team culture should assume importance then.

How can you be sure that you don't suffer from the attitude problem yourself ?

A fair amount of stocktaking on a regular basis would help set the record straight.

Take a pen and paper, and list the things you are proud of. Go over each of the points to see if these issues are affecting your work place relationships negatively.

If you think you are harping about a particular strength too much, tone it down.

A balanced view of oneself is therefore necessary to keep from being condescending.

You can get away with a bad attitude if you are a lone worker.

However, most jobs demand some amount of teamwork. Therefore a negative attitude should be eliminated to improve individual and team performance.

### TEST YOUR SELF

#### 3.2 Are you managing your time ?

The key to successful management is the possession of good time-management skills. Find out how well you manage your time by responding to the following statements, and mark the options that are closest to your experience. Be as honest as you can; if your answer is **never** mark option 1; if your answer is **always**, mark option 4 and so on. Add your scores together, and refer to the Analysis to see how you scored. Use your answers to identify the areas that need most improvement.

#### Options

1. Never
2. Occasionally
3. Frequently
4. Always

1. I clear my desk of all paper work.

 1

 2

 3

 4

2. I delegate tasks to colleagues that I could do myself.

 1

 2

 3

 4

3. I follow up on the work I have delegated.

 1

 2

 3

 4

4. I encourage subordinates to limit their reports to one side of paper.

 1

 2

 3

 4

5. I consider who needs to know the information I am circulating.

 1

 2

 3

 4

6. I achieve the right balance between thinking-time and action-time.

 1

 2

 3

 4

7. I make a list of things to do each day.  
 1                       2                       3                       4
8. I keep work to a certain number of hours every day - and no more.  
 1                       2                       3                       4
9. The meetings I organise finish on time.  
 1                       2                       3                       4
10. I open my mail as soon as it arrives on my desk.  
 1                       2                       3                       4
11. I arrive on time and prepared for meetings.  
 1                       2                       3                       4
12. I ensure that a clock is visible in the room where meetings are held.  
 1                       2                       3                       4
13. The meetings I organize achieve their purpose.  
 1                       2                       3                       4
14. I “skill-read” any relevant newspaper and magazine articles.  
 1                       2                       3                       4
15. I cross my name off the circulation list for magazines and journals I do not read.  
 1                       2                       3                       4
16. I read my faxes on the day on which I receive them.  
 1                       2                       3                       4
17. I am able to complete tasks without interruptions from colleagues.  
 1                       2                       3                       4
18. I make sure I know about the latest business software package.  
 1                       2                       3                       4
19. I store e-mail messages in order to read them later on screen.  
 1                       2                       3                       4
20. I perform house keeping checks on my computer files .  
 1                       2                       3                       4
21. I decide how many times I can be interrupted in a day.  
 1                       2                       3                       4
22. I reserve certain hours for visits from colleagues.  
 1                       2                       3                       4
23. I close my office door when I want to think strategically.  
 1                       2                       3                       4

23. I tell telephone callers that I will return their calls, and do so.  
 1                       2                       3                       4
24. I limit the duration of my telephone calls.  
 1                       2                       3                       4
25. I allow a colleague or secretary to screen my telephone calls.  
 1                       2                       3                       4
26. I decide how many telephone calls I can deal with personally in a day.  
 1                       2                       3                       4
27. I “skim-read” internal memos as soon as I receive them.  
 1                       2                       3                       4
28. I read internal memos thoroughly later.  
 1                       2                       3                       4
29. I keep the contents of my in-tray to a manageable size.  
 1                       2                       3                       4
30. I make an effort to keep in touch with my staff  
 1                       2                       3                       4
31. I concentrate on the positive attributes of each of my colleagues.  
 1                       2                       3                       4

### Analysis and Interpretation

Please tally your score and infer below:

- 32-64** : Learn to use your time efficiently and reduce the time you spend working in unproductive and labour-intensive ways.
- 65-95** : You have reasonable time-management skills, but they could improve.
- 96-128** : You use your time very efficiently; keep looking for new ways to further streamline your work

### 3.3 Review Questions

1. What do you mean by attitude ? How is it formed? What are its components ? Can it be changed ?
2. Explain how attitude is important for a company in realising its goals and objectives.
3. Explain perception process.
4. Explain attribution.

### 3.4 Discussion Questions

1. Visit a software company and map the attitude of software engineers.
2. How the perception process came into play in IT firms ?
3. Imagine you are the CEO of a callcentre how do you limit distortions ?



### 3.5 Student Exercise

Visit a Relationship banking centre and survey their employees attitude towards the job with the help of the example illustrated in the chapter. Also make use of theories explained in the chapter and other three attitude measuring scales for comparing your value with others.

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## CHAPTER 4

### PERSONALITY

#### LEARNING OBJECTIVES

*This chapter aims at introducing the concepts in personality as a pre requisite for explaining the Organisation Behaviour theories and practices to the readers such as:*

- *Personality-definition*
- *Determinants of personality*
- *Personality theories*
- *Personality tests*
- *Measurement of personality and*
- *Organisation based personality characters*

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# Personality

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## 4.1 BACKGROUND

In the popular sense most people see an intangible quality that makes people or an individual attractive or non-attractive to others. When we understand personality, we often hear people using the term to mean many things. To a psychologist, personality is a much wider term. In every individual we see characteristics, which in a given situation result in a typical reaction. This pattern of reaction to a particular situation makes the personality of an individual.

The word personality originated from the Latin word “persona” which means the mask worn by the actor. When categorically used it means the false appearance. Later on it became the actor himself with distinct qualities. As far as psychologists are concerned, personality is neither the false appearance nor the distinct qualities. According to them, people are the product of biological structures and their environments. It emerges from the interaction between the biological organism and a social physical world. It is an expressed form of behaviour. It refers to the whole individual. Personality consists of certain surface traits and depth factors. Traits such as friendliness, vigour, sociability etc. are only the surface traits which are measured using Rating Scales, questionnaires etc. while the depth factors contribute to the inner personality of an individual. They include fears, anxieties, aspirations etc. A person may be conscious or unconscious about his inner wants. This inner personality is revealed through psychoanalysis, especially dream analysis and free association. Certain tests also are used in measuring it. This gives us a fair understanding regarding the complexity and the multiplicity of personality traits. It consists of a constellation of traits such as intelligence, interests, aptitude, value etc. In short, we can only say that personality is a configuration of many traits, which influence his total behaviour. After studying this chapter, you should be able to:

- *Define personality and the “personal system”.*
- *Present five major trait theories.*
- *Identify methods for measuring personality.*
- *Describe five personality characters.*
- *Describe personal mastery and habits of effective people in organizations.*
- *Identify managerial issues regarding individual differences in organizations and*
- *Present characteristics of ethical behaviour and guidelines for evaluating it.*

This chapter identifies and describes how personality concepts, characteristics, and individual differences are studied, measured, and applied to organizational behaviour to identify and improve individual effectiveness.

## 4.2 DEFINITION

In the words of Kolasa, “personality is a broad, amorphous designation relating to fundamental approaches of persons to others and themselves. To most psychologists and students of behaviour, this term refers to the study of the characteristics traits of an individual, relationships between these traits, and the way in which a person adjust to other people and situations.” According to Gluck, “Personality is a pattern of stable states and characteristics of a person that influences his or her behaviour toward goal achievement. Each person has unique ways of protecting these states.” Szilagy and Wallace assume personality is the combination of psychological characteristics or variable one uses to type or classify someone. If a manager describes a job applicant as “client-oriented”, for example, he is employing a one-dimensional definition of personality. If, on the other hand, he describes an applicant for the position as a high-need achiever with very little mathematical skill who also possesses high levels of interpersonal skills, he has used a three-dimensional definition.

## 4.3 DETERMINANTS TO PERSONALITY

Several factors influence the shaping of our personality. Chief among these are heredity, culture, family background, our experiences through life, and the people we interact with.

(a) **Heredity.** There are some genetic factors, which play a part in determining certain aspects of what we tend to become. Whether we are tall or short, experience good health or ill health, are quickly irritable or patient, are all characteristics which can, in many cases, be traced to heredity.

(b) **Culture.** The cultural values we are surrounded by significantly tend to shape our personal values and predisposition. Thus people born in different cultures have different personalities, which significantly influence their behaviours. People in the West, for instance, generally tend to be more assertive than people in oriental cultures.

(c) **Family Background.** He socio-economic status of the family, the number of children in the family and birth order, and the background and education of the parents and extended members of the family such as uncles and aunts, influence the shaping of personality to a considerable extent. Experiences in life whether one trusts or mistrusts others, is miserly or generous has a high or low self esteem, and the like, is at least partially related to the past experiences the individual has had. A person we interact with “a person is known by the company he or she keeps” is a common adage. The implication is that people influence each other and tends to associate with members who are more like them in their attitudes and values. From childhood, the people we interact with influence us. First our parents and siblings, then our teachers and class mates, later our friends and colleagues, and so on. The influence of these various individuals and groups shapes our personality.

In sum, our personality is a function of both heredity and other external factors that shape it. It is important to know what specific personality predisposition influence work behaviour.

### 4.3.1 Jung’s Psychological Functions

Carl Jung (1923) identified four psychological functions used in gathering and evaluating information. They are sensation, intuition, thinking, and feeling. The first two functions are important for gathering

information and the last two for evaluating or judging the situation. Individuals are strong in either sensation or intuition while gathering information and they are strong in either thinking or feeling while evaluation or processing the information.

(a) **Sensation and Intuition.** Individuals gather data either through processing the facts and details in the environment in a very methodical fashion - sensation types - or through global visualizations of what the scene depicts - intuition types. The sensation type individual depends on a lot of information to assess the situation, is pragmatic and down to earth, and concentrates on the present time. The intuitive type, on the other hand, relies on hunches and nonverbal cues, simultaneously considers several alternatives and quickly discards the non-viable ones, is very imaginative, and is more futuristically oriented. Both sensing and intuitive type have their advantages and disadvantages.

(b) **Thinking and Feeling.** People evaluate and make judgements either in impersonal and objective fashions—the thinking types—or in a more personal and subjective fashion - the feeling types. The thinking type person makes systematic inquiry, is unemotional, and highly analytical and rational in making judgements. The feeling type in contrast, places much reliance on human feelings and emotions, is very empathic, sentimental, and tries to “read between the lines” while evaluating situations. The thinking type individuals feel comfortable when logic and good analysis are the bases of decision-making and such individuals are generally unemotional and not very sensitive to the feelings of others. Feeling types enjoy pleasing others, dislike telling people unpleasant things, and heavily Emphasise the human aspects of dealing with organisational matters (Hellriegel, Slocum and Woodsman, 1986). Both the thinking and feeling types have their strengths and weaknesses.

(c) **Sensation-Thinkers.** Managers with these predispositions create effective structures for organisations, which insure stability. They are seldom wrong with their facts and they are dependable leaders. Some of their weaknesses include extreme impatience with delays and imperfections and their ineffectiveness when quick changes are necessary since they are unable to act quickly.

(d) **Intuitive-Thinkers.** Managers with these predispositions are the proactive change masters. They see relationships among the various goals and activities and they build new systems giving much thought to the effects of their ideas on operating effectiveness. Their main weakness is that they may be insensitive to the feelings of others and are likely to face difficulty in handling interpersonal relations.

(e) **Sensation-Feelers.** Manager with these orientations is pragmatic and can deal with the problems they confront in a very systematic fashion. They have the cooperation of the people working for them, and they know how to effectively use available resources rather than “fight the system”. Their main weakness is that they are unable to conceptualize a new scheme of things and hence the status quo may prevail in the system.

(f) **Intuitive-Feelers.** Managers who are intuitive-feelers very effective in-group settings where new ideas are to be formulated to move the organisation towards success. The intuitive-feeler managers are also good mentors, developing their subordinates personally and professionally. Their possible weakness includes their basing certain decisions on personal likes or dislikes rather than on objective criteria, and spending too much time seeking approval from others.

#### 4.4 INDIVIDUAL DIFFERENCES IN PERSONALITY

The following profile is a comparison of personal and professional characteristics of entrepreneurial e-business CEOs.

**Table 4.1. Showing profile of e-CEO**

Traditional CEO	e-CEO
Encouraging	Evangelizing
Alert	Paranoid
Cordial	Brutally frank
InfoTech semiliterate (At best)	InfoTech literate (At least)
Clearly focused	Intensely focused
Fast moving	Faster moving
Hates ambiguity	Likes ambiguity
Suffers from technology	Suffers from bandwidth
Confrontation anxiety	Separation anxiety

Not everyone working in an e-business environment demonstrates this caricature of e-CEOs or e-professionals. This e-profile does indicate that managing a faster growth environment may require different personal and skill orientations. Understanding personality characteristics can help leaders and professionals deal with individual adaptation and resistance to change. Organizational change, including technologically driven change, can be accomplished only through people. Learning to “read people” is a valuable skill in understanding and leading organizational change. We begin this chapter by presenting the framework of the **personal system**, and then go on to explain major personality theories. Methods for measuring personality are summarized, and personality characteristics that managers and employees can observe and address in organizational settings are discussed. The ethical dimensions of personality are then presented. The characteristics of personal mastery and effective habits are examined; these are benchmark processes that individuals can use to enhance motivation. Finally, we present general guidelines for understanding and managing individual differences in the work place.

It should be noted that there is not an ideal personality type or profile for an organization, a job, or an assignment. Because of the diversity of the work force, the complexity of work environments, and innovative, changing ways of doing business, the search for ideal personality types is senseless. There are, however, good matches between individuals, organizations, and assignments that can be optimized by using qualitative and quantitative evaluations. This section presents major theories that explain personality and personality dynamics, including trait theories, psychodynamic and humanistic theories, and an integrative approach.

##### (b) Personality Dimensions

Some of the more important personality dimensions claimed by Szilagy and Wallace are as under :

1. **Authoritarianism.** Researchers suggest that people with high measures of authoritarian attitude are more inclined to conform rules and tend to emerge as leaders in situations needing an autocratic style.



2. **Locus of Control.** According to J.B.Rotter Locus of control is a personality dimension. According to Rotter, people who have high external-control perceptions believe that things that happen to them are mostly a product of factors beyond their control. On the other hand, people who have high internal control perceptions believe that they can personally influence much of what happens. Researches reveal that internal controls are more satisfied when working under a participative management system. External controls, on the other hand, prefer a more directive style of management; Locus of control affects such employee characteristics as motivation, performances, satisfaction, etc. of the job, compliance with authority and supervisory style.
3. **Risk Propensity.** It is personality characteristic consisting of likes and dislikes for taking changes in one’s activities. Empirical researches suggest that risk propensity is related to the kinds of decisions people make on their jobs.
4. **Dogmatism.** Dogmatism is a personality characteristic involving a person’s tendency to be close or open minded about issues. Research suggests that highly dogmatic managers tend to take a shorter time to make decisions but are highly confident of their correctness.

In brief, we can say that an increasing body of research on people within organizations suggests that variation among employees on a number of personality characteristics is associated with variation in behaviour and performance. Since each type has strength as well as weaknesses, it is useful to know our own personality predisposition toward problem solving which will help us to seek organisational settings where we can be most effective. An exercise to understand your own psychological functioning style is offered at the end of the chapter together with a list of possible occupational situations for which each style is likely to be best suited.

**4.5 APPROACHES TO STUDY PERSONALITY**

(a) **Idiographic approach.** This involves the study of the consistent behaviour characteristics of an individual so as to know more about him and his peculiar characteristics. This is more an individualistic approach (All port 1937).

(b) **Nomothetic approach.** To study basic consistencies in people in general among groups of people who have been classified according to some characteristics say of Indians, or Americans, or Italians and soon.

(c) **Biological classification.** The early Greek classification is due to Hippocrates and Galen. Their classification was based on body fluids or humors.

**A.**

Sl. No.	Type	Nature of Personality	Body Fluid
1.	Sanguine	Cheerful	Blood
2.	Melancholic	Sad	Black bile
3.	Choleric	Irritable	Yellow bile
4.	Phlegmatic	Apathetic	Phlegm

**B. According to Kretchowners (1925)**

Sl. No.	Type	Nature of Personality	Body Fluid
1.	Picnic	Short Flabby	Extraversion
2.	Athletic	Muscular	Aggressive / Energetic
3.	Asthelictos one	Tall and thin	Introversion

### C. According to Sheldon (1940)

		Kretchowners
1. Endomorphy	Visceral development (from the endoderm of the embryo)	Pyknic type
2. Mesomorphy	Muscular muscle come from the mesoderm of the embryo	Athletic type
3. Ectomorphy	Thin skinny the skin and the Nervous Atheletic type system have the origin in the ectoderm.	

### D. Based on Temperament

1.	Viscerotonia	Visceral comforts	Joy of eating relaxation joviality etc.
2.	Somatotonia	Bodily (Somatic activity)	Competitiveness bodily activity with energetic movements
3.	Cerebrotonia	Dominance of cerebral process	Apprehension shy hypersensitivity

It has been found that there was a high correlation between physique and temperament.

**(d) Personality and Endocrine glands.** “We are terribly at the mercy of our endocrine glands” which secrete the hormones directly into the blood stream. It has a great influence on the Intellectual growth, size of the person (giants/dwarf) sex (Male/Female secondary sex characteristics) etc.

## 4.6 PERSONALITY THEORIES

One of the most important things about individual behaviour is its consistency. That is certain characteristics pursuit over a period of time in the behaviour of a given person and is revoked by situation resembling each other and certain characteristics tend to be associated with one another.

### 4.6.1 Type Theory

(1) The **physique body type theories** try to determine relationship between features of the face or body and personality. Sheldon body type is the most widely know body type theory. (2) The **physiological theory concentrates** on body chemistry substances are correlated with temperament. (3) The kind attempt for type personality is in terms of psychological factor. Ex: Jung’s introvert, extrovert types are examples.

### 4.6.2 Trait Theory

This is a search for identification of traits. A trait is some thing, which is competently and repeatedly is manifested in a variety of situation and is an enduring attribute of individual.

(a) **All Port Trait Theory.** According to him there is the distinction between common trait and personal disposition. Common traits are used to compare people (say social, economic etc.) Then other unique traits called personal disposition. They can be cardinal, central or secondary.

(b) **Cattell Trait Theory.** Ray used Cattell came across 17/words that can be used to describe personality traits. He made a distinction between what be called the **surface traits** and **source traits**. He has 35 surface traits by fending flusters of traits that correlated say sociable-seclusive, wise-foolish. Using factor analysis Cattell determined 12 source traits such as affect thymia Vs. sizothymia, eye strength Vs. emotionality and neuroticism, dominance Vs. submissiveness, surgency Vs. de-surgency.

### 4.6.3 Historical theories

It is well known for his structure of personality.

(a) **Freud's Psychoanalytic Theory.** According to Freud, the human mind is composed of three elements (i) the preconscious, (ii) the conscious, and (iii) the unconscious. According to him the conscious element is concerned with thoughts, feelings, desires etc. and unconscious component is basically related with ideas and wishes that cannot be learned through introspection. This theory has had an enormous impact on psychological and philosophical conceptions of people.

(b) **Carl Jung.** A colleague of Freud believed in a collective unconscious in the personality deeper and now unknown for the person than the personal unconscious of. It includes the cumulative experiences of all part generation even those of primitive ancestors. For work or introversions and extraversion are the two opposing attitudes existing in people.

(c) **Alfred Adler.** Yet another colleague of Freud. According to him development and personal growth are the result of attempt made by the individual to improve himself and thus overcome or compensate for feelings of inferiority and inadequacy. Adler and young placed fewer attempts as on the sexual nature of man than did Freud. Self plays more important role their. e.g. Cultural and other environmental factors are more important than other Neo-Freudian includes Uniform, Haney Otter and Rank Sullivan. All other historical school such as structuralism, functionalism, behaviourism and gestaltism also made contribution.

### 4.6.4 Self Theories

It contains the self-concept. Carl Regim is most closely associated with this approach. According to him it is an organised constant composed of 'I' or 'Me' and the perception of the relationship of the one to other and to other aspects of life. The self is that the individual believes what he is and strives to be consorting of perception, learning and motivation which together from a unique whole. The 'Me' represents social self. The **Me** is the way a person appear to others and the way he think he appears to others. In that other half of the self. A person's self concept gives him the sense of meaningfulness and according to Gellerman the average individual is not particularly well acquainted with himself but remains quite faithful to his not so accurate of himself and thereby sequences same consistency. The person's self concept will have a direct effect on his behaviour.

(a) **Sullivan (1982–1994).** observed that personality could not be observed and in fact, did not lent apart from inter personal behaviour. Sullivan's self-system is a psychological structure, which defends the self against anxiety and production continuity and stability.

(b) **Kurt Lewin (1890–1941).** described the interaction behaviour the self and the social environment. He introduced the **Felga theory** according to which behaviour of the organisation is the product of the interaction to form operating in a given field at a given time. It can be described idea graphically and topologically i.e. things schematic diagram representing the various fields where faces on the individual.

Many self-theories call themselves as phenomenologist since they viewed the individual and his environment as 'phenomena'. Rogers, Suygg' and Couls and Marla have been called existential psychologists because the emphasis 'being' rather their copying and adjusting.

### 4.6.5 Learning Theory

It looks upon personality as a more or less integrated collection of habits. But the way in which these habits are acquired operate and disappear is specified by them in terms of such concepts as derive, reinforcement, conditioning extinction generalisation, discrimination etc. Experts of Miller (1948) and Miller and Bugelsk (1948) proved that many of the trends or attributes are learned. Most of what we call personality is **nothing** but learned behaviour.

**Social Learning Theory.** In learning theories on personality development the emphasis is on the effects of reinforcement, reward and punishment on behaviour. In social learning the emphasis is on identification and imitation (Bandura and Walter). Children come to identify with the parents or other adults and they imitate their models. The process of imitation is facilitated by the children's anxiety the results of being punished for wrongdoing. This anxiety stimulates the learning of socially acceptable patterns of behaviour. The behaviour that is imitated may include many things such as actions of social value gestures habits, attitude etc.

#### 4.6.6 Biological Theories

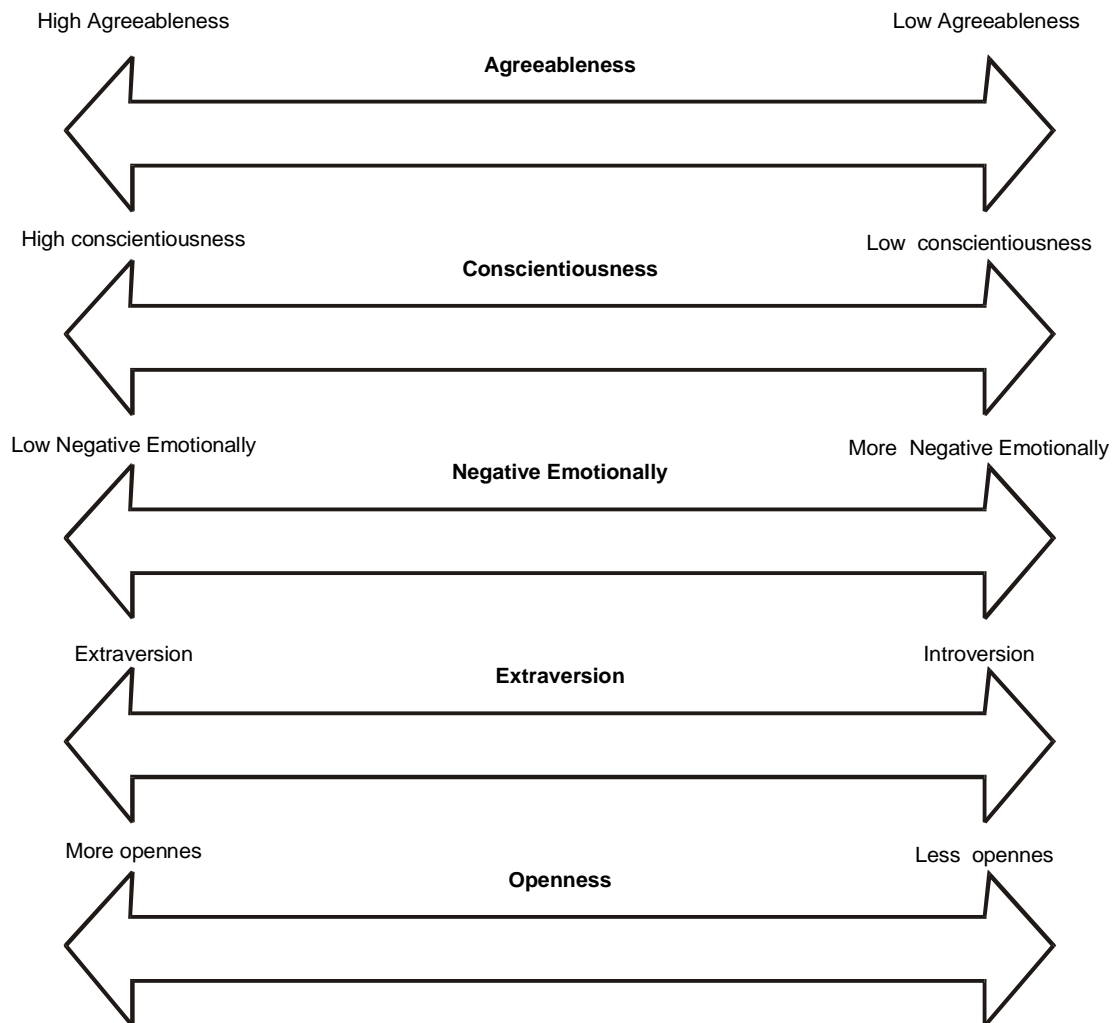
Biological theories of personality development have developed from two different sets of research. Ethnological theory describes the ways in which the members of a given species, say, human beings, develop common characteristics as a result of evolution. Behaviour Genetics describe how an individual's unique gene structure affects personality development. The accumulated research evidence points to strong genetic effects on human personality.

(a) **The Big-Five Personality Dimensions.** After almost a century of research, personality psychologists largely agree that five dimensions can describe human personality. The following are typical traits associated with the high and low characteristics of each Big-Five Personality dimension. Reflect on your personality as you read the descriptions and traits. Do any of these dimensions describe your personality ?

Extroversion	High : <i>Talkative, active, sociable, assertive, gregarious</i> Low: <i>Reserved, quiet, introverted.</i>
Emotional Stability	High : <i>Calm, relaxed, and secure</i> Low : <i>Worried, depressed, anxious, insecure, angry, embarrassed</i>
Agreeableness	High : <i>Cooperative, tolerant, good-natured, trusting, courteous, and caring</i>
Conscientiousness	High : <i>Dependable, thorough, organized, responsible, playful, achievement-oriented, hardworking</i> Low : <i>Sloppy, careless, and inefficient</i>
Openness to experience	High : <i>Curious, intelligent, broad-minded, creative, imaginative cultured</i> Low : <i>Simple, unimaginative, and conventional.</i>

Some dimensions have practical implications for organizations and management. For example, some research found extroversion is positively related to positive affect or attitudes. Other research found conscientious is negatively related to absenteeism and tardiness (Fig. 4.1).

(b) **Myers-Briggs Type Indicator (MBTI).** The Myers-Briggs Type Indicator (MBTI) is a popular personality assessment device based on Jung's personality theory. This device assigns people to one of sixteen personality types based on four bi-polar dimension: Extroverted (E) – introverted (I); sensing (S) – intuitive (I); thinking (T) – feeling (F); perceiving (P) – judging (J). Extroverts look outward; introverts turn inward. Sensors use data; intuitives use hunches. Thinkers are objective; feelers are subjective. Perceivers are flexible; judgers want closure. The letters in parentheses form type indicators. An ESTJ, for example, is an extroverted, sensing, thinking and judging type.



*Fig. 4.1. The 'Big Five' personality frame work.*

Organisational behaviour theorists such as Argyris (1957), Likert (1961, 1967), and McGregor (1960), argued that people in organisations need opportunities to use their individual creativity and must have their growth needs met in order to function effectively. However, not all organisational members want to develop and grow on the job or desire to self-actualise at work. Hence, current thinking on the subject is to take a “complex man” approach and recognise that different individuals have different needs and personality predisposition and if there is a “fit” or match between these and the environment that they operate in, functional behaviours will emerge. By understanding the concept of personality and its primary components as they influence behaviour at work, managers can try to create or structure environments in which people can most effectively function. In addition, such an understanding will help managers to enhance their own functional behaviours and thus increase their own and organisational members’ productivity. Moreover an understanding of personality will help managers to predict human behaviour at work (absenteeism, turnover, work involvement, etc.).

Maddi (1980), defines personality is a stable set of characteristics and tendencies that determine those commonalities and Differences in the psychological behaviour (thoughts, feelings, and actions) of people that have continuity In time and that may not be easily understood as the sole result of the social and biological pressures of the moment.

#### 4.7 PERSONALITY TESTS

(a) **Holistic Assessment.** The ‘Whole’ person is taken into consideration. This is a gestation approach to understand the total person through stress interview, spying, observation, etc. Developed by the German Military Psychologists. This was later adopted by the British army and later by the officers of the strategic services (D.S.S.).

(b) **Projective Tests.** When an individual is put in an unstructured situation he projects himself, his wants, aspirations, ambitions, attitude etc. This gives a deeper clue to his inner personality. The important tests are:

1. Thematic Apperception Tests (T.A.T).
2. Rorschach Ink blot Test.
3. Sentence Completion Test (S.C.T) and
4. Rosanzweig’s Picture Frustration Test etc.

(c) **Measuring Personality Traits**

1. Minnesota Multiphase Inventory (M.M.P.I).
2. Taylor Scale of Manifest Anxiety and
3. All port Vernon Lindsey Study of values.

**Who has a normal personality?**

*Well, normality is a very relative term. But from a social point of view the normal person is the one who is adjusted to his environment to such an extent that he finds his life enjoyable.*

#### 4.8 MEASURING PERSONALITY

As explained above, managers benefit from personality theories, which can be used for feedback to improve, adjust, train, and make decisions about employee behaviour. Personality assessments are most commonly made through self-report questionnaires, projective tests, and behavioural measures. Projective tests ask individuals to describe what they see in a drawing or photo or to relate a story to the images. It is supposed that unique personality differences will surface and can then be interpreted by a skilled analyst. Projective tests, however, have low reliability because the results are subjective. In fact, personality tests do not predict job performance. In fact, most such tests are poor predictors of job performance. Secondly, there is an on-going controversy regarding the “differential validity” of personality tests (i.e., the question of whether or not such tests measure races differently). There are presently too few studies to answer this very relevant question. Personality tests are not used by all, or even most, companies for screening and hiring. For example, Microsoft uses demanding interviews. Personality test results are only one tool to help managers interpret employees “fit” with an organization’s culture and required skills.

Again, personality tests and results should be administered and interpreted by reputable and licensed psychologists. Personality tests should be used along with other methods of assessing abilities, such as job-related skill tests. Managers who use personality tests should be sensitive and alert to any discriminatory interpretations resulting from such tests. Behavioural measures involve direct observation of a person’s behaviour in a controlled environment. Expert analysts then record, for example, the frequency of

particular actions on an index of personality characteristics. The necessarily small sample of behaviour can render this measure low in reliability. The self-report method is most commonly used for assessing personality individuals to respond to questions in a simple format.

#### 4.9 ORGANIZATION—BASED PERSONALITY CHARACTERISTICS

(a) **Locus of Control.** Locus of control is a personality characteristic manifested in individual who attribute causes of their behaviour to either external (environmental) or internal (themselves) sources. “Externals” have an “external locus of control” orientation and tend to focus their attention to “other-oriented” causes and effects of activities. “Internals” have an “internal locus of control” and look within themselves for the causes and effects of activities. Internalisers tend to believe that they control their decisions and lives; externalisers believe that outside forces and events control their decisions and lives. Blame and praise (attributing causes) are also associated with these two personality characteristics.

(b) **Type A and Type B Characteristics.** In contrast to the locus of control characteristic, which addresses why a person is behaving in a certain manner, the well-known type A/B classification describes how a person behaves in his life and work. **Type A** individuals are characterized as compulsive and obsessive, impatient and irritable, high achievers, perfectionists, very competitive, quick movers, and very time conscious. **Type B** individuals, on the other hand, are more methodical in getting tasks accomplished, more relaxed and laid back, and more patient with others. Type A personalities, when carried to extremes, can lead to over controlling and conflict-oriented behaviour. A higher incidence of cardiovascular disease has also been linked to type A personalities. In a recent study, researchers found a positive correlation between type A behaviour and cardiovascular disease among police and fire department personnel.

#### SUMMARY OF KEY POINTS

The workplace and the workforce are rapidly changing as are group and individual values regarding the nature of work, organisations and careers. Personality is a combination of stable physical and mental characteristics that make up an individual’s identity. To understand behaviour, we must understand the interaction between personality and environment. Major personality theories and commonly used personality assessment methods have pointed out the fact that focusing a job satisfaction and organisational commitment of any employee will help the organisations to deliver the goods. A person’s locus of control is the extent to which he believes his circumstances are a function of either his own actions or of external factors beyond his control. Other important personality traits include self efficacy, authoritarianism, machiavellianism, self-esteem and risk propensity.

#### TEST YOURSELF

##### 4.1 Are You a Type A or Type B personality ?

This test will help you develop insights into your own tendencies toward Type A or Type B behaviour patterns. Answer the questions honestly and accurately about either your job or your college, whichever requires the most time each week. Then calculate your score according to the instructions that follow the questions. Choose from the following responses to answer the questions below:



- (a) Almost always true
  - (b) Usually true
  - (c) Seldom true
  - (d) Never true
  - (e) Neutral
1. I do not like to wait for other people to complete their work before I can proceed with mine.
  2. I hate to wait in most lines.
  3. People tell me that I tend to get irritated too easily.
  4. Whenever possible I try to make activities competitive.
  5. I have a tendency to rush into work that needs to be done before knowing the procedure I will use to complete the job.
  6. Even when I go on vacation, I usually take some work along.
  7. When I make a mistake, it is usually because I have rushed into the job before completely planning it through.
  8. I feel guilty about taking time off from work.
  9. People tell me I have a bad temper when it comes to competitive situations.
  10. I tend to lose my temper when I am under a lot of pressure at work.
  11. Whenever possible, I will attempt to complete two or more tasks at once.
  12. I tend to race against the clock.
  13. I have no patience with lateness.
  14. I catch myself rushing when there is no need.

### ANALYSIS AND INTERPRETTATION

- An intense sense of time urgency is a tendency to race against the clock, even when there is little reason to. The person feels a need to hurry for hurry's sake alone, and this tendency has appropriately been called "**hurry sickness**". Time urgency is measured by items 1, 2, 8, 12, 13 and 14. *Every A or B answer to these six questions scores one point.*
- **Inappropriate aggression and hostility reveals** itself in a person who is excessively competitive and who cannot do anything for fun. This inappropriately aggressive behaviour easily evolves in frequent displays of hostility, usually at the slightest provocation or frustration. Items 3, 4, 9 and 10 measure competitiveness and hostility. *Every A or B answers scores one point.*
- **Polyphasic behaviour** refers to the tendency to undertake two or more tasks simultaneously at inappropriate times. It usually results in wasted time due to an inability to complete the tasks. *Items 6 and 11 measure this behaviour. Every A or B answers scores one point.*
- **Goal directedness without proper planning** refers to the tendency of an individual to rush into work without really knowing how to accomplish the desired result. This usually results in incomplete work or work with many errors, which in turn leads to wasted time, energy, and money. *Items 5 and 7 measure lack of planning. Every A or B response scores one point.*

**If your score is 5 or more, you may possess some basic components of the Type A personality.**  
MAIL YOUR SCORE [shaangrila@rediffmail.com](mailto:shaangrila@rediffmail.com) for more details.

#### 4.2 Review Questions

1. What do you mean by personality ? How is it important for a manager ?
2. Explain personality theories.
3. Discuss the modern personality theories and its impact in the organisation performance.
4. How personality is measured ?
5. State determinants of personality.

#### 4.3 Discussion Question

Visit a e-CEO of a company and find out from him the important traits for a successful personality. Also make use of the theories explained in the chapter. State which theory is more applicable. Also form your view on importance of heredity and environment in moulding a successful personality.

#### 4.4 Student Exercise

“The process by which people attempt to control or manipulate the reactions of others to images of themselves or their ideas” defines *Impression Management*. Impression Management encompasses a wide range including how one speaks, looks, and behaves. Favorable impression management includes the concept of “dress for success,” maintaining a positive attitude, and the avoidance of offending others. As a global manager, one must be fully aware of the cultural differences that impact the process of impression management. What may be considered appropriate in one culture (e.g. “slapping an employee on the back in the U.S. can be seen as a positive gesture for good work ? The same behaviour would be reprehensible in Japan). What specific elements of impression management would a global manager be sensitive to when doing business in the U.K.? What specific customs of dress are appropriate for business meetings? Are there differences in formal and informal meetings ?

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## CHAPTER 5

### MOTIVATION

#### LEARNING OBJECTIVES

*This chapter aims at introducing the concepts in motivation as a pre requisite for explaining the Organisation Behaviour theories and practices to the readers such as:*

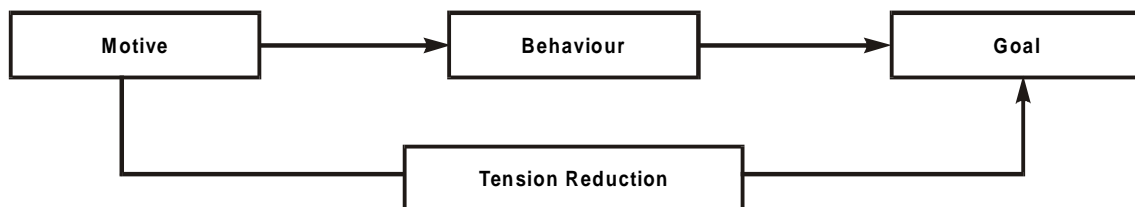
- *Motivational frameworks and approaches*
- *Historical perspective*
- *Content theories*
- *Maslow-Herzberg-Alderfer and Mc Clelland*
- *Process theories-Learning theories-Expectancy theory-Porter-Lawler models*
- *Managing motivation and change*
- *Money as a motivator and*
- *Research on incentives*

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## Motivation

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**Motivation** is the willingness to exert high levels of effort toward organisational goals, conditioned by the effort's ability to satisfy some individual need. While general motivation is concerned with effort toward any goal, we'll narrow the focus to organisational goals in order to reflect our singular interest in work-related behaviour. The three key elements in our definition are effort, organisational goals, and needs. The effort element is a measure of intensity. When someone is motivated, he or she tries hard. But high levels of effort are unlikely to lead to favourable job-performance outcomes unless the effort is channeled in a direction that benefits the organisation. Therefore, we must consider the quality of the effort as well as its intensity. Effort that is directed toward, and consistent with, the organisation's goals are the kind of effort that we should be seeking. Finally, we will treat motivation as a need-satisfying process. Here we summarise the major motivation theories and also considered the importance of money as a tool for motivating employees. We begin with a general model as shown in Figure 5.1



*Fig. 5.1. Showing a generalised model of motivation process.*

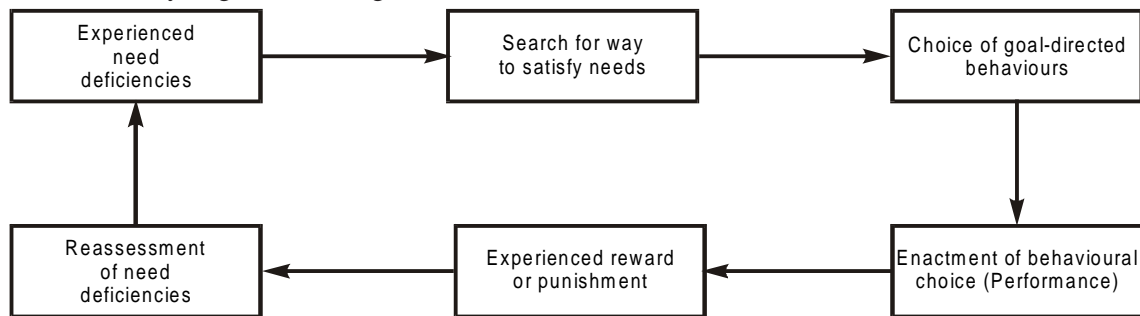
1. **Behaviour.** Behaviour is generally motivated by desire to achieve a goal or satisfaction of needs. People switch over from one activity to another activity. As such managers must understand the motives of the people working under them in order to predict and control their behaviour.
2. **Motives.** Motives refer to needs, or drives or wants. Motives prompt people to action. Motives are largely subjective and represent the mental feelings of human beings. They cause behaviour in many ways.
3. **Goals.** Motives are directed towards achievement of goals. Goals are the ends, which provide satisfaction of human wants. Attaining a goal will tend to restore physiological and psychological balance.

The above model presents that individual process in varying host of needs, desires and expectations. All of such needs compete for their behaviour and ultimately the need with the maximum strength at a particular moment leads to activity. When a need is satisfied, it is no longer a motivator of behaviour.

According to Gellerman, the most subtle and most important characteristic of money is its power as a symbol. Its most obvious symbolic power is its market value. It is what money can buy, not money itself that gives it value. But money's symbolic power is not limited to its market value. Since money has no intrinsic meaning of its own, it can symbolize almost any need an individual wants it to represent. In other words, money can mean whatever people want it to mean.

### 5.1 THE MOTIVATIONAL FRAMEWORK

Motivation is the set of forces that leads people to behave in particular ways. Motivation is important in organizations because, in conjunction with ability and environment, it determines performance. This framework provides a useful way to see how motivational processes occur. When people experience a need deficiency, they seek ways to satisfy it, which results in a choice of goal-directed behaviours. After performing the behaviour, the individual experiences rewards or punishments that affect the original need deficiency. Fig. 5.2 showing motivational framework.



*Fig.5.2. Motivational frame work.*

### 5.2 HISTORICAL PERSPECTIVES ON MOTIVATION

Historical views on motivation, although not always accurate, are of interests for several reasons. For one thing, they provide a foundation for contemporary thinking about motivation; an appreciation of their strengths and weaknesses can help managers gain useful insights into employee motivation in the workplace. One early view of motivation was based on the concept of hedonism: the notion that people seek pleasure and comfort and avoid pain and discomfort. Scientific management assumed that employees are motivated by money. The human relations approach to motivation suggested that favorable employee attitudes result in motivation to work hard. Need theories of motivation assume that need deficiencies cause behaviour

### 5.3 CONTENT THEORIES OF MOTIVATION

Motivation theories can be divided into two approaches: content and process. **Content** (or static) **theories** focus on internal or intrapersonal factors that energize, direct, sustain, and/or prohibit behaviours. These theories explain sources of motivation by focusing on individual needs. **Process theories**, on the other hand, attempt to identify factors that motivate, energize, sustain, and or stop behaviours. For example, process theories focus on expectations about effort and performance that affect motivation, expectancies and reinforcements, goals and perceived equity. We begin by explaining the content need theories of Maslow, Alderfer, Herzberg, and McClelland.

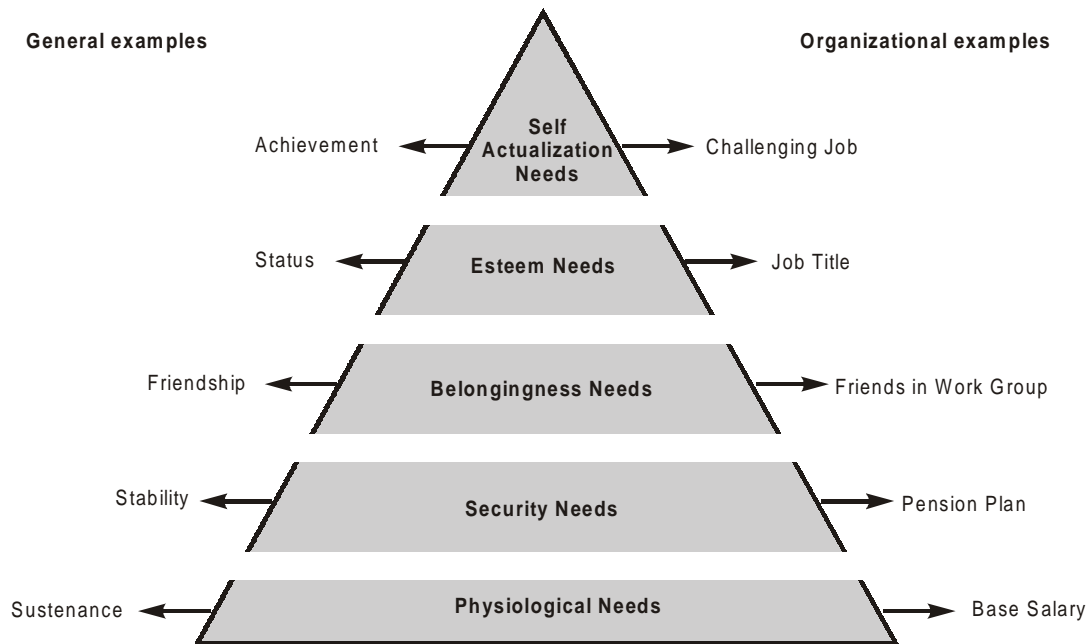


### 5.3.1 Maslow's Needs Hierarchy

It's probably safe to say that the most well known theory of motivation is Abraham Maslow's hierarchy of needs. He hypothesized that within every human being there exists a hierarchy of five needs. These needs are :

1. **Physiological.** Includes hunger, thirst, shelter, sex and other bodily needs.
2. **Safety.** Includes security and protection from physical and emotional harm.
3. **Social.** Includes affection, belongingness, acceptance, and friendship.
4. **Esteem.** Includes internal esteem factors such as self-respect, autonomy, and achievement; and external esteem factors such as status, recognition, and attention.
5. **Self-actualisation.** The drive to become what one is capable of becoming; includes growth, achieving one's potential, and self-fulfillment.

Maslow's hierarchy of needs consists of five basic categories of needs. This figure illustrates both general and organizational examples of each type of need. Of course, each individual has a wide variety of specific needs within each category.



**Fig. 5.3. Showing examples of Maslow's theory.**

Maslow separated the five needs into higher and lower orders. Physiological and safety needs were described as lower order and social, esteem and self-actualisation as higher order needs. The differentiation between the two orders was made on the premise that higher - order needs are satisfied internally (within the person), whereas lower - order needs are predominantly satisfied externally. In fact, the natural conclusion to be drawn from Maslow's classification is that in times of economic plenty, almost all permanently employed workers have their lower - order needs substantially met. Little support was found for the prediction that needs structures are organised along the dimensions proposed by Maslow, that unsatisfied needs motivate, or that a satisfied need activates movement to a new need level.

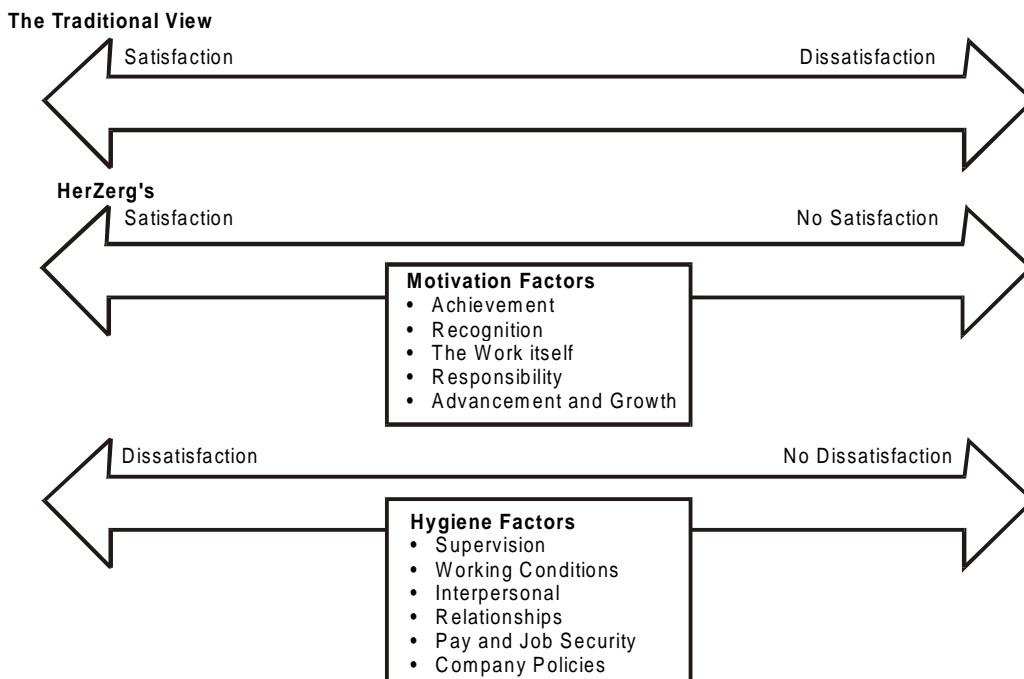
### Evaluation of Maslow’s Theory

The research studies clearly made clear that Maslow is not the final answer in work motivation. Maslow’s need hierarchy provides researchers and practitioners neither with a system that gives complete understanding nor one that is invariant in its application, but it does provide a provocative template for the appreciation of the question of why people act as they do or what is motivation ? Even in its awkward form, Maslow’s model seems to apply to underdeveloped countries. A survey of 200 factory workers in India points out that they give top priority to lower level needs. Other studies also reveal that Maslow’s model applies to managers and professional employees in developed countries like the U.K, and the U.S.A. American philosophers reveal that human needs do not conform to a hierarchy as suggested by Maslow. Hall and Nougaim found that as managers advance in an organization, their physiological and safety needs tend to decrease in importance, and their needs for affiliation, esteem, and self-actualization tend to increase. Further, Porter’s research indicates that managers at all levels had similar security and social needs and that the three higher needs on the hierarchy, developed by Maslow, varied greatly with managerial ranks.

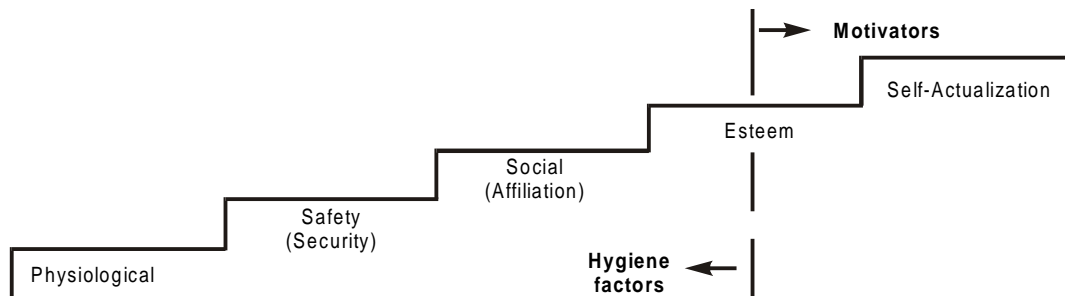
### 5.3.2 Motivation—Hygiene Theory

The motivation-hygiene theory was proposed by psychologist Frederick Herzberg. In the belief that an individual’s relation to his or her work is a basic one and that his or her attitude toward this work can very well determine the individual’s success or failure. Herzberg investigated the question, “What do people want from their jobs ? He asked people to describe, in detail, situations when they felt exceptionally good and bad about their jobs. From the categorized responses, Herzberg concluded that the replies people gave when they felt good about their jobs were significantly different from the replies given when they felt bad.

**Table 5.1. Showing motivation and hygiene factors.**



One might generalize at this point that individual's act on the basis of their perceptions or interpretation of reality and not on the basis of reality itself. In fact, one of the reasons we study the behavioural sciences is that they give us ways to get our perceptions closer and closer to reality. The closer we get our perceptions to a given reality, the higher the probability that we can have some impact on that particular piece of reality. Therefore, by bringing their perceptions closer and closer to reality—what their people really want—managers can often increase their effectiveness in working with employees.



**Fig. 5.4. Showing the relationship between the motivation-hygiene theory and Maslow's hierarchy of needs.**

According to Herzberg, the factors leading to job satisfaction are separate and distinct from those that lead to job dissatisfaction. Therefore, managers who seek to eliminate factors that create job dissatisfaction can bring about peace, but not necessarily motivation. They will be placating their work force rather than motivating them. As a result, such characteristics as company policy and administration, supervision, interpersonal relations, working conditions, and salary have been characterized by Herzberg as hygiene factors. When they are adequate, people will not be dissatisfied; however, neither will they be satisfied. If we want to motivate people on their jobs, Herzberg suggests emphasizing achievement, recognition, the work itself, responsibility, and growth. These are the characteristics that people find intrinsically rewarding.

(a) **Herzberg Versus Maslow.** Herzberg reduced Maslow's five need levels into two distinct levels of analysis. The hygiene factors, or dissatisfiers, are analogous to Maslow's lower-level needs such as physiological, safety and social. They are essentially preventive factors that serve to reduce dissatisfaction. The absence of hygiene factors from the workplace leads to high levels of dissatisfaction; their presence creates a state of 'zero dissatisfaction' or neutrality. By themselves, hygiene factors do not motivate individuals to better performance.

The motivators, or satisfiers, are equivalent to Maslow's higher level needs. These are the job-content factors that motivate people to perform. According to Herzberg, only such factors as a challenging job, recognition for doing a good job, and opportunities for advancement, personal growth and development foster motivated behaviour.

(b) **Evaluation of Two-Factor Theory.** Herzberg made a valuable contribution to the knowledge and understanding of the nature of job satisfaction. His theory was welcomed by managers because it maintained that money is not a true motivator. The great value of his work relied emphasis on recognition, opportunity for advancement and other factors for motivating people. Although his theory was an extension of Maslow's need-based theory, it provided new look to the question of how to get employees to perform in a more better way.

### 5.3.3 Theory X and Theory Y

Douglas McGregor proposed two distinct views of human beings: one basically negative, labeled **Theory X**, and the other basically positive, labeled Theory Y. After viewing the way in which managers dealt with employees, McGregor concluded that a manager's view of the nature of human beings is based on a certain grouping of assumptions and that he or she tends to mold his or her behaviour toward subordinates according to these assumptions as mentioned earlier in chapter 1. In contrast to these negative views about the nature of human beings, McGregor listed the four positive assumptions as described earlier in chapter 1 that he called Theory Y. What are the motivational implications if you accept McGregor's analysis? The answer is best expressed in the framework presented by Maslow. Theory X assumes that lower-order needs dominate individuals. McGregor himself held to the belief that Theory Y assumptions were more valid than Theory X. Therefore; he proposed such ideas as participative decision making, responsible and challenging jobs, and good group relations as approaches that would maximise an employee's job motivation. Unfortunately, there is no evidence to confirm that either set of assumptions is valid or that accepting Theory Y assumptions and altering one's actions accordingly will lead to more motivated workers.

### 5.3.4 ERG Theory

Clayton Alderfer of Yale University has reworked Maslow's need hierarchy to align it more closely with the empirical research. His revised need hierarchy is labeled **ERG theory**. Alderfer argues that there are groups of core need—existence, relatedness, and growth—hence, the label: ERG theory. The existence group is concerned with providing our basic material existence requirements. They include the items that Maslow considered to be physiological and safety needs. The second groups of needs are those of relatedness—the desire we have for maintaining important interpersonal relationships. These social and status desires require interaction with others if they are to be satisfied, and they align with Maslow's social need and the external component of Maslow's esteem classification. Finally, Alderfer isolates growth needs—an intrinsic desire for personal development. These include the intrinsic component from Maslow's esteem category and the characteristics included under self-actualisation.

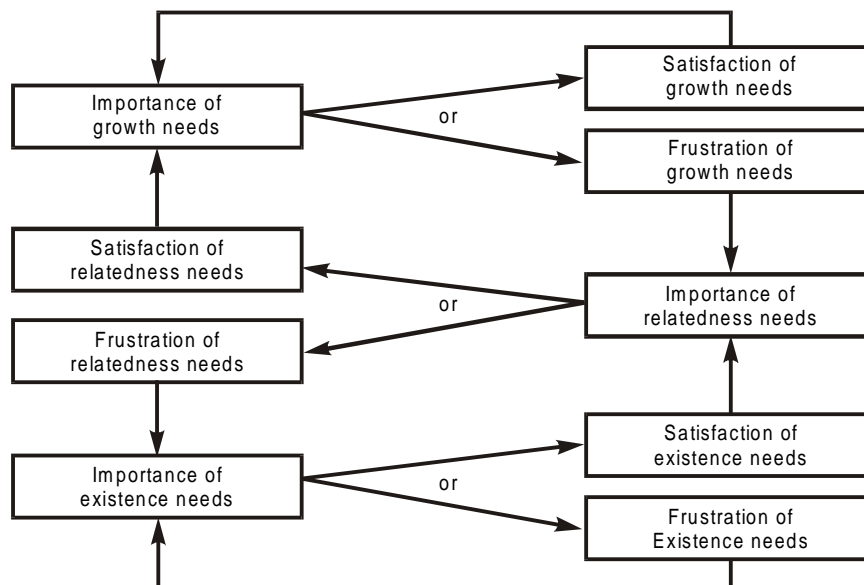


Fig. 5.5. The ERG theory.

The ERG theory demonstrates that (1) more than one need may be operative at the same time, and if the gratification of a higher - level need is stifled, the desire to satisfy a lower - level need increases. ERG theory also contains a frustration - regression dimension. Maslow, you'll remember, argued that an individual would stay at a certain need level until that need was satisfied. ERG theory counters by noting that when a higher - order need level is frustrated; the individual's desire to increase a lower level need takes place. Inability to satisfy a need for social interaction, for instance, might increase the desire for more money or better working conditions. So frustration chanced to a regression to a lower need. ERG theory is more consistent with our knowledge of individual differences among people. Variables such as education, family background, and cultural environment can alter the importance or driving force that a group of needs holds for a particular individual. The evidence demonstrating that people in other cultures rank the need categories differently - for instance, natives of Spain and Japan place social needs before their physiological requirements would be consistent with ERG theory.

### 5.3.5 McClelland's Theory of Needs

**McClelland's Theory of Needs** was developed by David McClelland and his associates. The theory focuses on three needs: achievement, power, and affiliation. They are defined as follows :

*Needs for achievement* : *The drive to excel, to achieve in relation to a set of standards, to strive to succeed.*

*Need for power* : *The need to make others behave in a way that they would not have behaved otherwise and*

*Need for affiliation* : *The desire for friendly and close interpersonal relationships.*

Some people have a compelling drive to succeed. They're striving for personal achievement rather than the rewards of success per se. They have a desire to do something better or more efficiently than it has been done before. This drive is the achievement need. From research into the achievement need, McClelland found that high achievers differentiate themselves from others by their desire to do things better. They seek situations where they attain personal responsibility for finding solutions to problems, where they can receive rapid feedback on their performance so they can tell easily whether they are improving or not, and where they can set moderately challenging goals. High achievers are not gamblers; they dislike succeeding by chance. They prefer the challenge of working at a problem and accepting the personal responsibility for success or failure rather than leaving the outcome to chance or the actions of others. Importantly, they avoid what they perceive to be very easy or very difficult tasks. They want to overcome obstacles, but they want to feel that their success is due to their own actions. This means they like tasks of intermediate difficulty.

### 5.3.6 Content Theories in Perspective

The five content theories of motivation we have discussed are summarized in Table. Taken together, these theories challenge leaders, managers, and organizational members to the following:

- Gain an understanding of their own needs and the needs of those with whom they work and manage the nature of the work.
- Create learning environments that motivate the needs of individuals and terms to perform more effectively and with quality.

Table 5.3. Showing needs theories : A comparison

Maslow's Need History	Alderfer's ERG Theory	Herzberg's Two-Factor Theory	McClelland's Trichotomy
Physiological Safety and Security	Existence	Hygiene	
Belongingness and Love	Relatedness		Affiliation
Self-esteem Self-actualization	Growth	Motivators	Achievement Power

Some of the commonalities of the four theories include a recognition of the role that human needs play in organization satisfaction, performance, and growth, and the distinction between lower- and higher-level needs. Higher-level needs for Maslow include self-actualization, esteem, and belonging; for Alderfer they are growth and relatedness; for Herzberg motivational factors, and for McClelland they are achievement and power. There are important distinctions in the four theories. Maslow held to a hierarchy of five needs; Alderfer constructed a hierarchy of three needs with much more flexibility; Herzberg used two factors that did and did not motivate employees (*e.g.*, dissatisfies). McClelland found that three needs common to all cultures; he viewed all people as learned and capable of being taught. Most of these theories lack sufficient empirical validation, especially from a cross-cultural perspective, but they are a starting point for discussing the role of human needs and motivation in the work place. They can also be used to discover the effects of organizational change on individual's needs and motivations. Managers can use the vocabulary and concepts of the content theories in employee interviews and dialogues to identify development and training areas in which employee motivation can be improved.

## 5.4 PROCESS THEORIES OF MOTIVATION

Process theories use external variable to identify individual sources of motivation. Whereas content theories deal with intrapersonal, internal sources (*i.e.*, needs) for motivation, process theories include perceived and actual exogenous, workplace, dimensions, For example, performance, goals, and tasks.

### 5.4.1 Learning Theory and Motivation

Learning is an integral part of motivation for several reasons. First, expectations needs, and responses that are motivating and demotivating are learned (or not learned). Understanding how we learn can assist organization leaders and members in diagnosing motivational levels and finding ways to enhance them second, since rewards and punishments are a vital part of human motivation, understanding how people learn to respond to rewards and punishments can assist organization leaders and managers in allocating rewards more effectively. Finally, learning has taken on added importance in the process of “continuous improvement”. Influenced by the Japanese concept of Kaizen (translated as “continuous improvement”), which focuses not on “quick fixes” to problems or opportunities but on transformational, incremental, and organization wide learning processes that enhance product and service quality, many successful corporations practice Kaizen. Learning how we learn is important to enable self-improvement.

(a) **Behaviour Modification.** The basic tenet in the behaviour modification approach to learning is that to effect change, behaviours must be addressed, rather than their psychological inferences or causes. Behavioural modification specialists, therefore, approach human problems in organizational by focussing on specific behaviours. A five-step behavioural modification model addresses change as follows :

1. Identify and define specific behaviour (s). Can these be seen ? Can they be measured ?
2. Establish a baseline. Before attempting to change the behaviour, determine its strength in the present by measuring or counting the occurrences of the behaviour.
3. Analyze the A-B.Cs (antecedents, behaviours, consequences) of the behaviour to determine the source of the problem.
4. Develop and implement an action plan using operant conditioning, strengthen the desirable behaviours, and weaken or extinguish the undesirable one through conditioning techniques.
5. Evaluate the effects of the change using different measurements.

(b) **Cognitive Evaluation Theory.** The introduction of extrinsic rewards, such as pay. For work effort that had been previously intrinsically rewarding due to the pleasure associated with the content of the work itself would tend to decrease the overall level of motivation. This proposal, which has come to be called the **cognitive evaluation theory** has been extensively researched, and a large number of studies have been supportive. Historically, motivation theorists have generally assumed that intrinsic motivations such as achievement, responsibility, and competence are independent of extrinsic motivators like high pay. Promotions, good supervisor relations, and pleasant working conditions. That is, the stimulation of one would not affect the other. But the cognitive evaluation theory suggests otherwise. It argues that when extrinsic rewards, which are derived from individuals doing what they like, are reduced. In other words, when extrinsic rewards are given to someone for performing an interesting task, it causes intrinsic interest in the task itself to decline. The theory may have limited applicability to work organisations because most low-level jobs are not inherently satisfying enough to foster high intrinsic interest and many managerial and professional positions offer intrinsic rewards. Cognitive evaluation theory may be relevant to that set of organisational jobs that falls in between - those that are neither extremely dull nor extremely interesting.

(c) **Goal-Setting Theory.** Gene Broadwater, coach of the Hamilton High School Cross-country team, gave his squad these last words before they approached the line for the league championship race. "Each one of you is physically ready. Now, get out there and do your best. No one can ever ask more of you than that". In the late 1960s, Edwin Locke proposed that intentions to work toward a goal are a major source of work motivation. That is, goals tell an employee what needs to be done and how much effort will need to be expended. The evidence strongly supports the value of goals. More to the point, we can say that specific goals increase performance; that difficult goals, when accepted, result in higher performance than do easy goals; and that feedback leads to higher performance than does non-feedback. Specific hard goals produce a higher level of output than does the generalized goal of "do your best". The specificity of the goal itself acts as an internal stimulus. If factors like ability and acceptance of the goals are held constant, we can also state that the more difficult the goal, the higher the level of performance. However, it's logical to assume that easier goals are more likely to be accepted. But once an employee accepts a hard task, he or she will exert a high level of effort until it is achieved, lowered, or abandoned.

(d) **Reinforcement Theory.** A counterpoint to goal - setting theory is **reinforcement theory**. The former is a cognitive approach, proposing that an individual's purposes direct his or her action. In reinforcement theory, we have a behaviouristic approach, which argues that reinforcement conditions behaviour. Reinforcement theory ignores the inner state of the individual and concentrates solely on what happens to a person when he or she takes some action. Because it does not concern itself with what initiates behaviour, it is not, strictly speaking, a theory of motivation. But it does provide a powerful means of analysis of what controls behaviour, and it is for this reason that it is typically considered in



discussions of motivation. Employees might compare themselves to friends, neighbours, co-workers, colleagues in other organisations, or past jobs they themselves have had. Which referent an employee chooses will be influenced by the information the employee holds about referents as well as by the attractiveness of the referent. This has led to focusing on four moderating variables - gender, length of tenure, level in the organisation, and amount of education or professionalism. Research shows that both men and women prefer same sex comparisons. Based on equity theory, when employees perceive an inequity, they can be presented to make one of six choices.

(e) **Expectancy Theory.** Currently, one of the most widely accepted explanations of motivation is Victor Vroom's expectancy theory. The theory, therefore, focuses on three relationships. The strength of a tendency to act in a certain way depends on the strength of an expectation that the act will be followed by a given outcome and on the attractiveness of that outcome to the individual.

- **Effort-performance relationship.** *The probability perceived by the individual that exerting a given amount of effort would lead to performance.*
- **Performance-reward relationship.** *The degree to which the individual believes that performing at a particular level will lead to the attainment of a desired outcome.*
- **Rewards-personal goals relationship.** *The degree to which organisational rewards satisfy an individual's personal goals or needs and the attractiveness of those potential rewards for the individual.*

(f) **The Porter-Lawler Model.** The Porter and Lawler expectancy model provides interesting insights into the relationships between satisfaction and performance. As illustrated here, this model predicts that satisfaction is determined by the perceived equity of intrinsic and extrinsic rewards for performance. That is, rather than satisfaction causing performance, which many people might predict, this model argues that it is actually performance that eventually leads to satisfaction.

- *Determine the primary outcomes each employee wants.*
- *Decide what levels and kinds of performance are needed to meet organizational goals.*
- *Make sure the desired levels of performance are possible.*
- *Link desired outcomes and desired performance.*
- *Analyze the situation for conflicting expectancies.*
- *Make sure the rewards are large enough.*
- *Make sure the overall system is equitable for everyone.*

(g) **Equity Theory.** Equity theory recognizes that individuals are concerned not only with the absolute amount of rewards they receive for their efforts, but also with the relationship of this amount to what others receive. They make judgements as to the relationship between their inputs and outcomes and the inputs and outcomes of others. Based on one's inputs, such as effort, experience, education, and competence, one compares outcomes such as salary levels, raises, recognition, and other factors. When people perceive an imbalance in their outcome-input ratio relative to others, tension is created. This tension provides the basis for motivation, as people strive for what they perceive as equity and fairness. Specifically, the theory establishes four propositions relating to inequitable pay :

1. *Given payment by time, over rewarded employees will produce more than will equitably paid employees.*
2. *Given payment by quantity of production, over rewarded employees will produce fewer, but higher quality, units than will equitably paid employees.*

3. *Given payment by time, under rewarded employees will produce less or poorer quality of output.*
4. *Given payment by quantity of production under rewarded employees will produce a large number of low-quality units in comparison with equitably paid employees.*

In conclusion, equity theory demonstrates that, for most employees, motivation is influenced significantly by relative rewards as well as by absolute rewards, but some key issues are still unclear. For instance, how do employees handle conflicting equity signals, such as when unions point to other employee groups who are substantially better off, while management argues how much things have improved? Yet, regardless of these problems, equity theory continues to offer us some important insights into employee motivation.

### 5.5 MANAGING MOTIVATION AND CHANGE

The scope, radical nature, and fast rate of planned organizational change as, as stated earlier, been unprecedented in recent times. Mergers, acquisitions, strategic alliances, reengineering, and downsizing activities have significantly taken off. The extent to which these levels of organizational change will continue is uncertain; however, it has been predicated that organizational change will become a constant—that is, change will no longer be a single event. Because information technologies are also changing the very nature of work and expertise requirements, employee motivation takes on an even greater importance.

Several practices to enhance motivation in the contemporary workplace have been suggested :

- *Ensure that employees' motives and values are appropriate and "fit" the jobs on which they are placed.*
- *Ensure that jobs, roles, and responsibilities are attractive and consistent with employees' values, beliefs and motives.*
- *Assist employees and ensure that work goals are clear, challenging, attractive, and attainable.*
- *Provide employees with required personal and material resources that enhance their effectiveness.*
- *Create and sustain supportive social and working environments.*
- *Recognize and reinforce performance. and*
- *Ensure that the elements are harmonized and fit into a consistent sociotechnical organizational system.*

Managing motivation in rapidly and continuously changing organizational settings will require flexibility, focus, experimentation, the skill of balancing paradoxes, openly communicating and testing assumptions, and being open to and skilled in implementing planned change. Motivation is, to a large extent, culturally conditioned and learned. Individual organization members working with those from different cultures should not assume when the topic is motivations, whether it be needs, expectancies, or satisfiers. These individuals should find out what the basic cultural orientation is - whether it is collectivist, individuals, productivity or quality of life oriented, uncertainty avoidance or comfort with ambiguity. Not everyone from a culture shares all of its basic societal values, but these values can and do influence unspoken beliefs, attitudes, and motivations. A person's own values or motivational assumption and standards should not be accepted as absolute.

The characteristics of a changing, ever-more diverse workforce suggests that managing motivation will be challenging and difficult. The challenge for owners, managers, and organization members will be to find ways to integrate, not assimilate, the diverse individuals and to address their motivational needs. Integrating and motivating a diverse workforce involves understanding and addressing value differences.

Valuing and motivating diverse workforces must be organizational priorities. The scope, radical nature, and fast rate of planned organizational change in recent times have been unprecedented. Several practices have been suggested to enhance motivation in the contemporary workplace. These include ensuring that employee' motives and values are appropriate and fit the jobs in which they are placed; that jobs, roles and responsibilities are attractive and consistent with employees' values, beliefs, and motives; and that work goals are clear, challenging, attractive, and attainable. Other ways to enhance motivation include providing employees with required personal and material resources that enhance their effectiveness; creating and sustaining supportive social and working environments; recognizing and reinforcing performance; and ensuring that these elements are harmonized and fit into a consistent socio-technical organizational system. Managing motivation in rapidly and continuously changing organizational settings will require flexibility, focus, experimentation, the skill of balancing paradoxes, openly communicating and testing assumptions, and being open to and skilled in implementing planned change.

## 5.6 MONEY AS A MOTIVATOR

The widespread misconception about finance being a motivating factor or motivator in industry has led to the failure of the best-laid incentive plans. The Wire Meld company, USA after a six week, drive the company concluded that awarding war bonds to employees for perfect attendance was not the solution to absenteeism. Habits of the employees were not influenced by the plan. Most of those who had been irregular in attendance before the award system was inaugurated were irregular. There was a bus slow down in New York in it easy 1980's due to the refusal of drivers (bus) to work overtime. They were not interested in more money. They felt they were tired after duty to engage in extra work. An analysis of these drivers indicated an average income of 3200 a year, an income that even then could not be considered very high.

Ever since Taylor's time "experts" have concocted one wage incentive system after another, resulting in a myriad of these. Lytle (1938) gave one of the most comprehensive reviews of wage incentive plans. He believed such plans were important in any cost production problem. He cited two advantages of wage incentive plans as being (1) an increase in production per unit, (2) an increase in employees' earnings. He believed that the advantages of a well-installed and ably managed wage payment plan accrue annually to employees and employers. It is then difficult to demarcate (among) the various incentive systems from the industrial psychologists point of view. Lytle's attempt to classify all financial incentive plans on the basis of production earning characteristics is shown below. It's an idea of the numerous systems that have been promoted. This is a historical method and is least used today.

**Class I**      **Employee takes all gain or loss**

**Time** : Hour, week, or any straight statutory rate, not an extra incentive.

Standard time using two rates, one either side of the task; a two zone multiple time plan.

**Multiple time** : With Arithmetic in rate between production zones (standard time plan).

**Multiple time** : Geometric steps in rate between production zones.

**Class II**      **Employee takes all gain**

Piece or straight commission rate: this sub divides into punitive basic and high, etc.

**Class III**      Gain shared between employer and employee but day wage guaranteed exception one-third premium.

**Class IV**      Empirical location of points between two variables, piecework or commission above 100% production.

### 5.6.1 Theories Concerning Money as an Incentive

Opsahl and Dunnette (1966) list 5 theories in this respect. These attempt to explain the effect of money on job performance.

*a. Money as a generalised conditioned Reinforcer.* Money, due to its association with more basic reinforcers (need satisfiers) acquires the status of a secondary reinforcer. Wolf studies (1936) and Cowles (1937) demonstrated that poker chips acquired requirements value when they could be exchanged for food, *i.e.*, subjects in their experiments worked as hard to get clops which could 'buy' food as they had previously worked for food itself.

*b. Money as a conditioning incentive.* Money acquires an incentive value due to continued pairing with other incentives of a more basic nature. Despite laboratory data this method is difficult to practice. It is difficult to point out the more basic incentives with which money can be paired.

*c. Money as an anxiety reducer.* The absence of money is generally associated with anxiety reactions in our society. Therefore lack of money becomes a conditioned stimulus for an anxiety response. Money therefore serves as a reducer of anxiety.

*d. Money as a "Hygiene Factor".* Herzberg, Mausner and Synderman in their notion of satisfier and dissatisfies are viewed as being two distinct classes of motivators. "Money is a hygiene factor which serves primarily as a dissatisfier *i.e.*, causes dissatisfaction when absent, but contributes a little to satisfaction when present. It is uncertain whether their data supports this hypothesis (Opsahl and Dunnette, 1966).

*e. Money as a means of Instrumentality.* According to Vroom's Theory of Motivation Model, money acquires valence due to its perceived instrumentality for obtaining the desired outcomes *e.g.* If money were perceived as being instrumental to the positive goal of security, then money would acquire a positive valence. Then the likelihood of a person acting in a way to acquire money would be a function of his need for security multiplied by the expectancy that a particular money-seeking act would result in a specified monetary return. A simple numerical explanation would be

$$L_m = f(s) \times E$$

where

$L_m$  = Likelihood of a person acting in a way to acquire money

$S$  = Need for security

$E$  = Expectancy that a particular money seeking act would result in a specified monetary return.

In their review on the role of financial compensation in industrial motivation; (Opsahl and Dunnette, 1966) state: The role of money as reward in modern industry continues to be poorly understood despite our economies being based on a monetary reward system. Although the use of formal incentive pay systems has diminished in recent years in favour of other non-financial incentives, money units will probably always be exchanged for work. Thus, a better knowledge of the dynamics of this exchange process is certainly needed.

### 5.6.2 Kinds of Incentives

Incentives may be classified financial and non-financial. More aptly co-operative and competitive.

- (i) **Co-operation Incentives.** This involves organising people into groups (meaningful groups) and having them work together for a common goal. This is the latest of kinds of incentives and is practiced in industry as well as educational institutions. This results in more learning at the educational level and greater production at the industrial level. People contribute equal and maximum efforts towards the realisation of common goal.

- (ii) **Competitive Incentives.** These involve the urge of doing better than the next individual.
- (iii) **Individual Incentives.** These are extremely, meaningful if the individual himself introduces them. In industry the incentive is used as a means of spurring an employee towards someone else's goal. He may not be interested in either reduced costs or increased production. But he may be persuaded to achieve his goal by an incentive when the incentive results in equal satisfaction for the employer too when the plant is being successfully operated. The major difficulty with financial incentives has been the facts that fear of a rate cut—whether the fear is justified or not. They also fear a lay off. Hence indifference or evasiveness to wage raises.

Both competition and co-operation are not mutually inclusive especially when individuals co-operate in-groups to compete with other groups. Industry in the past has placed too much emphasis on competition; only recently have the advantages of co-operative behaviour as an incentive been recognised. The use of co-operation as an incentive holds considerable promise of success.

### 5.6.3 Research on Incentives

A host of experts have attempted to divulge into the issue of incentives and it is conspicuous that each one of them has endeavored to surpass their predecessor or rather improve on the previous studies.

(a) **Blum and Ruess Study.** In this study 5 drives were listed in an attempt to determine the relative importance of these five incentives on an employee in a job. The data were obtained from 286 gainfully employed people from 17-60 years of age and in occupation from unskilled manual labour to the professionals there were 181 men, 72 of whom were married and 105 women 26 of whom were married all subjects lived in New York city area. A questionnaire was prepared aimed at comparing the employees' incentive with the other four in all 10 comparisons. Each time one incentive is compared to the other in the comparison; a score is assigned to it *i.e.*, a maximum of ten points is distributed among the five incentives. Then the scores were tabulated thus against the five incentives the purpose of the questionnaire was not disclosed to the subject till after completing it.

### Findings

In this study they have measured the attitudes of employees toward time incentives at the paid technique it was found that

- *Advancement and security were the most important.*
- *Incentives, hours of work were the least important.*
- *Salary was rated third by men, 4th women.*
- *Supervisor relationships were ranked fourth by men and third by women.*
- *Married men considered security more important and advancement less important than did single men.*
- *Married women were more interested in working fewer hours than were the single women.*
- *The significance of advancement as an incentive decreased with age for both sexes and security became more important with age.*
- *Advancement and security were considered more important than salary and*
- *The attitudes of the employees changed depending on such major classifications as sex marital status and age.*

(b) **Jurgensen Study.** His study involved 150 females and 1189 male applicants for positions at the Minnea Polis Gas Light Company. Each subject was asked to rank ten items in order of preference.

### Findings

*Job Preferences were affected by the extent of Education than by most other variables.*

*Advancement became more important and security less important as education increased.*

According to his findings, wages, hours and working conditions are not so important as generally thought and the type of work is more important than is ordinarily stated.

(c) **Stagner Study.** The study included 7000 employees of a Nationwide Corporation. After viewing various researchers he concludes that neither executives nor workers are concerned about pay as such, except when economically pinched. At other times they prefer ego-satisfactions such as prestige, recognition and individual treatment. He rated the importance by 7000 workers on various job factors.

(d) **Jones and Jeffrey Study.** This is a study, which evaluated preferences among electrical workers for alternate form of job compensation. They considered each of four different compensation dimensions listed below:

*Hourly wage versus weekly wage.*

*Merit incentive versus non-merit incentive.*

*Piecework incentive versus no piecework incentive and*

*Regular pay rate versus high pay rate.*

### Findings

Non-union workers significantly preferred, the weekly wage, the merit incentive, the piecework incentive and the higher wage. Union Members were willing to take jobs with non-merit incentive and regular pay in preference to jobs having merit incentives with higher pay. They would forfeit money to stay clear of a merit system! This would certainly seem to argue that the union as an organisation provides the workers with some form of “group protection” or security that is worth a sacrifice in actual money units. He no longer has to bargain for himself; but is part of a larger body, which bargains, in much broader terms.

(e) **Nealey Study.** He examined work preference for different employee benefit programmes. He had 1133 members of an electrical trade union panel compare the following six-benefit option.

1. *The company will pay the cost of an additional 50 a month pension to be added to retirement benefit*
2. *I will get a percent raise.*
3. *The normal workweek shall be cut to 37.5 hrs. Without any reduction in weekly earnings.*
4. *The company will pay the entire costs of full medical insurance for my family and myself.*
5. *It will be agreed that all regular employees must be members of the union and*
6. *I will have three weeks paid vacation in a year in addition to my present vacation to the extra vacation to be taken when I choose.*

The six plans were chosen so as to be of approximately equal cost to the employer.

In general the workers preferred medical insurance option and the union were unimpressed with the enticement of 37.5 hours week.



## Major Findings

*There is a tremendous increase in preference for the pension plan as one moves into older age groups.*

The union is judged the most desirable (relative to other plans) among the middle-aged workers.

The 3-week additional vacation was most preferred on a move through the older groups.

(f) **Dudycha–Naylor Study (1966)**. The study was designed to examine what job characteristics were of primary importance to today's college students.

## Findings

Students in their sample gave the following order of job traits

1. *Pay.*
2. *Opportunity for growth and advancement.*
3. *Security.*
4. *Fellow employees.*
5. *Working conditions and*
6. *Supervisor-employee relations.*

These were students who for most part had never held regular job and who were indicating what things they felt would be important when they did start choosing between job opportunities. They placed high weight to pay.

(g) **Maslow's View on Financial Incentives**. Maslow's theory of motivation dismisses finance as a motivator. He argued that money satisfies only lower needs (safety and psychological needs) let the higher order need.

In one survey he found that when managers were asked what factors they felt determined their pay they responded training and experience were the most important factors.

## SUMMARY AND IMPLICATIONS FOR MANAGERS

Author has presented a number of motivation theories and applications. While it's always dangerous to synthesize a large number of complex ideas into a few simple guidelines, as stated in the chapter will help managers to motivate their employees in their organizations in the new millennium. Given below is the extract of an interview with Herzberg, which would summarise our discussion on motivation:

### 1. An Interview with Frederick Herzberg : Managers or Animal rainers ?

**Ans.** Historically, we have to begin with a grant I received to investigate the whole area of job attitudes when I was at Psychological Services in Pittsburgh... I was interested in aspects of mental health, which certainly included job attitudes. The first stage of this research program, obviously, was to review the literature. We had a bibliography of 3,000 books and articles. The result was a book called Job Attitudes: Review of Research and Opinion... However, when we had finished Job Attitudes : Review of Research and Opinion we could make no sense out of it.

### 2. It seemed that the human being was forever debarred from rational understanding as to why he worked.

**Ans.** We... noticed that there was a hint that the things people said positively about their job experiences were not the opposite of what they said negatively about their job experiences; the reverse of the factors that seemed to make people happy in jobs did not make them unhappy. So what happens in science, when your research leads to ambiguity ? You begin to suspect your premises.



**3. May be the best place to start is with the title of your Harvard Business Review article, ‘One More Time: How Do You Motivate Employees ?’ That was your core insight ?**

**Ans.** That was the core insight. I said, perhaps we’re talking about two different modalities. Job satisfaction, let’s use that term, and job dissatisfaction are not opposites; they are completely separate continua, like hearing and vision. If this is true, if we recognize that they are separate continua, then they must be produced by different factors and have their own dynamics. Then I said, O.K., let’s test this idea. Obviously, what had to be done was to find out what made people happy separately from finding out what made people unhappy. And you couldn’t just ask people, ‘What do you like about your job ?’ That’s like asking, ‘How do you feel ?’ – A nonsensical question. In fact, two questions must be asked: What makes you happy on the job ? And, equally important, what makes you unhappy on the job ?

**4. Your methodology was different, too, as I recall.**

**Ans.** Yes, people respond for the sake of responding. And they tend to give the answers that will win the approval of the people asking the questions. Instead of asking people what makes them happy or unhappy, I thought it would be better to get at the kinds of experiences that produced satisfaction or dissatisfaction with a job. By doing these two things – by asking two questions where one was usually asked and by obtaining my data from analysis of the kinds of experiences people had rather than what they say makes them happy or unhappy found that the two systems existed. With the appearance of the two systems, my thinking that what makes people happy and what makes people unhappy were not the same things was verified. In analyzing the commonalities among the factors that make people definitely unhappy or definitely happy, I found that the factors which make people happy all are related to what people did: the job content. Contrariwise, I found that what made people unhappy was related to the situation in which they did their job: job environment, job context – what I called hygiene factors. So now you have a finding that makes much more sense. What makes people happy is what they do or the way they’re utilized, and what makes people unhappy is the way they’re treated. That pretty much summarizes my second book, *The Motivation to Work*.

**5. Then in your third book, *Work and the Nature of Man*, you searched for the psychological underpinnings for your theory.**

**Ans.** Why does job content make people happy ? ...Further research and experience suggested what makes people unhappy is pain from the environment. We have this in common with all animals. We’re all trying to adjust to the environment – to avoid pain. On the other hand, man is also different from an animal and what makes him different is that he is a determiner, whereas the animal is always determined... So I developed the Adam and Abraham concept, the two natures of man. As Adam, he’s an animal, and as an animal he tries to avoid pain from the environment as all animals do. As Abraham, he’s a human being, and as a human being he’s not the opposite of an animal, he’s qualitatively different. His dynamic is to manifest his talents, and the only way he can manifest his talents is by doing things that allow him to develop his potential...

In summary, you had a three-step sequence. First, what we knew about job attitudes from the past made no sense, so we had to look at the problem differently. Second, when the problem was redefined, a very different research result was obtained. Third, I had to explain the research results. Now I have a theory documented with research and supported by an understanding of why the theory worked.

**6. How do you apply the theory ? That was also the subject of the last chapter in Work and the Nature of Man.**

**Ans.** ‘One More Time’ does two things. First, it suggests that you can get people to do things as Adam, and you can get people to do things as human beings – but the ways you get them to do things are very different. To get people to do things as animals, you move them. When I respond as an animal because I want to avoid being hurt, that’s movement. I called it KITA, for ‘kick in the ass.’ When a human being does something, he’s motivated. The initiative comes from within. Further, I showed how the various techniques of human relations are just different forms of positive and negative KITA. Second, I went on to demonstrate the difference between management by movement and management by motivation or job enrichment. How, by changing what people do, you motivate them to do better work. Most of my work now consists of looking at the total problem of mankind living in society, through motivation-hygiene theory. Not only must we reorient our management thinking in terms of how you motivate people, but how we apply the same theory to develop a sane society...That pretty much summarizes motivation-hygiene theory, what it is, how it came to be, and where it is going

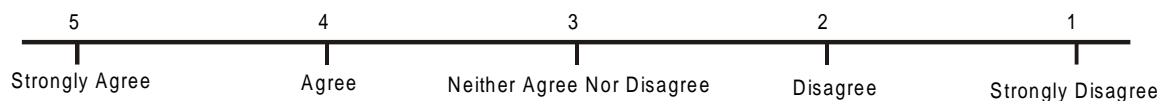
**Source :** *Extract from Academy of American management review 1971-courtesy MIT OPEN COURSEWARE-USA.*

### TEST YOUR SELF

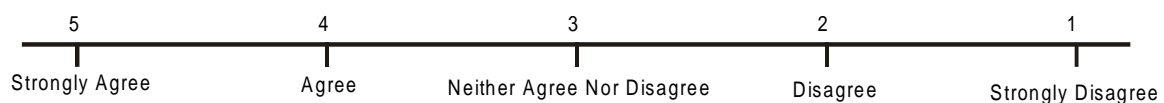
#### 5.1 Are You a Theory X and Y Manager ?

The questions below are intended to provide insights into your tendencies toward Theory X or Theory Y management styles. Answer each of the following questions on the scales by circling the number that best reflects your feelings. *For example*, mark a “5” beside a statement if you strongly agree with it, or a “2” if you disagree with it.

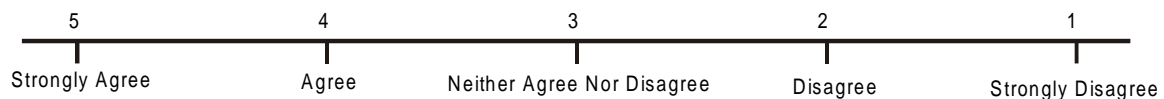
1. Most employees today are lazy and have to be forced to work hard.



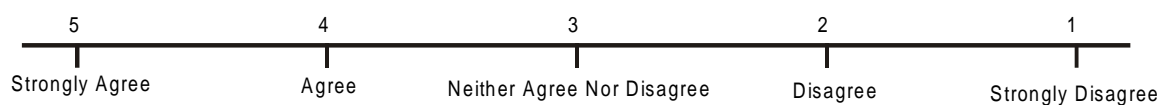
2. People in organizations are only motivated by extrinsic rewards such as pay and bonus.



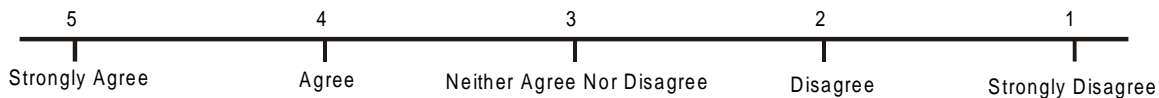
3. Most people do not like to work.



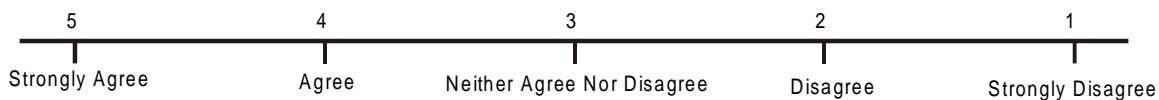
4. Most people today generally avoid responsibility.



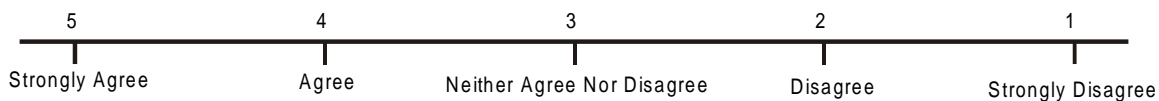
5. Many employees in big companies today do not accept the company's goals but instead work only for their own welfare.



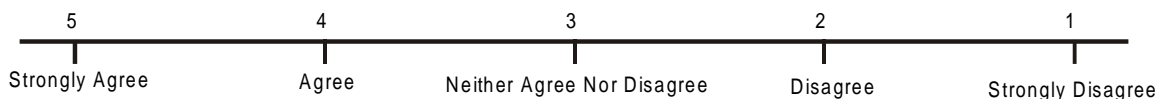
6. Most people are not innovative and are not interested in helping their employers to solve problems.



7. Most people need someone else to tell them how to do their job.



8. Many people today have little ambition, preferring to stay where they are and not work hard for advancement.



## 5.2 Review Questions

1. Explain the motivation cycle and hygiene factor. How it is applicable to a manager ?
2. Explain the money as motivator. Is there any exception ? Explain.
3. Explain process theories of motivation.
4. Describe briefly the content theories of motivation.

## 5.3 Discussion Questions

1. Is it possible for someone to be unmotivated, or is all behaviour motivated ?
2. What similarities exist between the views of human motivation of scientific management theorists and those of human relations theorists ? How do they differ ?
3. Do you think the hierarchy of needs theory or the ERG model has the greatest value ? Explain
4. Which of the need theories discussed in the chapter has the most practical value for managers ? Which one has the least practical value ?
5. How do you evaluate yourself in terms of your needs for achievement, affiliation, and power ?
6. Besides distinctions between need-based and process-based perspectives, are there any basic differences between the motivation theories discussed in this chapter.
7. Which is likely to be a more serious problem, perceptions of being under rewarded or perceptions of being over rewarded ?
8. Do you think expectancy theory is too complex for direct use in organizational settings ? Why or why not ?

#### 5.4 Student Exercise

There are two broad theories of motivation: Content Theories and Process Theories. Organizational Behaviour scholars are very interested in whether process theories are culture-bound. There are three popular process theories—expectancy theory, equity theory, and goal setting theory. These theories describe the processes through which need deficiencies (identified in content theories) are translated into behaviour. The origins of these theories are argued to be culture-bound as they were developed and studied in the western, industrialized context. The argument can be made that because of the origins and applications of these theories, they cannot be effectively transferred to other cultures. Identify the elements of equity theory. identify factors that would support equity theory of motivation for workers in Saudi Arabia. Do the same analysis for Zambia. Based on observations, do you think that equity theory is culture bound ? Explain and provide examples.

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## CHAPTER 6

### ***JOB DESIGN, JOB SATISFACTION AND OTHER JOB RELATED ISSUES***

#### **LEARNING OBJECTIVES**

*This chapter aims at introducing the concepts such as Job design, Job satisfaction and other job related issues as a pre requisite for explaining the Organisation Behaviour theories and practices to the readers like:*

- *Why people work*
- *Work in the internet age*
- *Job enrichment*
- *Job loading*
- *Job design and re-design strategies*
- *Job satisfaction*
- *Morale in the industry*
- *Working condition and productivity*
- *Fatigue*
- *Monotony and boredom*
- *Quality of Work Life(QWL) and*
- *Empowerment*

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## CHAPTER - 6

# Job Design, Job Satisfaction, and Other Job Related Issues

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Life can be characterised as an activity. Work is a form of activity that has social approval and satisfies the need of the individual to be active. Some of the reasons why people work are to produce, to create, and to gain respect, to acquire prestige, in earning money. The pay cheque means so many different things to different workers. Instances of forced Idleness are usually characterised by unpleasantness. People in jail or hospitals or in rehabilitation centres are unemployed. They all yearn to be emancipated to be free. The average worker waits an entire year for his two-week vacation and plans how he will do nothing but rest This chapter focuses closely on the job related issues in organisation and narrates its impact on the productivity, satisfaction and morale of workers. Job design refers to methods and interventions for changing jobs to improve the fit between the individual jobholder's skills and competencies with the job. The subject of jobs and job design are considered core topics in the field of organizational behaviour, along with the study of individual differences, motivation, groups and teams, and perception. In this chapter, we discuss the forces in and around organizations that are transforming work and jobs. We then explain the traditional approach to job design and identify relevant strategies for evaluating and designing jobs.

### 6.1 WHY PEOPLE WORK ?

Jobs refer to specific work assignments and activities that are defined in job descriptions, assignments, and experiences. Jobs serve as the building blocks with which we differentiate individual roles and responsibilities in organizations. Jobs are intended to give direction, boundaries, and meaning to work. Defined in terms of "positions", jobs have traditionally located individuals in organizational structures and have defined the status of employees. Cumulative job experiences shape the careers of individuals. As with work and organizational structures, the nature of jobs, especially in knowledge-based industries, is changing. Gilbreth believed that work could be made pleasant.

Henry Ford believed that work was basically unpleasant and that therefore the hours of work should be shortened as much as possible. It is important to recognize the core values attached to the many needs expressed and fulfilled in work. Mastery of the job and the importance of self-expression are two such core values. Master of the job and pride in successful accomplishment are the reasons why people work and work hard. Prestige, social acceptance, pride in work, and many related social drives are equal to financial incentives or more meaningful. Possibly the best means of understanding worker motivation is to consider the social meaning of work. In this respect, short-term goals and long term goals of employees and employees may affect production variously. Accordingly giving attention to the manner in which incentives are perceived is preferable to assuming that an incentive means the same thing to all. Some of what the author assumes may not necessarily be in fact the case. My perception of how others view their jobs may not be accurate.



**The Academy of Management.** A journal states that the expression of emotions as part of the work role should be emphasised. It recently stated that more induction is needed so that our theories can capture the complexities of emotional expression in organisation life and such inductive work ought to include field research as Sherlock Holmes puts it.

**Combining Enrichment and Enlargement.** Research on job design points out a relationship between job satisfaction and performance. When management uses both these two methods. The combined approach is recommended by the Dept. of Health, Education and Welfare in the U.S.A. The Psychological States that contributes to motivation and job satisfaction.

- |                                   |   |   |
|-----------------------------------|---|---|
| <i>Experienced meaningfulness</i> | – | <i>Is the work valuable Is it worth performance ?</i>     |
| <i>Experienced responsibility</i> | – | <i>Is there a feeling of responsibility for results ?</i> |
| <i>Knowledge of results</i>       | – | <i>Is there regular feedback on performance.</i>          |

### 6.1.1 Work in the Information and Internet Age

The nature of work and job is changing. As information technologies integrate and speed business transactions, work and jobs will become even more decentralised, project oriented, and dependent on technologies. The more these states are developed, the higher will the internal motivation based on the job itself rather than just on external rewards. Job characteristics leading to the presence of the above of psychological states.

- *Meaningfulness* – *Is there skill variety ? Are there a variety of activities that utilize a number of skills and abilities ?*
- *Task identity* – *This provides for completion of a whole identifiable piece of work from beginning to the end and with visible results.*
- *Task significance* – *has (the task) in impact on the work of others either within or outside the organisation.*
- *Responsibility* – *Is the autonomy, freedom, independence or discretion in scheduling or choosing procedures (decisions etc) ?*
- *Knowledge of Results* – *Is there direct, clear and timely information about effectiveness and results.*

Based on the previous understanding of what constitutes meaningful work, some of the factors fundamental to the applicable of job enrichment concepts include.

- *Direct feedback of results to the employees in a non-evaluative manner.*
- *Existence of a customer or client (within or outside the organisation) for whom work is performed.*
- *Opportunity to learn and grow through experience.*
- *Ability to schedule own work within requirements set according to realistic deadlines.*
- *Doing the job in ones own unique manner and utilising time accordingly.*
- *Providing employees with budgets that make those directing responsible for costs.*
- *Direct communications with individuals needed to get the job done and*
- *Individual accountability for results (as for the quality of the work).*

## 6.2 JOB ENRICHMENT

People develop not only through better training, but also throughout the way the organisation works. The emphasis on the departments and the total organisation therefore became relevant. However, people neglected the third aspect, which was primarily concerned with the role a person played in the organisation.

The job or the role the person has in the organisation also determines to what extent he / she will be able to develop. Human Resource Development has to take both the role and the job into account. Herzberg's theory, called the two-factor theory of motivation, led to a practical programme of using a job as the major medium of developing people and changing some organisational practices. The practical aspect of intervening in the organisation was called job enrichment. Herzberg called this 'vertical loading of the job'. He used the term to indicate the need of providing more motivators in work. The process of enrichment is the process of providing valuable things to a person (those which a particular person thinks are valuable to him). If an employee's job is extended so that he has to do more work, it is not vertical loading but what Herzberg called horizontal loading. Vertical loading is the attempt to provide more and more motivators in a job. Several experiments have been made in job enrichment. The programme of job enrichment is conducted according to certain general principles. The following seven principles have been enunciated by Herzberg (1968) for job enrichment:

1. *Remove some controls while retaining accountability.*
2. *Increase the accountability of individuals for their work.*
3. *Give a person a complete natural unit of work like a module, a division an area, etc.*
4. *Grant additional authority to an employee in his activity, which is job freedom.*
5. *Make periodic reports which are directly available to the worker himself rather than to the supervisor.*
6. *Introduce new and more difficult tasks not previously handled and*
7. *Assign specific steps or tasks to people enabling them to become experts.*

Herzberg suggested that a job should be taken up for detailed analysis to find out the level of motivators present in it, and then steps can be taken to enrich the job. Such steps will help the job become more satisfying to the individual, which in turn, will contribute to his development. Herzberg (1968) suggested the following 10 steps for job enrichment:

1. *Select appropriate jobs for the job-enrichment programme. Herzberg suggested four criteria for his purpose: (a) the jobs should have possibilities of improvement, i.e., there is evidence of people's involvement and motivation, (b) improvement of the hygiene factors is becoming costly, (c) other changes tried out have not made much difference in the level of motivation, and (d) there is a general belief that the programme of motivation will make a difference.*
2. *Start the programme of job enrichment with the belief that change made in the jobs will produce good results.*
3. *Brainstorm a list of changes that can be made in the job for its enrichment.*
4. *Review the list and eliminate suggestions, which involve hygiene's.*
5. *Review the list again and remove suggestions which are too general and which do not give any specific ideas about how the general things can be made specific.*
6. *Review the list again and remove suggestions which are concerned only with additional work and which do not fall in the category of motivators.*
7. *Avoid direct participation by the jobholders. Any ideas they may have can be given to others and may be reviewed in advance, but they may not directly participate in the final programme of job enrichment and*
8. *Start with a small control experiment rather than with introducing the programme throughout the organisation. This would also mean that the result of this group under experiment can be compared with those of other groups, which are used as control groups to see how much different is made by the job-enrichment programme.*

9. *Be prepared for initial setback in terms of lower production and some difficulties. Any change may cause some problems in the beginning and may result in low productivity in the initial period.*
10. *Also, be prepared for an initial negative reaction of the supervisory staff, including some anxiety and hostility towards the experiment. It is difficult to change supervisory attitudes, and any change in which employee participation is encouraged and new supervisory practices are required, produces some anxiety about the redundancy of the supervisory role (which is partly true), resulting in some negative attitudes to start with. The supervisors learn to adopt the new and different practices after some time.*

AT & T, Texas Instruments, IBM, and General Foods have all used job enrichment. For example, AT & T used job enrichment in a group of eight typists who were responsible for preparing service orders. Texas instruments used job enrichment to improve janitorial jobs. The company gave janitors more control over their schedules and let them sequence their own cleaning jobs and purchase their own supplies. The theory confuses employee satisfaction with motivation, is taught with methodological flaws, ignores situational factors, and is not convincingly supported by research. Yet some valuable aspects of the concept can be salvaged. The efforts of managers and academic theorists ultimately have led to more complex and sophisticated viewpoints. The job characteristics approach focuses on the motivational attributes of jobs. The job characteristics theory identifies three critical psychological states: experienced meaningfulness of the work, experienced responsibility for work outcomes, and knowledge of results. The job characteristics theory identifies five core job dimensions: skill variety, task identity, task significance, autonomy, and feedback. Participation entails giving employees a voice in making decisions about their own work.

### 6.3 JOB LOADING

There are two forms of job loading.

- *Horizontal job loading:* adding tasks to a job but not adding any responsibility or challenge – the meaningfulness of the job is simply increased. Horizontal loading ought to be avoided!
- *Vertical job loading:* adding meaningful tasks that will lead to growth – additional tasks that permit growth and provide motivating factors. By providing motivators and removing hygiene's, management can facilitate the growth of employees. This is essential to both the individual and the organization. Growth makes the employee more valuable to the organization because of his/her ability to perform higher order duties.

### 6.4 JOB DESIGN

Job design refers to “the study of jobs, tasks, and constellations of tasks that encompass properties, perceptions, and responses to properties and / or perceptions. It includes job enrichment, job enlargement, job characteristics models, and social information processing perspectives. Job design “refers to any set of activities that involves that alteration of specific jobs or interdependent systems of jobs with the intent of improving the quality of employee job experience and their on-the-job productivity. The traditional approach involved fitting people to jobs. A more recent approach to designing jobs incorporates both objectively gathered descriptions of the jobs and the perceived requirements and relationships of jobholders. The first step in such a job design involves performing a functional job analysis (FJA)—that is, objectively describing a job by gathering information on the job’s content, requirements, and context. Since Herzberg’s work on job enrichment a great deal of interest was aroused about interventions in jobs and work, emerging emphasis on human values added new dimensions to this interest, and several related concepts

have been proposed, mostly based on some significant interventions. In the mid-fifties, Davis proposed the concept of job design. It was originally defined as “the organisation (or structuring) of a job to satisfy the technical-organisational requirements of the work to be accomplished and the human requirements of the person performing the work” (see Davis and Taylor, 1979). Job design was done through the following three activities:

- *Specifying the content of individual task.*
- *Specifying the method of performing each task, including the machinery and tools used and any special techniques.*
- *Combining individual tasks into specific jobs.*

Some of the concerns of job design were as follows :

- Putting together tasks that tasks “meaningful” units of activity of workers.
- Providing a sequence of tasks or operations (or organisation of work) that provides a “meaningful” relationship between jobs.
- Putting together tasks that would include in a job each of the four types of work activity inherent in productive work, namely production (processing), auxiliary (supply, tooling), preparatory (set-up) and control (inspection).
- Giving the product into units (parts, components, documents), which were “meaningful” entities to the worker.
- Arranging facilities and communications so that feedback on all aspects of performance and production needs took place automatically and constantly.
- Providing “meaningful” measures of performance to individual and
- Providing “meaningful” incentive or rewards.

Work restructuring or work redesigning emphasised the use of responsible autonomy, adaptability, variety, and participation. The concept of autonomy is very well summarised by Davis and Trist (in Davis and Taylor, 1979). By autonomy we mean that the content, structure, and organisation of job is such that individuals or groups performing those jobs can plan, regulate, and control their own work worlds. Autonomy implies skills within the individual or within a group organised so that it can share an array of tasks, and self-regulation and self-organisation, which are radical notions in conventional industrial organisation. Under the principle of self-regulation, only the critical interventions, desired outcomes, and organisational maintenance requirements need to be specified by those managing, leaving the remainder to those doing. Specifically, situations are provided in which individuals or groups accept responsibility or the cycle of activities required to complete the product or service. To establish the rate, quantity, and quality of output they organise the content and structure of their jobs, evaluate their own performance, participate in setting goals, and adjust conditions in response to work-system variability. The relationship of man to is the basic element of social life. Drastic change in this relationship has been termed revolution. It has been suggested that there have been two such revolutions in the past-the first with the use of machine power (replacing muscle power with machines in the nineteenth century) the second with the explosion of information technology (replacing programmable human mental processes by computers). The third revolution is now taking place-that of humanisation of work (see Hofstede in Cooper and Mumford, 1979).

#### **6.4.1 Job Enlargement and Job Enrichment : Redesign Strategies**

Job designs change as jobholder needs and work requirements change. Job redesign strategies seek to address these changes. Job redesign approaches aimed at enhancing productivity and employee motivation include job enlargement and job enrichment. Job enlargement, the opposite of work

simplification, increases the horizontal scope of the job, variety of activities, number of processes, and required skills to accomplish work. Job extension, doing more of the same work, is a form of job enlargement. With job rotation, another form of job enlargement employees learn and perform more and different or new tasks and activities. Japanese companies practice and reward horizontal job rotation.

## 6.5 JOB SATISFACTION

Job or work satisfaction depends to a large extent on the employee attitude. As we know an attitude is a set to action with an emotional overtone. Attitudes are learned and some are changed frequently. A change of attitude cannot be forced up on a person. But it must come from the inside. Job satisfaction is derived from and is caused by many inter-related factors, which cannot be completely isolated. But still for getting information regarding their relation importance we can isolate them using satisfaction techniques. Job satisfaction which people experience in their job is in large part the consequence of the extent to which the various aspects of their work situations tend to be relevant to their get related value systems and hence it is basically an individual matter. Job satisfaction is the result of various attitudes possessed by an employee. In a narrow sense these attitudes are related to the job and are concerned with such factors as wages, supervision, steadiness of employment, conditions of work, advancement opportunities, recognition of ability, fair evaluation of work, social relation on the job, quickly settlement of disputes and grievances, fair treatment by employer and so on. Apart from the above mentioned factors for a more meaningful approach additional factors including personal aspects of the employees, such as age, health, temperament and level of aspiration etc. should be considered also his family relationship, social status, recreational outlets, labour, social and political activities etc. contribute to job satisfaction. It is surprising to note that people do not always take up a job purely for the extra wage that they may get. More often than not they take into consideration many other things apart from the monetary part of the job. In short job satisfaction is a general attitude, which is the result of many specific attitude in three areas such as job factors, individual or personal characteristics and other social and groups' relationship outside the job. These factors can be broadly classified as follows. Studies have been conducted on all these factors and have proud the effect of each one of them on the ultimate job satisfaction. Following are the summary of job factors and individual characteristics and other factors, which leads to job satisfaction.

<b>(a) Job Factors</b>	
<b>Type of work</b>	Pay
<b>Time on the job</b>	Fringe Benefits
<b>Skill</b>	Opportunity for advancement
<b>Occupational status</b>	Working condition
<b>Place of work</b>	Fellow workers
<b>Size of plant</b>	Responsibility
<b>Security</b>	Supervision
<b>(b) Individual Characteristics</b>	
<b>Age</b>	Education
<b>Sex</b>	Personality factor / emotional stability
<b>Intelligence</b>	Number of dependents
<b>(c) Other Factors</b>	
This includes his family background, social activities, political influence, recreational facilities, effect of social groups, cliques, clubs and so on.	

The study of Hoppock (1935) showed that job satisfaction is related to many things other than financial return. Some of these factors according to him are relation social status, relationship with the superiors and associates on the job, nature of the work, hours of work, opportunity for advancement variety, freedom from close supervision, visible results the satisfaction of doing good work, opportunities for service to others, environment, freedom to live where one chooses responsibility vacation, excitement, opportunity for self expression, competition, religion, opportunity for or necessity of traveling, fatigue, appreciation of criticism security and ability to adjust oneself to unpleasant circumstances. Alternative used for describing man job satisfaction are: *Employer attitude and Individual morale*. But on closer examination we find that they are not synonymous. An attitude is not job satisfaction although it may contribute to the job satisfaction since it consists of a number of attitudes. Similarly job satisfaction is not the same as industrial morale though it may be contribute to morale.

### 6.5.1 Why should we learn more about job satisfaction ?

Since for an industrial organisation the consequences are extremely important by discovering attitudes of factors related to the job a firm can correct certain. Problematic situation and thereby improve the satisfaction of its staff which would eventually affect the morale of the company. 'V room' has done an excellent job of examining in detail the relationship between job satisfaction and various other aspects of job behaviour. He conducted studies on job satisfaction and employee turn over absenteeism, accidents, and job performance. His findings were listed below:

- *There is a consistent negative relationship between job satisfaction and probability of resignation.*
- *There is less consistent negative relationship between job satisfaction and absenteeism.*
- *There is few indication of a negative relationship between job satisfaction and job performance and*
- *Nothing is clearly seen between accidents and satisfaction.*

(a) **Predicting job satisfaction.** If it is possible to predict it then this notion would assume that a person is pre-disposed to job satisfaction or dissatisfaction prior to being employed. It requires that all applicants be tested and screened and their intelligence, interests other abilities and personality at least to the extent of emotional stability be measured.

#### (b) **Theoretical approaches to job satisfaction.**

1. **Maslow's Need Hierarchy Notion.** Job, which is above to satisfy more of the Maslow Needs, would be job, which would result in greater satisfaction on the part of the employees.
2. **V. Rooms Theory.** According to Vroom valance force theory job satisfaction reflects balance of the job for its incumbent. The strength of the force on a worker to remain on his job is an increasing function of the valence of his job. Thus satisfaction should be negatively related to turn over and absenteeism.
3. **Stodgil Theory.** It says there is no clear relationship between degree of job satisfaction and quantity of performance. According to Stodgil, satisfaction was not a cause of job performance (or an output variables) instead of he viewed the individual in terms of the total context.
4. **Herzberg's Theory.** The model by Herzberg, Mausner, and Synderman is a controversial one. The original study was conducted to investigate the causes of job satisfaction and dissatisfaction of accountants. They were individual interviewed and the responses were subjected to context analysis. They are generally job contents factors or motivators. Dissatisfies are those which result in job dissatisfaction and are generally job context factors. Because of these two variables they are called Hertzbergs Two Factors Theory.



5. **Morse and Schaffer.** The work done by Morse and Schaffer sum to point out to the view that job satisfaction depends up on the fulfillment of personal needs. Such fulfillment may not at all depend on productively as measured by the number of units turned out and therefore the expectation that increasing job satisfaction increases productivity may be note a reality. In short, in a market of surplus job more productive workers may leave to take up better job and poorer one will stay on. Job satisfaction may therefore contribute to the less productivity workers, remaining, while it may be that more productive workers regardless of job satisfaction take advantage of better job opportunities. Lack of proper vocational guidance could also be a reason for the wrong man to be in the wrong position. Hence to increase job satisfaction for the employees the management must appreciate the existence of peculiar “Personal Factor” in employee, factors inherent in the job and those controlled by Management and social factors.

## 6.6 MORALE IN INDUSTRY

The dictionary definition of morale is prevailing mood and spirit conducive to willing and dependable performance. High morale is defined as “a confident spirit of while hearted co-operation in a common effort. Employer morale is the combination of attitudes toward job, company and immediate supervisor (Michigan studies). This definition gives importance to the individual. Industrial morale may be defined as the possession of a feeling, on the part of the employee of being accepted and belonging to a group of employees through adherence to common goals and confidence in the desirability of these goals (Blum of Naylor). But according to Guion, morale is the extent to which an individuals needs are satisfied and the extent to which the individual perceives that satisfaction as stammering satisfaction from his total job situation. In other words “Morale is an attitude to satisfaction with desire to continue in and willingness to strive for the goals of a particular group or organisation. In other words there is a team spirit or “we” feeling group cohesiveness each member is committed to the goals and so on. Hence it is a group concept.

### (a) What morale is not ?

Morale is related to job satisfaction but it is not the same thing. Job satisfaction mainly is an individual attitude.

(b) **Explanation of the term.** It is characterized by absence of conflict, presence of a feeling of happiness, better personal adjustment ego involvement, cohesive force by binding the members together, acceptance of the goals and many other job related attitudes. According to stranger morale depends on (1) the individual’s perception of himself as a group member (2) on the perception of his goals as being identical to or contiguous with group goals.

*i.e. Feeling of togetherness or co-operation*

*Goal identification*

*Striving for the goal and*

*Attaining the goal in an economical fashion.*

High morale is characterized by the above efforts of the individual members. There is enthusiasm and discipline, absence of conflict, ‘we’ feeling, absence of too many subgroups and resistance to external leadership and pressure. While, when the morale is low there is the tendency to disintegrate, external agency’s influence, conflict, frustration, rival clique formation etc.

**(c) Factors affecting morale.**

*Job security*  
*Supervision*  
*Working conditions and working hours*  
*Chances of development and promotion*  
*Resolution of conflicts*  
*Pay*  
*Job satisfaction*  
*Participation in Management decision-making*  
*Career advancement*  
*Feeling of belongingness in the company and so on.*

**(d) Behavioural Indices of Morale.** Production and profit may be an index of efficiency. Labour turn over. (High / Low) Absenteeism (High Low) Industrial conflict, frustration, voluntary restriction of output, strikes etc. may be considered as morale indices.

**(e) Morale and Group Formations.** There is no question of morale being absent in any group. But the concern is of high and low morale. In an organisation we have all sorts of groups and all of them may not have the same level of morale. These subsystems may have morale in varying degrees. Such groups have great influence on the productivity.

**(f) Morale and Productivity.** If the organisation has a single only and if the members are committed to the goals of the organisation and if that group has high morale than it is seen that high morale in such cases can contribute to higher output. But at time high morale existing in groups (say union / management) which are diametrically opposite in their aims may be detrimental to profit making despite the fact both management and the union are having high morale. This results only in friction.

**6.6.1 Measurement of Morale**

The measurement of morale is usually done by having an attitude/opinion survey. In this, while framing an attitude scale all factors connected with job, supervision, satisfaction incentives, and participation. Employee perception should be made use of Date may also be collected through interview, Questionnaire/Schedule and Theme analysis of employee responses. Then an overall morale index is worked out for the industry/unit under story some subjective measures employed are as follows:

**(a) Sociometry Technique.** Jenkins modified it in 1947 and called it Nominating techniques. He used it in studying morale in the Navy. The sociogram is subjective to some extent since other determinants of morale viz. goal, progress toward goal, and meaningful participation may not be obtained by this method. For these, the attitude scales, questionnaire or the interview has to be used to make it as objective as possible. It must take into consideration factors such as strikes, labour turn over, absenteeism, grievances, suggestions and production figures. But one should not always attribute too much importance to these indices, as some of them exist not due to low morale.

**(b) How to Improve Industrial Morale.**

<i>Expert approach</i>	–	<i>an expert makes a spot survey</i>
<i>Industrial spy</i>	–	<i>based on his spy-survey he gives a report</i>
<i>Industrial counsellor</i>	–	<i>as in Hawthorne studies and</i>
<i>Employee problem</i>	–	<i>role play approach</i>



Under the guidance of psychologist who enables the workers to act out their grievances and find a solution for their low morale. However, to boost up the industrial morale the management too should act first based on the indication of low morale since it can affect the output and the well being of the employees and employers both.

## 6.7 WORKING CONDITIONS AND PRODUCTIVITY

Unfavourable environmental conditions contribute to a slow down of employees' activities and production. They allegedly increased labour turnover, promote high absenteeism and generally contribute to inefficiency. In short human work behaviour can be influenced by situational variables including these to which we commonly refer as working conditions. There are three groups of working conditions such as:

1. *Those of a Physical nature (Illumination, Noise, atmospheric conditions etc.).*
2. *Those relating to time (hours of work, rest pauses etc.) and*
3. *Those relating to social situations with in which the individual work.*

(a) **Criteria in Evaluating Working Conditions.** The important criteria that can affect the working conditions are Performance, Psychological, Physiological and may be accidents. All these can be useful in comparing the effects of working conditions people.

1. **Performance Criteria.** A common type of criterion used in evaluating working conditions is some measure of performance. While work output is perhaps the most common performance measure, others relating to basic human processes such as visual performances, and Motor performance. In some other cases the performance decrement may be used as a criterion.
2. **Physiological Criteria.** Certain physiological processes accomplish human work. As a person performs work, especially physical work, physiological changes occur causing deterioration of his ability, (depending upon the severity of his work) such as Heartbeat, Blood Pressure, Oxygen consumption. Breathing rate, Blood Composition, Electrical-resistance in the skin etc.
3. **Psychological criteria.** It is of common experience that work usually may be accompanied by some subjective reaction to it. Among them the most common are those of subjective fatigue or monotony of boredom. What we commonly call boredom usually is associated with work that is intrinsically to the individual performing it. Subjective fatigue or psychological fatigue is attitudinal one.

(b) **Relationship among the Criteria.** As a whole these criteria are not highly correlated, although there are certain types of situations in which there are sufficient relationships exists among them. Through the introduction of changes in the working environment, the problem of increasing production and also making work more pleasant has been approach and that in which increased efficiency is attained as a result of Time and Motion Studies. The list of the various environmental changes that could be possibly introduced in industry is lengthy. But the following are some of them introduced with varying claims of success.

- *Reduction and Control of Noise*
- *Illumination*
- *Ventilation and Temperature*
- *Colour Schemes*
- *Music*
- *Vibration and*
- *Other facilities such as fresh drinking water, Canteen or facilities and even the physical distanced between the two workers.*

However, to have efficiency, such changes should increase the morale. The contribution of Hawthorne studies in relation to all changes involving environmental conditions is significant. But a change in production figure often has little or nothing to do with such environmental changes.

### 6.7.1 Noise

Noise has been characterised as Unwanted Sound or Unpleasant sound. The two primary characteristics of sound are frequency, and intensity. Frequency of sound is based on the number of vibrations per second while intensity is measured by the decibel (dB). Anything above 100 dB is harmful. Noise is generally treated as a distraction and therefore interfering with efficiency. Some of the evidences from Noise-studies indicate that noise does not generally cause deterioration in work performance.

### Research Findings

There is statistically no significant effect of noise on production at noise level below 90 dB. It may be different above 90 dB. It depends on whether it is steady or intermittent (intermittent). Another study found that noise had no effect on production in this case on the speed or accuracy of doing arithmetic problem. (Verner and Warner 1932). Average performance was not affected by intense noise. It affected only when the job was simple and boring (Park and Payne 1963). Morgan found that although noise does not necessarily interfere with efficiency as measured by production it results in inefficiency as measured by energy lost. Ford also reported the same thing. Quiet as well as Noise can contribute distraction. Noise control aims not elimination but at reduction to reasonable level. Noise may lead to production Curtailment and defers in certain cases.

### 6.7.2 Atmospheric Conditions

Factory environment is marked by heat, moisture and of injurious elements, which are consistently involved in the process of production. These conditions grossly effect the quantity and quality of output and the general efficiency of the workers. Different kinds of variables can be thought of as being aspects of our atmosphere. Besides temperature and humidity other factors such as air flow, Barometric-Pressure, composition of the atmospheric and sometimes-toxic conditions may also affect the work efficiency.

(a) **Ventilation and Temperature (Heat/Cold/Airflow).** The heat that is produced with the body, as a result of the metabolic process has to be disposed of to attain thermal equilibrium with the environment. This is done through the Heat exchange process.

(b) **Macworth study of Heat.** This was on the effect of high temperature physical work. He observed increasing error rate with increasing temperature of the worker. With respect to the effect, of high temperature on mental activities there are some conflicting views. For instance, Chiles reported that there was no appreciable decrement in performance on a fairly complex mental work over a range of effective temperature 76-91°F. While Pepler reported deterioration. *Another study conducted among the Metal Min-Workers showed that at a body temperature of 102 to 100°F under atmospheric pressure of 80 to 90cm and with humidity above 90%.* Physiological and psychological changes were seen. But when air movement was stirred upto a greater velocity fatigues was removed. The findings of lab and plant guides huge showed that the adverse effect of ventilation is associated with temperature, humidity and a non-movement. Work can be done more efficiently in dry air at high temperature than in misty air at low temperature.

(c) **Cold.** Exposure to cold reduces the flow of blood to the surface of the skin resulting in reduced skin temperature. In studies on the effect of cold on psychomotor tasks, it has been found that task performance is directly related to this reduction to hand temperature. Other available evidences suggest that higher mental process is not affected by cold.

(d) **Comfort Zones.** There are individual differences in relative comfort under different temperature. Maximum percentage of individuals feel comfortable to Summer at 71°F affective temperature and in winter about 68°F. The ideal temperature advocated in 64.5°F although this is not ideal for all type of works. Many others disagree to this. Tiffin and Maysmith are for 65°F.

### 6.7.3 Illumination and Colour

Investigators have shown that in certain types of work output falls and a feeling of weariness increases as a result of defective lightning. This is especially true when a worker having worked in daylight switches over to artificial light. Defective illumination is another factor in unnecessarily increasing fatigue in Industry and work. Eye-strain is considerably increased when the conditions of illumination are unsatisfactory. Proper light requires the right amount and kind for the job, as for distribution of light and minimum of glare. Indirect lighting is the best method for producing uniformity. Brightness of light is measured in units of Foot candle, which is the amount of light, then, can just be seen from a sure one foot away. 50 candles are a desirable lighting level in most manufacturing plants 100 candles where fine work is required. Errors in judgement are often found when reports on brightness are checked on light meters. The important factors in lighting are: Colour of the light, uniform illumination, glare, Direct and Indirect illumination etc. According to Tiffin and McCormick, the general relationship between levels of illumination and visual performance is that as the illumination increases from a very low level performance to increased first sharply and the more slowly ultimately it tends to level off.

#### Research Findings

- *Day light provides the best illumination for work. Artificial light, which closely approximates daylight in colour and Composition, is next best. The best artificial light is Mazda or Yellow light. Artificial light must be as free from colour as possible (Ferreo and Rand).*
- *A mixture of artificial and day is better and non comfortable (Blum & Naylor).*
- *Dim light promotes relaxation where as a brightly light environment stimulates the individuals towards increased activity (viteles). and*
- *High correlation between that amount of work done and the intensity of light (Hess and Harrison).*

**By improving the illumination inside the factory you not only increase production but also greater safely result from scientific use of colour in the factory.** The variables that affect are :

- *The desired Colour.*
- *After image and complementary Colour.*
- *Subjective evaluation of temperature depending on the colour. and*
- *Day light Colour Vs. artificial colour.*

#### Research Findings

1. *Deduction in accidents by 50% (Allies Chalmers Manufacturing Company).*
2. *No significant difference due to Colour on temperature evaluation (Berry's Study, 1961).*
3. *No relationship between general illumination and production (Roff us Study).*

The evidence on the relation between colour in industry and increased production is primarily based upon the data that have not been subjected to rigid experimental test.

### 6.7.4 Music

A popular environmental change is the introduction of Music during working hours studies were conducted on.

- *The effect of music on production.*
- *On quantity and quality of the produced goods.*
- *Different kinds of music.*
- *Music and the type of work.*

The qualified claim of Music on production is not proven. Music in industry may be without of as in incentive. Factory employees prefer working where music is played rather than where it is not played. Not all workers prefer music while working. Quality of work can be adversely affected by the use of music.

- *Review work of an adverse effect on production Uhrbrock.*
- *Quantity of production increased due to the effect of music and as did the scrappage or spoilage (Willard A. Korr).*
- *More the employees wanted music, the more the music tended to increase the production and the more the employees job permitted conversation while working the more the music tended to increase his output (Smiths Study).*

A fact that is generally ignored in studies of the effect of music on production is rhythm. It is entirely possible that music influences production most when its rhythm is compatible with the employee rhythm of work.

### 6.7.5 Vibration

Many work environments involve a substantial amount of vibration. Helicopter crewmen operating electronic equipment complained in Korean War their task being difficult due to the vibration of the rater. Tank crewmen too reported while travelling through rough terrain. One of the major problems under high vibration condition is that the visual and motor process of man is affected (McCormic 1964). For example the eyeball has a critical resonance frequency which men approached appears to cause large performance errors. (Dennis, 1965)

### 6.8 FATIGUE

Fatigue is one of the most significant problems before industrial engineers. Fatigue can be defined as negative appetite for an activity. Industrial fatigue affects the worker's muscles, nerves and mind. In nervous fatigue, the nerve fibres terminate at the muscles and the plate stops transmission of the nerve impulses in the brain also stops questioning if the organism continues to work for a long period. This stopping or sending the impulses from the brain saves the organism and its muscles from damages. Thus fatigue is defined as a reduction in the activity because of previous work. Different authors have given different definitions to the term fatigue.

- *It can be a decrease in the Capacity to do work or loss of efficiency.*
- *A decrease in interest or willingness to work - a feeling of weakness.*
- *A more or less complete loss of irritability and responsiveness of a tissue.*
- *A condition of mind resulting from prolonged mental activity.*
- *A failure to maintain physiological or organic equilibrium. and*
- *Not an entity but a convenient word to describe a variety of phenomena.*

**Fatigue** can be defined as reduction in the ability to do work because of previous work. **Monotony** Monotony can be defined as desired to have change due to similar job. Monotony is the state of mind cause by performing repetitive tasks. **Boredom** It is mental fatigue due to routine job. Attitude and personality are related with boredom or lack of interest and is generally characterised by depression and

a desire for change of activity. Monotony and Boredom can be differentiated from fatigue because the former are desire for change in the activity rather than for a rest or relief from work altogether. Prolonged mental work result sin incapacity to evaluate what is being read. A common characteristic of prolonged mental work is increased errors and increased time to assimilate written material or to solve perplexing problem towards the end of the work. In addition to this, physical state of the body is not indication of its mental tension, which expresses itself in both muscular and neural form during the mental work. The changes in the nerve centres that result from prolonged mental activity are of uncertain consequences. The symptoms of mental overwork in the children are disturbances of vision, headache, bleeding from nose, loss of appetite and indigestion, cerebral disorders and nervousness.

### 6.8.1 Nature of Fatigue

The complexity of the fatigue phenomenon can be understood by an interesting experiment carried out at the University of Zagreb in Yugoslavia. In this a group of 25 colleges students were confined in a lecture room all night without sleep and wake kept active by reading, music, dancing, etc. At 6 O'clock in the next morning the students went on a six-mile quick walk, after which they were tested for two hours. Another control group of 25 students were given the same tests after a normal night's sleep. Experiment showed that 87.5% of the experimental group rated their condition as "very tired" or exhausted and none reported "no fatigue". Only 12 per cent of the second group rated their conditions as "very tired" and none rated it "exhausted", while 28 per cent reported "no fatigue" or slight fatigue". However, with respect to performance on 12 psychological tests requiring reasoning, spatial judgements, verbal tests, and locating printing errors there were no significant difference between the groups.

It is found that changes in the integration of process account for some of the difficulties in isolating the effects of fatigue in the organism as a whole. The body seems able to compensate for fatigue effects by spreading the work; in the same way a man shifts a suitcase from right to left arm. One doctor has written a book titled. 'The wisdom of the body' in which he points out how certain organs of the body can take over the functions of a deceased organ and serve as second and third lines of defence against loss of life. Fatigue can be known by studying the feelings of the fatigued person. An individual may 'feel' completely rested, but his work record may show a rapid decline. Under conditions of strong motivation, men may continue to work for long period of time without being aware of fatigue, whereas, under other conditions they may feel fatigued before they go to work. The various signs of fatigue include in efficient eye movements, closing the eyes, looking about, and periods of skimming alternates with series of reading. If in an individual motivation is present, the same individual will feel no decrement in reading ability even after six hours continuous reading. An individual's attitude is an important factor in the ability to do work, but the presence of the attitude cannot be detected by any physiological measure. The study of fatigue must control not only the actual physical activity but also the indefinite environmental factors, which influence a man's outlook and attitude towards the work. It has now become very apparent that emotional stability and mental hygiene cannot be closely related to fatigue. To the extent the fatigue involves the organism as a whole it is psychological problem. The work produces chemical and psychological changes in muscles, nerve tissue, and the blood; the problem is the concern of both biological, chemists and psychologists.

### 6.8.2 Types of Fatigue

Psychological fatigue is used here to designate those factors, which cause work decrement. It includes the falling off in efficiency of work commonly referred to as mental fatigue, also known as monotony and boredom. Monotony and boredom are influenced by the way a person views his task from time to time. Causing the output to fluctuate rather than to fall of progressively. The way in which

a job is perceived is an individual matter, but certain kinds of tasks and work atmosphere are more likely to induce monotony and boredom than are others. Motivation is an important factor in all forms of fatigue and the rate of fatigue for almost any type of task varies with the intensity of the motivation. When motivation is low, fatigue effects appear very costly but when motivation is high, fatigue may not be apparent until physical exhaustion is manifested. Mental conflicts and frustrations are so commonly associated with man's work that it is to the industrialist's interest to determine methods for reducing their incidence. Motivation influences a man's will to work. The amount of energy a man may have available for a task seems to depend upon the motivating conditions he finds in the situations. It appears that the influence of motivation on work is one of determining the amount of energy, which will become available for the task. Energy is generally rationed and a particular job must have certain priorities if it is to get a good share of the energy. After office work the man may be too tired to work overtime but if game of cards is suggested, plenty of energy becomes available. The man's basic supply of energy is not depleted by his work, but the portion allocated to a given task being expended. If many allotments are made, the total supply is reduced. Rationing then becomes more strict, higher priorities are needed and smaller allocations are made.

### **6.8.3 Signs of Fatigue**

Mental fatigue expresses in many different ways the phenomena of monotony and boredom. Monotony is a state of mind caused by performing repetitive tasks. Boredom means lack of interest and is generally characterised by depression and a desire for change of activity. Boredom is affected by personality, attitude and interest patterns. Boredom and monotony are different from fatigue because it is a desire for a change in activity rather than for a rest or relief from work altogether. Prolonged mental work result in an incapacity to evaluate what is being read. Common characteristics of prolonged mental work are increased errors and an increase in the amount of time necessary to assimilate written material or to solve perplexing problems towards the end of the period. In addition to this the physical state of the body is no indication of its mentally satisfied state, although there is a state of tension, which expresses itself in both muscular and neutral form during the mental work. The change in the nerve centres that result from prolonged mental activity are uncertain. Consequences of mental overwork in children are disturbances of vision, headache, bleeding from nose, loss of appetite and indigestion, cerebral disorders and nervousness.

### **6.8.4 Measurement of Fatigue**

Fatigue can be measured, if the muscle is taken out from a living organism and put into the laboratory experiment. This is done in the physiological laboratory by taking a muscle from the living organism and giving electrical impulses rhythmically to the nerve attached to the muscle. The muscle contracts with the electrical impulses and the contraction of the muscle is recorded graphically on a recorded drum by means of a stylus. If the electrical impulse continues to stimulate muscle for certain period, the muscle gradually diminishes its contraction and finally stops contracting. It will not be possible to experiment this in case of an industrial worker. It is fact that if a muscle remains attached to the living organism, it cannot be made fatigued. The central nerve system of the organism will stop the muscle long before it becomes fatigued in order to save it from damages. So muscular fatigue cannot be measured so long as the muscle is attached to a living organism. When a muscle works, it undergoes electrical changes. It is possible to amplify the electrical activity of the muscle, so that even the slightest contraction can be detected. This respiration undergoes changes during mental or physical work. The rate of respiration increases in muscular activities, but there is no definite change of the rate of respiration during mental activity. If the individual feels happy, the rate of respiration decreases significantly. The human organism acts as a machine and its activity transforms energy, then a work that it performs can be measured directly in terms of such energy transformation, which is



### 6.8.5 Effect of Fatigue

The effects of prolonged work on the body result in excessive muscular activity. These can be grouped as :

#### (a) Overt Changes

If the muscles are strained then the following phenomena occur :

- (i) *The amount of work that the muscles can do depends upon the speed with which successive contractions are made.*
- (ii) *Decreased capacity on the part of one set of muscles is accompanied by a decreased capacity on the part of muscles of the body.*
- (iii) *The interference with the removal of waste products or with the supply of blood to the area lessens the working capacity of the muscle, loss of sleep, anemia, hunger, or dissipation reduces the number and amount of contractions that the muscle can make.*
- (iv) *The rate and extent of contractions diminish rapidly at first, then maintain a constant pace and finally speed up a little just before exhaustion sets in.*

#### (b) Internal Changes

Any muscular activity is accompanied by following changes :

- (i) *Waste products are constantly being formed and thrown into the blood stream consisting of lactic acid, potassium phosphate and carbon dioxide. With any accumulation in the active muscles, they exert a poisonous and paralyzing effect on the whole organism.*
- (ii) *The muscles are provided with a store of carbohydrates and are constantly being supplied with other carbohydrates and with a steady supply of oxygen. Normally these serve to balance the effect of the waste products but if constant strain is put on any muscular set, there is a gradual accumulation of lactic acid and carbonic acid, and a steady decrease in the supply of oxygen acidity, which expresses itself in the form of the experience of the general fatigue.*
- (iii) *The supply of oxygen is dependent upon the capacity of the organism for transporting oxygen from the lungs to the tissues.*
- (iv) *The carbohydrates supply consists mostly of a simple blood sugar called as glycogen, which is manufactured in the liver. During the contraction of muscle activity, the glycogen changes to lactic acid and during the relaxation phase, part of the lactic acid is converted back into glycogen and part is united with oxygen producing carbon dioxide. When that is combined with the water in the tissues, carbonic acid is formed. A great deal of the carbonic acid passes out of the muscles through the cell walls, whereas the lactic acid is removed only by oxygen. There is concentration of sugar in the blood of 0.1 percent, and in the normal activity of the work the percentage remains fairly constant. In fact, the excess of lactic acid is the sign of fatigue.*

### 6.8.6 Fatigue Versus Boredom

Mayo and Lovekin have suggested that what is commonly called “fatigue” had better be called by its right name, “Boredom”. It is difficult to eliminate the term “fatigue” from the scientific discussion. The distinction between the two terms is discussed below.

- (a) *Fatigue is usually associated with physiological depletion while boredom is a concomitant of mental dullness.*



- (b) *Fatigue is a decreased capacity for work. Boredom is a decreased interest in work.*
- (c) *Fatigue is conscious inability. Boredom is a feeling of incapacity with or without there being a physiological basis for the feeling.*
- (d) *Fatigue expresses itself in the form of a gradual decrement in the work curve with a final and spurts indicative of the functioning of second spell. Boredom expresses itself in the form of irregularities in the work curve with intermittent spurts of short duration. There is a sharp drop in the work curve during each work spell and a rapid rise toward the end.*
- (e) *Fatigue is due to the work task being temporarily beyond the capacity of the worker while boredom is due to the consciousness of the uniformity of the work task and a temperamental incapacity to subject oneself to that particular type of routine work. Fatigue is the result of too long continued physical or mental work. Boredom is due to the absence of work challenges.*
- (f) *Fatigue is, to some extent measurable. Boredom is a subjective attitude that defies objective evaluation.*
- (g) *Fatigue has physiological accompaniments, which are fairly definite. Boredom has mental and emotional accompaniments that do not lend themselves to ready calculation.*
- (h) *Fatigue expresses itself in the desire for rest. Boredom expresses itself in the desire for change.*

## 6.9 MONOTONY AND BOREDOM

The repetitive work destroys such human values as pride in workmanship and individuality. In fact, boredom and dissatisfaction are common in our present methods of predictions. Monotony and boredom are described as the undesirable effects of repetitive work. Monotony is described as the state of mind caused by repetitive work. The term boredom is referred as a more inclusive term, taking in the person's unfavourable outlook and feeling tone for the task he is performing. Boredom will be affected more than monotony by the following factors:

- (i) *The personality of the person;*
- (ii) *The attitude and mood of the person;*
- (iii) *The perception of the task performed.*

*This means that the individual may not agree on the task that is most boring; individual persons may show more boredom on one day than another.*

Work, which requires constant alertness and attention, is subject to interferences known as Blocking. The phenomenon of mental blocking becomes objectively apparent when we measure the continuous result of mental work. If a person is asked to name a series of colours, give the opposites of a list of words, or add a series of sums, and if his responses are recorded a revolving drum so that each response makes a mark, it will be found that these marks are irregularly grouped. A few responses occur rapidly, then there is a delay, followed by another set of responses. Such records show that the responses are either very close together or fairly far apart. The blocks or lapses in performance are associated with the making of errors. There are wide differences among people in the length of their mental blocks, as well as in the frequency with which these occur. These number of blocks range from two or six per minute in different people. Individuals who tend to perform slowly in experimental tests are likely to be the ones who have long or frequent blocks. Blocking probably functions as an automatic method of resting.

### 6.9.1 Reduction of Monotony and Boredom in Industry

The following steps should be taken by the management in order to reduce monotony and boredom:

- (a) *when a supervisor gives an unusual job to a worker, he should explain the background and purpose of the special job.*
- (b) *Most people work better, and are more willing when they have a good understanding of the end results of their work.*
- (c) *The increased verbal communication between supervisor and employees is likely to produce a better personal relationship and give the supervisor a more dependable “size up” of the individual members of his group.*
- (d) *It gives lower level jobs a “fourth dimension”. To the dimension of what to do, how to do it, and when to do it, it adds why it is done and what it accomplishes.*

### 6.9.2 Conditions of Boredom

Monotony and boredom are the specific areas under the heading of fatigue. The mental state of monotony is associated with definite fluctuations in the rate of working and with a fall in production. In one of the most exhaustive studies this relationship was demonstrated by showing that production was low when boredom was experienced. Monotony effects are most pronounced during the middle of the work period and disappear in anticipation of the end of the work period, causing the ends spurt in the production curve. The individual feels restless and the strain time seems to pass slowly. The extent of the monotony is dependent not only upon the repetitive nature of the task, but also upon the degree of attention required. There is general agreement, however, that workers tend to slow down, talk, become restless and show variable production when bored. In other words both productivity and the mental state are influenced by a variety of factors, and although some of these may be common to both, each is influenced by special ones. Letting the mind wander seems to be one way of escaping monotony. If daydreaming does not interfere with the ability to do good work, it is probably a useful adjustment, but if constant alertness is imperative, it may cause errors and accidents. That good deal of the loss in production in respective work is due to specific condition of boredom rather than a muscular fatigue is indicated by the following facts :

1. *Afternoon monotony effects do not exceed those of the morning as could be expected from accumulated fatigue.*
2. *Application of the end of work period tends to abolish signs of monotony, and*
3. *Intelligent workers are more subject to monotony effects than are less intelligent ones. These facts indicate that a knowledge of the mental effects of respective work is highly important since such information might suggest methods for elimination of this mental condition.*

### 6.10 QUALITY OF WORKLIFE (QWL)

Richard E. Walton explains quality of work life in terms of eight broad conditions of employment that constitute desirable quality of work life (QWL). He proposed the same criteria for measuring QWL. Those conditions/criteria include :

1. *Adequate and fair compensation.*
2. *Safe and healthy working condition.*
3. *Opportunity to use and develop human capacities.*
4. *Opportunity for career growth.*
5. *Social integration in the work force.*
6. *Constitutionalism in the work organisation.*
7. *Work and quality of life and*
8. *Special relevance of work.*

### 6.10.1 Specific Issues in QWL

Trade unions claim that they are responsible for the improvement in various facilities to workers, whereas management takes credit for improved salaries, benefits and facilities. However, P/HR manager has (identified) specific issues in QWL besides normal wages, salaries, fringe benefits etc. and takes lead in providing them so as to maintain higher order QWL. Klott Mundick and Schuster suggested 11 major QWL issues. They are :

1. *Pay and stability of employment.*
2. *Occupational stress.*
3. *Organisational health programmes.*
4. *Alternative work schedules.*
5. *Participative management and control of work.*
6. *Recognition.*
7. *Congenial worker supervisor relations.*
8. *Grievance procedure.*
9. *Adequacy of resources.*
10. *Seniority and merit in promotions and*
11. *Employment on permanent basis.*

(a) **QWL Fringe Benefits.** In productivity, production in absenteeism, turnover, sick leave, etc. These benefits or maintenance activities include medical and health benefits, safety measures, legal and financial services consumer services, retirement benefits, conveyance, canteen facilities recreational services, career counselling employee information reports etc.

(b) **QWL and Productivity.** The general perception is that improvement in QWL costs much to the organization. But it is not so as improvement over the existing salary, working conditions and benefits will not cost much however, the rate of increase in productivity is higher than the cost of QWL. Thus, increase in QWL results in increase in productivity. But continual increase in QWL eventually leads to reduction in productivity due to increase in cost of output. This is because the worker's output does not increase proportionately over a certain level, even though QWL increases. Improved QWL leads to improved performance. Performance means not only physical output but also the behaviour of the worker helping his colleagues in solving job related problems, accepting orders with enthusiasm, promoting a positive team spirit and accepting temporary unfavourably work conditions without complaint.

(c) **Quality of work life and Personnel/Human Resource Management.** Quality of work life is broader than motivation though these terms seem to be similar. All personnel related activities effect quality of work life.

### 6.10.2 Barriers to Quality of Work Life

Quality of work life suffers from barriers, like any other new scheme. Management, employees and unions fear the effect of unknown change. All these parties feel that the benefits of this concept are few, though they are convinced about its effect on personnel management as a whole and on the individual parties separately. Management should develop strategies to improve quality of work life in view of the barriers.

### 6.10.3 Strategies for Improvement in QWL

The strategies for improvement in quality of work life include self managed work teams, job redesign and enrichment, effective leadership and supervisory behaviour, career development, alternative work schedules, job security, administrative or organizational justice and participating management.

1. *Self managed work team.*
2. *Job redesign and enrichment.*
3. *Effective leadership and supervisory behaviour.*
4. *Career development.*
5. *Alternative work schedules.*
6. *Job security.*
7. *Administrative or organizational justice and*
8. *Participative management.*

### 6.11 EMPOWERMENT

Empowerment is the process of enabling workers to set their own work goals, make decisions, and solve problems within their sphere of responsibility and authority. Many organizations are realizing that employee participation and empowerment can yield big dividends in areas such as motivation, productivity, quality, and job satisfaction. For example, at Toyota's assembly plant in Kentucky, workers complained that they had to "duck walk" beside the moving cars as they threaded wire harnesses through the wheel wells. Finally, the workers took it upon themselves to solve the problem. Specifically, a meeting seat like the one illustrated here allows the workers to sit as they perform their jobs. At Nissan, for example, middle-level managers and staff do not just participate in making some decisions; they are responsible for the outcome of such decisions. Plant managers have substantial control over budgets, personnel and training, and cross-functional development teams including people from design, manufacturing and marketing have complete responsibility for new cars. It may be easier and faster to alter employee behaviours within the existing culture than it is to change the history, traditions, and values that already exist within the organization.

#### SUMMARY OF KEY POINTS

The idea of job enrichment is probably the most significant contribution of Herzberg's theory. Meaningful tasks allow for growth, and job enrichment is a relatively simple method for facilitating this growth: adding different tasks to a job to provide greater involvement and interaction with the task. Adding tasks can raise the level of challenge in any particular job to a level commensurate with the abilities of an employee. It might be argued that, if a job can not be enriched and it is not challenging to the person in that position, then that person ought to be replaced by someone who will find the job challenging. It is a fact that organisation has a lot for managing their performance through. Their intellectual assets by motivation them in the right perspective. The discussion would provide a basis for the managers to look up on the job related factors and its impact on the productivity and performance of the workers in general.

#### TEST YOUR SELF

### 6.1 Your Attitude Towards Job

Some jobs are more interesting and satisfying than others. We want to know how people feel about different jobs. Following table depicts an overall job attitude questionnaire developed by Brayfield and Rothe (1951) using Likert scale procedure. This blank contains 18 statements about jobs. You are to tick mark (✓) the phrase against each statement which best describes how you feel about you present job. There are no right or wrong answers. We would like your honest opinion on each one of the statements:

	Strongly Agree	Agree	Undecided	Disagree	Strongly disagree
1. My job is like a hobby to me.					
2. My job is usually interesting enough to keep me from getting bored.					
3. It seems that my friends are more interested in their jobs.					
4. I consider my job rather unpleasant.					
5. I consider my work more than my leisure time.					
6. I am often bored with my job.					
7. I feel fairly well satisfied with my present job.					
8. Most of the time I have to force myself to go to work.					
9. I am satisfied with my job for the time being.					
10. I feel that my job is no more interesting than others I could get.					
11. I definitely dislike my work.					
12. I feel that I am happier in my work than most other people.					
13. Most days I am enthusiastic about my work.					
14. Each day of work seems like it will never end.					
15. I like my job better than the average worker does.					
16. My job is pretty uninteresting.					
17. I find real enjoyment in my work.					
18. I am disappointed that I ever took this job.					

Source : A Brayfield and H. Rothe, *An Index of Job Satisfaction, Journal of Applied Psychology, 1951.*

**6.2 Review Questions**

1. What do you mean by morale, job design, job enrichment and job loading ? How it influences the productivity of a worker ?
2. Explain job satisfaction. How do you ensure the satisfaction ?
3. Discuss the impact of noise, music, vibration and atmospheric conditions on the productivity of workers ?
4. How do you re-design a job ? State the critical factors.

### 6.3 Discussion Questions

1. Under what circumstances might job enlargement be especially effective ? Especially ineffective ? How about job rotation ?
2. What are the strengths and weaknesses of job enrichment ? When might it be useful ?
3. Do you agree or disagree that individual differences affect how people respond to their jobs ? Explain.
4. Can you recall any instances in which social information affected how you perceived or felt about something ?

### 6.4 Student Exercise

The concept of “empowerment” involves sharing varying degrees of power and decision-making authority with lower-level employees to better serve the customer. According to Randolph’s model, empowerment requires active sharing of key information, structure that encourages autonomy, transfer of control from managers to teams, and persistence. Trust and training also are very important. Carefully examine the political structure of China. Since 1978 the Chinese leadership began moving the economy away from a Soviet-style centrally planned economy to a more market-oriented economy. Consider the concept of empowerment in the context of the Chinese political and cultural structure. Is empowerment a viable management practice in this society ? Why or why not ? What factors would be considered forces “for” empowerment in this system ? What factors would be considered “forces against” empowerment ? What changes would you suggest in order to implement empowerment on a larger scale in organizations doing business in China ?

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## CHAPTER 7

# LEADERSHIP

### LEARNING OBJECTIVES

*This chapter aims at introducing the following concepts in leadership as a pre requisite for explaining the Organisation Behaviour theories and practices to the readers*

- *Leadership-definition*
- *Characteristics of good leaders*
- *Leadership Vs. Management*
- *Leadership types and skills*
- *Function/role of a leader*
- *Leadership theories*
- *Effective leadership and*
- *Developing global leaders*



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# Leadership

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Leadership is a relationship between the individual and the group depending mainly on a certain situation and is very much dynamic in nature. According to Tannenbaum, Waschler and Massarik. "Leadership is interpersonal influence exercised in a situation and directed through the communication process toward the attainment of a specific goal or goals". Hence leadership is the process of influencing the members of the group with respect to goal setting and goal achievement. For our purpose leadership may be classified at 3 levels.

- *Top Manager* – *The Big Boss*
- *Middle Manager* – *Simply Boss*
- *Front line Manager* – *Foreman and Supervisor*

All of them operate on different levels and have different responsibilities and duties having the same problem of dealing with people and leading them. This chapter discusses major theories and issues related with leadership and also give suggestion for developing global leaders in the new millennium

## 7.1 LEADERSHIP DEFINED

In the words of Keith Davis, "Leadership is the ability to persuade others to seek defined objectives enthusiastically. It is the human factor that binds a group together and motivates it toward goals. In the words of Gupta, "Leadership may be defined as a process of influencing the action of individuals as members of a group to achieve the desired goal in a given situation use of force by the leader. Robbins defines leadership as the ability to influence a group toward the achievement of goals. Hodge and Johnson are of the opinion that, "leadership is fundamentally the ability to form and mould the attitudes and behaviour of other individuals, whether informal or formal situation and that management relates to the formal task of decision and command." Ivancevich, Szilagyi and Wallace, define leadership "as the relationship between two or more people in which one attempts to influence the other toward the accomplishment of some goal or goals. Thus, leadership is a process of influencing other people to mobilise and direct their efforts towards certain goals and to accomplish these goals through them.

## 7.2 CHARACTERISTIC OF A LEADER

*Chris Argyris has mentioned the following characteristics of a leader :*

- *The leader is constantly interacting and commanding.*
- *The leader makes the organization a part of his self-image.*
- *The leader's personal goals, values and feelings are organizationally centered.*
- *The leader handles the supervisors as individuals.*
- *The leader controls the transmission of important information.*
- *The leader emphasis the present and*
- *The leader sets realistic goals.*

Successful leadership requires behaviour that unites and stimulates followers toward defined objectives in specific situations. All these elements—leader, followers, and situation—are variables that affect each other in determining appropriate leadership behaviour. The interdependence of leader, follower and situation as Greg Hicks from his experience, feels that leadership resides in himself alone; untouched by outside influences. He fails to realize that as his people and environment changes, he needs to change his leadership. This is because that his style of leadership was acceptable about 30 years ago, but it is not acceptable. Leadership is situational; in one situation, action may be the best, but in the other it will be the least.

### 7.3 LEADERSHIP VERSUS MANAGEMENT

**Leaders** focus more on enterprise wide, strategic, long-term, eventful, and value-added roles and competencies. **Managers**, on the other hand, are concerned more with implementation-oriented, routine, short-to mid-term predictable tasks, and technical detail. Table 7.1. compares these dimensions : (1) **agenda creation** : leaders establish direction; managers plan and budget; (2) **network development for agenda achievement** : leaders align people; managers organize and staff; (3) **execution** : leaders motivate and inspire; managers control and problem solve; (4) **outcomes** : leaders produce often dramatic and useful change; managers produce predictable on-time, within budget ordered results that are expected of stakeholders.

**Table 7.1. Kotter's comparison of leadership and management**

Dimension	Leader	Manager
Agenda creation	<b>Establish Direction</b> <ol style="list-style-type: none"> <li>1. Develop future vision (often very distant).</li> <li>2. Develop change strategies to achieve vision.</li> </ol>	<b>Plan and budget</b> <ol style="list-style-type: none"> <li>1. Develop detailed steps and timetables for results.</li> <li>2. Allocate necessary resources.</li> </ol>
Network development for agenda achievement	<b>Align People</b> <ol style="list-style-type: none"> <li>1. Communication directly by words and deeds to those whose co-operation is needed.</li> <li>2. Influence creation of coalition and teams that understand and accept vision and strategies.</li> </ol>	<b>Organise and staff</b> <ol style="list-style-type: none"> <li>1. Develop necessary planning, staffing, and delegation structures.</li> <li>2. Provide policies and procedures for guidance and methods and systems for monitoring.</li> </ol>
Execution	<b>Motivation and Inspire</b> <ol style="list-style-type: none"> <li>1. Energy to overcome barriers (e.g., political, resources, bureaucratic) to change by satisfying basic needs.</li> </ol>	<b>Control and problem solve</b> <ol style="list-style-type: none"> <li>1. Monitor results vs. plan in detail.</li> <li>2. Identify results and plan deviations and plan and organize to correct.</li> </ol>
Outcomes	<b>Tend to Produce</b> <ol style="list-style-type: none"> <li>1. Change, often dramatic.</li> <li>2. Provide potential for very useful change. (e.g., new products, etc.)</li> </ol>	<b>Tend to produce</b> <ol style="list-style-type: none"> <li>1. Order and predictability.</li> <li>2. Key results expected by stakeholders. (e.g., on time, within budget).</li> </ol>

**Source** : *A Force for change : How Leadership Differs from Managements* by John. P. Kotter.

## 7.4 TYPE OF LEADERSHIP SKILLS

*Leaders use three types of skills-technical, human and conceptual.*

- **Technical Skill.** It refers to a person's knowledge and ability in any type of process or technique. For example, the skills learned by chartered accountants, engineers, etc. This skill is the distinguishing feature of job performance at the operating level; but an employee is promoted to leadership responsibilities, his technical skill become less important. Conversely, he increasingly depends on the technical skills of subordinates.
- **Human Skill.** It is the ability to work effectively with people and to build teamwork. No leader can escape from human skill. It is the major part of the leadership behaviour.
- **Conceptual Skill.** This is the ability of the leader to think in terms of models, framework and broad relationships such as long-term plans. Conceptual skill deals with ideas while human skill concerns people and technical skill is with things.

A review of other writers reveals that most management writers agree that leadership is the process of influencing the activities of an individual or a group in efforts toward goal achievement in a given situation. From this definition of leadership, it follows that the leadership process is a function of the leader, the follower, and other situational variables  $L = f(l, f, s)$ .

**Table 7.2. Traits and skills found among successful leaders**

Traits	Skills
Adaptable to situations	Clever (intelligent)
Alert to social environment	Conceptually skilled
Ambitious and achievement-oriented	Creative
Assertive	Diplomatic and tactful
Cooperative	Fluent in speaking
Decisive	Knowledgeable about group task
Dominant (desire to influence others)	Organized (administrative ability)
Energetic (high activity level)	Persuasive
Persistent	Socially skilled
Self-confident	
Tolerant of stress	
Willing to assume responsibility	

Yukul identified four common traits or areas of competence shared by all ninety leaders.

- **Management of attention** – The ability to communicate a sense of outcome, goal, or direction that attracts followers.
- **Management of meaning** – The ability to create and communicate meaning with clarity and understanding.
- **Management of trust** – The ability to be reliable and consistent so people can count on them.
- **Management of self** – The ability to know one's self and to use one's skills within limits of strengths and weaknesses.

Bennis suggests leaders empower their organizations to create an environment where people feel significant, learning and competence matter, people are part of the community or team, and work is exciting. It is also an environment where quality matters and dedication to work energizes effort.

## 7.5 TYPE OF LEADERSHIP STYLES

An **Autocratic leader** centralises power and decision making in himself. Such a leader considers human values as irrelevant. He considers that most people are in need of strong direction and control as they are self-centered, un-co-operative, indolent and naturally dependent. He is intolerant of conflict in sub-ordinates and tries to suppress it by not listening to it. He perceives his team as a productive and economic entity and matches manpower with methods, machines, materials, and money. He has too much reliance on authority to control his junior and constantly ignore consideration and respect, mounting pressure all the time. At the same time, he feels himself on the satisfaction of his ego like the alcoholic clinging to his bottle or the performer bunkering after applause. As a natural reaction to such a leader, questioning and resistance emerges in the group at the earliest opportunity through non-co-operation.

The other style of leadership, namely, the **democratic style**, assumes that the employees are intelligent and educated adults capable of managing their own affairs in a responsible manner and they react positively to opportunities for expressing their natural human attributes and negatively to deprivation of such opportunities. In a democratic system, every one cannot have his way; he can only have his say. As long as in small face-to-face meeting people have the opportunity to say what they feel, there is a great deal of satisfaction derived by the participants, differences are resolved through consensus and dissidents usually keep back their views in support of group goals. Following are the other forms of leadership :

### (a) Transactional Leader

<i>Contingent Reward</i>	:	<i>Contracts exchange of rewards for effort, promises rewards for good performance, recognizes accomplishments.</i>
<i>Management by Exception</i>	:	<i>Watches and searches for deviations from rules and standards, takes corrective action.</i>
<i>Management by Exception</i>	:	<i>Intervenes only if standards are not met and</i>
<i>Laissez-Faire</i>	:	<i>Abdicates responsibilities, avoids making decisions.</i>

### (b) Transformational Leader

<i>Charisma</i>	:	<i>Provides vision and sense of mission, instills pride, gains respect and trust.</i>
<i>Inspiration</i>	:	<i>Communicates high expectations, uses symbols to focus efforts, expresses important purposes in simple ways.</i>
<i>Intellectual Stimulation</i>	:	<i>Promotes intelligence, rationality, and careful problem solving and</i>
<i>Individualized consideration</i>	:	<i>Gives personal attention, treats each employee individually, coaches, and advises.</i>

### (c) Bradford and Lippit (1945) have Classified Leaders into Four Types

**1. Hard Boiled Autocrat.** Here, the person on is a rigid disciplinarian and hand out orders, which he expects to be obeyed immediately. Consequently, the group will be submissive but resentful.

**2. Benevolent Autocrat.** Here, the person dominates all the employees but he himself rarely recognises his autocracy. He is the source of all standards and demands strict adherence of the standards set by him. Consequently the group will be submissive, lethargic and lacking in initiative.

**3. Laissez-Faire leaders.** Here, the person busies himself with paper work, sets no goals and makes no decision and generally thinks of himself as a “good fellow” Consequently, the group has a sloppy and low output, becomes directionless and indulges in scape-goating.

**4. Democratic supervision.** Here, the decision is made by the group on a shared basis. The group also devotes time to planning and the reasons for a particular decision are made known to all. This process tends to satisfy the basic needs of the group members and consequently enthusiasm and confidence is high.

## 7.6 FUNCTIONS OF A LEADER

Leader is an executive, planner, policy, maker, expert, punishing authority, arbitrator, mediator and the rewarding authority. He is also looked up on as an example, a father figure, an ideologist, symbol of the group and also a scape goat at times. Historically the concept of leadership has had two distinct phases differing considerably in their philosophy. The first phase namely the **Scientific Management** phase originated in the early 1890's by Taylor. In this system the manager's sole purpose was to expedite the goals of the organisation and the management was completely impersonal. The personal interactions were ruled out. Hence Bennis (1966) said that the philosophy of Scientific Management was that the only road to efficiency and productivity was to surrender man's needs to the services of a bloodless machine. The second phase was the **Human Relation phase**. The Hawthorne studies marked the beginning of the end of scientific management. If Taylorism implied organisation without considering the human element taken the extreme form of human relation notion implied people without any organisational constraints. Such extreme views are futile. Any useful and meaningful model of leadership must certainly include both the aspects and must admit that the organisational structure goals and objectives are also as important as the interpersonal relationship between employee and supervisors. following are the essentials of a leadership :

1. **Self-confidence.** They have complete confidence in their judgement and ability.
2. **A Vision.** This is an idealized goal that proposes a future better than the status quo. The greater the disparity between this idealised goal and the status quo, the more likely that followers will attribute extraordinary vision to the leader.
3. **Ability to Articulate the Vision.** They are able to clarify and state the vision in terms that are understandable to others. This articulation demonstrates an understanding of the follower's needs and, hence, acts as a motivating force.
4. **Strong Convictions About the Vision.** Charismatic leaders are perceived as being strongly committed, and willing to take on high personal risk, incurs high costs, and engage in self-sacrifice to achieve their vision.
5. **Behaviour that is Out of the Ordinary.** Those with charisma engage in behaviour that is perceived as being novel, unconventional, and counter to norms. When successful, these behaviours evoke surprise and admiration in followers.
6. **Perceived as Being a Change Agent.** Charismatic leaders are perceived as agents of radical change rather than as caretakers of the status quo.
7. **Environment Sensitivity.** These leaders are able to make realistic assessment of the environmental constraints and resources needed to bring about change.

## 7.7 APPROACHES TO LEADERSHIP

There may be a number of generally accepted criteria for determining good leadership, like whether the group follows the leader's orders without question, whether the work group has high morale, whether the people in the group respects the leader. At the same time, it is extremely difficult to have objective measures of leadership. **One method of objective measurement is to study the productivity of a team or a work group.** This method is based upon the premise that productivity is a byproduct or a result of good leadership. The behaviour approach to the study of leadership regards leadership as behavioural, situational, or related to the interaction of the leader and the group. It sites that the **best way to study and to define leadership is in terms of what leaders do rather than in terms of what traits they possess.** In this approach, the critical incidents of good and bad leadership behaviour are collected. This is usually done by interviewing the persons concerned. "Each incident is then rated on a scale by experts on the basis of judging as to how "good" or how "bad" each behaviour is. On the basis of this information a checklist type questionnaire is developed. This questionnaire can then be used to check off which of these behaviours have been exhibited by each leader or supervision. A leadership "score" can then be computed by using the medium scale value, of the behaviours, which have been checked.

## 7.8 LEADERSHIP THEORIES

Much leadership research has focused on finding a set of leadership traits that were the qualities of a successful leader (or that distinguished leaders from followers). The traits investigated were physical factors, such as height and weight; social characteristics, such as interpersonal skills and status; and personality characteristics. Leaders were intelligent, aware of their situations, and able public speakers. Leaders had higher Intelligent Quotients than their followers but were not successful if they were much more intelligent than their followers were. Leaders with knowledge that applied to their situation and who knew how to get things done could move people to high levels of achievement. Leaders carried out their responsibilities. They were self-confident, took the initiative, and persisted when rough times occurred. Leaders had high energy and showed a high level of physical and social activity. They were cooperative and were able to persuade group members to cooperate. Leaders were adaptable and were able to change with changing situation.

Some reviews of past research have found the traits of intelligence, dominance, self-confidence, energy, and task-relevant knowledge to be consistently associated with leadership. Leaders are bright, self-confident, high-energy people who know something about the situation they are trying to affect and take control when they must. A later review of leadership research identified these six traits as consistently associated with leadership: drive, the desire to lead, honesty/integrity, self-confidence, cognitive ability, and knowledge of the business". Three traits were found in both reviews : Self-confidence; cognitive ability, which includes intelligence; and knowledge of the business, which is similar to task -relevant knowledge. The desire to lead and honesty/integrity expanded the list of traits. Leaders want to affect the behaviour of others. Effective leaders also are honest and have integrity, which helps gain the trust of their followers. Two complementary behavioural theories of leadership were designed to describe that behaviour that distinguished leaders of effective and ineffective work group. One set of researchers was at the University of Michigan; the other set was at Ohio State University.

(a)**The University of Michigan Studies.** The University of Michigan Studies conceptualizes two dimensions of leadership behaviour. Production-centered behaviour and Employee-centered behaviour and Production-centered leaders focused on the tasks that had to be done pressured subordinates to perform, and had little concern for people. Such leaders did not trust people to work on their own, and



therefore they closely supervised others. Production - centered leaders had little understanding or appreciation for the social system within their work units. They did not set high-performance goals. Employee - centered leader focused on the people, their personal success, and the quality of the social system that formed within the work unit. Such leaders had high-performance goals for their work units and communicated their performance expectations to their subordinates. Employee-centered leadership combined a strong concern for the social aspects of the work unit with high-performance expectations. The Michigan researchers felt that their research showed employee-centered leadership more likely led to higher work unit performance than production centered leadership. They also felt that production centered leadership could to high productivity but had several latent dysfunction. The dysfunctions were poor employee attitudes with resulting higher turnover or absenteeism, little group loyalty, and high levels of distrust between subordinates and their leaders.

The University of Michigan had an effective and productive program in leadership behaviour and this was carried out by people such as Likert, Katz, Maccoby, Kahn and Seashore at the survey Research Centre. the initial study was conducted by Katz, Maccoby and Morse (1950). The study was done in the home office of the Prudential Insurance Company and was matched with reference to the kind of people, the number of people, and the type of work performed. Each pair was so formed that one section in a pair was a high productivity section and the other section in the same pair was a low productivity section. The level of productivity of each section, whether high or low, was determined from prior work records. The heads of each section were then compared. The comparison was made on a number of variables to see if there was any significant difference between that of a high productivity section supervisor and a low productivity section supervisor.

The Michigan studies were different from the Hawthorne studies. In Michigan studies a systematic measurement was made of the perceptions and attitudes of supervisors and workers whereas in Hawthorne studies the researches failed to develop quantitative measures for variables affecting supervisors and workers. In Michigan studies, factors such as type of work, working conditions, and work methods were controlled.

When a comparison was made between the productivity of the two section it was found that with regard to demographic variables like age, sex and marital status there was no difference between the high and low supervisors. But when the attitudes and orientation were studied it was found that supervisors in charge of high producing section were found to be employee centered in term of their attitudes, i.e. they had concern for employees as uppermost in their minds. On the other hand, supervisors in charge of low-producing section were found to be production centered in their orientation, i.e. concern for production, was uppermost in their minds, and this was often at the cost of concern for employees. This clearly shows that the attitude of the supervisor appears to be closely related to the productivity of the work group. In short, the Michigan studies found that for effective supervision the following four factors are essential :

1. *More time should be spent on planning the work.*
2. *There should be greater degree of delegation of authority.*
3. *The attitude of the supervisor should be employee oriented rather than production oriented and*
4. *There should be a feeling of group pride amongst the members of the group.*

**Table 7.3. Showing the link between supervisor's attitude and productivity**

	Employee Centered	Production Centered	Not Ascertained	Total
Heads of high producing sections	6	1	5	12
Heads of low producing sections	3	7	2	12

**Source :** *Research Study-MIT, USA.*

The Michigan studies also listed the following characteristics of a high producing group:

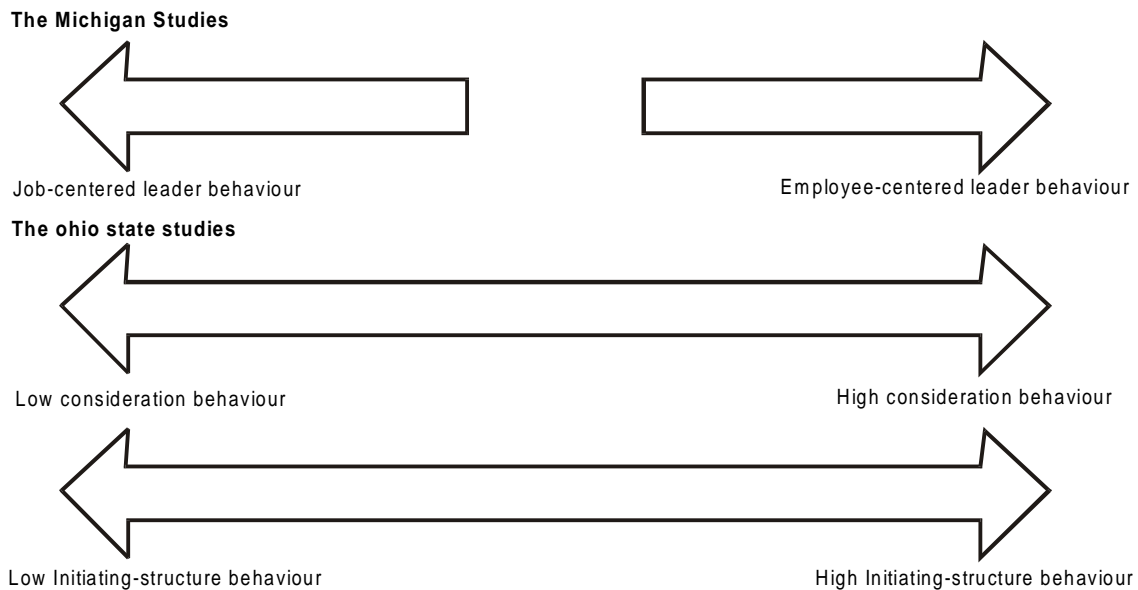
- *They are under less close supervision from their own supervisors.*
- *They place less direct emphasis upon production as a goal.*
- *They encourage employee participation in the making of decisions.*
- *They are more employees centered.*
- *They spend more of their time in supervision and less in straight production work.*
- *They have a greater feeling of confidence in their supervisory roles and*
- *They feel that they know where they stand with the company.*

It can be inferred from the results of the Michigan studies that high productivity depends upon supervisors adopting an employee centered approach and are dependant upon behavioural, situational and group-leader interaction rather than personal trait characteristics. In these studies, the following factors were not taken into account for the purpose of the study.

1. *Responsibility level.*
2. *Level of authority.*
3. *Delegation of authority.*
4. *Goal and Achievement index.*
5. *Consideration.*
6. *Initiating structure.*
7. *Perceptual flexibility and*
8. *Employee orientation.*

In conclusion, the results of these studies indicate that leadership characteristics are behavioural, situational and depend upon interaction with the group. Hence, it would be more appropriate to train people to become leaders rather than looking for “born” leaders.

**(b)The Ohio State University Leadership Studies.** The Ohio State University Leadership Studies also consistently found two dimensions of leadership behaviour : Initiating Structure and Consideration. Initiating structure is the task-oriented dimension of leader behaviour. Leaders high in initiating structure make individual task assignments, set deadlines, and clearly lay out what needs to be done. They act decisively without asking for their subordinates suggestions and ideas. Leaders low in initiating structure tend not to take the initiative. These leaders practice “hands off” management, leaving people alone and letting them defines the tasks and deadlines. Excessively high initiating structure, especially when combined with strong elements of coercion, is associated with high turnover, high grievance rates, and low satisfaction. A moderate amount of initiating structure can help get good task performance in situations where people are not trained or face high task ambiguity. Initiating structure also had positive relationship with project quality and schedule in industrial development teams.



**Fig. 7.1. Early Behavioural Approaches to Leadership.**

Consideration is the people-oriented dimension of leadership behaviour. Leaders high in consideration show concern for members of their group. They are empathic, interpersonally warm, and interested in developing relationships and opinions of their subordinates and accept and carry out that suggestion. Leaders low in consideration often publicly criticize a subordinate's work. They lack concern for the feeling of others and have little interest in the quality of their interpersonal interactions. High consideration is associated with high job satisfaction, low turnover, and group cohesion. The last two factors can help maintain a group's level of performance. Consideration also had positive relationship with project quality and schedule in industrial development teams. Employees working for supervisors high on both dimensions had more positive work attitudes than employees working for supervisors with other combinations of the dimensions did.

(c) **Fiedler's Contingency Theory of Leadership.** Fred Fiedler developed the first comprehensive contingency model for leadership. The **Fiedler Contingency Model** proposes that effective group performance depend upon the proper match between the leader's style of interacting with his or her subordinates and the degree to which the situation gives control and influence to the leader. Fiedler developed an instrument, which he called the **Least Preferred Co-worker (LPC) questionnaire** that purports to measure whether a person is task or relationship oriented. Furthermore, he isolated three situational criteria-leader member relations, task structure and position power-that he believes can be manipulated so as to create the proper match with the behavioural orientation of the leader. In a sense, the Fiedler model is an outgrowth of trait theory, since the LPC questionnaire is a simple psychological test. However, Fiedler goes significantly beyond trait and behavioural approaches by attempting to isolate situations, relating his personality measure to his situational classification and then predicting leadership effectiveness as a function of the two.

Table 7.4. Showing Fiedler's contingency theory

	Situation is favorable for leader			Situation is unfavourable for leader				
<b>Leader Member Relation</b>	Good	Good	Good	Good	Poor	Poor	Poor	Poor
<b>Task Structure</b>	Structured	Structured	Unstructured	Unstructured	Structured	Structured	Unstructured	unstructured
<b>Position Power</b>	Strong	Weak	Strong	Weak	Strong	Weak	Strong	Weak
<b>Recommended leadership Orientation</b>	Task-oriented			Relationship-oriented				Task-oriented

**Leader-member relations** the degree of confidence, trust, and respect subordinates have in their leader. **Tasks structure** the degree to which job assignments are procedurised. **Position powers** Influence derived from one's formal structural position in the organization; includes power to hire, fire, and discipline, promote, and give salary increases. Fiedler states the better the leader-member relations, the more highly structured the job, and the stronger the position power, and the more control or influence the leader has. For example, a very favourable situation might involve a payroll manager who is well respected and whose subordinates have confidence in her (good leader member relations), where the activities to be done—such as wage computation, check writing, report filing—are specific and clear (high task structure), and the job provides considerable freedom for her to reward and punish her subordinates. On the other hand, unfavorable situation might be the disliked chairperson of a voluntary United Way fund-raising team. In this job, the leader has very little control. Altogether, by mixing the three contingency variables, there are potentially eight different situations or categories in which leaders could find them.

(d) **Houses's Path-Goal Theory of Leadership.** Robert J. House developed the path-goal theory of leadership to resolve inconsistencies in much previous leadership research. Path-goal theory sees the leader's role as one of affecting a subordinate's motivation to reach desired goals. The leader affects a subordinate's motivation by using rewards when she reaches desired goals, being supportive while the subordinate is trying to reach the goals, making task assignments that are inherently motivating, and cleaning barriers to goal accomplishment. The name of the theory summarizes what a leader does - clearing subordinates paths so they can reach desired goals. The leader's behaviour can enhance a subordinate's motivation and increase a subordinate's job satisfaction. Acceptance of the leader by the subordinate should also increase. Path-goal theory proposed the following four leader behaviours :

*Directive*

*Directive leader behaviour focuses on what must be done, when it must be done, and how it must be done. This behaviour clarifies performance expectations and the role of each subordinate in the work group.*

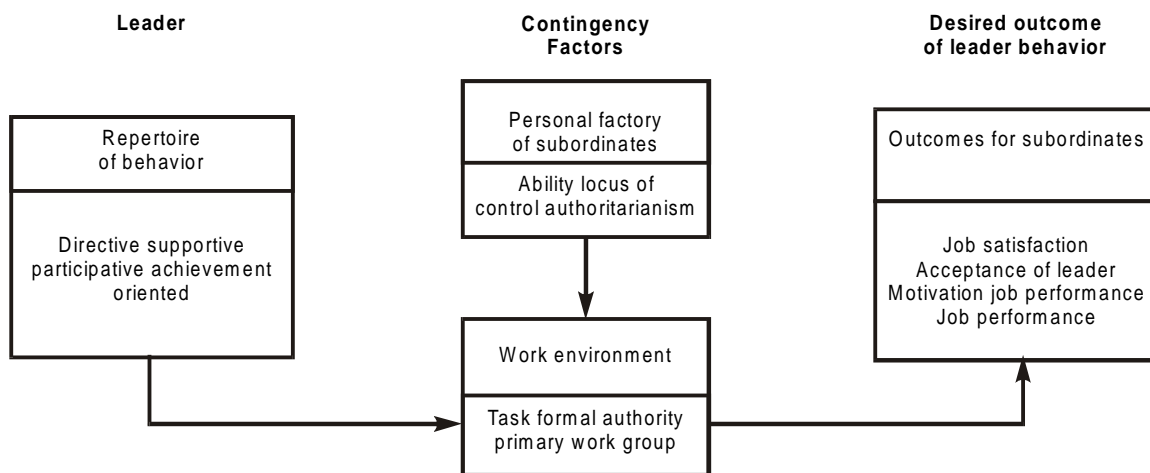
*Supportive*

*Supportive leader behaviour includes concern for subordinates as people and the needs they are trying to satisfy. Supportive leaders are open, warm, friendly, and approachable.*

<i>Participative</i>	<i>Participative leader behaviour includes consultation with subordinates and serious consideration of subordinate’s ideas before making decisions.</i>
<i>Achievement-oriented</i>	<i>Achievement-oriented leader behaviour emphasizes excellence in subordinate performance and improvements in performance. An achievement-oriented leader sets high performance goals and shows confidence in people’s abilities to reach those goals.</i>

The four behaviours of path-goal theory have several important qualities. Directive and supportive behaviour is the same as initiating structure and consideration. These two behaviours have been a consistent part of leadership research and are basic to the functioning of leadership in organizations. Participative leader behaviour emphasize the decision making function of leaders. The path-goal theory described two sets of contingency factors that play an important role in the choice of leader behaviour. The sets of factors were (1) personal factors of subordinates and (2) work environment factors. Personal Factors are subordinates perceptions of their ability, their perceptions of the source of control (locus of control) over what happens to them, and their views about people in authority positions (authoritarianism). Work environment factors include tasks, the nature of the system of authority in the organization, and the primary work group. Table 7.5 shows the structure of path-goal theory. The four leader behaviours are described as a “repertoire” to emphasize that the leader chooses among the behaviours. The theory does not suggest that leaders should use all the behaviours. The choice of behaviour is based on the skills and personality of the leader and on the circumstances facing the leader. Those circumstances include contingency factors from the person and from the work environment.

**Table 7.5. Showing path goal theory**



Path-goal theory suggests different leader behaviours for work environments low in ambiguity than for those high in ambiguity. Subordinates working in a lower-ambiguity situation can clearly see what must be done and how to do the task. Directive leader behaviour will be perceived as redundant and could reduce subordinate satisfaction and motivation. House has reformulated and expanded the theory after twenty-five years of research by him and others. The theory describes leader behaviours and relationships that not only affect subordinate performance but also help work unit performance.

Instead of four behaviours, the new version features eight behaviours. The new behaviours focus on path-goal clarification, social interaction within the work group, the political behaviour necessary to increase the group's power, and the leaders charismatic behaviour. These behaviours add to the behaviour repertoire noticed earlier. This expanded version of path-goal theory has not yet been empirically tested.

- The following are some examples of hypotheses that have evolved out of path-goal theory.
- Directive leadership leads to greater satisfaction when tasks are ambiguous or stressful than when they are highly structured and well laid out.
- Supportive leadership results in high employee performance and satisfaction when subordinates are performing structured tasks.
- Directive leadership is likely to be perceived as redundant among subordinates with high-perceived ability or with considerable experience.
- The more clear and bureaucratic the formal authority relationships, the more leaders should exhibit supportive behaviour and deep emphasize directive behaviour.
- Directive leadership will lead to higher employee satisfaction when there are substantive conflict within a work group.
- Subordinates with an internal locus of control will be more satisfied with a participative style.
- Achievement-oriented leadership will increase subordinates' expectancies that effort will lead to high performance when tasks are ambiguously structured.

(e) **Cognitive Resource Theory.** More recently, Fiedler and an associate, Joe Garcia, reconceptualised the former's original theory to deal with "some serious oversights that need to be addressed. Specifically, they are concerned with trying to explain the process by which a leader obtains effective group performance. They call this reconceptualisation **cognitive resource theory**. The essence of the new theory can be boiled down to three predictions : (1) Directive behaviour results in good performance only if linked with high intelligence in a supportive, (2) non-stressful leadership between job experience and performance, and (3) the intellectual abilities of leaders correlate with group performance in situations that the leader perceives as non-stressful. Situational leadership uses the same two leadership dimensions that Fiedler identified : task and relationship behaviours. However, Hersey and Blanchard go a step further by considering each as either high or low and then combining them into four specific leader behaviours : telling, selling, participating and delegating. They are described as follows :

- **Telling** : *The leader defines roles and tells people what, how, when, and where to do various tasks. It emphasizes directive behaviour.*
- **Selling** : *The leader provides both directive behaviour and supportive behaviour.*
- **Participating** : *The leader and follower share in decision making, with the main role of the leader being facilitating and communicating and*
- **Delegating** : *The leader provides little direction or support*

(f) **The Leaders Mystique.** E.E. Jennings' leadership mystique is a set of ideas, values, and beliefs that Jennings feels is the essence of leadership. The leadership mystique has three dimensions.

- *A sense of missing.*
- *A capacity for power and*
- *A will to survive and to preserve.*

A leader has a sense of mission—a vision of some future state for the organization. The vision is more than a strategic plan; rather it is a dream about something that the leader wants to create. A capacity for power is the ability to get and use power to pursue the mission. Leaders have no fear of power, nor do they believe having power is undesirable. Power is undesirable. Power—and the capacity to get it is basic to achieving the mission. Leaders are often frustrated in their pursuit of their mission. They must have a will to survive and persevere in reaching their mission. Transformational leaders strive for major increases in performance beyond that needed to reach immediate organization goals. They bring excitement to the work place and build strong emotional bonds between themselves and their subordinates. Transformational leader work towards what they believe is right and good for the organization, not for its present direction. They often bring dramatic changes to an organization's culture and are remembered long after they are gone.

Empirical research has usually shown positive relationships between transformational leadership and organizational performance. All three dimensions of transformational leadership had positive relationship with organizational performance. Charisma, however, evoked the stronger positive relationship. Looking beyond the present situation includes scanning the environment for new market opportunities, predicting changes in markets and technologies, and looking for ways to keep their organization aligned with its outside environment. Charismatic leaders are impatient with present conditions and press their organizations to continuously improve. They push their organization towards a new state by creating dissatisfaction with the present. Empirical research shows a positive relationship between charisma and organizational performance.

## 7.9 EFFECTIVE LEADERSHIP

Often leadership and management are erroneously considered synonymous and the function of leadership is labeled as planning, organising, directing staff, controlling, evaluating and rewarding. What then constitutes leadership? What is special about it? Who can become a leader? What kind of leader is effective? Are leaders born or made? These are some of the questions that are raised quite often. In our search for the appropriate kind of leadership, it will be essential to scrutinise the characteristics of different styles of leadership that have been used in various parts of the world over time.

**There are differences in the ways leaders approach people to motivate them.** If the approach emphasizes rewards economic or otherwise for followers, the leader uses positive leadership. If emphasis is on penalties, he is applying negative leadership. The stronger a penalty, the more negative it is. The same reasoning applies to rewards.

**Style is related to one's model or organisational behaviour.** The autocratic model tends to produce a negative style; the custodian model is somewhat positive, and the supportive and collegial models are clearly positive. Negative leadership gets acceptable performance in many situations, but it has high human costs. Negative leaders are domineering and act superior to people. To get work done, they hold over their personnel such penalties as loss of job, reprimand in the presence of others, and a few days off without pay.

**The art of creative leadership is the art of institution building the reworking of human and technological, material, to fashion an organisation that embodies new and enduring values.** To elaborate, it involves educating the group, interpreting the role and character of the enterprise, setting models of thought and behaviour consisting of participants loyalty to the organisation and sensitive awareness of its guiding principles. Apart from day-to-day behaviour, from a long-range angle, it includes



the assignment of high prestige to certain operations so as to create a myth. Creativity not only requires perception and determination to see the necessity of the myth, but also the successful formulation and creation of the environment that will sustain the ideals expressed. Creative leadership necessitates large-scale delegation all along the line up to the bottom level, each level in turn being given opportunities for exerting personal influence and contributing creatively a true synthesis of individualism and social conformity.

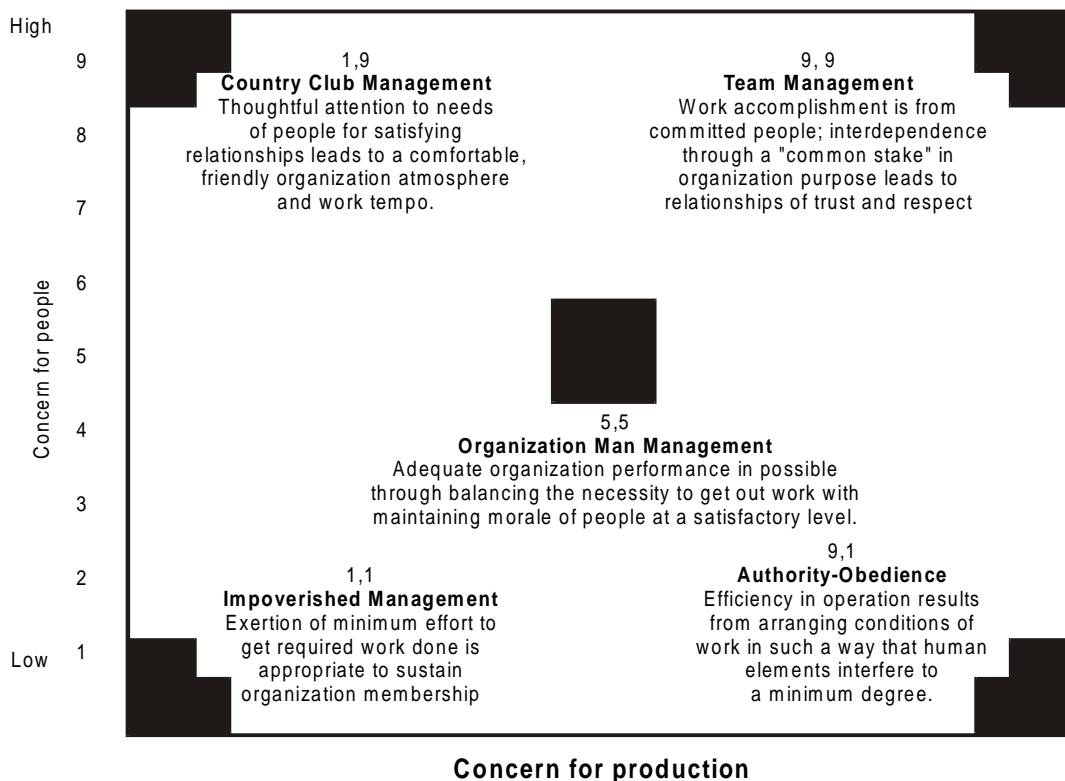
An important aspect of modern management is its size and complexity. The senior management decisions in strategic areas have a long term impact on the organisation and as such, vision. The leader is responsible for future progress, growth and reputation are assured. Managerial role in modern organisations is increasingly shifting towards the executive coordinator type of leadership. As the management becomes more and more information based, the managerial effectiveness will depend increasingly on his skill in collection, collection and communication of information and in ensuring its optimum use in coordination with people. Whatever the colour or style, a leader should motivate his team, creating the resources to help it perform well and achieve. In doing so, he should recognise and arouse the subordinate's urge for outcomes by counseling and gentle direction.

### 7.9.1 What others say

Let us now try to know what some of the empirical and humanistic theories say.

1. According to **Stogdil** (1915), three critical factors which are most important in leadership :
  - *Status and functions of the position occupied by the individual.*
  - *Demands made up on the individual by his group.*
  - *Perception of the group members concerning the kind of person the individual is. Leadership can emerge out of any one or all of these three factors.*
2. Successful leadership must involve the process of employee's participation. Democratic supervision is suggested as facilitating the involvement of the worker in the decision making process. influenced by **Michigan**. According to them three critical dimensions are :
  - a. *The personal relations of a leader with his group.*
  - b. *The degree of structure in the task which the group must perform.*
  - c. *The power and authority inherent in the leadership position.*
3. **Blake** designed a theory of effective management known as the managerial grid .According to him two critical dimensions of effective leadership are :
  - a. *Concern for production (Task orientation) and*
  - b. *Concern for people.*

Blake says that these two dimensions independent. A manager can be high on both, (9, 9) low on both, (1, 1) high on one (1, 9 or 9, 1) or low on the other.



**Fig. 7.2. The managerial grid.**

**Source :** R.R. Blake, J.S. Mouton, L.B. Barmes, and L.E. Grenier, "Breakthrough in Organization Development," Harvard BR, Nov.-Dec. 1964.

**McMurray** (1959) argues for leaders who are benevolent autocrats. This model goes away from the human relation notions towards the goal of the organisation. This premise is that democratic procedures are just not practical or possible in most of the bureaucratic organisations. He doesn't think that one can convince the top management that democratic leadership is the only way to run a business. One can solve the "Human Relation" aspect of leadership by having the leader benevolent and the structure aspect by making him an autocrat.

**5. Argyris** is of the opinion that the needs of the individual and his goals are not compatible with the needs and the goals of the organisation. He says that the organisation will often make unreasonable demands on the individual. To him leadership should be that which fosters the development and growth of the individual. He depends greatly Maslow's notion of need structure and would have unbeliever that the best leadership is that which permits the worker to self-actualise. He suggests

- *Job enlargement,*
- *Employee-centered leadership and*
- *Reality leadership.*

6. **McGregor** Theory-X-Emphasis on the goals of the organisation and Theory-Y-on the individual. An advocate of the theory 'Y' he proposes that the key to success is the concept of integration is the goals of the organisations are integrated with that of the individual. Another concept in effective leadership for McGregor is collaboration. For achieving integration collaboration between superior and subordinate is a necessary condition.
7. **Tannen Baum** probably the one most oriented toward individual goals and least concerned with organisational structure and goals of the enterprise. According to them, a primary requirement for effective leadership is flexibility. Hence according to them leadership is interpersonal relation exercised in a situation and directed through communication process toward the attainment of the specified goal or goals. Leadership involves attempts on the part of a leader (influencer) to affect (influence) the behaviour of a follower (influence) or followers in a situation.

**Super leadership** is “leading others to lead themselves”. Super leadership “empowers others to stand on their own two feet and to feel ownership of their job”. In this sense, super leadership begins with **self-leadership**: “the influence we exert on ourselves to achieve the self-motivation and self-direction we need to perform.

#### 7.10 DEVELOPING GLOBAL LEADERS\*

In June 2001 as the business world watched expectantly, General Electric (GE) promoted three key executives. Each would report to one of the three potential candidates to succeed CEO Jack Welch. Thus, if one of the latter moves into Welch’s office, another seasoned GE professional will be ready to assume his role. Where do GE leaders come from ? They do not spring up out of the earth overnight. For many years the company has worked hard to develop ongoing sources of leadership talent -not only to prepare for Welch’s retirement next year, but also to enrich every level of the organisation with strong leaders. When Ronald Reagan was spokes person for GE, their slogan was “Progress is our most important product”. Today the mantra could be, “Leaders are our most important product”.

Leaders who keep learning may be the ultimate source of sustainable competitive advantages. With that understanding, many companies are investing in leadership development. As early as 1993, Business Week estimated that \$17 billion was being spent annually by globe companies on helping managers develop the thought processes and company - specific skills that could enable them to move up and lead their business areas. Training magazine estimates that in 1998 U.S. companies spent \$60.7 billion on training. But spending isn’t the only commitment. World-class executives are investing significant amounts of their time personally guiding and mentoring future leaders. In January 1998, the man profit research group American Productivity and Quality Center, the American Society for Training and Development, Virginia and developed a study to investigate best practices in leadership development, in 1999, they expanded the study to explore the challenge of developing leaders at all levels of an organisation.

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**Source** : SRM Management Digest 2000 and Mr. Senthil Kumar, Faculty Member, SRM Engineering College.

### 7.10.1 The Strategies Perspective

Most significance : Best-practice partners reported that they tied leadership development closely to business strategy and that they invested financial resources in it. CEOs did not support the programs out of a respect for education but from a conviction that such programs can assist in aligning functional areas with corporate strategy. Johnson & Johnson, for one, revised succession planning and performance-management systems to reflect the qualities anticipated by a leader - of the future exercise in a leadership-development conference.

Increasingly, programs that focus on developing future leaders are seen as a source of competitive advantage. GE's CEO, Jack Welch, described the company's Leadership Development Institute in, New York, as a "staging ground for corporate revolutions". In fact, innovative ideas such as the Six-Sigma quality-improvement program and GE's expansion into emerging economies have come from presentations made at leadership-development events. Tremendous growth, reductions in the number of GE employees worldwide and significant delaying of the organisation in the 1980s and 1990s caused an enormous cultural shift. With fewer vertical promotions and hence fewer opportunities to practice being leaders. A new approach was called for. Today in the human - resource department's "Session C" meetings, senior executives assess key GE personnel. After an initial meeting in March, there are two or three additional meetings and a wrap-up session in June or July to select employees who will attend the executive - development courses. At the end of the year, corporate leadership development, like all corporate functions, is measured by whether it was able to support GE initiatives.

Ralph Larsen, chairman and CEO of Johnson & Johnson, champions J & J's Executive Conference. Faithful to the company's decentralization tenets, he leaves the program's details to subordinates around the world but takes the time to suggest program themes. At Arthur Andersen, the mission of the Partner Development Program (PDP) is "to help partners worldwide acquire and build the knowledge, skills and behaviours required to be valued and trusted business advisors in an ever-changing market place". To meet the needs of a business that continues to diversify and globalize, managers aim to keep the program closely linked with Arthur Andersen's evolving business strategy. Hewlett-Packard, under the leadership of CEO Carly Fiorina, is rushing to reclaim its status as a top high-tech innovator. Fiorina must convince the public and HP employees that HP is the hottest new company of the Internet era-with out losing the old-time commitment to quality and integrity. Past HP glory led many excellent engineers to focus on what used to be important, instead of on the future. Once HP started to improve leadership development, the company could make better business decisions.

Today HP's senior executive actively participates in leadership development. Fiorina uses management meetings and leadership-development programs to articulate her vision of making the company "represent the next decade rather than the past one". Her predecessor, Lewis E. Platt, showed his support for leadership development by making personal appearances at all HP Accelerated Development Programs, opening and closing them with an opportunity for participants to have a dialogue with him. Cor Herkstroter, the former chairman of the Royal Dutch/Shell Group once asked his top 60 to 60 leaders to suggest improvements in the company's financial performance. Shell's committee of managing directors decided that a new leadership-development process could be a catalyst for organisational change and Shell's Leadership and Performance (LEAP) program was created. After the program showed measurable returns in the United States and elsewhere, Shell made it corporate wide. When James Wolfensohn joined the World Bank as president in 1995, he created a mission statement that continued the bank's longstanding commitment to dispersing knowledge and financial resources but placed a stronger emphasis on the goal of reducing poverty worldwide.

**(a) Methods to spot a leader**

- *Self-reporting method.*
- *Observation method and*
- *Nominating method.*

**(b) Tests for selection**

1. *Intelligence tests.*
2. *Empathy tests.*
3. *Personality tests.*
4. *Vocational interest test and*
5. *Nominating method.*

A leader should have fair treatment for all, give sufficient delegation of authority, should be available to all and should discuss the problem with all. However he must refrain from depending too much on his authority simulation of knowledge, interference with work, favouritism and discrimination and public reprimand.

One can also become a leader under the following situations:

- *By the information that he possesses.*
- *By his initiative to motivate a group and*
- *By his sheer courage.*

**(c) The Five Critical Steps.** Pronouncing a strategic vision is not enough to bring about change or to tie leadership development to the company's goals. Research studies suggest that there are five critical steps to achieving those ends.

**1. Awareness**

The need for a process to build leadership skills has best-practice organisations looking both inside and outside their organisations for approaches that work. The foundation of such companies, leadership development is awareness-awareness of external challenges, emerging business opportunities and strategies, internal developmental needs and the ways other leading organisations handle development. Arthur Andersen uses both internal and external data to determine the learning and development needs of the partners in the firm. Internal data come from client-satisfaction and employees satisfaction surveys upward communication and analysis of what the firm calls 450-degree feedback (360-degrees feedback plus client evaluations). Arthur Andersen wants to know how its partners are perceived in terms of their technical competence and their responsiveness to customers.

External data about new financial and managerial tools or about challenges in the business environment come from market research, business trends and leading-edge thinkers. The partner development program also exploits the research Arthur Andersen does while serving clients-and the conversations on emerging trends partners routinely have with leading thinkers in management education and business practice. The PDP also make use of the literature on new concepts in leadership development. To ensure that its leadership and performance program does not simply react to the immediate needs of the business, Shell's LEAP team has an ongoing conversation with the committee of managing directors about corporate transformation. LEAP staff members negotiate an agreement with the executive of the business unit and the critical players who will go through the program. Together they create budgets for the team project and set time expectations and goals.

To gather external perspectives, Shell has joined the Global Research consortium; a group of transnational companies that sponsors research. The consortium gives its members the opportunity to hear and discuss the latest on leadership and learning. Like other best-practice companies, Shell also works with consultants and professors to stay abreast of the latest in leadership research. There is greater awareness today that best practice organisations' corporate leadership development function is specifically for strategic issues; more-tactical management skills and business specific challenges are usually left to business units. That seems to work well—corporate leadership programs concentrate on helping decision-makers become more effective at using those skills. All the best-practice leadership programs tap leaders with extensive line experience. At Arthur Andersen, Johnson & Johnson and Shell, the heads of the leadership development process have senior-level business experience. The use of business leaders is based on a belief that participation from executives will help ensure buy in from the businesses and will keep the programs practical. GE and Shell International bring in high potential individuals on two-year rotational assignments to oversee leadership development. HP recruits key people from line positions for the same purpose. In addition to drawing on the business units, best practice organizations access the experience of individuals in corporate education, human resources and academia. The director of GE's Crotonville center came from a university setting, and the head of World Bank's EDP has a background in corporate education.

## **2. Anticipation**

Although business cases traditionally focus on the past and best-practice reviews focus on the present, the best leadership development programs emphasize the future. Top leadership development companies use anticipatory learning tools : focus groups that explore potential challenges or the impact of emerging technologies; decentralized strategic planning; analysis of future scenarios; and the Delphi method. Strategy Guru Gary Hamel recommends decentralized planning because revolutions are beneficial and they “seldom start with the monarchy. The participative and future-centered Merlin Process is an example of decentralized planning. Managers imagine the organisation a decade from the present and describe what it would look like if totally successful. In contrast to more conventional, top-down strategic planning the Merlin Process has groups throughout the organisation describe their ideal and input for senior executives and lead to more formal planning sessions.

From 1993 to 1996, J & J followed that pattern. During its second set of Executive Conferences, executives from around the world worked together for a week with outside consultants to create a vision for a decade later. Participants challenged conventional wisdom about the evolution of the health care industry and focused on actions their divisions could take to create their future. J & J 2002, an extended scenario developed from future focused interviews with more than 100 executives in six countries—and from published predictions about the future of health care - projected multiple trends and discontinuities. Using a modified Delphi approach, participants assessed the probability and impact of 14 hypothetical developments. An integrative exercise called the Merlin Exercise was used to tie the various aspects of the program together participant groups made formal presentations of the desired future to the CEO or the vice Chairman. For some organisations, anticipation involves developing a list of the competencies that the company will need.

## **3. Action**

Action, not knowledge, is the goal of best-practice leadership-development processes. Best-practice groups bring the world into the classroom, applying real time business issues to skill development. The answers to tough questions are not in the instructor's head; learners must discover them on the spot. And with program participants implementing their own recommendations, the learning experience benefits



both the organisation and the learner. Such action learning can be complicated and costly, however. That is why Arthur Andersen, for example, uses a modified approach, that still includes pre-work and post-work. Before the course begins, the firm gives participants criteria for selecting a client with a business problem and a protocol for interviewing that client. Learners work in a team to develop client recommendations. After the course, the team must make a presentation to the actual client or the program sponsor.

At GE, Welch himself has been the one to choose the action-learning topics for each of the three annual business management courses and for the annual executive development course. Participants in both courses are highly motivated to carry out projects, important as they are to the company's direction. Recommendations made by the participant teams are usually implemented. Students in one management course went to Russia and developed proposals for GE's operations there. A quality report from an individual in another course led to corporate wide adoption of the Six-Sigma an initiative, a quality-assurance program designed to eliminate defects from all products.

GE also supports what it calls the change Acceleration Process (CAP), a systematic attempt to turn managers into professional change agents by disseminating GE's accumulated knowledge about how to initiate; accelerate and secure change. If CAP is successful, says Welch, "people who are comfortable as coaches and facilitators will be the norm at GE. And the other people won't get promoted. At Johnson & Johnson, the purpose of the third group of Executive Conferences, which started in 1997, was to emphasize J & J's Standards of Leadership and to tie the standards to specific business issues through action learning. The principal session lasted five days, with pre-work and follow-up extending the experience. Before the core session, each operating unit discussed the business topic it would focus on.

Different J & J executives in the various businesses "sponsor" each conference session. Those who choose the topic are asked to pick one that can have significant or transformational impact. Past program topics have included top-line growth, product development cycles, new market entries and leadership development. Once the topic is defined, the executive sponsor chooses 50 to 130 program participants, who do additional preparation, such as gathering data and interviewing people in the company who might have some relevant insight. Participants go through the program and return later for a day to report on implementation results. Typically, the process takes six to nine months. J & J's Executive Conference approach includes work teams from the business area that is experiencing the problem being studied. The company's action-learning approach at the middle - management level, however, brings together high-potential individuals from all parts of J & J to tackle a more broad-based issue. The Executive Conference issues aim more at organisational development, whereas middle management programs focus more on development of individuals' skills.

#### **4. Alignment**

Because best-practice organizations recognize the importance of alignment between leadership development and other corporate functions, they often tie educational efforts to formal succession planning. At J & J, all development functions use 360-degree feedback evaluations as a part of leadership development. Facilitators assess a multiple choice behavioural questionnaire, in which participants rate their performance in many areas and get ratings from supervisors, peers and subordinates. Plans may be made for participants to be coached later or to engage in activities to strengthen weak areas as part of the program, but the facilitators' assessments are not typically fed directly into succession planning.

Most of the studies pointed out that the best companies are beginning to integrate and align assessment, development, feedback, coaching and succession planning. In the integrated model, leadership development becomes an important part of maintaining a steady flow of information throughout an



organisation and ensuring that top talent is tracked and continues to grow. GE openly ties leadership development to succession planning. All employees are rated in a nine-block system for the annual Session C review. The review includes discussion about people's performance and their adherence to the values in GE's value statement. The system is an approximation of a typical competency model but was created quickly, simply and with GE self-confidence from a comment by Welch and elaboration by his HR team. It features a chart on which an employee's bottom-line performance is rated on one axis, with adherence to GE values on the other axis. Those who don't make their performance numbers but do adhere to GE values are given a chance to improve those numbers and get a higher rating. Those who make their numbers but don't demonstrate the GE values are rated low in the four level models, which gauge promotion suitability. Those who do neither are rated lowest. It is commonly said that, at GE, the corporate headquarters owns the top 500 people in the company and just rents them out to the business. To encourage the sharing of business talent, GE includes a negative variable in its performance appraisals for managers who hold back talented employees. Outstanding business performance and development of leaders go hand in hand.

Hewlett-Packard provides myriad opportunities for emerging leaders to develop and grow. Platt, the former CEO, recognized that many people who grew up with the founders were retiring and that their immediate successors looked a little too much like one another. He saw that as the company became more global, it would need more diversity of ethnicity and gender. Having a female CEO now may help change perceptions about who is leadership material. And HP's leadership development process is clearly supportive of diversity goals, providing stretch assignments for the most promising people and making accelerated programs available for individual contributors and first level managers. Best-practice organisations use the goals of their leadership development program as guides to putting the right people in the right programs. The goal of Shell's LEAP program is to create leaders at all levels, so the programs are open to anyone within the organisation. GE and HP are more selective about entrance because they want to focus only on those individuals with the potential to move quickly through the ranks.

## 5. Assessment

Best-practice organisations always assess the impact of their leadership development process. To collect information on the perceived value, the best-practice partners use a number of tools and techniques. The Kirkpatrick Four-Level Model of Evaluation is typical. Participants, human-resource development staff, consultants and in some instances, financial staff, do the assessments - the later weighing program expenditures' return on investment. Best practice partners use an assessment method called the Kirkpatrick levels to quantify the effect of leadership programs on business results. But both the study sponsors and best practice partners use other metrics, too including corporate performance, customer satisfaction and employee satisfaction. In general, best practice partners were more aggressive than sponsors about measuring and evaluating program effectiveness were.

Of all the best practice organisations, Arthur Andersen is probably the most dedicated to assessment and has reaped the benefits. The vast amounts of data the firm collects not only demonstrate the partner development program's correlation with improved business results but also show where the organisation needs to head. Although measurement is expensive and some time tricky, its benefits cannot be discounted. Arthur Andersen combines impact research with participants' course evaluations. Program attendees fill out evaluation forms before they take the class, immediately after the class is finished and three months later. The forms contain questions about the knowledge participants believe they have gained.

The impact research consists of comparing, course by course, partners who have attended PDP with those who have not. The results show that attendance increases both client satisfaction and per hour billings. Impact research is done in a two-year cycle, with information gathered on partners a year

before the program and a year after. The use of both participants-satisfaction and impact research measures helps provide a balanced set of results. Arthur Andersen found that one of its programs was not getting a high participant satisfaction rating, but an impact analysis showed that the program was having a greater effect than any of PDP's other courses. Another key factor in determining satisfaction is whether program participants have similar levels of familiarity with the topic. What may be an exciting concept for one person could be old news to another. Arthur Andersen believes that moving to a problem based course design will help it address different levels of participant knowledge.

To Shell's LEAP staff, a program adds value only if the team project generates revenues at least 25 times greater than the project's cost. During the initial contracting process, a LEAP staff member and the leader of the business unit determine the desired project outcomes, including financial targets. The business leader expresses his or her objectives in sending the candidate to the program; in many cases that defines the program and problem the team or individual will address. You get what you pay for best practice companies do consider costs, but their main focus is on the value the program can provide. When asked to rank the importance of various criteria in selecting an outside vendor, the companies put fees near the bottom of the list. Arthur Andersen invests approximately 6 percent of total revenues in education. If course offerings achieve their objective to improve business results, support is likely to continue. Cost for each participant in the executive development program at the World Bank is \$22000, which includes travel, lodging and business school fees for three modules and for the Grass-Roots Immersion Program. The cost is not charged back to the business groups but funded centrally through the bank's \$12 million annual executive education budget.

### 7.10.2 The New Reality of Strategic Leadership Development

Globalization, deregulation, e-commerce and rapid technological change are forcing companies to reevaluate the way they operate. Approaches that have worked for years are no longer effective. Development of leaders who think strategically is increasingly a source of sustainable competitive advantage. Hence observations of companies known for excellent leadership development practices can be invaluable. Development groups such as Arthur Andersen are PDP and the one at GE's Crotonville site emphasizes diligent crafting of programs, careful listening, constant monitoring and frequent communication. That helps senior executives understand how a leadership development process can shape and disseminate an organisation's culture, overcome resistance to change and achieve strategic goals. At GE, the corporate leadership-development group endeavors to maintain buy in. It interviews company leaders around the world on a regular basis to gauge future business needs and the characteristics future leaders should have. Additionally the group at Crotonville identifies early adopters of a given development initiative and leverages their support.

Hevelet Packard has generated support for its leadership development process by having both the CEO and senior managers participate in its programs. The executives serve as mentors, faculty and supporters in leadership development design and programs. Senior-level support for Johnson & Johnson's executive conferences is evidenced by the fact that either the chairman or a member of the company's executive committee participates in each session, articulating J & J's credo and values and the program's link to business success. Although the best practice firms differ in their emphasis on making leadership development strategic, the development program of each includes elements of the five critical steps.

- *Building awareness of external challenges, emerging strategies, organisational needs and what leading firms do to meet the needs.*
- *Employing anticipatory learning tools to recognize potential external events, envision the future and focus on action the organisation can take to create its own future.*

- *Taking action by tying leadership development programs to solving important, challenging business issues.*
- *Aligning leadership development with performance assessment, feedback, coaching and succession planning and*
- *Assessing impact of the leadership-development process on individual behavioural changes and organisational success.*

### 7.10.3 Indian Scenario

**HCL Infinet** : As per HCL infinnet's model of leadership, a leader should adhere to a few basics, germane to the present business environment

- *Teamwork is in* : good leaders need to understand the true potential of a team and consciously work towards building one.
- *Coach, do not lead* : top-down leadership is passe. Today, you need to be a mentor fostering team spirit and coordination.
- *Do not micro manage your teams* : true leaders do not manage the micros. Instead, they take the bird's eye view on strategy and environment-to create a team that delivers.
- *Treat colleagues as equals* : a leader should be approachable for every single individual in the organisation. Age seniority, and position should not count when you need to relate to people.
- *Communicate, good leadership actually assures clarity of goals and objectives.* And that stems from ease in communication, both formal and informal.
- *Walk the talk* : a cliché no doubt, but a powerful thought. Leading from the front works.

Though it is difficult to distill and use these maxims on the job, yet a true leader should never call it quits. The role of a leader is essentially architectural. This role has four components.

**Creating a foundation** : the kind of values the organisation stands for, the shared loyalty it generates, the element of inter personal trust its constituents exhibit, and the personal credibility of the leader both with people within the organisation and those without are an integral part of creating a proper foundation. Building a foundation is a time consuming process. A leader should lay it brick by brick. People look for signals that are the tone for them to replicate the leader's behaviour elsewhere in the organisation. **Creating space** : every individual values his personal space, where he or she is at his or her best. The task of a leader is to create that space. By creating space, you are giving an individual the freedom to take decisions, to make mistakes, and to learn from them. You also make him, or her, accountable. It eliminates a sense of paranoia-the undoing of most corporate. **Creating height** : this means setting goals at the individual and the organisational level, to stretch one's limits. A leader should create an atmosphere in which everyone looks up, and is driven by things beyond one's current capabilities. A leader should also ensure an alignment between a company's goals and the goals of individual employees. **Creating a staircase**. It is about channeling and encouraging the entrepreneurial instincts with the organisation through mentoring, career building and so on

It is realised from the above that leadership is not achieved only by individuals and managers. In fact, without followers, leaders cannot lead. Effective followers are team players who partner with organization leaders to create the organization's vision and to implement goals and suggestions. Effective followers have some similar characteristics to leaders as Table 7.6 shows. A major difference between high-performance followers and leaders is their role perception and enactment.

**Table 7.6. Effective Followership competencies**

No.	Competency
1.	Ability to self-manage
2.	Organizational commitment
3.	Integrity, credibility, and honesty
4.	Competence and focus
5.	Versatility
6.	Job and task ownership
7.	Critical problem-solving skills
8.	Team player
9.	Energetic and empowered

### SUMMARY OF KEY POINTS

In this section we summarise traditional leadership theories, many of which widely used. In practice, many of these theories apply to managers, supervisors and top-level organizational officers and leaders. Since leadership style and effectiveness depend on their environment, followers, tasks and other contextual variables, this section presents the evolution of leadership studies and illustrates how leadership styles are contingent on other dimensions. It is interesting to note how changing environment, competition, and business practices influence management theory. Classical leadership theories summarized here include (1) the trait approach, (2) behavioural theory : the managerial grid, (3) contingency theory : Fiedler’s model, (4) the path-goal theory, (5) the Vroom-Yetton-Jago model and (6) the life-cycle model.

### TEST YOURSELF

#### 7.1 Are You a Charismatic Leader ?

**Instructions :** The following statements refer to the possible ways in which you might behave toward others when you are in a leadership role. Please read each statement carefully and decide to what extent it applies to you. Then encircle the appropriate number as per the table given below

To a very great extent	1					
To a considerable extent	2					
To a moderate extent	3					
To a slight extent	4					
To little or no extent	5					
1. Pay close attention to what others say when they are talking		1	2	3	4	5
2. Communicate clearly.		1	2	3	4	5
3. Are trustworthy.		1	2	3	4	5
4. Care about other people.		1	2	3	4	5
5. Do not put excessive energy into avoiding failure.		1	2	3	4	5

- |   |   |   |   |   |   |
|---|---|---|---|---|---|
| 6. Make the work of others more meaningful.                                 | 1 | 2 | 3 | 4 | 5 |
| 7. Seem to focus on the key issues in a situation.                          | 1 | 2 | 3 | 4 | 5 |
| 8. Get across your meaning effectively, often in unusual ways.              | 1 | 2 | 3 | 4 | 5 |
| 9. Can be relied on to follow through on commitments.                       | 1 | 2 | 3 | 4 | 5 |
| 10. Have a great deal of self-respect.                                      | 1 | 2 | 3 | 4 | 5 |
| 11. Enjoy taking carefully calculated risks.                                | 1 | 2 | 3 | 4 | 5 |
| 12. Help others feel more competent in what they do.                        | 1 | 2 | 3 | 4 | 5 |
| 13. Have a clear set of priorities.   | 1 | 2 | 3 | 4 | 5 |
| 14. Are in touch with how others feel.                                      | 1 | 2 | 3 | 4 | 5 |
| 15. Rarely change once you have taken a clear position.                     | 1 | 2 | 3 | 4 | 5 |
| 16. Focus on strengths, of yourself and of others.                          | 1 | 2 | 3 | 4 | 5 |
| 17. Seem most alive when deeply involved in some project.                   | 1 | 2 | 3 | 4 | 5 |
| 18. Show others that they are all part of the same group.                   | 1 | 2 | 3 | 4 | 5 |
| 19. Get others to focus on the issues you see as important.                 | 1 | 2 | 3 | 4 | 5 |
| 20. Communicate feelings as well as ideas.                                  | 1 | 2 | 3 | 4 | 5 |
| 21. Let others know where you stand.  | 1 | 2 | 3 | 4 | 5 |
| 22. Seem to know just how you “fit” into a group.                           | 1 | 2 | 3 | 4 | 5 |
| 23. Learn from mistakes, do not treat errors as disasters, but as learning. | 1 | 2 | 3 | 4 | 5 |
| 24. Are fun to be around.   | 1 | 2 | 3 | 4 | 5 |

### ANALYSIS AND INTERPRETTATION

The questionnaire measures six facets of charismatic leadership. Your score can range from four to twenty for each section. Each question is stated as a measure of the extent to which you engage in the behaviour-or elicit the feelings. **The higher your score, the more you demonstrate charismatic leader behaviours.**

**PART 1 : Management of Attention** (1, 7, 13, 19). Your score \_\_\_\_\_. You pay especially close attention to people with whom you are communicating. You are also “focused in” on the key issues under discussion and help others to see clearly these key points. You have clear ideas about the relative importance or priorities of different issues under discussion.

**PART 2 : Management of Meaning** (2, 8, 14, 20). Your score \_\_\_\_\_. This set of items centers on your communication skills, specifically your ability to get the meaning of a message across, even if this means devising some quite innovative approach.

**PART 3 : Management of Trust** (3, 9, 15, 21). Your score \_\_\_\_\_. The key factor is your perceived trustworthiness as shown by your willingness to follow through on promises, avoid “flip-flop” shifts in position, and willingness to take clear positions.

**PART 4 : Management of Self** (4, 10, 16, 22). Your score \_\_\_\_\_. This index concerns your general attitudes toward yourself and others and their feelings, as well as for “taking care of” feelings about yourself in a positive sense (e.g., self-regard).

**PART 5 : Management of Risk** (5, 11, 17, 23). Your score \_\_\_\_\_. Charismatic leaders are deeply involved in what they do not do, not spend excessive amounts of time or energy on plans to “protect” themselves against failure. These leaders are willing to take risks, not on a hit-or-miss basis, but after careful estimation of the odds of success or failure.

**PART 6 : Management of Feelings** (6, 12, 18, 24). Your score \_\_\_\_\_. Charismatic leaders seem to consistently generate a set of positive feelings in others. Others feel that their work becomes more meaningful and that they are the “masters” of their own behaviour, that is, they feel competent. They feel a sense of community, a “we-ness” with their colleagues and co-workers. Charismatic leaders articulate a vision, show concern for group members, communicate high expectations, and create high-performing organizations. This assessment exercise measures your charismatic potential. MAIL YOUR SCORE [shaangrila@rediffmail.com](mailto:shaangrila@rediffmail.com) for more details.

### 7.2 Review Questions

1. Define leadership. How a leader differs from a manager ?
2. Explain contingency theory of leadership.
3. How do you develop leadership in MNCs ?
4. State important characteristics of an effective leader.

### 7.3 Discussion Questions

1. Imagine you as leader plan a venture capital company with 50 software consultants and management experts. What trait do you think will qualify you as an effective leader to the company ?
2. Review leadership theories in the present global context. How changes in leadership affected Indian companies ? Comment.
3. Reliance Industries Ltd. is now taken over by Mukesh Ambani. What do you think about this change ? Will he be a success.? What leadership theory is applied in this case ?

### 7.4 Student Exercise

Visit a software company and find out the techniques and qualities CEO that ,have an impact on his subordinates. What theory do you think is more applicable in Indian context ?

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## CHAPTER 8

### POWER AND POLITICS

#### LEARNING OBJECTIVES

*This chapter aims at introducing the following concepts in power and politics as a pre requisite for explaining the Organisation Behaviour theories and practices to the readers*

- *Power-definition*
- *Characteristics and sources*
- *Authority, influence and politics*
- *Influencing strategies and power dynamics*
- *Empowerment as a strategy*
- *Politics-definition*
- *Characteristics and behaviour indices*
- *Organisational politics*
- *Sources of politics*
- *Dysfunctional politics and remedies and*
- *Building political base*



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## Power and Politics

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Everyone in an organization has varying degrees of power. Without power, people cannot plan and achieve goals; they cannot motivate themselves or others, manage their careers effectively, mobilise resources, or protect their rights. Without power, organizations cannot compete effectively in national and global markets. Power in and of itself is neither bad nor evil. The motivations underlying power and its uses determine how functional or dysfunctional, moral or immoral. This chapter focuses the importance of power and politics and explains how it can be channelised for the growth of an organisation.

### 8.1 POWER

Power is the capacity of one party to influence other parties to act as the first party wants. People can act from legitimate, reward, coercive, informational, expert and referent power bases. Power can influence behaviour through compliance, identification, and internalization. Power is a function of ties of mutual dependence in social relationship. Power is the ability of one to control the actions of others. Power, at the individual level in an organization, is the ability of A to influence B to do something that A desires. At the organizational level, power is the ability of a leader or a dominant coalition to use resources to achieve stated goals. McClelland identifies “two faces of power” : socialised power and personalised power. Inherent in socialised power is a concern for the interests of others and of the organization : personalized power is about the self and seeks individual aggrandisement. Effective leadership involves the use of socialised power. Five sources of interpersonal power in organizations include (1) reward powers, (2) expert power, (3) referent power, (4) position or legitimate power, and (5) coercive power.

(a) **Definitions of Power.** In the words of Salancik, “Power is the ability to get things done the way one wants them to be done.” Robbins defines, “Power is the ability to influence and control anything that is of value to others.” According to Bacharach and Lawler, “power is defined as a force that results in behaviour that would not have occurred if the force had not been present. It is the ability of one person or groups of persons to influence the behaviour of others.” Weber defines, “Power as the probability of security obedience. A power situation prevails if an individual or a group competes to control the action of others towards desired goals.” Lawless defines the term of power as “A process of balance. He asserts that ‘control’ and ‘power’ cannot be treated as synonymously, although on organisational dynamics, there is a preferential use of the term ‘power’. Lawless stressed that while ‘power’ involves a two-process, ‘control’ is merely a one-way process. Power as a process of balance contains three variables : resources, dependencies and alternatives. A resource is characteristic of an individual. It enables the individual to determine the rewards or costs of others interacting with him. However, its value is not determined only by its possession by the extent to which another individual has dependency over it.

**(b) Characteristics of Power**

- **Unequal distribution.** Power is not equally distributed among members since different individuals have varied types and levels of knowledge, experience, education, skill, and hierarchical authority. They are, therefore, likely to differ in terms of their power to influence others.
- **People differ in terms of values.** In terms of their values people differ and on the gain and exercise of power. Research indicates that the amount of power exercised by an individual is the function of his or her power motive.
- **Resistance to change.** Power holders resist attempts to change the distribution of power. Person who strives for power and are able to acquire it, are unwilling to share it with other members of the group.
- **Power losers attempt to form coalition.** Power losers usually attempt to increase their power individually and if they failed, form a coalition. To regain influence by becoming a power holder, he loses attempt to build personal power base, though it may be difficult, risky and costlier.
- **Dependency relationships.** This is an important characteristic of power. When a person is more dependence on a person, more power is exerted on him.
- **Power is specific.** Power is specific in the sense that specific persons can exercise it on some specific occasions only. Power cannot be exercised at all the times and by all the people.
- **Reciprocal relationships.** Power relationship in an organization is reciprocal because it exists in a relationship between two or more persons. It is based on two-way traffic influencing others and being influenced. Therefore, it is incorrect to say that power exists with top ranking officials or with the managers.
- **Power can expand or contract.** It will depend on the person who habituated to exercise power to expand it or to contract. When a person reaches to higher positions his legitimate power attached with his position simultaneously increases. When such a person is shifted from one department to another, his power contracts.

**(c) Sources of Power.** There are multiple sources of power in the leadership roles. These sources are personal or situational.

**Personal Sources.** French and Raven have identified six forms of power a manager may possess :

**Legitimate Power.** It is derived from an individual's position in the organization structure or hierarchy of the organization. Power is inherent in the position and authority of a manager, which are recognized by the organization to use.

**Reward Power.** This power is counterpart of coercive power and attached to the position a manager occupies. It is based on the ability to control and administer rewards (promotions, etc.) for compliance with the manager's directives or requests.

**Coercive Power.** Coercive power is generally exercised by the manager against unproductive or disturbing elements and to restore discipline in the task environment. This power is derived from the ability to punish (reprimand, demotion, termination, infliction of pain, assignment of unpleasant task, etc.) for non-compliance of directives.

**Expert Power.** Robbins defines expert power as an influence that one wields as a consequence of one's expertise, special skill or knowledge. For example, a physician dressed in a white coat with a stethoscope held in his hand, has expert power in respect of health problems. Thus expert power stems from the special ability, expertise, knowledge or skills. Both the manager and employees can have expert power.

**Referent Power.** This power is the charismatic power based on a person's attractiveness or appeal. It is based on the praise of another person and an urge to be like him. If X praises Y to the extent of modeling his behaviour and attitude, after him. Y has referent power over X, A manager may be admired because of certain characteristics that inspire followers (charisma). Managers with good interpersonal relations and are good at public dealings and maintains high moral holds referent power.

**Information Power.** According to Raven, people who possess valuable information are contended to have more power. The information may be related to particular issues or activities within an organization or about the relation of the organization to environment. The information may or may not be related to individual's position or level in the organization. For example, at the lower level, people can collect and use information resources in a manner that provides them with much more power than their position demands.

### 8.1.1 Authority, Influence and Politics

Power differs from authority and social influence. Authority is the right vested in organizational positions and the chain of command to influence others; authority may-or may not have-the legitimate acceptance of followers. Social influence refers to the means and ways of the changing the attitudes and behaviours of others. Individuals can have position power without authority and thus have no social influence. Bill Clinton managed his influence and power with the public well enough to avoid impeachment and to serve out his term. To effectively manage and lead in organizations, individuals, like presidents, must have appropriate authority and be able to influence others.

**Influence Tactics for Increasing Power.** More than a decade of research, testing and refinement of Davis Kipnis's influence method and strategies has resulted in identifying eight generic influence tactics. Kipnis and his colleagues identified these influence tactics by asking employees how they manage their bosses, co-workers, and followers. The tactics are as follows :

- **Consultation** : *Gaining the participation of others in decision and changes.*
- **Rational persuasion** : *Convincing others with reason, logic, or facts.*
- **Inspirational appeals** : *Building enthusiasm by appealing to others' emotions, ideals, or values.*
- **Ingratiation tactics** : *Getting someone in a good mood prior to making a request.*
- **Coalition tactics** : *Gaining the support of others in your effort to persuade someone.*
- **Pressure tactics** : *Soliciting compliance or using intimidation and threats.*
- **Upward appeals** : *Persuading someone on the basis of express or implied support from superiors and*
- **Exchange tactics** : *Making express or implied promises and trading favours.*

Obviously, certain tactics would be more effective and appropriate under some circumstances than others. For example, U.S. business professionals must be flexible in negotiating internationally. Rational persuasion alone may not work effectively with certain international business negotiators.

Other influence strategies that also identify potential outcomes include the following :

**Table 8.1. Showing influence strategies and its outcome**

Influence Strategies	Outcome
Involve the person in the decision process.	Identifies with and accept the decision.
Control the information. Be the expert.	Needs your direction.
Engineer the situation. Control tasks, schedules, where people work, and so on.	Does what you want without knowing you wanted it.
Make formal requests within your realm of authority.	Complies with your request if it is seen as legitimate.
Use rational persuasion. Show people that it is in their best interest.	Complies because request leads to accomplishment.
Offer desired rewards.	Complies to get a particular resource.
Generate hope of a better future; higher show a good is being accomplished.	Complies because it is "morally right".
Increase your dependence on the other person.	Responds to informal expectations because of growing trust.

### 8.1.2 Effectiveness of Power Bases

Adequate research support exists to indicate the effectiveness of different power bases and also variation in effectiveness under varying situations. A brief account of various conclusions with regard to effectiveness of major power basis is :

- **Expert Power and Effectiveness.** Expert power is concerned with effective performance and there is sufficient evidence to show that competence is a highly appealing power. Researches conducted by five organizations reveal that the expertise is the most effective among the five bases of power in compliance.
- **Referent Power and Effectiveness.** Researches indicate that referent power is positively related with group effectiveness and moderately useful for getting others to perform as desired.
- **Legitimate Power and Effectiveness.** This power appears to have no relation with effective performance. Although legitimacy is frequently thought of as a person for compliance, it appears to have no relationship with performance. A study shows that use of legitimate power was not related with high efficiency rating. However, there is no conclusive evidence in this matter as in another study, it was positively rated.
- **Reward Power and Coercive Power their Effectiveness.** Reward and coercive power bases have important negative relationship with performance. Individuals have negative attitude towards the use of reward and coercive power for getting compliances. This indicates reasons for negative relationships of these power bases with performance. The study conducted by Batchman and others, use of coercive power was negatively related to group effectiveness. Reward and coercive power bases cause public compliance whereas other power bases lead to public and private compliance both.

### 8.1.3 Inter-Dependence of Power Sources

Sources of power are independent and inter-related. The following points clarifies that the sources of power are not independent, but they are interrelated or interdependence;

- a. With the increases of legitimate power, other sources of power such as reward power, referent power, coercive power, etc. increases.
- b. Increasing use of coercive power reduces referred power due to the reason that the people start dislinking the person who exercises the person coercive power.
- c. Expert power can give rise to legitimate power. It is because that the organization respects the expertise of a person by promoting to higher position. With the change in position through promotion, legitimate power increases.

#### 8.1.4 Power Dynamics

Power dynamics can be explained through distribution, dependence, compliance and uncertainty. *The distribution dynamics of power contributes to the following facts* : there is no equal distribution or rational distribution of power among the organization members. The power group develops a tendency to resist change in power and to acquire more. No individual can retain power all the times and at all place. The dynamics of power can also be understood from the point of dependency, as explained under : the degree of power exercise by a person will largely depend on the dependency relationship. When an organization exercises greater dependency on its members, the members will have greater power in the organization. Sometimes high-ranking officials may have to depend on low ranking members who have expertise over the high-ranking members. Hence, the high-ranking officials have to depend on members at the lower levels.

The uncertainly elements in the dynamic of power can be understood from the following points : The people who can absorb the organization's uncertainty are likely to have more power as the organization work to avoid uncertainty. Uncertainty depends on the nature of the organization. For example, in a factory producing Air conditioners, the labourers are more powerful in administration, the production engineers are powerful in managing and dealing with machines and technologies. The dynamic of power relating compliance can be ascertained from the following points. : People employ with legitimate power most often than the other sources of power. They also comply with expert power. Power perceives reward and coercive power as weak for complying with manager's requests. Moreover, power is also determined by the availability of alternatives. People may seek an alternative source of resource rather than depending on a particular person's resource.

#### 8.1.5 The Empowerment as a Process of Sharing Power

The process of empowerment centres involving people and enabling them to take ownership of their work process and outcomes. Empowered individuals have a sense of trust, energy, commitment, responsibility, and pride in their work and its product or service. Empowering people is essential in contemporary organizations that are flatter, more dispersed, outsourced, virtual, and networked. And, because workforces are so diverse, one size of motivation does not fit all. Empowering individuals of different cultural, religious, socio-economic, age, and educational backgrounds requires organizational behavioural skills such as communication, leadership, delegation and understanding how to motivate. Empowerment, therefore, involves managerial involvement on an individual and team basis. Empowerment is a process. Leaders empower followers through a number of processes and means : by providing direction through ideals, vision, and super ordinate goals; by stimulating with ideas and proposals; by rewarding formally through incentive systems and informally through personal and peer recognition; by using inspiration, involvement, and feedback sessions to further a follower's development; and by appealing to the needs for autonomy and independent of followers.

### 8.1.6 How Power is Acquired ?

Power is acquired by enhancing other dependency of self and reducing uncertainty, as pointed out by Robbins in his books on Organizational Behaviour. The more details are as below :

- The greater an individual dependency on another person, the more power the other person has over the individual. For example, if *X* possesses anything *Y* requires, and *X* alone have control over it, he makes *Y* dependent upon him and acquired power over.
- Low ranking group members with expert knowledge are likely to exert power over high-ranking members who do not possess such expert knowledge. Thus, creating more dependency on low ranking members. For example, a motor mechanic may create strong and potent power base by obtaining the expert knowledge upon which the high-ranking person (car owner) is dependent.
- A person who cannot be easily replaced by others, has more power than those who can easily be replaced. The greater the unique quality one possesses, the more advantage he has in exercising influence over others.
- Individuals having the ability to reduce the group uncertainty may have higher potential power than those who are not able to it. In other words, individuals having the ability to minimize and absorb uncertainty acquire an important resource to enhance their power.

## 8.2 POLITICS

A number of definitions of the term ‘politics’ in organization could be found. Some authority defines politics as the management of influence to obtain ends sanctioned by the organization. Tushman defines “Politics refers to the structure and process of the use of authority and power to effect definition of goals, direction and the other major parameters of the organization. Decisions are not made in a rational or formal way but rather through compromise, accommodation and bargaining”. Pfeffer defines politics as involving “those activities taken within organizations to acquire develop, and use power and other resources to obtain one’s preferred outcomes in a situation in which there is uncertainty or dissensus about choices”. Thus, politics are intentional acts of influencing others through the acquired power to enhance self-interest and advancement.

### (a) Characteristics of Politics.

1. Political action take place when an actor recognises that the achievement of his goals is influenced by the behaviour of others.
2. Politics involve the management of influence to obtain ends not sanctioned by the formal organization.
3. Any behaviour by organizational member that is self-serving may be termed ‘Political’.
4. Organizational politics exists wherever people work together.
5. Politics takes place in varying degrees in all organizations.
6. All behaviour cannot be treated as political. For example, demanding for a pay rise by an employee is not a political behaviour, but the use of threat to increase in pay would be a political act.

### (b) Causes of Increase Political Behaviour.

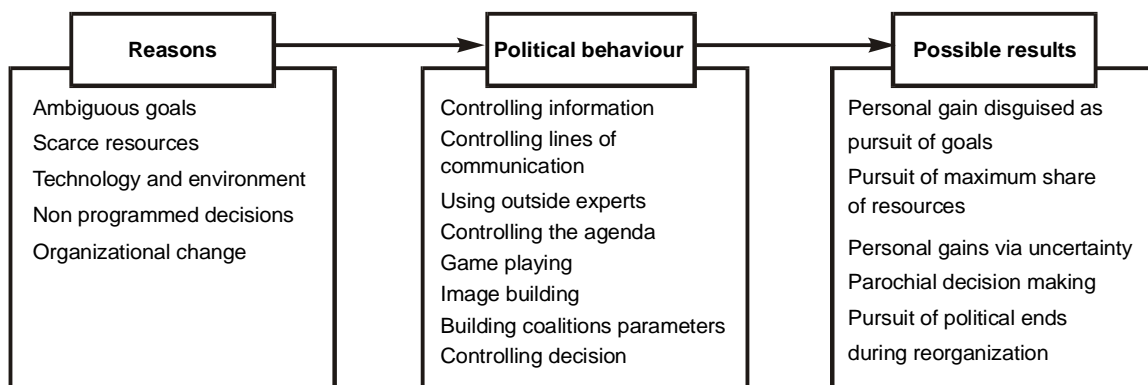
Political behaviour would probably emerge when someone or something upsets the status quo of the organization that is when some change occurs. The causes of political behaviour include the followings :



1. **Technological and Environmental Change.** This is one of the frequently mentioned causes of increased political behaviour. The introduction of computers, automation, changes in government regulations, and increased competition, etc. can cause increased political behaviour.
2. **Personnel Changes.** Personnel changes generally involve promotions, transfers, etc. at the executive levels. New people bring with them uncertainty, differing opinions, and possibly a change in the make-up of groups and coalitions. This may also cause increased political behaviour.
3. **Structural Change.** Structural or organizational change aims at the core of power and authority relationships and therefore, can be expected to induce political behaviours. When reorganizations occur, no one expect change in jobs, duties, responsibilities, and authority.
4. **Interdepartmental Coordination Activities.** These can also facilitate political behaviours. This is because those relations between interacting groups are sometimes not well defined, requiring a set of co-ordinating mechanisms. When these mechanisms, For example, rules, task, etc. are not used or are improperly used, political behaviours may be utilised to define boundaries and to reduce uncertainty.
5. **Resource Allocation.** Political behaviours can initiate particularly when there is a scarcity of resources. When the resources are limited, some units will take advantage and some will lose the advantage as a result of allocations process.

### 8.2.1 Organizational Politics

Organizational politics (the use of power and influence) happens all the time : individuals and groups strive to exert their interpretations and preferences over organizational goals; groups compete over resources, rewards, and recognition; ambiguous information is used for strategic ends; “facts” are used for difference interests. Politics, defined as the need and ability to have use power, is a natural phenomenon. Politics, like power, can become dysfunctional, destructive, and even immoral when individuals or groups use power to supersede organizational goals for their own private ends. Self-interests and organizational interests must always be weighed and balanced. Political behaviour works against the organization when self-interests are not aligned with those of the organization. Bill Gates has effectively understood and used his knowledge as power to build Microsoft Corporation, which might be the world’s most successful software technology company.



**Fig. 8.1. Use of political behaviour : Reasons, Techniques and Results.**

Organizational politics are plans, tactics and strategies for seizing, holding, extracting and executing power in organizations. Politics are used by individuals and groups to achieve their respective goals. There is a relationship between power and politics. In the words of Pfeffer, “if power is a force, a store of potential influence through which events can be affected politics involves those activities or behaviours through which power is developed and used on organizational settings. Power is a property of the system at rest : politics is the study of power in action”. Organizational politics may include the following :

- *Behaviour that is outside the normal legitimate system of influence, may become illegitimate.*
- *Behaviour that is designed to benefit the individual or group at the expense of the organization and*
- *Behaviour that is intentional and designed to acquire and maintain power, has conflictive means.*

### 8.2.2 Sources of Politics and Political Behaviour

Uncertainty is usually a source for political activity as well as for an opportunity to accrue power. Certain situations provide especially fertile growing ground for uncertainty, which provides opportunities for individuals and units to define their interests. These include lack of an organizational vision and mission, unclear organizational goals and objectives, poorly defined performance metrics and measures, poorly coordinated teams and units, or major change programs that are poorly planned. Unproductive and even destructive political behaviour and competition between groups and individuals can occur when leaders do not see and correct these sources of uncertainty. On the other hand, organizational members and groups who seek to constructively define areas of uncertainty for the good of the organization can accrue power in politically responsible systems. A summary of a research studies provided an insight into the general nature of the sources of the organizational politics.

- Sixty percent of the managers said organizational politics was a frequent occurrence.
- The larger the organization, the greater the perceived political activity.
- Ambiguous roles and goals and increased conflict were associated with increased political activity.
- Marketing staffs and members of corporate boards of directors were rated as the most political, while production, accounting, and finance personnel were viewed as the least political.
- Reorganizations and personnel changes prompted the most political activity.

### 8.2.3 Preventing and Controlling Dysfunctional Politics

Each organization differs in the specific nature of its politics. The dimensions offered here are broad categories that can be used to mitigate unconstructive political activity. Strategies for reducing, preventing, and managing dysfunctional aspects of organizational politics include the following actions.

#### (a) To Reduce System Uncertainty

- Make clear what the bases for evaluation are.
- Differentiate rewards among high and low performers.
- Make sure the rewards are as immediately and directly related to performance as possible.

#### (b) To Reduce Competition

- Try to minimize resource competition among managers.
- Replace resource competition with externally oriented goals and objectives.

**(c) To Break Existing Political Group**

- When highly cohesive political empires exist, break them apart by removing or splitting the most dysfunctional subgroups.
- If you are an executive, be keenly sensitive to managers whose mode of operation is the personalization of political patronage. First, approach these persons with a directive to “stop the political maneuvering”. If it continues, remove them from the positions and, preferably, the company.

**(d) To Prevent Future Politisation.** Make one of the most important criteria for promotion an apolitical attitude that puts organization ends ahead of personal power ends. Finally, there are strategies for managing the politics and paradoxes of transformation in planned organizational change programs. The following should be kept in mind as an organization steers its way through transformation.

- Everyone must have a voice, but cynics must be silenced. Those individuals with the most to lose from change will be the loudest opponents. Diffusing their arguments will help keep the change moving forward.
- Without taking their eyes off the horizon, leaders must watch where they step. In order to achieve an organization’s vision, the leaders must ensure that all actions take by their followers are necessary to achieve desired results.
- Change is scary, but people volunteer for dangerous tasks only when they feel safe. People will feel safe when they know their future. By giving them responsibility for the implementation and results of the transformation, the new way becomes their future.

**8.2.4 Method or Techniques of Building or Acquiring a Political Base**

According to Mintzberg, there are at least six ways of building a political power base depending on the particular focus : superiors, peers, subordinates, resources, knowledge and authority. Other popular methods are as follows :

**a. Sponsorship.** In sponsorship the person attaches to one who is already in a high position (superior). This is the boss of someone in the immediate chain of command. This strategy assumes that a certain set of rules will be followed. These rules include being totally committed, loyal and obedient to the other person and frequently expressing gratitude to the sponsor for attention.

**b. Alliance Building.** The focus here turns to one’s peers. By forming alliances, coalitions, or networks, it is expected that the group and individuals in the group, will benefit from collective action. The process of alliance buildings varies in different organization, but the general pattern followed is : an idea is promoted; supporters are sought out; an informal leader is identified; the group becomes an interesting group’ within the organization; in appropriate time it assumes greater power.

**c. Empire Building.** Building a political base with subordinates is called empire building. The manager, seeks to surround himself with people or functions that can act to increase one’s importance. Two strategies are followed in empire building. First the manager attracts rewards and retains highly skilled people and allows them the freedom to perform. In this process, sometimes, the manger will not permit good subordinates to progress their efforts leading to be promoted. The second strategy is to acquire excellent subordinates through assuming responsibility for other units, which is called power grabbing.

**d. Budgeting.** This is one of the best strategy for political power-building. The purpose is to give control of important resources (financial) so as to improve one’s position.

**e. Expertise.** This concept is based on the principle that knowledge is powerful in today's organizations. With this approach the individual's skills and knowledge are emphasized, and the importance of the unit to the total organization is stressed. The introductions of computer system, Management information system etc. are good example to this.

**f. Lording.** This approach is a game in which legitimate authority is misutilised. In other words, the manager uses bluff, faking etc. to influence others far in excess of what is authorised to him. For example, a purchasing agent of a large manufacturing company tells sales representatives from supplying firms that he is the only person makes the decisions on what is purchased, from whom and how much? In reality the actual decision is taken by the director or some one authorized to it.

### SUMMARY OF KEY POINTS

Power, for an individual, is the ability to influence someone else to do something that he or she wants. At the organisation level, power is the ability of those in control over resources to impact stated goals. The power dependency analysis is a method for diagnosing power in organisations. It involves mapping the major players between the individual and / or an organisation and its constituencies. The meaning of empowerment and the management of power differs across culture and countries. uncertainty is usually a source for political activity as well as for an opportunity to accrue powers.

### TEST YOURSELF

## 8.1 I Speak Your Language

### INSTRUCTIONS

It is not possible to get right or wrong answers on this questionnaire. Basically, this is a survey that enables you to describe the underlying strengths you use in your relationships with others. You will be presented with a number of self-descriptive statements, each of which will be followed by four different endings. You are to indicate the order in which you feel each ending is characteristic of yourself. On the answer sheet to the right of each ending, fill in the number (4, 3, 2 or 1) according to which alternative is most like you. Use number 4 for the ending most like you; 3 next most like you; 2 next most; and number 1 least like you.

- 1. I am likely to impress others as :**
  - (a) Practical and direct.
  - (b) Emotional and somewhat stimulating.
  - (c) Astute and logical.
  - (d) Intellectually oriented and difficult to understand.
- 2. In the way I approach my work, I :**
  - (a) Want it to be stimulating and involve lively interaction with others.
  - (b) Concentrate to make sure the work is systematically or logically developed.
  - (c) Want to be sure the work has a tangible benefit that will justify spending my time and energy on it.
  - (d) Am most concerned as to whether the work is innovative or advances knowledge.

- 3. In communicating with other, I may :**
  - (a) Appear to lost interest with talk that is too detailed.
  - (b) Convey impatience with those who express ideas that are obviously not complete.
  - (c) Show little interest in thoughts and ideas that show little or no originality.
  - (d) Usually ignore those who talk about the future and direct my attention to what needs to be done right now.
- 4. When circumstances prevent me from doing what I want, I find it most useful to :**
  - (a) Review any weakness in my approach and modify it accordingly.
  - (b) Re-think all that has happened and develop a new hypothesis or model for action.
  - (c) Keep in mind the basics, identify the key obstacle or obstacles, and modify my plan.
  - (d) Analyse the motivations of others and develop a new awareness of the situation.
- 5. Sometimes I think I may appear to others as being :**
  - (a) Too emotional or too intense.
  - (b) Almost too controlled or perhaps too logical.
  - (c) Too concerned with specifics and matters related to how to do the task.
  - (d) Very concerned with ideas and not showing my feelings.
- 6. When I write to an individual I do not know, I usually try to :**
  - (a) Clarify the reasons for the contact and relate this to my purpose in writing.
  - (b) Highlight in plain language what I want, need, or expect of the other person.
  - (c) Show how my main points fit into a broader perspective.
  - (d) Reveal some aspect of my style and myself.
- 7. When confronted by others with a different point of view, I can usually make progress by :**
  - (a) Getting at least one or two specific commitments on which we can build later.
  - (b) Trying to put myself in someone else's place.
  - (c) Keeping my composure and helping others to see things simply and logically.
  - (d) Relying on my basic ability to conceptualize and pull ideas together.
- 8. In terms of the dimension of time, I probably concentrate most on :**
  - (a) Whether what I'm doing or planning to do is going to hurt or disturb others.
  - (b) Making sure that any actions I take is consistent and part of a systematic progression.
  - (c) My immediate actions and involvements, and whether they make sense today.
  - (d) Significant long-range actions I plan to take and how they relate to my life's direction.
- 9. In reacting to individuals whom I meet socially, I am likely to consider whether :**
  - (a) They can contribute ideas and challenge.
  - (b) They seem thoughtful and reflective.
  - (c) They are interesting and fun to be with.
  - (d) They know what they're doing and can accomplish things.

- 10. In speaking to groups with whom I have little regular contact, I would hope to leave the impression of being :**
  - (a) A systematic thinker who can analyse the kind of problems the particular group is concerned about.
  - (b) An individual capable of making some innovative contribution.
  - (c) A pragmatic and resourceful individual who could help the group define its concerns and who could assist in solving their problems.
  - (d) A lively and effective individual who was sensitive to their moods and needs.
- 11. In stressful interactions with others, I may occasionally :**
  - (a) Be too open, expressing feelings that might have been better left unsaid.
  - (b) Be overly cautious and avoid some contacts that might have proved rewarding.
  - (c) Become so concerned with a given facet of a person that I fail to see other less obvious, but important characteristics.
  - (d) Be influenced by others who are gifted, but who perhaps lack specific direction.
- 12. If I am not careful, others may at times feel that I am :**
  - (a) Highly unemotional and inclined towards being impersonal or detached.
  - (b) Superficial or self-centered.
  - (c) Snobbish, superior, or condescending.
  - (d) Moody, excitable, or unpredictable.
- 13. I feel satisfied with myself when I :**
  - (a) Get more accomplished than I planned.
  - (b) Understand the underlying feelings of others and react in a helpful way.
  - (c) Solve a problem by using a logical or systematic method.
  - (d) Develop feasible new thoughts or ideas.
- 14. I find it easy to be convincing when I am :**
  - (a) Sensitive to my own feelings and those of others.
  - (b) Logical, patient, and forbearing.
  - (c) Practical and direct.
  - (d) Intellectually in control of things and take all relevant factors into account.
- 15. I enjoy it when others see me as :**
  - (a) Intellectually gifted and having wisdom.
  - (b) An individual who knows where he or she is going and has competence to get there.
  - (c) Creative and stimulating.
  - (d) A dependable individual who gets things done and is reliable.
- 16. When things are not going well, I feel it is preferable to :**
  - (a) Maintain an approach that has proved effective before, even though by taking risks I might win with more victories.
  - (b) Be respected as original even if it costs me something in the short term.
  - (c) Concentrate on getting what I want accomplished right now even if it does not leave a memorable impression.
  - (d) Be spontaneous and say what I really think.

**17. When others pressure me, I am :**

- (a) Overly emotional, impulsive, or inclined to lose control of my feelings.
- (b) Too inclined towards being analytical and critical of them.
- (c) Too concerned with proving myself with immediate action.
- (d) Inclined to step back into my own world of thought.

**18. In considering my approach to difficult situations, it is possible that I become overly involved :**

- (a) An intellectual arguments.
- (b) Getting and doing as I wish in the current issue.
- (c) In the world of concepts, values, and ideas.
- (d) About the feelings of others.

**ANALYSIS AND INTERPRETTATION**

Since the tool is reserved exclusively for private circulation, the author requests all readers to mail your score shaangrila@rediffmail.com with details such as question no : and corresponding score against four options for detailed inference.

**Source :** *Education Institute of American Hotel And Motel Association, Chicago ,USA MIT,USA courseware.*  
*Courtesy : Prof. Simon-Director of TQM PROGRAMME.*

**8.2 Review Questions**

1. Define power and politics.
2. Explain how important power hierarchy to the organisation.
4. How can we acquire power ?
3. Explain the sources of power.
5. Define organisation politics and method of resolving politics.
6. How do you control dysfunctional organisation politics ?

**8.3 Discussion Questions**

1. Imagine you as a CEO of a social welfare institution. How do you acquire power among the members ?
2. Explain various methods resorted to different people of yours in acquiring political base in any organisation .

**8.4 Student Exercise**

Acquiring Power presents a constant challenge for managers. Politics occurs on a variety of levels within and beyond the organization. Types of politics that a manager must effectively confront include interpersonal, cross-cultural, and inter-group. The latter category, inter-group, can sometimes be observed between representatives of employees (*i.e.* unions) and representatives of the organization (managers) or government agencies. Discover whether there are similarities or differences between countries in handling Organisational politics. It encompasses a broad range of issues. A certain level of organisational politics is necessary for change to occur. Differences in culture are more than just a source of power and politics. Global managers have the capacity and ability to influence organizational events on a large scale. Evaluate the extent to which cultural background shapes and/or influences the political styles and abilities of global managers. What do you see as similar trends across these global leaders and managers ? What are the differences ? Can you identify characteristics that are unique to particular cultures ?



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## CHAPTER 9

# CONFLICT AND COMMUNICATION PROCESS IN ORGANIZATION

### LEARNING OBJECTIVES

*This chapter aims at introducing the following concepts in conflict and communication process as a pre requisite for explaining the Organisation Behaviour theories and practices to the readers*

- *Conflict management*
- *Nature and type*
- *Conflict orientation*
- *Conflict resolution technique*
- *Communication process*
- *Communication medium and methods*
- *Johari window*
- *Transactional analysis*
- *Electronic information processing*
- *Listening*
- *Organisational methods of communication and*
- *Barriers to effective communication*

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# Conflict and Communication Process in Organization

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Behavioural scientists widely recognize that conflict in organizations is a basic process that needs managing. Some conflict scholars argue that conflict is vital to continuous improvement in organizations and that conflict management is crucial to its successful use. Many managers, though, believe they should eliminate conflict from their organizations. Social scientists who have studied conflict also have usually focused on its negative results. Although this chapter's observations are supported by the results of much conflict research, you will find parts of this chapter unsettling if you have a negative view of conflict. Conflict in organizations is a fascinating subject in its own right and something that any manager needs to understand thoroughly. This chapter also focuses the importance of communication among the internal and external customers for realising the objectives of an organization that too in the Internet age is well discussed.

## 9.1 CONFLICT MANAGEMENT

Conflict Management focuses on maintaining conflict at functional levels for a department, work unit, or an entire organization. Conflict management does not mean the complete elimination of conflict nor does it refer only to conflict reduction. It means maintaining conflict at the right level to help the department, work unit, or organization reach its goals. Basic to the process of conflict management is the selection of a desired level of conflict. The desired level of conflict varies according to the perceived conflict requirements of the unit. Several factors affect the choice of the desired level of conflict, organizational culture place differing values on debate, disagreement, and conflict itself. Managers in organizational cultural that support debate, doubt, and questioning may perceive a higher desired level of conflict than those who do not. The nature of the organization's products or services also affects the desired level of conflict. Creative and innovative products or services require a higher level of conflict than more routine and predictable products and services.

Organizations facing fast-changing external environments require higher conflict levels for successful adaptation than organizations facing stable external environments. Suppression and withdrawal are two symptoms of dysfunctionally low conflict. Suppression includes denial of difference and a desire to perceive similarities between parties that do not exist. Repressing controversial information and prohibiting disagreements about legitimate issues also are signs of suppression. Withdrawal includes reduced communication to avoid interactions that could lead to controversy, the belief in "peace at any price", and walking away from a disagreeable interaction. Because of the growing complexities of organizational life and the demands made upon individuals and groups, conflicts are more likely to be a usual occurrence than a rarity in contemporary organizations.

(a) **Functional and Dysfunctional Conflict.** Functional conflict works toward the goals of an organization or a group. Dysfunctional conflict blocks an organization or a group from reaching its goals. Conflict is dysfunctional when it is either higher than needed by a group to reach its goals or so low that a group is less effective than it could be in reaching its goals. Because the boundary between functional and dysfunctional conflict is often fuzzy, deciding what level of conflict is functional requires a manager to understand both the positive and negative results of conflict. A knowledgeable manager then tries to manage conflict to keep it within functional bounds.

Conflict that is functional in one group can be dysfunctional in another group. A process analysis team that is trying to solve a difficult quality problem, *For example*, might need more conflict than a group doing routine tasks. The conflict requirements of a group or an entire organization can also change with time. Conflict that is functional at one point can be dysfunctional at another point. Organizations or groups that have enjoyed an unchanging environment may need more conflict to help adapt to a turbulent environment. Dysfunctional high conflict can produce excessive levels of tension, anxiety, and stress. It can drive out people who could be valuable to the group but cannot tolerate such a high level of conflict. Dysfunctional high conflict can also reduce trust, leading to continual antagonistic interactions. As a result, one or more parties to the conflict may withhold or distort information. Poor-quality decision-making can result when conflict reaches a dysfunctional level. The conflict can also become the focus of management's attention, diverting valuable resources from other tasks. Dysfunctional low conflict is the opposite of functional conflict. The organization or group does not encourage new ideas or tolerate different points of view. Decisions are made with poor information. The organization encourages traditional approaches, although the external environment requires innovation and change. This description of dysfunctional conflict may strike you as strange because of the widespread idea that conflict is bad for organizations.

(b) **Conflict Frames and Orientations.** People can approach conflict episodes with different perceptual frames. They also can have different conflict orientations that can affect their behaviour during the episode. If you must manage conflict, understanding these frames and orientations can help your diagnosis of the conflict. Conflict frames are the perceptual sets that people bring to conflict episodes. They act as perceptual filters removing some information from the episode and emphasizing other information. Research has identified conflict frames that vary along three dimensions.

<b><i>Relationship-Task</i></b>	:	<i>A relationship emphasis focuses on the party's interpersonal relation. A task emphasis focuses on material aspects of an episode, such as a monetary budget.</i>
<b><i>Emotional-Intellectual</i></b>	:	<i>An emotional emphasis focuses on feelings in the episode (felt conflict). An intellectual emphasis focuses on observed behaviour (manifest conflict).</i>
<b><i>Cooperate-Win</i></b>	:	<i>A cooperation focus emphasizes the role of all parties to the conflict. A party with a winning focus wants to maximize personal gain.</i>

(c) **Latent Conflict.** Latent Conflict refers to factors in the person, group, or organization that might lead to conflict behaviour. These conditions are the antecedents to conflict and are a potential for conflict in an organization.

(d) **Perceived Conflict.** Even when latent conflict factors are present, those potentially in conflict may not perceive conflict. Two mechanisms limit the perception of conflict. People can block out mild conflict by suppressing their awareness of it. If many conditions exist for conflict in an organization, individuals may focus on them selectively, letting them successfully manage the conflict.

(e) **Felt Conflict.** Felt conflict is the emotional part of a conflict episode. At least one individual personalizes the conflict and focuses on the parties involved, losing sight of the underlying issues. Some conflict episodes never enter the felt conflict stage. Two individuals disagree but neither feels any hostility towards the other. They treat the disagreement as an issue to settle that has nothing to do with them personally.

(f) **Manifest Conflict.** Manifest conflict is the actual conflict behaviour between the parties to the conflict episode. It can be oral, written, or physical aggression. Oral manifestations are the arguments we often see either between ourselves and another person or between other people. Written manifest conflict is the exchange of memoranda or other documents designed to make a point or win an argument. Physical aggression is strongly negative conflict behaviour intended to injure an opponent.

**9.1.1 Conflict Orientation**

The five conflict orientations are dominance, collaborative, compromise, avoidance, and accommodative. The following describes each orientation.

- *Dominance* : Person wants to win the conflict episode and overwhelm the other party; views conflict episodes as battles to fight and win.
- *Collaborative* : Person wants to satisfy the wishes of all parties to the conflict and sincerely wants to find a solution that satisfied.
- *Compromise* : Person splits the difference so each party gets only part of what he wants. Conflict episodes feature “house-trading”, giving something to get something.
- *Avoidance* : Person backs away from a conflict episode, possibly because of low tolerance for conflict and
- *Accommodative* : Person focuses on needs and desires of the other party to the conflict, ignoring his own needs and desire.

Research evidence strongly shown that a collaborative orientation to conflict yields more positive long-term benefits for organizations than the other four orientations. Benefits include better decisions, increased trust, and an increased satisfaction with the results of a conflict episode.

**Table 9.1. Conflict Resolution Techniques**

<b>Problem solving</b>	Face-to-face meeting of the conflicting parties for the purpose of identifying the problem and resolving it through open discussion.
<b>Super ordinate goals</b>	Creating a shared goal that cannot be attained without the cooperation of each of the conflicting parties
<b>Expansion of resources</b>	When a conflict is caused by the scarcity of a resource-say, money, promotion opportunities, office space-expansion of the resource can create a win-win solution.
<b>Avoidance</b>	Withdrawal from, or suppression of, the conflict.
<b>Smoothing</b>	Playing down differences while emphasizing common interests between the conflicting parties.
<b>Compromise</b>	Each part to the conflict gives up something of value.
<b>Authoritative command</b>	Management uses its formal authority to resolve the conflict and communicates its desires to the parties involved.
<b>Altering the human variable</b>	Using behavioural change techniques such as human relations training to alter attitudes and behaviours that cause conflict.
<b>Altering the structural variables</b>	Changing the formal organization structure and the interaction patterns of conflicting parties through job redesign, transfers, creation of coordinating positions, and the like.

<b>Conflict Stimulation Techniques</b>	
<b>Communication</b>	Using ambiguous or threatening messages to increase conflict levels.
<b>Bringing in outsiders</b>	Adding employees to a group whose backgrounds, values, attitudes, or managerial styles differ from those of present members.
<b>Restructuring the organization</b>	Realigning work groups, altering rules and regulations, increasing interdependence, and making similar structural changes to disrupt the status up.
<b>Appointing a devil's advocate</b>	Designating a critic to purposely argue against the majority positions held by the group.

**Source :** Based on S.P. Robbins, *Managing Organizational Conflict : A Nontraditional Approach* (Upper Saddle River, NJ : Prentice Hal).

### 9.1.2 Intraorganization Conflict

Intraorganization conflict includes all types of conflict occurring within an organization. This type of conflict happens at the interfaces of organization functions created by the design of the organization. Such conflict can occur along the vertical and horizontal dimensions of the organization. Vertical conflict develops between managers and subordinates. Horizontal conflict occurs between departments and work groups. Intergroup conflict is conflict among members of a group. Conflict within a group is likely to be highest during the early stages of group development when there are strong differences among members. Intergroup conflict is conflict between two or more groups in an organization. This type of conflict often has its roots in the design of the organization. Interpersonal conflict is conflict between two or more people, such as between a customer and a sales clerk or between two people within an organization. Interpersonal conflict is the most basic form of conflict behaviour in organization. Intrapersonal conflict is conflict that occurs within an individual. The conflict arises because of a threat to the person's basic values, a feeling of unfair treatment by the organization or from multiple and contradictory sources of socialization. Interorganization conflict is conflict between two or more organizations that results from relationship between them. *For example*, an organization may become highly dependent on its suppliers or distributors, increasing the potential for conflict over delivery times or other agreements.

### 9.1.3 Conflicts at the Intergroup Level

In-group relations, where interdependence is required for the accomplishment of tasks, conflicts can arise for any number of reasons. There may be unresolved differences in defining goals or methods or reaching the goals, or in the perceptions concerning the distribution of rewards to each group. Conflict can be exciting, engaging, and organizationally significant. The conflict can, in fact, product reactive problem solving and collaboration among persons. As long as contact is maintained and individuals (or groups) are earnestly aiming for the best creative achievement, the conflict can be productive. The more sharply they differ, and the more intense the feelings, the more likely they are to produce a collective solution which is better than the individual or group solution. Conflicts in an organization exist at all levels of the system. In some ways it is possible to conceptualize a theory or organizational development, and its subsequent technology, in terms of conflict resolution. This is so because one of the primary problems in organizations is achieving the degree and quality of collaboration necessary for



over-all system effectiveness. It has been argued that conflict within an organization can be best understood as a dynamic process underlying a wide variety of organizational behaviours. The term conflict refers neither to its antecedent conditions, nor individual awareness of it, nor certain affective states, nor its over manifestations, or its residues of feelings, precedent, or structure, but to all of these taken together as the history of a conflict episode.

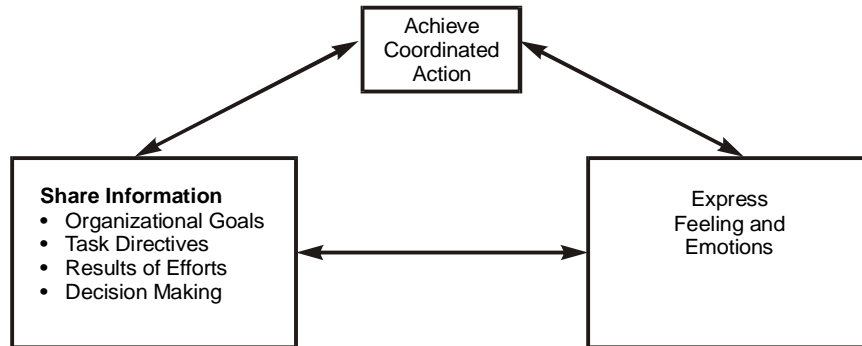
Conflict is not necessarily bad or good, but must be evaluated in terms of its individual and organizational functions and dysfunctions. In general, conflict generates pressures to reduce conflict, but chronic conflict persists and is endured and under certain conditions, and consciously created and managed by the politically astute administrator. Conflict resolution techniques may be applied at any of several pressure points. Their effectiveness and appropriateness depends on the nature of the conflict and on the administrator's philosophy of management. The tension model leads to creation of safety-valve institutions and the semantic model to the promotion of open communication. Although these may be perfectly appropriate for certain forms of imagined conflict, their application to real conflict may only exacerbate the conflict. A general theory of conflict has been elaborated in the context of each of three conceptual models : (1) a bargaining model which deals with interest groups in competition for resources; (2) a bureaucratic model, which deals with authority relations and the need to control; and (3) a system models, which deals with functional relations and the need to coordinate.

#### **9.1.4 Conflicts at the Interpersonal Level**

Interpersonal conflicts often arise in organizations. Sometimes they are the result of differing value systems, sometimes of unresolved differences in personal style or work methods. There are occasions when individuals interpret situations as competitive rather than collaborative; there are others when issues of trust and acceptance are critical in work relationships. Role ambiguity, For example, can often result in intense conflict within work teams.

## **9.2 COMMUNICATION**

Communication plays a vital role in the life of an organization, not only through the dissemination of information, but also as a form of behaviour. Communication is the transfer of information and understanding from one person to another person. It is a way of reaching others with ideas, facts thoughts, and values. In the words of Billy J. Hodge, "Communication can be thought of as an attempt to achieve as complete and as accurate an understanding as possible between two or more people. It is an act characterized by a desire in one or more individuals to exchange information, ideas or feelings. This desire is implemented by using symbols, signs, actions, and pictures as well as other verbal and non-verbal elements in speaking and writing. According to Herbert A. Simon, "Communication may be formally defined as any process whereby decisional premises are transmitted from one member of an organization to another". Thus, communication is a process involving two people, a sender and a receiver. Effective communication depends on the ability to listen as well as to speak. The end result of communication is understanding and to motivate a response. Communication is the process in which two or more parties exchange information and share meaning.

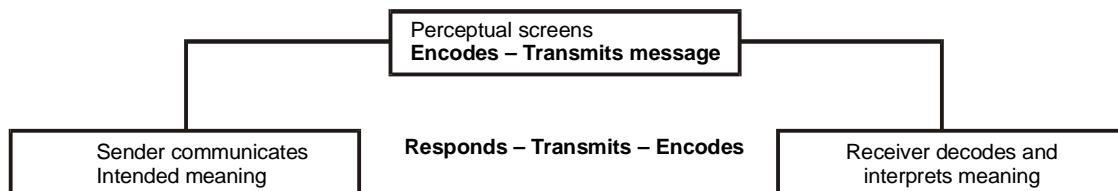


**Fig. 9.1. Showing the purpose of communication.**

The purposes of organizational communication. Achieving coordinated action is the prime purpose of communication in organizations. Sharing information properly and expressing emotions help achieve coordinated action.

### 9.2.1 The Communication Process

As a process, communication involves sending and receiving information (messages) through symbols—that is, words, nonverbal cues, attitudes, and moods, simply stated, communication involves Who ... says what, ... in which way..., to whom,... with what effect ? A simplified model of the communication process is presented in Figure 9.2 Note, however, that sending and receiving a message is rarely a straightforward data exchange because of our ever-present perceptual screens.



**Fig. 9.2. The communication process.**

The communication process is a loop that connects the sender and the receiver and operates in both directions. Communication is not complete until the original sender knows that the receiver understands the message. Encoding is the process by which the message is translated from an idea or thought into transmittable symbols. Transmission is the process through which the symbols that represent the message are sent to the receiver. The medium is the channel or path through which the message is transmitted. Decoding is the process by which the receiver of the message interprets the message's meaning. Feedback is the process in which the receiver returns a message to the sender that indicates receipt of the message. Interpersonal communication involves a process that is defined by at least four factors.

- *Feelings about oneself.*
- *Feelings about the other.*
- *Feelings about the content of what is to be discussed and*
- *Feelings about the subject being discussed.*

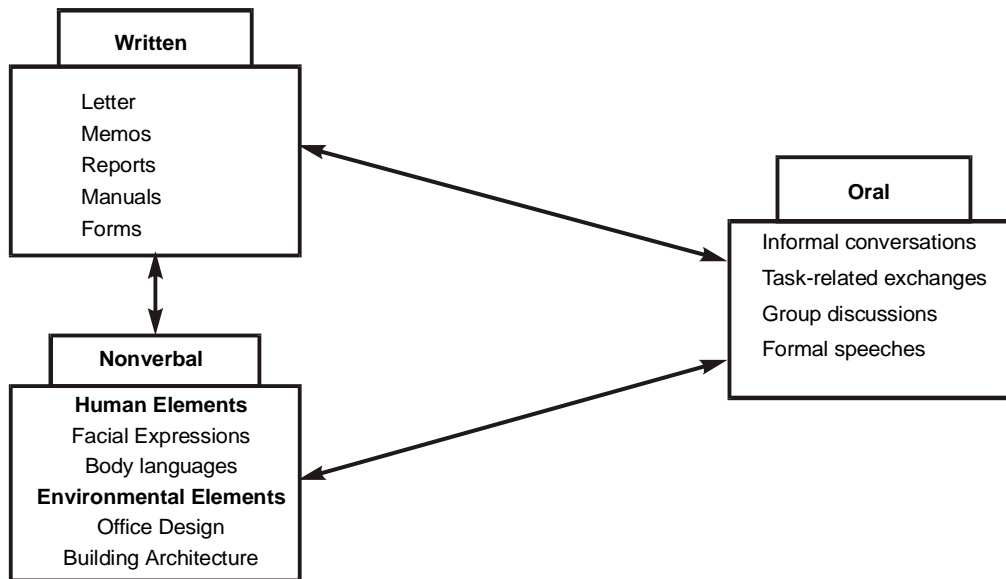
Communication processes in organizations are continuous and constantly changing. They do not have beginning or an end, nor do they follow a strict sequence. During communication, the sender creates messages from one or more symbols to which he attaches meaning. Messages can be oral, written, or nonverbal; they can also be intentional or unintentional. Messages deal with tasks to be done, maintenance of organizational policies, or information about some state of the organization. They can go to people inside the organization or outside. Organization communication includes the purpose, flow, and direction of messages and the media used for those messages. Such communication happens within the complex, interdependent social systems of organizations. Think of organizational communication as another view of behaviour in organizations. This chapter calls such behaviour “message behaviour”, behaviour that includes sending, receiving, and giving meaning to messages.

**Table 9.2. Showing different medium**

Communication	Information Richness	Data Capacity
Face-to-face discussion	Highest	Lowest
Telephone	High	Low
Electronic mail	Moderate	Moderate
Individualised letter	Moderate	Moderate
Personalised note or memo	Moderate	Moderate
Formal written report	Low	High
Flyer or bulletin	Low	High
Formal numeric report	Low	Highest

**Source :** *R.L. Draft and R.H. Lengal, Information Richness : A New Approach to Managerial Behaviour and Organizational Design in B. Slow and L. Cummings, ed., Research in Organization Behaviour, Vol.6., Greenwich, Conn., JAI Press.*

Verbal and nonverbal communications are the two major types of communication found in organizational communication processes. Verbal communication includes oral, written, and electronic forms of communication. Nonverbal communication includes eye movements, gestures, facial expression, tone of voice, and the like. Oral communication includes all forms of speech between a sender and receiver. It can occur during face-to-face interaction or by telephone, radio, or television. Although oral communication usually has the immediate attention of the receiver, the message can be recorded and played later, cassette recordings, telephone answering devices, and computer-recorded voice mail are examples. Written communication is any form of handwriting, printed memo and report, or message sent over an electronic medium such as a computer network. The receiver’s response is more delayed in written communication than in oral communication because the receiver must first read the message before interpreting and responding to it. As you are aware, you resume an important written communication about yourself. As modern technology develops, electronic or video communications are becoming increasingly important. Such communication includes e-mail, computer networks, fax machines, computer conferencing, and video conferencing. Those methods offer the advantages of speed, accuracy, and easy dispersal to many locations, direct interaction, and quick feedback. Video conferencing also allows people in different places to see each other while they talk.



*Fig. 9.3. Methods of communication in organization.*

### 9.2.2 Nonverbal Communications

Nonverbal communication is behaviour that communicates but does not use written or spoken words. Examples include gestures, posture, seating position, pitch of voice, speed of speech, and the physical environment of the communication interaction. People use these to communicate explicitly or implicitly with each other. Individuals combine verbal and nonverbal communications to create unique communication styles. The functions of organizational communication include information sharing, feedback, integration, persuasion, emotion, and innovation. Communication processes help share information with people both inside and outside the organization. The information includes descriptions of the organization's mission, strategy, policies, and tasks. Descriptions of the organization's mission go to organization members, to stockholders, and through advertising and other media, to people outside the organization. Information about task direction and feedback on task performance mainly goes to members of the organization.

Modern organizations feel they must turn out a continuous stream of innovative services and products to meet competition in both domestic and world markets. The communication process lets an organization gather information from its external environment and move it to key decision points within the organization. As managers make innovative decisions, they can move information about those decisions to people both inside and outside the organization. By supporting innovation, the communication process plays a major role in the adaptation of the organization to its ever-changing external environment. Many people in the communication profession consider listening to a primary skill for success in almost any activity. It is the first skill a person learns as a child, followed by speaking, reading, and writing. Listening is also a big part of human communication activities. Estimates vary, but they suggest people spend about 50 percent of their time listening. Face-to-face communication has the lowest data capacity but the highest information richness. Information that is highly personal, ambiguous, or complex and that requires persuasion as well as explanation is best transmitted face-to-face. For sending information of this nature, the telephone is the next best medium, followed by electronic mail. Formal reports contain the highest data capacity but are lowest in transmitting information richness. Managers and employees can ask certain questions before sending message inside and outside the organization. They are as follows :

- *What is the nature of the information/message being sent ?*
- *What medium is most appropriate for acceptance of this message ?*
- *What are the likely consequences if the message is transmitted through an inappropriate medium ?*

### 9.2.3 Improving Personal Communication

Following are the popular techniques employed for improving personal communication :

(a) **Johari Window.** The framework developed by Luft and Ingham is called the Johari window (taken from the first names of its authors). *The Johari window is used in our consulting to depict leadership, personality, communication effectiveness.* According to this framework, there are some attitudes or behaviours engaged in by people that they themselves know about. This known-to-self area includes their knowledge of the way they are coming across-the impact they are having with the people they are trying to influence. At the same time, part of the managers’s personality is unknown to self; that is, in some areas managers are unaware of how they are coming across to others. It may be that their followers have not given them feedback or it may be that a manager has not been alert enough to pick up some of the verbal or nonverbal feedback that actually exists within the environment. We can also look at a person’s personality that includes behaviours and attitudes known to others in a manager’s organizational setting, as well as areas unknown to others. In terms of what is known and unknown to self and known and unknown to others, we can create four areas that comprise the total window, as depicted. The arena that is known to self and also known to others in any specific organizational setting is called the public arena-it is known to all (the manager and others; that is, superior, subordinate(s), and peers) within that organizational setting.

	Known to self	Unknown to self
Known to others	PUBLIC	BLIND
Unknown to others	PRIVATE	UNKNOWN

**Fig. 9.4. The johari window.**

The arena that is unknown to self (the manager) but is known to others is referred to as the blind arena. It is unknown to the manager either because subordinates have been unwilling to share feedback with or communicate (“level”) to that person, or it may be that the data are there in terms of verbal and nonverbal behaviour but the manager is not able or does not care to “see” them. The arena that is known to self but unknown to others is referred to as the private arena since it is only known to the manager. Again, it may be private because the manager has been unwilling to share or disclose this to others in the organizational setting, or it may be private because the others in the system are not picking up the nonverbal and verbal responses that are available from the manager in the system. The last arena, unknown to self and unknown to others, is called the unknown. In Freudian psychology this would be referred to as the subconscious or unconscious.

## Feedback

There are various processes that affect the shape of the Johari window (the configuration of the four arenas). This is the extent to which others in the organizational setting are willing to share with the manager. It is the willingness of others to be open and level and to give relevant feedback to the manager. But again, you have to look at it from both perspectives. It is also the extent to which the leader is attempting to perceive the verbal and nonverbal feedback that exists in the system. Treating staff members with respect will lead to a relationship in which they feel free to share and talk. As can be seen, the more relative feedback that takes place within an organization, the more the public arena of a leader begins to extend into and displaces the blind arena and thus the smaller the blind arena that leader has.

## Disclosure

The other process that affects the shape of the Johari window is disclosure. This is the extent to which managers are willing to share with others in their organizational setting data about themselves. In the process of disclosure, the more and more organizationally relevant the information that leaders disclose about the way they think or behave, the more the public arena opens into the private arena and the smaller and smaller that arena becomes.

(b) **Transactional Analysis (T.A.).** When people interact there is a social transaction in which one person responds to another. The study of these social transactions between people is called transactional analysis (T.A.). The transactional analysis was developed by Eric Berne and he was very famous for psychotherapy in the 1950s. Its application to ordinary interactions soon was apparent and was popularized by Berne's book entitled "Games People Play" in 1964 and by Harris, Jongeward, and others. The purpose of TA is to provide better understanding of how people relate to each other, so that they may develop improved communication and human relationships. In the views of Berne, people interact with each other from one of the three psychological positions, known as ego states. These ego states are called Parent, Adult and Child, and a person can operate from any of these three positions.

His parents, older siblings, teachers and religious preachers influence parent ego state of a person. The parent ego state is reflected by these facts; "playing old tap," and utters such sentences "It is wrong", "It is good," or "you should or "you should not," and so on. There are three main kinds of parent ego states; nurturing parent, critical parent, and instructive or standard setting. They may dogmatically refer to policies and standards with such comments as "You know the rule, Thomas. Now follow it." The adult ego state will appear as rational, calculating, factual and unemotional behaviour. It rises to upgrade decisions by seeking facts, processing data, estimating probabilities, and holding factual discussion. Person with adult ego pick up the emotional content from the child ego and value-laden content from their parent ego state which are checked and verified in the perspective of actualities prevailing in the world. The child ego state reflects the emotions developed in response to childhood experiences. It may be spontaneous, dependent, creative or rebellious. Like an actual child, the child ego state desires approval from others and prefers immediate rewards. It can be identified by its emotional tone, as when an employee comments to the supervisor "you're always picking on me".

(1) **Type of Transactions.** Transactions may be (i) complementary or (ii) non-complementary. They are complementary when the ego states of the sender and receiver in the opening transaction are simply reversed in the response. When the pattern ego state is charted, the lines are parallel. This relationship is depicted in which the supervisor speaks to an employee as parent to child and the employee responds as child to parent. *For example*, the superior says "Thomas, I want you to stop what you're doing and hurry to the supply room to pick up a box they have for me." "The employee responds, "I don't want to go, because I am busy; but I will since you are the boss." If a supervisor initiates a

transaction in parent-to child pattern, the employee tends to respond from a child state. Unfortunately, a supervisor-subordinate relationship tends to lead to parent-child transactions, especially when instructions are given or appraisals are conducted. If the supervisor's behaviour is dominated by this pattern, it may lead to reduce interpersonal and group effectiveness. Non-complementary transactions or crossed transactions occur when the stimulus and response lines are not parallel, as also shown. In this instance, the supervisor tries to deal with the employee on an adult-to-adult basis, but the employee responds on a child-to parent basis.

**(2) Life Position.** Each person tends to exhibit one of four life positions. Very early in childhood a person develops a dominant way of relating to people. That philosophy tends to remain with the person for a lifetime unless major experiences occur to change it; hence, it is called a life position. Although one life position tends to dominate a person's transactions, other positions may be exhibited from time to time in specific transactions. That is, a life position dominates, but it is not the only position ever taken. Life positions stem from a combination of two viewpoints, first how do people view themselves? Second, how do they view other people in general? Either a positive response (O.K.) or a negative response (not O.K.) results in four possible life positions, which are:

<b>I'm not O.K.</b>	–	<b>You're O.K.</b>
<b>I'm not O.K.</b>	–	<b>You're not O.K.</b>
<b>I'm O.K.</b>	–	<b>You're not O.K.</b>
<b>I'm O.K.</b>	–	<b>You're O.K.</b>

*The desirable position and the one that involves the greatest likelihood of adult-to-adult transactions is 'I'm O.K.-You're O.K.'* It shows healthy acceptance of self and others.

**(3) Benefits of T.A.** Organizations that have used T.A. report that it has been moderately successful. Training in T.A can give employees fresh insights into their own personalities and it also can help them understand why others sometimes respond as they do. A major benefit is improved interpersonal communication. Employees can sense when crossed communication occurs and then can take steps to restore complementary communication, preferably in the adult-to-adult pattern. The result is a general improvement in inter-personal transactions. T.A. especially is useful in sales and other areas where success depends on customer relations.

#### 9.2.4 Electronic Information Processing and Telecommunications

Changes in the workplace are occurring at an astonishing rate. Many innovations are based on new technologies-computerised information processing systems, new types of telecommunication systems, the Internet, emerging intranets, and various combinations of these technologies. Experts have estimated that performance of new information technology (at the same cost) doubles every eighteen months. Managers can now send and receive memos and other types of communications around the world on their computer terminals, and they can do so in their cars or via their notebook computers and cellular phones. New information-processing and transmission technologies have created new media, symbols, message transmission methods, and networks for organizational communication. One of these new ways of communicating is idea sharing, or knowledge sharing, by sharing information on what practices work best. A computer-based system is necessary to store, organise, and then make available to others the best practices. In the information age, in which speed and timed competition are criteria for doing business, effective communication still depends on the extent to which information is accurately- and emotionally-received, accepted, and acted upon. Selecting the right medium is a first step in effectively communicating interpersonally, between groups, and inter organizationally. The liaison serve as a bridge between groups, tying groups together and facilitating the communication flow needed to integrate



group activities. The cosmopolite links the organization to the external environment and may also be an opinion leader in the group. The isolate and the isolated dyad tend to work alone and to interact and communicate little with others. **Communication fidelity** is the degree of correspondence between the message intended by the source and the message understood by the receiver.

**Table 9.3. Showing communication problems**

Root of the Problem	Type of Problem
Source	Filtering
Encoding and Decoding	Lack of common experience semantics; jargon medium problems
Receiver	Selective attention value judgements lack of source credibility overload
Feedback	Omission
Organizational Factors	Noise status differences time pressures overload

Organizations need to balance information load and information processing capabilities. In other words, they must take care not to generate more information than people can handle. It is useless to produce sophisticated statistical reports that managers have no time to read. Furthermore, the new technologies that are making more information available to managers and decision makers must be unified to produce usable information. Information production, storage, and processing capabilities must be compatible with one another and, equally important, with the needs of the organization. Organizations need to balance information load and information processing capabilities.

### 9.2.5 Listening

Listening is mental process of assigning meaning to the sounds. It is also an active process with the listener choosing from among listening behaviours depending on the form and purpose of the listening. The listening process includes both intrapersonal and interpersonal activities. A person receives a message from another person (interpersonal), tries to interpret it (intrapersonal), and responds to the other person to show the meaning given to the message (interpersonal). The process repeats during a communication interaction as both parties try to reach mutual understanding. With active listening, the listener is responsible for the completeness of a speaker's message. A listener's role in the communication process is not one of passively absorbing spoken message and deriving meaning from it. With active listening, the listener is responsible for hearing a speaker's message correctly. It involves accurately hearing the facts in a message and understanding the speaker's feelings about the message. Active listening features a deliberate effort to understand a message from the speaker's viewpoint. Initiators start communications and send more messages than they receive or pass on to someone else. Relayers receive and pass on more message than they start or end. The liaison role is more complicated than either the initiator or relayer. A liaison connects two parts of an organization but is not a member of either part. A liaison person helps coordinate organizational functions by getting messages from one part of an organization to another. Liaisons can hinder the flow of messages, however, if they become bottlenecks in a communication network. The last two roles involve more passive communication behaviour. Terminators are at the end of a communication network and mainly yet messages. They infrequently send messages or relay information to others in the organization. Isolates are usually outside the normal communication process. They send, receive, or relay only a few messages. Several possible communication networks can emerge in an organization. Communication over the network is often bi-directional. The following

discussion of communication networks applies to all forms of communication whether face-to-face, by electronic media, or by video media.

No discussion of communication would be complete without a discussion of **nonverbal communications**. This includes body movements, the intonations or emphasis we give to words, facial expressions, and the physical distance between the sender and receiver. The academic study of body motions has been labeled **kinesics**. It refers to gestures, facial configurations, and other movements of the body. It is a relatively new field, and it has been subject to far more conjecture and popularizing than the research findings support. Hence, while we acknowledge that body movement is an important segment of the study of communication and behaviour, conclusions must be necessarily guarded. Recognizing this qualification, let us briefly consider the ways in which body motions convey meaning.

### 9.2.6 Communication Processes in Organizations

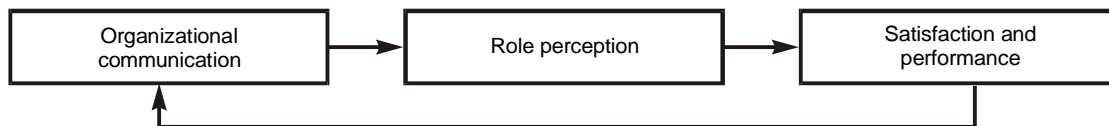
The preceding principles of interpersonal communication apply for the most part to exchanges between two individuals; when we add groups, multiple roles, technology, the goals of superiors, and structure and authority to the process, communication becomes more complicated. The changing marketplace demands that organizations communicate faster, more flexibly, and in more focused ways so the communication process, must be continually examined. Also, since organizations are increasingly forming and reinforcing strategic alliances and networked partnerships, it is important for organizational members to effectively communicate with external stakeholders. High-tech informational exchanges will continue to increase in the twenty-first century. Everyone will be using e-mail, voice mail, cellular phones, the Internet, groups' software, faxes, teleconferencing, and wireless systems not yet invented. These electronics forms of communication speed the rate at which information is transmitted and connect users up, down, across, inside and outside organizational boundaries as never before. Such high-tech forms of communication and information sharing are increasingly in use as timed competition and outsourced organizational resources (*i.e.* bought, rented, or leased from other sources) are emphasized. The rate at which Hewlett-Packard generates information today will be the norm for the organization of tomorrow. "Every month Hewlett-Packard's 97,000 employees exchange 20 millions e-mail message nearly 3 trillion characters of data, such as engineering specifications, and execute more than a quarter of a million electronic transactions with customer and suppliers".

With ever larger volumes of information transmitted electronically, it has become increasingly important for employees to be able to differentiate the types of information they receive and to correctly decide the appropriateness of the communication form, with whom the message should be shared, and the occasion on which it should be transmitted. Being able to manager the flow, the appropriateness, the quantity, and the cost of information is a necessary part of the communication structure in and between organizations

(a) **Schuler's Model of Organizational Communication.** Schuler's model of organizational communication specifies that organizational communication should be reciprocally related to performance and satisfaction. The idea of reciprocity presented in the model indicated by the arrows leads to some important implications relating to influence of communication on individuals within the organization. These implications are :

1. The person's role or his interpretation of communication may influence the communication itself.
2. Role perceptions mediate the influence of communication on employee satisfaction and performance.
3. Role perceptions reciprocate with satisfaction and performance.

The communication will be effective only when employees understand, accept and act upon the information that has been transmitted to them. The sender of message must know the various barriers that can impede not only transmission of information but also affecting understanding and acceptance of it. Communication barriers cause breakdown of communication process leading to many managerial problems.



*Fig. 9.5. Schuler's model.*

The modern communication theory presents different models of communication barriers. According to McFarland, the important barriers to communication are : unsound objectives, organization of blocks, semantic blocks and human relation problems. Theo Hermann classified them as barriers due to organizational structure; barriers caused by status and position, language and general inclination to resist change.

**(b) Communication in the Informal Organization.** Informal organizational networks (friendship circles, grapevines, rumor mills) and emergent relationships are major factors in how and with whom information is discovered, passed on, and finally acted upon, and they will continue to play this role. Because formal structures and decision-making are often slow, ineffective, and inefficient in transmitting critical information, informal social linkages and networks emerge. These linkages are not identified on a formal chart. Asking people how and with whom they talk to obtain answers to their questions is one method for constructing a grapevine and an informal social network. Sociogram were an early method used to identify frequent communication patterns and linkages among members and groups in organizations and are still used for this purpose. Sociogram are constructed by drawing circles around individuals and groups and then drawing arrows pointing to and from these parties to indicate whom they communicate with and who communicates with them and how frequently.

Informal networks and linkages not only speed up and facilitate critical decision-making within and between organizations, but also offer other social functions. They provide a release for tension and stress; convey a sense of belonging, security recognition, and interaction; and so on. In the downside of information communication networks, dysfunctional groups norms and rumor mills can be created and sustained, loyalties can begin to conflict with the larger, official organization; and coalition building can occur that resists planned organizational changes. Electronic communication is disrupting old ways of managing business . Formerly closed bureaucracies and command and control systems are being pressured to open up. It is important for leaders and followers to remain focused on the aim of all communication : coordinated action that achieves the organization's goals and mission. It is clear that with new information technologies, individuals and teams must assume more responsibility for their works, support, and training needs. Interpersonal (high-touch) and high-tech skills will be emphasized in future work. Learning environments and cultures that encourage and facilitate change are required.

**Table 9.4. Showing sources of communication problem**

Source of Problem	Examples
<b>Language</b>	<i>Coco-cola</i> in Chinese meant <b>"Bite the head of a dead tadpole"</b> . Idioms cannot be translated literally : <i>"to murder the king's English"</i> becomes <b>"to speak French like a Spanish cow"</b> in French.
<b>Nonverbal signs</b>	<i>Shaking your head up and down</i> in <b>Greece</b> means <b>no</b> , and <i>swinging it from side to side</i> means <b>yes</b> . In most European countries, it is considered impolite not to have both hands on the table.
<b>Color</b>	<b>Green</b> : Popular in Muslim countries .Suggests disease in jungle-covered countries. Suggests cosmetics in France, Sweden, and the Netherlands. <b>Red</b> : Blasphemous in African countries .Stands for wealth and masculinity in Great Britain
<b>Product</b>	<i>Coco-Cola</i> had to alter the taste of its soft drink in China when the Chinese described it as <b>"tasting like medicine"</b> .

**Source :** David A.Ricks, *Big Business Blunders : Mistakes in Multinational Marketing Homewood, III : Dow Jones-Irwin.*

### 9.2.7 Barriers to Effective Communication

To conclude our discussion of communication fundamentals by reviewing some of the more prominent barriers to effective communication of which you should be aware.

**Filtering** refers to a sender manipulating information so that the receiver will see it more favorably. *For example*, when a manager tells his boss what he feels his boss wants to hear, he is filtering information. The major determinant of filtering is the number of levels in an organization's structure. The more vertical levels in the organization's hierarchy, the more opportunities there are for filtering.

**Selective Perception.** We have mentioned selective perception before in this book. It appears again because the receivers in the communication process selectively see and hear based on their needs, motivations, experience, background, and other personal characteristics. Receivers also project their interests and expectations into communications as they decode them.

**Defensiveness.** When people feel that they're being threatened, they tend to reach in ways that reduce their ability to achieve mutual understanding. That is, they become defensive-engaging in behaviours such as verbally attacking others, making sarcastic remarks, being overly judgmental, and questioning others' motives. So when individuals interpret another's message as threatening, they often respond in ways that retard effective communication.

**Language.** Words mean different things to different people. "The meanings of words are not in the words; they are in us. Age, education, and cultural background are three of the more obvious variables that influence the language a person uses and the definitions he or she gives to words".

Many organizations have paid attention to communication. Some innovative successful practices have been evolved. For example, In BHEL (Bhopal Unit), Management Employee Communication Meeting (MECOMs) has been effectively used. A MECOM as an open forum, in which more than 700 persons participate, has contributed to mutual sharing of information and concerns and better understanding between management and employees. In TISCO, the Chairman maintains communication with his employees by answering every letter that is addressed to him (some 80,000 year) and holds "dialogues"

with large groups, sometimes of 2500 persons. The communication ensures flow of goal-oriented information and messages amongst different individuals and groups through various media. The main purpose of communication is to maximise exchange of appropriate information amongst individuals and group, in all directions, to help them perform their roles more effectively; minimize distortion of information (studies have shown that in downward communication the information loss in terms of original messages is about 40% by the time it reaches GMs, 60% by the time Plant Managers receive it, 70% by the time General Foreman get it, and the loss is as high as 80% by the time it reaches the worker); minimise hierarchical psychological distance; and maximise collaboration amongst individuals and teams of an organization. More specifically, the following are objectives of communication in an organization. information sharing, feedback, control, influence, problem solving, decision-making, facilitating change, and facilitating group development.

### SUMMARY OF KEY POINTS

Conflict is an integral part of organizational life. Understanding the sources of conflict and the different resolution methods enhances both communication skills and management ability in contemporary organizations. Various types of conflict and approaches for resolving conflict were discussed. A free flow of information to the CEO of the organization is essential the company's success. Communication networks are systems of information exchange within organizations. Pattern of communication emerge as information flows from person to person in a group. Managing communication involves understanding the numerous problems that can interfere with effective communication. Infact, communication is the vehicle through which we negotiate, resolve conflicts and improve productivity. Various communication styles, strategies and technologies were discussed in detail.

### TEST YOURSELF

#### 9.1 What is Your Conflict-Handling Style ?

##### INSTRUCTIONS

For each of the fifteen items, indicate how often you rely on that tactic by circling the appropriate number.

No.	Statement	Rarely	Always
1.	I argue my case with my co-workers to show the merits of my position	1-2-3-4-5	
2.	I negotiate with my co-workers so that a compromise can be reached.	1-2-3-4-5	
3.	I try to satisfy the expectations of my co-workers.	1-2-3-4-5	
4.	I try to investigate an issue with my co-workers to find a solution acceptable to us.	1-2-3-4-5	
5.	I am firm in pursuing my side of the issue.	1-2-3-4-5	
6.	I attempt to avoid being "put on the spot" and try to keep my conflict with my co-workers to myself.	1-2-3-4-5	
7.	I hold on to my solution to a problem.	1-2-3-4-5	
8.	I use "give and take" so that a compromise can be made.	1-2-3-4-5	

9.	I exchange accurate information with my co-workers to solve a problem together.	1-2-3-4-5
10.	I avoid open discussion of my differences with my co-workers.	1-2-3-4-5
11.	I accommodate the wishes of my co-workers.	1-2-3-4-5
12.	I try to bring all our concerns out in the open so that the issues can be resolved in the best possible way.	1-2-3-4-5
13.	I propose a middle ground for breaking deadlocks.	1-2-3-4-5
14.	I go along with the suggestions of my co-workers.	1-2-3-4-5
15.	I try to keep my disagreements with my co-workers to myself in order to avoid hard feelings.	1-2-3-4-5

**SCORING KEY**

Collaborating		Accommodating		Competing		Avoiding		Compromising	
Item	Score	Item	Score	Item	Score	Item	Score	Item	Score
4	—	3	—	1	—	6	—	2	—
9	—	11	—	5	—	10	—	8	—
12	—	14	—	7	—	15	—	13	—
Total	—	Total	—	Total	—	Total	—	Total	—

Your primary conflict handling style is : \_\_\_\_\_

(The category with the higher total)

Your backup conflict handling style is : \_\_\_\_\_

(The category with the second highest total)

**Source :** *A measure of styles of handing interpersonal conflict (Adaptation) M.A. Rahim, Academy of Management Journal, June 1983.*

**9.2 Review Questions**

1. Define conflict ? How does it help the organization ?
2. Explain conflict resolving methods with suitable example
3. Explain modern communication methods.
4. Explain organization communication model. How is it important ? State barriers to effective communication.
5. Explain Transaction Analysis. With its practical application to manager of a SOFTWARE COMPANY.

**9.3 Discussion Questions**

1. Imagine you as CEO of a software company. What method of communication, would you adopt in your organization ? Why ?
2. Discuss the modern communication methods in Indian corporate scenario.
3. A college classroom is a forum for a typical communication as the professor tries to communicate the subject to the students. Describe classroom communication in terms of the basic communication process outlined in the chapter.

4. What types of communication problems will new telecommunication methods probably be able to solve ? Why ?
5. Explain the importance of a communication for retail banker says ICICI to the external and internal customers.
6. Explain the conflict resolving technique which you are familiar with. Compare its merit over other techniques.

#### 9.4 Student Exercise

Visit a traditional company like TVS and new generation company like ICICI Ltd. Compare the communication methods and conflict resolving technique based on the theory explained in the chapter. Comment on the practicability of various methods on different occasion.

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## CHAPTER 10

### GROUP DYNAMICS

#### LEARNING OBJECTIVES

*This chapter aims at introducing the following concepts in Group dynamics as a pre requisite for explaining the Organisation Behaviour theories and practices to the readers*

- *Group dynamics*
- *Group structure and formation*
- *Individual roles in the group*
- *Group relationship*
- *Nature and type of groups and roles*
- *Characteristics and norms*
- *Group formation*
- *Intergroup process in organisations*
- *Group decision making*
- *Group problem solving techniques*
- *Nominal group technique and*
- *Relevance of groups in modern organisation*

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## Group Dynamics

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Are they clowning ? These executives. The whites with black painted faces and the blacks with white painted faces ? Not exactly. This is also a part of the curriculum in giant business schools like Harvard, Boston and the New School of Social Research. Called “encounter session”. It strives to prove differences in a group are only “skin deep!”. The world of behaviouralists have a spectrum of names for sessions of this sort like **the acid less trip, therapy for normals, the bold biz, a sensitivity session.** The socialization of man is gaining a spiral attention for the enhancing of human resources as a group. In other words, group dynamics is gathering momentum not only on a theoretical speculation in Research Institutes of Social Sciences but also as a relevant facet in **Executive lounges**, university classrooms and Government circles. This chapter focuses the groups and their typical characteristics in general.

### 10.1 BACK GROUND

**The Dirty Dozen (MGM)** is perhaps the best illustration of what Group Dynamics is. Beyond just the strategic intelligence a military courage of twelve war heroes is the fantastic way in which these criminals, unwanted by society interwove into a group to undertake a common enterprise. Here one sees isolated chapters of a book on Group Dynamics in cine version, *i.e.*, the way a group is formed, their **cohesiveness**, their **goal**, the **impact** the **group** had on an individual, the **role** each played as a deviant, as a follower or a second-in-command. A group is not a population but a set of two or more people **aware of each other**. The word ‘Dynamics’ connotes a **flux, a change**; a continuous adjustment as situations arises. Group Dynamics is therefore defined as a field of **inquiry dedicated to achieving knowledge about the nature of groups**, the laws of their **development and their inter-relations with individuals, other groups and larger institutions**. It is a blend therefore sociology, **psychology** and **anthropology**.

(a) **Definition.** In the words of Keith Davis, The word “dynamics” comes from the Greek word meaning “force”. Hence group dynamics refers to the study of forces operating within a group. In other words, the social process by which people interact face to face in small groups is called group dynamics. Kurt Lewin is known as the founder of the group dynamics movement. Elton Mayo and his associates conducted experiments and showed the workers tend to establish informal groups that affect job satisfaction and effectiveness. Lewin showed that different kinds of leadership attitudes produced different responses in groups. A group is an assemblage, cluster or aggregation of persons considered to be related in some way or united by communities or interests. (Family, recreation occupation etc.) In a behavioural science view the emphasis is on interrelationships among members, the connotation of aggregation is not stressed. The criteria of mutual awareness and interactions suggests that a casual crowd, or nation wide organisation are not psychological groups. Groups as defined in Webster universal Dictionary Aggregation of persons sharing the same special views, theories, aspirations, beliefs-in politics,

religion, art, philosophy etc. In fact this is a general definition and does not mention whether these individuals are in active interactions with one another or not. Psychologist uses the terms psychological or functional group to avoid any possible confusion in the meanings of what they imply.

A group is a collection of two or more interacting individuals with a stable pattern of relationship between them who share common goal and who perceive themselves as being a group. Hence every individual, at least in our present complex societies, is a member of many different social groups—groups that are vitally significant to be individual welfare. These groups are divided into two categories (i) psychological group and (ii) social organisation. A psychological group may be defined as two or more persons who meet the following conditions.

- (1) *The relation among the members are interdependent to each member's behaviour influences the behaviour of each other.*
- (2) *The members share on ideology—a set of beliefs, values, and norms, which regulate their mutual conduct on this ideology, keep the group away from other groups.*

A social organisation may be defined as an integrated system of interrelated psychological groups formed to accomplish a stated objective. The concept of a group in an organisational setting includes a boundary and environments suggesting external relationship with other groups and individuals. Hence groups are open system with a continual input-output flow of material, energy and information. Psychological group as any number of peoples whom

- *Interact with one another.*
- *Are psychologically aware of one another and*
- *Perceive themselves to be a group.*

Groups can provide with or without the conscious knowledge of the members, a means of fulfilling many of their needs of the individuals in them. The more significant needs in them can be categorised as

- (i) Affiliative need
- (ii) Egoistic need
- (iii) Instrumental need and
- (iv) Cognitive need

(b) **Nature and Characteristics of Groups.** The definitions of a group stress interdependent relations and interactions among individuals. Different characteristics have been devised to designate groups usually characterised by the highest degree of interdependence and interactions are 'DYADS' or two-person groups. "Small group" usually designated from 4-8 people but may be extended to include 20. Processes within small groups and their study are called 'GROUP DYNAMICS'.

Variations in size, even within the limits of the small group, have many repercussions. As the number of people in the group increases, the opportunity for face-to-face interaction with every other member decreases. At some point the group becomes unwieldy and subgroups appear. As groups become larger, they tend to become less homogeneous and consensus becomes more difficult to attain. The size variables are important, partly in its own right and partly because variations in the number of members in a group can have profound qualitative effects. The power of a group to modify the attitudes of new members is a function of certain characteristics of group. Characteristics of a group can be broadly classified into structure and relationship with one another and the individual role within the group.

## 10.2 GROUP STRUCTURE

- **Size of group** : As the size of the group increases the potential relationship increases. Whether or not all potential relationships within a group play a significant role in the analysis of the group's behaviour.
- **Determination of size of group** : This is determined by the operation of arbitrary external factors and also the intergroup determinants.

**Function of Groups in Organization.** Groups can be a source of rewards for members, serving as an important motivational system. Praise and other rewards offered by the group can reinforce members' behaviour. Groups also provide support for their members while they work. This function of groups is especially important to those hazardous works, where the cooperation of all members of the groups is necessary to do a job safely. Cohesive groups with norms supportive of management can have several other functional results. If tasks are interdependent, the cooperative behaviour of cohesive group members helps accomplish tasks. A cohesive group can produce innovative work behaviour that has obvious uses for organization. Cohesive groups are self-policing and may stamp out deviant behaviour. Control over individual behaviour in cohesive groups is more immediate than controls used by managers.

People often are members of many groups in an organization and play different roles in different groups. A person can hold a leadership position in one group and a subordinate position in another group. The different roles will require the person to behave differently in the two groups. Such differences can lead to conflict among the roles people play within an organization. The size and type of area in which a group works can affect its effectiveness. Large groups feel crowded when they do not have ample space to work comfortably. Groups with physical boundaries can become more cohesive than groups whose boundaries are diffused or blurred. Compatibility of group members in both needs and personality may lead to higher group productivity. Individuals who have a high need for dominance, *For example*, are more compatible with people who can play a subordinate role. Conflict within a group increase when members are not compatible with each other.

## 10.3 INDIVIDUAL ROLES WITH IN THE GROUP

How a person behaves towards other members of the group depends partly on the personality of the individual and partly upon the nature of the group structure and his role within the structure. Similarly how an individual is perceived and reacted by others also partly depend upon his role.

(a) **Group Relations.** The most obvious fact about most groups is that they are made of subgroups. Groups are not usually homogeneous within but are characteristically divided into parts that are relatively homogeneous and tend to differ from other parts. Thus the members of a subgroup will perceive the other members of the subgroup somewhat separated from the remaining group members and that amount of interaction across subgroup boundaries would tend to be less than within the subgroup. Relationship among subgroups can be horizontal or vertical depending upon the hierarchy of the members.

(b) **Different Types of Group.** Groups may be classified in many different ways the basis for differentiation may be purpose of goals, duration, extent of structuring legal organisation or setting. Accordingly there are eight types of groups.

**1. Formal Group.** Groups that have been established under legal and formal authority to achieve a specific end result or to undertake delegated tasks can be called Formal Groups. They are structured and in that sense are organised with a definite allocation of tasks among members and a clear delineation of duties and relationship among them.

**2. Informal Groups.** Activity that is formally specified on the job probably doesn't occupy the entire attention or satisfy all the needs of the individuals who are operating under the guidelines. Informal groups may be fostered through simple physical factors such as fulfillment of specific needs of a set of individuals. Dalton (1950) identifies three different kinds of informal groups that are found in organisation. They are :

- *Horizontal Clique,*
- *Vertical Clique, and*
- *Random Clique.*

**3. Membership Group.** They are groups to which the individual actually belongs.

**4. Reference Group.** Reference group is one with which he identifies or to which he would like to belong. He may actually be a member of a particular group and project the norms of mother group, the group which he refers. The norm of reference group will become more influential in determining behaviour.

**5. Exclusive and Inclusive Groups.** This is based on the membership. In **exclusive group**, membership is restricted to persons having specified characteristics. The origin can be traced to the attraction among similar. This group can be formed with as ulterior motive *e.g.* : Professional and occupational association.

**6. In Groups and Out Groups.** Exclusive groups often create barriers between those who are in and those who are out of them. There is a general tendency among people to be loyal to group of sympathetic and identified with the group to which they belong. This in-groups and out-groups are relative terms, which are often useful in describing certain group processes.

**7. Primary and Secondary Groups.** This is based on the nature of interpersonal selection among the members of the group in a **primary group**; the group exercises a considerable influence on an individual personality. Values, beliefs, and attitudes because of frequent intimate and face to face contact. On the other hand, in a **secondary group members** do not show such frequency and intimacy in the interactions of their members, they are formalised and contractual in nature. It is possible to further classify group as

- Command group
- Task group
- Interest group and
- Friendship group

Of these first two are dictated by the formal organisation where as the latter two are informal alliances.

**8. Command Group.** is composed of the subordinates who report directly to a given manager. Task groups represent those working together to complete a job task. Group often develops because the individual members have one or more common characteristics and is called friendship groups. A group is cohesive when the members of the group are attached to the group's task, to its prestige, and to other members of the group. Members of cohesive groups like to be together, care about each other; and typically know each other well. Cohesive groups also usually perform better than noncohesive groups, especially if they are small. Group norms are unwritten rules of behaviour for members of a cohesive group. The norms define acceptable behaviour and roles of group members. Norms include levels of performance valued by the group, teamwork within the group, and relationships with managers and other aspects of the formal organization. New members learn a group's norms from its socialization process. A cohesive group will pressure a new member to conform to those norms. Behaviour in

groups falls into two major classes. Required and Emergent. Required behaviour is what a person must do because of membership in the organization and as part of the person's role in the formal group. Required behaviours include being at work at a specific time, performing job duties in a certain way, and interacting with specific people in another department to complete a task. Emergent behaviour grows out of the interactions among group members. Such behaviour grows out of the interactions among group members. Such behaviour can focus on work tasks or be purely social. The norms of a group can define Emergent behaviour.

**Table 10.1 : Different roles of group**

<b>(a) Some Typical Roles Found in Groups</b>	
Initiator	<i>Offers new ideas about how to do the group's task or resolve its problems.</i>
	<i>Information seeker/ giver Seeks clarifying information or adds new information to the group's discussions.</i>
Elaborator	<i>Extends the information used by the group by offering examples or trying to show the expected results of the group's effort.</i>
Coordinator	<i>Helps pull together the activities of group members .</i>
Recorder	<i>Keeps a written record of the group's activities.</i>
<b>(b) Maintenance Roles</b>	
Encourager	<i>Motivates other members to contribute ideas to the group.</i>
Harmonizer	<i>Reference conflict among group members.</i>
Compromiser	<i>Reduces conflict within the group by finding ways of splitting differences.</i>
Gatekeeper	<i>Tries to keep communication links open with important parties outside the group.</i>
Follower	<i>Accepts the direction of the group, usually passively.</i>
<b>(c) Individual Roles</b>	
Aggressor	<i>Acts hostilely towards other group members.</i>
Blocker	<i>Resists the direction of the group and opposes the views of others.</i>
Joker	<i>Engages in horseplay; tells stories and jokes unrelated to group activities.</i>
Dominator	<i>Tries to give direction to other group members and asset own higher status over others.</i>

**Source :** Benne, K, and P.Sheats. "Functional Roles of Group Members", *Journal of Social Issues* 2.

#### 10.4 CHARACTERISTICS OF GROUPS

1. Social interaction : People who are interacting with one another form a group.
2. Common Goal : People, who work together, work for a common goal, which can even involve having a good time.
3. Shared standards : People who observe the same customs, traditions and rules of etiquette would constitute a group.
4. Self-definition : Among collection of people who consider themselves to form a group.



5. Group size : Hyerdalls
6. Cohesiveness : Attractiveness, which is a function of the group. This is defined as the tenacity with which a group sticks together or the extent to which members would give up membership.

Group may vary in their Sociability and in their determination of productivity. Another important variable is the extent to which members are self oriented or goal oriented-dependency, status, dominance, aggression, etc. are important.

### 10.5 NORMS

Norms are rules that govern specific behaviour and apply to every one in the group. Norm specifies what must or must not be done under a given circumstance (Steiner 1972). Norms may be explicit and develop through group discussion or they may develop through practice and they are unwritten and unspecific. They refer to the expected behaviour sanctioned by the system and then have a specific 'ought' or must quality. In this they resemble roles. Values furnish rationale for the normative requirements. They are standards to which reference is made for judging acceptable and unacceptable behaviour of relevance to the system. System Norms and ideology furnish cognitive maps for members, which facilitate their work in the system and their adjustment to it. Norms and ideology provide the moral and social justification for system activities both for members and for people formally outside the system. Following are the three criteria, which defines system norms.

- *There must be belief about appropriate and required behaviour for group members as group members.*
- *There must be objective or statistical commonality of such beliefs majority not all, hold the same view or beliefs and*
- *There must be awareness by individuals that there is group support for a given belief.*

Norms and rules give structure to the group. They are important for the group members because they allow them to predict how others will behave.

(a) **Rules.** By 'rule' we mean a set of expected behaviour patterns attributed to someone occupying a given position in a social unit. The understanding of rule behaviour is simplified each of us chose one role and played is regularly and consistently.

(b) **Role Identify.** There are certain attitudes and behaviours consistent with a role and they create the role identify. People have the ability to shift roles rapidly when they recognise that the situation and its demands clearly require major changes.

(c) **Role Perception.** One's view of how one is supposed to act in a given situation. How you behave is determined to a large extent, by the role defined in the context in which you act.

(d) **Role Conflict.** When an individual is confronted by divergent role conflict. This is the most critical role concept in attempting to explain behaviour certainly. Role conflict will increase internal tension and frustration in an organisational set up.

(e) **Group Roles.** This may vary in several ways in their complexity, in their social function, and in their cultural significance. Each of these variables helps define the role to the individual and to the group. Conformity in-group goals may be determined by individual variables, the rigidity of the group standards, prestige, variables etc.

## 10.6 GROUP FORMATION

Groups are formed for certain purpose. The important among them are :

- **For Accomplishment of Task.** *This is primary requirement for the purpose of existence of formal groups in an organization. To attain its objectives and goals, organization will formally bring individuals into a group to complete the set task or tasks. Such groups are designated by the structure of the organization as production, finance, maintenance, sales and sales promotion, designs, etc.*
- **For the Purpose of Problem Solving.** *This group is also formed for the purpose of achieving some desired goals. Such groups may exist for only a short time, that is, they may be disbanded after the attainment of goals.*
- **For Proximity and Reward.** *Individuals join together for proximity and attention, if they perform similar problem solving. Their group activity may be informal such as having lunch together, taking tea together, making complaints against management together, etc. They may form informal groups because of their proximity in working together and perceive this interaction to be rewarding.*
- **Socio-Psychological Objectives.** *This objective of a group formation is that an individual need can be better satisfied in a group. Individual needs include physiological, safety, affiliation, esteem and self-actualization.*

## 10.7 HISTORY OF GROUP DYNAMICS

Right through the corridors of history the study of groups has been the preoccupation of politicians, novelists, philosophers and psychologists, but the first man to focus it into scientific perspective by experimentation was :

**1. Sheriff** with his study on “**social norms**”. His main findings were :

- *Social norms are a product of social interaction.*
- *They impinge on an individual.*

What Sheriff tried to say was that a social norm (customs, traditions, values, standards) comes into being by a group accepting it, but when applied to individual cases, he found a connotation of exteriority and constraint in it.

Sheriff performed an experiment in a laboratory. Previous perceptual research had proved that a stationary beam of light in a dark room was seen as moving by an individual after a time. Sheriff recorded 15 individual’s perceptions separately and found that they varied to a large extent among themselves. He then put them together in a group and asked them to observe jointly. They came to a reasonable agreement sacrificing their individual perceptions.

**2. Newcombe** experimented with the Bennington College students. Using a sociometric approach, he found that most freshmen with conservative political view soon changed to liberals due to seniors!

**3. W. Whyte** made an intensive study of group leadership and cohesiveness among gangs in Boston.

**4. Kurt Lewin** the father of Group Dynamics was a **Gestaltist** (a theory of perception) from Germany who came to the U.S.A. in 1932 and opened the Research centre for Group Dynamics at **Massachusetts**. Gifted with a rare talent for experimentation, he made intensive studies on various patterns of **leadership and role conflicts in-groups**. He also introduced auto-criticism for group therapy.

### 10.8 INTERGROUP PROCESSES IN ORGANIZATIONS

Intergroup processes happen when members of two or more groups must interact to complete a task. Such processes feature interactions among members of different groups in an organization, such as manufacturing, quality assurance, finance, marketing, and design engineering. Although behaviour at group interfaces is called intergroup behaviour, groups do not, interact directly. Members of groups interact with each other, representing the interests of their group. The basic management issue is the effective coordination of activities, which requires contributions of people from different groups. Cultural differences in-group dynamics suggest one should learn about those differences before talking an assignment in another country. The pressure to conform to group norms and the value placed on conformity to those norms vary from culture to culture. Culture also differs in how much conflict between groups they will accept. The major ethical issues about groups in organizations center on conformity to group norms and the question of informed free choice. Cohesive groups develop powerful forces of socialization to their norms. Such groups reject deviant members after unsuccessful efforts to get conformity to norms. Productivity typically is lower in large groups than in small ones. Group size has several specific effects including the following.

- *Satisfaction with the group's activities decreases as size increases.*
- *Participation of members drops as size increases.*
- *The strength of bonds among group members decreases as group size increases.*
- *Large groups have more resources for doing the group's task.*
- *Reaching agreement about a group's activities or making decisions is more difficult in large groups than in small ones.*
- *A leader is more likely to emerge as group size increases.*
- *Larger groups make communication and coordination of group members more difficult and*
- *People in large groups find it difficult to learn about each other : For example, in a three-person group, the number of possible relationships is 6; in a four-person group, 25; and in a six-person group, 3011.*

### 10.9 GROUP DECISION MAKING

People in organizations work in a variety of groups-formal and informal, permanent and temporary. Most of these groups make decisions that affect the welfare of the organization and the people in it. There are several issues surrounding how groups make decisions : group polarisation, groupthink, and group problem solving. Group polarisation is the tendency for a group's average post-discussion attitudes to be more extreme than its average pre-discussion attitudes. Groupthink is a mode of thinking that occurs when members of a group are deeply involved in a cohesive in-group and desire for unanimity offsets their motivation to appraise alternative courses of action.

- (a) An illusion of invulnerability, shared by most or all members, that creates excessive optimism and encourages extreme risk taking.
- (b) Collective efforts to rationalise or discount warnings that might lead members to reconsider assumptions before recommitting themselves to past policy decisions.
- (c) An unquestioned belief in the group's inherent morality, inclining members to ignore the ethical and moral consequences of their decisions.
- (d) Stereotyped views of "enemy" leaders as too evil to warrant genuine attempts to negotiate or as too weak or stupid to counter whatever risky attempts are made to defeat their purposes.

- (e) Direct pressure on a member who expresses strong arguments against any of the group's stereotypes, illusions, or commitments, making clear that such dissent is contrary to what is expected of loyal members.
- (f) Self-censorship of deviations from the apparent group consensus, reflecting each member's inclination to minimise the importance of his or her doubts and counterarguments.
- (g) A shared illusion of unanimity, resulting partly from self-censorship of deviations, augmented by the false assumption that silence means consent.
- (h) The emergence of self-appointed "mind guards", members who protect the group from adverse information that might shatter their shared complacency about the effectiveness and morality of their decisions.

In short, a decision is a choice among alternative actions, made after consideration of the likelihood of various outcomes occurring as a result of the choice, and according to a decision rule that forces the decision to be made in line with the decision maker's objectives or goals. Group decision-making is an activity, which permits the coming together of people with heterogeneous characteristics who can understand the problems in a better way and hence, develop creative alternatives leading to effective group performance. Decision-making is the process of choosing from among several alternatives. Managers' decisions usually are guided by a goal. A programmed decision is a decision that recurs often enough for a decision rule to be developed. A decision rule is a statement that tells a decision maker which alternative to choose based on the characteristics of the decision situation. A nonprogrammed decision is a decision that recurs infrequently and for which there is no previously established decision rule. Problem solving is a form of decision-making in which the issue is unique and alternatives must be developed and evaluated without the aid of a programmed decision rule.

**Table 10.2. Showing different decisions**

<b>Characteristics</b>	<b>Programmed Decisions</b>	<b>Nonprogrammed Decisions</b>
Type of decision	Well structured	Poorly structured
Frequency	Repetitive and routine	New and unusual
Goals	Clear, specific	Vague
Information	Readily available	Not available, unclear channels
Organizational level	Minor	Major
Consequences	Lower levels	Upper levels
Time for solution	Short	Relatively long
Basis for solution	Decision rules, set procedures	Judgement and creativity

### 10.9.2 Group Problem Solving

Problem solving is one of the important functions of leaders. Improved problem solving demands the knowledge of certain important points in the mind of the leader. They include :

- The leader must convene a meeting only when there is good reason for it.
- Rather elaborating the answer to a decision problem, try to define it.
- Create an atmosphere in which all group members participate freely and actively and allow them to express conflicting views.
- Try to elicit ideas from the group members rather than supplying to them.
- Look for best solution to a problem by discussing all the possible alternatives.

- While resolving conflicting problems, try to find out the troublemakers and prevent blow up situations.
- Observe the following rules laid down by A. Jay, in holding the meetings, such as control the garrulous; draw out the silent; protect the weak; encourage the clashes of ideas; watch out for the suggestion-squashing reflex; come to the most senior people last; close on a note of achievement.

**(a) Problem Solving Techniques.** Murnighan has suggested the following techniques, which are helpful to the managers in better decision-making and for improved problem solving.

**1. Brainstorming.** It means to use the brain to storm a problem. It is an effective technique to improve the problem solving abilities of groups and increasingly applied by almost all the organizations. Under this technique a group is assembled, presented with the problem and encouraged to produce as many ideas and solutions to a problem. No one is allowed to criticise until the group members came out with new suggestions. This technique requires group members to generate as many ideas and alternatives as possible; quickly and without inhibitions. Brainstorming is most useful for simple, well-defined problems. For brainstorming to work effectively, all members must agree to and deliberately follow four rules :

- *All criticism is ruled out. No one is allowed to judge or evaluate any ideas until the idea-generation process has been completed.*
- *“Freewheeling” is welcomed. The emphasis is on creativity and imagination; the wilder or more radical the ideas, the better.*
- *Quantity is wanted. The more ideas, the more likely that a superior idea will appear.*
- *Piggybacking is good. Everyone is encouraged to suggest how other’s ideas can be turned into new ideas or how to or more ideas can be joined into a new idea.*

Brainstorming can be disrupted when members try to dominate the process, or when they argue and get stuck on one point or refuse to contribute openly to the process, or when they attack others. Effective facilitation ensures that all viewpoints are written for all to see and build on, that members listen to each other, and that the focus of the subject is kept on track.

**2. Nominal Group Technique.** Another useful group and team decision-making technique is the nominal group technique (NGT). This technique attempts to solicit as much valuable information and perspective as possible from as many members as possible. The nominal group technique (NGT)-NGT restricts verbal interaction between members during the decision-making process. The nominal group consists of a number of individuals acting independently a paper work and their actions are added together at the end. The nominal group decision is the pooled outcome of the individual votes. This technique is widely used in industry, education and health, etc. in these days. The NGT works when the team or group is so large that free discussion is difficult or when the members disagree and consensus cannot be reached. In this technique, members get to consensus by following this sequence.

- **Members Generate the Ideas.** Participants are assigned to groups of five to seven members and are then given a “nominal” question (*e.g.*, when should be done to improve the effectiveness of this work unit ?). Usually, this question is stated in writing as part of an individual worksheet. Group participants work silently and independently and respond in writing to the nominal question; they are encouraged to list as many alternatives or ideas as they can.
- **They Record the Ideas.** With the assistance of a recorder, participants read their responses to the nominal question aloud in round-robin fashion. The recorder writes each response as it is offered; on criticism or discussion of the ideas is allowed.

- **They Clarify the Ideas.** The recorder asks for questions on each response. This is done in round-robin fashion again, and questions are allowed for clarification only.
- **They Vote on the Ideas.** Participants are asked to rank the five or seven responses they consider most valuable. The balloting is tallied to rank order each response in the master list.
- **They Refine the Ideas.** Steps 3 and 4 are repeated as needed to refine the list to identify the most preferred response or set of responses.

The ranked lists are collected by the facilitator and used to make additional assignments or refinements in the decision process.

**3. Group interaction.** This is the general method of holding meeting in which the chairman of the meeting convene it and explains the problem to the group members. The deliberations are somewhat unstructured and social pressures exert influence. In order to have improved decision-making abilities of the group, the leader must clarify the input and try to resolve the conflicting views satisfactorily.

**(b) Precautions to be Taken for Ensuring Group Thinking Effective.** Jains, who developed the concept of groupthink, suggests following these guidelines to avoid groupthink and to deal effectively with its symptoms :

- *Assign the role of critical evaluator to each group member.*
- *Encourage a sharing of objections.*
- *Insist that the leader avoid seeming partial to one course of action.*
- *Create subgroups that operate under different leaders but work on the same problem.*
- *Have group members discuss issues with subordinates and report back on their reactions.*
- *Invite outside experts to observe group activities and react to group processes and decisions.*
- *Assign one member of the group to play a “devil’s advocate” role at each meeting.*
- *Write alternative scenarios for the intentions of competing group and*
- *Hold “Second-chance” meetings on key issues after consensus has apparently been achieved.*

## 10.10 IMPORTANCE OF GROUPS

The study of groups is important to the manager for a number of reasons :

- (a) *The group is a key element in the social order of our culture. Groups serve not only as the focal point of social life, but they provide an important source of direction to individuals for understanding social values and norms.*
- (b) *Through participation in groups, individuals may satisfy important economic, status, safety, security, and friendship needs.*

The behaviour and performance of groups provide a major mechanism for the achievement or organizational goals

### Importance and Relevance of Group Dynamics

1. Executive ulcers and heart attacks often result due to an inter-role conflict of a loving father, a strict disciplinarian among employees and a jovial man in a circle of friends.
2. Anticipation of the **actions** and **reactions** of groups and people can enhance a strategy.
3. Interpersonal relationships are bettered. The Americans and Communists “**Know**” a lot about each yet they never get along.
4. The techniques of Group Dynamics can enhance an **executive’s effectiveness** in materializing a team theory of management as advocated by Robert Blake and John Mounter.
5. Lastly, as an individual, success depends on one’s **flexibility and adaptability**. What killed the dinosaur was the fact that it couldn’t adapt to new environmental settings.



## SUMMARY OF KEY POINTS

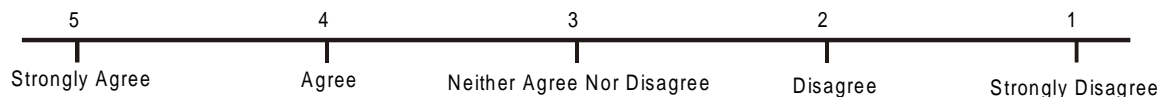
The students of the Berkeley University now live a co-ed dormitory! Much to the disquietude of elders, the movement towards “**living in groups for normalization**” is gathering momentum. The “**Kierkegaard slogan** “to be that self which one truly is” is not only the remedy of psychotics but the ideal of normal. This process of knowing oneself is best achieved through a group. That is why Group Dynamics concerns you and me. This chapter explained the importance of groups in taking the organisation to new heights especially in the present highly competitive global economy.

## TEST YOURSELF

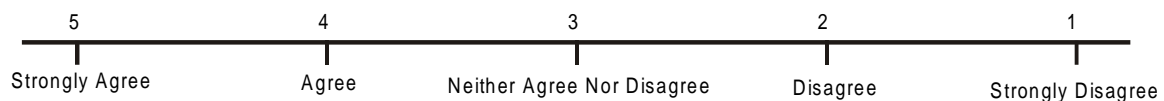
### 10.1 Test Your Equity Sensitivity

The questions that follow are intended to help you better understand your equity sensitivity. Answer each question on the scales by circling the number that best reflects your personal feelings.

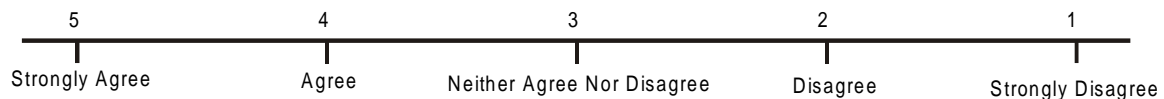
1. I think it is important for everyone to be treated fairly.



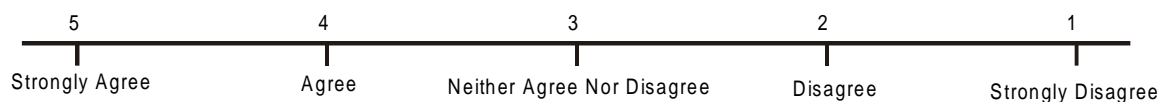
2. I pay a lot of attention to how I am treated, in comparison to how others are treated.



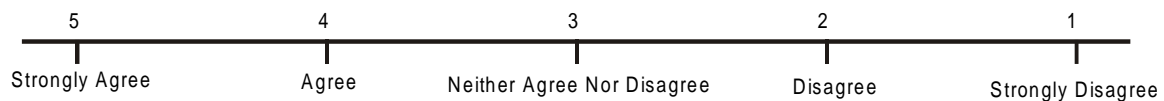
3. I get really angry if I think I'm being treated unfairly.



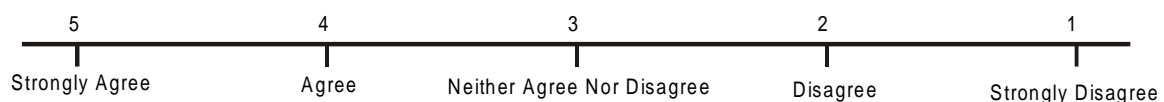
4. It makes me uncomfortable if I think someone else is not being treated fairly.



5. If I thought I was being treated unfairly, I would be very motivated to change things.

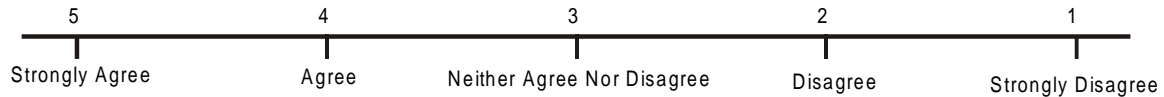


6. It doesn't really bother me if someone else gets a better deal than me.

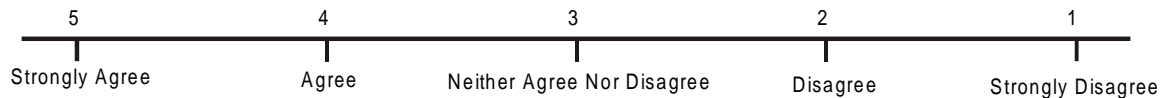




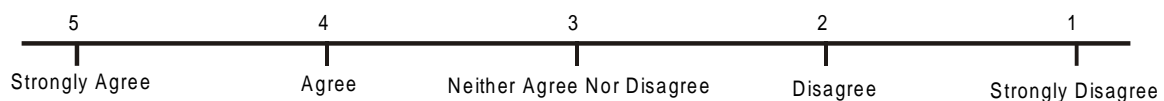
7. It is impossible for everyone to be treated fairly all the time.



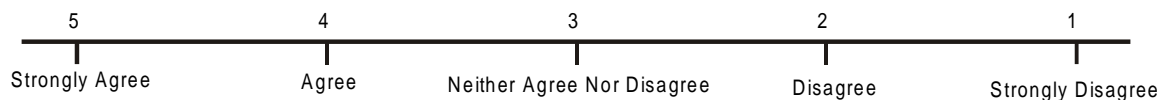
8. When I'm a manager, I'll make sure that all of my employees are treated unfairly.



9. I would quit my job if I thought I was being treated unfairly.



10. Short-term inequities are okay, because things are even out in the long run.



### ANALYSIS AND INTERPRETTATION

Add up your total points. If you scored 35 or above, you are **highly sensitive** to equity and fairness; 15 or less, you have **very little sensitivity** to equity and fairness; between 35 and 15, you have **moderate equity sensitivity**. FOR MORE DETAILS MAIL YOUR SCORE [shaangrila@rediffmail.com](mailto:shaangrila@rediffmail.com)

### 10.2 Review Questions

1. What do you mean by group dynamics ? How is it important for an organisation ?
2. Explain group decision-making techniques. How do you ensure the success in that process ?
3. Describe various type of groups and group norms
4. Explain different types of decision.

### 10.3 Discussion Questions

1. Some have argued that people, not organizations, make decisions and that the study of "organizational" decision-making is therefore pointless. Do you agree with this argument ? Why or why not ?
2. Describe at least three points in the decision-making process at which information plays an important role.
3. Can you think of a time when you were satisfied when making a decision ? Have you ever suboptimised ?

#### 10.4 Student Exercise

The Decision Making Styles stated in the chapter, can assist a manager in determining when, and to what extent, they should involve employees in decision-making. If a manager elects to use a group to make a decision, it usually requires that the group reach a consensus. Consensus is achieved “when all members can say they either agree with the decision or have had their ‘day in court’ and were unable to convince the others of their viewpoint. In the final analysis, everyone agrees to support the outcome.” Discuss the relevance of this selection model in a global context.

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## CHAPTER 11

### TEAM MANAGEMENT

#### LEARNING OBJECTIVES

*This chapter aims at introducing the following concepts in Team Management as a pre requisite for explaining the Organisation Behaviour theories and practices to the readers*

- *Team management*
- *Virtual and empowered team*
- *Team building*
- *Critical team member concept*
- *Team development*
- *Effective and ineffective teams*
- *Team growth and team work*
- *Enriching worklife*
- *Self managed team*

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## Team Management

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The best lesson in teamwork is learnt from World cup 2002 with BRAZIL team and from **Indian cricket team in Lords in 1983**. They demonstrated that every player is the integral part of their team. Every Brazilian member holds on to the ball only until he can pass it to a better-placed member who can score during the world cup. The whole art of the team lies in the convergence of effort and harmonization of movements as Brazil team demonstrated in football. “What are key success factors, opportunities, tasks in the industry? How turbulent is the industry? The answer is a variable, which changes over different life cycles of an industry. *e.g.* : due to foreign collaboration, one marketer reduces the price. Terrorists attack on World Trade Centre. Mandate or Mission from corporation : What is the role of business in the firm portfolio? Is it to generate cash flow? Obviously a mandate for growth along with big infusion of cash requires very different managerial qualities and temperaments than a mandate for squeezing cash out of business. This chapter focuses various theories associated with team formation, management and its practical application in the present Indian corporate scenario.

### 11.1 BACK GROUND

A team is a number of people—usually fairly small with different backgrounds, skills and knowledge and drawn from various areas of the organisation that work together on a specific and defined task. All teams are really defined by their purpose or goal. A team can also be defined as a group of individuals who are working together towards a common goal. The essence of a team lies in the “We” feeling. The individual members keep away their individual goals and work towards a common objective, selected by the team. Even today, the group (or team) has not been tapped. There is still considerable faith in individual brilliance and solo performance. Though this faith should not be condemned, for it brings out the individuality and capabilities of man, it should be said that this faith alone couldn’t suffice. For any organisation to maintain its health there is a need for concentrated team efforts. Managing a team is essentially the work of the leader. The leader has to co-ordinate the activities of his heterogeneous group so as to achieve the team goal. In this he has to use his leadership abilities, his communication skills, his motivational capabilities etc. In such a way that the goal is reached. It is always the team as a whole that is responsible for the task. The individual contributes his particular skill and knowledge. Every individual is always responsible for the output and performance of the entire team. The team is a unit. Though it is not essential that team members know each other well they do need to know each other’s functional and potential contribution. Mutual understanding of each other’s job and common understanding of the common task are essential. (E.g. production unit for ads or educational films). To start with the leader has to be aware of the type of group he is leading. The usual types of teams are :

(a) **Virtual Teams.** Dispersed teams that must communicate electronically across different time zones and geographies are called **Virtual Teams**. They are increasing because of the nature of businesses and the increasing mobility of companies and customers who are aligning to compete. The seamless

nature of companies and customers who are aligning to compete. The sealers nature of companies and customers also requires teams to be formed quickly, travel frequently, and communicate wherever they are. These teams are usually cross-functional and vary by nature, length and types of assignments. Common features of Virtual Teams include the following.

- *Fluidity with membership changing and expanding.*
- *Communication primarily by electronic means.*
- *Leadership roles both assigned and emergent.*
- *Team united by shared set of work objectives and responsibilities.*
- *Team driven by results orientation.*

Many problems and challenges that virtual teams face are similar to those of groups and teams. However, the following appear to be heightened in Virtual Teams : (1) primary issues related to exposure and trust more than to belonging place, (2) accountability is more open and transparent, (3) team members can legitimately disappear on short notice, given assignments, (4) assignment and deadline pressures increase because of compressed space, time, and nature of electronic communications, and (5) information hoarding is less tolerated because of the dependent nature of teams on information. In effect, the **success factors** of Virtual Teams depend on (1) support and involvement of management and the sponsoring organization, (2) clear goals and objectives understood by all members, (3) culture and norms based on trust and clearly defined methods of communicating electronically, (4) detailed protocols (methods) for sending receiving and signing off on electronic message, assignments and “products”, (5) a robust state-of-the-art technical infrastructure and electronic technologies, continually serviced and maintained by respectful, responsive technicians, and (6) training in state-of-the-art electronic technologies for all members.

(b) **Empowered Teams.** People work better when have a purpose, are excited, and have control over work. Empowered Team members have these characteristics and have the freedom to perform work successfully as they want and are capable of doing, not as managers and supervisors want. Managers empower employees by removing barriers, controls, and constraints to a team’s creativity. In empowered, capable teams, managers become cheerleaders, coaches, and motivators. Managers use a “pull” strategy (*i.e.*, offer incentives and influence as a means to motivate) instead of “push” strategies (*i.e.*, to encourage and support creativity in teams). Empowered teams also have the characteristics of trust, self-efficacy , self-determination (choice in doing their work), meaningfulness (a sense of purpose about their work) and impact (belief that their work makes a difference).

(c) **Process Team.** Here the individual members have a variety of skills and skill levels working concurrently in an interwoven pattern by which initiative moves back and forth among members even though one of them is a leader. This is a sophisticated and challenging type of team. It requires close co-ordination and co-operation based on an understanding of what functions other team members will perform. The closeness of the work tends to build group cohesion and locality. The intricate performance pattern and immediate performance feed back also provide many intrinsic job satisfactions.

(d) **Goal Teams.** In this type of team the members are working towards a goal but working independently. *e.g.* : The employees pressing shirts in a laundry. Here the workers have to adjust so that they get the shirts for the day pressed. Though each work independently there is an inter dependence.

(e) **Sequential Team/Proceeded Technology.** In this type of teamwork each is dependent on others for the completed job. *e.g.*, If we have a sequential type of team in the laundry, the one person would be pressing the collar, another the body, another the sleeves, yet another would fold it and the fifth person would give it the final touches. Difficulties creep in and usually the team decides to keep pace with the slowest employee so that he is not found to be ineffective.

Again, For the sake of convenience, we can broadly divide teams into two, namely, **Institutional Teams** and **Operational Teams**. **The former is the** company wide team with members in regular contact with each other. The teamwork of an operational team can be defined as Co-ordinated action by a co-operative small group in regular contact, where in members contribute responsibly and enthusiastically to task achievement. This kind of genuine teamwork makes the work easier and generally increases job satisfaction. Since the abundance of members in an institutional group usually stands in the way of creating a feeling of togetherness as is often found within an Operations Team, organisations prefer in constitute Operational Teams. Teams can also be classified according to the imposition of command and control on team's members, into traditional hierarchy groups and a genuine work team.

The hierarchy team follows the chains of command and control as Teamwork, is multi directional interaction in terms of the needs of the situation and the abilities of each member to contribute to those needs. Such a group fulfills the basic requirements of a team-*i.e.* a group is able to work together as a team only after all the persons in the group know the roles of all the others with which they will be interacting. Of course, all members must also be reasonably qualified to perform their job. When this level of understanding is reached, the desire in co-operate becomes effective. Persons are able to act immediately as team members in each operating situation, without waiting for someone to give an order. In other words, team members respond voluntarily to the job situation and take appropriate actions to further team goals. This kind of relationship among the team members is evident in hospital surgical team for instance.

## 11.2 TEAM BUILDING

The objective of team building is to building cohesive and co-operative work teams. Some teamwork is spontaneous, but with our growing knowledge of teams, management has been able to influence the work. Managers who want to build an enthusiastic team need to be sure that they have established a supportive environment. They should also ensure that the job design permits teamwork and that the team believes that the work is worthwhile. Thorough training in team relationship is also essential. Stability should be present to enable the group process to develop and rewards such as recognition is given. The idea is to allow groups to build their own group process and co-operation. Teamwork requires open communication with all the members. Teams are powerful in changing behaviour, attitudes and values and in disciplining members.

Collusive and co-operative work teams are usually built in three ways : (1) the supervisor and the work group study and analyse their behaviour in structured exercises that demonstrate the important characteristics of cohesive and efficient group functioning; (2) the group considers its own organisational problems and analyzes its behaviour in the process and (3) The group sets specific goals and design action plans to resolve its problems. There are five different approaches to team building.

**a. Cathartic Team Building.** The approach of cathartic team building is to aid team members to express their feelings of tension, frustration, anxiety, insecurity and bewilderment. Those with whom they work do this within a climate of sympathetic acceptance and non-evaluative appreciation. Such circumstance permits feelings, which have prevented co-operation to be eliminated.

**b. Catalytic Team Building.** Here the approach concentrates attention of team members on their need to reduce pluralistic ignorance; like shared lack of understanding of the situation or of others. Greater understanding is facilitated through gathering data about the situation itself and reactions of each individual to the others and self-perception. These facts are the 'agents' whom the consultant uses to catalyse the clients' situation and facilitate his change efforts. The facts usually contain social data collected through casual interviews. The ability to see it through another person is the key element of the catalytic approach.



**c. Confrontation Approach.** Here the consultant identifies to team members, in a way they can understand, the extent to which their value based assumptions are invalid or unjustified, or valid and sound. He does not prescribe values by which they should interact. His purpose is to aid team members to break through their rationalizations, justification explanations or the unspoken ‘rules’ of behaviour that keep them from having an objective view of their situation.

**d. Prescription Approach.** This approach is utilized when the client reaches an impasse, when the team reaches a dead end and does not know what to do, when the team is immobilized resulting from some traumatic event which it experienced as such a total defeat that no member is able to redefine the problem in constructive terms. Under these conditions the group is receptive to a prescription. The consultant exercises authority and client’s obedience is presumed.

**e. Theory Based Approach.** This approach is based on the premise that teamwork like any other aspect of human conduct can be learned in a systematic manner. Team members are ready to solve problems systematically using pertinent theory as the basis for contending with future problems. It is assumed that individual members need clear concepts about fundamentals of teamwork effectiveness.

**Table 11.1 Critical team member dimensions**

Dimension	Importance to Teams
Ability to learn (applied learning)	Multiskilling / job rotation.
Analysis (problem identification)	Team solves its own problems.
Attention to detail	Focus on continuous improvement.
Influence	Persuades others inside and outside the organization.
Initiation	Emphasis on continual improvement.
Job fit (motivation to work in an empowered setting)	Job satisfaction, reduction of turnover, team “owns”.
Judgement (problem solution)	Decisions quality / productivity / team issues.
Oral Communication	Presents ideas to others.
Planning and organizing (Work management)	Team determines work / production scheduling.
Teamwork (cooperation)	Team members work with other on their own work team and on other teams.
Technical/professional proficiency	Job rotation / multiskilling.
Tolerance for stress	Handles ambiguity / stress related to new demands and roles.
Training and Coaching	Team members teach and train each other .
Work standards	Quality / Productivity focus.

**Source:** R.S. Wellins, W.C. Byham, and J.M. Wilson, *Empowered Teams*, San Francisco : Jossey-Bass.

### 11.3 TEAM DEVELOPMENT

This is defined as a deliberate process of building a cohesive work unit through the use of interventions such as survey feed back and group discussions of organisational problems. Team development is a more recent approach to generating upward communication.

### (a) Stages of Team Development

**1. Forming.** In this first stage members are selected into the team, they learn something about the general purpose of the team and are introduced to the other members. The members may visit the regular place of team meetings and learn something about the team's relationship to other organisational units. The first meeting would usually be considered a part of the forming stage, for often little team building work is done and it is a time for shorting information and introductions.

**2. Storming.** In this stage the team begins to find out more about one another, work out ground rules and hammer out a mission or detailed purpose. Through these activities members will begin to assert themselves Individual values will appear and testing or one another will cane place. Sometimes confrontations will occur simply to test out the roles that various members assume. Subgroups may form within the team and struggles for leadership may take place. Some members may become dissatisfied with the team and may even drop out if allowed.

**3. Norming.** In this stage the team begins to work out the specifics of the mission, settle on ground rules and begin to learn and appreciate the contributions various members can bring to the team. Pride emerges as the team begins to talk about "our problem" and "our team". The team gets comfortable with the leadership and begins to support the direction they have chosen. Consensus comes more easily and more intense discussion takes place primarily over core issues.

**4. Performing.** While work has been accomplished at other stages, the group begins to feel the real impact of the developing synergy. Team identity is high and members may want a name, logo or clothing that identifies them with the team and the cause. Members will gravitate together in time of crisis rather than looking for comfort from former "outside" sources.

**5. Restoring.** The need for restoring emerges when the team has been functioning for some time and work together has become almost automatic. Members may begin to lose sight of the original mission, sometimes because the mission may start to shift or even disappears. As this happens the team will re-evaluate its purpose, structure and membership. Some members may drop out, a new mission identified or the group may be disbanded. If the team is to survive, a re-evaluation and revitalization will need to take place.

The approaches in team, building, mentioned above help to create cohesive and co-operation within the group. Although specific steps differ the following represents a typical approach to team building. Pre-requisite to the team building and formation is to gather relevant information as mentioned below :

**(i) Data Collection.** A Survey, interview or meeting is conducted to collect data that will help identify problem areas. Questions are directed at planning, work-unit goals, quality and quantity standards co-operation and supervisory competence in areas such as providing employees a feedback and performance discipline and training.

**(ii) Problem Identification.** During the second meeting the team is given a summary of all the information collected in the first step. The team thoroughly discusses all aspects of the data so that most of the major problems are identified by the end of the session.

**(iii) Setting Priorities.** The next step involves arranging the items to be worked on in order of priority. The relative importance of the various problems is discussed, but the team refrains from coming up with solutions at this point.

**(iv) Problem Solving.** At this stage, attempts to solve the problems are made by following guidelines such as (a) discussing the problem and its impact on people and organisation, (b) identifying alternatives, (c) selective appropriate alternative through consensus and agreement, (d) assigning specific action plans and responsibilities, (e) establish target dates for review purposes. The underlying aim of team

development is to increase trust among the team members. Team functions more effectively when members build on one another's strengths, skills and resources and when they learn to accept others, their weakness is included. A team's efficiency is lowered and tensions increases when feedback is avoided. Learning to listen actively makes messages clearer and shows respect for the gender of the message.

**(b) Outcome of Team Development**

- *More recognition and acceptance of difference among team members.*
- *More effective use of each other's resources.*
- *More assumptions of responsibility for day-to-day operations by team members.*
- *Greater support for each other in carrying out team functions.*
- *More personal satisfaction in carrying out own work as part of the team.*
- *More willingness to go beyond own's job in assisting another member of the team.*

**11.4 EFFECTIVE AND INEFFECTIVE TEAM AND GROUP ROLES**

Ideally, all team and group members can play a wide range of effective, high-performance roles. However, this is not always the case, even in high-performance teams. Table 11.2. lists three classifications of group and team roles that members can assume.

**Table 11.2. Roles of group and team members**

<p><b>(a) Task-Oriented Roles.</b> The task-oriented role facilitates and co-ordinates decision-making activities. It can be broken down into the following sub rules :</p> <ol style="list-style-type: none"> <li>1. Initiators offer new ideas or modified ways of considering group problems or goals as well as suggest solutions to group difficulties, including new group procedures or a new group organization.</li> <li>2. Information seekers try to clarify suggestions and obtain authoritative information and pertinent facts.</li> <li>3. Information gives offer facts or generalizations that are authoritative or relate experiences that are pertinent to the group problems.</li> <li>4. Coordinators clarify relationships among ideas and suggestions, pull ideas and suggestions together, and try to coordinate activities of members of subgroups.</li> <li>5. Evaluators assess the group's functioning; they may evaluate or question the practicality, logic, or facts or suggestions by other members.</li> </ol> <p><b>(b) Relations-Oriented Roles.</b></p> <ol style="list-style-type: none"> <li>1. Encourages praise, agree with, and accept the ideas of others; to indicate warmth and solidarity towards other members.</li> <li>2. Harmonizers mediate intragroup conflicts and relieve tension.</li> <li>3. Gatekeepers encourage participation of others by using such expressions as, "Let's hear from Aravind", Why not limit the length of the contributions so all can react to the problems ? and "Anil, do you agree ?"</li> <li>4. Standards setters express standards for the group to achieve or apply in evaluating the quality of group processes, raise questions of group goals and purpose, and assess group movement in light of these objectives.</li> <li>5. Follower goes along passively and serves as friendly members</li> <li>6. Group observers tend to stay out of the group process and give feedback on the group as if they were detached evaluators.</li> </ol>
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(c) **Self-Oriented Roles.** The self-oriented role focuses only a member's individual needs, often at the expense of the group. This role may be broken into the following sub rules :

1. Blockers are negative, stubborn, and unreasonably resistant; they may try to bring back an issue the group intentionally rejected or bypassed.
2. Recognition seekers try to call attention to themselves. They may boast, report on personal achievement, and in unusual ways, and struggle to avoid being placed in an inferior position.
3. Dominators try to upset authority by manipulating the group or certain individuals in the group; they may use flattery or assertion of their superior status or right to attention; and they may interrupt contributions of others.
4. Avoiders maintain distance from others; these passive resisters try to remain insulated from interaction.

**Source :** *Organizational Behaviour, 5th ed. by D. Hellriegel, J.W. Slocum, and R.W. Woodman.*

### 11.5 TEAM GROWTH

Katzenbach and Smith researched the development of teams and discovered that as team develops they increase in productivity. The following is a summation and adaptation of the work they have done.

(a) **Parallel Worker Groups.** Parallel Worker Groups are a group of employees who do identical or similar work or work that is some how connected. From time to time groups of parallel workers may meet to discuss the best techniques to do a certain operation and may share information about how the unit is doing. Most often the members do not feel a sense of responsibility for the productivity of the group. If the worker feels responsible for the work it is only responsibility for the worker's own output. These groups of employees may be very friendly with one another and socialize away from work, but there is no real requirement for them to work closely together except to insure that work handled off is done smoothly. Communication during work periods may be minimal. If conflict arises it is often overlooked, poorly handled or dealt with like pouring oil on troubled waters. This type of work arrangement is found in organisations with traditional management styles.

(b) **Facade Teams.** When teams first come together, study about teams and how they function, they of the develop into Facade Teams. Facade is a French working meaning false front. Facade Teams are just that. They give the appearance of teams but have not learned how to function as a team. The quantity of communication increases dramatically compared with groups working as parallel workers. While they give the outward appearances of team, they have not developed the common purpose for work together and certainly do not understand how their interaction will lead to synergistic results. Because of the increase in communication, their productivity is actually lower than that of parallel workers. The communication gets in the way of the work. Conflict is often suppressed "in the name of good teamwork", and this suppression may be enforced by the members themselves. While many forming teams pass through this stage, if a group is allowed to stay in this stage too long, higher management or the team members themselves will tire of the lack of productivity and will return to parallel work.

(c) **Elemental Teams.** Elemental Teams are teams that have developed the essence of common goals, established some of the collaborative patterns of teams but are new to the habits required to truly working synergistically together. While they may have learned some problems solving techniques, they have some difficulty applying them or may apply a less effective technique to the situation at hand. Because working, as a team has not become second nature to them, they often find themselves slipping back to old habits, working as parallel workers. Conflict is addressed, but since team members have had little experience dealing with it in a positive way, uneasiness may exist. Given a knowledgeable and practiced leader of coach, an Elemental Team will develop into Functioning Team.

(d) **Functioning Teams.** Functioning Teams are teams that have more clearly defined common goals and common vision of their role in the organisation. They typically have a mission statement, clearly established measures and a set of guidelines for working together. Each member will have a role in the team that relies on the work of others and will support the work of others. Application of problem solving techniques comes more easily than with Elemental Teams, though new techniques are still being learned. Co-operation comes more naturally now without the requirement and team members ask one another for assistance. Various team members step up and apply their strengths more naturally where they are needed. Productivity increases come from working smarter as a team, rather than harder. The team members are developing techniques for resolving conflict in a way that more often leaves the members feeling OK about the experience, though occasionally feel others get ruffled.

## 11.6 TEAM EFFECTIVENESS

When a team becomes more aware of its ways of functioning it can take practical steps to function more effectively and avoid ineffective ways of doing things. For this the problem hindering team effectiveness should be found—Diagnosing what factors of a team's function requires attention. By increasing effectiveness between teams we mean finding ways to bring two teams together to work on common problems. It is recognizing differences between teams and not allowing those differences to keep the teams apart. It is anticipating problems before they arise between two teams that work together. Increased effectiveness among teams afford an opportunity in learning about different communicating styles. It helps to bring out feelings about power and influence and allows team members to handle such issues better and place them in better perspective. This increase in effectiveness can be brought about by reaching out to other teams, listening to each other, and increasing understanding between teams by allowing teams to work together more closely without merging. Dealing with tension between teams by enabling them to realise how they are hurting each other and create positive atmosphere between teams.

### (a) Characteristics of an Effective Team.

- *The atmosphere must be comfortable and informal.*
- *There must be task-relevant discussion, in which most if not all members must participate.*
- *Group tasks must be well understood and accepted by the members.*
- *Members must listen well to each other.*
- *There must be expression of both ideas and feelings.*
- *Conflict and disagreement are present but must be focussed on ideas and methods and not personalities and people.*
- *The group must be conscious and introspective about its operations and processes and*
- *Decisions must be based on consensus, not majority vote or minority control.*

(b) **Effect of Increased Effectiveness Between Teams.** One thing seems to be common to all highly effective teams and that is that they face a significant challenge. They have such a clear sense of the mission and understanding of the goal of the team that they often operate as though their purpose was the natural order of things. Team members have developed a high degree of team **unconscious competence**. That is, they work very effectively together without thinking about the dynamics of what they are doing. The creativity of the team members is tapped regularly, and developing new, more effective ways of doing things has become a way of life. The members have developed high regard for each other and know how to tap into each others abilities. The team has developed several problems solving and group facilitating techniques and uses them effectively. While there is often stress and confrontation in the group, conflict is addressed quickly in a win/win manner with focus on the problem

or issue, not the person. Members have learned how to deal effectively with each other and naturally avoid damaging each other's psyche. Initiating new members into the group is done with care because of the understood impact the new members will have. All members felt a high degree of responsibility towards developing new members.

- *Understanding people better.*
- *Increased quality of teamwork within and between departments.*
- *Opportunity to learn about different communicating styles.*
- *Brings out feelings of power and influence and places them on proper perspective and*
- *It helps people become clearer about their different ways of dealing with conflict.*

**(c) Outcomes of Team Effectiveness**

1. *More pre-thought and better planning.*
2. *Understanding what needs to be worked on the increase effectiveness.*
3. *Increased overall effectiveness of team functioning.*
4. *Better team work.*
5. *More effective decision-making.*
6. *Management views what people should be doing in-group.*
7. *More initiatives from management.*
8. *Greater survival capability in changing environment and*
9. *More effectiveness meetings and higher satisfaction with meetings.*

A successful team periodically reviews its own overall effectiveness, and it tries to anticipate possible obstacles. Members study the team's weakness and accordingly take steps to improve its work efficiency.

**According to Mike Blansfied, the team effectiveness depends on the following five-team issues :**

- *Am I in or out ?*
- *Do I have any power and control ?*
- *Can I get a chance to influence the team out come ?*
- *Will I have chance to use/develop the needed skills and resource ?*
- *Whether the team will reach a decision out of consensus rather than Majority opinion.*

## 11.7 TEAM WORK

Teamwork involves a joint effort by all the members of a team to realise the team objectives. Every team goes through certain stages in its formation. Let us first consider the various stages in the formation of a team.

**(a) Preparing for Work.** This stage, often called testing, forming or struggling for inclusion, is marked by team member's attempts to find a place in the group. The critical team leader's tasks include: allowing members to get to know each other, legitimizing and affirming the distinctive abilities of each participant, clarifying work expectations and rules that will govern team interaction, and agreeing on the major mission and objectives of the team. To the extent that these requirements are satisfied, the team will progress to the next stage. On the other hand, failure to perform these tasks may cause team members to be struck at this stage.



**(b) Challenging Authority.** At this stage, there will be a struggle to determine who will control the team and how the control will be expressed. This stage is also called infighting, storming or struggling for control. The leader's tasks include : listening and responding fairly and calmly to member challenges, mediating between divergent factions, and dividing the work based on member preference and distinctive resources. If there is a prolonged challenge or an inability to mediate successfully between two polarized factions, the split might become permanent and the team will disintegrate.

**(c) Getting Down to Business.** When the individual members feel comfortable with each other and are happy with the division of labour and mechanisms for solving difference, the team enters the productivity stage where the quality and quantity of work will increase dramatically. The leadership's tasks include : continuing to monitor and support team expectations and standards, finding new ways of supporting individual performance facilitating the resolution of problems, etc. Otherwise, it might result in boredom, game playing and a pre-occupation with non-work related issues.

**(d) Getting Close.** Productive, successful team often experiences deep feelings of attraction, enjoyment and comradeship and comradeship among team members. The cohesion stems from a delicate integration of an individual's search for autonomy and control on the one hand, and participation in a successful larger group on the other. Leadership's tasks include providing opportunities for celebration, acknowledging the contributions of individuals, sharing the recognition and rewards of team success etc. For an effective formation of management team we must understand the context in which it works. The context consists of both external and internal factors to the business. The following are some key contextual elements that a team will operate.

### 11.7.1 Cultural and Societal Factors

It says about the norms and needs within the society in which business operates, i.e., what are today's (and tomorrow's) employees, customers, press regulatory bodies and shareholders require from business. e.g., customers and employees are more educated now than that of about 15 years ago. The manager should be effective in dealing with this new environment. The societal factors are important too. Different styles and perspective are needed for managing different parts.

### 11.7.2 Strategic Thrusts

This decides the strategies of firm. Deciding market segments, product and customers and primary basis for competing. Whether product innovation, or customization and service. Therefore the context calls its members to contribute to the development of a sound strategy. When a strategy has been developed and General Manager confidence in it, it is a must that team should have competence required for the execution of the plan.

**(a) Key points of interdependence.** For ideal development of a team both external and internal interdependence are important. In a team, key collaborative modes create a need for communication and negotiation skills.

1. **Human Resource Profile.** The manager's communication and leadership qualities (abilities) must be suited to gathering effective efforts from work force.
2. **Key Management Associates.** In a team management, no position is isolated. So one must find out capabilities and repertoires of key members of management team. It is assessment of people who are already a part of the team.
3. **Resolving Conflict in Teams.** When we resolve conflicts between teams we analyse what is causing trouble between the groups. The elements of conflict are broken down so that the parties can deal with them one at a time. Helping team members who have different expectations



and viewpoints about other's job to realise and resolve it can do this. Another method is to bring out all underlying problems and have an open problem solving confrontation. Please see chapter 9 for more reference.

- 4. Enriching Work Life.** The work life of team members can be enriched by motivating team members, enriching jobs of team members and by developing inter-professional teams. Please see chapter 6 for more reference. Teamwork requires open communication with all members. They help to achieve goals in an effective manner and are helpful in enriching the work life of the team members. Teamwork requires open communication with all members. They help to achieve goals in an effective manner and are helpful in enriching the work life on the team members. Please see chapter 9 for more reference.

Today, the doctrine of teams and team-based activities is creating a revolution in cutting down expenditure, enhancing quality and productivity, improving employer-employee relationships and encouraging innovative and creative ideas among themselves. Work teams in organisations empower employees to take maximum responsibility to make decisions, which were a few years ago, the prerogative of the management. Teams involve the collective brainpower of all diverse members within the team. Teamwork can easily be nurtured when employees perceive their work environment to be safe. If a team is to be considered effective, the members of the team should willingly pitch in, support and encourage each other, volunteer to work even in trivial issues and try to avoid adversarial situations, team work may also to a certain extent depend upon the quality of the past relationship an organisation has had with its workmen.

Teams are not watertight compartments. When they are expected to be self-starters, their capability to take up responsibility lies in their spirit of oneness, irrespective of their hierarchical levels in the organisations. Even if a member of team is not having the required skill and knowledge that is essential for the given assignment, he may start shirking his responsibilities. Thus, when job requirements are predetermined in the teamwork, efficiency and effective functioning of the team has a bearing on the skill and knowledge that is possessed by the team members. The goals set for the teamwork should be meaningful, purposeful and result-oriented, and every member of the team as a common goal should accept such goals. Again, when team members are linked by a common goal, each member of the team will take a keen interest in one another performance.

To enhance teamwork effectiveness, the team should be close-knit, with few boundaries. Every member of the team should be made accountable for his/her contribution, towards the achievement of the common goals that had been set and accepted by him or her earlier. Frequent interactions among the team members will enable the team towards quantum jumps. Commitment to quality by all the members of the team will have more credibility on the teamwork advantage. Although quality consciousness may appear to be a fad, when intentions are definite and members possess complementary skills, the net impact of the inspired team will be to tackle quality problems at the earliest and accomplish a zero defect team work.

The members of the team, when they work together should be genuinely concerned for each other. The members should be nature in their level of tolerance, in terms of personalities and their ideas. At the same time, the team members should also be sensitive to inferior quality work that may be against the interest of the teamwork. The amount of attention, though and time one has to spend on a team effort depends upon the ethical and moral values the individual members hold. These moral principles are reflected in specific behaviours. These ethics that convert values into action. The existence of the collaborative and positive relationship between the members of the team is vital for the success of the teamwork. If the target has to be achieved within a specified time, the entire decision-making process has to be shouldered by the team and shared by its members. This demands for an unquestionable participation among team members in the entire decision making process.

- 5. Sharing of Information.** When team members support each other, they will be receptive to innovative and creative ideas and will have the willingness to accept changes. It is possible through open communication, wherein the exchange of ideas is free and frank. Such an establishment of a unique bond among team members will have a constructive impact on the morale of the organisation and nature team culture. The co-ordinated efforts of the team should continue throughout the allotted time to enable the team to make a significant progress in achieving their common goals. Until the groups implement the chalked out plans care should be taken to utilise their time and resources effectively without giving way even for a phased inertia.

To the Japanese, teamwork is as natural as breathing. In India, there are many firms that are following this team-based organisational culture. To name a few, **Modi-Xerox, TISCO, Philips India, Cadbury India**, etc., have created new impacts by empowering the teams and supporting the teamwork. After the secret of teamwork advantage are due to the following reasons :

- *Clear understanding of the organisational goals, objectives and the group norms.*
- *Open communication among the team members.*
- *Periodic examination of the insider-outsider view to help guide and clarify issues.*
- *Balance among them members by having a sense of high team ownership.*
- *Continuous encouragement and support extended by the top management to stick on with the efforts taken by the team members.*
- *Minimum number of members forming a team to reduce the complexity and internal competition and also to quicken the decision-making process.*
- *Giving total autonomy in the decision-ownership to the team in the assigned work.*
- *Forgetting the hierarchical ranks while working with a team thereby avoiding internal conflict*
- *Willingness of the team member to face conflict and trying their level best to avoid it.*
- *Encouragement of constructive evaluation (feedback) of each member's contribution to the teamwork by periodic presentations of performance.*
- *Daringness to take initiative in trivial situations and overcoming resistance when pressures from environment build up; and The organisations that the sensitive to patterns of technological changes aiming at global market and industrial development has to tread the new path of team work approach.*
- *Please see the chapter 6 for more reference.*

### 11.8 SELF MANAGED TEAM

Organizations are increasingly forming self-managing teams. If properly designed, such groups adopt the good features of face-to-face work groups and use knowledge about groups and their dynamics. Modern technology, however, lets people work at remote locations connected to each other over the Internet or over the organization's intranet. A self-managing team consists of a group of people doing a set of interdependent tasks, which produce a product or deliver a service. Team members manage most aspects of their work including member work assignments, selecting a leader, and assuring their work quality. Managers should not use self-managing teams when people should work independently or when they want to work independently. The later is especially characteristic of researchers who prefer individual recognition of their work.

Team processes include cooperative behavior, interdependence, and conflict, management. The interaction, activities, and sentiments view described earlier applies to self-managing teams. An important reason for using self-managing teams is to get the synergy from the different technical and social abilities of team members. Task synergy from the different technical and social abilities of team members. Task interdependence forces social interaction. Well-managed teams guide themselves through the inevitable conflict and emerge as cohesive teams with widely shared goals of quality work performance. Empirical research on self-managing teams is limited but shows many positive effects. Such teams show higher work performance than either individuals or other types of workgroups. Team members report higher job satisfaction and higher team and organizational commitment than people working under other systems. Research results also show decreased absenteeism and turnover.

### SUMMARY OF KEY POINTS

Work is increasingly being performed in teams. Quality management and restructuring initiatives coupled with advent of IT applications have organised work around value added business, process that use high-performance teams to do more with less resource and time. Virtual teams are separated by time and space, operate primarily by electronic collaborative group ware. Issues of trust and exposure are more prominent than belonging and place. The way a team is formed depends on the required expertise, the type of outcome expected and the nature of the work to be done. The benefits of working in teams includes enhanced productivity and quality, reduced cost of production, increased organisational creativity, innovation and flexibility. Important theories and concepts were discussed in detail.

### TEST YOURSELF

#### 11.1 Are You a Team Leader ?

Team leadership is a many-sided process, as the following self-assessment shows. If you are currently leading a team, this will test the quality of your working methods and ability to manage people. If you are a team member, test your own leadership potential. Be as honest as you can; if your answer is “**never**” mark option 1; if it is “**always**”, mark option 4; and so on. Add your scores together, and refer to the Analysis to see how you scored. Use your answers to identify the areas that need improving.

#### Options

1. Never
2. Occasionally
3. Frequently
4. Always

1. I have an inner team of deputies and consult with them on team progress.

 1

 2

 3

 4

2. I give the team and its members precise goals and communicate them clearly.

 1

 2

 3

 4

3. I keep in touch with team sponsors to keep external relations smooth.

 1

 2

 3

 4

4. I try to show the members of my team that I trust them implicitly.  
 1                       2                       3                       4
5. explain why if I have to reject a team member's idea on solving a problem.  
 1                       2                       3                       4
6. I share the leadership role with other members of the team.  
 1                       2                       3                       4
7. I encourage team members to set themselves genuinely stretching tasks.  
 1                       2                       3                       4
8. I meet with internal and external customers to ensure that they are satisfied.  
 1                       2                       3                       4
9. I socialise with the team to build team spirit and exchange views informally.  
 1                       2                       3                       4
10. I give credit when credit is due and do not hesitate to criticize if necessary.  
 1                       2                       3                       4
11. I turn whole tasks over to the team to carry out as the members see fit.  
 1                       2                       3                       4
12. I allow my team to have a say in any decision that affects it.  
 1                       2                       3                       4
13. I ask individuals on the team what they think about current working methods.  
 1                       2                       3                       4
14. I look for the underlying causes of any problems that arise within my team.  
 1                       2                       3                       4
15. I deliberately change my management style to suit changing situations.  
 1                       2                       3                       4
16. I encourage team members to come to me with any problems.  
 1                       2                       3                       4
17. I deal with personal problems within the team as and when they arise.  
 1                       2                       3                       4
18. I use a log to record any way we find to improve working practice.  
 1                       2                       3                       4
19. I am tough on problems, but not on the individuals in my team.  
 1                       2                       3                       4
20. I track the projects being worked on by individual team members.  
 1                       2                       3                       4
21. I seek all opportunities for long term improvements in working systems.  
 1                       2                       3                       4

22. I plan team meetings well in advance and provide an action agenda.  
 1                       2                       3                       4
23. I communicate with team members via every available means.  
 1                       2                       3                       4
24. I pass on all information I receive to my team, as long as it is not confidential.  
 1                       2                       3                       4
25. I try to eliminate unnecessary reporting levels from the team hierarchy.  
 1                       2                       3                       4
26. I consult sponsors and other well-placed people to ease the team's work.  
 1                       2                       3                       4
27. I encourage team members to think in innovative ways.  
 1                       2                       3                       4
28. I run brainstorming sessions to generate new thinking within my team.  
 1                       2                       3                       4
29. I run frequent checks on team spirit and individual morale levels.  
 1                       2                       3                       4
30. I treat problem-solving as an opportunity for lasting improvements.  
 1                       2                       3                       4
31. I eliminate conflict caused by overlap of role responsibility in the team.  
 1                       2                       3                       4
32. I try to inspire my team by leading them firmly from the front.  
 1                       2                       3                       4

### Analysis and Interpretation

Check your performance by reading the corresponding evaluation below.

- 32-63** : You are not keeping up with the pace of change. Look for ways to update your management style.
- 64-95** : Some of your leadership qualities are good, so concentrate on improving weak areas.
- 96-128** : This is the zone of excellence, but do not let that lull you into complacency-strive to improve Practices.

### 11.2 Review Questions

1. Explain team formation. How can you develop a team of your choice ?
2. Explain different type of team and its implication on the performance of an organisation.
3. What do you mean by Virtual Team ? Explain.
4. How do you improve the effectiveness of team performance ?
5. Comment on group cohesiveness and its impact on the productivity of an organisation.

### 11.3 Discussion Questions

1. Imagine you as team leader of STG who assign the duty to flush out terrorist from the temple in Gandhinagar. What strategy, which you adapt to for increasing group cohesiveness and teamwork for realization of your objective ?
2. Comment on the practicability of the techniques in forming group and also for solving conflict in the group ? What technique, which you will resort to for making decisions ?

### 11.4 Student Exercise

1. Management is the process of working with and through others to achieve organizational objectives. Effective managers are team players who actively support others through empowerment and other means. Despite claims to the contrary in the popular press, effective female and male managers do not have significantly different skill profiles. While this is true for the Indians, it may not be as true for other cultures. Evaluate the statement in the context of cultural factors in India and in China. What factors in these two countries may have an impact on gender differences in management ? How do you set up a term in such circumstances.
2. Visit a leading corporate house like Infosys, or ICICI via Internet and chat with their leader N.R. Narayana Murthy or K.V. Kamath. Find out what made motivate him to set a tam for the new millennium. Comment on the theory , which we described in the chapter.

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## CHAPTER 12

### ORGANIZING AND MANAGING CHANGE

#### LEARNING OBJECTIVES

*This chapter aims at introducing the following concepts as a pre requisite for explaining the Organisation Behaviour theories and practices to the readers*

- *Meaning and scope*
- *Change management*
- *System approach*
- *Resistance to change*
- *Pough's OD matrix*
- *Intervening in the system*
- *Role of change agents and consultants*
- *Developing relationship for effective change*
- *Implementation of OD*
- *Sensitivity training and managerial grid approach*
- *Evaluation of change management programmes*
- *Change management strategy*
- *Reasons for failure*
- *Target system and OD techniques*
- *Significance, benefit and limitations of OD programme*



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## Organizing and Managing Change

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Organizing and managing change has initiated a wide-ranging cluster of ideas and practices in the world of change management. It is not a discrete change technique or approach. Writers and practitioners use the terms in a variety of ways. It may refer very generally to a broad philosophy of organizational change. In this sense, Organization Development (OD) is more of a 'school of thought' than a particular prescription for the management of change. However, OD is also used to refer to major programmes and processes of strategic, organization-wide change lasting several years and reaching every corner of the organization. This chapter focuses the major processes and strategies in organizing and managing Change in an organization.

### 12.1 MEANING AND SCOPE

A popular definition of OD in the behavioural science sense of the term is given by French and Bell .A top-management supported, long-range effort to improve an organization's problem-solving and renewal processes, particularly through a more effective and collaborative diagnosis and management of organization culture-with special emphasis on formal work team, temporary team, and intergroup culture-with the assistance of a consultant facilitator and the use of the theory and technology of applied behavioural science, including action research. Top management support involves the general direction, support and active involvement of the chief executive and members of top management. Problem-solving and renewal processes refers to the way in which an organization adapts to opportunities and challenges of its environment; *h*, the extent to which the organization sees its environment in terms of the past or continuously redefines its purpose and methods in terms of the present and the future. Renewal processes are concerned with the viability of the organization, generating technical and human resources for organizational survival, and the avoidance of organizational decay and senility.

In any organizational change there are three so-called 'states' to be dealt with : the future state, which defines where members of the organization want it to be : the present state, which describes where it is at present; and the transitional state, which specifies in details how to get from the present to the future state. Each of these three states implies certain activities which together constitute the various stages of the overall OD process, making up a recurring cycle-because change is continuous, and review of the organization's capacity to respond effectively to change must be continuous too. Determining the future state involves arriving at a statement of the organization's vision or mission : a written description of the envisioned behaviour of the operation at a given point in the future, possible with intermediate objectives specified as well. Generally, the future state seems as some kind of encapsulation of the values and ideals of the organization as well as-on a more pragmatic level-a solution to the problem(s) of the present state. The definition of the future state will inevitably be given in quite general terms at the outset and will evolve and be refined as the process continues. The OD approach to managing change tends to have the following distinguishing characteristics.

1. *It is a broad, sustained, medium-to long-term approach.*
2. *It draws on the findings and methods of behavioural science.*
3. *It is process-oriented, rather than goal-oriented.*
4. *It involves a facilitator role and*
5. *It is participative.*

The third characteristic is worth explaining and emphasizing. A goal-oriented approach-of which SIS is an example-reason like this : ‘We must start by working out where we are going; by contrast, reasons as follows : Clarity and agreement on appropriate goals are the results of organizational change, not the starting point. By attending to the processes of discussion and learning-so people share information and ideas, and develop trust and respect for each other-the underlying challenges, can be pieced together and addressed, and resistance to change minimized. In short, if you get the processes of change right, the direction (and the implementation) will look after itself’. Of course, presented like this, the contrast is too stark : as we shall see, OD practitioners do attend to goals and direction just as SIS practitioners are concerned with process issues (such as team working, and relations with the problem owner and others). Nevertheless, there is a definite difference of emphasis and orientation. Clearly, the five characteristics of OD approaches are very general. They reflect a broad OD philosophy or style of change management rather than an immediately recognizable change strategy.

Collaborative diagnosis and management of culture refers to a shared examination and management of organization culture, and not to a traditional management structure with orders imposed through a hierarchy of levels. The culture of an organization includes prevailing patterns of behaviour, values, attitudes, beliefs, norms, sentiments and technology. These characteristics enable the differentiation among organizations. OD recognises that problems and solutions should be viewed in terms of the long-range goals of the organization rather than the organization being managed by that culture. Formal work team is the key unit in OD activities. Rather than attention being centred on the individual manager or supervisor, the focus is on the work group. Emphasis is given to team development and the dynamics of small work group situations. Consultant facilitator (or change agent or catalyst) refers to the services of a third party as an internal or external consultant. The third party can be a member of the organization but should be external to the particular sub-system initiating an OD programme. The facilitating role of the change agent will involve a range of consultation skills depending on the nature of the OD programme. Action research involves the diagnosis of the organization’s problems, gathering data from the client group, feedback and analysis of data, and action by members of the client group to resolve the problems. Action research is the basic intervention model, which is common to most OD programmes.

**Table 12.1. Organization development and action research**

<b>Organization Development</b>	<b>Action Research</b>
1. Emphasises use of applied behavioural science.	No such emphasis; work can be done in any area.
2. Emphasises work from the top.	Emphasises work at the level at which problem is felt.
3. Emphasises work throughout the whole organization.	Emphasises solving specific problem at the concerned level.
4. Emphasises building organizational health.	Emphasises building research competence.
5. More concern for process.	More concern for praxis.
6. Maintains duality between outside consultant and organization.	Works towards partnership.

## 12.2 CHANGE MANAGEMENT

Change is a pervasive influence. We are all subject to continual change of one form or another. It is an inescapable part of both social and organizational life. The effects of change can be studied over different time scales, from weeks to hundreds of years, and they can be studied at different levels. Change can be studied in terms of its effects at the individual, group, organization, society, national or international level. However, because of its pervasive nature, change at any one level is interrelated with changes at other levels, and it is difficult to study one area of change in isolation. But our main focus of attention is on the management of organizational change. Organizational change can be initiated deliberately by managers, it can evolve slowly within a department, it can be imposed by specific changes in policy or procedures, or it can arise through external pressures. Change can affect all aspects of the operation and functioning of the organization. Most planned organizational change is triggered by the need to respond to new challenges or opportunities presented by the external environment, or in anticipation of the need to cope with potential future problems; For example, intended government legislation, a new product development by a major competitor or further technological advances. Planned change represents an intentional attempt to improve, in some important way, the operational effectiveness of the organization. The basic underlying objectives can be seen in general terms as : (i) modifying the behavioural patterns of members of the organization; and (ii) improving the ability of the organization to cope with changes in its environment.

### 12.2.1 A Systems Approach to Organizational Change

One strategy of change is through the adoption of a system approach. The organization can be viewed as a system and analysed in terms of its major interrelated variables (sub-systems). The variables can be identified in a number of ways including : task, technology, structure, people and management.

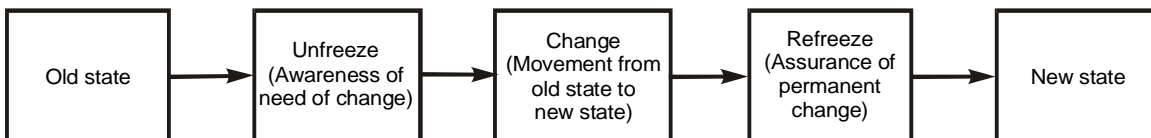


Fig. 12.1. Showing Lewin's process of organization change.

(a) **The Forces of Change.** There are a wide range of forces acting upon organizations and which make the need for change inevitable. These forces of change can be summarised under five broad headings : changing technology; knowledge explosion; rapid product obsolescence; changing nature of the workforce; and quality of working life.

- *Changing technology.* The rate of technological change is greater now than at any time in the past; For example, advances in information technology, automation and robotics.
- *Knowledge explosion.* The amount of knowledge is increasing continually; For example, the number of people in some form of education, the number of scientific journals and new books. With this rapid explosion of knowledge, knowledge in a particular field quickly becomes outdated or obsolete.
- *Rapid product obsolescence.* Changes in consumer preferences, together with rapidly changing technology, have shortened the life-cycle of many products and services. Many products and services available today did not exist a few years ago and many do not remain available for long.

- *Changing nature of the workforce. These include changes in the composition of the working population, broader educational opportunities, part-time working, changes in family life-styles, equal opportunities.*
- *Quality of working life. Increased importance attached to the quality of working life has drawn attention to the satisfaction of people's needs and expectations at work; and to such factors as frustration and alienation, job design and work organization, styles of managerial behaviour. It has also drawn attention to relationships between the quality of working life and employee commitment, levels of work performance and productivity.*

**Table 12.2 Change management**

Category	Examples	Type of pressure for change
<b>People</b>	Generation X Baby boomers senior citizens work-force diversity.	Demands for different training, benefits, workplace arrangements, and compensation systems.
<b>Technology</b>	Manufacturing in space internet Artificial intelligence.	More education and training for workers at all levels, more new products, products move faster to market.
<b>Information Processing and Communication</b>	Computer, satellite communications video conferencing.	Faster reaction times, immediate responses to questions, new products, different office arrangements, telecommuting.
<b>Competition</b>	Worldwide markets international trade agreements Emerging nations.	Global competition, more competing products with more features and options, lower costs, higher quality.

(b) **Resistance to Change.** Despite the potential positive outcomes, changes are often resisted at both the individual and at the organizational level. Resistance to change-or the thought of the implications of the change-appears to be a common phenomenon. People are naturally wary of change, 'among many there is an uneasy mood-a suspicion that change is out of control. Resistance to change can take many forms and it is often difficult to pinpoint the exact reason for the resistance. The forces against change in work organizations include : ignoring the needs and expectations of members; when members have insufficient information about the nature of the change; or if they do not perceive the need for change.

**1. Organizational Resistance.** Although organizations have to adapt to their environment, they tend to feel comfortable operating within the structure, policies and procedures which have been formulated to deal with a range of present situations. To ensure operational effectiveness, organizations often set up defences against change and prefer to concentrate on the routine things they perform well.

- *Maintaining stability. Organizations, especially large-scale ones, pay much attention to maintaining stability and predictability. The need for formal organization structure and the division of work, narrow definitions of assigned duties and responsibilities, established rules, procedures and methods of work, can result in resistance to change.*
- *Investment in resources. Change often requires large resources, which may already be committed to investments in other areas or strategies. Assets such as buildings, technology, equipment and people cannot easily change to a socio-technical approach and the use of autonomous work groups (such as with the Volvo project), because it cannot afford the cost of a new purpose-built plant and specialised equipment.*

- *Past contracts or agreements. Organizations enter into contracts or agreements with other parties, such as the government, other organizations, trade unions, suppliers and customers. These contracts and agreements can limit changes in behaviour. For example organizations operating under a special licence or permit, or a fixed-price contract to supply goods / services to a government agency. Another example might be an agreement with trade unions, which limits the opportunity to introduce compulsory redundancies, or the introduction of certain new technology or working practices.*
- *Threats to power or influence. Change may be seen as a threat to the power or influence of certain groups within the organization, such as their control over decisions, resources or information. For example, managers may resist the introduction of quality circles or worker-directors because they see this as increasing the role and influence of non-managerial staff, and a threat to the power in their own positions. Where a group of people have, over a period of time, established what they perceive as their 'territorial rights' they are likely to resist change.*

## 12.2 HUMAN AND SOCIAL FACTORS OF CHANGE

Activities managed on the basis of technical efficiency alone are unlikely to lead to optimum improvement in organizational performance. A major source of resistance to change arises from the need of organizations to adapt to new technological developments. The management of change arising from other factors.

- *An important priority is to create an environment of trust and shared commitment, and to involve staff in decisions and actions, which affect them.*
- *There should be full and genuine participation of all staff concerned as early as possible, preferably well before the actual introduction of new equipment or systems.*
- *Team management a co-operative spirit among staff and unions and a genuine feeling of shared involvement will help create a greater willingness to accept change.*
- *As part of the pre-planning for new technology there should be a carefully designed 'personnel management action programme'.*
- *The introduction of incentive payment schemes may help in motivating staff by an equitable allocation of savings, which result from new technology, and more efficient methods of work.*
- *Changes to the work organization must maintain the balance of the socio-technical system. Increased technology and automation may result in jobs becoming more repetitive and boring, and providing only a limited challenge and satisfaction to staff. It is important, therefore, to attempt to improve the quality of work, to remove frustration and stress from jobs, and to make them more responsible and interesting. New working practices should take account of how best to satisfy people's needs and expectations at work through the practical application of behavioural science.*
- *Careful attention should be given to job design, methods of work organization, the development of cohesive groups, and relationships between the nature and content of jobs and their task functions.*

Organizations operate within an increasingly volatile environment. In order to perform effectively they must be responsive to change. OD itself is a response to organizational change. Change is a pervasive influence and an inescapable part of social and organizational life. There are wide ranges of forces acting upon organizations, which make the need for change inevitable. One strategy of change is through the adoption of a systems approach. Despite the potential positive outcomes, change is often resisted at both the individual and the organizational level. It is important, therefore, for management to adopt a clearly defined strategy for the initiation of change, including attention to the human and social factors of change.

Table 12.3. Pough's OD matrix

Level of analysis Behaviour	(What is happening now ?)	Structure (What is the required system ?)	Context (What is the setting ?)
Organizational	General climate of poor morale, pressure, anxiety, suspicion, lack of awareness of, or response to, environmental change (Survey feedback, organizational mirroring).	Systems goals poorly defined or inappropriate, strategy inappropriate and misunderstood; organization structure inappropriate—centralization, divisionalization or standardization; inadequacy of environmental monitoring mechanisms change the structure.	Geographical setting, market pressures, labour market, physical condition, basic technology Change strategy, location, physical set-up, culture.
Inter-group	Lack of effective co-operation between sub-units, conflict, excessive competition, limited war, failure to confront differences in priorities, unresolved feelings inter-group confrontation (with third party as consultant), role negotiation	Lack of integrated task perspective; sub-unit optimization, required interaction difficult to achieve Redefine responsibilities, change reporting relationships, improve co-ordination and liaison mechanisms.	Different sub-unit values, lifestyle; physical distance reduce psychological and physical distance; exchange roles, introduce attachment and cross-functional groups.
Group	Inappropriate working relationships, atmosphere, participation, poor understanding and acceptance of goals, avoidance, inappropriate leadership style, leader not trusted, respected; leader in conflict with peers and superiors process consultation, team building	Task requirements poorly defined; role relationship unclear or inappropriate; leader's role overloaded; inappropriate reporting procedures redesign work relationship (socio-technical systems), self-directed working groups.	Insufficient resources, poor group composition for cohesion, inadequate physical set-up, personality, clashes change technology, lay-out, group composition.
Individual level	Failure to fulfil individual's needs; frustration response; unwillingness to consider change; little chance for learning and development Counselling, role analysis, career planning.	Poor job definition, task too easy or too difficult Job restructuring or modification, redesign, enrichment, agree on key competence.	Poor match of individual with job, poor selection or promotion inadequate preparation and training, recognition and remuneration at variance with objectives personnel changes, improved selection and promotion procedures, improved training and education, bring recognition and remuneration in line with objective.



The two dimensions to the matrix represent the two main factors that have to be identified during the diagnosis stage of the OD process : the level of analytical focus and the degree and scope of intervention required. We shall deal here with the two main questions highlighted by the matrix and the examine some of the possible strategies more fully below implement change and development activities.

### 12.3 INTERVENING IN THE SYSTEM

Interventions may be viewed from several different perspectives. It is useful to distinguish between intervening in the organizational system and intervention as a strategic and planned action. In the first case, once the OD process has begun, modifications take place within the organization. Data gathering, For example, is one way of intervening in the system. The very fact that data are generated concerning the process of organizational life may stimulate much discussion about perceptions and feelings, about sharing information, and about implicit problem identification. Motivational levels often rise, people become more aware of their organizational environment, and pay more attention to how they function in it. Consequently the act of data-gathering may have a profound impact on the organization. The second type of intervention is the planned activity following a diagnostic phase, which is aimed explicitly at resolving difficulties, removing blocks, and building on strengths to enhance the effectiveness of the organization. Planned activities of this sort involve the application of organizational development technology to the issues and opportunities indicated by the diagnosis. Interventions such as team development and intergroup building are examples that fall into this category. In general interventional technology is a new and developing aspect of organizational development. There is a good deal to be done by way of refinement of existing techniques. At this point, the technology is still rather limited. The possibilities for expanding the technology, for creating new ways of intervening effectively, and for dealing in a more holistic way with the complex organizational system are infinite. The challenge is in integrating the role of research which is aimed at discovering new knowledge about organizational behaviour, and the role of applying new knowledge in ways which produce more innovative, more responsive, more fully functioning organizations. The evolution of interventional technology in organizational development is important, but it is essential to view this technology is changing and experimental. The future of organizational development depends upon the creative application of new knowledge rather than on a haphazard and blind commitment to the techniques as ends rather than as means to increased organizational effectiveness.

#### 12.3.1 The Intervention Process

The OD process involves a collaborative relationship between a change agent and a client system. The OD change agent may possess differing consulting styles, philosophies, and approaches, but in general performs a certain set of functions with regard to the client system. These functions include (1) helping the client determine his current level or state (**data gathering**), (2) assisting in a collaborative analysis of problem areas and planning strategies of changes (diagnosis), and (3) intervening and facilitating change from the current level to some ideal or desired level.

#### 12.3.2 The Types of Change Agents Or Consultants

The change agent is the person who initiates, stimulates, or facilitates a change program, and may be an executive, a member of the organization, or an outside consultant. Change begins with the intervention of the change agent in the system to be changed. Intervention refers to a coming between or among members or groups of an organization and includes a variety of roles and activities. The change agent may be an outside consultant called in by the client (called an **external change agent**) or a member of the organization (an **internal change agent**). The change agent may function primarily as an expert, providing specialized information or skills to solve problems. The practitioner may also act

primarily as a process consultant, assisting the client system in becoming more aware of how it operates and improving its capabilities by means of process observation. Some research has been done on the classification of types of change agent roles and approaches. For instance, Tichy has identified four different types :

- a. *The analysis-for-the-top- type (AFT)*
- b. *The people-change type (PCT)*
- c. *The organization development type (OD) and*
- d. *The outside-pressure type (OP)*

Tichy found that the different change agent/type appear to be related to differences in emphasis on change goals; For example, increasing organizational efficiency (AFT) or improving worker performance and morale (PCT). Other research has also examined the degree of emphasis the change agent places upon two interrelated goals or dimensions of the change process. One method of classification, then, involves the change agent's orientation to the two interrelated dimensions :

1. *The degree of emphasis upon effectiveness or goal accomplishment and*
2. *The degree of emphasis upon relationships, morale, and participant satisfaction.*

**Mentoring.** Young persons (workers and managers included) develop by being with persons whom they admire, and by building a trusting relationship with their supervisors who nurture, support and guide their subordinates. The main purpose of mentoring is to provide opportunity to young people to share their concerns and get both moral support and guidance for their development. It involves the following :

- *Establishing a relationship of trust.*
- *Modelling behavioural norms for the young person.*
- *Listening to the personal and job concerns of the young persons.*
- *Helping him to search alternative solutions for the problems.*
- *Sharing own relevant experiences.*
- *Responding to his emotional needs, without making him dependent on the mentor and*
- *Develop long-lasting personal and informal relationship.*

Levinson et al. (1978) have contributed the most to the understanding of the mentoring process. Levinson's concept of a mentor includes being a teacher, sponsor, counsellor, developer of skills and intellect, host, guide, exemplar, and most importantly, supporter and facilitator in the realisation of the vision the young person has about the kind of life he wants as an adult. Mentoring integrates characteristics of the parent-child relationship and peer support without being either. According to Levinson, not having a mentor in formative years of a young person could be great handicap to one's psychological and career development. Tata steel has had a good mentoring system. Neyveli Lignite Corporation started mentoring system after a great deal of preparation, which is needed for its successful working. The system was based on the India guru-shishya relationship (like the Japanese Oyabun-Kobun relationship). Retiring senior managers were selected as mentors, and training was conducted for both the mentors and the proteges. In the first experiment, 22 senior managers were selected as mentor, and 85 juniors as proteges

### 12.3.3 Developing the Change Agent/Client Relationship

In developing the change agent/client relationship, the first stage involves an interaction between the parties, which includes initial perceptions and assessments by each of the other. Such assessments involve the change agent's determination of whether or not to enter into a consulting relationship. This

is based upon one's assessment of the degree of congruence between the change agent's values and those of the client system. These include the attitudes of the client system toward OD and change, the ability of OD technique to deal with the problems, and the potential of the change agent's efforts to help solve the problems of the client. One essential aspect of the OD program is the development of openness and trust between change agent and client. This is important because trust is necessary for co-operation and communication. In developing a trust relationship, there are several basic responses which the change agent may use in the communication process, including :

- **Questions** : "How do you see the organization ?"
- **Applied expertise (advising)** : "One possible intervention is learn building".
- **Reflection** : "It sounds like you would like to see a Theory Y form of leadership".
- **Interpretation** : "From your description, intergroup conflict could be the problem".
- **Self-disclosure** : "I've felt discouraged myself when my ideas were rejected" and
- **Silence** : Say nothing, letting the client sort out his or her thoughts.

How these basic responses used is important in developing the change agent client relationship. The change agent must face different types of situations when intervening in an organization. These may be categories in terms of client system support. In the most favourable type of situation all levels of the organization recognise the need for a support change programs. In another type of situation, top management recognizes the need for change and provides support, but lower levels are non-supportive or resistant.

**Table 12.4. On intervention individual and group discussion**

	<b>Focus on the individual</b>	<b>Focus on the Group</b>
<b>Focus on task issues</b>	Role analysis technique Education technical skills also decision making, problem solving goal setting and planning Career planning Grid OD phase 1 Some forms of job enrichment and Management by Objectives (MBO)	Techno-structural changes Survey feedback Confrontation meeting.  Team building sessions Intergroup activities Grid OD Phases 2, 3 Some forms of socio-technical systems
<b>Task Vs Process Dimension</b>	Life planning process consultation with coaching and counselling of individuals	Survey feedback Team-building sessions Intergroup activities Process consultation Family T group Grid OD phase 2, 3 Gestalt OD
<b>Focus on Process issues</b>	Education group dynamics planned change Stragner T-groups Third-party peacemaking Grid OD phase 1 Gestalt OD Transactional analysis	

## 12.4 THE IMPLEMENTATION OF OD

In order to bring about effective change OD makes use of a number of approaches—often referred to as intervention strategies—including : survey research and feedback, laboratory method, team building and grid training.

### 12.4.1 Sensitivity Training

Sensitivity Training, also referred to as **Laboratory Training** and as the laboratory approach to human relations training, is one of the newer approaches to executive development. It is a scientific and practical response to the increasing need for effective management. The organization demands personal skills of collaboration, social sensitivity, and creative work with others. The behavioural scientists who have developed Sensitivity Training have worked under the assumption that such skills can be enhanced through training. Their objective essentially has been the application of knowledge about human behaviour to the practical tasks of persons and groups who must work together. They have seen Sensitivity Training as a means for increasing one's understanding of himself and others as persons, as members and leaders of groups, and as individuals who both influence others and are influenced by others. Sensitivity Training seeks to reveal this potential, to increase awareness of significant choices confronting individuals and groups and to stimulate and support effects to be have more effectively.

(a) **Formal Definition.** Sensitivity Training is an intensive experience, usually residential and extending over a number of days, in which the content for learning how to behave more effectively in interpersonal situations is not outside the learners themselves, but is their own behaviour, the transactions among them as they struggle to create a productive work group and as they learn to help one another to learn and to change. A basic assumption is that involving (1) experiences are a necessary condition for learning. An equally necessary condition is (2) a process of inquiry by which the learners examiner, analyzer learn from and eventually generalize from their experiences to back-home situations. Broadly, the goal of sensitivity training has been defined as helping trainees improve the quality of their membership and participation in human affairs. Three of the founders of laboratory training (Benne, Bradford and Lippit) list specific areas of learning stressed as :

- *Increased sensitivity to emotional reactions and expressions in oneself and in others.*
- *Greater ability to perceive and to learn from the consequences of one's actions through attention to feelings, one's own and others.*
- *Clarification and development of personal value a goal consonant with a democratic and scientific approach to problems for social and personal decision and action.*
- *Development of concepts and theoretical insights as tools in linking personal values, goals, and intentions to actions consistent with these "inner" factors and with situational requirements.*
- *Development of behavioural skills to support better integration of intentions and actions.*
- *Ability to transfer laboratory learning to back home situations and*
- *Learning how to learn-to continue to be and analyse of one's own behaviour and to become the kind of itself the learner is seeking to become.*

(b) **Approaches and Techniques.** The primary setting for Sensitivity Training has been the residential training laboratory, and the specific medium has been the training group (widely known as the T-Group). In describing Sensitivity Training, it is thus necessary to describe these two educational innovations. The term 'laboratory' is deliberately descriptive. The laboratory is a special, constructed environment where it is possible to observe forces that operate in the field (the job situation of the trainees) but to observe them under advantageous conditions—well-contained, free from distractions and under circumstances where trying new things and making mistakes are not too costly. The laboratory and specifically the 'T' group were invented to provide these conditions for training.

A sensitivity training group is the central training unit within a laboratory. It is an initially unstructured group in which individuals participate as learners. The rationale for the lack of structure may be summarized thus. The ambiguity of a situation in which normal 'given' (E.g. stated, agenda, established roles of membership and leadership, standards of performance, norms of behaviour) or absent create in most persons anxieties and tensions. Efforts to relieve the tension either by withdrawing from active participation or by attempting to provide the missing elements (by taking leadership, gathering support, making assumptions about goals, assigning roles, setting up an agenda, making ground rules) reflect the individual's normal ways of behaving under stress. In normal, the job situations, however, associates may resent such behaviour, whether peers subordinates or superiors. Or there may be comments, but the individual may be unable to hear from them or to make use of them. There is a lack of awareness of and skill in testing and learning from the consequences of one's own behaviour.

How much each member can learn in the training group is determined in large part by the extent to which he is able to become personally involved in the learning group and its process i.e., by how much of himself he is able and willing to invest. The trainer and the group members cannot help an individual member change and improve his ways of behaving unless they have opportunity to see and react to what is to be changed. Willingness to expose one's behaviour, however, requires a high level of trust. Creating task in a training group-one, which has implications for work group back on the job. With skillful help from the trainer-through his interventions, sometimes by his example-and from one another, training groups to learn how to create a climate where it is safe to expose characteristic ways of behaving, to react freely, to express feelings in ways that can be helpful, to ask for reactions to one's own behaviour, to try out other ways behaving. Members can learn how to listen more keenly to cues about their own impact on others. And they can become more skillful and sensitive as they try to help others. Many experience, often for the first time, the "remarkable release of individual and group creativity which sometimes appears upon the reduction of socially induced defensiveness".

Through an opportunity to experiment in an ambiguous situation, members are learning how to establish processes of inquiry, of giving and receiving help ("feedback"), of creating conditions in which they can learn and work collaboratively. The very ambiguity seems to enable members to "start over again", to re-learn things about human behaviour and human relations that have been poorly learned. From an initial lack of structure, the training group moves towards workable structure, which it has itself created. In the process each member may learn about his own motives, feelings and strategies for dealing with other persons, and about their consequences. In the process of helping to build a work group, each member may learn also about other groups. He may develop skills of membership and leadership and skills for changing and improving his organization as well as himself. Since critical decisions are increasingly made in small groups, improvement here may be reflected in total organizational improvement. The training group is a deeply involving experience. As such it generates the motivating energy for learning from other activities of the total laboratory. These activities are designed, broadly to help "make sense" of the training group experiences. Generally they include sessions for the presentation of behavioural and organizational theory-the "cognitive map" for learning about human behaviour-and activities (e.g. role playing, participation cases, problem analysis, consultation) designed to provide practice in testing and using new approaches, new ways of having and coping with problems. Learning opportunities for laboratory participants have been categorized as

- *Opportunities to test and discover dissatisfactions with present situation or behaviour.*
- *Opportunities to test congruence between goals and action with help from others.*
- *Opportunities for collaboration in setting directions for change between learner and trainer and between learners.*



- *Opportunities to experiment with new pattern of behaviour.*
- *Opportunities to assess effectiveness of new behaviour again with help from others and*
- *Opportunities to practice internalize and apply new behaviour.*

Present trends include increased utilization of Sensitivity or laboratory Training within organizations, the training units including teams who work and will continue together after training.

(c) **Generalizing and Planning Application.** Experiences need to be generalized if they are to be applied to other situations. Application of learning to other situations. Application of learning to other situations where forces may be directed against learning, must be carefully considered and planned. Consultative help in diagnosing situational forces, which will support or resist application attempts is provided. The responsibility for such diagnosis and planning rests with the participant, but the help of other participants and of staff members is ordinarily made available. The participant is asked particularly to use the self-knowledge he has acquired in the laboratory to assess his place in his situation both in creating problems and in solving them.

1. *Laboratory education is a very promising educational process. Experience to date suggests that it can help some organizations to begin to overcome some of their problems.*
2. *Laboratory education is not a panacea, nor is it a process that can help every organization. Furthermore, it must be followed by changes in the organization, its policies, managerial controls and even technology. Not all organizations need similar amounts of it. All these factors should be carefully explored before becoming involved.*
3. *Not all laboratory programs are alike. Some focus more on interpersonal learning, some on intellectual problem solving, some on small groups, some varying combinations of all of these. Again a careful diagnosis can help one to choose the right combination for the organization, as well as the appropriate educators. nor are all laboratory programs equally effective. The competence of the educators can vary tremendously, as well as the receptivity of those who attend. The best thing to do is to attempt to attend a laboratory program conducted by competent professionals.*
4. *Openness, trust, commitment, and risk-taking grow only here the climate is supportive. A one-shot program, even at its best, can only begin the process of unfreezing the executive system. For optimum results, repeat or “booster” programs will be necessary.*
5. *Although I personally believe that a laboratory program with the “natural” or actual working groups has the greatest probable payoff, it also has the greatest risk. However, one does not have to begin the process this way. There are many different ways to “seed” an organization, hoping to develop increasing trust and risk-taking. This way it will be most effective and can be ascertained by appropriate study of the executive system and*
6. *Finally, if you ever talk to an individual who has had a successful experience in a laboratory, you may wonder why he seems to have difficulty in describing the experience.*

#### 12.4.2. Survey Research and Feedback

This involves the use of questionnaire surveys to help determine the attitudes of members to the functioning of the organization. Results of the surveys are fed back to top management and then to work groups for interpretation and analysis. Group members participate in discussions on the implications of the information, the diagnosis of problems and the development of action plans to help overcome the problems identified.

### 12.4.3 Team Building

This is the process of diagnosing task procedure and patterns of human interaction within a work group. The basic objective is to improve the overall performance of the organization through improvements in the effectiveness of teams. Attention is focused on work procedures and interpersonal relationships, and especially the role of the leader in relation to other members of the group. Please refer chapter 11 for more details.

### 12.4.4 Managerial Grid

These two variables and some of their possible combinations are shown in Table 1. The horizontal axis indicates concern for people. Each is expressed on a scale ranging from 1, which represents minimal concern, to 9, which represents maximal concern. Briefly, the lower left corner of the Grid diagram (Please refer diagram 7.2 in Chapter 7) shows a 1,1 style. This represents minimal concern for production and minimal concern for people. The 1,9 style in the upper left corner depicts maximal concern for people but minimal concern for production. The 9,1 style in the lower right corner portrays maximal concern for production and minimal concern for human relationships. The 9,9 style in the upper right-hand corner represents maximum concern for both human relationships and production. The 5,5 style in the center of the diagram is “middle of the road” in both areas of concern. Once managers have studied the classroom material accompanying the Grid, it is possible for them to revise practices and procedures so as to work towards a 9,9 organizational climate. These efforts use an educational program as the core, in contrast to more conventional ways of getting better organizational results.

(a) **Educational Steps.** The educational steps are simple in concept, though complex in execution. They include the following : An investigation by each man of his own managerial style, using certain Managerial Grid forms of analysis. These include self-evaluation instruments, self-administered learning quizzes, in-basket procedures, and organizational simulations. A detailed and repeated evaluation of team effectiveness by groups, which work with each other. Diagnosis of major organization problem areas; e.g., long-range planning, profitability of operation, union-management relations, promotion policies, incentive awards, new-product development, absenteeism, utilities conservation, and safety. We should emphasize that this entire approach to organization development is self-administered by management except for occasional consultation regarding major issues. As of now, the Managerial Grid approach has been used in both industry and government. Changes in the near future will be in degree rather than in basic approach.

(b) **Six-Phase Program.** At the present time, we describe these organization development programs in terms of six overlapping phases. Taken sequentially, these phases can cover from three to five years, but they can also be compressed into a shorter period of time within a company. The six phases can be divided realistically into two major parts. The first two phases involve management development so that the other four phases can help managers work toward the 9,9 goals of organization development. Here are the two management development phases :

**1. Laboratory-Seminar Training.** This is a one-week conference designed to introduce the manager to Grid concepts and material. From 12 to 48 individuals are assigned as members of problem-solving teams during each Laboratory-Seminar. These Seminars are conducted by line managers who already have been through the Seminar and thus know its material and schedules. The Seminar begins with the study and review of one's own Managerial Grid style of behaviour as outlined in a series of questionnaire booklets completed by each manager. It continues with 50 hours of intensive problem solving, evaluation of individual and team results, and critiques of team performance. The problems typically simulate organizational situations in which interpersonal behaviour affects task performance. Each team regularly



evaluates its own behaviour and problem-solving capabilities. A team, which performs poorly on one problem exercise, is able to assess and adjust its problem-solving style in time for the next exercise. In addition, one exercise involves an attempted 9,9 “feedback” from team members to each individual concerning tea impressions of his managerial styles.

**2. Team Development.** This represents an on-the-job extension of Phase # 1. The general 9,9 concepts and personal learning of the Grid Seminars are transferred to the job situation after each work group or department decides on its own 9,9 ground rules and relationships. Team development usually starts with the boss and his immediate subordinates exploring their managerial styles and operating practices as a work team.

**3. Intergroup Development.** This involves group-to-group working relationships and focuses on building 9,9 ground rules and norms beyond the single work group. Situations are established whereby operating tensions that happen to exist between groups are identified and explored by group members and/or their representatives. The goal is to move from the appallingly common “win-lose” pattern of a joint problem-solving activity.

**4. Organizational Goal Setting.** This involves issues of major importance to all managers. Organization development moves beyond team areas into problems that require commitment at all levels. Such broad problems include : cost control, union-management relations, safety, promotion policies, and over-all profit improvement. These problems are identified by special task groups, which may again come from a “diagonal slice” of the organization chart. Departmental groups may also help to define goals and assign roles. The goals prove to be “practical” when managers who must implement them also establish responsibilities for implementation. Commitment gained from the goal-setting procedures of this phase also avoids those negative responses now grouped under “resistance to change”.

**5. Goal Attainment.** This uses some of the same educational procedures used in Phase # 1, but here the issues are major organizational concerns and the stakes are real.

**6. Stabilisation.** This final phase is designed to support the changes brought about in the earlier phases. These changes are assessed and reinforced so as to withstand pressures toward “slip back” and regression. This also gives management an opportunity to evaluate its gains and mistakes under the organization development program.

Grid OD represents an approach to organization development that does not end just through developing the managerial force. It might more appropriately be termed “people development” as compared with “management development”. The Grid in brief is an intellectual framework of how men manage. It summarizes management practices and compares them with managerial science findings. For managers who find it hard to understand practical behaviour sincere and apply it to their own behaviour in solving their companies’ problems, it has become a means of understanding and using this knowledge to increase personal and company effectiveness. The Grid has been translated into various languages and is being used in companies throughout the world as well as in government agencies, hospitals, and educational institutions. The five major kinds of managerial behaviour which it identifies are described elsewhere. But the numerical combinations that identify the major styles of management, 1,9; 9,1; 5,5; 9,9; and 1,1 are in common use among many workers in the United States today and in other countries. The Grid Seminar represents the initial phase in the six phase Grid OD, the newly emerging discipline based on century-old behavioural concepts and methods. It is a five-day learning program, which provides a basis for an organization’s ultimate total “development”. Sessions are preceded by “pre-work” and include a wide variety of integrated and instrumented activities conducted under experimentally structured conditions. They have been designed to help a person study the various approaches for integrating people and production and to gain an understanding of his own style of managing and the styles of those who manage him.

## 12.5 EVALUATION OF CHANGE MANAGEMENT PROGRAMMES

The philosophy of OD values people above tasks. Its practitioners believe that, unless people are empowered, the organization cannot be fully effective. Interventions range from large-scale and long-term programmes to more limited local interventions, which simply draw on the values and some particular techniques of OD. Two drawbacks of OD are that it takes a long time to bring about a major change and external facilitators or specialist internal development consultants are necessary. OD can help when an organization needs to improve its capacity to adapt more readily to environmental change. An example of this might be when new technology and working methods are to be introduced, requiring changes in structure, system and attitudes, or when creating new operating units from scratch, which will make maximum use of the input of the people involved. It is particularly strong on assuming that resistance to change is a fact of life. It provides ways of overcoming such resistance, at various different levels within the organization but, because it also takes a long time to bring about change, OD is unlikely to be sufficient as a method of complementing discontinuous change. Typically, transformational change of this type requires fast behavioural changes coupled with a longer-term culture change. This required a mix of approaches.

**Table 12.5. Change management strategy**

The three phases of the strategy	The steps of the strategy	What kinds of actions are appropriate to each step ?	What tools and techniques are available to help ?
<b>Remember that iteration is needed using this intervention strategy</b>			
Diagnosis	0 Entry	<ul style="list-style-type: none"> <li>Start by recognizing that change is a complete process</li> </ul>	<ul style="list-style-type: none"> <li>Make use of the concepts of mess and difficulty</li> </ul>
Where are you now ?	1. DESCRIPTION	<ul style="list-style-type: none"> <li>Structure and understand the change in systems terms</li> <li>Get other points of view on the change problem or opportunity</li> </ul>	<ul style="list-style-type: none"> <li>Use diagram</li> <li>Set up special meetings</li> <li>Create a model of things as they are</li> </ul>
Where do you want to be ?	2. Identify objective and constraints	<ul style="list-style-type: none"> <li>Set up some objectives for the systems which you are examining</li> <li>Think of the objectives of the change itself</li> </ul>	<ul style="list-style-type: none"> <li>Set up an 'objectives tree'</li> <li>Prioritise your objectives for change</li> </ul>
"How will you know when you get there ?	3. Formulate measures for your objectives	<ul style="list-style-type: none"> <li>Decide on ways of measuring whether an objective is achieved</li> </ul>	<ul style="list-style-type: none"> <li>Use 'Rs' or quantities where possible. Scaling or ranking methods elsewhere</li> </ul>

<b>Design</b>			
How can you get there ?	4. Generate a range of options	<ul style="list-style-type: none"> <li>• Develop any ideas for change as full options</li> <li>• Look at a wide range of possibilities</li> <li>• Your objectives may suggest new options</li> </ul>	<ul style="list-style-type: none"> <li>• Brainstorming</li> <li>• Idea writing</li> <li>• Interviews and surveys</li> <li>• Comparisons with best practice in other organizations</li> </ul>
What will it be like ?	5. Model options selectivity	<ul style="list-style-type: none"> <li>• Describe the most promising options in some detail</li> <li>• Ask of each option : What is involved ? who is involved ? How will it work ?</li> </ul>	<ul style="list-style-type: none"> <li>• Diagrams are simple models</li> <li>• Cost-benefit analysis</li> <li>• Cash-flow models</li> <li>• Computer simulations</li> </ul>
<b>Implementation</b>			
Will you like it ?	6. Evaluate options against measures	<ul style="list-style-type: none"> <li>• Test the performance of your options against an agreed set of criteria</li> </ul>	<ul style="list-style-type: none"> <li>• Set up a simple matrix to compare the performance of your options</li> <li>• Score each option against the measures</li> </ul>
How can you carry it through ?	7. Design implementation strategies 8. Carry through the planned changes	<ul style="list-style-type: none"> <li>• Select your preferred options and plan a way of putting the changes into pace</li> <li>• Bring together people and resources</li> <li>• Manage the process</li> <li>• Monitor progress</li> </ul>	<ul style="list-style-type: none"> <li>• Look for reliable options</li> <li>• Check back to the 'problem owners'</li> <li>• Plan time and allocate tasks</li> <li>• Sort out who is involved</li> <li>• Allocate responsibility</li> <li>• Review and modify plans if necessary</li> </ul>

### 12.5.1 Reasons for Failure

Richard Beckhard, on the other hand, has outlined a number of conditions, which seem to contribute to the failure of organizational development efforts. A summary of those distilled from his experience follows :

- *The existence of a credibility gap between top management statements of values and style and their actual behaviour.*
- *The use of pieces of an OD program, or ad hoc activities which are not based on systematic goals for change.*
- *A short time perspective or an unrealistic expectation of short term results.*
- *Over dependence on and improper use of external and internal consultants.*
- *A lack of communication and lack of integration of OD efforts between the various levels within the organization.*

- *Perceiving “good relationships” as an end goal of organizational development rather than as a condition of organizational effectiveness.*
- *Searching for quick solutions or cookbook prescriptions for organizational health and*
- *Applying an intervention inappropriately or without proper data gathering and diagnosis.*

**Table 12.6. Target systems and OD Intervention techniques**

<b>Target System</b>	<b>Intervention Technique</b>
Personal and interpersonal development	Transactional analysis Behaviour modification Gestalt learning Laboratory learning Career planning Managerial Grid Stress management
Team development	Team building Process consultation Role negotiation Role analysis technique Grid OD
Intergroup interface development	Intergroup development Third-party intervention Organization mirror Grid OD
Total organization system development	Confrontation meeting Management by objectives Grid OD Survey feedback System 1-4 Quality of work (QWL)

OD programs do not necessarily include all of these possible intervention techniques, but this grouping is representative of the range of possible activities available to the change agent. Usually, the specific intervention is dependent upon the nature of the target system. Certain techniques, such as Grid systematically move from the individual to the total organization system.

## 12.6 SIGNIFICANCE OF OD PROGRAMMES

As with any management situation, the value of OD programme is open to debate. In particular, the use of certain forms of sensitivity training is subject to strong criticism, and the claim that they can result in unwanted side-effects and have an unacceptably high cost in mental stress for some individuals<sup>6</sup>. However, although part of an OD programme may involve personal relationships, less threatening techniques can be employed to help bring about a mutual understanding of the disruptive influences of personality clashes. Another potential problem with OD is the application of borrowed techniques such as small leaderless groups, attitude surveys and indicators of management style. OD consultant should be subject to the same scrutiny, which they apply to their client organizations. Whilst OD consultants have their failures, this is also true of most practitioners in organization and management. Clearly OD does have a constructive role to play. It can help to increase personal competence and responsibility,

team building and a sense of commitment to the results of the organization. The success and effectiveness of OD may not always be readily apparent. But it should be remembered that OD is usually a long-term process and changing the climate of an organization is a major task. Also, organizations are subject to many other dynamic influences. This makes it difficult to evaluate the success of OD in bringing about an improvement in organizational performance. A healthy organizational climate might be expected to exhibit such characteristic features as :

- *The integration of organizational goals and personal goals;*
- *A flexible structure with a network of authority, control and communications, and with autonomy for individual members;*
- *Styles of leadership appropriate to particular work situations;*
- *Mutual trust, consideration and support among different levels of the organization;*
- *Recognition of individual differences and attributes, and of people's needs and expectations at work;*
- *Attention to job design and the quality of working life;*
- *Challenging and responsible jobs with high performance standards;*
- *Equitable systems of rewards based on positive reinforcement;*
- *Opportunities for personal development, career progression and advancement;*
- *Justice in treatment, and fair personnel and industrial relations policies and practices;*
- *The open discussion of conflict with emphasis on the settlement of differences without delay or confrontation;*
- *Democratic functioning of the organization with full opportunities for genuine consultation and participation; and*
- *A sense of identity with, and loyalty to, the organization and a feeling of being a needed and important member of the organization.*

### Benefits and limitations of OD

OD is a useful organizational intervention. Its chief advantages is that it tries to deal with change in a whole organization or a major unit of it. In this manner it accomplishes more widely dispersed improvement. Other benefits include improve motivation, productivity, quality of work, job satisfaction, teamwork, an resolution of conflict. There also are reduced negative factors such as absence and turnover. The benefits and limitations are summarised in Table 12.7.

**Table 12.7. Benefits and limitations of OD programes**

<b>Benefits</b>	<b>Limitations</b>
Change throughout organization	Major time requirement
Greater motivation	Substantial expense
Increased productivity	Delayed payoff period
Better quality of work	Possible failure
Higher job satisfaction	Possible invasion of privacy
Improved teamwork	Possible psychological harm
Better resolution of conflict	Potential conformity
Commitment to objectives	Emphasis on group processes rather than performance
Increased willingness to change	Possible conceptual ambiguity
Reduced absences	Difficulty in evaluation
Lower turnover	

In addition to arrangements for carrying out organizational processes and the execution of work, management has a responsibility for creating an organizational climate in which people are motivated to work willingly and effectively

### SUMMARY OF KEY POINTS

The main pressure of change is from external forces. The organization must be properly prepared to face the demands of a changing environment. It must give attention to its future development and success. A number of conditions required for success can be deduced from the list of characteristics and found common to the more successful OD programmes. These may be summarized as follows :

- *The organization is generally under considerable external and/or internal pressure to improve. Top management has been aroused to action and is searching for solutions.*
- *An intervention takes place at the top of the organization in the form of a catalyst, who is either a new member of or a consultant to the top team. This generally induces a reorientation and reassessment of past practices and current problems.*
- *Top management assumes a direct and responsible role in the process. Several levels of management generally participate in the collecting of data and the analysis of specific problems.*
- *New ideas and methods for developing solutions are generated at a number of levels of management generally participate in the collecting of data and the analysis of specific problems.*
- *Some degree of experimentation with innovation takes place. The proposed solutions are generally developed, tested, and found acceptable before the scope of the expanded to include larger problems and/or the entire system.*
- *The organization development programme is generally reinforced by positive results. The change effort spreads with each success experience and, as management support grows, is gradually accepted as a way of life.*

### TEST YOURSELF

#### 12.1 Are You Able to Manage Change ?

Evaluate how well you manage the demands of change by responding to the following statements, marking the options closest to your experience. Be as honest as you can; if your answer is **never**, mark option 1; if it is **always**, mark option 4; and so on. Add your scores together, and refer to the Analysis at the end to interpret your score. Use your answers to identify areas that most need improvement.

#### Options

1. Never
2. Occasionally
3. Frequently
4. Always

1. I link change to any known needs of the customers.  
 1                       2                       3                       4
2. I keep my change philosophy simple and concise.  
 1                       2                       3                       4
3. I involve customers and suppliers in my plans for change.  
 1                       2                       3                       4
4. I make a full and careful business case for changes and change projects.  
 1                       2                       3                       4
5. I break change projects down into manageable components.  
 1                       2                       3                       4
6. I consult widely in the process of deciding on strategy and action.  
 1                       2                       3                       4
7. I obtain people's agreement to the actions demanded of them.  
 1                       2                       3                       4
8. I use and develop teams as the basic units of change management.  
 1                       2                       3                       4
9. I use quick-fix changes for instant results early in the change programme.  
 1                       2                       3                       4
10. I use quantitative measurement to obtain the results that I want.  
 1                       2                       3                       4
11. I review and revise the assumptions that underlie the change plan.  
 1                       2                       3                       4
12. I ensure that thorough training keeps people up to date with change.  
 1                       2                       3                       4
13. I start the next change project as another draws to a close.  
 1                       2                       3                       4
14. I use self-appraisal to check on myself and the organization.  
 1                       2                       3                       4
15. I try to anticipate and lead change within my organization.  
 1                       2                       3                       4
16. I make full use of the latest worthwhile IT developments.  
 1                       2                       3                       4
17. I take any competitive, technological, and market changes very seriously.  
 1                       2                       3                       4
18. I look for opportunities for radical as well as continuous change.  
 1                       2                       3                       4



19. I like to be different and seek productive ways of creating difference.  
 1                       2                       3                       4
20. I take an open-minded approach towards new ideas and possibilities.  
 1                       2                       3                       4
21. I plan well ahead for the long-term pay-offs of change.  
 1                       2                       3                       4
22. I am careful not to create over-optimistic or over-pessimistic expectations.  
 1                       2                       3                       4
23. I seize opportunities to reward, celebrate, and encourage successful change.  
 1                       2                       3                       4
24. I make sure everybody knows the answer to “What’s in it for me ?”  
 1                       2                       3                       4
25. I have effective and adaptable contingency plans available.  
 1                       2                       3                       4
26. I anticipate adverse reactions and plan how to deal with them.  
 1                       2                       3                       4
27. I use well-designed pilots and experiments to test my change plans.  
 1                       2                       3                       4
28. I share relevant information with colleagues and staff as soon as possible.  
 1                       2                       3                       4
29. I work closely with like-minded people who are keen to change.  
 1                       2                       3                       4
30. My own behaviour is flexible and highly adaptable to changing needs.  
 1                       2                       3                       4
31. I encourage people to speak their minds openly and to air their concerns.  
 1                       2                       3                       4
32. I tackle resistance to change promptly, fairly, and vigorously.  
 1                       2                       3                       4

### Analysis and Interpretation

Add up your total score and check your level of skill by reading the corresponding evaluation.

- 32-64** : You are resisting change or are unsure of its potential benefits. Overcome your fears, and learn to plan for change.
- 65-95** : You understand the need for change-now you must develop your skills to achieve it successfully.
- 96-128** : You are a skilled agent of change, but remember that change is a never-ending process, so keep planning ahead.

### 12.2 Review Questions

1. Explain mentoring. How it helps the change management of an organization ?
2. List major OD programmes in detail.
3. What do you mean by Change management ? List out a successful change management programme for Traditional company aspire to go international.
4. Explain the reason for failure of OD programmes in India.

### 12.3 Discussion Questions

1. Is most organization change forced on the organization by external factors or fostered from within ? Explain ?
2. Which sources of resistance to change present the most problems for an internal change agent ? For an external change agent ?
3. Describe how the job of your professor could be redesigned. Include a discussion of other subsystems that would need to be changed as a result.
4. Which of the suggestions described in the chapter for managing an organizational change successfully seem to be the most difficult to manage ? Why ?

### 12.4 Student Exercise

The implementation of OD programmes presents challenges to the global manager. Typically, OD programmes are implemented to improve productivity, quality and/or customer satisfaction. A myriad of factors, however, need to be considered in examining the outcomes of productivity, quality and customer satisfaction. In addition to structural, mechanical, and individual factors, there may be cultural factors that need to be considered as well. Consider individual inputs, job context factors, job characteristics, reward systems, supervisory support and social norms as factors relevant to implementing a successful OD program in Saudi Arabia. To what extent does the global manager need to consider the local culture in increasing their probability for successful implementation.

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## CHAPTER 13

# CULTURE AND ORGANIZATIONAL EFFECTIVENESS

### LEARNING OBJECTIVES

*This chapter aims at introducing the following concepts as a pre requisite for explaining the Organisation Behaviour theories and practices to the readers*

- *Organisation culture*
- *Creating effective culture*
- *Framework for assessment*
- *Hofstede study*
- *Japanese and American culture*
- *Creating multicultural organisation*
- *Integrating individual culture*
- *Organisational effectiveness*
- *Hierarchy of criteria*
- *Organisational audit-a holistic approach*

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## Culture and Organizational Effectiveness

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Organization culture helps integrate an organization's subsystems and processes. The integration lets the organization coordinate its various actions effectively. Common language develops within a culture, helping communication. Conceptual categories develop that filter unimportant detail and focus attention on important matters. Perceptual filtration reduces the likelihood that an individual will become overloaded by stimuli defined as unimportant by the culture. Organizational cultures define rules for power, rules for social stratification, and the ways in which social status is determined. Some accord social status and power to people of high achievement. Others base status and power on seniority. Further an organizational effectiveness may be analysed in terms of an open systems framework, and also can be examined in terms of interrelated sub-systems, for example tasks to be undertaken technology employed, formal structure, behaviour of people and the process of management. The state of the sub-systems will reflect upon the effectiveness of the organization as a whole. This chapter discusses organizational culture , criteria and technique of evaluating the effectiveness of an organization in detail.

### 13.1 BACKGROUND

The chemistry of successful turnarounds of organizations that became pro-active only when after crossing certain stages such as in the **chaotic state**, there is total lack of direction. People just do what they are supposed to do, as a matter of routine. In the absence of proper leadership, all efforts of different departments aren't properly coordinated and there is a total lack of synergy between action and goals, as the goals and the means lack clarity, at every stage of the process. **A visionary leader comes along**, wakes up the organization from its deep slumber, gets goals, targets and clarifies roles of each individual. Efforts are made to communicate what the organization needs to do, when, where and how. Since each individual is clear what he/she is working for, the corrective action taken by the leader becomes result oriented and the organization becomes more confident of working in a fairly systematic manner. This may be called the "State of Equilibrium". The leader then concentrates on systems in the organization and takes far-reaching, progressive and professional action that results in the elimination of useless systems and introduction of systems that really mean business. At this stage, the organization becomes proactive.

For instance, the "internal customer concept" introduced in dozens of Indian organizations like Kirloskar, Cummins, Widia India Ltd., and Crompton Greaves. Eicher Tractors and so on is a system that makes the organization customer-oriented and is plain common sense translated into action for building up real team spirit in the organization. The spread of the ISO-9000 and TQM messages to the nook and corner of the country is a refreshing change. And the leading international guru of quality, Dr. Joseph Juran has himself acknowledged that many Indians have already achieved top quality, or organizations in such companies. For example, ICICI has taken efforts to statistically analyses consumer

feed-back, eliminate non-value adding activities from every process, use technology to speed up communications and cut cycle time, delegate specified decision-making power down the line and calculate profitability by putting a cost on every activity. The Chennai-based Alacrity group's success in building flats for thousands has provided a pro-active rule in customer relations. They have guaranteed their customer that absolutely non black money involved, no cost escalation once the agreement is signed with the buyer, interest at commercial rates for delays, and such other actions in a market unknown for values is what has made the difference. Alacrity has provided the right answer to the question "What should happen"? and achieved a massive 45% market-share in the business. **The time to act** is such a pro-active organization cultures are not a matter of choice it is just that only these organizations will survive, grow and develop at all times.

### 13.2 ORGANIZATION CULTURE

**Organizational Culture** is a complex and deep aspect of organizations that can strongly affect organization members. Organizational culture includes the values norms rites, rituals, ceremonies, heroes, and scoundrels in the history of the organization. It defines the content of what a new employee needs to learn to be accepted as a member of the organization. Key aspects of organizational culture include a sharing of a value and a structuring of experiences in an organization. Different sets of values can coexist among different groups of people throughout an organization. Although values differ from group to group, members of each group can share a set of values. Also, not all people in an organization will fully agree about the dominant values and norms. An organization that has adapted successfully to its external environment can develop a culture with a consensus among members about the organization's mission. Specific goals derived from the mission and the means to reach those goals will be part of the culture. A consensus about a mission among veteran members lets the organization move forward smoothly towards those goals. Members agree about what needs to be done and how it will be done. In short, an organization's culture help its members develop a sense of identify with the organization and a clear vision of the organization's direction. An organizational culture that gives its members a clear vision of the organization's mission also percents consistent image to its markets, customers, and clients. Over time, that image can give an organization a competition advantage by building commitment to its products or services.

**Creating Organizational Culture** is a deliberate effort to build a specific type of organizational culture. It happens when an entrepreneur forms an organization to pursue a vision or when managers of an existing organization form a new operating unit. The new culture needs an ideology that is understandable, convincing, and widely discussed. The ideology is a key tool for getting commitment from members of the organization of the vision. Culture maintenance requires managers to be aware of what organizational culture is and how it manifests itself in their managers to be aware of what organization. It requires knowing the existing organizational culture's artifacts, values, and ideologies. A key way managers can become familiar with their culture is by doing a culture diagnosis, as described in an earlier section. By maintaining their culture, managers want to maintain commitment of organization members to key parts of that culture. It requires knowing the existing organizational culture's artifacts, values and ideologies. A key way managers can be come familiar with their culture is by doing a culture diagnosis, as described in an earlier section.

Culture maintenance also requires managers to carefully examine any new practices for consistency with their culture's ideology. Introducing drug testing for employment screening in an organization with a culture built around trust might be a contradiction. Such testing might not appear contradictory in an organization that strongly values safety when working in hazardous areas. Changing organizational

culture requires breaking from some features of the old culture and creating new features. The size and depth of the change will vary depending on the degree of difference between the desired new culture and the old. For example, changing the culture of an organization that has a homogeneous workforce to one that values diversity will require an extended effort. The change will reach deep into the cultural fabric of the organization over a period of many years. Successfully managing the change process requires managers to attend to several issues. One is choosing the proper time for change. They are advised to act when the times seem right for culture change or when the situation clearly demands it. An opportune time for culture change or when the organization wishes to pursue favourable new markets. IBM, for example, changed its culture when it shifted its emphasis away from its historical roots in mainframe computers to small personal computers and workstations. Change also might be required when the organization is performing poorly and faces clear threats to its viability. Multinational organizations typically have employees from many countries working side by side. Those employees do not shed their national culture when they come to work. The heterogeneity of values in such organizations is extremely high, as is the change of subcultures forming along national lines. Some research evidence suggests that instead of masking local differences with organizational culture, multinational cultures may increase ties with people who have their native cultures. This “culture synergy” view urges managers to view multinational cultural diversity as a resource. That diversity could lead to better product ideas for culturally diverse markets and better communication with culturally diverse customers.

### 13.2.1 A Framework for Assessing Cultures

One of the most widely referenced approaches for analysing variations among cultures has been done by Geert Hofstede. He surveyed more than 116,000 IBM employees in 40 countries about their work-related values. He found that managers and employees vary on five value dimensions of national culture. They are listed and defined as follows :

- **Power distance** *the degree to which people in a country accept that power in institutions and organizations is distributed unequally. Ranges from relatively equal (low power distance) to extremely unequal (high power distance).*
- **Individualism versus collectivism.** *Individualism is the degree to which people in a country prefer to act as individuals rather than as members of groups. Collectivism is the equivalent of low individualism.*
- **Quantity of life versus quality of life.** *Quantity of life is the degree to which values like assertiveness, the acquisition of money and material goods, and competition prevail. Quality of life is the degree to which people value relationships, and show sensitivity and concern for the welfare of others.*
- **Uncertainty avoidance.** *The degree to which people in a country prefer structured over unstructured situations. In countries that score high on uncertainty avoidance, people have an increased level of anxiety, which manifests itself in greater nervousness, stress, and aggressiveness.*
- **Long-term versus short-term orientation.** *People in cultures with long-term orientations look to the future and value thrift and persistence. A short-term orientation values the past and present, and emphasizes respect for tradition and fulfilling social obligations.*



**Table 13.1. Showing the finding of the study of Hofstede**

Country	Power Distance	Individualism*	Quantity of Life*	Uncertainty Avoidance	Long-term Orientation**
China	High	Low	Moderate	Moderate	High
France	High	High	Moderate	High	Low
Germany	Low	High	High	Moderate	Moderate
Hong Kong	High	Low	High	Low	High
Indonesia	High	Low	Moderate	Low	Low
Japan	Moderate	Moderate	High	Moderate	Moderate
Netherlands	Low	High	Low	Moderate	Moderate
Russia	High	Moderate	Low	High	Low
United States	Low	High	High	Low	Low
West Africa	High	Low	Moderate	Moderate	Low

\*A low score is synonymous with collectivism. \*\*A low score is synonymous with high quality of life.  
\*\*\*A low score is synonymous with a short-term orientation.

**Source :** Adapted from G. Hofstede, "Cultural Constraints in Management Theories," *Academy of Management Executive*, February 1993, p. 91.

A company succeeds as a result of what the company does, its strategy, and how it does it, its culture. The culture is linked to the strategic values, whether one is starting up a new company or trying to change the culture of an existing company. The process of creating an organization culture is really a process of linking its strategic values with its cultural values, much as the structure of the organization is linked to its strategy. Strategic values are the basic beliefs about an organization's environment that shape its strategy. Cultural values are the values that employees need to have and act on for the organization to act on the strategic values. Cultural values are the values employees need to act on for the organization to carry out its strategic values. They should be grounded in the organization's beliefs about how and why the organization can succeed. Organizations that attempt to develop cultural values that are not linked to their strategic values may end up with an empty set of values that have little relationship to its business. In other words, employees need to value work behaviours that are consistent with and support the organization's strategic values : low-cost production, customer service, or technological innovation.

Indian culture can be characterised as fatalistic context sensitive, tolerant of ambiguity, convergent, future-oriented, collectivist, other-directed, embedded, role bound, androgynous and power-distance tolerant. The profile is not as clean, however. The nature and the development of self is the key element in the formation of the culture. The Type Z firm is committed to retaining employees, evaluates worker's performance based on both qualitative and quantitative information, emphasizes broad career paths, exercises control through informal, implicit mechanisms, requires that decision making occur in groups and be based on full information sharing and consensus, expects individuals to take responsibility for decisions, and emphasizes concern for people. Ouchi suggested that typical U.S.A firms do not have the same cultural commitment to employees as Japanese firms and U.S. Type Z firms. In reality, U.S. workers and managers often spend their entire careers in a relatively small number of companies. Still, there is a cultural expectations that if there is a serious downturn in a firm's fortunes, change of ownership or a merger, workers and managers will be let go. For example, when Wells Fargo Bank

bought first inter-state bank in Arizona, they expected to lay off about 400 employees in Arizona and 5,000 in the corporation as a whole. However, eight months after the purchase it had eliminated over 1,000 in Arizona and a total of 10,800. Wells Fargo has a reputation as a vicious cutter following a takeover and seems to be living up to that reputation.

**Table 13.2. Showing cultural difference among Japanes and US firms**

Cultural Value	Expression in Japanese Companies	Expression in Type Z.U.S. Companies	Expression in Typical U.S. Companies
Commitment to Employees	Lifetime employment	Long-term employment	Short-term employment
Evaluation	Slow and qualitative	Slow and qualitative	Fast and quantitative
Careers	Very broad	Moderately broad	Narrow
Control	Implicit and informal	Implicitly and informal	Explicit and formal
Decision Making	Group and consensus	Group and consensus	Individual
Responsibility	Group	Individual	Individual
Concern for people	Holistic	Holistic	Narrow

**13.2.2 The Peters and Waterman Approach**

Tom Peters and Robert Waterman, in their bestseller in search of excellence, focused even more explicitly than Ouchi on the relationship between organization culture and performance. Peters and Waterman chose a sample of highly successful U.S. firms and sought to describe the management practices that led to their success. Their analysis rapidly turned to the cultural values that led to successful management practices.

**Attributes of an Excellent Firm**

1. Basis for action
2. Stay close to the customer
3. Autonomy and entrepreneurship
4. Productivity through people
5. Hands-on management
6. Stick to the knitting
7. Simple form, lean staff and
8. Simultaneously loosely and tightly organized.

**13.2.3 Multicultural Organization as Competitive Advantage**

Movement toward better management of a diverse workforce usually begins for one or more of three reasons. Some companies, such as Xerox, were obliged to develop better management of a workforce made more diverse by affirmative action. Other companies, such as digital Equipment and Hewlett-Packard, grew very quickly to remain competitive and then realised that they had to work with multicultural constituencies. A third group of companies, which includes Avon products, needed to have a diverse workforce to match the diversity in the marketplace. Companies of all three types need to better manage their multicultural workforce to gain a competitive advantage in the market place. Business leaders consultants, and academic scholars contended that having a multicultural organization can create competitive advantage in the six ways shown in Table 13.3.

**Table 13.3. Showing competitive advantage of firms**

Advantage	Contribution
Cost	Trim the cost of integrating diverse workers
Resource Acquisition	Companies that have the best reputation for managing diverse employees will have the best chance of hiring the best available diverse personnel.
Marketing	Increased insight and cultural sensitivity will improve the development and marketing of products and services for diverse segments of the population.
Creativity	Diversity of perspectives will improve levels of creativity through out the organization
Problem Solving	Problems solving and decision making will improve through groups with more diverse perspectives.
System Flexibility	Tolerance and valuing of diverse perspectives throughout the organization will make the organization more fluid, more flexible, and more responsive to environmental changes.

### 13.2.4 Creating the Multicultural Organization

Developing the multicultural organization requires commitment from top management and a clear vision of the benefits of multiculturalism for the future of the organization. The multicultural organization has six characteristics : pluralism, full structural integration, full integration of informal networks, an absence of prejudice and discrimination, equal identification among employees with organizational goals for majority and minority groups, and low levels of intergroup conflict.

**Table 13.4. Showing various cultural advantages of firms**

Advantage	Contribution
Pluralism	Training and orientation programs, ensuring minority group input, putting diversity into mission statements.
Full structural integration	Education, training, affirmative action, performance appraisal and reward systems, benefits, work schedules.
Integration of informal networks	Mentoring, social events, support groups .
Absence of prejudice	OD seminars, focus groups, bias-reduction training programs, task forces.
Equal identification with Goals	Input of minority group into mission, goals, and strategies.
Minimal intergroup conflict	Survey feedback, conflict reduction training.

### 13.2.5 Integrating the Individual in the Culture

Interest in culture has been aroused by the examples of Japanese successes. Some organizations in India have adopted Japanese practices, notable amongst these being Maruti Udyog and Sundaram Clayton. Maruti adopted some practices because of the positive pressure of Suzuki : 7 hours 45 minutes shift, zero-defect production, cost cutting, and discipline. A new organizational culture developed. Organizational culture can be defined as cumulative ways of thinking and behaving shaped by the value, attitudes, rituals, and sanctions in a organization. Operationally, development of culture would involve : developing a strong corporate identify, development important values, building healthy traditions, and developing consistent management practices.

**a. Cultural Change.** People learn to depend on their culture. It gives them stability and security, because they can understand what is happening in their community and known how to respond. However, two types of cultural change may confront employees. One involves a move to a new location and its culture, the other a gradual change in their existing environment. Employees need to learn to adapt to both situation in order to avoid possible negative consequences.

**b. New Culture.** Companies frequently transfer employees between different cities for new job assignments. The employees who move to new job locations often experience various degree of cultural shock, which is a feeling of confusion, insecurity, and anxiety caused by a strange new environment. They are concerned about not knowing how to act and about losing their self-confidence when the wrong responses are made. A cultural change does not have to be dramatic to cause some degree of shock. For example, when an employee moves from a small town to Mumbai both the employee and family are likely to suffer cultural shock. A similar shock may occur when a Mumbaite employee is transferred to a small town in an isolated rural area. The whole family may not know what to do with their time or how to act and dress. Cultural shock is even greater when there is a move from one nation to another, especially if the language is different. For unprepared employees, the environment can appear to be chaos. They become disoriented, retreat into isolation, and want to return home on the next aeroplane. But a different culture is not behavioral chaos. It is a systematic structure of behavioral patterns, probably as systematic as the culture in the employee’s home country. It can be understood if employees have receptive attitudes and receive advance preparation.

**13.2.6 Emerging Issues**

Emerging issues in the area of organizational culture include innovation, employee empowerment, and procedural justice. Innovation is the process of creating and doing new things that are introduced into the marketplace as products, processes, or services. The organizational culture can either help or hinder innovation. Employee empowerment, in addition to being similar to employee participation as a motivation technique, is now viewed by some as a type of organizational culture. Empowerment occurs when employees make decisions, set their own work goals, and solve problems in their own area of responsibility. Procedural justice is the extent to which the dynamics of an organization’s decision-making processes are judged to be fair by those most affected by them.

Using the model of Kluchohn, Strodbeck and McClelland, six main concerns of a society can be used to identify various aspects of its culture. These concerns relate to coming to terms with nature, the immediate environments, time collectivities, natural biological differences and power in the collectivity. The following aspects are suggested for the study of cultures :

**Table 13.5. Showing various cultural issues**

<p><b>Nature</b>  <i>Environment</i>  <i>Structure</i>  <i>Sensitivity</i>  <i>Concern</i></p>	<ol style="list-style-type: none"> <li>1. <i>Fatalism Vs. Scientism.</i></li> <li>2. <i>Ambiguity tolerance Vs. non-tolerance.</i></li> <li>3. <i>High contextual Vs. low contextual.</i></li> <li>4. <i>Convergent Vs. divergent.</i></li> </ol>
<p><b>Time</b>  <i>Collectivity</i>  <i>Primary</i>  <i>Norms</i>  <i>Boundary</i>  <i>Linkage</i></p>	<ol style="list-style-type: none"> <li>5. <i>Traditional existential Vs. future oriented.</i></li> <li>6. <i>Collectivistic Vs. individualistic.</i></li> <li>7. <i>Other-directed Vs. inner-directed.</i></li> <li>8. <i>Particularistic Vs. universalistic.</i></li> <li>9. <i>Role-bound Vs. identity-bound.</i></li> </ol>

<b>Gender</b> <i>Power</i> <i>Tolerance</i> <i>Types</i>	10. <i>Androgynous Vs. sexist.</i> 11. <i>Power distance tolerance Vs. nontolerance.</i> 12. <i>Expressive, conserving, assertive, expanding.</i>
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Managing the organizational culture requires attention to three factors. First, managers can take advantage of cultural values that already exist and use their knowledge to help subordinates understand them. Second, employees need to be properly socialised, or trained, in the cultural values of the organization, either through formal training or by experiencing and observing the actions of higher-level managers. Third, managers can change the culture of the organization through managing the symbols, addressing the extreme difficulties of such a change, and relying on the durability of the new organization culture once the change has been implemented.

### 13.3 ORGANIZATIONAL EFFECTIVENESS

Peters and Weatherman identified eight basic attributes of excellence and which appear to account for success.

- A bias for action; that is action oriented and a bias for getting things done.
- Close to the customer; that is listening and learning from the people they serve, and providing quality, service and reliability.
- Autonomy and entrepreneurship; that is innovation and risk taking as an expected way of doing things.
- Productivity through people; that is treating members of staff as the source of quality and productivity.
- Hands-on, value driven; that is having well-defined basic philosophies and top management keeping in touch with the ‘front lines’.
- Stick to the knitting; that is, in most cases, staying close to what you know and can do well.
- Simple form, lean staff; that is simple structural forms and systems and few top-level staff.
- Simultaneous loose-tight properties; that is operational decentralisation but strong centralised control over the few, important core values.

Recent reports sponsored by the British Institute of Management have highlighted the importance of, and shortcomings in, management education, training and development in this country. The constable and McCormick report warns that many more managers need broad professional training and education if they are to compete successfully, and lists 23 recommendations for action. The Handy report suggests that there is a much more positive approach in the four main competitor countries than in Britain. The report outlines a ten-point agenda for Britain based on best aspects of management education, training and development in the other countries. There are multiplicities of variables which impinge on any one organizational situation and which illustrate the complicated nature of the study of organizational effectiveness. In their study of 62 American companies with outstandingly successful performance, Peters and Waterman identify eight basic attributes of excellence. One approach to organizing is the McKinsey 7-S framework of interdependent organization variables-structure, strategy, skills, staff, style, systems and shared values.

**Human Resource Development.** Human Resource Development is concerned primarily with helping employees develop through training, feedback and counselling by their senior officers and other development efforts. It consists of the following sub-system.

1. **Training.** The importance of training is very obvious. However, training should be based on an assessment of the needs of different groups and individuals. The training needs may flow from performance as well as from potential appraisal systems. Both internal and external resources should be used and enough attention should be paid to the preparation of training materials, packages and modules. Continuous evaluation of training would also be necessary.
2. **Organization Development.** OD is now playing an increasing important role in helping the diagnosis of problems of human resources in the company, in taking steps for team building at various levels, in improving general morale and motivation of people, and in developing healthy values and trying out various ways of solving problems plaguing the company.
3. **Performance Feedback and Counselling.** Performance and potential appraisals are likely to remain a ritual if a climate for and skill of providing critical and supportive feedback to the employees by the boss is not properly developed. Honest differences in self-assessment and assessment by the boss can be discussed, and a programme for further growth of the employee can be jointly worked out.
4. **System Development and Research.** Various systems for HRS need to be continuously designed, tested, and reviewed. Data being collected also need to be analysed to give clues for developing interventions. Very little attention is given to this aspect in most organizations.
5. **The Organizational Context.** Each organization develops an identity. It has a history and a tradition. Its size and the field of operation make it unique. Its members may have some preferences and commitments. All such factors are important and need to be taken into consideration while designing HRS. The most important factor is the organizational culture, its values, preferred ways of sanctioning behaviour, rituals, etc.

### 13.3.1 Multiple, Conflicting Goals

Most issues in evaluating organizational effectiveness arise because the formal objectives of the organization may themselves be multiple and, in any case, there are multiple short run goals. The manager making decisions that rest upon multivariate assessments of the performance of his organization has to calculate the weights and the correlation values that he will apply when estimating the net outcome of a course of action.

### 13.3.2 The Hierarchy of Criteria

Achievement of the organization's goals over a long span of time. Performances over shorter periods on each of those criteria that represent an end valued in themselves, and which, as a set, determine the net ultimate performance. Performance on each of a number of subsidiary criteria that provide an immediate indication of the progress or probability of achieving success on end-result variables. These are the considerations for accounting the performance of an organization. The network of criteria of performance is a pyramid shaped hierarchy.

(a) **At the top is the "ultimate criterion".** Some conception of the net performance of the organization over a long span of time in achieving, its formal objectives, with optimum use of the organization's environmental resources and objectives. This ultimate criterion is never measured (except by historians) yet some concept of this kind is the basis for evaluation of lesser criteria of performance.

(b) **In the Middle are penultimate criteria.** Short run performance factors or dimensions. They are "out put" or "results" criteria-things sought for their own value and having trade-off-value in relation to each other. Their sum, in some weighted mixture, determines the ultimate criterion. Some "soft" (usually behavioural) variables may also be included. e.g. employee satisfaction or customer satisfaction.



In the case of non-business organizations, they are predominantly behavioural in kind—as in a college whose output is judged in terms of learning rates, proportion of students reaching some standard of personal growth or development etc.

(c) **At the Bottom are Measures of Current Organizational Functioning.** According to some theory or empirical system concerning the conditions associated with high achievement on each of the penultimate criteria. These variables include those descriptive of the organization as a system. Included here are some criteria not valued at all except for their power to reduce the amount of uncontrolled variance in the network. Some hard criteria at this level, are scrappage, short-run profit, productivity against standards, meeting of production schedules, machine downtime, ratio of overtime to regular time, product return rate, rate of technological innovation etc. Some soft criteria are : employee morale, credit rating, communication, effectiveness, absenteeism, turnover, group cohesiveness, customer loyalty, pride in firm, level of performance motivation, and others.

### 13.3.3 Criteria and their Uses

Distinctions among different kinds of criteria and their uses are :

(a) **Ends Vs. Means.** Some criteria are close to the formal objectives of the organization—they represent ends or goals that are valued in themselves; others have value mainly or only because they are thought to be necessary means or conditions for achieving the main goals of the organization. Substantial profit, for example, may be a goal sought by a business organization, while employee satisfaction may be valued because it is thought to be an aid in reaching the goal of substantial profit.

(b) **Time Reference.** Some criterion measures refer to the past time period (profit after the past period), others to current states (net worth), and still others to anticipated future periods (projected growth). All these may be used for drawing inferences about past or future conditions or changes.

(c) **Long Run Vs. Short Run.** Some criterion measures refer to a relatively short period of time, others to a longer period; they may refer to performances that are relatively stable (not changing much to the short run). Or relatively unstable (highly variable in the short run). The usefulness of a criterion is limited if the period covered is not appropriate to the usual or potential rate of change of the variable.

(d) **Hard Vs. Soft.** Some criteria are measured by the characteristics of, or number or frequency of, physical objects and events, while others are measured by qualitative observation of behaviour or by evaluative questions put to people. Rupee measures, tons of scrap, number of grievances are hard measures; co-operation, employee satisfaction, motivation to work, product quality, customer loyalty etc., are usually soft.

(e) **Values.** Some variables appear to have a linear value scale (more is always better than less), while others have a curvilinear scale (some optimum is desired; more the less are both to be avoided). Profit rates are usually linear—more is better than less; maintenance costs are curvilinear—either excessively high or low may be judged to diminish over all firm performance.

### 13.3.4 Characteristics of Behavioural Criteria

- *They have stable causal, intersectional of co-variance relationships to the various non-behavioural measures.*
- *They are not entirely unique to each organization but are to some degree stable and common to all or many organizations.*
- *They complement hard criteria so as to give more balanced and informational basis for his decisions.*



### 13.3.5 Formulation of Criteria

- From projected requirements defined in performance terms and posted as the roster of **penultimate criteria** or organizational roles.
- Pooling of personal values of the owners of the firm, or of the manager to form the penultimate criteria, from which the set of subsidiary goals and performance criteria are built.
- Comparative empirical study on performance characteristics of a set of organizations sharing the same ultimate criterion using factorial analysis and actual performance data order performance criteria are got from which penultimate components of performance are drawn.

**1. Profile of Organization Characteristics.** The overall effectiveness of an organization could also be gauged against Likert's profile of organizational characteristics, and the extent to which these meet the fundamental concepts of system 4 (participative group) management practices, that is the principle of support relationships; group decision making, and methods of organization and supervision; and high performance aspiration for all members of the organization. The human organization and operation of the firm can be examined in terms of the relationships among causal, intervening and end-result variables.

**2. The Role of Management.** There are also a number of criteria, which could be applied, more specifically, to an evaluation of the role of management. The activities of management could be judged, for example, against Bourn's set of ten interrelated activities, or against Mintzberg's set of ten integrated roles, which comprise the essential functions of a manager's job. Style of management could be assessed, for example, by the Blake and Mouton Managerial Grid in terms of an appropriate mixture of concern for production and concern for people.

**3. Managerial Effectiveness.** This can be evaluated by Reddin's three-dimension model of managerial behaviour : tasks orientation, relationship orientation and the demands of the situation. Or by Langford's criteria of : the manager's work; the manager himself/herself; the manager's relationship with other people; the manager as part of the organization; and a single overall criteria of general effectiveness.

**4. Organization Audit.** A Programme of organization audit (or management audit) involves a review of the operations of the organization as a whole and an examination of the full range of management activities. Organization audit is concerned with the identification of problems, which are encountered in achieving organizational goals and disparities between strategy formulation and policy decision, and actions necessary for their successful implementation. Such a review may be undertaken by members of the organization, external consultants on organization and management, or a combination of both internal members and consultants. Organization audit tends to be concerned more with the current state of the organization, and with what must be done now in order to meet set objectives and targets. But an organization must also be properly prepared to face the demands of a changing environment. It must give attention to its future development and success.

### 13.3.6 A Holistic Approach For Assessing Organizational Effectiveness

Efficiency refers to the ratio output) results to input (resources). An organization may thus be efficient, but not effective, or vice versa. The third factor may be termed motivational climate, consisting of the set of employee attitudes and morale, which influence the level of performance.

- **Adaptability** – *The ability to solve problems and to react with flexibility to changing environmental demands.*
- **A sense of identity** – *Knowledge and insight on the part of the organization of when its goals are, and what it is to do.*
- **Capacity to test reality** – *The ability to search out and accurately and correctly interpret the real properties of the environment, particularly those that has advance for the functioning of the organization.*

Richard Steers, raises questions of determining what effectiveness is and a how it should be measured. He does not recommend specific criteria : instead he suggests an analysis of the major processes (goal optimization, system perspective, and emphasis on human behaviour) involved in effectiveness steers stresses goal identification and the need for objectively determining the reality of the environment in which the organization exists. Chris Argyris has suggested that effectiveness come from condition that permits the integration of organization goals with individual goals. In similar vein. Robert Blake and Jane Mouton indicate that organizational excellence is derived from the integration of concern for production with concern for people. Underlying the challenges and dilemmas of OD area are set of values about the nature of human beings and their positions in an organizational context. Newton Margulies and Anthony Raja have suggested that these values include the following :

1. *Providing opportunities for people to function as human beings rather than resources in the production process.*
2. *Providing opportunities for each organization member, as well as for the organization itself, to develop to his full potential.*
3. *Seeking to increase the effectiveness of the organization in terms of all of its goals.*
4. *Attempting to create an environment in which it is possible to find out exciting and challenging work.*
5. *Providing opportunities for people in organizations to influence the way in which they relate to work, the organizations, and the environment.*
6. *Treating each human begin as a person with a complex set of needs, all of which are important in his work and in his life.*

### SUMMARY OF KEY POINTS

- Workforce diversity is a function of the similarities and differences among employee in such characteristics as age, gender, ethnic heritage, physical ability or disability, race, and sexual orientation. Managers of diverse workgroups need to understand how their members' social conditioning affects their beliefs about work, and must have the communication skills to develop confidence and self-esteem in their employees.
- A multicultural organization is one in which employees of different backgrounds, experiences, and cultures can contribute and achieve their fullest potential for the benefit of both themselves and the organization. Developing a multicultural organization is a significant step in managing a diverse workforce and may be crucial to sustaining a competitive advantage in the marketplace. A multicultural organization has six characteristics : pluralism, full structural integration, full integration of informal networks, an absence of prejudice and discrimination, equal identification with organizational goals among employees from both majority and minority groups, and low levels of intergroup conflict.
- The ultimate purpose of increasing an organization's ability to adapt to a changing environment is to make it more effective. Barnard makes the distinction between organization effectiveness, which is the accomplishment or organizational objectives, and efficiency, which involves the satisfaction of member's needs. Etziend has suggested that effectiveness is the degree of goal achievement or as it further elaborates, the amount of resources an organization needs to use in order to produce units of output. In general, OD programs are aimed at three basic organizational dimensions, which affect performance. Effectiveness refers to the accomplishment of specific organizational goals and objectives. Please see chapter 12 for more reference.

## TEST YOURSELF

### 13.1 Are You Self-Reliant ?

Each of the following questions relates to how you form relationships with people at work, home and other areas of your life. Please read each statement carefully and rate each on a scale from 0 (strongly disagree) to 5 (strongly agree) to describe your degree of agreement or disagreement with the statement. Please answer all 15 questions.

1. It is difficult for me to delegate work to others.
2. Developing close relationships.
3. I avoid depending on other people because I feel crowded by close relationships.
4. I am frequently suspicious of other people's motives and intentions.
5. Asking for help makes me feel needy and I do not like that.
6. It is difficult for me to leave home or work to go to the other.
7. People will always be there when I need them.
8. I regularly and easily spend time with other people during the workday.
9. I trust at least two other people to have my best interests at heart.
10. I have a healthy, happy home life.
11. I need to have colleagues or subordinates close in order to feel secure about my work.
12. I become very concerned when I have conflict with family members at home.
13. I get very upset and disturbed if I have conflicts in relationship (s) at work.
14. I prefer very frequent feedback from my boss to know I am performing well.
15. I always consult others when I make decisions.

#### Scoring

Follow the instructions to determine your score for each subscale of the Self-Reliance Inventory.

**Note :** Question 6 is used twice in scoring.

#### Self-Reliance/Counter Dependence

- Step 1** : Total your responses to Question 1-6  
**Step 2** : Total your responses to Question 7-10  
**Step 3** : Subtract your Step 2 total from 20 (20-YOUR SCORE)  
**Step 4** : Add your results in Steps 1 and 3

#### Self-Reliance/Counter Dependence

- Step 5** : Total your responses to Questions 6 and 11-15  
 A score lower than 16 in Step 4 or Step 5 indicate self-reliance on that particular subscale.  
 A score higher than 20 in Step 4 suggest possible counter dependence and a score higher than 20 in Step 5 suggests possible overdependence.

**Source :** *J.C.Quick D.L.Nelson and J.D.Quick, The Self-Reliance Inventory : 1991.*

### 13.2 Review Questions

1. Discuss the similarities and differences between the organizational culture approaches of Ouchi and Peters and Waterman.
2. Discuss the role of organization rewards in developing, maintaining and changing the organization culture.
3. Why does multiculturalism contribute to competitive advantage for an organization ?

4. How do you assess the organizational effectiveness ? What criteria you apply when you measure success of new generation companies like Infosys and ICICI Ltd. ?

### 13.3 Discussion Questions

1. Summarize in your own words what the statistics tell us about the workforce of the future.
2. Identify ways in which the internationalisation of business affects businesses in India.
3. All things considered, do you think people from diverse cultures are more alike or more different ? Explain the reasons for your answer
4. What is the role of leadership in developing maintaining, and changing organizational culture
5. Describe how the culture of an organization can affect innovation.

### 13.4 Student Exercise

Globalisation provides the opportunity for Indian managers to work in different cultures. People in low-context cultures, such as Germany, the U.S. and Canada, derive key information from precise and brief written and spoken messages. In high-context cultures, such as China, Japan, and Mexico, people derive great meaning from situational cues above and beyond written and spoken words. These cultural differences have a significant effect on the effectiveness of management where the manager is from a different culture . With globalization comes the opportunity for living and working in foreign countries. When an individual is assigned to a foreign country outside of their home country, they are referred to as an expatriate. Indian expatriate managers usually are characterised as culturally inept and prone to failure on international assignments. Research supports this view. There is a high cost for software companies to send employees and their families to foreign countries. For this reason and to insure effectiveness of expatriate employees, individuals need to understand and be sensitive to the cultural values, norms, and practices of the host country. Assume that you will become an expatriate employee for a Germany based firm. What might you do to prepare yourself for a successful transition to your new assignment ?

### 13.5 References

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## CHAPTER 14

### EMERGING ORGANIZATION DEVELOPMENT CONCEPTS IN THE NEW MILLENNIUM

#### LEARNING OBJECTIVES

*This chapter aims at introducing the following concepts as a pre requisite for explaining the Organisation Behaviour theories and practices to the readers*

- *Model of OB*
- *Paradigm shift in OB*
- *Organisational environment*
- *Development management process*
- *Natural management principles*
- *Implication on management and market*
- *Indigenisation of western management*
- *Foundation of western management*
- *Wisdom of the east-blending with the best of west*
- *Future of OB*

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## Emerging Organization Development Concept in the New Millennium

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The bottom line for the developing organization is not the company's net profit, but the growth of the individuals and societies with whom it is involved. The individuals and organizations within the organizations worldwide, will be continually renewing themselves, there by actualizing their interdependent potential. The philosophical grounds upon which their co-operation are based reach across the globe, from ancient Buddhism to modern existentialism, from anthroposophy to humanistic psychology. The author believes that through self-management frame works and potential performance programming will redefine the concept of management development / self-management in the New Millennium. **This chapter focuses the latest concepts in Indigenisation of Western management in depth.**

### 14.1 MODELS OF ORGANIZATIONAL BEHAVIOUR

As we learn more human behaviour at work, we apply improved models of organizational behaviour. Modern organizations are increasing their use of supportive, collegial, and Theory Y models. In order to provide review and perspective, Table 14.1 presents the four models of organizational behaviour from earlier in the book and then relates them to other ideas on the subject. By reading the figure, one can determine the McGregor's Theory Y is related to the supportive and collegial models. Similarly, Herzberg's maintenance factors apply mostly to the autocratic and custodial models.

**Table 14.1. Models of organization behaviour**

	<b>Autocratic</b>	<b>Custodial</b>	<b>Supportive</b>	<b>Collegial</b>
Basis of model	Power	Economic resources	Leadership	Partnership
Managerial orientation	Authority	Money	Support	Team work
Employee orientation	Obedience	Security and benefits	Job performance	Responsibility
Employee psychological result	Dependence on boss	Dependence on organization	Participation	Commitment; self-discipline
Employee needs met	Subsistence	Security	Status and recognition	Self-actualisation
Performance result	Minimum	Passive co-operation	Awakened drives	Enthusiasm



Relations to other ideas				
Maslow's hierarchy of needs	Physiological	Security	Middle-order	Higher-order
Alderfer's need levels	Existence	Existence	Relatedness	Growth
Herzberg's factors	Maintenance	Maintenance	Motivational	Motivational
Motivational environmental	Extrinsic	Extrinsic	Intrinsic	Intrinsic
McGregor's theories	Theory X	Theory X	Theory Y	Theory Y
Leadership style	Negative	Mostly neutral on job	Positive	Positive
Blake and Mouton's managerial grid	9,1	5,5	6,6	9,9

As shown in Table 14.1 the trend of each subsequent model of organizational behaviour is toward more open human organizations. Generally there is also movement towards a wider distribution of power, more intrinsic motivation, a more positive attitude towards people, and a better balance of concern for both employee and organizational needs. Discipline has become more a matter of self-discipline instead of being imposed from the outside. The managerial role has advanced from one of strict authority to leadership and team support.

### Emphasis on Higher-Order Needs

One reason for emphasis on improved models of organizational behaviour is the evolution of employee need structures. Postindustrial nations have reached a condition wherein higher-order (growth) needs are the prime motivators for many employees. Consequently, managers, of these workers must seek to design organizational behaviour systems that provide a greater probability of satisfying those needs than was possible in the past. In addition, the emergence of a knowledge society requires more use of intellectual abilities across a wide range of employees, and advanced organizational behaviour systems tend to be more effective with knowledge workers. A manager cannot make employees think; they must be internally motivated to do so.

**Table 14.2. Paradigm shift in organization development**

From	To
Closed systems	Open systems
Materialistic orientation	Human orientation
Centralized power	Distributed power
Extrinsic motivation	Intrinsic motivation
Negative attitudes about people	Positive attitudes about people
Focus on organization needs	Balanced focus on employee and organization needs
Imposed discipline	Sell-discipline
Authoritative managerial role	Managerial role of leadership and team support.

## A Social Approach

A Social approach recognized that what happens outside the firm will influence organizational behaviour practices within the firm. Also, what happens inside the firm will influence society. Management must be constantly aware of and responsive to this external environmental, because it is an important influence on internal operations.

**Table 14.3. Organization environment**

Organizational Characteristics	Environment	
	Stable	Changing
Structure	More rigid hierarchy	More flexible (some project and matrix)
Production system	More specialisation	More job enrichment
Leadership style	More structure	More consideration
Communication	More Vertical	More multidirectional
Model of organizational behaviour	More autocratic	More supportive
Performance measure	More management by rules	More management by objectives

## 14.2 DEVELOPMENT MANAGEMENT

**Source** :Dr. S. Shajahan, ICFAI Business School. Contact shajahan@ibsindia-org for more details.

Developmental management, an emerging concepts which are sweeping across the world in the new millennium, contained with the evolution of an individual, organization or society form a state of independence (formative) to dependence (normative) to inter-dependence (integrative). However traditional management principles, as we know them today, draw on such commonly acknowledged founding fathers as the French industrialist Henry Fayol, the German sociologist Max Weber, and the American engineer Fredrick Taylor. In more recent years well-known American management theorists such as Peter Drucker and Warren Bennis have made dominant contributions. As we have seen, it is only in the last decade that this rationally based wisdom has been called into question, primarily by Tom Peters and his 'Back to basics' followers. However, neither the rational old guard nor the current advocates of primal non-conformism have paid attentions to the 'developmental' school of management that has grown up over the last eighty years. Unlike its primal and rational counterparts, this developmental approach spans East and West, North and South, and is therefore cross-cultural in nature. Its originators span economics (Schmacher) and philosophy (Steiner), religion (Yamomoto) and psychology (Maslow), business (Abedi) and politics (Parker Follett). Here, Author is making an attempt to explain certain fundamental Principles of this school of thought.

(a) **The Process.** The fruits of developmental management- a transformation of human will (or actions), thoughts and feelings- spread across and up and down. In the horizontal dimensions they combine to form a spectrum of managerial, organizational and national individualists. In the vertical dimensions they combine cumulatively, yielding, in an upward directions, the individual or societal learning spectrum and, in a downward direction, the spectrum of innovation. The learning organization, then, facilitates participate (horizontal) and innovative (vertical) development within and between people and innovations, commercially, technologically and socially. It thereby transcends not only the business enterprise but also the hierarchical institutions.

Managerial reality is not an absolute; rather, it is socially and culturally determined. Across all cultures and in all societies, human beings coming together to perform certain collective acts encounter common problems having to do with establishing direction, coordination and motivation, culture affects how these problems are perceived and how they are resolved. Societal learning also establishes horizons of perception. Everything that happens to man is an image, having its prototype amidst those great events of cosmic evolution with which his existence is bound up... the weal and woe of the individual is bound up with that of the entire world. Man does harm to the world and to all other beings if he fails in the right development of his own powers. To give man a chance to utilize and develop his facilities; to enable him to overcome his egocentricity by joining with other people in a common task; and to bring forth the goods needed for a becoming existence. Whereas a objective thinking gives rise to mechanistic thinking appropriate to understanding the inorganic world, life-consciousness gives rise to holistic thinking appropriate to the development of human and social forms over time. It has been endlessly pointed out since the early eighties that wa, the ancient word for peace and harmony, literally 'circle' and that the secret of Japan's economic success was based on employees and managers functioning in human-oriented circles- instead of the series of horizontal layers favored by Western management. As manager after manager explains, was incorporates mutual trust and unselfish cooperation between management and labour, harmonious relations among employees at all levels and mutual responsibility of results.

(b) **Developmental Thinking.** Developmental involves a journey from the past through the heart of the present, into the future. Thus the process of development involves an unfolding of structure over time. An organism grows, unfolding to the point where the original structure cannot be maintained. There is then a crises, as the architectural forces of development break down is sometimes called involution, which is needed to prepare the way for a more differentiated structure- which can undergo further evolution. Each life crises involves a progressions from involution through chaos to evolution. Each stage of development is initiated by a structural crises, in which the foundations are laid for a new structure. Such a development is discontinuous, taking place in leaps and bounds, so that sometimes dramatic structural changes can occur as when a chrysalis turns into a butterfly. Old structures are then reformed as a higher unity, at a more complex level of organization. This process is irreversible. Development can be as a dynamic balancing process where security needs and the need for challenges predominate in turn.

**Table 14.4. Holistic approach of developmental (natural) management in comprision with artificial (traditional) management in core concepts**

**Management and Mortality**

Visible or Invisible

<b>Artificial Manager</b>	<b>Natural Manager</b>
For the artificial manager the processes of management and organizational planning, organizing, staffing, directing and control, can each be precisely defined and analyzed.	The natural manager searches for a management truth that lies beyond conventional wisdom, both administrative and behavioural. Real truth often lies in the unseen world behind everyday perceptions, and reflects the larger, cosmic truth that contains the smaller, conventional wisdom.

## Plan or Vision

<b>Artificial Manager</b>	<b>Natural Manager</b>
The artificial manger commits his thoughts and actions to a strategic plan. Such plan determines the long-term direction of a particular company within a competitive environment, and the allocation of its physical human and financial resources.	The natural manager commits its thoughts, feelings and actions to a business vision. He sees the organization within a larger, cosmic environment. It is unbounded, individually or geographically, and unconstrained by physical or business competition.

**Management and Environment**

## Tangible or Intangible

<b>Artificial Manager</b>	<b>Natural Manager</b>
The artificial manager lives in a world of objective reality. The real world is one which can be seen and heard, touched and felt-people, money, machines, materials.	The natural manager recognizes the invisible forces, or psychic energies, governing the visible world. The natural is the interactions of the seen and the unseen in an indivisible, living system.

## Part or Whole

<b>Artificial Manager</b>	<b>Natural Manager</b>
The artificial manager sees the management process in parts, in principles, in separate processes or activities. He plane and controls, motivation and communicates. Individuals and groups are seen as separate entities, as are management and workforce, or skilled and unskilled workers.	The natural manager conceives of the management process as a whole. He believes that the managerial essence is lost in pursuit of the parts. He sees himself managing the whole process and the whole person. He integrates individual and organization, business and environment, people and things into a management eco-system.

**Management and Organization**

## Mass or Energy

<b>Artificial Manager</b>	<b>Natural Manager</b>
The artificial manager visualizes the organization as a structure. He concentrates on organizational and form and managerial content. His institution is structured by means of a series of pyramidal levels, which are periodically reformed. People belong when they have a place in the amassed structure.	The natural manager visualizes the organization as a process, a vast stream of energy to which all contributes and from which all draw. He concentrates on such energy, on all its quality, velocity, vitality, quantity and direction. Organizational changes are viewed as continuous and evolutionary., rather than as episodic. More over, he views each person as a being in progress, a self-directing source of energy rather than an inert mass.

## Thought or Feeling

<b>Artificial Manager</b>	<b>Natural Manager</b>
The artificial manager maintains that thinking is primary, and as a result, that scientific management is the ultimate force. Feelings have their place, but they tend to cloud the scientific process. Intuition is suspect.	The natural manager believes that thinking is important but that feelings are primary. In fact feelings energize and humanize thought. Without feelings thoughts are lifeless., they lack movement and flow. Intellect and reason have their limitations. Ideas can be developed using the thought processes but thinking alone does not originate ideas.

**People and Management**

## Work Skills or Life Skills

<b>Artificial Manager</b>	<b>Natural Manager</b>
The artificial manager focuses on the person's business and technical skills with a view to improving performance. His first requirement is to ensure that both he and the people he manages perform a task at a satisfactory level. Performance can be enhanced through training and development.	The natural manager focuses on life skills for the whole person, including his technical and commercial abilities. He therefore concerns himself with the individual's physical, mental and spiritual well-being. Further more, he believes that managers must develop fellow managers to be better than themselves.

## Control or Humanity

<b>Artificial Manager</b>	<b>Natural Manager</b>
The artificial manager sees control as a strength and humanity as a weakness. For submission involves loss of control. As a result he tends to produce fixed positions or positions of conflict. He visualizes central headquarters as a control center.	The natural manager sees humanity as a strength. In effect natural control is achieved by taking the risk of relaxing control, by detaching one's ego from a certain position. To let go of one's need to control is to let interfusion happen. The natural manager visualizes his company as a support center, rather than as a control center.

**Self and Management**

## Self-assertiveness or Self-improvement

<b>Artificial Manager</b>	<b>Natural Manager</b>
The artificial jungle fighter of a manager believes in the survival of the fittest. The world, for him, consists of winners and losers. Even the modern search for win/win situations retains the language of winning and losing.	For the natural manager winning is a non-event, irrelevant in the cooperative pursuit of purpose. Competition is only with oneself and this takes the form of self-improvement. The natural manager commits himself to unique success in pursuit of extraordinary vision and purpose.

## Time or Timing

<b>Artificial Manager</b>	<b>Natural Manager</b>
The artificial manager tries to control time. He imposes his time schedule on others. This forcing of events may accelerate or delay achievement. While he recognizes the importance of timing, this may be subordinated to the need for power or task achievement.	The natural manager knows that one cannot control time but only the timing of one's interventions. He pursues a course of actions with persistence and perseverance, exercising patience and waiting for the right moment. He intuitively perceives other's need for direction, support and inspiration, and intervenes accordingly.

(c) **Principles of Natural Management.** As explained in the Table 14.4 the principles of natural management can be summarised under the following heads :

1. **The Totality Principle.** Nature operates as an integrated system in its dynamic state. The realization of these systemic properties, and of the energy generated in the processes of fission and fusion, is generic to the natural, organizational order.

2. **The Latency Principle.** No-existence, which is infinite, is the container of existence, which is finite. Nature has the capacity to be the state of existence and no-existence at the same time. From this relationship emanates the process of change.
3. **The Flow Principle.** Nature is process, nature is change. The dynamics of existence are in a state of constant flux. Flux and change create a vacuum and an opportunity.
4. **The Integrity Principle.** The moral, which is equivalent to the laws and principles of nature, governs all that is material. Hence both must be acknowledged, treated and felt as inseparable. No Company can assume its ultimate identity and its pure quantity without becoming at one with its moral substance.

(d) **The Laws of Growth.** Developmental management is founded upon by the laws of growth and change that underpin human development. It is rooted particularly in the life sciences that are in biology and ecology, rather than the physical or social sciences. It is based neither on purely instinctive behaviour nor on wholly rational conduct, but on a process of conscious evolution. Evolution carries with it the message of extinction. If we isolate ourselves from the 'system' of life, if we do not find a balance of trade with our environment, we face a future known in all of its frightening dimensions. The message is abundantly clear; grow or die, evolution or extinction.

#### 14.2.1 The Proposed Development Approach in the New Millennium is

##### Anchored on the Following Assumption

- *The core function of management is a developmental one regardless of the context and localisation in each manager's responsibility.*
- *That a systems framework is essential for sustainable improvement,*
- *A people and process centred approach needs to be evolved through experimentation, continuous improvement and feedback.*

Developmental involves a journey from the past through the heart of the present, into the future. Thus the process of development involves an unfolding of structure over time. An organism grows, unfolding to the point where the original structure cannot be maintained. There is then a crises, as the architectural forces of development break down is sometimes called involution, which is needed to prepare the way for a more differentiated structure- which can undergo further evolution. Each life crises involves a progression from involution through chaos to evolution. Each stage of development is initiated by a structural crises, in which the foundations are laid for a new structure. Such a development is discontinuous, taking place in leaps and bounds, so that sometimes-dramatic structural changes can occur as when a chrysalis turns into a butterfly. Old structures are then reformed as a higher unity, at a more complex level of organization. This process is irreversible. Development can be as a dynamic balancing process where security needs and the need for challenges predominate in turn....

##### 14.2.2 Implications on Market

(a) **The Enabling Company.** The enabling company is the instrument through which independence and interdependence is combined with dependence and interdependence is combined with dependence. The new enterprise and the managed organization are not eclipsed; rather a rival – the enabling company- appears in their midst. While the role of 'enablers' has been visible in the training world for years, the enabling company's role is much more wide-ranging. Whereas the enabler develops people's potential, the enabling company harnesses the potential not only of people but also of products, markets and whole businesses.

Moreover, and this is the key, enabling involves :

- *Not so much products holding down but more holding together.*
- *Not so much employing people and their skills but more deploying individuality and its potential.*



- *Not so much competing but more cooperating.*
- *Not so much overpowering people and institutions but more empowering staffs, suppliers, customers, associated companies and whole societies.*

The model of a maturing, developmental organization is therefore one of linked than hierarchical structures. It thereby accommodates both independence and interdependence.

(b) **The Experience.** Author, working on the developmental philosophy, through the Society for Self Management Services, a network organization of professional managers of Kerala for the past 10 years, had evolved a modern framework for self management principles and practices in line with Indian culture and traditions based on the principles of 'OM' Ardhanareeswara, Rigwedha and so on. The Society offers special programmes and process workshops to meet the developmental needs of specific target groups. The profile of participants varied from school children, students of business, workers and middle level managers from corporate and members of religious and non-profit organizations. In addition, this approach was also made use of through one to one sessions lasting for 24-36 months for individuals/ groups/organization.

(c) **Research and Development.** Pilot study conducted by the author in a Software firm in Technopark, Trivandrum and in the classroom environment of SRM Engineering College had given some encouraging outcome. The findings of the study was published in **Indian Management-November 1999 Issue (PP 69-74)**, **2<sup>nd</sup> International Conference on Business and Management**, Ahmedabad Jan.2000, **University News**, 8<sup>th</sup> Nov. 1999 (pp1-5), **30<sup>th</sup> Annual conference Proceedings of ISTE**, Ahmedabad, December 2000 and **SRM Management Digest** December 2000, **Paradigm**. January 2001 and **Abhigyan** March-June 2000,

Again, the model-Potential Performance Programming (PPP) devised by the author is proposed to Test in selected firms located in Tidel Park Chennai, Technoparks Trivandrum and Bangalore. A supplementary study has also been envisaged to assess the capabilities of existing delivery system of Technical Education by measuring students performance of final year MCA, MBA(Systems) and BE(Computer Science) of Chennai University for the purpose of the study. A well structured 'Rigidity Scale' designed by Dr. N.K. Chadha (1986) is proposed to use for the purpose of collecting primary data for the study.

### 14.3 INDIGENISATION OF WESTEN MANAGEMENT

(a) **Combining the Best of the East and the West in Management Education\***. Management Education deals with the art and science of directing and controlling or handling any organization, specially under resource constraint situation, be it business, industry, public system or government such education not only covers a thorough understanding of Behavioural Sciences, Human Resource Development, Financing, Marketing, Operations and Information Systems, but also calls for adequate grasp of the National and Global Economics, Politics, Sociology, Legal Framework, Technological Trends and Natural Environment in which the organization has to function and prosper through the formulation of effective strategies. All organizations need to have a Vision and a Mission with Milestones to achieve a common goal.

(b) **Foundation of the Western Model.** The Western Model of Management Education is based on the following hypotheses :

1. Human behaviour and motivation is guided by the fulfilment of human need as propounded by Freud, Maslow, McGregor, Mintzberg and others. The primary human need is defined as materials need with the non-materials dimension playing a relatively minor role. Human Resource Management is organizations are based on this fundamental hypothesis
2. Organizations must survive and flourish under the competition resulting in only a few dominant organizations in each segment of industry. However, the regulatory authorities ensure avoidance

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\* *Resource Person – Dr. Subit Chowdhury, Professor, IIM – Kolkata.*



of monopolies. This approach leads to concentration on core competence using latest technologies and massive economy of scale requiring minimal human intervention (in the manufacturing sector). The stress is on quality, efficiency and productivity, the keystones of material prosperity and higher standard of living. Such material prosperity invariably leads to high level of consumption of energy generated from organic fuels leading to global warming through the generation of unabsorbed green house gases.

3. The focus of business and industry is to serve the customers to their fullest satisfaction at the lowest possible price leading to a higher share, of market and a high rate of return on the shareholder's capital. Market led economy and consumerism are the main forces guiding the economy.
4. Organizations are free to hire and fire employees based on the behaviour of the market and technological change. However a strong social security net provided by the State looks after the interests of the unemployed workmen.

#### 14.3.1 Wisdom of the East

(a) **Giving' Vs. 'Needing' Model.** Each human being has a soul. Narrow self-centred material need based activities denote a lower order animal existence for human beings or corporates. We need to rise above our selfish interests and supplement it with enlightened self-interest. This is the message of the spirit of human existence. If we do not follow this basic message of humanity as propagated by our great spiritual leaders like Swmai Vivenkananda, Rabindranath Tagore and Rishi Aurobindo, we may heading for the doomsdays in distant future. Intrinsic and enduring motivational strategic need to be based on the 'GIVING' model rather that on the 'NEEDING' model.

(b) **Blending Spiritualism with Materialism.** In the East spiritualism is a way of life, differentiating human values from animal existence. While we do have our material needs for the self and family, our ultimate goal is spiritual enlightenment. We, therefore need to blend our material and spiritual needs for a holistic view of happy living. We do not believe that the search of material prosperity alone can lead to a balanced and satisfying life. Our belief is that a process of meditation in search of a quality mind helps us to understands ourselves and leads to a better synchronisation between the body and the mind towards a richer life. We also believe that having met the basic material requirement of life, spiritual pursuit is the main motivator helping human beings to achieve great heights. Instead of acting on external stimuli in search of excellence, we should be guided by internal inspirations.

(c) **Developing Both Left and Right Side of the Brain.** Management education model of the West fully develops the left side of the brian which controls the logical, sequential and analytical aspects of decision marketing. There is hardly any comphasis on developing the right side of the brain controlling the holistic, intuitive and random access features, that are so vitally important for a complex decision marketing process Meditation or a quality mind-process is a proven mechanism for the development of the right side of the brain.

#### 14.3.2 Bleading the Best of the East and the West

##### A Holistic Approach

The West has taught us how to organize efficiently using technological innovations like information technology and bio technology in a market economy. The east however advocates a holistic approach with respect to human happiness through a balanced view of environmental protection and distribution of purchasing power to avoid the disaster implied in the Western model. We should certainly work towards higher standards of living with a drastic reduction of people living below the poverty line. But at the same time we may not strive to catch up worth the standard of living in Europe of America since that is unlikely to be sustainable due to environmental degradation.

#### 14.4 THE FUTURE OF ORGANIZATIONAL BEHAVIOUR

Interest in the four goals of describing, predicting, explaining and controlling human behaviour at work has increased throughout the twentieth century. This evolving interest in organizational behaviour stems from both a philosophical desire by many people to create more humanistic workplaces and a practical need to design more productive work environment. As a result of these forces, organizational behaviour is now a key part of business school, engineering, and medical school curriculums. Furthermore, its role in both academic programs and corporate management development seminars is expected to increase further as a response to endorsements such as the one described below.

**Theory, Research and Practice.** The field of organizational behaviour has grown in depth and breadth, and it will continue to mature. The keys to its past and future success revolve around the related processes of theory development, research and managerial practice. Theories offer explanations of how and why people think, feel, and acts as they do. Research is the process of gathering and interpreting relevant evidence that will either support a behavioural theory or help change it. Neither research nor theory can stand alone and be useful, however. Managers apply the theoretical models to structure their thinking; they use research results to provide relevant guides to their own situations. In these ways, there is a natural and healthy flow from theory and research to practice, which is the conscious application of conceptual models and research results with the goals of improving individual and organizational performance. Fortunately, one of the major trends today is the increasing acceptance of theory and research by practicing managers. Please refer appendix for more details. By building a better climate for people, organizational behaviour way organizational behaviour may contribute to social improvements that stretch far beyond the confines of any one organization.

#### SUMMARY OF KEY POINTS

A system of ‘Feed back-Feed forward’ (i.e., a system of integrating past experience with future learning and vice versa) is envisaged for evolving a universal developmental model under diverse environment in the new millennium. This approach called for Indigenisation of western management through a process of restructuring the orientation and objectives of our management development programmes, procedures and system. This approach, it is hoped that, will nourish human capabilities required for sustained high performance and resilience of the organizations.

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8. Please send your comment [shaangrila@rediffmail.com](mailto:shaangrila@rediffmail.com) for further improvement.



## Case Method Analysis And Internet Exercise

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*Here the author is making an attempt to explore the real world experience in the form of cases and Internet exercises.*

### 15.1 CASE METHOD

A case is written description of an organization (or any of its parts) covering all or some of its aspects for a certain period of time. It sets forth of events and organizational circumstances surrounding a particular managerial situation. Despite its known deficiencies, the case method is widely used by universities and professional institutes throughout the world, especially for imparting knowledge and developing skills in the area of services marketing. The goal of case analysis has not developed a set of “correct” facts but to learn to reason well with available data. Cases mirror the uncertainty of the real-world managerial environment in that the information present is often imprecise and ambiguous. You may perhaps be frustrated that there is no one right answer or correct solution to any given case. Instead, there may be a number of feasible strategies management might adopt, each with somewhat different implications for the future of the organization, and each involving different trade-offs.

The managers cannot afford to delay making decisions until they are satisfied with the quality and quantity of available information. Such a time perhaps may never arrive. Like a real world manager, a student of service marketing must make a decision, making best use of whatever information is available and making assumptions about whatever is unknown or is not available. If you’re using this book in a course or seminar, you’ll be exposed to a wide range of different management situations within a relatively short time. As a result, the cases presented in this book will collectively provide a much broader exposure to service marketing problems than most managers experience in many years on the job. Recognising that managerial problems are not unique to a particular institution (or even to a specific service industry) forms the basis for developing a professional approach to management.

#### (a) Objectives of Case Method Analysis

The objectives of the case method analysis are to :

- *Help you to acquire the skills of putting text book knowledge about management into practice. Managers succeed not so much because of what they know but because of what they do.*
- *Get you out of the habit of being a receiver of facts, concepts and techniques and get into the habit of diagnosing problems, analysing and evaluating alternatives, and formulating workable plans of action.*
- *Train you to work out answers and solutions for yourselves, as opposed to relying upon the authoritative crutch of the teacher/counsellor or a text book.*
- *Provide your exposure to a range of organizations and managerial situations (which might take a life time to experience personally), thus offering you a basis for comparison in your working as a career manager.*

(b) **Advantages and Disadvantages.** It's important to recognise that even though case writers try to build realism into their cases, these cases differ from real-world management situations in several important respects. First, the information is prepackaged in written form. By contrast, managers accumulate their information through memoranda, meetings, conversations, research studies, observations, news reports, and other externally published materials—and, of course, by rumour. Second, case tend to be selective in their reporting because most of them are designed with specific teaching objectives in mind. Each must fit a relatively short class period and focus attention on a defined category of management problems within a given subject area. To provide such a focus—and to keep the length and complexity of the case within reasonable bounds—the writers may need to omit information on problems, data, or personnel that are peripheral to the central issues in the case. In the real world, management problems are usually dynamic in nature. They call for some immediate action, with further analysis and major decisions being delayed until some later time. Managers are rarely able to wrap up their problems, put them away, and go on to the next “case”. In contrast, discussing a case in class or writing an analysis of a case is more like examining a snapshot taken at a particular point in time—although sometimes a sequel case provides a sense of continuity and poses the need for future decisions within the same organizations .

A third, and final, contrast between case analyses and real-world management is that participants in case discussions and authors of written case reports aren't responsible for implementing their decisions, nor do they have to live with the consequences. However, this doesn't mean that you can be frivolous when making recommendations. Instructors and classmates are likely to be critical of contributions that aren't based on careful analysis and interpretation of the facts. The pedagogical objective of case method is very much different from the usual teaching in the class room. Instead of the professor/instructor/counsellor, it is the students who do most of the talking. The counsellor/instructor's role is to solicit student participation and guide the discussion.

Since a case assignment emphasizes student participation, it is obvious that the effectiveness of the class discussion depends upon each student having studied the case before hand. A case assignment therefore requires conscientious preparation before class. The case analysis and discussion help the students in developing analytical, communication and interpersonal skills which are vital for success in management. The method also provides some opportunity to the students to relate their viewpoints with those of the others. While defending his own viewpoint, a student has also to develop an appreciation for the viewpoints held by others.

(c) **Preparing a Case.** In case study method, issues are discussed and various alternatives and approaches are evaluated in detail. Usually, a good argument can be made for more than one course of action. The important thing for students to understand in case analysis is that it is the exercise of *identifying, diagnosing* and *recommending* that counts rather than discovering the “right answer”. The essence of case analysis is to become skilled in the process of designing workable action plans through evaluation of the prevailing circumstances. Just as there is no one right solution to a case, there is also no single correct way of preparing a case. However, the broad guidelines outlined in “Preparing a Case” may help familiarise you with the job of case preparation. A case may be prepared for :

- *Oral analysis for discussion (by individuals).*
- *Oral analysis for discussion (by groups).*
- *Written analysis (by individuals).*
- *Written analysis (by groups).*
- *Oral/written analysis and presentation (by individuals/groups).*

What particular method would be followed in the counselling sessions would depend upon the thinking of the counsellor and other factors, including the nature of the company and the length of the case. However, with practice, you should be able to establish a working style with which you feel comfortable.

(d) **Initial Analysis.** A case is a technical paper. As such it deserves careful reading. A good approach is to read the case three times : once rapidly, scanning quickly any exhibits; a second time thoroughly and slowly, putting careful attention to the exhibits and making some notes about apparent organizational objectives, strategies, symptoms of problems, root causes, unresolved issues and the role of key individuals; and a third time rapidly again to reinforce the main points .First, it's important to gain a feel for the overall situation by skimming quickly through the case. Ask yourself :

- *What sort of organization does the case concern ?*
- *What is the nature of the industry (broadly defined) ?*
- *What is going on in the external environment ?*
- *What problem does management appear to be facing ?*

While no standard procedure can be laid down, the following successive steps will be helpful for analysing the case (whether for oral discussion or written presentation) :

- *Know the facts.*
- *Understand the environment of the organization (external and internal).*
- *Gather relevant information from outside sources, if necessary.*
- *Appraise and evaluate the environment.*
- *Consider and keep in mind the mission of the organization, while making recommendations.*

As you proceed the case further, try to make notes in response to such questions as :

- *What decisions need to be made, and who will be responsible for making them ?*
- *What are the objectives of the organization itself and of each of the key players in the case ? Are these objectives compatible ? If not, can the problem be reconciled, or will it be necessary to redefine the objectives ?*
- *What resources and constraints are present that may help or hinder attempts by the organization to meet its objectives.*

You should make a particular effort to establish the significance of any quantitative data presented in the text of the case or, more often, in the exhibits. See if new insights may be gained by combining and manipulating data presented in different parts of the case. But don't accept the data blindly. In the cases, as in real life, not all information is equally reliable or equally relevant. On the other hand, case writers won't deliberately misrepresent data or facts to try to trick you.

(e) **Developing Recommendation.** Once you have thoroughly diagnosed the company's situation and weighed the pros and cons of various alternative courses of action, you may decide on what the company should do to tackle the problems or improve its performance. Draw up your set of recommendations and prepare an "action agenda". This is the most crucial part of the analysis. Bear in mind that proposing realistic, workable solution is not the same as offering a hasty, or not a properly conceived possibility. Do not recommend anything you would not be prepared to do yourself if you were in the shoes of the decision maker. Your recommendations won't be complete unless you give some thought to how the proposed strategy should be implemented.

- *What resources-human, financial, or other-will be required ?*
- *Who should be responsible for implementation ?*
- *What time frame should be established for the various actions proposed ?*
- *How should subsequent performance be measured ?*

In other words, offer a definite agenda for action, stipulate a time-table and sequence for initiating actions, indicating priorities and suggesting who should be responsible for doing what.

**(f) What an Evaluator Looks for in a Case Analysis.** The important elements that a counsellor (or evaluator) would generally look for in case analyses are :

- *Care with which facts and background knowledge have been used.*
- *Ability to state problems and issues clearly.*
- *Use of appropriate analytical techniques*
- *Evidence of sound logic and arguments.*
- *Consistency between analysis and recommendations.*
- *Ability to formulate reasonable and feasible recommendations for action.*

In short, both future managers as well as the present managers can make use of the case study method for developing a sense of responsibility, commitment and commonsense while taking decision in modern business environment. Efforts have been taken by the author for simulating most of the service marketing problems.

## CASE STUDY No : 1

### SAMSUNG PAYS A HEAVY PRICE FOR COMMUNICATION

South Korea is making enormous strides in the international business community by supporting the development of new industries that export products around the world. One of its major stars has been the Samsung group. The country's largest conglomerate, it operates primarily in consumer electronics, and in 1991 had 187,000 employees and worldwide sales of more than \$43 billion. It is so large and so dominates the South Korean economy that it has been referred to as "the republic of Samsung" The government allowed Samsung to enter a wide range of new industries over the past decade or so, including automobiles and aerospace. Its chairman, Lee Kun Hee, was regularly seen conferencing with prominent heads of state and breaking ground for new factories.

Working closely with the government is essential in South Korea because the government tightly controls the right to be in business. The government has everything to say about what companies are permitted to do : what to produce, where and when to build factories, and what types of mergers and acquisitions are allowed. The president of South Korea, Kim Young Sam, is the country's first civilian leader in more than three decades and has officially declared that his administration is trying to untangle the close ties between government and business. There are indications to the contrary, however. In 1995 Samsung seemed to fall from favor with the Kim administration. Chairman Lee was openly critical of the South Korean Government, calling the Kim administration "second class" and local politics "fourth class" in remarks in Beijing, China. At the time, Samsung was submitting a funding proposal for a new auto plant and developing a bid to buy a \$378 million stake in AST research in California.

Suddenly, government finance officials were less friendly to the funding proposal and foreign exchange regulators stopped the purchase bid. The purchase was finally approved many months after it should have been and in a form that will make AST much more expensive to operate. A project to build



a \$1 billion semiconductor plant in Texas is also being held up, as it's approval to participate in an international consortium with Northrop Grumman and Bristol Aerospace. It is clear that Samsung no longer has favored status. Samsung is not alone in having to put up with this type of government interference. Five of south Korea's top six conglomerates have had difficulties with the administration. In February 1995, the chairman of Sunkyong group, Chey Jong Hyon, described the administration as "anachronistic" and criticized tax rates as "unbearably" high. Within a month the government initiated antitrust investigations of four of its affiliate companies and began examinations of another for manipulating its accounts. Then, in March, when Ssangyong group chairman Kim Suk Won ran for an important assembly seat, Ssangyong affiliate shares plummeted on the stock market. After Hyundai group founder Chung Ju Yung ran against Kim for president several years ago, Chung was convicted of violating securities laws and the Hyundai group was cut off from government loans for new investments and was denied the opportunity to raise equity capital overseas. The administration claims it did not interfere in the stock market or in various approvals and that the investigations were routine. Growth has been hobbled by everything from slow approvals to investigations for various problems. In each situation, the troubles began when a top executive in the company criticised the Kim administration. Although the government is supposed to be supporting business and exporting, problems such as these are stifling growth and especially outside investment in South Korean companies.

### Case Questions

1. What role does communication play in relations between business and government in South Korea ?
2. Where is the communication process breaking down in this situation ?
3. If you were advising a major U.S. company that is planning investments in South Korea, how would you advise them to handle the Kim administration ?

**Courtesy :** *Steve Glain, "For South Korea Firms, Speaking Too Freely May Carry Steep Price", Wall Street Journal.*

## CASE STUDY No : 2

### indya.com's TOUGH DECISIONS

indya.com an online internet service was created in June 2000 and in September 2000 it made its global launch with great success, backed by three giant corporate partners Satyam, Economic Times and Shoppers Stop. It seemed that this was the perfect marriage, a giant from each of three key areas : computers, media, and retailing. It was a "can't miss" combination. The partners had a clear vision of what they were creating. They expected that consumers would eventually pay bills, buy stock, arrange their travel, and do a myriad of other things electronically. Within a month, it had more than 500,000 subscribers. A1 crore national advertising campaign featured celebrities, authors, and futurists. ET dropped out early so it could concentrate on its other businesses and because it was tired of putting so much money into India. But the others stayed in, convinced of the soundness of the investment. Within one year it had over a million subscribers. But then a series of decisions started to cut into their lead over other services, America online (AOL) and rediff.com. First, when subscribers started using India for e-mail and sending lots of messages to each other, started charging for sending more than thirty e-mails per month. Customers were angry because they had become accustomed to the all-you can use pricing that had made indya.com popular.



After a change in leadership due to retirement, the new CEO, reaffirmed India strategy to serve the mass electronic consumer. Although it had more than 1.2 million subscribers, more than five times as many as Rediff.com, the really large mass market did not exist in 2000. Satyam and Shoppers Stop considered the venture a money pit and were very concerned. When Rediff.com came out with its windows version and indya.com did not, India lost customers and did not pick up as many as rediffmail.com. Almost a year later indya.com came out with a Windows version. It helped, but Rediff.com was already ahead and chasing AOL for number one. Finally, in 2002 India .com created a new pricing structure to match AOL and Rediff.com a structure that took almost a year to design and approve. AOL undercut it the next day. After even more aggressive price cutting, following a year of red ink, Indya .com showed a small profit for the first quarter of 2002. Less than month later Mr.Aravind took over as new CEO. Excited by the challenge, he asked for over \$ 200 million to create new content and capabilities for the service to capitalise on the Internet. The partners turned him down. Finally, losing money at the rate of \$10 to \$ 12 million per month, wanted out. They tried to sell it for \$ 500 million, a paltry amount compared to what they had put into it over the years. No takers in May 2002, they finally sold it to Reliance International for \$ 200 million. indya.com now aspires to become the biggest online service in the world under the new management.

### Case Questions

1. Identify the many different decisions indya.com made that eventually led to its problems.
2. What type of decisions was each of these ?
3. Which of the decision-making problems may have occurred at India com ?

## CASE STUDY No : 3

### The Men Who Command

They were Para-dropped over the enemy territory. Their combined objective was to blow up a bridge, cut the lines of communication and destroy the fuel dump of the enemy. It was well protected by mine fields around it, barbed wires and Machine guns and heavy caliber cannons in pill boxes. There were nearly 200 men guarding the fuel dump. The plan was to drop the Para Command at two different zones. The first group to be under the command of a major. The major and his men (175) had the task of silencing the heavy guns, destroying the pill boxes and capturing or blowing up the fuel depot. Reconnaissance had shown that the supply depot was surrounded by machine gun and a belt of barbed wires. Outside this was the minefield 30 yards wide. Intelligence report had shown that it was manned by at least 10 machine guns and a few duel purpose cannon. The major and his men were to be dropped very close to the enemy minefield but outside the field of fire. The 'Packets' were supposed to go little deeper and drop another group under the command of a lieutenant. He would be taking a group of 20 men. Their job was to blow the bridge connecting the main enemy land, immediately, thereby cutting the supply line by road and then to cut off all the lines of communication of the enemy. After that they should go back and join the main body and clear a way through the minefields and barbed wires so that they can together blow up the fuel depot. After this the major (who is in overall command) must retreat and rendezvous with the infantry. The infantry and the artillery wanted to by pass this area next day

without much opposition. So this task had to be done in the night. This area had another strategic importance. If it could be brought under control then it was easier for the army to surround a temporary enemy air field operating very close to the border playing havoc with the supply conveyers' of our army.

The first group under Major Gupta was dropped. This air drop was a little scattered one. By the time they assembled only 162 of them could be found. The remaining ones were either dead or lost. Or may be they hit the mines since there were explosions to be heard. They advanced. Immediately the alert enemy opened up. Major Gupta and his men returned the fire. What followed was a massacre. 30 of Gupta's men were shot and killed and twenty of them were wounded. All these happened in twenty minutes. Major Gupta knew the enemy was very powerful. Aimed the heavy guns and plenty of machine guns they could keep off the attacking forces. He immediately contacted the Command H/Q and asked for artillery support. He was not given it. He requested the Air force to make a go at it. That also was turned down. He was reminded that it was his job. He was advised to end volunteers to gun positions crawling and blow up with grenade or to open another front and to cover it with gun fire. He radioed back and said it was murder. He swore into the mouth piece desperately. He did not call for volunteers. The senior N.C.O. came and said that the causality was very high. Many of them needed medical help. He further said unless something is done the enemy may launch a counter attack on them. The major sat quiet. Thought for some time Bullets were missing them by inches. He studied through his glasses. He rushed forward and threw a grenade into a gun pit and opened up with his automatic. He was shot dead by accurate enemy fire.

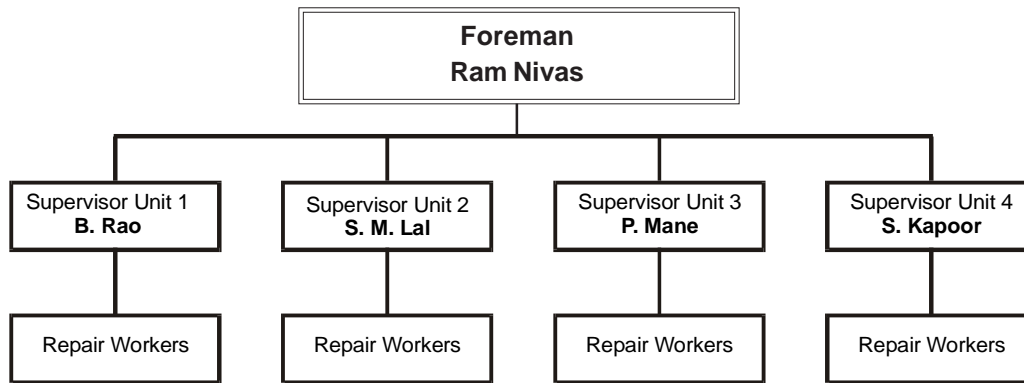
Immediately the Captain Bhindra who was second in Command ordered his men to withdraw to safe positions. He assumed Command of his men. He told them they should avenge their major's death. But they should fight an intelligent war. He was young and had the look of a competent Officer. He had just finished a command course along the new principles of leadership. The major was very well liked by his men. They discussed the plan. Captain Bindra ordered all the wounded to be evacuated. Be called for medical orderlies to help them. Then he divided the group into four and gave independent Commands and targets to 3 different senior men and assumed command of the fourth himself. He explained to them their objective and plans clearly and wished them good luck.

In the mean time the other group was dropped exactly as they practiced it/the Para Training School. They blew the bridge, out the lines of communication and were advancing forward to clear a way through the minefield to help blow the fuel depot. One by one the enemy guns fell. There were heavy losses on both sides. Captain Bindra urged them forward. they fought under him as a co-ordinated team. They were joined by the 2nd group. Together they blow up the fuel depot. They were later picked up by the choppers. Nearly 200 of them were dropped. Now only 90 of them were alive. On their way back the Captain asked the Subedar how long he had known the major. He said 8 years "was he Coward" ? "No" replied the Subedar. Did he have not faith in his men ? "Yes". Then why did he not do as he was told ? Why was he fighting his own personal war ? The Subedar said that his men liked him very much. He too liked them very much. But he always suffered for others. He was like a father. A father cannot afford to see his sons getting killed. Captain Bhindra nodded but he was not sure. The major had sacrificed his life for his men. Captain Bhindra was awarded Virchakra for his courage, leadership, and ability shown in the battle against the enemy. He is major now. Analyse the case and state the leadership theories applied in this case.

### CASE STUDY No : 4

#### What Action Should be Taken Against Ram Nivas ?

Mr. Ram Nivas is an Electrical Engineer working with the Kamath Engineering (Private) Limited. He has a diploma in Electrical Engineering and after joining the company he has been trained in the Inventory Control and Repair department. On 16th December, 2001, Mr. Shankar, Foreman of the Repairs department retired due to ill health. The management of the company promoted Ram Nivas and he was made the Foreman of the Repairs Department. The Repairs department has four Supervisors assigned to different types of repair work. The organization chart of the Repairs department is shown in Figure below. The Supervisors working under Ram Nivas were senior people with an average experience of 15 years in the company. P. Mane was the youngest among them with 9 years experience in the company. S. Kapoor was the senior most Supervisor with 20 years experience. Mr. Kapoor had joined the company as a Watchman and after completing some training course has become the Supervisor. Even though, he did not possess formal education; he was the popular leader among the employees of the Repairs department.



Since Ram Nivas a new comer to the department, he did not want to make any major changes in the established procedures and practices. Ram Nivas noticed that quite frequently, workers and other Supervisors referred the problems to S. Kapoor. Ram Nivas did not object since he was interested in developing good working relations with his subordinates. At the end of June 2002 the accounting department notified Mr. Ram Nivas that the monthly expenditure on equipment purchases for the repairs department has exceeded the budget. Mr. Ram Nivas was asked to give an explanation. On checking the accounts, it was found that spare part No.1004 costing Rs.15,000 was purchased even though Mr. Ram Nivas had only authorised loss expensive part costing Rs.9,000. On further enquiry it was revealed that Mr. S. Kapoor suggested the purchases of No.1004 spare part and the concerned billing clerk agreed with S. Kapoor. When this was brought to the notice of Ram Nivas, he remarked it is all old Kapoor's fault. During the early part of July 2002. Mr. Ram Nivas received a telephone call from an old friend Mr. Nitin Guha, Mr. Guha was a management consultant specialising in the area of human relations.

Mr. Guha visited Ram Nivas at the latter's residence on a Sunday afternoon. After a general discussion about social and family matters Mr. Ram Nivas narrated the incident that took place in the Repairs department a few days ago. He suggested the following alternatives and he wanted to get the advice of Mr. Guha regarding the best possible course of action. Alternative suggested by Ram Nivas, were as follows :

1. *Mr. Kapoor should be warned he should be told about the scope of his authority.*
2. *Mr. Ram Nivas should send a report recommending the dismissal of Mr. Kapoor.*
3. *The billing clerk should be punished for his mistake.*
4. *Mr. Ram Nivas should establish closer control over Mr. Kapoor and other subordinates.*

Mr. Guha was more interested in analysing the problem before prescribing possible course of action. Analyse case and suggest a suitable remedy.

### CASE STUDY No : 5

#### **Black Panther Transporting Company**

Black Panther Transporting Company is a flourishing company whose main activity is transporting goods from one place to the other by road. It has a large fleet of heavy duty-trucks and employs a few hundred drivers. It also employs other people for other duties in various other departments such as Repair Department, store, godown, office maintenance etc. It has a single but strong Union. But the employer-employee relation so far has been very healthy and cordial. However, of late it has become bit strained as the Company has started making profit. The other day the Management receives a report from the police department saying that one of their trucks was involved in a major accident. The truck hit a post while trying to avoid the Collision with a car and a cyclist coming from the opposite side. Ramlal, the driver efficiently avoided this collision but instead crashed into a shop killing few people and damaging the shop and the articles in it. The police report further said that the truck was reported to be going very fast and the driver, according to the medical report was found to have consumed alcohol and was arrested later.

After receiving this report the management went through his record and found that he had many accidents to his credit, and they suspended his pending enquiry. However this decision was not appreciated by other drivers of the Company. The Union has already given the warning. From reliable sources the Management has come to know that the drivers are planning to go on a sudden strike so as to paralyse the company's activities. The Management, knowing fully well; that this is the season of the year when they have maximum work and the chance to make very high profit decides to tackle it tactfully and so they have decided to call for a meeting. This is the meeting in which the Management is facing the leaders from the Union. ANALYSE THE CASE.

#### **15.2 INTERNET EXERCISES**

E-business is using the Internet to facilitate every aspect of running a business. E-business has significant implications for managing people at work because it eventually will seep into every corner of life both on and off the job. Determine how wide-spread E-business is in India. Using the Business standard and Economic Times web sites examine the information regarding E-Business and the use of the Internet. What can you conclude about e-tailing ? What implications for global management does this have ? After exploring following two Websites, discuss your responses to the following questions with the class. Prepare a two-page report indicating your answers. How does this organization train its managers for its global operations ? What problems do you foresee these managers may encounter ? How important are expatriates to this company ? Provide suggestions that Toshiba may utilize to improve their training and support of its expatriates.

**Exercise No. 1. <http://www.toshiba.com/>**

Toshiba America Group specializes in advanced electronics. It is recognized as a leader in products that enhance home, industry, and health environments. It currently has over 10,000 workers and has annual sales exceeding \$7.5 billion. Toshiba America, Inc. is a subsidiary of the Toshiba Corporation, which has 321 consolidated subsidiaries worldwide. It established American operations in 1965.

**Exercise No. 2. <http://www.dupont.com/>**

Today's Dupont was founded over 200 years ago as an explosives company. At approximately 100 years of age, this organization changed its focus to one looking at global chemicals, materials, and energy. As Dupont organization currently enters its third century of successful operations, it now concerns itself with providing science-based solutions to bring real differences into the lives of its customers. As you examine this informative site, you should focus on collecting the necessary information to prepare a two-page report that responds to the following questions. Explain how you perceive cultural differences addressed within Dupont. How does this organization assist its managers to become global managers? Provide suggestions that may improve this process for Dupont. Discuss a few of the methods utilized by this organization to address any cross-culture difficulties it has or will encounter.

**Exercise No. 3.**

One of the major threats to group effectiveness is “groupthink.” Modern managers can easily become victims of groupthink if they are not aware of the danger. Janis defines groupthink as: “a mode of thinking that people engage in when they are deeply involved in a cohesive in-group, when members’ strivings for unanimity override their motivation to realistically appraise alternative courses of action.” Members of groups that have the dysfunction of groupthink tend to be friendly and tightly knit. Determine whether there is a real possibility for group think in a global context. Specifically, go to Asia and then to Singapore. What cultural and historical forces would you need to be aware of as a manager assigned to your firm’s Singapore operation, in order to avoid the possibility of groups of your employees victimized by groupthink? (**Hint : go to “Doing Business Around the World” and use the “worldskip.com” option. You may have to click on [www.worldskip.com](http://www.worldskip.com) if the page does not load properly. Be sure to “skip” to Singapore using the drop-down menus. Look for the links to “People and Culture”**). Assess the degree to which changes in self and self-concept are occurring in Japan. Using the Business Around the World Map, identify traditional cultural factors that influence Japanese notions of self and self-concept. Are there changes occurring in Japanese society that have an impact on self and self-concept?

**Exercise No. 4.**

External and Internal forces provide organizations key “cues” that signal the need for change. Effective organizations “know” when they need to change by monitoring these forces. Awareness of the forces of change can help managers determine when they could consider implementing an organizational change. External forces for change occur outside of the organization. These forces may have global effects and they may cause the organization to reassess the essence of what business it is in and the development and deployment of goods and services. Social and political pressures, technological advancements, demographic characteristics, and market changes are all “external” forces that may signal the need for an organization to change. The global manager must be sensitive to various cultural factors that combine with these external forces for change. A change in one society may signal a need for change in the global organization in that geographical area, but not necessarily in another that the firm is doing business in.

There are several different models of change management. Each model is based on a different set of assumptions and therefore offers managers a unique set of recommendations for how organizational change should be implemented. Company expansion and growth represents a form of organizational change. Using the Business Around the World Map of [www.worldskip.com](http://www.worldskip.com), go to the Middle East and access Egypt. Under “Doing Business in the Middle East,” select the option for AME. You will find several articles of interest regarding organizational change and expansion. Typically, the organizations are demonstrating globalization (such as MasterCard International). You may select the article on MasterCard International. The company announced that it will continue its rapid expansion plan in the Middle East & North America region with the opening of new offices in the Kingdom of Saudi Arabia. What implications for the firm does this type of expansion have? Consider Lewin’s change model. What factors do you see that correspond to the three stages: unfreezing, changing, and refreezing. Provide examples of the three components of change, which include the inputs, target elements of change, and outputs.

#### **Exercise No. 5.**

Ericsson is the Swedish electronics giant that is truly a global company. It has many decentralized business units around the world. Decentralization is a form of organization that requires the development and deployment of strategies to insure effective communication and “knowledge” sharing throughout the organization on a global level. A cornerstone of Ericsson’s knowledge-sharing strategy is to provide free internet access to its employees and their families. The focus is on specialized web sites that provide information about Ericsson to all its employees. It allows for the solicitation of opinions and it provides for a “knowledge map” by listing competence inventories of experts in different fields. Assume that you are heading Ericsson’s global expansion team. You are interested in insuring the successful implementation of the firm’s “knowledge-sharing” organization design strategy in two different regions of the world: Russia and Argentina. Examine the key characteristics of people, literacy, education, and communications for each of the two countries using [www.worldskip.com](http://www.worldskip.com). What factors are important to consider in insuring the successful design of the organization in these two countries?

#### **Exercise No. 6.**

Self-esteem is the overall evaluation of oneself, one’s perceived self-worth. People with high self-esteem view themselves in positive terms; those with low self-esteem view themselves in negative terms. Self-esteem as an organizational behaviour topic, has been viewed from a uniquely Western perspective. However, the concept has cross-cultural implications. The data show that individualistic cultures exhibit stronger positive correlations between self-esteem and life satisfaction. Global managers need to remember to de-emphasize self-esteem when doing business in some contexts and to emphasize the concept when managing in others. Individual differences abound in organizations. The vast array of individual differences can make the manager’s job endlessly challenging. Growing workforce diversity compels managers to view individual differences in increasingly different ways. Self-concept is an important variable in organizational behaviour. Ideas of self and self-concept vary from one historical era to another, from one socioeconomic group to another, and from culture to culture. Success in international dealings can be enhanced based on the ability of the manager to detect and adjust to different cultural notions of self. According to research, Japanese-Indian communication and understanding often are hindered by significantly different degrees of self-disclosure. A key element in understanding and adapting to these differences involves culturally rooted conceptions of self and self-disclosure. Assess the degree to which changes in self and self-concept are occurring in Japan. Identify

traditional cultural factors that influence Japanese notions of self and self-concept. Are there changes occurring in Japanese society that have an impact on self and self-concept ? Are there indications of change in the society ? If so, what implications are there for the global manager in attempting to support self-esteem of employees ?

FOR MORE ASSISTANCE AND GUIDANCE PLEASE MAIL YOUR REQUEST/SUGGESTION  
shaangrila@rediffmail.com





## APPENDIX

# Potential Performance Programming (PPP)

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### Part-1 : A unique Programme without Limits for the no Limits Manager

The major challenger facing organization are external and internal. The former mainly concerned with the rapid changes in the external environment and the latter faced by the managers within organizations. Thanks to the many success stories of professional management and management techniques even most traditional organizations have recruited or trained a large number of the their personnel in these lines. However, because of limitations of the organizational structure or work culture, these resources. Most often the available potential is under utilized and many of them are unable to respond creatively to many job situations. The individuals themselves feel frustrated and helpless of the compromises they have to make to achieve results in these circumstances. The compulsion to operate at lower levels of effectiveness has a disastrous consequences in their personal life also. Apart from this, organizations have to survive and grow in the emerging business and corporate environment of the New Millennium for which the organizations will have to forecast reasonably accurately the political changes. This requires a radical approach to management rooted in the intrinsic strengths of Indian culture and history.

### 7 DP ON SELF-MANAGEMENT-01 LEVEL

*The only Management Development Programme available in India in Eastern Philosophy of Management.*

**The Programme.** A non-threatening, innovative programme on Self-Management, considered as emerging trend world wide, based on the inherent strengths of the eastern culture and philosophy. A unique programme designed through research and experience by a team of experts in Management and counselling, ideal for individual and organizational. This programme, is so designed to enable the participants to bring out their true potential and express their creativity, thereby enriching the personality for the attainment of the personal/organizational objectives and goals. This programme is offered to faculties of educational Institutions and Universities.

### FAST TRACK

#### Course Content

1. Mile stones in Management and Emerging trends.
2. Management of Opportunities.
3. Self Management Concepts-Introduction.
4. A background perspective leading to the relevance and need for Self Management.
5. The No limits Manager.

6. Employee-Employer Relationship-Changing Scenario.
7. Self Management Frame works in detail.
8. Communication and Team Building Exercises.
9. Structured feed back with individual focus.
10. Barriers to understanding reality.
11. Problem solving and conflict resolution.
12. Limits and burden of normality.
13. Creation and creativity.
14. Time management and executive health.
15. Manager's loneliness.
16. Inner harmony.
17. Management-Eastern & Western approaches.
18. Globalization of business.
19. The Information order.

## **NORMAL TRACK**

### **The Contents**

The broad areas covered in the 7 DP will be

1. Self-Management Concepts.
2. Personality Analysis-with individual feed back session.
3. Creativity Inducing Mechanics.
4. Achievement Motivation Training.
5. Potential Performance Programming
6. Life Script-Analysis-Corrective measures/Reprogramming.
7. Decision Making Techniques.
8. Time Management and Other General Topics.
9. Communication Skills.
10. Performance Techniques.

This programme is developed by the Society for Self Management, Trivandrum which, is a non-profit organization registered under the Charitable Societies Act. The life members of the Society are management professionals who are holding Senior positions in the Public Sector, Government or Academic Institutions. The objective of the Society is to promote the awareness of management concepts and skills relevant at the individual level and at organisational level. For more details mail your shaangrila@rediffmail.com.

**Part-2 : Research Paper in Indian Management***International Conference in Business & Management 2002-Malaysia.***Enhancing Productivity and Emotional Intelligence of Knowledge Workers Through Potential Performance Programming in the New Millennium : A Study**

By

**Dr. S. Shajahan****ABSTRACT**

*In today's increasingly fast-moving world, just about everything is becoming obsolete at a rate that is shocking compared to even the recent past. Business concepts, product designs, competitor intelligence, capital equipment, and all kinds of knowledge have shorter credible life spans. The challenge, managers face today is to achieve creative solution to the problems and to think of new opportunities. The potential performance programming (PPP) model has been an attempt at resolving these issues considering the present and future needs of both organizations and individuals. In this context, the PPP model was put to test in Techno Park, Trivandrum. The outcome of the study clearly implies that the nature of their education and training the employee undergo exercise a significant influence in shaping the personality to cater to the requirements of their professions. The result of the empirical studies proved the fact PPP would enable the software firm to deliver unique and superiors value products to its global customer consistently and continuously during the period of the study.*

**1.0 INTRODUCTION**

**“Fifty years, from now, if not much sooner, leadership in the world economy will have moved to the countries and to the industries that have systematically and most successfully raised knowledge worker productivity”.**

-Peter F. Drucker

The challenge, managers face today is to achieve creative solution to the problems and to think of new opportunities. To overcome the rigid standardised technical system and to respond to new challenges, there is a need of creative individuals, who can cope-up with unexpected problems. It is believed that creative thinking ability, expertise and motivation are the ingredients of creativity. Immobile (1998) has categorised the work environment in six categories, which affect creativity. They are challenge, freedom, resources, work group features, supervisory encouragement and organizational support. According to Indian Vedic concepts, the creative intelligence in every person is infinite this important factor about 2000 years ago and had narrated the ways and means of achieving this quality in his classical work ‘Thirukkural’ in 30 couplets.

Industrial Training Services (ITS), UK has designed a formula for managing “creative enterprises” through a ‘change’ process. According to them for a change to take place  $A + B + C$  should be greater than  $D$  where ‘D’ represents inertia ‘A’, dissatisfaction with the present environment, ‘B’ shared vision of the future and ‘C’ clarity on procedures, policies and goals. This process is happening slowly in Indian corporate scenario since July 1991. The global environmental and technology push make it imperative for all organizations to innovate new concepts, introduce new methodologies, apply new business tools and empower work force for their survival. Thus those enterprises which currently stay anchored on the first generation systems and procedures, with second generation perceptions and attitudes, soaked in the third generation concepts, using fourth generation computers trying to achieve

fifth generation aspirations, are to undergo a transformation through streamlining and synchronisation of all parameters of working systems, people, technology and strategy. It is assumed that the most valuable asset of this millennium institution (whether business or non-business) will be knowledge worker and their productivity. Knowledge workers are rapidly becoming the largest single group in a work force of every developed country. Productivity of knowledge work ensures the optimum quality in the output. Continuous learning and continuous teaching as a built in component of the job, every knowledge worker will improve their productivity. Generally knowledge, workers manage themselves, accept challenges and assume responsibilities and continuous innovation will be of their hallmark. But making knowledge workers more productive requires changes in their basis attitude.

It is now widely recognised and understood that technical qualifications alone do not make successful leaders. Instead, such leaders possess intelligence of another kind. The current left-brain / right brain paradigm credits the left brain with rational ability and analytical thinking and the right brain with intuition and gut feeling. The emphasis on globalisation is obvious in Information Technology industry where knowledge management dominates. As a prerequisite for knowledge management, it is now increasingly becoming clear an organisation has to cater to an individual's emotional and physical needs.

## 2.0 THE EMPIRICAL STUDY

A high performance knowledge based organisational system is a community of dynamic individuals designed to survive and grow against the rigours of emerging global technological and market conditions. The organisation's long life depends on its continuing ability to re-adapt, renew, or reinvest itself organisationally in response to disruptive discontinuities in its environment. It is possible only through its human resources and hence, its people must therefore continually engage in the learning and use of knowledge, in accelerating their decisions, activities and work processes continuously. While business has moved into the dynamic mode people and models still remain at a static/linear mode. This mismatch needs to be resolved to meet the demand for intelligent managers for the 21st century. Again, software industry operates under tremendous pressure and creativity provides the cutting edge of organisational excellence. Higher emotional intelligence of its employees enhances the organisation's competitive ability in the global market. Against this background, the following objectives were set for the study.

- *To identify and locate the existing levels of emotional intelligence in the form of social awareness, self regulation, motivation, empathy and social skills and various form of rigidity patterns of employees of the firm under study.*
- *To undertake the comparative analysis among to employees under study vis-a-vis dimensions of emotional intelligence and rigidity patterns, after the training programme, assuming that these variables are predominantly a function of potential performance programming.*

## 3.0 APPROACH

The emergence of the knowledge industry exemplified by firms like INFOSYS or Wipro also points to the emergence of the knowledge worker. The Indian employees of today are better educated than their predecessors. The model is designed around a very basic premise that "Nature" is the source of all learning, the master trainer and frame of reference against which the person validates his map of his

internal world. The core processes involved in personal growth/business are mapped out using very familiar symbols from nature or the cultural context to facilitate accelerated learning. The big picture of the micro and macro/global creates the necessary orientation and further in depth understanding is brought about in the organizational context of work. The focus is on enhancing the shared areas in terms of organizational goals and values. The organizational relevance of one-ness, harmony, quality and such other basics along with approaches to problem solving are very much amenable to be clarified using very ordinary symbols from daily routine. The one-ness is the quality of one and duality is the quality of two. Duality is division, separation and the origin of problems. Trinity is the quality of three. It is more of completeness, like the three dimensions of the physical world. The concept of trinity is common to predominant religious systems and thus a part of every one's daily life. Employees are oriented to the concept of self-realisation through the concept of "TRINITY". The balance between the physical mental and the spiritual/meaning, within oneself and transcending work to a higher level of self-expression is the purpose of such a reorientation. The model facilitates the process of aligning personal goals with that of the organisation. The result is the capability of the organisation system to behave as an organism to respond to its environment. This model was tested in very diverse situations and also in some domestic companies as a tool to enhance their human competencies.

#### 4.0 METHODOLOGY

It is widely recognised that 'Emotional Intelligence' is the sine quanon of leadership in the new millennium. Creativity provides the cutting edge of organisational excellence for any business firm. It is reflected in the organisation's ability to achieve improvement after improvements and innovate both incrementally and radically in its continuing quest for competitive advantage. The model, Potential Performande Programming (PPP) was put to test among 25 Software Engineers in Technoparle, Trivandrum. Group size was twenty-five, out of which fifteen were post graduate Software Engineers. In this context, a well-structured emotional intelligence scale had been used for the purpose of collecting primary data for the study. Data collection was carried out in two stages viz. during pretraining and post-training sessions i.e., seven days before and after the programme on a regular basis for a period of two years. The various components of emotional intelligence studied were as follows:

- **Self-awareness** – *The ability to recognise and understand one's own moods, emotions, drives, and their effect on others.*
- **Self regulation** – *The ability to control or redirect disruptive impulses or moods.*
- **Motivation** – *A passion to work for reasons beyond cold calculations of money or power and the ability to pursue goals with energy and persistence.*
- **Empathy** – *The ability to put oneself into another's shoes and think from their angle.*
- **Social skill** – *The ability to build rapport with various sections of society and create a network of people.*

Again a well-structured 'Rigidity Scale' designed by Dr. N.K. Chadha (1986) had been used for measuring the rigidity pattern existing among the Engineers. The various dimensions of Rigidity scale studied were as follows.

**A. Intellectual Rigidity**

- (i) Not accepting anything or idea without logical reasoning.
- (ii) Believing in setting high standards for oneself and striving for the best.
- (iii) To have an inclination towards thinking about and discussing intellectual and philosophical matters.
- (iv) To have definite ideas about things.

**B. Emotional Rigidity**

- (i) Lack of emotional reaction even when the situation demands it.
- (ii) To have definite ideas about what type of emotional reactions should be aroused in particular emotional situations.
- (iii) Arousal of similar, unchanged emotional response to stimuli.
- (iv) To exert strict control over one's emotions.

**C. Dispositional Rigidity : (With Respect to Attitudes/Habits)**

- (i) To have very definite and rigid habits and/or ideas about habits of eating, sleeping, reading, dealing with things etc.
- (ii) To be inclined to finish works once started.
- (iii) To hold extreme attitudes (positive or negative) regarding persons, things, problems etc.

**D. Social Rigidity : (With Respect to Society)**

- (i) To find it very difficult to feel comfortable in a social gathering or a new situation.
- (ii) Not developing too many new acquaintances.
- (iii) To have very well defined ideas about society and the social responsibilities of the people.
- (iv) Giving too much importance to friendship.

**E. Behavioural Rigidity : (With Respect to Traditions/Customs)**

- (i) To stick to traditional ways of dressing.
- (ii) To have strict and definite attitude towards Indian traditions and customs.

**F. Perceptual Rigidity**

- (i) Not to accept or believe in anything without seeing a proof supporting it.
- (ii) Generally misperceive something for some other things.
- (iii) Not able to perceive abstract relationship among things and a tendency to stick to obvious relationships.
- (iv) To perceive one's knowledge about things to be always correct.

### G. Creative Rigidity

- (i) To be able to think of a few diverse ideals at a time (lack of fluency).
- (ii) Not able to think about a thing or problem from many different angles.
- (iii) To show stereotype in ideas.

## 5.0 MAJOR FINDINGS AND INTERPRETATION

Emotional intelligence is considered as an important factor which enhances conceptual change, accepts the acquisition of new patterns of behaviour and relinquishes old and established patterns of an individual. Accordingly, higher the score, higher the intelligence along that dimension. Rigidity is a tendency to preserve and resist conceptual change, to resist the acquisition of new patterns of behaviour and to refuse to relinquish old and established patterns (Schaie, 1955). Accordingly, higher the score, higher the rigidity along that dimension. For the purpose of analysis, Mean Scores, Standard Deviation and Coefficient of variation have been calculated. Table 1 to 3 depicts the position of various responses. As shown in the Table 1. Out of Five factors of Emotional Intelligence that we have studied, Empathy scores high. This shows that the job of software engineers are mainly problem solving and after availing the training. They had developed their personality in such a manner that in their life time they are not swayed away by illogical things. As far as other factors such as social awareness, self-regulation, motivation and social skills, the engineers had showed tremendous improvement as evidenced in the Table 1. The overall personality score was also improved from 6.00 to 7.343 after availing the training. Coefficient of correlation has been computed between five factors of emotional intelligence and the details of the analysis in the form of inter-item correlation are presented in Table 2. The high inter-item coefficient of correlation indicates high internal consistency among those items. Finally Table 3 depicts the position of various personality dimensions of Rigidity Scale. Overall personality rigidity during pre-training was 6.326, dropped to 6.123 after availing the training.

## CONCLUSION

The study clearly implies that the nature of their education and training the employee undergo exercise a significant influence in shaping the personality to cater to the requirements of their professions. The model only produces flexible adjusting personalitie who respond well to their changing environments and situations while executing managerial functions. However, a lot more has to be done in terms of improvements and amendments in communication and value setting process, delivery mechanism, and perhaps restructuring authority relationships so as to successfully achieve the objective of producing dynamic, enterprising and responding to socio-economic pressures well-both at national international levels. In the context of software development, creativity of its employees moved the company for being market driven to market driving. The result of the empirical studies proved the fact PPP would enable the software firm to deliver unique and superiors value products to its global customer consistently and continously during the period of the study.



## Exhibit : 1

### A Transformation Matrix For a Better World : Based on the Developmental Philosophy of Management

Preselective	Paradigm of Selfish Gene	Paradigm of Noble Gene Self-realization	Paradigm of Altruistic Gene
Guiding concept	Self-actualization	Self-realization	Self-realization
World view	Utilitarian Utilitarianism & Darwinism	Ecoterian Ecoterianism	Cosmoterian Cosmonism
View of life and values orientation	Materialistic (Artha only) Ego-driven Selfish-interest/Self interests Survival of the fittest or might is right	Ethically guided materialism (Dharma driven Artha) Eco-driven Enlightened Self-interest Empowerment of the weakest	Holistic Development through spirituality & Ethically guided materialism Harmony & Oneness driven Enlightened collective interest (Loksangrah) Protection of the oppressed & Survival of all/live and let live
Development perspective	Uni-dimensional development	Eco sensitive development	Humanistic and holistic development
View point	Mechanistic	Quantum	"Kaun-Tvam"
Gunna concept	Tamas & Rajas	Rajas-sattava	Sattava

**Note :** A detail of this philosophy is explained under [www. Drshajahan.com/selfmanagement-html](http://www.Drshajahan.com/selfmanagement-html). For Exhibit 2 and 3 please visit [www.drshajahan.com/researchanddevelopment-html](http://www.drshajahan.com/researchanddevelopment-html).

Table : 1

#### Position of Responses

Emotional Intelligence Dimensions	Pre-training responses			Post-training responses		
	Mean	S.D.	C.V.	Mean	S.D.	C.V.
A. Self awareness	6.571	1.718	26.14	6.571	1.397	21.26
B. Self regulation	5.286	1.380	26.10	7.143	1.345	18.83
C. Motivaiton	6.714	2.430	36.19	6.429	2.149	18.83
D. Empathy	6.286	1.799	28.62	9.571	2.507	26.19
E. Social Skill	5.143	1.069	20.78	7.000	1.291	18.44
Overall personality rigidity score	6.000			7.343		

**Table : 2****Pearson Correlation Matrix Showing Intra-Item Consistency**

	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>
A	1.000	0.756	0.058	0.971	0.971
B	0.756	1.000	0.697	0.929	0.577
C	0.058	0.697	1.000	0.381	0.184
D	0.945	0.929	0.381	1.000	0.839
E	0.359	0.339	0.911	0.034	0.573

**Table : 3****Position of Responses**

<b>Rigidity Scale Dimension</b>	<b>Pre-Training Responses</b>			<b>Post-Training responses</b>		
	<b>Mean</b>	<b>S.D.</b>	<b>C.V.</b>	<b>Mean</b>	<b>S.D.</b>	<b>C.V.</b>
Intellectual Rigidity (A)	7.000	1.291	18.44	7.000	1.291	18.44
Emotional Rigidity (B)	7.000	2.517	35.95	5.286	1.380	26.10
Dispositional Rigidity (C)	8.286	2.215	26.73	8.286	2.215	26.73
Social Rigidity (D)	7.143	1.345	18.83	7.143	1.345	18.83
Behavioural Rigidity (E)	4.571	1.718	37.58	4.571	1.718	37.58
Perceptual Rigidity (F)	5.429	2.225	40.98	5.429	2.225	40.98
Creative Rigidity (G)	4.857	1.864	38.37	5.143	1.069	20.78
Overall personality rigidity score	6.326			6.123		

Exhibit : 2

Source : Joseph Manuel, SMS, Kerala with permission.

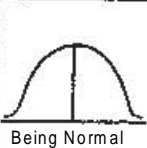

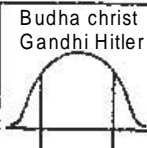
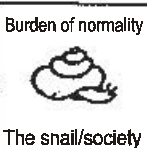

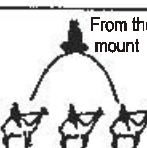

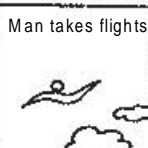
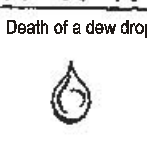
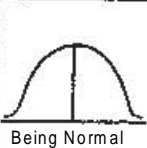

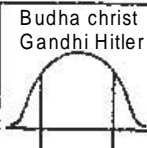
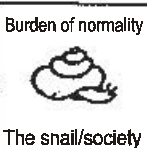

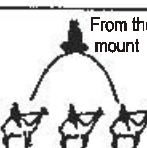

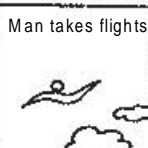
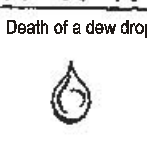
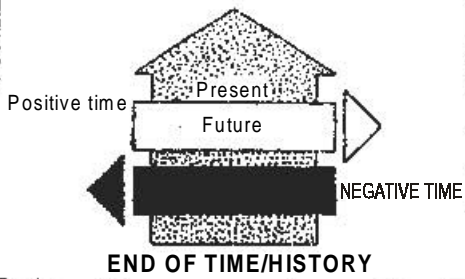
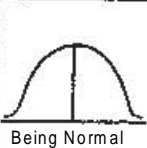

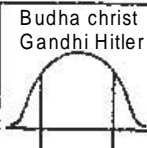
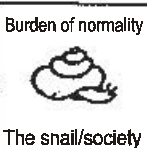

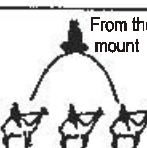

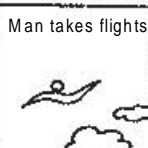
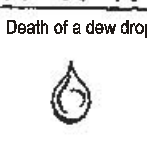















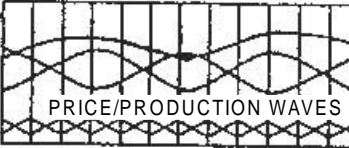
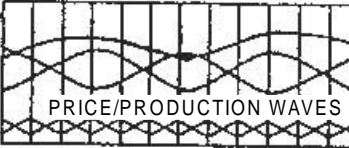



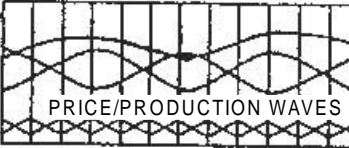
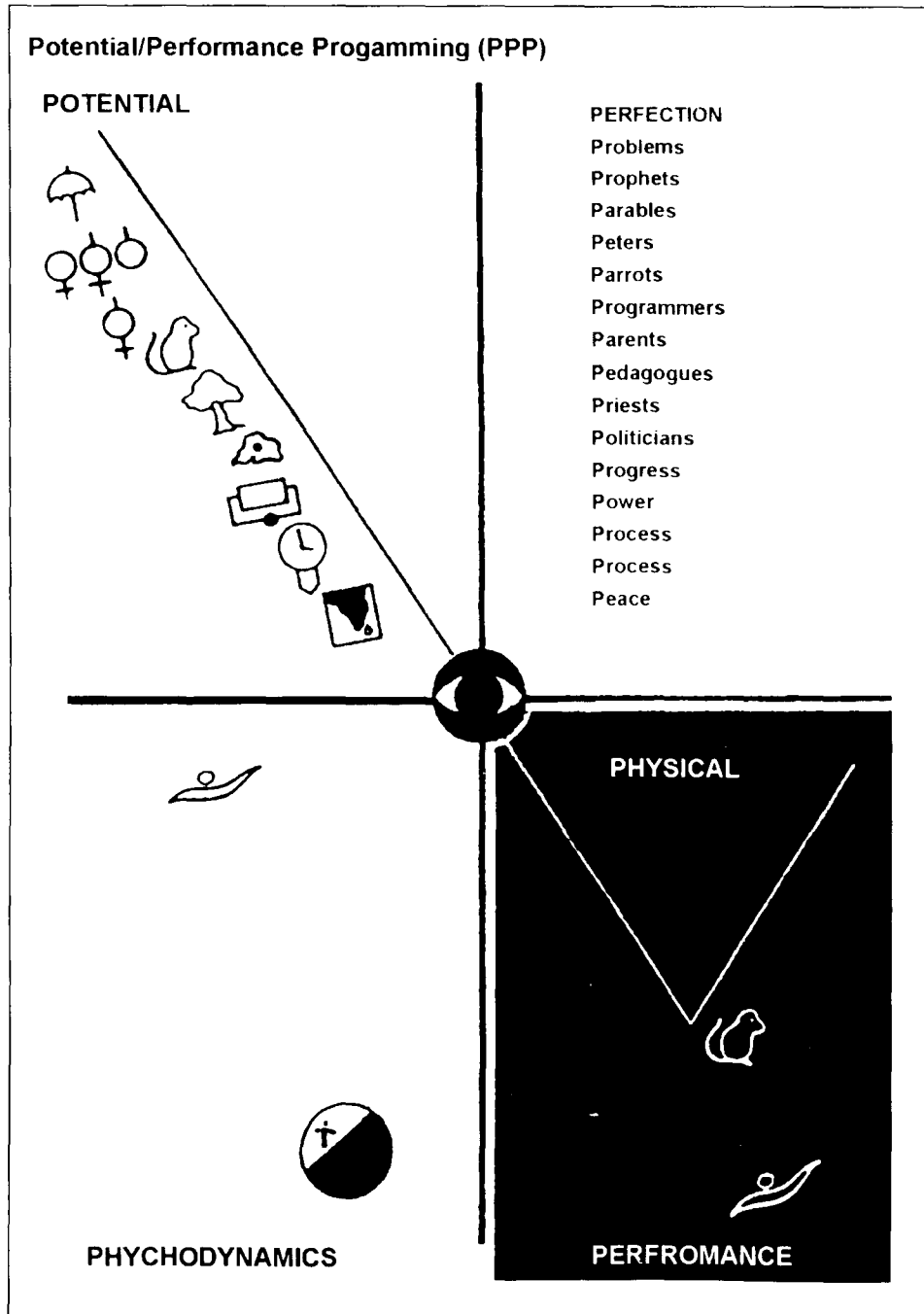
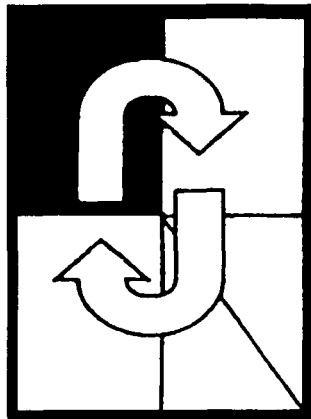
<b>HARMONY</b>		<b>SELF MANAGEMENT FRAMEWORKS</b>												
Happiness	Being Tuned	Self-management frameworks			There more than what meets the eye									
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Burden of normality 	Progress 	From the mount 												
The eagle 	Man takes flights 	Death of a dew drop 												
<b>THREE/TRINITY/REALITY</b>		<b>DEVELOPMENT MANAGEMENT</b>			<b>MAN/WOMAN/ARDHANREESWARA</b>									
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THREE OF LIFE 	SYMBOLS 	MEN WOMEN OCCULT MAGIC MYETICISUM MIRACLES MYTHOLOGY MAHAGENCHS												
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SELF 	MIND 	MIND Enlightened 												
 PRICE/PRODUCTION WAVES GLOBAL NEWTORKS MARKETS														
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">NEGATIVES NIGHTS DARKNESS PHYSICAL BLACK IGNORANCES</td> <td style="text-align: center;">POSITIVES DAY LIGHT NCN PHYSICAL WHITE KNOWLEDGE</td> </tr> </table>		NEGATIVES NIGHTS DARKNESS PHYSICAL BLACK IGNORANCES	POSITIVES DAY LIGHT NCN PHYSICAL WHITE KNOWLEDGE	<b>OF WAVES FLOWS. CYCLES AND THE POOR/RICH</b>			<b>NATURE : THE SOURCE</b>							
NEGATIVES NIGHTS DARKNESS PHYSICAL BLACK IGNORANCES	POSITIVES DAY LIGHT NCN PHYSICAL WHITE KNOWLEDGE													

Exhibit : 3



Source : Joseph Manual, SMS, Kerala with permission.

**Exhibit : 4**

**Potential/Performance  
Programming**

Dynamic modeling and programming of organizations for continuous improvement in performance starting with individuals, to groups and the total organizational network. Potential/performance programming. The gap between potential and performance is the waste in the system. This sets the direction for the journey, individual, organization and societal. Progress is when such movement to higher levels of potential is sustained. There exists a natural, hierarchical progression from the lower to the higher levels of potential is sustained. There exists a natural, hierarchical progression from the lower to the higher level systems. The complexity as well as potential increases and also the need for variety reduction.

- Change the ideas in a society, the society changes.
- The role of the individual is central to the process.
- Ideas are the software of the mind

The best is better left unsaid, unwritten

– **Gregory Bateson**

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